

Kimberly-Clark Introduces Ambitious Sustainability Strategy for a Decisive Decade

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The company announces new social impact commitment to reach 1 billion people, and goals to halve its environmental footprint in key areas by 2030

DALLAS, July 8, 2020 /PRNewswire/ -- <u>Kimberly-Clark</u> has announced its new 2030 <u>sustainability strategy</u> and goals, aimed at addressing the social and environmental challenges of the next decade with commitments to improve the lives and wellbeing of one billion people in underserved communities around the world with the smallest environmental footprint.



"These extraordinary times remind us why our purpose is more important than ever. Our values, that have guided us for nearly 150 years, will continue to shape our response to the challenges ahead," said **Mike Hsu, Chairman and CEO, Kimberly-Clark**. "I am inspired by our ambition to advance the well-being of one billion people around the world and proud of the significant environmental commitments that we are making to address the impact our products have on the environment."

The ambitious strategy is outlined in the company's 2019 Global Sustainability Report, which reflects progress towards the company's Sustainability 2022 strategy and its pivot to 2030.

"It's great to see Kimberly-Clark setting such an ambitious new social goal to 2030," said **Sally Uren, Chief Executive, Forum for the Future**. "There is also no doubt that we have entered a decade where decisive action will be critical if we hope to survive and thrive through the next century and beyond. It's exciting to see such strong focus on human well-being, from a business with so many touchpoints with our health. Achieving such goals while protecting natural systems will not be easy, but delivery of these ambitions will help transform the systems we rely on today and allow future generations to flourish."

Trusted Brands at the Leading Edge of Social Impact

Kimberly-Clark and its trusted brands, including Huggies[®], Kleenex[®], Andrex[®], Cottonelle[®], Scott[®], Kotex[®] and Depend[®], deliver essentials for a better life to one quarter of the world's population every day. Yet millions around the world still lack access to basic products and solutions that could dramatically improve their quality of life – either because they can't access or afford them, or because of associated social stigmas. Meeting these unmet societal needs is the foundation for our new ten-year commitment – to advance the well-being of one billion people in vulnerable and underserved communities.

The new goal will create positive social outcomes by creating shared value in three areas:

- Caring for the health and well-being of people at all stages of life;
- Challenging stigmas and championing the progress of women everywhere; and
- Championing a world where all enjoy access to clean water and sanitation.

"We make lives better when we break down barriers and create opportunities with our purpose-driven brands and products," said **Alison Lewis, Chief Growth Officer for Kimberly-Clark**. "To reach a billion people is certainly an ambitious goal that requires a significant step change from our previous efforts, and we are ready to take it on."

Safeguarding Natural Systems

Kimberly-Clark understands that a strong and enduring focus on the <u>smallest environmental footprint</u> is just as essential to helping people live a better life. To that end, the company is focused on the areas where it can make the biggest difference – climate, forests, water and plastics.

"Kimberly-Clark's success is dependent on innovating new ways to give consumers the essentials they need while safeguarding natural systems and the life they support," said **Lisa Morden**, **Vice President of Safety, Sustainability and Occupational Health, Kimberly-Clark**. "That means eliminating waste and recovering resources; protecting forests of high carbon, biodiversity, and cultural value; cutting greenhouse gas emissions in line with climate science; and building strong water stewardship practices where it matters most."

Each area of the new environmental strategy aims to reduce the footprint by half:

- Carbon Footprint As previously announced, the company is committed to reduce the <u>carbon footprint</u> of its operations and supply chain by 50 percent for absolute Scope 1 and Scope 2 GHG emissions (direct and indirect) from its operations, as well as a 20 percent reduction in absolute Scope 3 GHG emissions from purchased goods and services and end of life treatment of sold products. Both targets are based on a new 2015 base year. These targets have been approved by the <u>Science Based Targets initiative</u> (SBTi) and are aligned with the goals of the Paris Climate Agreement.
- Forest Footprint Kimberly-Clark will continue its previously stated goal to reduce its Natural (Northern) Forest Fiber footprint by 50 percent by 2025 and increase our use of environmentally preferred fibers such as plantation-grown wood, alternative non-wood and recycled fibers. In addition, the company's 2030 goals will tackle the challenges posed by climate change and biodiversity loss, and the impact on Indigenous communities, and communities that depend on forests for their livelihoods.
- Water Footprint By 2030, Kimberly-Clark intends to reduce its <u>water footprint</u> by 50 percent in water stressed regions by creating meaningful improvements in the supply chain and the surrounding communities. The impact of water insecurity and water scarcity is felt across the value chain, from the sources of fiber to the manufacturing facilities.
- Plastics Footprint Kimberly-Clark will reduce its use of new, fossil-fuel based <u>plastics</u> by 50 percent through delivery of solutions that use more renewable materials and can be regenerated after use. The strategy builds on the company's previous leadership in manufacturing waste diversion to tackle single-use plastics in its products and packaging, and support innovation in waste collection and circular systems.

"Kimberly-Clark's continued commitment to doing the right thing underpins our social impact and smallest footprint ambitions," added Morden. "Living our purpose begins with ensuring the health and safety of our customers, consumers, and employees, promoting diversity and inclusion within our business, and protecting the rights of workers across our supply chain. These are essential to our ambitions."

2019 Sustainability Report

In 2019, Kimberly-Clark achieved a number of notable environmental and social objectives as part of the company's Sustainability 2022 strategy, including:

- Celebrating five years of the "<u>Toilets Change Lives</u>" program, which has improved access to sanitation for nearly four million people in need;
- Expanding Huggies' "No Baby Unhugged" initiative into Latin America, growing its potential global impact by nearly two million babies and young children across 16 countries;
- <u>Combatting stigmas and period poverty</u> by providing menstrual hygiene education and donations of 11.8 million period products to those in need;
- Achieving a 34.7 percent reduction in Scope 1 & 2 GHG emissions (vs. 2005 baseline), on track to achieve its previously announced 40 percent reduction target by 2022;
- Reducing its natural forests footprint by 31 percent (vs. 2011 baseline) and its water footprint in water-stressed areas by 28.9 percent (vs. 2015 baseline).
- Launching new waste-reduction initiatives that helped Kimberly-Clark divert 96 percent of its manufacturing waste and 26,300 metric tons of product and packaging waste to value-adding alternatives.

Kimberly-Clark's 2019 Global Sustainability Report outlines its 2019 results in detail and is organized and presented in accordance with the **Global Reporting Initiative** (GRI) Sustainability Reporting Standards. In addition, the report provides the company's first disclosures against the **Sustainability Accounting Standards Board** (SASB) and **Task Force on Climate-related Financial Disclosures** (TCFD) frameworks. In the coming years, the company plans to further evolve its management and reporting practices to better meet the needs of the investment community using these frameworks.

About Kimberly-Clark

Kimberly-Clark (NYSE: KMB) and its trusted brands are an indispensable part of life for people in more than 175 countries. Fueled by ingenuity, creativity, and an understanding of people's most essential needs, we create products that help individuals experience more of what's important to them. Our portfolio of brands, including Huggies, Kleenex, Scott, Kotex, Cottonelle, Poise, Depend, Andrex, Pull-Ups, GoodNites, Intimus, Neve, Plenitud, Viva and WypAll, hold the No. 1 or No. 2 share position in 80 countries. We use sustainable practices that support a healthy planet, build stronger communities, and ensure our business thrives for decades to come. To keep up with the latest news and to learn more about the company's 148-year history of innovation, visit kimberly-clark.com or follow us on Facebook or Twitter.

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