

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 31, 2020
OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission file number 1-225



KIMBERLY CLARK CORPORATON
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

39-0394230
(I.R.S. Employer
Identification No.)

P.O. Box 619100
Dallas, TX
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	KMB	New York Stock Exchange
0.625% Notes due 2024	KMB24	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of April 15, 2020, there were 340,547,119 shares of the Corporation's common stock outstanding.

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENTS

(Unaudited)

(Millions of dollars, except per share amounts)	Three Months Ended March 31	
	2020	2019
Net Sales	\$ 5,009	\$ 4,633
Cost of products sold	3,218	3,205
Gross Profit	1,791	1,428
Marketing, research and general expenses	873	769
Other (income) and expense, net	14	4
Operating Profit	904	655
Nonoperating expense	(11)	(11)
Interest income	2	3
Interest expense	(61)	(65)
Income Before Income Taxes and Equity Interests	834	582
Provision for income taxes	(197)	(143)
Income Before Equity Interests	637	439
Share of net income of equity companies	38	27
Net Income	675	466
Net income attributable to noncontrolling interests	(15)	(12)
Net Income Attributable to Kimberly-Clark Corporation	\$ 660	\$ 454
Per Share Basis		
Net Income Attributable to Kimberly-Clark Corporation		
Basic	\$ 1.93	\$ 1.32
Diluted	\$ 1.92	\$ 1.31

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended March 31	
	2020	2019
Net Income	\$ 675	\$ 466
Other Comprehensive Income (Loss), Net of Tax		
Unrealized currency translation adjustments	(399)	26
Employee postretirement benefits	34	(4)
Other	32	(17)
Total Other Comprehensive Income (Loss), Net of Tax	(333)	5
Comprehensive Income	342	471
Comprehensive (income) loss attributable to noncontrolling interests	(3)	(7)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 339	\$ 464

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(2020 Data is Unaudited)

(Millions of dollars)	March 31, 2020	December 31, 2019
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 979	\$ 442
Accounts receivable, net	2,519	2,263
Inventories	1,539	1,790
Other current assets	609	562
Total Current Assets	5,646	5,057
Property, Plant and Equipment, Net	7,226	7,450
Investments in Equity Companies	314	268
Goodwill	1,361	1,467
Other Assets	1,130	1,041
TOTAL ASSETS	\$ 15,677	\$ 15,283
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 1,238	\$ 1,534
Trade accounts payable	2,876	3,055
Accrued expenses and other current liabilities	2,008	1,978
Dividends payable	361	352
Total Current Liabilities	6,483	6,919
Long-Term Debt	7,210	6,213
Noncurrent Employee Benefits	859	897
Deferred Income Taxes	512	511
Other Liabilities	538	520
Redeemable Preferred Securities of Subsidiaries	29	29
Stockholders' Equity		
Kimberly-Clark Corporation		
Preferred stock - no par value - authorized 20.0 million shares, none issued	—	—
Common stock - \$1.25 par value - authorized 1.2 billion shares; issued 378.6 million shares at March 31, 2020 and December 31, 2019	473	473
Additional paid-in capital	559	556
Common stock held in treasury, at cost - 37.8 and 37.1 million shares at March 31, 2020 and December 31, 2019, respectively	(4,562)	(4,454)
Retained earnings	6,978	6,686
Accumulated other comprehensive income (loss)	(3,615)	(3,294)
Total Kimberly-Clark Corporation Stockholders' Equity	(167)	(33)
Noncontrolling Interests	213	227
Total Stockholders' Equity	46	194
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 15,677	\$ 15,283

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

(Millions of dollars, shares in thousands, except per share amounts)	Three Months Ended March 31, 2020								
	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount		Shares	Amount				
Balance at December 31, 2019	378,597	\$ 473	\$ 556	37,149	\$ (4,454)	\$ 6,686	\$ (3,294)	\$ 227	\$ 194
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	660	—	14	674
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	(321)	(12)	(333)
Stock-based awards exercised or vested	—	—	(14)	(1,065)	121	—	—	—	107
Shares repurchased	—	—	—	1,677	(229)	—	—	—	(229)
Recognition of stock-based compensation	—	—	15	—	—	—	—	—	15
Dividends declared (\$1.07 per share)	—	—	—	—	—	(365)	—	(17)	(382)
Other	—	—	2	—	—	(3)	—	1	—
Balance at March 31, 2020	<u>378,597</u>	<u>\$ 473</u>	<u>\$ 559</u>	<u>37,761</u>	<u>\$ (4,562)</u>	<u>\$ 6,978</u>	<u>\$ (3,615)</u>	<u>\$ 213</u>	<u>\$ 46</u>

(Millions of dollars, shares in thousands, except per share amounts)	Three Months Ended March 31, 2019								
	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount		Shares	Amount				
Balance at December 31, 2018	378,597	\$ 473	\$ 548	33,635	\$ (3,956)	\$ 5,947	\$ (3,299)	\$ 241	\$ (46)
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	454	—	11	465
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	10	(5)	5
Stock-based awards exercised or vested	—	—	(27)	(487)	55	—	—	—	28
Shares repurchased	—	—	—	1,509	(174)	—	—	—	(174)
Recognition of stock-based compensation	—	—	17	—	—	—	—	—	17
Dividends declared (\$1.03 per share)	—	—	—	—	—	(354)	—	(24)	(378)
Other	—	—	—	—	—	1	—	—	1
Balance at March 31, 2019	<u>378,597</u>	<u>\$ 473</u>	<u>\$ 538</u>	<u>34,657</u>	<u>\$ (4,075)</u>	<u>\$ 6,048</u>	<u>\$ (3,289)</u>	<u>\$ 223</u>	<u>\$ (82)</u>

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS
(Unaudited)

(Millions of dollars)	Three Months Ended March 31	
	2020	2019
Operating Activities		
Net income	\$ 675	\$ 466
Depreciation and amortization	213	234
Stock-based compensation	15	16
Deferred income taxes	(9)	11
Net (gains) losses on asset dispositions	7	6
Equity companies' earnings (in excess of) less than dividends paid	(38)	(27)
Operating working capital	(144)	(375)
Postretirement benefits	(14)	(12)
Other	(1)	(2)
Cash Provided by Operations	704	317
Investing Activities		
Capital spending	(352)	(316)
Investments in time deposits	(105)	(80)
Maturities of time deposits	96	72
Other	2	—
Cash Used for Investing	(359)	(324)
Financing Activities		
Cash dividends paid	(357)	(345)
Change in short-term debt	(282)	851
Debt proceeds	1,241	—
Debt repayments	(252)	(402)
Proceeds from exercise of stock options	108	26
Acquisitions of common stock for the treasury	(214)	(164)
Other	(24)	(8)
Cash Used for Financing	220	(42)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(28)	1
Change in Cash and Cash Equivalents	537	(48)
Cash and Cash Equivalents - Beginning of Period	442	539
Cash and Cash Equivalents - End of Period	\$ 979	\$ 491

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Accounting Policies

Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

For further information, refer to the consolidated financial statements and footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2019. The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Highly Inflationary Accounting in Argentina

GAAP guidance requires the use of highly inflationary accounting for countries whose cumulative three-year inflation exceeds 100 percent. In the second quarter of 2018, published inflation indices indicated that the three-year cumulative inflation in Argentina exceeded 100 percent, and as of July 1, 2018, we elected to adopt highly inflationary accounting for our subsidiaries in Argentina ("K-C Argentina"). Under highly inflationary accounting, K-C Argentina's functional currency became the U.S. dollar, and its income statement and balance sheet have been measured in U.S. dollars using both current and historical rates of exchange. The effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in Other (income) and expense, net and was not material. As of March 31, 2020, K-C Argentina had a small net peso monetary position. Net sales of K-C Argentina were approximately 1 percent of our consolidated net sales for the three months ended March 31, 2020 and 2019.

Recently Adopted Accounting Standards

The Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40)*. The new guidance reduces complexity for the accounting for costs of implementing a cloud computing service arrangement and aligns the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal use software license). We adopted this standard as of January 1, 2020 on a prospective basis. The effects of this standard on our financial position, results of operations and cash flows were not material.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This guidance provides temporary optional expedients and exceptions to accounting guidance on contract modifications and hedge accounting to ease entities' financial reporting burdens as the market transitions from the London Interbank Offered Rate (LIBOR) and other interbank offered rates to alternative reference rates. The guidance was effective upon issuance and generally can be applied through December 31, 2022. The effects of this standard on our financial position, results of operations and cash flows are not expected to be material.

Accounting Standards Issued - Not Yet Adopted

The FASB issued ASU No. 2019-12, *Simplifying the Accounting for Income Taxes (Topic 740)*. The new guidance simplifies the accounting for income taxes by eliminating certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period, hybrid taxes and the recognition of deferred tax liabilities for outside basis differences. It also clarifies and simplifies other aspects of the accounting for income taxes. For public companies, the amendments in this ASU are effective for fiscal years beginning after December 15, 2020 and interim periods within those fiscal years. Early adoption is permitted in interim or annual periods with any adjustments reflected as of the beginning of the annual period that includes that interim period. Additionally, entities that elect early adoption must adopt all the amendments in the same period. Amendments are to be applied prospectively, except for certain amendments that are to be applied either retrospectively or with a modified retrospective approach through a cumulative effect adjustment recorded to retained earnings. The effects of this standard on our financial position, results of operations or cash flows are not expected to be material.

Note 2. 2018 Global Restructuring Program

In January 2018, we announced the 2018 Global Restructuring Program to reduce our structural cost base by streamlining and simplifying our manufacturing supply chain and overhead organization. We expect to close or sell approximately 10 manufacturing facilities and expand production capacity at several others. We expect to exit or divest some lower-margin businesses that generate approximately 1 percent of our net sales. The restructuring is expected to impact our organizations in all major geographies. Workforce reductions are expected to be in the range of 5,000 to 5,500. Certain capital appropriations under the 2018 Global Restructuring Program are being finalized. Accounting for actions related to each appropriation will commence when the appropriation is authorized for execution.

The restructuring is expected to be completed in 2021, with total costs anticipated to be toward the high end of the previously estimated range of \$1.7 billion to \$1.9 billion pre-tax (\$1.3 billion to \$1.4 billion after tax). Cash costs are expected to be \$900 to \$1.0 billion, primarily related to workforce reductions. Non-cash charges are expected to be \$800 to \$900 pre-tax and will primarily consist of incremental depreciation, asset write-offs and pension settlement and curtailment charges.

The following net charges were incurred in connection with the 2018 Global Restructuring Program:

	Three Months Ended March 31	
	2020	2019
Cost of products sold:		
Charges for workforce reductions	\$ —	\$ 30
Asset write-offs	6	12
Incremental depreciation	35	67
Other exit costs	29	16
Total	70	125
Marketing, research and general expenses:		
Charges (adjustments) for workforce reductions	(3)	4
Other exit costs	26	24
Total	23	28
Other (income) and expense, net	—	(1)
Total charges	93	152
Provision for income taxes	(18)	(31)
Net charges	75	121
Net impact related to equity companies and noncontrolling interests	(1)	1
Net charges attributable to Kimberly-Clark Corporation	\$ 74	\$ 122

The following summarizes the restructuring liabilities activity:

	2020	2019
Restructuring liabilities at January 1	\$ 132	\$ 210
Charges for workforce reductions and other cash exit costs	50	74
Cash payments	(64)	(71)
Currency and other	(7)	6
Restructuring liabilities at March 31	\$ 111	\$ 219

Restructuring liabilities of \$77 and \$132 are recorded in Accrued expenses and other current liabilities and \$34 and \$87 are recorded in Other Liabilities as of March 31, 2020 and 2019, respectively. The impact related to restructuring charges is recorded in Operating working capital and Other Operating Activities, as appropriate, in our consolidated cash flow statements.

Through March 31, 2020, cumulative pre-tax charges for the 2018 Global Restructuring Program were \$1.5 billion (\$1.1 billion after tax).

Note 3. Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During the three months ended March 31, 2020 and for the full year 2019, there were no significant transfers to or from level 3 fair value determinations.

Derivative assets and liabilities are measured on a recurring basis at fair value. At March 31, 2020 and December 31, 2019, derivative assets were \$166 and \$34, respectively, and derivative liabilities were \$44 and \$44, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair values of hedging instruments used to manage foreign currency risk are based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 6.

Redeemable preferred securities of subsidiaries are measured on a recurring basis at fair value and were \$29 at March 31, 2020 and December 31, 2019. They are not traded in active markets. As of March 31, 2020, the fair values of the redeemable securities were based on a discounted cash flow valuation model. Measurement of the redeemable preferred securities is considered a level 3 measurement.

Company-owned life insurance ("COLI") assets are measured on a recurring basis at fair value. COLI assets were \$65 and \$76 at March 31, 2020 and December 31, 2019, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in Other Assets. The COLI policies are measured at fair value using the net asset value per share practical expedient, and therefore, are not classified in the fair value hierarchy.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		March 31, 2020		December 31, 2019	
Assets					
Cash and cash equivalents ^(a)	1	\$ 979	\$ 979	\$ 442	\$ 442
Time deposits ^(b)	1	269	269	275	275
Liabilities					
Short-term debt ^(c)	2	481	481	775	775
Long-term debt ^(d)	2	7,967	8,864	6,972	7,877

(a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.

(b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in Other current assets or Other Assets in the consolidated balance sheet, as appropriate. Time deposits are recorded at cost, which approximates fair value.

(c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.

(d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

Note 4. Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. The average number of common shares outstanding is reconciled to those used in the basic and diluted EPS computations as follows:

(Millions of shares)	Three Months Ended March 31	
	2020	2019
Basic	341.4	344.3
Dilutive effect of stock options and restricted share unit awards	2.7	1.7
Diluted	344.1	346.0

The impact of options outstanding that were not included in the computation of diluted EPS because their exercise price was greater than the average market price of the common shares was insignificant. The number of common shares outstanding as of March 31, 2020 and 2019 was 340.8 million and 343.9 million, respectively.

Note 5. Stockholders' Equity

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in Accumulated Other Comprehensive Income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation adjustments are recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation amounts are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the three months ended March 31, 2020 was primarily due to weakening of foreign currencies versus the U.S. dollar.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2018	\$ (2,297)	\$ (1,017)	\$ 12	\$ 3
Other comprehensive income (loss) before reclassifications	31	(7)	—	(12)
(Income) loss reclassified from AOCI	—	3 (a)	—	(5)
Net current period other comprehensive income (loss)	31	(4)	—	(17)
Balance as of March 31, 2019	\$ (2,266)	\$ (1,021)	\$ 12	\$ (14)
Balance as of December 31, 2019	\$ (2,271)	\$ (979)	\$ (13)	\$ (31)
Other comprehensive income (loss) before reclassifications	(386)	19	5	31
(Income) loss reclassified from AOCI	—	10 (a)	—	—
Net current period other comprehensive income (loss)	(386)	29	5	31
Balance as of March 31, 2020	\$ (2,657)	\$ (950)	\$ (8)	\$ —

(a) Included in computation of net periodic benefit costs.

Note 6. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments.

At March 31, 2020 and December 31, 2019, derivative assets were \$166 and \$34, respectively, and derivative liabilities were \$44 and \$44, respectively, primarily comprised of foreign currency exchange contracts. Derivative assets are recorded in Other current assets or Other Assets, as appropriate, and derivative liabilities are recorded in Accrued expenses and other current liabilities or Other Liabilities, as appropriate.

Foreign Currency Exchange Rate Risk

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowings. A portion of our balance sheet translation exposure for certain affiliates, which results from changes in translation rates between the affiliates' functional currencies and the U.S. dollar, is hedged with cross-currency swap contracts and certain foreign denominated debt which are designated as net investment hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Derivative instruments are entered into to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated as cash flow hedges.

Interest Rate Risk

Interest rate risk is managed using a portfolio of variable and fixed-rate debt composed of short and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable and fixed-rate debt and are designated as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, and these contracts are designated as cash flow hedges.

Commodity Price Risk

We use derivative instruments, such as forward contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months. In addition, we utilize negotiated short-term contract structures, including fixed price contracts, to manage volatility for a portion of our commodity costs.

Fair Value Hedges

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these interest rate derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in Interest expense. The offset to the change in fair values of the related debt is also recorded in Interest expense. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to Interest expense over the life of the related debt. As of March 31, 2020, the aggregate notional values and carrying values of outstanding interest rate contracts designated as fair value hedges were \$300 and \$322, respectively. For the three months ended March 31, 2020 and 2019, gains or losses recognized in Interest expense for interest rate swaps were not significant.

Cash Flow Hedges

For derivative instruments that are designated and qualify as cash flow hedges, the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same income statement line and period that the hedged exposure affects earnings. As of March 31, 2020, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2020 and future periods. As of March 31, 2020, the aggregate notional value of outstanding foreign exchange derivative contracts designated as cash flow hedges was \$698. For the three months ended March 31, 2020 and 2019, no significant gains or losses were reclassified into Interest expense, Cost of products sold or Other (income) and expense, net as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At March 31, 2020, amounts to be reclassified from AOCI into Interest expense, Cost of products sold or Other (income) and expense, net during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at March 31, 2020 is March 2022.

Net Investment Hedges

For derivative instruments that are designated and qualify as net investment hedges, the aggregate notional value was \$1.6 billion at March 31, 2020. We exclude the interest accruals on cross-currency swap contracts and the forward points on foreign exchange forward contracts from the assessment and measurement of hedge effectiveness. We recognize the interest accruals on cross-currency swap contracts in earnings within Interest expense. We amortize the forward points on foreign exchange contracts into earnings within Interest expense over the life of the hedging relationship. Changes in fair value of net investment hedges are recorded in AOCI and offset the change in the value of the net investment being hedged. For the three months ended March 31, 2020, unrealized gains of \$93 related to net investment hedge fair value changes were recorded in AOCI and no significant amounts were reclassified from AOCI to Interest expense.

No significant amounts were excluded from the assessment of net investment, fair value or cash flow hedge effectiveness as of March 31, 2020.

Undesignated Hedging Instruments

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in Other (income) and expense, net. Losses of \$4 and \$8 were recorded in the three months ended March 31, 2020 and 2019, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At March 31, 2020, the notional value of these undesignated derivative instruments was approximately \$1.9 billion.

Note 7. Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our chief operating decision maker and our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes Other (income) and expense, net and income and expense not associated with ongoing operations of the business segments, including the costs of corporate decisions related to the 2018 Global Restructuring Program described in Note 2.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that responsibly improve everyday living for families around the world. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel, soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and KleenGuard are well known for quality and trusted to help people around the world work better.

Information concerning consolidated operations by business segment is presented in the following tables:

	Three Months Ended March 31		
	2020	2019	Change
NET SALES			
Personal Care	\$ 2,422	\$ 2,275	+6 %
Consumer Tissue	1,723	1,526	+13 %
K-C Professional	848	817	+4 %
Corporate & Other	16	15	N.M.
TOTAL NET SALES	\$ 5,009	\$ 4,633	+8 %
OPERATING PROFIT			
Personal Care	\$ 527	\$ 484	+9 %
Consumer Tissue	365	241	+51 %
K-C Professional	181	150	+21 %
Corporate & Other ^(a)	(155)	(216)	N.M.
Other (income) and expense, net ^(a)	14	4	+250 %
TOTAL OPERATING PROFIT	\$ 904	\$ 655	+38 %

(a) Corporate & Other and Other (income) and expense, net include income and expense not associated with the business segments, including charges related to the 2018 Global Restructuring Program. Restructuring charges related to the personal care, consumer tissue and K-C Professional business segments were \$34, \$42 and \$15, respectively, for the three months ended March 31, 2020 and \$89, \$46 and \$16, respectively, for the three months ended March 31, 2019.

N.M. - Not Meaningful

Sales of Principal Products

(Billions of dollars)	Three Months Ended March 31	
	2020	2019
Baby and child care products	\$ 1.7	\$ 1.6
Consumer tissue products	1.7	1.5
Away-from-home professional products	0.8	0.8
All other	0.8	0.7
Consolidated	\$ 5.0	\$ 4.6

Note 8. Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

	March 31, 2020			December 31, 2019		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Raw materials	\$ 87	\$ 205	\$ 292	\$ 85	\$ 236	\$ 321
Work in process	102	75	177	113	93	206
Finished goods	417	535	952	451	696	1,147
Supplies and other	—	265	265	—	271	271
	606	1,080	1,686	649	1,296	1,945
Excess of FIFO or weighted-average cost over LIFO cost	(147)	—	(147)	(155)	—	(155)
Total	\$ 459	\$ 1,080	\$ 1,539	\$ 494	\$ 1,296	\$ 1,790

Inventories are valued at the lower of cost or net realizable value, determined on the FIFO or weighted-average cost methods, and at the lower of cost or market, determined on the LIFO cost method.

The following schedule presents a summary of property, plant and equipment, net:

	March 31, 2020	December 31, 2019
Land	\$ 160	\$ 165
Buildings	2,786	2,877
Machinery and equipment	13,610	13,946
Construction in progress	838	851
	<u>17,394</u>	<u>17,839</u>
Less accumulated depreciation	(10,168)	(10,389)
Total	<u>\$ 7,226</u>	<u>\$ 7,450</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

This management's discussion and analysis ("MD&A") of financial condition and results of operations is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of First Quarter 2020 Results
- Impact of COVID-19
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Information Concerning Forward-Looking Statements

We describe our business outside North America in two groups – Developing and Emerging Markets ("D&E") and Developed Markets. D&E markets comprise Eastern Europe, the Middle East and Africa, Latin America and Asia-Pacific, excluding Australia and South Korea. Developed Markets consist of Western and Central Europe, Australia and South Korea. We have three reportable business segments: Personal Care, Consumer Tissue and K-C Professional. These business segments are described in greater detail in Note 7 to the unaudited interim consolidated financial statements.

This section presents a discussion and analysis of our first quarter 2020 net sales, operating profit and other information relevant to an understanding of the results of operations. In addition, we provide commentary regarding organic sales growth, which describes the impact of changes in volume, net selling prices and product mix on net sales. Change in foreign currency exchange rates and exited businesses also impact the year-over-year change in net sales. Our analysis compares the three months ended March 31, 2020 results to the same period in 2019.

Throughout this MD&A, we refer to financial measures that have not been calculated in accordance with accounting principles generally accepted in the U.S., or GAAP, and are therefore referred to as non-GAAP financial measures. These measures include adjusted gross and operating profit, adjusted net income, adjusted earnings per share, adjusted other (income) and expense, net and adjusted effective tax rate. We believe these measures provide our investors with additional information about our underlying results and trends, as well as insight into some of the financial measures used to evaluate management.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP measures, and they should be read only in conjunction with our unaudited interim consolidated financial statements prepared in accordance with GAAP. There are limitations to these non-GAAP financial measures because they are not prepared in accordance with GAAP and may not be comparable to similarly titled measures of other companies due to potential differences in methods of calculation and items being excluded. We compensate for these limitations by using these non-GAAP financial measures as a supplement to the GAAP measures and by providing reconciliations of the non-GAAP and comparable GAAP financial measures.

The non-GAAP financial measures exclude the following item for the relevant time periods as indicated in the reconciliations included later in this MD&A:

- 2018 Global Restructuring Program - In 2018, we initiated this restructuring program to reduce our structural cost base by streamlining and simplifying our manufacturing supply chain and overhead organization. See Item 1, Note 2 to the unaudited interim consolidated financial statements for details.

Overview of First Quarter 2020 Results

- Net sales of \$5.0 billion increased 8 percent compared to the year-ago period, including organic sales growth of 11 percent. Changes in foreign currency exchange rates reduced sales by 2 percent and business exits in conjunction with the 2018 Global Restructuring Program reduced sales slightly.
- Operating profit was \$904 in 2020 and \$655 in 2019. Net Income Attributable to Kimberly-Clark Corporation was \$660 in 2020 compared to \$454 in 2019, and diluted earnings per share were \$1.92 in 2020 compared to \$1.31 in 2019. Results in 2020 and 2019 include charges related to the 2018 Global Restructuring Program.

Impact of COVID-19

Over the past few months, we have seen the profound impact that the novel coronavirus (COVID-19) is having on human health, the global economy and society at large. Kimberly-Clark has been actively addressing the COVID-19 situation and its

impact globally, with global crisis response teams working to mitigate the potential impacts to our people and business. The impact of COVID-19 and measures to prevent its spread are affecting our business in a number of ways.

We continue to believe that we will emerge from these events well positioned for long-term growth, though we cannot reasonably estimate the duration and severity of this global pandemic or its ultimate impact on the global economy and our business and results.

Health and Safety of our People and Consumers

From the beginning of the COVID-19 pandemic, our priority has been the safety of our employees and consumers. We are incredibly proud of the great teamwork exhibited by our approximately 40,000 employees around the world who are doing their best to provide a steady supply of product. We have taken extra precautions globally at our office, mill and distribution center operations, which were developed in line with guidance from global health authorities, including social distancing, thermal scanning and partitions in our facilities.

We have also provided employee appreciation bonuses to front-line workers and expanded certain sick leave policies to provide our employees with additional flexibility. In addition, we implemented global travel restrictions and work-from-home policies for employees who have the ability to work remotely.

Customer Demand

In the first quarter, particularly in March, we experienced increased demand across all business segments and major geographies as consumers increased home inventory levels in response to COVID-19. We expect to see continued strong demand in the beginning of the second quarter in some of our businesses as retailers rebuild inventory levels, which we expect will be followed by periods of potential demand softness and volatility as consumers use existing home inventories and demand potentially returns to more normal levels. The ultimate timing and impact of this demand volatility will depend on the duration and scope of the COVID-19 pandemic, overall economic conditions and consumer preferences.

The near-term increase in demand has created operational challenges for our distribution network, though none have had a material impact on our results to date. We have taken immediate action to accelerate production, including simplifying the number of specific product offerings we make in order to improve overall production levels, particularly in our Consumer Tissue business.

While our K-C Professional business experienced strong demand in the first quarter, we expect volume declines in this business in the near term given the reduction in global business activity with much of the population working from home. We expect these challenges to continue until business and economic conditions return to more normal levels.

Facilities and Supply Chain

During 2020, we have experienced temporary closures of certain facilities, though we have not experienced a material impact from a plant closure to date and our facilities have largely been exempt or partially exempt from government closure orders. At many of our facilities, we have been experiencing reduced productivity and increased employee absences, which we expect to continue in the current situation.

Throughout our supply chain, we are also facing increased operational and logistics costs, though these did not have a material impact on our first quarter results. We continue to place a priority on business continuity and contingency planning, including for potential extended closures of any key facilities or disruptions related to our key suppliers that might arise related to COVID-19. We may experience additional disruptions in our supply chain as the pandemic continues, though we cannot reasonably estimate the potential impact or timing of those events, and we may not be able to mitigate such impact.

As a result of the outbreak of COVID-19 and the related uncertainty and complexity of the situation, certain of our restructuring activities for our 2018 Global Restructuring Program have been delayed and we now expect these activities and the related charges will extend into 2021 rather than being completed at the end of 2020 as previously planned as further described in the “2018 Global Restructuring Program” section below.

Foreign Currency Exchange Rates and Commodity Prices

During the first quarter, we experienced increased volatility in foreign currency exchange rates and commodity prices, in part related to the uncertainty from COVID-19, as well as actions taken by governments and central banks in response to COVID-19. Certain foreign currency rates have depreciated significantly against the U.S. dollar this year, with numerous currencies in D&E markets down 20 percent through the first quarter. Commodity prices, including polymer resin and oil, have also declined year-to-date, providing some incremental benefits to our first quarter results. We expect continued volatility in foreign currency exchange rates and commodity prices during 2020, though we cannot reasonably estimate the duration or extent of that volatility.

Liquidity and Capital Resources

Given our financial strength, we expect to be able to maintain adequate liquidity as we manage through the current environment. In the first quarter, we took additional actions to provide additional liquidity and flexibility, as described in “Liquidity and Capital Resources” section below, and we will continue to actively monitor the potential impacts of COVID-19 and related events on the commercial paper and credit markets.

As we continue to manage our business in this uncertain environment, our priorities will remain the health and safety of our people, providing our essential products to consumers around the world, and prudently managing our business to deliver long-term growth.

Results of Operations and Related Information

This section presents a discussion and analysis of our first quarter 2020 net sales, operating profit and other information relevant to an understanding of the results of operations.

Consolidated

Selected Financial Results

	Three Months Ended March 31		
	2020	2019	Percent Change
Net Sales:			
North America	\$ 2,601	\$ 2,390	+9 %
Outside North America	2,484	2,315	+7 %
Intergeographic sales	(76)	(72)	N.M.
Total Net Sales	5,009	4,633	+8 %
Operating Profit:			
North America	659	572	+15 %
Outside North America	414	303	+37 %
Corporate & Other ^(a)	(155)	(216)	N.M.
Other (income) and expense, net ^(a)	14	4	N.M.
Total Operating Profit	904	655	+38 %
Share of net income of equity companies	38	27	+41 %
Net Income Attributable to Kimberly-Clark Corporation	660	454	+45 %
Diluted Earnings per Share	1.92	1.31	+47 %

(a) Corporate & Other and Other (income) and expense, net include income and expense not associated with the business segments, including adjustments as indicated in the Non-GAAP Reconciliations.

N.M. - Not Meaningful

GAAP to Non-GAAP Reconciliations of Selected Financial Results

	Three Months Ended March 31, 2020		
	As Reported	2018 Global Restructuring Program	As Adjusted Non-GAAP
Cost of products sold	\$ 3,218	\$ 70	\$ 3,148
Gross Profit	1,791	(70)	1,861
Marketing, research and general expenses	873	23	850
Operating Profit	904	(93)	997
Provision for income taxes	(197)	18	(215)
Effective tax rate	23.6 %	—	23.2 %
Net income attributable to noncontrolling interests	(15)	1	(16)
Net Income Attributable to Kimberly-Clark Corporation	660	(74)	734
Diluted Earnings per Share ^(a)	1.92	(0.22)	2.13

	Three Months Ended March 31, 2019		
	As Reported	2018 Global Restructuring Program	As Adjusted Non-GAAP
Cost of products sold	3,205	125	3,080
Gross Profit	1,428	(125)	1,553
Marketing, research and general expenses	769	28	741
Other (income) and expense, net	4	(1)	5
Operating Profit	655	(152)	807
Provision for income taxes	(143)	31	(174)
Effective tax rate	24.6 %	—	23.7 %
Share of net income of equity companies	27	(2)	29
Net income attributable to noncontrolling interests	(12)	1	(13)
Net Income Attributable to Kimberly-Clark Corporation	454	(122)	576
Diluted Earnings per Share ^(a)	1.31	(0.35)	1.66

(a) "As Adjusted Non-GAAP" may not equal "As Reported" plus "Adjustments" as a result of rounding.

Analysis of Consolidated Results

Net Sales	Percent Change For the Three Months Ended March 31, 2020	Adjusted Operating Profit	Percent Change For the Three Months Ended March 31, 2020
Volume	8	Volume	18
Net Price	1	Net Price	6
Mix/Other	1	Input Costs	14
Currency	(2)	Cost Savings ^(c)	16
Total ^(a)	8	Currency Translation	(2)
		Other ^(d)	(28)
Organic ^(b)	11	Total	24

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Combined benefits of the FORCE (Focused On Reducing Costs Everywhere) program and 2018 Global Restructuring Program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Net sales of \$5.0 billion increased 8 percent compared to the year-ago period. Changes in foreign currency exchange rates reduced sales by 2 percent and business exits in conjunction with the 2018 Global Restructuring Program reduced sales slightly. Organic sales increased 11 percent. Volumes increased more than 8 percent, driven by increased shipments to support consumer stock up related to the global outbreak of COVID-19. The stock up impacted all business segments, in particular consumer tissue, and all major geographies. Changes in net selling prices and product mix each improved sales by 1 percent. In North America, organic sales increased 11 percent in consumer products and 6 percent in K-C Professional. Outside North America, organic sales rose 9 percent in D&E markets and 15 percent in developed markets.

Operating profit in the first quarter was \$904 in 2020 and \$655 in 2019. Results in both periods include charges related to the 2018 Global Restructuring Program. First quarter adjusted operating profit was \$997 in 2020 and \$807 in 2019. Results benefited from organic sales growth, \$100 of cost savings from our FORCE program and \$25 of cost savings from the 2018 Global Restructuring Program. Input costs decreased \$115, driven by pulp, while other manufacturing costs rose year-on-year. Advertising spending increased and selling, general and administrative costs were also higher compared to the prior year. Foreign currency translation effects reduced operating profit by \$15 and transaction effects also negatively impacted the comparison.

The first quarter effective tax rate was 23.6 percent in 2020 and 24.6 percent in 2019. The first quarter adjusted effective tax rate was 23.2 percent in 2020 and 23.7 percent in 2019.

Our share of net income of equity companies in the first quarter was \$38 in 2020 and \$27 in 2019. The improvement was driven by volume growth and lower input costs.

Diluted net income per share for the first quarter of 2020 was \$1.92 in 2020 and \$1.31 in 2019. First quarter adjusted earnings per share were \$2.13 in 2020, an increase of 28 percent compared to \$1.66 in 2019.

Results by Business Segments

Personal Care

	Three Months Ended March 31			Three Months Ended March 31	
	2020	2019		2020	2019
Net Sales	\$ 2,422	\$ 2,275	Operating Profit	\$ 527	\$ 484
Net Sales	Percent Change		Operating Profit	Percent Change	
Volume	7		Volume	14	
Net Price	1		Net Price	4	
Mix/Other	2		Input Costs	3	
Currency	(3)		Cost Savings ^(c)	13	
Total ^(a)	6		Currency Translation	(2)	
			Other ^(d)	(23)	
Organic ^(b)	9		Total	9	

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Combined benefits of the FORCE program and 2018 Global Restructuring Program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Net sales in North America increased 10 percent. Volumes increased 7 percent, and changes in product mix and net selling prices increased sales by 2 percent and 1 percent, respectively. Volumes increased double-digits in adult care, high-single digits in feminine care and mid-single digits in baby and child care. The changes in product mix and net selling prices were driven by baby and child care.

Net sales in D&E markets increased 3 percent despite a 6 percent negative impact from changes in foreign currency exchange rates. Volumes increased 6 percent, and changes in product mix and net selling prices increased sales by 3 percent and 1 percent, respectively. Volumes increased in Asia-Pacific, Eastern Europe, the Middle East and South Africa.

Net sales in developed markets outside North America. increased 5 percent despite a 5 percent negative impact from changes in foreign currency exchange rates. Volumes increased 8 percent, driven by Australia and Western/Central Europe, and changes in net selling prices and product mix each increased sales by 1 percent.

Operating profit of \$527 increased 9 percent. The comparison benefited from organic sales growth, cost savings and lower input costs. Results were impacted by higher advertising spending, increased selling, general and administrative costs, other manufacturing cost increases and unfavorable currency effects.

Consumer Tissue

	Three Months Ended March 31			Three Months Ended March 31	
	2020	2019		2020	2019
Net Sales	\$ 1,723	\$ 1,526	Operating Profit	\$ 365	\$ 241
Net Sales	Percent Change		Operating Profit	Percent Change	
Volume	14		Volume	26	
Net Price	1		Net Price	6	
Mix/Other	—		Input Costs	32	
Currency	(2)		Cost Savings ^(c)	19	
Total ^(a)	13		Currency Translation	(1)	
			Other ^(d)	(31)	
Organic ^(b)	14		Total	51	

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Combined benefits of the FORCE program and 2018 Global Restructuring Program.

(d) Includes impact of changes in marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Net sales in North America increased 12 percent. Volumes rose 10 percent and changes in net selling prices increased sales by 3 percent, while changes in product mix decreased sales by 1 percent. The volume increase included double-digit gains on bathroom tissue and facial tissue driven by increased shipments to support consumer stock up related to the global outbreak of COVID-19.

Net sales in D&E markets increased 10 percent despite a 3 percent negative impact from changes in foreign currency exchange rates. Volumes increased 12 percent and changes in product mix increased sales by 2 percent, while changes in net selling prices decreased sales by 1 percent. Volumes increased in all major geographies driven by increased shipments to support consumer stock up related to the global outbreak of COVID-19.

Net sales in developed markets outside North America increased 17 percent. Volumes rose 21 percent, with significant increases in all markets, driven by increased shipments to support consumer stock up related to the global outbreak of COVID-19. Changes in product mix increased sales by 1 percent. Changes in foreign currency exchange rates and net selling prices decreased sales by 4 percent and 1 percent, respectively.

Operating profit of \$365 increased 51 percent. Results benefited from organic sales growth, lower input costs and cost savings. The comparison was impacted by other manufacturing cost increases, higher selling, general and administrative costs, increased advertising spending and unfavorable currency effects.

K-C Professional

	Three Months Ended March 31			Three Months Ended March 31	
	2020	2019		2020	2019
Net Sales	\$ 848	\$ 817	Operating Profit	\$ 181	\$ 150
Net Sales	Percent Change		Operating Profit	Percent Change	
Volume	4		Volume	8	
Net Price	2		Net Price	9	
Mix/Other	1		Input Costs	13	
Exited Businesses ^(e)	(1)		Cost Savings ^(c)	12	
Currency	(2)		Currency Translation	(2)	
Total ^(a)	4		Other ^(d)	(19)	
Organic ^(b)	7		Total	21	

(a) Total may not equal the sum of volume, net price, mix/other, exited businesses and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Combined benefits of the FORCE program and 2018 Global Restructuring Program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

(e) Exited businesses in conjunction with the 2018 Global Restructuring Program.

Net sales in North America increased 5 percent. Volumes increased 4 percent and changes in net selling prices and product mix each increased sales by 1 percent. Business exits in conjunction with the 2018 Global Restructuring Program reduced sales by 1 percent.

Net sales in D&E markets increased 2 percent despite a 4 percent negative impact from changes in foreign currency exchange rates. Higher volumes and changes in net selling prices each increased sales by 3 percent, while changes in product mix decreased sales by 1 percent.

Net sales in developed markets outside North America increased 5 percent. Changes in product mix increased sales by 4 percent and higher volumes and changes in net selling prices each increased sales by 3 percent, while changes in foreign currency exchange rates were unfavorable by 4 percent.

Operating profit of \$181 increased 21 percent. Results benefited from organic sales growth, cost savings and lower input costs. The comparison was impacted by higher selling, general and administrative costs and other manufacturing cost increases.

2018 Global Restructuring Program

As a result of the outbreak of COVID-19 and the related uncertainty and complexity of the environment, we now expect that some restructuring activity and the related charges will extend into 2021 rather than being completed at the end of 2020 as previously planned. Total restructuring charges to implement the program are expected to be toward the high end of the previously estimated range of \$1.7 billion to \$1.9 billion pre-tax (\$1.3 billion to \$1.4 billion after tax). We continue to expect the program will generate annual pre-tax cost savings of \$500 to \$550. We continue to target to achieve those savings by the end of 2021, although it is possible the full realization could occur in 2022 because of the uncertainties related to COVID-19. Savings for the first three months of 2020 were \$25, bringing cumulative savings to \$325. See Item 1, Note 2 to the unaudited interim consolidated financial statements for additional information.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$704 for the first three months of 2020 compared to \$317 in the prior year. The increase was driven by higher earnings and improved working capital.

Investing

During the three months ended March 31, 2020, our capital spending was \$352 compared to \$316 in the prior year.

Financing

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$0.5 billion as of March 31, 2020 (included in Debt payable within one year on the consolidated balance sheet). The average month-end balance of short-term debt for the first quarter of 2020 was

\$0.7 billion. These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as dividends and income taxes.

At March 31, 2020 and December 31, 2019, total debt was \$8.4 billion and \$7.7 billion, respectively.

In February 2020, we issued \$500 aggregate principal amount of 2.875% notes due February 7, 2050. Proceeds from the offering were used for general corporate purposes including the repayment of a portion of our commercial paper indebtedness.

In March 2020, we issued \$750 aggregate principal amount of 3.10% notes due March 26, 2030. Proceeds from the offering were used for general corporate purposes including the repayment of a portion of our commercial paper indebtedness.

We maintain a \$2.0 billion revolving credit facility which expires in June 2023 and a \$750 revolving credit facility which expires in June 2020. These facilities, currently unused, support our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

In July 2017, the United Kingdom's Financial Conduct Authority, which regulates the London Interbank Offered Rate (LIBOR), announced that it intends to phase out LIBOR by the end of 2021. We are currently evaluating the potential effect of the eventual replacement of the LIBOR, but we do not expect the effect to be material. Accounting guidance has been recently issued to ease the transition to alternative reference rates from a financial reporting perspective. See Item 1, Note 1 to the unaudited interim consolidated financial statements for details.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first three months of 2020, we repurchased 1.6 million shares of our common stock at a cost of \$224 through a broker in the open market. We are temporarily suspending our share repurchase program effective April 24, 2020 for at least the remainder of the second quarter to enhance flexibility in the current environment. We do not expect any change in our plans for our quarterly dividend, which was increased by 3.9 percent in January 2020. We will continue to monitor the environment and further assess our share repurchase program later in the year.

K-C Argentina began accounting for their operations as highly inflationary effective July 1, 2018, as required by GAAP. Under highly inflationary accounting, K-C Argentina's functional currency became the U.S. dollar, and its income statement and balance sheet have been measured in U.S. dollars using both current and historical rates of exchange. The effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in Other (income) and expense, net and was not material. As of March 31, 2020, K-C Argentina had a small net peso monetary position. Net sales of K-C Argentina were approximately 1 percent of our consolidated net sales for the three months ended March 31, 2020.

We believe that our ability to generate cash from operations and our capacity to issue short-term and long-term debt are adequate to fund working capital, payments for our 2018 Global Restructuring Program, capital spending, pension contributions, dividends and other needs for the foreseeable future. Further, we do not expect restrictions or taxes on repatriation of cash held outside of the U.S. to have a material effect on our overall business, liquidity, financial condition or results of operations for the foreseeable future.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated cost savings from our FORCE program, costs and savings from the 2018 Global Restructuring Program, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, net sales, anticipated currency rates and exchange risks, including the impact in Argentina, raw material, energy and other input costs, effective tax rate, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our 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.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, 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, our ability to maintain key customer relationships and retail trade customer actions, as well as general economic and political conditions globally and in the markets in which we do business, could affect the realization of these estimates.

For a description of certain factors that could cause our future results to differ from those expressed in these forward-looking statements, see Item 1A of this report entitled "Risk Factors" and Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2019 entitled "Risk Factors." Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

Item 4. Controls and Procedures

As of March 31, 2020, an evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of March 31, 2020. There were no changes in our internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1A. Risk Factors

Our business faces many risks and uncertainties that we cannot control. The risk factors described in “Part I, Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2019, as revised below, should be carefully considered, together with the other information contained or incorporated by reference in this Quarterly Report on Form 10-Q and in our other filings with the SEC, in connection with evaluating the Company, our business, and the forward-looking statements contained in this Quarterly Report on Form 10-Q. Other risks that we do not presently know about or that we presently believe are not material could also adversely affect us.

The risk factor described below updates the risk factors disclosed in “Part I, Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2019, to include additional information.

We face various risks related to health epidemics, pandemics and similar outbreaks, which may have material adverse effects on our business, financial position, results of operations and cash flows.

Our business and financial results may be negatively impacted by health epidemics, pandemics and similar outbreaks. The recent and rapidly spreading COVID-19 pandemic could have negative impacts on our business, including causing significant volatility in demand for our products, changes in consumer behavior and preference, disruptions in our manufacturing and supply chain operations, disruptions to our cost saving programs and restructuring initiatives, limitations on our employees’ ability to work and travel, significant changes in the economic or political conditions in markets in which we operate and related currency and commodity volatility. Despite our efforts to manage these impacts, their ultimate impact also depends on factors beyond our knowledge or control, including the duration and severity of any such outbreak and actions taken to contain its spread and mitigate its public health effects.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. All our share repurchases during the first quarter of 2020 were made through a broker in the open market.

The following table contains information for shares repurchased during the first quarter of 2020. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2020)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
January 1 to January 31	474,784	\$ 141.29	30,836,128	9,163,872
February 1 to February 29	448,800	141.97	31,284,928	8,715,072
March 1 to March 31	714,900	129.88	31,999,828	8,000,172
Total	1,638,484			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on November 13, 2014. This program allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

Item 6. Exhibits

(a) Exhibits

[Exhibit No. \(3\)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. \(3\)a of the Corporation's Current Report on Form 8-K filed on May 1, 2009.](#)

[Exhibit No. \(3\)b. By-Laws, as amended May 2, 2019, incorporated by reference to Exhibit No. \(3\)b of the Corporation's Current Report on Form 8-K filed on May 3, 2019.](#)

Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

[Exhibit No. \(10\)g. Form of Award Agreements under 2011 Equity Participation Plan for Performance Restricted Stock Units, filed herewith.](#)

[Exhibit No. \(10\)s. First Amendment to 2011 Equity Participation Plan, effective February 12, 2020, incorporated by reference to Exhibit No. \(10\)s of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2019.](#)

[Exhibit No. \(31\)a. Certification of Chief Executive Officer required by Rule 13a-14\(a\) or Rule 15d-14\(a\) of the Securities Exchange Act of 1934, as amended \(the "Exchange Act"\), filed herewith.](#)

[Exhibit No. \(31\)b. Certification of Chief Financial Officer required by Rule 13a-14\(a\) or Rule 15d-14\(a\) of the Securities Exchange Act of 1934, as amended \(the "Exchange Act"\), filed herewith.](#)

[Exhibit No. \(32\)a. Certification of Chief Executive Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.](#)

[Exhibit No. \(32\)b. Certification of Chief Financial Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.](#)

Exhibit No. (101).INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document

Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

Exhibit No. 104 The cover page from this Current Report on Form 10-Q formatted as Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Maria Henry

Maria Henry
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Andrew S. Drexler

Andrew S. Drexler
Vice President and Controller
(principal accounting officer)

April 22, 2020

**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award, granted effective on _____ (the "Grant Date"), by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), to _____ (the "Participant") is subject to the terms and conditions of the 2011 Equity Participation Plan (the "Plan") and the Award Agreement, including any country-specific terms and conditions contained in Appendix A to the Award Agreement.

W I T N E S S E T H:

WHEREAS, the Corporation has adopted the Plan to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's and its Affiliates' long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Participant Performance Restricted Stock Units ("PRSUs") at the target level of _____ (the "Target Level"), subject to the terms, conditions and restrictions set forth herein and in the Plan, and the Corporation's attainment of the Performance Goals established by the Committee as set forth on Appendix A-1. The actual number of PRSUs earned by the Participant at the end of the Restricted Period may range from 0 to 200% of the Target Level.

2. Transferability Restrictions.

(a) Restricted Period. During the Restricted Period, the Participant may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award, and any such attempted sale, assignment, transfer, pledge or disposal shall be void. Except as provided under paragraph 2, the Award, including any accrued dividend equivalents, shall be subject to forfeiture until the end of the Restricted Period. The Participant becomes 100% vested in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee.

The Restricted Period shall begin on the date of the granting of this Award, and shall end on February 28, 2023. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Award Agreement, nor to vote such shares as the record owner thereof.

During each year in the Restricted Period, the Participant will not be paid dividend equivalents on the unvested PRSUs but the Participant will receive a credit equal to dividends declared on the Corporation's Common Stock which will be reinvested in additional PRSUs at the then fair market value of the Corporation's Common Stock on the date dividends are paid, and the additional PRSUs will be accumulated and paid if and when the PRSUs vest, based on the

actual number of PRSUs that vest. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation.

(b) **Termination of Employment.** Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon termination of employment unless such termination (i) is due to a Qualified Termination of Employment, or (ii) if more than six months after the Grant Date, due to death, Retirement, Total and Permanent Disability, or the shutdown or divestiture of a business unit. A termination of employment shall not be deemed to have occurred while a Participant is on military leave or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence, including any garden leave or similar leave, constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing sentence, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for purposes of the Plan. A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan.

For purposes of this Award, a termination of employment includes a termination that is deemed an "unfair dismissal" or a "constructive dismissal." Further, the Participant understands that the Award is a conditional right. Participant shall forfeit any unvested Award upon termination of employment except as provided above, for example, regardless of whether (1) the Participant is considered to be unfairly dismissed without good cause; (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates his or her employment or service relationship due to a change of work location, duties or any other employment or contractual condition; or (4) the Participant terminates his or her employment or service relationship due to a unilateral breach of contract by the Corporation or an Affiliate. Consequently, upon termination of the Participant's employment or service relationship for any of the above reasons, the Participant may automatically lose any rights to the Awards that were not vested on the date of termination of the Participant's employment or service relationship, as described in the Plan and the Award Agreement.

(c) **Death, Retirement, or Total and Permanent Disability.** In the event that more than six months after the Grant Date the Participant's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1)

prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period. In the event that more than six months after the Grant Date the Participant's termination of employment is due to Retirement it shall result in 100% vesting in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee, and such Award shall be paid within 70 days following the end of the Restricted Period.

Notwithstanding this Section 2(c), if the Corporation receives an opinion of counsel that there has been a legal judgment and/or legal development in the Participant's jurisdiction that would likely result in the favorable Retirement treatment that applies to the PRSUs under this Section 2(c) being deemed unlawful and/or discriminatory, then the Corporation will not apply the favorable Retirement treatment and PRSUs will be treated as they would under the rules that apply if the Participant's employment with the Corporation or an Affiliate ends for any other reason, as applicable.

(d) Shutdown or Divestiture. In the event that more than six months after the Grant Date the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1) prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period.

(e) Qualified Termination of Employment. In the event of a Qualified Termination of Employment, the Award which would have otherwise been forfeited will be handled consistent with subsection 14(b) of the Plan and shall be paid within 10 days following the last day of employment of the Participant with the Corporation or an Affiliate. Notwithstanding anything in this Agreement to the contrary, the payment of an Award to a Key Employee who has separated from service due to a Qualified Termination of Employment shall be made at the earlier of the first day of the seventh month following the date of separation from service or the end of the Restricted Period. A Key Employee is any Participant who meets the definition of a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code and the regulations promulgated thereunder.

(f) Payment of Awards. The payment of the Award, including any accrued dividend equivalents accumulated pursuant to Section 2(a), shall be made in shares of Common Stock. Except as may otherwise be provided in subparagraph 2(e), the payment of an Award shall be made within 70 days following the end of the Restricted Period.

(g) Payment of Tax-Related Items. No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Participant or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation or an Affiliate, as applicable, such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental

taxing authorities in relation to this Award. The Corporation may, in its discretion, withhold payment of required Tax-Related items (as defined in the Acknowledgment of Conditions section) with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this Section 2.

3. Nontransferability. Neither the Award nor the Participant's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Participant (i) by will, or (ii) by the laws of descent and distribution.

4. Compliance with Law. No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Participant will not constitute a violation of the U.S. Securities Act of 1933, as amended. As a condition of this Award, the Participant shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the U.S. Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Participant is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Participant to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither the Corporation nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties the Participant may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Participant any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Participant whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Participant under this Award.

6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.

7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Participant.

8. Delaware Law to Govern. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware and federal courts located in the District of Delaware shall be the exclusive forum for any dispute arising out of or related to the Award or the Award Agreement and the Participant consents to and waives any objection to the exercise of personal jurisdiction and venue by such courts.

9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock of the Corporation purchased for satisfying the requirements of this Award.

10. Notices. Any notice to be given to the Corporation under this Award, except as required under Section 19 below, shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Participant under the terms of this Award may be addressed to him or her at the address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government or any equivalent non-U.S. postal service.

11. Changes in Capitalization. In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.

12. Effect on Other Plans. All benefits under this Award shall constitute special incentives and shall not affect the level of benefits provided to or received by the Participant (or the Participant's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. This Award shall not be construed to affect in any way the Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.

13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of PRSUs and vesting provisions. The value of the Award is an extraordinary item outside the scope of the Participant's employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments.

14. Data Privacy. The Participant hereby authorizes their actual employer (the "Employer") to furnish the Corporation (and any agent of the Corporation administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Participant waives any data privacy rights such Participant might otherwise have with respect to such information. The Controller of personal data processing is Kimberly-Clark Corporation with registered offices at 351 Phelps Drive, Irving, Texas 75038, United States of America.

15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.

16. Successors. This Award Agreement, including but not limited to the non-competition obligations described in Section 19 below, shall be binding upon and inure to the benefit of any successor or successors of the Corporation.

17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the U.S. Securities Act of 1933, as amended, the U.S. Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).

18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.

19. Non-Competition Provisions For U.S. Participants Only.

(a) As the Award is intended to encourage the Participant to continue employment with the Corporation or an Affiliate, during which time the Participant will have access to the Corporation's or Affiliate's confidential information and trade secrets, including confidential information and trade secrets first developed after the Grant Date, during the term of the Participant's employment and for a period of two (2) years following the termination of employment, regardless of the reason for or the manner of termination, the Participant shall not, without the written consent of General Counsel of the Corporation or his/her designee, in any country or countries for which Participant had development, marketing, innovation/technology (R&D), distribution, sales, administrative, operational/supply chain or manufacturing oversight responsibilities during the last twelve (12) months of Participant's employment, either directly or indirectly, perform duties or undertake responsibilities for a Competitor that are the same or substantially similar to those duties or responsibilities that the Participant performed or undertook for the Corporation or an Affiliate during the two (2) year period prior to the end of the Participant's employment with the Corporation or an Affiliate. As

used herein, "Competitor" means a person or entity who engages in a business that is the same or substantially the same as any aspect of the Business of the Corporation. As used herein, "Business of the Corporation" is the development, production, sales and/or marketing of (i) health and hygiene products; (ii) washroom and workplace protective and safety products; and (iii) the materials, packaging and other components/subcomponents of such products. Notwithstanding the foregoing, if the Participant's residence or principal place of employment on the Grant Date is in California or any other jurisdiction where any provision of this Section 19(a) prohibiting post-employment non-compete covenants is restricted by applicable law, then the provisions of this Section 19(a) will not apply to the extent any such provision is prohibited by applicable law.

(b) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant agrees to notify the Corporation in writing prior to accepting new employment, or engaging in any other activity which may violate this Agreement, and the Participant agrees to provide in such notice information concerning the anticipated new employment or activity, including, but not limited to: name of new employer; address of new employer; name of new team leader; job title; and scope and responsibilities of the new position. The Participant recognizes that such duty of notification is not affected by the Participant's belief that such employment may perhaps not violate this Award Agreement or otherwise be unfairly competitive with the Corporation or an Affiliate. The Participant's written notice should be addressed to General Counsel, Attention: Non-Competition Agreement, Kimberly-Clark Corporation, 351 Phelps Drive, Irving, TX 75038. Provided, however, the foregoing notice requirement shall not apply if the Participant resides and/or primarily works in the State of California any other jurisdiction where any provision of this Section 19(a) prohibiting post-employment non-compete covenants is restricted by applicable law.

(c) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant shall provide a copy of Section 19 of this Award Agreement to each new employer before starting in any new employment. The Participant agrees that the Corporation may notify any third party about the Participant's obligations under Section 19 of this Award Agreement until such obligations are fulfilled.

(d) If any provision of this Section 19 is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such provision shall be deemed to be severed from the Award Agreement and such invalidity, illegality or unenforceability will not affect any other provision of the Award Agreement, all of which shall remain valid and enforceable. Notwithstanding the foregoing, if a court of competent jurisdiction determines that the covenants contained in this Section 19 are unenforceable because they are overbroad in some respect, to the full extent permitted by applicable law, the court should sever, revise or reform any aspect of this Section 19 so as to make the scope of such Section 19 as broad as reasonable under applicable law and enforce this Section 19 as so modified.

(e) In the event of an anticipated or actual breach by the Participant of this provision, the Participant acknowledges and agrees that damages would not be an adequate remedy to compensate the Corporation for the harm to the business of the Corporation and, in such event, agrees that the Corporation shall be entitled to a temporary restraining order and to temporary injunctive relief to prevent or terminate such anticipated or actual breach, provided, however, that nothing in this Award Agreement shall be construed to limit any permanent relief to which the Corporation may be entitled or the damages otherwise recoverable by the Corporation in any such event.

(f) If the Participant violates any aspect of this provision, or any duty of loyalty or confidentiality imposed by law, in addition to any damages that the Participant may be required to pay, the Participant understands and agrees that the Participant shall be required to reimburse the Corporation for all its costs incurred to enforce this Award Agreement, including but not limited to, all attorneys' fees.

20. Forfeiture and Recoupment.

(a) The PRSUs are subject to the compensation recovery provisions of the Plan. In addition, the PRSUs are subject to the Kimberly-Clark Corporation Compensation Recoupment Policy (such policy, as it may be amended from time to time, the "Recoupment Policy") if the Participant is a Leader (as defined in the Recoupment Policy). A recovery under this section may be made by (a) cancelling any PRSUs which have not yet vested or been settled; (b) recovering shares of Common Stock or cash equal to the value of the shares of Common Stock issued on settlement of the PRSUs, including shares resulting from dividend equivalents; (c) recovering proceeds realized by the Participant on the sale of such Common Stock; (d) withholding compensation otherwise due to the Participant; (e) payment by the Participant; and/or (e) by such other means determined appropriate under the terms of the Recoupment Policy. If the Participant is required to repay the Corporation, the Corporation is entitled to offset the payment in a way that is intended to avoid the application of penalties under Section 409A of the Code, if applicable.

(b) By accepting the Award Grant and the terms of this Award Agreement, the Participant understands, acknowledges and accepts that the grant, shares of Common Stock issued under the Plan and proceeds realized by the Participant pursuant to the Plan are subject to the terms of the Recoupment Policy and the Corporation may seek recovery by any of the methods described in Section 19(a) or other such means determined appropriate under the terms of the Recoupment Policy.

21. **Whistleblower Statutes.** Notwithstanding anything to the contrary in this Award Agreement, nothing in Sections 19 or 20 of this Award Agreement is intended to or shall limit, prevent, impede or interfere with the Participant's non-waivable right, without prior notice to the Corporation, to provide information to the government, participate in investigations, testify in proceedings regarding the Corporation, Employer or any Affiliate's past or future conduct, engage in any activities protected under whistleblower statutes, or to receive and fully retain a monetary award from a government-administered whistleblower award program for providing information directly to a government agency. The Participant does not need prior authorization from the Corporation to make any such reports or disclosures and is not required to notify the Corporation that the Participant has made such reports or disclosures.

22. **Acceptance of Award Terms and Conditions.** A Participant has until the end of the one hundred twenty (120) day period beginning from the Grant Date of this Award to accept this Award Agreement. If the Participant does not accept this Award Agreement on or before the end of such one hundred twenty (120) day period then the grant of the Award, as set forth in Section 1, shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

Acknowledgment of Conditions

The Participant understands, acknowledges and agrees to the following conditions with respect to the Award granted under the Plan:

The Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended, cancelled or terminated at any time, to the extent permitted by the Plan. The grant of an Award is an exceptional, voluntary and occasional benefit and does not create any contractual or other right to receive an Award or benefits in lieu of an Award in the future, even if Awards have been granted in the past. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of Awards and vesting provisions.

Participation in the Plan is voluntary and does not create a right to employment with the Participant's Employer, shall not be interpreted as forming an employment or service contract with the Corporation, and shall not interfere with the ability of the Employer to terminate the Participant's employment relationship at any time. The Participant understands that the Corporation has unilaterally, gratuitously and discretionally decided to grant Awards under the Plan to individuals who are employees of the Corporation or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Corporation or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Corporation or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant since the future value of the Award and the underlying shares is unknown and unpredictable. In addition, the Participant understands that this grant would not be made but for the assumptions and conditions referred to above; thus, the Participant understands, acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the Award shall be null and void.

The Award and the shares of Common Stock subject to the Award, and the income from and value of same, are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Corporation or, if different, the Employer, and which are outside the scope of the Participant's employment contract, if any, and are not intended to replace any pension rights or compensation. As such, the Award, and the income from and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, leave-related payments, holiday pay, pension, retirement or welfare benefits or similar payments and in no event shall be considered as compensation for, or relating in any way to, past services for the Corporation, the Employer or any other Affiliate.

Unless otherwise agreed with the Corporation, the Award and shares of Common Stock subject to the Award, and the income from and value of same, are not granted as consideration for, or in connection with, any service the Participant may provide as a director of any Affiliate.

The future value of the underlying shares of Common Stock is unknown, indeterminable, and cannot be predicted with certainty.

The Award will be subject to any policy adopted by the Corporation relating to the recovery of such Award to the extent it is determined that the Performance Goals were not actually achieved.

No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of the Participant's employment by the Corporation or the Employer (regardless of the reason for such termination and whether or not the termination is later found to be invalid or in breach of employment laws).

In the event of termination of the Participant's employment (whether or not in breach of local labor laws and except as otherwise explicitly provided in the Award Agreement or the Plan), the Participant's right to receive PRSUs and vest in the Award under the Plan, if any, will terminate effective as of the date that the Participant is no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the Award (including whether the Participant may still be considered employed while on a leave of absence).

The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding participation in the Plan, or the acquisition or sale of the underlying shares of Common Stock. Further, the Participant understands that he or she should consult with his or her own advisors regarding participation in the Plan before taking any action related to the Plan.

Neither the Corporation, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the PRSUs or of any amounts due to the Participant pursuant to the settlement of the PRSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.

Regardless of any action the Corporation or the Employer takes with respect to any or all income tax (including federal, state and local taxes), social insurance, fringe benefit tax, payroll tax, payment on account or other tax-related items related to the Participant's participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), the Participant acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant's responsibility and may exceed the amount, if any, actually withheld by the Corporation or the Employer. The Participant further acknowledges that the Corporation and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the PRSUs, the vesting of PRSUs, the conversion of the PRSUs into shares or the receipt of an equivalent cash payment, the subsequent sale of any shares acquired at vesting and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant is subject to Tax-Related Items in more than one jurisdiction, the Participant acknowledges that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Participant shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employer to satisfy or account for all applicable withholding obligations for Tax-Related Items. In this regard, the Participant authorizes the Corporation or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations, if any, with regard to all Tax-Related Items by one or a combination of the following:

- (1) withholding from the Participant's wages or other cash compensation paid to the Participant by the Corporation and/or the Employer; or
- (2) withholding from the proceeds of the sale of shares acquired upon vesting of the Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on the Participant's behalf, pursuant to this authorization); or
- (3) withholding shares to be issued upon vesting of the Award;

provided, however, that if the Participant is subject to Section 16 of the U.S. Securities Exchange Act of 1934, as amended, then the Corporation will withhold in shares upon the relevant taxable or tax withholding event, as applicable, unless the use of such withholding method is problematic under applicable tax or law or has materially adverse accounting consequences, in which case, the obligation for Tax-Related Items may be satisfied by one or a combination of methods (1), (2) and (3) above.

The Corporation may withhold or account for Tax-Related Items by considering applicable statutory withholding amounts or other applicable withholding rates, including minimum rates or maximum applicable rates in applicable jurisdictions, in which case the Participant may receive a refund of any over-withheld amount in cash and will have no entitlement to the common stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, the Participant is deemed to have been issued the full number of shares subject to the Award, notwithstanding that a number of shares is held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Participant's participation in the Plan.

The Participant shall pay to the Corporation or to the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of the Participant's participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to deliver shares or the proceeds of the sale of shares to the Participant if he or she fails to comply with his or her obligations in connection with the Tax-Related Items.

The Corporation is located at 351 Phelps Drive Irving, TX 75038, USA and grants employees of the Corporation and its Affiliates the opportunity to participate in the Plan, at the Corporation's sole discretion. If the Participant would like to participate in the Plan and is an employee in a country outside the European Economic Area, the Participant understands that he or she should review the following information about the Corporation's data processing practices and declare his or her consent. If the Participant is an employee in a country that is a member of the European Economic Area, the Participant should review the information about the Corporation's data processing practices set forth in Appendix A attached hereto.

- (i) ***Data Collection and Usage. The Corporation collects, processes and uses the Participant's personal data, including, name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, citizenship, nationality, job title, any shares of stock or directorships held in the Corporation, and details of all awards, canceled, vested, or outstanding in the Participant's favor, which the Corporation receives from the Participant or the Participant's Employer. If the Corporation offers the Participant the opportunity to participate in the Plan, then***

the Corporation will collect the Participant's personal data for purposes of allocating stock and implementing, administering and managing the Plan. The Corporation's legal basis for the processing of the Participant's personal data would be the Participant's consent.

- (ii) Stock Plan Administration Service Providers.** *The Corporation transfers participant data to Merrill Lynch, an independent service provider based in the United States, which assists the Corporation with the implementation, administration and management of the Plan. In the future, the Corporation may select a different service provider and share the Participant's data with another company that serves in a similar manner. The Corporation's service provider will open an account for the Participant. The Participant will be asked to agree on separate terms and data processing practices with the service provider, which is a condition for participation in the Plan.*
- (iii) International Data Transfers.** *The Corporation and its service providers are based in the United States. If the Participant is outside of the United States, the Participant should note that his or her country may have enacted data privacy laws that are different from the United States. The Corporation's legal basis for the transfer of the Participant's personal data is the Participant's consent.*
- (iv) Data Retention.** *The Corporation will use the Participant's personal data only as long as is necessary to implement, administer and manage his or her participation in the Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Corporation no longer needs the Participant's personal data, the Corporation will remove it from its systems. If the Corporation keeps data longer, it would be to satisfy legal or regulatory obligations and the Corporation's legal basis would be relevant laws or regulations.*
- (v) Voluntariness and Consequences of Consent Denial or Withdrawal.** *The Participant's participation in the Plan and the Participant's grant of consent is purely voluntary. The Participant may deny or withdraw his or her consent at any time. If the Participant does not consent, or if he or she withdraws their consent, the Participant cannot participate in the Plan. This would not affect the Participant's salary as an employee; the Participant would merely forfeit the opportunities associated with the Plan.*
- (vi) Data Subject Rights.** *The Participant has a number of rights under data privacy laws in his or her country. Depending on where the Participant is based, the Participant's rights may include the right to (i) request access or copies of personal data the Corporation processes, (ii) rectification of incorrect data, (iii) deletion of data, (iv) restrictions on processing, (v) portability of data, (vi) to lodge complaints with competent authorities in the Participant's country, and/or (vii) a list with the names and addresses of any potential recipients of the Participant's personal data. To receive clarification regarding the Participant's rights or to exercise the rights please contact the Corporation at Attn: Long-term Incentive Plan Administration at Kimberly Clark, 351 Phelps Drive Irving, TX 75038, USA.*

The Participant also understands that the Corporation may rely on a different legal basis for the processing or transfer of data in the future and/or request that the Participant provides another data privacy consent. If applicable and upon request of the Corporation, the Participant agrees to provide an executed acknowledgment or data privacy consent form to the Corporation or the Employer (or any other acknowledgments, agreements or consents) that the Corporation and/or the Employer may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. The Participant understands that he or she will not be able to participate in the Plan if the Participant fails to execute any such acknowledgment, agreement or consent requested by the Corporation and/or the Employer.

If the Participant agrees with the data processing practices described in this notice, the Participant will declare his or her consent by clicking the "Accept" icon on the Merrill Lynch website.

The Participant understands that he or she is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses or notices, which may be necessary for the Award, to acquire the shares or to hold or sell the shares subject to the Award. Neither the Corporation nor its Affiliates will be responsible for obtaining such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties the Participant may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

In accepting the grant of this Award, the Participant acknowledges that he or she has received a copy of the Plan and the Award Agreement and has reviewed the Plan and the Award Agreement, including Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including Appendix A.

The Participant acknowledges that he or she has read and specifically and expressly approves the following sections of the Award Agreement: Section 2(g) on Payment of Tax-Related Items; Section 5 on No Right of Continued Employment; Section 8 on Delaware Law to Govern; the section on Acknowledgment of Conditions; and the Data Privacy Notice sections of both the Award Agreement and Appendix A for the Participant's country.

The provisions of this Award Agreement are severable and if one or more of the provisions of this Award Agreement shall be held invalid, illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nonetheless be binding and enforceable. To the extent that any provisions of this Award Agreement are held to be invalid or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Award Agreement to be construed so as to foster the intent of this Award Agreement and the Plan.

The Participant acknowledges that he or she is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms and conditions of this Award Agreement. Furthermore, if the Participant has received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

Notwithstanding any provisions in this Award Agreement, the Award shall be subject to any special terms and conditions set forth in Appendix A to this Award Agreement for the Participant's country. Moreover, if the Participant relocates to one of the countries included in Appendix A, the special terms and conditions for such country will apply to the Participant, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Award Agreement.

For U.S. Participants only: the Participant acknowledges that the grant of an Award is expressly conditioned on the non-competition provisions set forth in Section 19.

The Corporation reserves the right to impose other requirements on the Participant's participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by on-line delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third-party designated by the Corporation.

A waiver by the Corporation of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by the Participant or any other participant.

The Participant may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions, which may affect the Participant's ability to, directly or indirectly, accept, acquire, sell, or attempt to sell or otherwise dispose of shares of Common Stock or rights to shares of Common Stock (e.g., PRSUs), or rights linked to the value of shares of Common Stock during such times as the Participant is considered to have "inside information" regarding the Corporation (as defined by the laws in the applicable jurisdictions or the Participant's country). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before possessing inside information. Furthermore, the Participant may be prohibited from (i) disclosing the inside information to any third party, including fellow employees (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them to otherwise buy or sell Corporation securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. The Participant is responsible for ensuring his or her compliance with any applicable restrictions and is advised to speak with his or her personal legal advisor on this matter.

The Participant's country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect the Participant's ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares acquired under the Plan) in a brokerage or bank account outside the Participant's country. The Participant may be required to report such accounts, assets or transactions to the tax or other authorities in the Participant's country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of participation in the Plan to his or her country through a designated bank or broker.

within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with such regulations, and that the Participant should consult his or her personal legal advisor for any details.

The Participant acknowledges that he or she has reviewed the Corporation's Code of Conduct. The Participant further acknowledges that he or she understands and will comply with the terms and standards contained in that Code of Conduct, including but not limited to the prohibition against retaliation, and specifically acknowledges that he or she has an obligation to report suspected violations of the Code of Conduct pursuant to the Corporation's Escalation Policy.

Conclusion and Acceptance

The Participant accepts this grant via electronic signature by clicking the "Accept" icon and certifies that he or she has read, understands and agrees to the terms and conditions of the 2011 Equity Participation Plan (the "Plan"), the provisions of the applicable Award Agreement and all other applicable documents (including any country-specific terms applicable to the Participant's grant). The Participant hereby authorizes the Employer to furnish the Corporation (and any agent administering the Plan or providing recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and enable administration of the Plan and the Participant understands that such information shall be used only as long and to the extent necessary to administer the Participant's participation in the Plan. The Participant agrees that his or her participation in the Plan and the Awards granted to the Participant under the Plan will be governed solely by provisions of U.S. law.

**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

APPENDIX A

Certain capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or the Award Agreement.

This Appendix A includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant resides and/or works in one of the countries listed below.

This Appendix A also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of January 2020. Such laws are often complex and change frequently. As a result, the Participant should not rely on the information noted herein as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at vesting of the Award or the subsequent sale of the shares or receipt of any dividends or dividend equivalents.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working, transferred or transfers employment and or residency after the Award is granted or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant. The Corporation shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to the Participant in such circumstances.

EUROPEAN ECONOMIC AREA (INCLUDING THE UNITED KINGDOM) AND SWITZERLAND

Data Protection

For Participants resident in a country in the European Economic Area, Switzerland or, if and when the United Kingdom leaves the EU, the United Kingdom, the following language replaces in its entirety the data privacy section in the Acknowledgment of Conditions section of the Award Agreement:

1. The Participant is hereby notified of the collection, use and transfer outside of the European Economic Area, as described in the Award Agreement, in electronic or other form, of his or her Personal Data (defined below) by and among, as applicable, the Corporation and certain of its Affiliates for the exclusive and legitimate purpose of implementing, administering and managing the Participant's participation in the Plan.

2. The Participant understands that the Corporation and the Employer hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Personal Data"), for the purpose of implementing, administering and managing the Plan.

3. The Participant understands that providing the Corporation with this Personal Data is necessary for the performance of the Award Agreement and that the Participant's refusal to provide the Personal Data would make it impossible for the Corporation to perform its contractual obligations and may affect the Participant's ability to participate in the Plan. The Participant's Personal Data shall be accessible within the Corporation only by the persons specifically charged with Personal Data processing operations and by the persons that need to access the Personal Data because of their duties and position in relation to the performance of the Award Agreement.

4. The Personal Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant may, at any time and without cost, contact Long-term Incentive Plan Administration at Kimberly Clark, 351 Phelps Drive Irving, TX 75038, USA to enforce his or her rights under the data protection laws in the Participant's country, which may include the right to (i) request access or copies of Personal Data subject to processing; (ii) request rectification of incorrect Personal Data; (iii) request deletion of Personal Data; (iv) request restriction on processing of Personal Data; (v) request portability of Personal Data; (vi) lodge complaints with competent authorities in the Participant's country; and/or (vii) request a list with the names and addresses of any potential recipients of Personal Data.

5. The Corporation provides appropriate safeguards for protecting Personal Data that it receives in the U.S. through its adherence to data transfer agreements entered into between the Corporation and its Affiliates within the European Union.

6. Further, the Participant understands that the Corporation will transfer Personal Data to Merrill Lynch and/or such other third parties as may be selected by the Corporation, which are assisting the Corporation with the implementation, administration and management of the Plan. The Corporation may select a different service provider or additional service providers and share Personal Data with such other provider(s) serving in a similar manner. The Participant may be asked to agree on separate terms and data processing practices with the service provider, with such agreement being a condition to the ability to participate in the Plan.

7. Merrill Lynch is based in the United States. The Participant's country or jurisdiction may have different data privacy laws and protections than the United States. Notwithstanding, by participating in the Plan, the Participant agrees to the transfer of his or her Personal Data to Merrill Lynch for the exclusive purpose of administering the Participant's participation in the Plan. The Corporation's legal basis, where required, for the transfer of Data to Merrill Lynch is the Participant's consent.

8. Finally, the Participant may choose to opt out of allowing the Corporation to share his or her Personal Data with Merrill Lynch and others as described above, although execution of such choice may mean the Corporation cannot grant awards under the Plan to the Participant. For questions about this choice or to make this choice, the Participant should contact Long-term Incentive Plan Administration at Kimberly Clark, 351 Phelps Drive Irving, TX 75038, USA.

ARGENTINA

Securities Law Information

Neither the PRSUs nor the underlying shares of Common Stock are publicly offered or listed on any stock exchange in Argentina.

Foreign Asset/Account Reporting Information

Argentine residents must report any shares of Common Stock acquired under the Plan and held on December 31st of each year on their annual tax return for the year.

Exchange Control Information

Please note that exchange control regulations in Argentina are subject to frequent change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations the Participant may have in connection with the Participant's participation in the Plan. The Participant must comply with any and all Argentine currency exchange restrictions, approvals and reporting requirements in connection with the vesting of the PRSUs, the subsequent sale of any shares acquired at vesting and the receipt of any dividends paid on such shares.

AUSTRALIA

Australian Offer Document

The Participant acknowledges that he or she received an Australian offer document which sets out additional information regarding the grant of the award to Australian resident employees.

Tax Information

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) applies (subject to conditions in the Act).

Shutdown or Divestiture

The following provision replaces Section 2(d) of the Award Agreement.

In the event that, more than six months after the Grant Date, the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro rata vesting. This pro-rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) and prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment. Any fractional share of the Corporation

resulting from such a prorated Award shall be rounded to the nearest whole share. The Award shall be paid as soon as practicable after the termination of the Participant's employment.

Award Forfeited on Termination of Employment

Except for the shutdown or divestiture of a business unit, as described above, and notwithstanding any other provision in the Award Agreement, the Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon any termination of employment including, but not limited to, any termination that is due to a Qualified Termination of Employment, death, Retirement or Total and Permanent Disability.

Compliance with Laws

Notwithstanding anything else in the Plan or the Award Agreement, the Participant will not be entitled to and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth.) (the "Act"), any other provision of the Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Employer is under no obligation to seek or obtain the approval of its shareholders in a general meeting for the purpose of overcoming any such limitation or restriction.

Exchange Control Information

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. If an Australian bank is assisting with the transaction, the bank will file the report on the Participant's behalf. If there is no Australian bank involved in the transaction, the Participant will be required to file the report him or herself.

Securities Law Information

If the Participant acquires shares of Common Stock under the Plan and offers such shares for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. The Participant should obtain legal advice on disclosure obligations prior to making any such offer.

AUSTRIA

Exchange Control Information

If the Participant holds shares of Common Stock obtained under the Plan or cash (including proceeds from the sale of shares of Common Stock) outside of Austria, he or she may be required to submit reports to the Austrian National Bank as follows: (i) on a quarterly basis if the value of the shares of Common Stock as of any given quarter meets or exceeds €30,000; and (ii) on an annual basis if the value of the shares of Common Stock as of December 31 meets or exceeds €5,000,000. The quarterly reporting date is as of the last day of the respective quarter; the deadline for filing the quarterly report is the 15th day of the month following the end of the respective quarter. The deadline for filing the annual report is January 31 of the following year.

When the shares of Common Stock are sold, the Participant may be required to comply with certain exchange control obligations if the cash proceeds from the sale are held outside of

Austria. If the transaction volume of all of the Participant's accounts abroad meets or exceeds €10,000,000, the movements and balances of all accounts must be reported monthly, as of the last day of the month, on or before the 15th day of the following month.

BAHRAIN

Securities Law Information

The Award Agreement, Plan and all other materials the Participant may receive regarding participation in the Plan do not constitute advertising or the offering of securities in Bahrain, nor do they constitute an allotment of securities in Bahrain. Any shares of Common Stock issued upon settlement of the PRSUs will be deposited into a Corporation-designated brokerage account outside Bahrain. In no event will shares of Common Stock be issued or delivered in Bahrain. The issuance of shares of Common Stock pursuant to the PRSUs described herein has not and will not be registered in Bahrain and, hence, the shares of Common Stock described herein may not be admitted or used for offering, placement or public circulation in Bahrain. Accordingly, the Participant may not make any public advertising or announcements regarding the PRSUs or shares of Common Stock in Bahrain, promote these shares of Common Stock to legal entities or individuals in Bahrain, or sell shares of Common Stock directly to other legal entities or individuals in Bahrain. Any disposition or sale of such shares of Common Stock must take place outside Bahrain.

BELGIUM

Foreign Asset/Account Reporting Information

Belgian residents are required to report any securities (e.g., shares acquired under the Plan) or bank accounts opened and maintained outside Belgium (e.g., any brokerage account opened in connection with the Plan) on their annual tax returns. Belgian residents are also required to complete a separate report providing the National Bank of Belgium with details regarding any such account, including the account number, the name of the bank in which such account is held and the country in which such account is located. The forms to complete this report are available on the website of the National Bank of Belgium. Belgian residents should consult with their personal tax advisors to determine their personal reporting obligations.

Stock Exchange Tax

From January 1, 2017, a stock exchange tax applies to transactions executed through a non-Belgian financial intermediary. The stock exchange tax likely will apply when shares of Common Stock are sold. The Participant should consult with his or her personal tax advisor to determine his or her obligations with respect to the stock exchange tax.

BOLIVIA

There are no country-specific provisions.

BRAZIL

Compliance with Law

By accepting the Award, the Participant acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable Tax-Related Items associated with the vesting of the PRSUs, the conversion of the PRSUs into shares or the receipt of an equivalent cash payment, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

Labor Law Acknowledgment

By accepting the Award, the Participant agrees that (i) the Participant is making an investment decision; (ii) the shares of Common Stock will be issued to Participant only if the vesting and/or performance conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease in value over the Restricted Period without compensation to the Participant.

Exchange Control Information

If the Participant is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares of Common Stock.

Tax on Financial Transaction (IOF).

Payments to foreign countries and repatriation of funds into Brazil (including proceeds from the sale) and the conversion of USD into BRL associated with such fund transfers may be subject to the Tax on Financial Transactions. It is the Participant's responsibility to comply with any applicable Tax on Financial Transactions arising from the Participant's participation in the Plan. The Participant should consult with his or her personal tax advisor for additional details.

CANADA

Securities Law Information

The Participant is permitted to sell shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed. The Corporation's shares are currently listed on New York Stock Exchange.

Acknowledgment of Conditions

The following provision supplements the Acknowledgment of Conditions section of the Award Agreement:

Except as may otherwise be explicitly provided in the Plan or this Award Agreement, for the purposes of this Award Agreement, the Participant's termination of employment will be measured effective as of the date that is the earlier of: (1) the date the Participant's employment is terminated, (2) the date the Participant receives notice of termination of

employment or service from the Employer, or (3) the date the Participant is no longer actively employed or providing services, regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law, and/or common law); the Committee shall have the exclusive discretion to determine when the Participant is no longer actively employed or providing services for purposes of the Award (including whether the Participant may still be considered employed while on a leave of absence).

Foreign Asset/Account Reporting Information

Foreign specified property (including shares of Common Stock) held by Canadian residents must be reported annually on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign specified property exceeds C\$100,000 at any time during the year. Foreign specified property includes shares of Common Stock acquired under the Plan and may include the PRSUs. The PRSUs must be reported - generally at a nil cost - if the \$100,000 cost threshold is exceeded because of other foreign property the Participant holds. If shares of Common Stock are acquired, their cost generally is the adjusted cost base ("ACB") of the shares. The ACB would normally equal the Fair Market Value of the shares at vesting, but if the Participant owns other shares, this ACB may have to be averaged with the ACB of the other shares owned by the Participant. If due, the Form must be filed by April 30 of the following year. The Participant should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

The following provisions apply if the Participant is a resident of Quebec:

Language Consent

The parties acknowledge that it is their express wish that the Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information

The Participant hereby authorizes the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Corporation, any Affiliate and the plan administrators to disclose and discuss the Plan with their advisors. The Participant further authorizes the Corporation and any Affiliate to record such information and to keep such information in the Participant's employee file.

CHILE

Securities Law Information

The PRSUs are granted and are made subject to general ruling n° 336 of the Chilean Commission for the Financial Market ("CMF"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the CMF, and therefore such

securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

La oferta privada de estos PRSUs se inicia y se acoge a las disposiciones de la norma de carácter general n° 336 de la Comisión para el Mercado Financiero ("CMF"). Esta oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos en Chile, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de los mismos. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el registro de valores correspondiente.

Exchange Control Information

The Participant is not required to repatriate funds obtained from the sale of shares or the receipt of any dividends. However, if the Participant decides to repatriate such funds, the Participant must do so through the Formal Exchange Market if the amount of the funds exceeds US\$10,000. In such case, the Participant must report the payment to a commercial bank or registered foreign exchange office receiving the funds. If the Participant does not repatriate the funds and uses such funds for the payment of other obligations contemplated under a different Chapter of the Foreign Exchange Regulations, the Participant must sign Annex 1 of the Manual of Chapter XII of the Foreign Exchange Regulations and file it directly with the Central Bank within the first 10 days of the month immediately following the transaction.

If the Participant's aggregate investments held outside of Chile meets or exceeds US\$5,000,000 (including the investments made under the Plan), the Participant may need to report the investments annually to the Central Bank. Annex 3.1 of Chapter XII of the Foreign Exchange Regulations must be used to file this report.

Please note that exchange control regulations in Chile are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to receiving proceeds from the sale of shares of Common Stock acquired under the Plan.

Foreign Asset/Account Reporting Information

The Chilean Internal Revenue Service (the "CIRS") requires all taxpayers to provide information annually regarding (i) the results of investments held abroad and (ii) any taxes paid abroad which the taxpayers will use as a credit against Chilean income tax. The sworn statements disclosing this information (or Formularios) must be submitted electronically through the CIRS website, www.sii.cl, using Form 1929, which is due on June 30 each year.

CHINA

The following provisions apply only to Participants who are subject to exchange control restrictions imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Corporation in its sole discretion:

Vesting of Awards

The Participant's Employer, Corporation any other Affiliate to which the Participant provides service must be registered with SAFE prior to settlement of the PRSUs. If the Corporation is unable to obtain registration approval or is required to obtain further approvals on behalf of the Employer, Corporation or any other Affiliate, the vesting or settlement of the PRSUs may be suspended or delayed. Further, the Corporation is under no obligation to vest the PRSUs and/or issue shares of Common Stock if the Corporation's SAFE approval becomes invalid or ceases to be in effect by the time the Participant vests in the PRSUs.

Shutdown or Divestiture

The following provision replaces Section 2(d) of the Award Agreement.

In the event that, more than six months after the Grant Date, the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro-rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined based on the Target Level of Awards (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) and by prorating the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 70 days following the Participant's termination of employment. Any fractional share of the Corporation resulting from such a prorated Award shall be rounded to the nearest whole share.

Termination of Employment

Except for a termination of employment due to the shutdown or divestiture of a business unit, as described above, and notwithstanding any other provision in the Award Agreement, the Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon any termination of employment including, but not limited to, any termination that is due to a Qualified Termination of Employment, death, Retirement or Total and Permanent Disability.

The Participant acknowledges and agrees that he or she must sell any shares of Common Stock issued to him or her upon vesting of the Awards as soon as practicable following the Participant's termination of employment for any reason and in no event later than three months following the Participant's termination of employment. The Participant agrees that if he or she continues to hold any of such shares of Common Stock after this time, the shares of Common Stock may be sold by the Corporation's designated broker on the Participant's behalf at the instruction of the Corporation. Therefore, by accepting the Awards, the Participant understands and agrees that the Corporation is authorized to, and may in its sole discretion, instruct its designated broker to assist with the mandatory sale of shares of Common Stock (on the Participant's behalf pursuant to this authorization) and that the Participant expressly authorizes the Corporation's designated broker to complete the sale of such shares of Common Stock. The Participant acknowledges that the Corporation's designated broker is under no obligation to arrange for the sale of the shares of Common Stock at any particular price. Upon the sale of the shares of Common Stock, the proceeds, less any Tax-Related Items and brokerage fees or commissions will be remitted to the Participant pursuant to the procedures described in the "Exchange Control Information" section below.

Exchange Control Information

Shares of Common Stock issued to the Participant under the Plan must be maintained in an account with Merrill Lynch or such other broker as may be designated by the Corporation until the shares of Common Stock are sold through that broker. The Participant may be required to sell any shares of Common Stock obtained under the Plan if the Corporation determines that the application of such condition is necessary or advisable for China SAFE exchange control, legal or other administrative reasons.

The Participant understands and agrees that, to facilitate compliance with exchange control requirements, the Participant will be required to immediately repatriate to China the cash proceeds from the sale of shares of Common Stock acquired upon vesting of the Awards or from any dividends or dividend equivalents paid on the shares of Common Stock. The Participant further understands that, under local law, such repatriation of the cash proceeds will be effectuated through a special exchange control account established by the Corporation or one of its Affiliates in China, and the Participant hereby consents and agrees that the cash proceeds related to the Participant's participation in the Plan may be transferred to such special account prior to being delivered to the Participant. The Corporation may deliver the proceeds to the Participant in U.S. dollars or local currency at the Corporation's discretion. If the proceeds are paid in U.S. dollars, the Participant understands that he or she will be required to set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, there may be delays in delivering the proceeds to the Participant. The Participant agrees to bear the risk of any currency fluctuation between the time the shares of Common Stock are sold, either through voluntary sale or through a mandatory sale arranged by the Corporation, or proceeds are otherwise realized under the Plan and the time such proceeds are distributed to the Participant through the special exchange control account.

The Participant further agrees to comply with any other requirements that may be imposed by the Corporation in the future to facilitate compliance with exchange control requirements in China.

COLOMBIA

Securities Law Information

The shares of Common Stock are not and will not be registered in the Colombian registry of publicly traded securities (Registro Nacional de Valores y Emisores) and therefore the shares of Common Stock may not be offered to the public in Colombia. Nothing in this document should be construed as the making of a public offer of securities in Colombia. In the event that the Corporation, in its sole discretion, determines that the offer of the Awards in Colombia may constitute a "public offer of securities", the Participant understands and agrees that the Corporation may, in its sole discretion, cease to offer participation in the Plan in Colombia. In the event that the Corporation exercises its discretion to cease offering the Plan in Colombia, the Participant will no longer be permitted to participate in the Plan as of the date established by the Corporation.

Exchange Control Information

Colombian residents must register shares of Common Stock acquired under the Plan, regardless of value, with the Central Bank of Colombia (Banco de la República) as foreign

investment held abroad. In addition, the liquidation of such investments must be transferred through the Colombian foreign exchange market (e.g. local banks), which includes the obligation of correctly completing and filing the appropriate foreign exchange form (declaración de cambio). The Participant is responsible for complying with applicable exchange control requirements in Colombia.

The Participant may be required to sell any shares of Common Stock obtained under the Plan if the Corporation determines that the application of such condition is necessary or advisable for exchange control, legal or other administrative reasons. If shares of Common Stock are sold immediately upon receipt, no registration is required because no shares of Common Stock are held abroad. The Participant should consult with his or her personal legal advisor to ensure compliance with the applicable requirements.

Acknowledgment of Conditions

The following provision supplements the Acknowledgment of Conditions section of the Award Agreement:

The Participant acknowledges that pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of the Participant's "salary" for any legal purpose. To this extent, they will not be included for purposes of calculating any labor benefits, such as legal/fringe benefits, vacation, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount.

COSTA RICA

There are no country-specific provisions.

CROATIA

Exchange Control Information

The Participant may be required to report any foreign investments (including any shares of Common Stock) to the Croatian National Bank for statistical purposes. However, because exchange control regulations may change without notice, the Participant should consult with his or her legal advisor to ensure compliance with current regulations. It is the Participant's responsibility to comply with Croatian exchange control laws.

CZECH REPUBLIC

Exchange Control Information

The Czech National Bank may require the Participant to fulfill certain notification duties in relation to the acquisition of shares of Common Stock and the opening and maintenance of a foreign account. Even in the absence of a request from the CNB the Participant may need to report foreign direct investments with a value of CZK 2,500,000 or more in the aggregate and/or other foreign financial assets with a value of CZK 200,000,000 or more. However, because exchange control regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor prior to the vesting of the PRSUs and the sale of Common Stock to ensure compliance with current regulations. It is the Participant's responsibility to comply with any applicable Czech exchange control laws.

DOMINICAN REPUBLIC

There are no country-specific provisions.

ECUADOR

There are no country-specific provisions.

EL SALVADOR

There are no country-specific provisions.

FRANCE

PRSUs Not Tax-Qualified

The Participant understands that this Award is not intended to be French tax-qualified.

Consent to Receive Information in English

By accepting the Award Agreement providing for the terms and conditions of the Participant's grant, the Participant confirms having read and understood the documents relating to this grant (the Plan and this Award Agreement) which were provided in English language. The Participant accepts the terms of those documents accordingly.

En acceptant le Contrat d'Attribution décrivant les termes et conditions de l'attribution, le participant confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan U.S. et ce Contrat d'Attribution) qui ont été communiqués en langue anglaise. Le participant accepte les termes en connaissance de cause.

Foreign Asset/Account Reporting Information

French residents holding shares of Common Stock outside of France or maintaining a foreign bank account are required to report such to the French tax authorities when filing their annual tax returns, including any accounts that were closed during the year. Further, failure to comply could trigger significant penalties.

GERMANY

Exchange Control Information

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. No report is required for payments less than €12,500. In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock), the report must be made by the 5th day of the month following the month in which the payment was received. Effective from September 2013, the report must be filed electronically. The form of report ("Allgemeine Meldeportal Statistik") can be accessed via the Bundesbank's website (www.bundesbank.de) and is available in both German and English. The Participant is responsible for satisfying the reporting obligation.

Foreign Asset/Account Reporting Information

German residents holding shares of Common Stock exceeding 1% of the Corporation's total Common Stock, must notify their local tax office of the acquisition of Common Stock if the value of all shares of Common Stock acquired exceeds €150,000 or if the resident holds 10% or more in the Corporation's total Common Stock.

GUATEMALA

Language Waiver

By participating in the Plan, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the Plan, or, alternatively, that the Participant will seek appropriate assistance to understand the terms and conditions in the Award Agreement and this Appendix A.

HONDURAS

There are no country-specific provisions.

HONG KONG

Securities Law Warning

The offer of this Award and the shares of Common Stock subject to this Award do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation or its Affiliates participating in the Plan. The Participant should be aware that the Plan, the Plan prospectus and the contents of this Award Agreement (i) have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the personal use of each Participant and may not be distributed to any other person. The Participant is advised to exercise caution in relation to the offer. If the Participant is in any doubt about any of the contents of the Award Agreement, including this Appendix A, or the Plan, the Participant should obtain independent professional advice.

Award Payable Only in Shares

Awards granted to Participants in Hong Kong shall be paid in shares of Common Stock only and do not provide any right for the Participant to receive a cash payment.

Sale of Shares

In the event the Award vests within six months of the Grant Date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares acquired prior to the six-month anniversary of the Grant Date. Any shares of Common Stock acquired under the Plan are accepted as a personal investment.

INDIA

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in India do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant. The Corporation reserves the right to settle the Awards in shares of Common Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

INDONESIA

Exchange Control Information

If the Participant remits funds into Indonesia, the Indonesian bank through which the transaction is made will submit a report on the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a description of the transaction must be included in the report. Although the bank through which the transaction is made is required to make the report, the Participant must complete a "Transfer Report Form." The Transfer Report Form will be provided to the Participant by the bank through which the transaction is to be made.

ISRAEL

Securities Law Information

The offer of this Award does not constitute a public offering under Securities Law, 1968.

Broker Designation

Shares of Common Stock issued to the Participant under the Plan must be maintained in an account with Merrill Lynch or such other broker as may be designated by the Corporation until the shares of Common Stock are sold through that broker.

Restricted from Online Brokerage Transactions

The Participant acknowledges and agrees that he or she will be restricted from online brokerage account transactions the Corporation's designated broker. Therefore, by accepting the Awards, the Participant understands and agrees that the Participant will call the Corporation's designated broker to initiate any sale or transfer of any shares of Common Stock issued to him or her upon vesting of the Awards. The Participant acknowledges that the Corporation's designated broker is under no obligation to arrange for the sale of the shares of Common Stock at any particular price.

ITALY

Plan Document Acknowledgment

In accepting the grant of this Award, the Participant acknowledges that he or she has received a copy of the Plan and the Award Agreement and has reviewed the Plan and the Award

Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A.

The Participant acknowledges that he or she has read and specifically and expressly approves the following sections of the Award Agreement: Section 2(g) on Payment of Withholding Taxes; Section 5 on No Right of Continued Employment; Section 8 on Delaware Law to Govern; the section on Acknowledgment of Conditions; and the Data Privacy Notice section included in this Appendix A.

Foreign Asset/Account Reporting Information

Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and shares of Common Stock) which may generate income taxable in Italy are required to report these assets on their annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions.

Foreign Asset Tax Information

The value of financial assets held outside of Italy (including shares of Common Stock) by Italian residents is subject to a foreign asset tax. The taxable amount will be the fair market value of the financial assets (e.g., shares of Common Stock acquired under the Plan) assessed at the end of the calendar year.

JAPAN

Foreign Asset/Account Reporting Information

Japanese residents will be required to report details of any assets (including any shares of Common Stock acquired under the Plan) held outside of Japan as of December 31st of each year, to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th of the following year. The Participant should consult with his or her personal tax advisor as to whether the reporting obligation applies to the Participant and whether the Participant will be required to report details of any outstanding PRSUs or shares of Common Stock held by the Participant in the report.

KAZAKHSTAN

Securities Law Notification

This offer is addressed only to certain eligible employees in the form of the shares of Common Stock to be issued by the Corporation. Neither the Plan nor the Award Agreement has been approved, nor do they need to be approved, by the National Bank of Kazakhstan. This offer is intended only for the original recipient and is not for general circulation in the Republic of Kazakhstan.

Exchange Control Information

Residents of Kazakhstan may be required to notify the National Bank of Kazakhstan when they acquire shares of Common Stock under the Plan if the value of such shares of Common Stock exceeds US\$100,000.

Please note that the exchange control regulations in Kazakhstan are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to vesting or receiving proceeds from the sale of shares of Common Stock acquired under the Plan. The Participant is responsible for ensuring compliance with all exchange control laws in Kazakhstan.

KENYA

Tax Registration Notification

Under Tax Procedure Act, 2015, the Participant is required to complete and submit a tax registration application to the Commissioner of Income Tax with 30 days of first vesting of the PRSUs. The registration should be completed through the online portal "I TAX" and is a one-time only registration. The Participant is solely responsible for ensuring compliance with all registration requirements in Kenya.

KOREA

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Korea do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant. The Corporation reserves the right to settle the Awards in shares of Common Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

MALAYSIA

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgment of Conditions section of the Award Agreement:

The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Award Agreement by and among, as applicable, the Participant's Employer, the Corporation, and its other Affiliates for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.

The Participant understands that the Corporation and the Participant's Employer may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of

Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in the Participant's favor ("Data"), for the purpose of implementing, administering and managing the Plan.

The Participant understands that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative SeeWei.Ngiam@kcc.com at telephone number 603 78068396. The Participant authorizes the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or later seeks to revoke his or her consent, the Participant's employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing consent is that the Corporation would not be able to grant the Participant PRSUs or other equity awards or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

Malaysian Translation:

Peserta dengan ini secara eksplisit dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadi Peserta seperti yang diterangkan dalam Perjanjian Penganugerahan dan apa-apa bahan geran opsyen lain oleh dan di antara, seperti mana yang terpakai, Majikan, Syarikat dan Anak-Anak Syarikat Sekutunya untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan penyertaan peserta dalam Pelan.

Peserta memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang Peserta, termasuk, tetapi tidak terhad kepada, nama Peserta, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang di Syarikat, butir-butir semua opsyen atau apa-apa hak lain atas syer dalam saham biasa yang dianugerahkan, dibatalkan, dilaksanakan,

terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah Peserta ("Data"), untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan.

Peserta memahami bahawa Data akan dipindahkan kepada Merrill Lynch, atau pembekal perkhidmatan pelan saham yang mungkin ditetapkan oleh Syarikat pada masa depan yang membantu Syarikat dengan pelaksanaan, pentadbiran dan pengurusan Pelan. Peserta memahami bahawa penerima-penerima Data mungkin berada di Amerika Syarikat atau mana-mana tempat lain dan bahawa negara penerima-penerima (contohnya di Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara Peserta. Peserta memahami bahawa Peserta boleh meminta satu senarai yang mengandungi nama dan alamat penerima-penerima Data yang berpotensi dengan menghubungi wakil sumber manusia tempatan Peserta SeeWei.Ngiam@kcc.com, T: 603 78068396. Peserta memberi kuasa kepada Syarikat, Merrill Lynch dan mana-mana penerima-penerima lain yang mungkin membantu Syarikat (pada masa sekarang atau pada masa depan) dengan melaksanakan, mentadbir dan menguruskan Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan Peserta dalam Pelan. Peserta memahami bahawa Data hanya akan disimpan untuk tempoh yang perlu bagi melaksanakan, mentadbir, dan menguruskan penyertaan Peserta dalam Pelan. Peserta memahami bahawa Peserta boleh, pada bila-bila masa, melihat Data, meminta maklumat tambahan mengenai penyimpanan dan pemprosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatan Peserta. Peserta selanjutnya memahami bahawa Peserta memberi persetujuan ini secara sukarela. Sekiranya Peserta tidak bersetuju, atau kemudian membatalkan persetujuan Peserta, status pekerjaan atau perkhidmatan dan kerjaya Peserta dengan Majikan tidak akan terjejas; satunya akibat jika Peserta tidak bersetuju atau menarik balik persetujuan Peserta adalah bahawa Syarikat tidak akan dapat menganugerahkan kepada PRSUs atau anugerah ekuiti lain atau mentadbir atau mengekalkan anugerah tersebut. Oleh itu, Peserta memahami bahawa keengganan atau penarikan balik persetujuan Peserta boleh menjejaskan keupayaan Peserta untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan Peserta untuk memberikan keizinan atau penarikan balik keizinan, Peserta boleh menghubungi wakil sumber manusia tempatan.

Director Notification Obligation

If the Participant is a director of the Corporation's Malaysian Affiliate, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Affiliate in writing when the Participant receives or disposes of an interest (e.g., an Award or shares) in the Corporation or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Corporation or any related company.

MEXICO

Modification

By accepting the Award, the Participant understands and agrees that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Acknowledgment of the Grant

In accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan and the Award Agreement, including this Appendix A, has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A. The Participant further acknowledges that the Participant has read and specifically and expressly approves the Acknowledgment of Conditions section of the Award Agreement, in which the following is clearly described and established:

- (1) The Participant's participation in the Plan does not constitute an acquired right.
- (2) The Plan and the Participant's participation in the Plan are offered by the Corporation on a wholly discretionary basis.
- (3) The Participant's participation in the Plan is voluntary.
- (4) Neither the Corporation nor any Affiliates are responsible for any decrease in the value of the Award granted and/or shares of Common Stock issued under the Plan.

Labor Acknowledgment and Policy Statement

In accepting the grant of this Award, the Participant expressly recognizes that Kimberly-Clark Corporation, with registered offices at 351 Phelps Drive, Irving, Texas 75038, U.S.A., is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between the Participant and the Corporation since the Participant is participating in the Plan on a wholly commercial basis and his or her sole Employer is Kimberly-Clark de Mexico, S.A. de C.V. ("KCC-Mexico"). Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that he or she may derive from participating in the Plan do not establish any rights between the Participant and the Employer, KCC-Mexico and do not form part of the employment conditions and/or benefits provided by KCC-Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that his or her participation in the Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, Kimberly-Clark Corporation reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that he or she does not reserve to him- or herself any action or right to bring any claim against Kimberly-Clark Corporation for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Corporation, its Affiliates, branches,

representation offices, its shareholders, officers, agents, or legal representatives with respect to any claim that may arise.

Spanish Translation

Modificación

Al aceptar el Premio, el Participante entiende y acuerda que cualquier modificación al Plan o al Acuerdo o su terminación, no cambiará o disminuirá los términos y condiciones de empleo.

Reconocimiento del Otorgamiento

Al aceptar el Premio, el Participante está de acuerdo en haber recibido una copia del Plan, del Acuerdo incluyendo el presente Anexo "A" y ha revisado el Plan y el Acuerdo, incluyendo este Anexo "A" en su totalidad y comprende y acepta todas las disposiciones previstas en el Plan, en el Acuerdo, incluyendo el presente Anexo "A". Asimismo, el Participante reconoce que ha leído y manifiesta su específica y expresa conformidad con los términos y condiciones establecidos del Acuerdo, en el cual claramente se describe y establece lo siguiente:

- (1) La participación del Participante en el Plan no constituye un derecho adquirido.*
- (2) El Plan y la participación del Participante en el Plan se ofrecen por la Compañía de forma completamente discrecional.*
- (3) La participación del Participante en el Plan es voluntaria.*
- (4) Ni la Compañía ni sus Afiliadas son responsables por la reducción del valor del Premio y/o Acciones Ordinarias emitidas bajo el Plan.*

Reconocimiento de la Legislación Laboral y Declaración de la Política

Al aceptar el otorgamiento de este Premio, el Participante expresamente reconoce que Kimberly-Clark Corporation con oficinas registradas en 351 Phelps Drive, Irving, Texas 75038, U.S.A., es la única responsable por la administración del Plan y que la participación del Participante en el Plan y en su caso la adquisición de las Opciones de Compra de Acciones o Acciones no constituyen ni podrán interpretarse como una relación de trabajo entre el Participante y Kimberly-Clark Corporation, ya que el Participante participa en el Plan en un marco totalmente comercial y su único Patrón lo es Kimberly-Clark de Mexico, S.A. de C.V., con domicilio en Kimberly-Clark de Mexico, S.A. de C.V. Mexico. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar de la participación en el Plan no establecen derecho alguno entre el Participante y el Patrón, Kimberly-Clark de Mexico, S.A. de C.V. y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por Kimberly-Clark de Mexico, S.A. de C.V. y que cualquier modificación al Plan o su terminación no constituye un cambio o impedimento de los términos y condiciones de la relación de trabajo del Participante.

Asimismo, el Participante reconoce que su participación en el Plan es resultado de una decisión unilateral y discrecional de Kimberly-Clark Corporation por lo tanto, Kimberly-Clark Corporation se reserva el absoluto derecho de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente el Participante.

Finalmente, el Participante por este medio declara que no se reserva derecho o acción alguna que ejercitar en contra de Kimberly-Clark Corporation por cualquier compensación o daño en relación con las disposiciones del Plan o de los beneficios derivados del Plan y por lo tanto, el

Participante otorga el más amplio finiquito que en derecho proceda a Kimberly-Clark Corporation , sus afiliadas, subsidiarias, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales en relación con cualquier demanda que pudiera surgir.

MOROCCO

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Morocco do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant. The Corporation reserves the right to settle the Awards in shares of Common Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

NETHERLANDS

There are no country-specific provisions.

NEW ZEALAND

Securities Law Information

The Participant is being offered PRSUs which, if vested, will entitle the Participant to acquire shares of Common Stock in accordance with the terms of the Award Agreement and the Plan. The shares of Common Stock, if issued, will give the Participant a stake in the ownership of the Corporation. The Participant may receive a return if dividends are paid.

If the Corporation runs into financial difficulties and is wound up, the Participant will be paid only after all creditors and holders of preferred shares (if any) have been paid. The Participant may lose some or all of the Participant's investment, if any.

New Zealand law normally requires people who offer financial products to give information to investors before they invest. This information is designed to help investors to make an informed decision. The usual rules do not apply to this offer because it is made under an employee share scheme. As a result, the Participant may not be given all the information usually required. The Participant will also have fewer other legal protections for this investment. The Participant is advised to ask questions, read all documents carefully, and seek independent financial advice before committing.

The shares of Common Stock are quoted on the New York Stock Exchange ("NYSE"). This means that if the Participant acquires shares of Common Stock under the Plan, the Participant may be able to sell the shares of Common Stock on the NYSE if there are interested buyers. The Participant may get less than the Participant invested. The price will depend on the demand for the shares of Common Stock.

For information on risk factors impacting the Corporation's business that may affect the value of the shares of Common Stock, the Participant should refer to the risk factors discussion on

the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available online at www.sec.gov, as well as on the Corporation's "Investor Relations" website at <http://investor.kimberly-clark.com/index.cfm>.

NICARAGUA

There are no country-specific provisions.

NIGERIA

There are no country-specific provisions.

PANAMA

Securities Law Information

Neither this Award nor any shares of Common Stock that the Participant may acquire at vesting of this Award constitute a public offering of securities, as they are available only to eligible employees of the Corporation and its Affiliates.

PARAGUAY

There are no country-specific provisions.

PERU

Securities Law Information

The offer of this Award is considered a private offering in Peru; therefore, it is not subject to registration in Peru. For more information concerning the offer, please refer to the Plan, the Award Agreement and any other materials or documentation made available by the Corporation. For more information regarding the Corporation, please refer to the Corporation's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, which are filed with the U.S. Securities and Exchange Commission and are available at www.sec.gov, as well as the Corporation's "Investor Relations" website at: <http://investor.kimberly-clark.com/>

Labor Law Acknowledgment

By accepting the Award, the Participant acknowledges that the PRSUs are being granted *ex gratia* to the Participant.

PHILIPPINES

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in the Philippines do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash in an amount equal to the value of the shares of Common Stock at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant. The Corporation reserves the right to settle the Awards in shares of Common

Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

Fringe Benefit Tax Obligation

By accepting the Award, the Participant consents and agrees to assume any and all liability for fringe benefit tax that may be payable by the Corporation and/or the Employer (as determined by the Corporation or the Employer in their discretion) in connection with the Award and any awards previously granted by the Corporation. Further, by accepting the Award, the Participant agrees that the Corporation and/or the Employer may collect the fringe benefit tax from the Participant by any of the means set forth in the Acknowledgment of Conditions section of the Award Agreement, or any other reasonable method established by the Corporation. The Participant agrees to execute other consents or elections to accomplish the foregoing, promptly upon request by the Corporation or the Employer.

POLAND

Foreign Asset/Account Reporting Information

Polish residents holding foreign securities (e.g., shares of Common Stock) and/or maintaining accounts abroad must report information to the National Bank of Poland on transactions and balances of the securities and cash deposited in such accounts if the value of such securities and cash (when combined with all other assets possessed abroad) exceeds PLN 7 million. If required, the reports must be filed on a quarterly basis on special forms that are available on the website of the National Bank of Poland. Polish residents should consult with their personal tax advisor to determine their personal reporting obligations.

Exchange Control Information

If a Polish resident transfers funds in excess of €15,000 into Poland, the funds must be transferred via a Polish bank account or financial institution. Polish residents are required to retain the documents connected with a foreign exchange transaction for a period of five years, as measured from the end of the tax year in which such transaction occurred.

PORTUGAL

Language Consent

The Participant hereby declares that the Participant has full knowledge of the English language and has read, understood and fully accepted and agreed with the terms and conditions established in the Plan and Award Agreement.

Por meio do presente, eu declaro expressamente que tem pleno conhecimento da língua Inglesa e que li, compreendi e livremente aceitei e concordei com os termos e condições estabelecidas no Plano e no Acordo.

Exchange Control Information

If the Participant receives shares of Common Stock, the acquisition of shares of Common Stock should be reported to the *Banco de Portugal* for statistical purposes. If the shares of Common Stock are deposited with a commercial bank or financial intermediary in Portugal,

such bank or financial intermediary will submit the report on the Participant's behalf. If the shares of Common Stock are not deposited with a commercial bank or financial intermediary in Portugal, the Participant is responsible for submitting the report to the *Banco de Portugal*.

PUERTO RICO

There are no country-specific provisions.

RUSSIA

Securities Law Information

This Award Agreement, the Plan and all other materials the Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of shares of Common Stock under the Plan has not and will not be registered in Russia and hence the shares described in any Plan-related documents may not be offered or placed in public circulation in Russia. In no event will shares of Common Stock issued to the Participant under the Plan be delivered to the Participant in Russia.

Please note that, under the Russian law, the Participant is not permitted to sell the Corporation's shares directly to other Russian individuals and the Participant is not permitted to bring share certificates into Russia.

Exchange Control Information

The Participant should contact his or her personal advisor regarding the obligations resulting from participation in the Plan as significant penalties may apply in the case of non-compliance with exchange control requirements and because such exchange control requirements may change.

Foreign Asset/Account Reporting Information

Russian residents will be required to notify the Russian tax authorities within one month of opening or closing a foreign bank account or of changing any account details. Russian residents are also required to file with the Russian tax authorities reports of the transactions in their foreign bank accounts. The Participant should consult with his or her personal tax advisor for additional information about these reporting obligations.

Data Privacy Notice

This provision supplements the Data Privacy section in the Acknowledgment and Conditions section of the Award Agreement:

The Participant understands and agrees that he or she must complete and return a Consent to Processing of Personal Data (the "Consent") form to the Corporation if requested. Further, the Participant understands and agrees that if the Participant does not complete and return a Consent form to the Corporation if requested, the Corporation will not be able to grant PRSUs to the Participant or other awards or administer or maintain such awards. Therefore, the Participant understands that

refusing to complete a Consent form or withdrawing his or her consent may affect the Participant's ability to participate in the Plan.

Anti-Corruption Information

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (e.g., shares of foreign companies such as the Corporation). Accordingly, the Participant should inform the Corporation if he or she is covered by these laws because the Participant should not hold shares of common stock acquired under the Plan.

Labor Law Information

If the Participant continues to hold shares of Common Stock acquired at vesting of the PRSUs after an involuntary termination of employment, he or she may not be eligible to receive unemployment benefits in Russia.

SINGAPORE

Sale Restriction

The Participant agrees that any shares of Common Stock acquired pursuant to the PRSUs will not be offered for sale in Singapore prior to the six-month anniversary of the Grant Date, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"), or pursuant to, and in accordance with the conditions of, any other applicable provisions of the SFA.

Securities Law Information

The grant of the PRSUs is being made pursuant to the "Qualifying Person" exemption" under section 273(1)(f) of the SFA under which it is exempt from the prospectus and registration requirements and is not made with a view to the underlying shares of Common Stock being subsequently offered for sale to any other party. The Plan has not been and will not be lodged or registered as a prospectus with the Monetary Authority of Singapore.

Chief Executive Officer and Director Notification Obligation

If the Participant is the Chief Executive Officer ("CEO") or a director, associate director or shadow director of the Corporation's Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Corporation's Singapore Affiliate in writing when the Participant receives an interest (e.g., an Award or shares) in the Corporation or any Affiliate. In addition, the Participant must notify the Corporation's Singapore Affiliate when he or she sells shares of the Corporation or of any Affiliate (including when the Participant sells shares issued upon vesting and settlement of the Award). These notifications must be made within two business_days of (i) acquiring or disposing of any interest in the Corporation or any Affiliate, or (ii) any change in a previously-disclosed interest (e.g., upon vesting of the Award or when shares of Common Stock acquired under the Plan are subsequently sold). In addition, a notification of the Participant's interests in the Corporation or any Affiliate must be made within two business_days of becoming the CEO or a director, associate director or shadow director.

SLOVAK REPUBLIC

Foreign Asset/Account Reporting Information

If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, *podnikateľ*), the Participant will be obligated to report his or her foreign assets (including any foreign securities) to the National Bank of Slovakia (provided that the value of the foreign assets exceeds an amount of €2,000,000). These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

SLOVENIA

There are no country specific provisions.

SOUTH AFRICA

Tax Acknowledgment

By accepting the Award, the Participant agrees to notify the Employer of the amount of any gain realized upon vesting of the Award. If the Participant fails to advise the Employer of the gain realized upon vesting, the Participant may be liable for a fine. The Participant will be responsible for paying any difference between the actual tax liability and the amount withheld.

Exchange Control Information

To participate in the Plan, the Participant must comply with exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa.

Because the Exchange Control Regulations change frequently and without notice, the Participant understands that he or she should consult a legal advisor prior to the acquisition or sale of shares under the Plan to ensure compliance with current regulations. The Participant understands that it is his or her responsibility to comply with South African exchange control laws, and neither the Corporation nor the Employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

Securities Law Information

In compliance with South African securities law, the Participant acknowledges that the documents listed below are available for review at the addresses listed below:

- a) The Corporation's most recent annual financial statements: <http://investor.kimberly-clark.com/sec.cfm?DocType=Annual&Year=>
- b) The Corporation's most recent Plan prospectus may be accessed online through Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, at www.mybenefits.ml.com in the Document Library.

A copy of the above documents will be sent free of charge upon written request to Stock Plan Administrator, P.O. Box 619100, Dallas, Texas 75261-9100. In addition, the Participant should

contact his or her tax advisor for specific information concerning his or her personal tax situation with regard to Plan participation.

Confidentiality and Restraint of Trade Covenants

1. During the continuance of the Participant's employment with the Employer and indefinitely thereafter, the Participant undertakes to maintain the confidentiality of, and not to divulge to any person (without the prior consent of the Participant's manager or as required by law), any of the Corporation's or any Affiliate's trade secrets or Confidential Information (as defined herein), nor use the same for any other purpose, other than to carry out the Participant's functions as an employee of the Corporation or the Participant's Employer. The Participant shall use all personal endeavours to prevent publication or disclosure of such trade secrets and Confidential Information. "Confidential Information," for purposes of these covenants, shall mean information in whatever form (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to the business, suppliers, customers, products, affairs and finances of the Corporation or any Affiliate for the time being confidential to the Corporation or any Affiliate, and trade secrets including, without limitation, technical data and know-how relating to the business of the Corporation or any Affiliate, or any of their suppliers, customers, agents, distributors, shareholders or management, including (but not limited to) business plans, pricing strategies, financial information, patent applications, information concerning tenders and potential contracts, information concerning proposed product ranges, product development information, employee and salary information, research and development activities or manufacturing methods that the Participant creates, develops, receives, obtains or has knowledge of in connection with the Participant's employment, and all other matters which relate to the business of the Corporation and in respect of which information is not readily available in the ordinary course of such business to the Corporation's Competitors, whether or not such information (if in anything other than oral form) is marked confidential. "Competitor," for purposes of these covenants, shall mean any person, firm or company or other entity carrying out or conducting business in competition with or so as to create competition directly or indirectly with the Corporation or any Affiliate.

2. Without derogating from the applicability of the foregoing, during the Participant's employment with the Corporation or any Affiliate, it is recognised that the Participant may have access to trade secrets and information of a highly confidential nature, including Confidential Information, the disclosure of which after termination of employment could seriously harm the interests of the Corporation or an Affiliate. The Participant shall not at any time after termination of employment (otherwise than as required by law) divulge to any person any trade secret or Confidential Information which is the property of the Corporation or any Affiliate.

3. During the Participant's employment by the Corporation or the Employer, it is acknowledged that the Participant will acquire highly confidential information, including Confidential Information, and should the Participant's employment cease, it may be difficult to police clause 2 above, prohibiting the disclosure of such information. It is further acknowledged that it may be difficult to police the non-solicitation and dealing clauses set out below.

4. Having regard to clauses 2 and 3 above and in order to preserve and protect the Corporation or any Affiliate's proprietary interests in the trade secrets and other Confidential Information, the Participant shall not, for the duration of the Restraint Period, anywhere in the Prescribed Area, become employed by or be directly or indirectly interested, engaged or concerned in any manner whatsoever, whether as principal, agent, partner, representative, member, shareholder, director, employee, consultant, advisor, financier, administrator or in any like capacity in any concern or business carried on by a Competitor, and/or provide and/or supply any type of product and/or render any type of service that is identical or similar to the products provided or services rendered by the Corporation or any Affiliate in any Restricted Business. "Restraint Period," for purposes of these covenants, means the term during which the Participant is employed by the Corporation or an Affiliate and a period of 12 months (less any period of garden leave) after the termination date. "Prescribed Area," for purposes of these covenants, means (1) each province in the Republic of South Africa, or any province, state, or other distinct geographical area in any other country in which the Corporation or any Affiliate (a) does business as at the termination date or had done business during the period of twelve (12) months preceding the termination date; and/

or (b) has customers or clients as at the termination date, or had customers or clients during the period of twelve (12) months preceding the termination date, and in which the Participant had undertaken substantive work or been substantively involved in supervising work pertaining to, on behalf of the Corporation or any Affiliate, as at the termination date or any time during the 12 month period preceding the termination date. "Restricted Business," for purposes of these covenants, means any business activity carried out by the Participant either directly or indirectly for the Corporation or any Affiliate during the 12 month period preceding the termination date.

5. The Participant shall not during the period of 12 months after the termination date, either directly or indirectly, on the Participant's own behalf or on behalf of any other person, firm or company or other entity, solicit, interfere with, entice or endeavour to entice away from the Corporation or any Affiliate any Restricted Customer, or seek to conduct Restricted Business, or conduct Restricted Business, with any Restricted Customer and/or otherwise persuade, induce, solicit or encourage any person or entity to terminate its contractual relationship with the Corporation or any Affiliate. "Restricted Customer," for purposes of these covenants, means any person, firm or company or other entity who was a customer or distributor of the Corporation or any Affiliate as at the termination date, or during the 12 month period preceding the termination date, including any Prospective Customer. "Prospective Customer," for purposes of these covenants, means any person, firm or company or other entity with whom the Corporation or any Affiliate was involved in negotiations as at the termination date or during the 12 month period preceding the termination date, with a view to dealing with it as a customer and/or to conclude a contractual relationship with such entity, and/or with whom the Participant had contact at the termination date or during the 12 month period preceding the termination date with a view to dealing with it as a customer of the Corporation or any Affiliate and/or to conclude a contractual relationship with such entity.

6. The Participant shall not during the period of 12 months after the termination date directly or indirectly induce or be involved in the recruitment of any person who was an employee of the Corporation or any Affiliate at the termination date and with whom the Participant had material dealings during the 12 month period preceding the termination date to leave the employment of the Corporation or any Affiliate. Furthermore, the Participant shall not during the period of 12 months after the termination date directly or indirectly induce or be involved in the recruitment of any person who was an employee of the Corporation or any Affiliate at the termination date and with whom the Participant had material dealings during the 12 month period preceding the termination date to become employed by, associated with and/or form part of any business or concern, in any capacity whatsoever, of any Competitor. The Participant must inform the Corporation immediately on becoming aware of any such recruitment.

7. The Participant acknowledges that the:

(a) restraints imposed upon the Participant in terms of the above clauses ("restraints") are reasonable as to subject matter and duration, and are reasonably necessary in order to preserve and protect the goodwill applicable to the business of the Corporation;

(b) provisions of clauses 4 and 5 shall be construed as imposing separate and independent restraints in respect of:

(i) each of the periods falling within the Restraint Period;

(ii) every activity falling within the ambit of a competitive business or Restricted Business; and

(iii) every capacity, in relation to a competitive business or Restricted Business, in which the Participant is prohibited from engaging in terms of clause 4;

(iv) each of the areas falling within the Prescribed Area;

(v) each entity which is an Affiliate, from time to time.

8. In this Award Agreement, references to acting directly or indirectly include acting jointly with or through another person.

9. Each of the restrictions contained in this Award Agreement is intended to be separate and severable. In the event of any of the restrictions shall be held to be void, but would be valid if part of the wording was deleted, such restriction shall apply with such deletion as may be necessary to make it valid and effective.

SPAIN

Securities Law Information

No “offer of securities to the public,” as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the grant of this Award. The Award Agreement (including this Appendix A) has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Labor Law Acknowledgment

By accepting the Award, the Participant acknowledges that he or she understands and agrees to participation in the Plan and that he or she has received a copy of the Plan.

The Participant understands that the Corporation has unilaterally, gratuitously and discretionally decided to grant Awards under the Plan to individuals who may be employees of the Corporation or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Corporation or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Corporation or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant since the future value of the Award and the underlying shares is unknown and unpredictable. In addition, the Participant understands that this grant would not be made but for the assumptions and conditions referred to above; thus, the Participant understands, acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the Award shall be null and void.

Further, the Participant understands that the Award is a conditional right. Participant shall forfeit any unvested Award upon termination of employment unless such termination is (i) due to a Qualified Termination of Employment, or (ii) if more than six months after the Grant Date, due to death, Total and Permanent Disability, or the shutdown or divestiture of a business unit. Vesting will cease, for example, regardless of whether (1) the Participant is considered to be unfairly dismissed without good cause (i.e., subject to a “despido improcedente”); (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates his or her employment or service relationship due to a change of work location, duties or any other employment or contractual condition; and (4) the Participant terminates his or her employment or service relationship due to a unilateral breach of contract by the Corporation or an Affiliate. Consequently, upon termination of the Participant’s employment or service relationship for any of the above reasons, the Participant may automatically lose any rights to the PRSUs that were not vested on the date of termination of

the Participant's employment or service relationship, as described in the Plan and the Award Agreement.

Exchange Control Information

The acquisition, ownership and sale of shares of Common Stock under the Plan must be declared to the Spanish Dirección General de Comercio e Inversiones (the "DGCI"), which is a department of the Ministry of Economy and Competitiveness. The Participant must also declare ownership of any shares of Common Stock by filing a Form D-6 with the Directorate of Foreign Transactions each January while the shares of Common Stock are owned. In addition, the sale of shares of Common Stock must also be declared on Form D-6 filed with the DGCI in January, unless the sale proceeds exceed the applicable threshold (currently €1,502,530) (or the Participant holds 10% or more of the share capital of the Corporation or such other amount that would entitle the Participant to join the Corporation's Board of Directors), in which case, the filing is due within one month after the sale.

When receiving foreign currency payments derived from the ownership of shares of Common Stock (e.g., sale proceeds) exceeding €50,000, the Participant must inform the financial institution receiving the payment of the basis upon which such payment is made. The Participant will need to provide the institution with the following information: (i) the Participant's name, address, and tax identification number; (ii) the name and corporate domicile of the Corporation; (iii) the amount of the payment; the currency used; (iv) the country of origin; (v) the reasons for the payment; and (vi) further information that may be required.

Spanish residents are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including any shares of Common Stock acquired under the Plan) and any transactions with non-Spanish residents (including any payments of shares of Common Stock made to the Participant by the Corporation or through a U.S. brokerage account) if the value of the transactions for all such accounts during the prior year or the balances in such accounts as of December 31 of the prior year exceeds €1,000,000. If neither the total balances nor total transactions with non-residents during the relevant period exceed €50,000,000, a summarized form declaration may be used. More frequent reporting is required if such transaction value or account balance exceeds €100,000,000.

Foreign Asset/Account Reporting Information

If the Participant holds rights or assets (e.g., shares of Common Stock or cash held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset (e.g., shares of Common Stock, cash, etc.) as of December 31 each year, the Participant is required to report certain information regarding such rights and assets on tax form 720. After such rights and/or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000. The reporting must be completed by the following March 31.

SWITZERLAND

Securities Law Information

Neither this document nor any other materials relating to the Awards constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA") (ii)

may be publicly distributed or otherwise made publicly available in Switzerland to any person other than a participant or (iii) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("FINMA").

TAIWAN

Data Privacy

The following provision supplements the data privacy section in the Acknowledgment of Conditions section of the Award Agreement:

The Participant acknowledges that he or she has read and understands the terms regarding collection, processing and transfer of data contained in the Acknowledgment of Conditions section of the Award Agreement and, by participating in the Plan the Participant agrees to such terms. In this regard, upon request of the Corporation or the Employer, the Participant agrees to provide any executed data privacy consent form to the Employer or the Corporation (or any other agreements or consents that may be required by the Employer or the Corporation) that the Corporation and/or the Employer may deem necessary to obtain under the data privacy laws now or in the future. The Participant understands that he or she will not be able to participate in the Plan if the Participant fails to execute any such consent or agreement.

Securities Law Information

The offer of participation in the Plan is available only for employees of the Corporation and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information

Taiwanese residents may acquire and remit foreign currency (including proceeds from the sale of shares of Common Stock or the receipt of dividends) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.

THAILAND

Exchange Control Information

If the proceeds from the sale of shares of Common Stock or the receipt of dividends paid on such shares are equal to or greater than US\$200,000 in a single transaction, Thai residents must repatriate all cash proceeds to Thailand immediately following the receipt of the cash proceeds and then either convert such proceeds to Thai Baht or deposit the proceeds into a foreign currency account opened with a commercial bank in Thailand within 360 days of repatriation. In addition, Thai residents must specifically report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. If the Participant fails to comply with these obligations, the Participant may be subject to penalties assessed by the Bank of Thailand.

The Participant should consult his or her personal advisor prior to taking any action with respect to remittance of cash proceeds into Thailand. The Participant is responsible for ensuring compliance with all exchange control laws in Thailand.

TURKEY

Securities Law Information

Turkish residents are not permitted to sell shares of Common Stock acquired under the Plan in Turkey. Turkish residents must sell the shares of Common Stock acquired under the Plan outside of Turkey. The Shares are currently traded on the New York Stock Exchange in the U.S. under the ticker symbol “KMB” and shares of Common Stock may be sold on this exchange.

Exchange Control Information

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, the Participant may be required to appoint a Turkish broker to assist him or her with the sale of the shares of Common Stock acquired under the Plan. *The Participant should consult his or her personal legal advisor before selling any shares of Common Stock acquired under the Plan to confirm the applicability of this requirement to the Participant.*

UKRAINE

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Ukraine do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to Participant through local payroll. The Corporation reserves the right to settle the Awards in shares of Common Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

UNITED ARAB EMIRATES

Securities Law Information

The offer of the Award is available only for select employees of the Corporation and its Affiliates and is in the nature of providing employee incentives in the United Arab Emirates. The Plan and the Award Agreement are intended for distribution only to such employees and must not be delivered to, or relied on, by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the Plan and the Award Agreement, or any other incidental communication materials distributed in connection with the Award. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it,

and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the Plan and the Award Agreement should obtain independent professional advice.

UNITED KINGDOM

Tax Acknowledgment

The following information supplements the information regarding Tax-Related Items in the Acknowledgment of Conditions section of the Award Agreement:

Without limitation to the information regarding Tax-Related Items in the Award Agreement, the Participant agrees that he or she is liable for all Tax-Related Items and hereby covenants to pay all such Tax-Related Items, as and when requested by the Corporation or, if different, the Employer or by Her Majesty's Revenue & Customs ("HMRC") (or any other tax authority or any other relevant authority). The Participant agrees to indemnify and keep indemnified the Corporation and/or the Employer for all Tax-Related Items that they are required to pay, or withhold or have paid or will pay to HMRC on the Participant's behalf (or any other tax authority or any other relevant authority) and authorizes the Corporation and/or the Employer to recover such amounts by any of the means referred to in the Acknowledgment of Conditions section of the Award Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the Participant understands that he or she may not be able to indemnify the Corporation for the amount of any Tax-Related Items not collected from or paid by the Participant, if the indemnification could be considered to be a loan. In this case, the Tax-Related Items not collected or paid may constitute a benefit to the Participant on which additional income tax and National Insurance contributions ("NICs") may be payable.

The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for paying to the Corporation or the Employer (as appropriate) the amount of any NICs due on this additional benefit which the Corporation and/or the Employer may also recover from the Participant at any time thereafter by any of the means referred to in the Acknowledgment of Conditions section of the Award Agreement.

Covenant Agreements

1. During the continuance of the Participant's employment with the Employer, the Participant undertakes to maintain the confidentiality of, and not to divulge to any person (without the prior consent of the Participant's manager or as required by law), any of the Corporation's or any Affiliate's trade secrets or Confidential Information, nor use the same for any other purpose, other than to carry out the Participant's functions as an employee. The Participant shall use all personal endeavours to prevent publication or disclosure of such trade secrets and Confidential Information. "Confidential Information," for purposes of these covenants, means information in whatever form (including, without limitation, in written, oral, visual or electronic form or on any magnetic or optical disk or memory and wherever located) relating to the business, suppliers, customers, products, affairs and finances of the Corporation or any Affiliate for the time being confidential to the Corporation or any Affiliate, and trade secrets including, without limitation, technical data and know-how relating to the business of the Corporation or any Affiliate, or any of their suppliers, customers, agents, distributors, shareholders or management, including (but not limited to) business plans, pricing strategies, financial information, patent applications,

information concerning tenders and potential contracts, information concerning proposed product ranges, product development information, employee and salary information, research and development activities or manufacturing methods that the Participant creates, develops, receives, obtains or has knowledge of in connection with your employment, whether or not such information (if in anything other than oral form) is marked confidential.

2. During the Participant's employment with the Corporation or any Affiliate, it is recognised that the Participant may have access to trade secrets and information of a highly confidential nature, including Confidential Information, disclosure of which after termination of employment could seriously harm the interests of the Corporation or any Affiliate. The Participant shall not at any time after termination of employment (otherwise than as required by law) divulge to any person any trade secret or Confidential Information which is the property of the Corporation or any Affiliate.

3. During the Participant's employment by the Corporation or any Affiliate it is acknowledged that the Participant will acquire highly confidential information, including Confidential Information, and should the Participant's employment with the Employer cease, it may be difficult to police clause 2 above, prohibiting the disclosure of such information. It is further acknowledged that it may be difficult to police the non-solicitation and dealing clauses set out below. For these reasons, the Participant shall not, for a period of 12 months (less any period spent on garden leave) be engaged by a Competitor, whether as an employee, director, consultant or advisor. "Competitor," for purposes of these covenants, means any company carrying out Restricted Business within the United Kingdom so as to create competition with the Corporation or any Affiliate. "Restricted Business," for purposes of these covenants, means any business activity carried out by the Participant either directly or indirectly for the Corporation or any Affiliate during the Relevant Period. "Relevant Period," for purposes of these covenants, means the 12-month period ending with the termination date.

4. The Participant shall not during the period of 12 months after the termination date, either directly or indirectly, on the Participant's own behalf or on behalf of any other person, firm or company, solicit or seek to conduct Restricted Business, or conduct Restricted Business, with any Restricted Customer or Prospective Customer. "Restricted Customer," for purposes of these covenants, means any person, firm or company who was a customer or distributor of the Corporation or any Affiliate at any time during the Relevant Period and with whom the Participant had material dealings within the Relevant Period. "Prospective Customer," for purposes of these covenants, means any person, firm or company with whom the Corporation or any Affiliate was involved in negotiations in the Relevant Period with a view to dealing with it as a customer, and with whom the Participant had contact within the Relevant Period.

5. The Participant shall not during the period of 12 months after the termination date directly or indirectly induce any person who was an employee of the Corporation or any Affiliate at the termination date and with whom the Participant had material dealings during the Relevant Period to leave the employment of the Corporation or any Affiliate.

6. In this Award Agreement, references to acting directly or indirectly include acting jointly with or through another person.

7. Each of the restrictions contained in this Award Agreement is intended to be separate and severable. In the event of any of the restrictions shall be held to be void, but would be valid if part of the wording was deleted, such restriction shall apply with such deletion as may be necessary to make it valid and effective.

URUGUAY

There are no country-specific provisions.

VIETNAM

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Vietnam do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant through local payroll. The Corporation reserves the right to settle the Awards in shares of Common Stock to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons.

Appendix A-1

Performance Goal for Kimberly-Clark Corporation Performance Restricted Stock Unit Awards Granted in 2020

50% of the Performance Goal will be based on attainment of Three Year Average ROIC performance set forth below for the Performance Period, and 50% of the Performance Goal will be based on attainment of the Three-Year Average Net Sales growth set forth below for the Performance Period.

Payout as a Percentage of Target

Weight	Measure	0%	100%	200%
50%	Net Sales	(1.07%)	1.58%	4.23%
50%	ROIC	24.71%	26.21%	27.71%

Net Sales is defined as consolidated revenues as reported.

Annual ROIC is defined as consolidated after-tax operating profit plus earnings from equity companies for the year, divided by invested capital. Invested capital will be defined as the average total assets less notes receivable and non-interest bearing current liabilities.

Performance Period – January 1, 2020 through December 31, 2022.

Three Year Average ROIC shall be the Annual ROIC for each year in the Performance Period divided by three and rounded to the nearest hundredth of a percent.

Three Year Average Net Sales shall be the Annual Net Sales growth for each year in the Performance Period divided by three and rounded to the nearest hundredth of a percent.

Any adjustment to Three Year Average Net Sales or the Three Year Average ROIC will be approved by the Management Development and Compensation Committee.

CERTIFICATIONS

I, Michael D. Hsu, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Michael D. Hsu

Michael D. Hsu

Chief Executive Officer

April 22, 2020

CERTIFICATIONS

I, Maria Henry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

/s/ Maria Henry

Maria Henry

Chief Financial Officer

April 22, 2020

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Michael D. Hsu, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on April 22, 2020 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Michael D. Hsu

Michael D. Hsu

Chief Executive Officer

April 22, 2020

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Maria Henry, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q, filed with the Securities and Exchange Commission on April 22, 2020 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Maria Henry

Maria Henry

Chief Financial Officer

April 22, 2020