Investor Presentation

Financial Information
as of December 31, 2020

Kimberly-Clark.com
Highlights

• $19 billion global company founded in 1872
• Strong global brands, including five billion-dollar brands:
  ![Brands](image)
• 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
Our Values

AUTHENTIC
Our heritage is one of honesty, integrity and doing the right thing

ACCOUNTABLE
We take ownership for our business and our future

INNOVATIVE
Our commitment is to new ideas that add value

CARING
We respect each other and care for the communities where we live and work
Sustainability Strategy 2030

Advance the well-being of one billion people

Reduce our environmental footprint by half
Three Global Segments

**Personal Care**
- Diapers
- Training/Youth/Swim Pants
- Baby Wipes
- Feminine Care
- Incontinence Care

$9.3 billion

**Consumer Tissue**
- Bathroom Tissue
- Facial Tissue
- Paper Towels

$6.7 billion

**K-C Professional (KCP)**
- Facial Tissue, Bathroom Tissue and Paper Towels for away-from-home use
- Wipers
- PPE and Safety Products

$3.0 billion

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Operating profit and margin exclude corporate and other (income) and expense, net.
Geographic Breakdown

2020 NET SALES
- North America: 54%
- Outside North America: 46%

2020 OPERATING PROFIT
- North America: 69%
- Outside North America: 31%

2020 OPERATING MARGIN
- North America: 26%
- Outside North America: 14%

Operating profit and margin exclude corporate and other (income) and expense, net.
K-C Strategy 2022

- Introduced in January 2019 as we look ahead to our 150-year anniversary in 2022
- Plan to deliver balanced and sustainable growth and create shareholder value in continued challenging environment
K-C Strategy 2022
Medium-Term Financial Objectives

- Appropriate medium-term objectives in current environment
- Longer-term, significant optimism about potential of our categories and our business

**Grow sales and organic sales 1 to 3 percent**
Assumes category growth of 1 to 2 percent

**Increase EPS mid-single digits**
Operating profit growth 3 to 5 percent; leverage from share repurchases

**At least maintain top-tier ROIC**
Baseline ROIC (2018): 26 percent

**Generally increase dividend in line with EPS**
Current payout ratio mid-50’s percent

NOTE: EPS, profit, ROIC and payout ratio are adjusted
## Recent Financial Performance

<table>
<thead>
<tr>
<th></th>
<th>NET SALES</th>
<th>ORGANIC SALES</th>
<th>ADJUSTED OPERATING PROFIT</th>
<th>ADJUSTED EPS</th>
<th>ADJUSTED ROIC</th>
<th>DIVIDEND</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>4%</td>
<td>+6%</td>
<td>+9%</td>
<td>+12%</td>
<td>+30 bps</td>
<td>+4%</td>
</tr>
<tr>
<td>2019</td>
<td>0%</td>
<td>+4%</td>
<td>+5%</td>
<td>+4%</td>
<td>+70 bps</td>
<td>+3%</td>
</tr>
<tr>
<td>2018</td>
<td>+1%</td>
<td>+1%</td>
<td>(7%)</td>
<td>+6%</td>
<td>+240 bps</td>
<td>+3%</td>
</tr>
</tbody>
</table>
K-C Strategy 2022: Growth

Key growth pillars
- Elevate core businesses
- Accelerate growth in D&E markets

Accelerate and invest in commercial capabilities
- Revenue growth management
- Consumer-inspired innovation
- Digital marketing
- In-market execution
Elevate Core Businesses

• Premiumize with value-added innovations
• Leverage commercial capabilities
• Drive category development opportunities

2020 K-C NET SALES

73% 27%

- Core*
- D&E Markets

* North America plus developed markets outside of North America
Pursuing New Growth Opportunities

Consumer Products

K-C Professional
### Core Businesses: Recent Performance

<table>
<thead>
<tr>
<th>ORGANIC SALES GROWTH</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America – Consumer Products</td>
<td>+1%</td>
<td>+3%</td>
<td>+10%</td>
</tr>
<tr>
<td>North America – K-C Professional</td>
<td>+3%</td>
<td>+3%</td>
<td>(5%)</td>
</tr>
<tr>
<td>Developed Markets – Outside North America</td>
<td>+1%</td>
<td>+1%</td>
<td>+6%</td>
</tr>
</tbody>
</table>
Accelerate Growth in D&E Markets

- Strong long-term track record
- Largest growth opportunity
  - Category penetration/frequency of usage
  - Category/geographic whitespace
- Emphasis on Personal Care
- Priority markets - Latin America, China, Eastern Europe, ASEAN
  - Early stage markets: India and Africa

<table>
<thead>
<tr>
<th>PERSONAL CARE D&amp;E ORGANIC SALES GROWTH</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2%</td>
<td>8%</td>
<td>6%</td>
</tr>
</tbody>
</table>

*EMEA, Latin America and Asia-Pacific excluding Western/Central Europe, Australia and South Korea*
Softex Indonesia Acquisition

• Acquisition closed October 1, 2020
• Compelling strategic fit, significantly expands presence in important, high growth market
• Annual sales of more than $400 million – primarily diapers
• Double-digit historical growth rate
• Strong market positions
• Improves our underlying growth prospects
The Diaper Opportunity in D&E Markets

Today in D&E:

- >90% of global births
- $31B category
- ~15% of U.S. spend/baby
- $101B at 50% U.S. spend rate
- $67B at 33% U.S. spend rate

Growth drivers

- Rising GDP per capita
- Increasing frequency of usage
- Investing in brands, products, capabilities, geographies

Births and current category size per Euromonitor; category size includes diapers and pants
Adult Care and Feminine Care in D&E Markets

- Driving category development
- Leveraging well-known brands
- Launching steady stream of innovations
- Deploying strong marketing campaigns

<table>
<thead>
<tr>
<th>D&amp;E ORGANIC SALES GROWTH</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Care</td>
<td>12%</td>
<td>16%</td>
<td>8%</td>
</tr>
<tr>
<td>Feminine Care</td>
<td>7%</td>
<td>12%</td>
<td>10%</td>
</tr>
</tbody>
</table>
Accelerating Advertising Investments

• Digital focus
• Support innovation launches
• Brand equity building
• Market share benefits

<table>
<thead>
<tr>
<th>Year</th>
<th>Advertising % of Net Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3.5%</td>
</tr>
<tr>
<td>2019</td>
<td>4.1%</td>
</tr>
<tr>
<td>2020</td>
<td>5.0%</td>
</tr>
</tbody>
</table>
K-C Strategy 2022: Cost / Financial Discipline

Strong legacy to build upon

Key focus areas:

1. Drive ongoing supply chain productivity (FORCE)
2. Execute 2018 Global Restructuring Program
3. Control discretionary spending
4. Drive down working capital
5. Maintain top-tier ROIC
Supply Chain Productivity – FORCE
Focused On Reducing Costs Everywhere

• Ongoing program
  − Generated $3.5 billion of savings in last 10 years

• End-to-end supply chain focus leveraging global organization
  − Manufacturing productivity
  − Product design
  − Procurement
  − Distribution network

• Expect significant savings going forward
  − 2021 target: $280 to $320 million
2018 Global Restructuring Program

• Biggest restructuring in our history

• Launched in January 2018, charges through 2021

• Streamline overhead organization and manufacturing supply chain
  – Better leverage scale and technology
  – More standardized manufacturing platforms to enable innovation

• Exit or divest lower margin businesses, ~1 percent of sales

• Expect annual savings of $540 to $560 million by end of 2021
  – More flexibility to invest and improve margins
2018 Global Restructuring: Update

<table>
<thead>
<tr>
<th></th>
<th>End-Point</th>
<th>Through 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Tax Charges</td>
<td>$2.0 – 2.1B</td>
<td>$1.8B</td>
</tr>
<tr>
<td>Savings</td>
<td>$540 – 560M</td>
<td>$420M</td>
</tr>
<tr>
<td>Manufacturing Facility Reductions</td>
<td>~10</td>
<td>10 announced (taken action on 8)</td>
</tr>
</tbody>
</table>

- Excellent progress
- S,G&A savings mostly realized
- Supply chain activities continue
Between-the-Lines Spending

- Long track record of efficient S,G&A spending
- 2018 Global Restructuring Program lowering overhead spending
- Making investments to improve commercial capabilities
  - Particularly digital (~70 percent of media mix)

BETWEEN-THE-LINES SPENDING* (% of Net Sales)

*Adjusted. Between-the-lines spending defined as marketing, research and general expenses between gross profit and operating profit.
Working Capital and ROIC

**Working capital**
- Global supply chain initiatives
- Cash conversion cycle 3 days in 2020
  - Down 19 days versus 2016

**ROIC**
- Improved 400 basis points since 2016
K-C Strategy 2022: Capital Allocation

Value-creating capital allocation

• Disciplined capital spending
• Pay top-tier dividend
• Evaluate M&A, with bias for tuck-in transactions in existing categories
• Allocate excess cash flow to share repurchases
Strong Cash Generation

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Provided by Operations</th>
<th>Free Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2.1</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$1.5</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>$2.5</td>
<td></td>
</tr>
</tbody>
</table>

10-Year Totals

- **$29B** Cash Provided by Operations
- **$19B** Free Cash Flow

*Free Cash Flow is Cash Provided by Operations minus Capital Spending*
Returning Cash to Shareholders

- **87 YEARS** of dividend payments
- **49 YEARS** of dividend increases
- **$23+ BILLION** cash to shareholders last 10 years

Dividend Per Share (declared)

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$2.80</td>
</tr>
<tr>
<td>2012</td>
<td>$2.80</td>
</tr>
<tr>
<td>2013</td>
<td>$2.80</td>
</tr>
<tr>
<td>2014</td>
<td>$2.80</td>
</tr>
<tr>
<td>2015</td>
<td>$2.80</td>
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<tr>
<td>2016</td>
<td>$2.80</td>
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<tr>
<td>2017</td>
<td>$2.80</td>
</tr>
<tr>
<td>2018</td>
<td>$2.80</td>
</tr>
<tr>
<td>2019</td>
<td>$4.28</td>
</tr>
<tr>
<td>2020</td>
<td>$4.28</td>
</tr>
</tbody>
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*CAGR +5% includes dividends and share repurchases from 2011 to 2020*
Dividends and Share Repurchases

Dividends
• Top-tier dividend in CPG industry
• Announced 6.5 percent increase for 2021 dividend

Share Repurchases
• Strong track record of reducing share count
  – Down 17 percent in the last 10 years
• Targeting $650 to $750 million in 2021
Total Shareholder Returns: 10 Year

- Kimberly-Clark: 211%
- S&P 500: 267%
- S&P Consumer Staples Index: 205%

As of December 31, 2020
Forward-Looking Information

Certain matters in this presentation, including our 2021 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. Many factors outside our control, including pandemics (including the ongoing COVID-19 outbreak), epidemics, fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs, general economic and political conditions globally and in the markets in which we do business, as well as our ability to maintain key customer relationships and to realize the expected benefits and synergies of the Softex Indonesia acquisition, could affect the realization of these estimates. 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 speak only as of the date they were made, and we undertake no obligation to publicly update them. For a description of certain factors that could cause the company’s future results to differ from those expressed in any such forward-looking statements, see Item 1A entitled “Risk Factors” in the company’s Annual Report on Form 10-K for the year ended December 31, 2020.

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) including adjusted operating profit, adjusted earnings per share and adjusted return on invested capital (ROIC). 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 posted to the Investors section of our website (www.kimberly-clark.com/investors). This presentation also contains other measures including free cash flow, defined as cash provided by operations minus capital spending, and 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, acquisitions and exited businesses also impact the year-over-year change in net sales.