



# Bernstein Strategic Decisions Conference

May 30, 2019



**HUGGIES**

*Kleenex*



Cottonelle



**Viva**



*Poise*



**WYPALL**  
BRAND

# Reminders

## Forward-Looking Information

Certain matters in this presentation, including our 2019 outlook, expectations and planning assumptions, and any estimates, projections, and statements relating to our business plans or objectives, constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the company. These statements are subject to risks and uncertainties, including currency rates and exchange risks, including in Argentina, cost savings and reductions, raw material, energy, and other input costs, competition, customer relationships, market demand and economic and political conditions, effective tax rate, the anticipated cost savings from the company's FORCE program, charges and savings from the 2018 Global Restructuring Program, and contingencies. There can be no assurance that these future events will occur as anticipated or that the company's results will be as estimated. Forward-looking statements and guidance speak only as of the date they were made, and we undertake no obligation to publicly update them. For a more complete listing and description of other factors that could cause the company's future results to differ materially from those expressed in any such forward-looking statements, see Item 1A of the company's Annual Report on Form 10-K for the year ended December 31, 2018 entitled "Risk Factors."

## Non-GAAP Financial Measures

This presentation contains some financial measures that have been adjusted to exclude certain items and differ from reported results using Generally Accepted Accounting Principles (GAAP). Management believes that reporting in this manner enhances investors' understanding and analysis of the company's performance. For additional information on why we make these adjustments and reconciliations to comparable measures under GAAP, see the supplemental information for this presentation posted to the Investors section of our website ([www.kimberly-clark.com/investors](http://www.kimberly-clark.com/investors)). This presentation also includes information on organic net sales, which describes the impact of changes in volume, net selling prices and product mix on net sales. Changes in foreign currency exchange rates and acquisitions and divestitures also impact the year-over-year change in net sales.



# Kimberly-Clark Highlights

- \$18 billion global company founded in 1872
- Strong global brands, including five billion-dollar brands:



- Products used by one-quarter of world's population
- Strong legacy of innovation – created 5 of the 8 major product categories in which we compete
- Products sold in more than 175 countries
- #1 or #2 position in 80 countries

# K-C Strategy 2022





# K-C Strategy 2022: Growth



## Grow Portfolio of Iconic Brands

in-line with, or slightly ahead of categories

Sharpen and increase focus on the consumer to better meet their needs

- Accelerate commercial capabilities

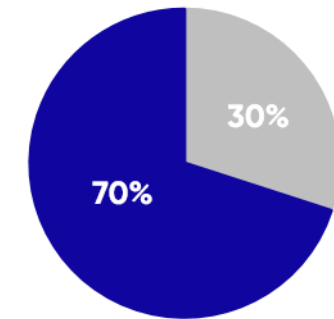
Three consumer-centric growth pillars:

1. Elevate core businesses
2. Accelerate growth in D&E markets
3. Drive digital marketing and e-commerce

# Elevate Core Businesses

- Insight-driven innovation
- Integrated and category-building marketing
- Revenue management
- In-store execution

2018 K-C  
NET SALES



■ Core\*  
■ D&E Markets

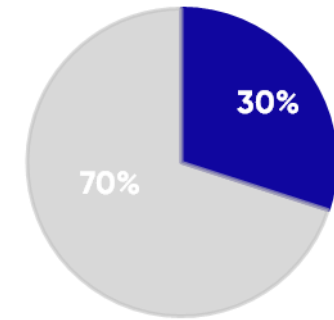


\* North America plus developed markets outside of North America

# Accelerate Growth in D&E Markets

- Strong long-term track record
- Largest growth opportunity – low category penetration/frequency of usage
- Emphasis on Personal Care, K-C Professional
- Priority markets - Latin America, China, Eastern Europe, ASEAN
  - Early stage markets: India and Africa

2018 K-C  
NET SALES



Core  
D&E Markets



# Illustrating the Diaper Opportunity in D&E Markets

- Attractive long-term dynamics
  - ~90% of global births are in D&E markets
  - Middle class expansion
  - Frequency of usage increases
- Significant category growth potential
- Innovation, brand strength critical to winning
- Investing to accelerate growth

	ANNUAL BIRTHS (M)	CURRENT CATEGORY SIZE (B)	AT U.S. SPENDING RATE (B)
U.S.	4	\$6	
China	15	\$9	➔ \$23
India	25	\$1	➔ \$38
Africa	42	\$3	➔ \$63
Global	138	\$46	+>\$100

Births and current category size per Euromonitor; category size includes diapers and pants



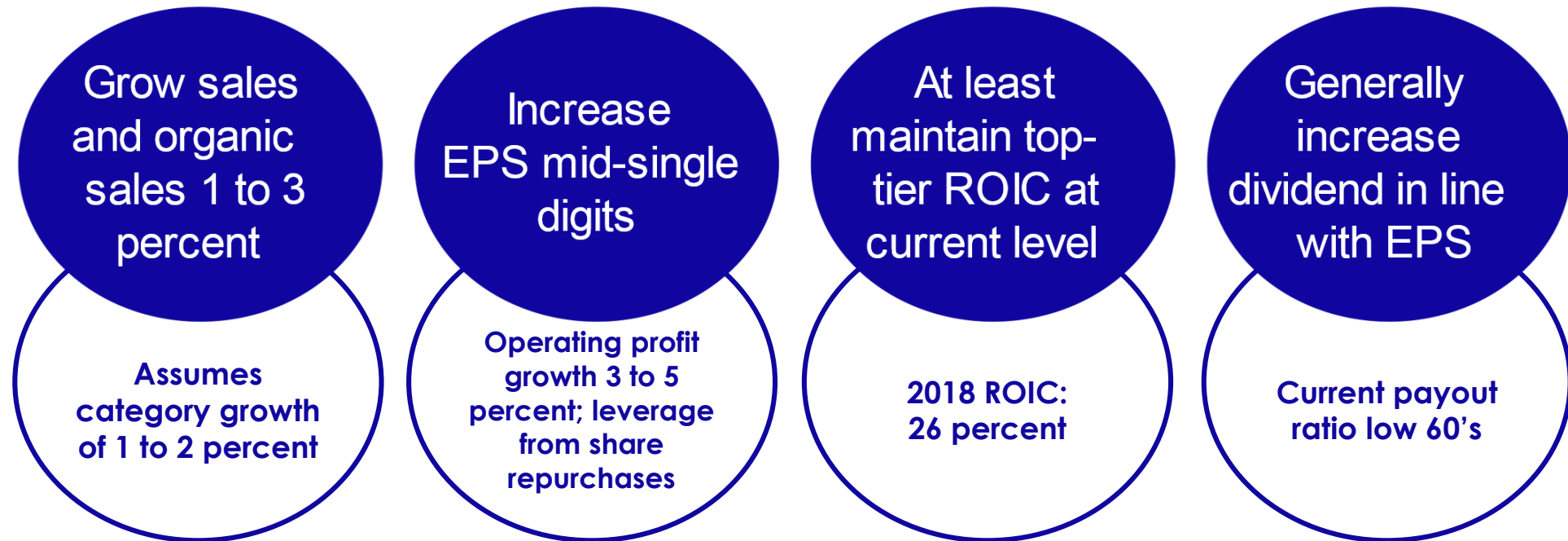
# Drive Digital Marketing and E-Commerce

- Build one-to-one consumer relationships
  - Invest more in digital marketing
  - Deploy targeted and data-driven marketing
  - Improves consumer engagement, loyalty, ROI
- E-commerce channel growing double-digits
  - About 10 percent of company revenue
  - Healthy online market shares
  - Products well positioned for e-commerce, critical to customers



# K-C Strategy 2022

## Medium-Term Financial Objectives



NOTE: EPS, profit and ROIC are adjusted



## Q&A



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