



# Deutsche Bank Global Consumer Conference

June 6, 2023

# Safe Harbor

## Forward Looking Statements

Certain matters contained in this presentation concerning the outlook, anticipated financial and operating results, raw material, energy and other input costs, anticipated currency rates and exchange risks, including in Argentina and Turkey, net income from equity companies, sources and uses of cash, the effective tax rate, the anticipated cost savings from the company's FORCE program, growth initiatives, product innovations, contingencies and anticipated transactions of the company constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the company. In addition, many factors outside our control, including the war in Ukraine (including the related responses of consumers, customers and suppliers as well as sanctions issued by the U.S., the European Union, Russia or other countries), pandemics (including the ongoing COVID-19 outbreak and the related responses of governments, consumers, customers, suppliers and employees), epidemics, fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, supply chain disruptions, disruptions in the capital and credit markets, counterparty defaults (including customers, suppliers and financial institutions with which we do business). Failure to realize the expected benefits or synergies from our acquisition and disposition activity, changes in customer preferences, severe weather conditions, government trade or similar regulatory actions, potential competitive pressures on selling prices for our products, energy costs, fluctuations in foreign currency exchange rates, our ability to maintain key customer relationships, 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.

There can be no assurance that these future events will occur as anticipated or that the company's results will be as estimated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them. For a description of certain factors that could cause the company's future results to differ from those expressed in any such forward-looking statements, see Item 1A entitled "Risk Factors" in the company's Annual Report on Form 10-K for the year ended December 31, 2022.

## Non-GAAP Financial Measures

Management believes that non-GAAP financial measures enhance investors' understanding and analysis of the company's performance. As such, results and outlook have been adjusted to exclude certain items as indicated in the non-GAAP reconciliations to the comparable GAAP financial measures included in the [First Quarter Earnings Release](#) issued on April 25, 2023, and described in additional information posted on our website ([www.kimberly-clark.com/investors](http://www.kimberly-clark.com/investors)). The non-GAAP financial measures exclude net benefit related to the acquisition of a controlling interest in Thinx in 2022.

# Kimberly-Clark: Global Leader

150+

years in business

1 in 4

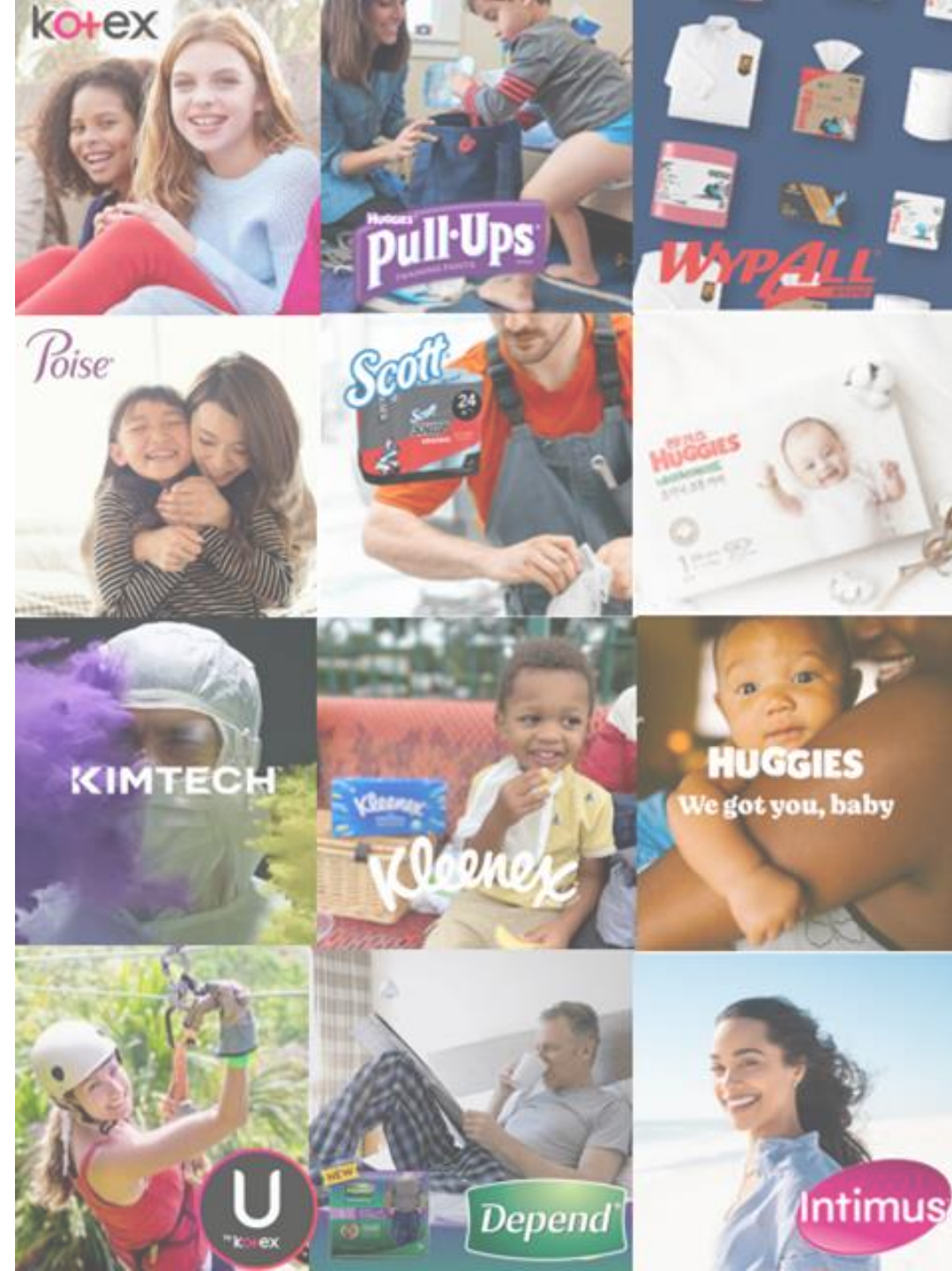
of the world's population use  
one of our products every day

175

countries where our  
brands are sold

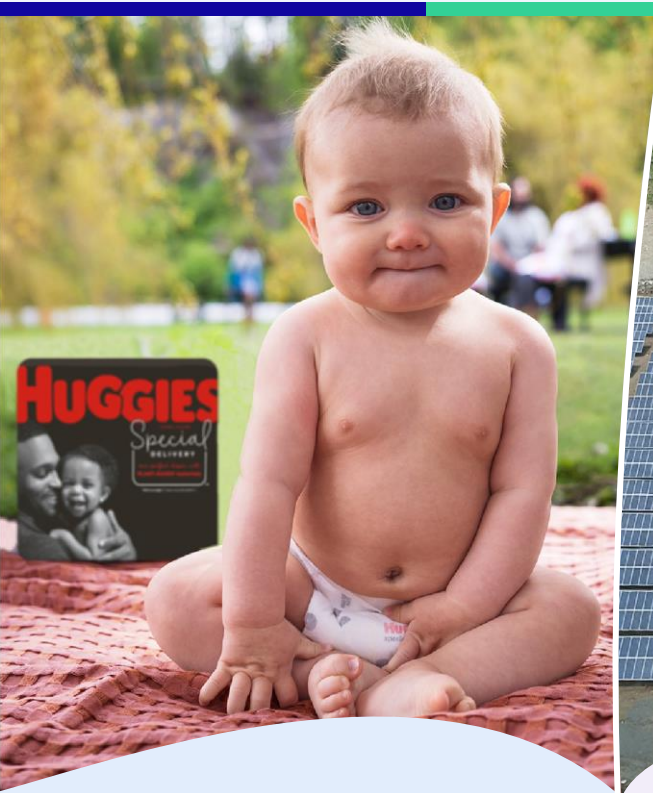
1+ Billion

people with half the  
environmental footprint





# Our Purpose: Better Care for a Better World



## BETTER PRODUCTS

Innovating for more sustainable products

## BETTER PLANET

Safeguarding our climate and natural ecosystems

## BETTER WORKPLACE

Fostering a culture of integrity and belonging

## BETTER SOCIETY

Partnering with changemakers to uplift our communities

# 2030 Sustainability Ambition



Plastics footprint<sup>1</sup>: **50%↓**

Natural Forest footprint<sup>2</sup>: **50% ↓**

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Science Based Targets<sup>3</sup> Scope 1 & 2: **50%↓** Scope 3<sup>4</sup>: **20%↓**

Water use in water stressed markets<sup>3</sup>: **50%↓**

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Foster a **performance-driven culture** focused on inclusion, equity, diversity and a commitment to human rights, health & safety

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Advance **the well-being of 1 billion people** in vulnerable and underserved communities





# We Are Inventors

150+ Years of Consumer-Driven Innovation

1918



Scott®

1920



Kotex®

1929



Kleenex®  
BRAND  
TISSUE

1989



Huggies®  
pull-Ups®

# Leading In Essential Categories



**#1 or #2 Share**

~85% of Key Markets<sup>1</sup>



**#1 Share**

~55% of Key Markets<sup>1</sup>



**+5 pts increase**

vs 2019<sup>2</sup>

Sources: Nielsen and internal estimates

1. Category/country combinations
2. Increase in key category/country cohorts in the no. 1 position 2019 vs 2022



# Leading Across Geographies



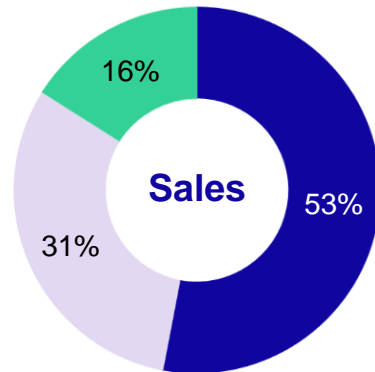
Sources: Nielsen and internal estimates



# Leading In Healthy Categories And Markets

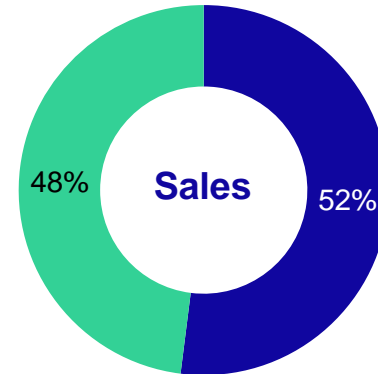
Based On 2022 Results

By Business

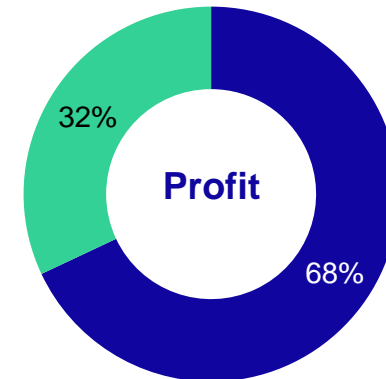


■ Personal Care ■ Consumer Tissue ■ K-C Professional

By Geography



■ North America ■ Outside North America



■ North America ■ Outside North America

**HUGGIES**

**ko+ex**

**pull-Ups**

**Cottonelle**

**Kleenex**

**Scott**

**WYPALL**

**Depend**

# Personal Care: ~\$100B Market<sup>1</sup>



## Feminine Care

62% of women are not satisfied with current menstruation pad<sup>2</sup>

Demand driven by need for light, heavy and overnight protection



## Baby and Child Care

63% of diaper users are not satisfied with how current products keep babies' skin healthy<sup>2</sup>

Extended sizing and new wearers



## Adult Incontinence

Heavy and light incontinence needs arising from aging, disease and childbirth

Entry of younger consumers



# Consumer Tissue: ~\$90B Market<sup>1</sup>



## Towels

Post-COVID, household cleaning behaviors have increased >20%<sup>2</sup>

**Viva**



## Facial Tissue

Kleenex invented the category in the 1920s

Post-COVID demand for hygiene on the go

10/12 unmet needs in facial tissue are in 'out of home'<sup>2</sup>

**Kleenex**



## Dry and Moist Bath

80% of consumers surveyed are willing to pay for a better intimate clean<sup>2</sup>

65% of toilet paper are purchased by women who are dissatisfied by existing products<sup>2</sup>

**Cottonelle**

**Scott**

**Andrex**



# KC Professional: ~\$40B Market<sup>1</sup>



## Wipers

Cleaning solutions for industrial, commercial, food service settings

High grade absorbency and strength using double re-creped technology



## Household/Health/Hygiene

Cleaning products used in commercial, industrial, hospital, food service settings

Commercial soap, sanitizer, air fresheners, dispensing systems



## Personal Protective Equipment

Cleaning and protective apparel and equipment (gloves, safety glasses, respirators)





**Where to Play:**  
**Elevate And Expand**

# Elevate And Expand Strategy





# Leading With a Broad Portfolio



# Spanning Value To Premium

Value

Premium

Super Premium





# Brand-Led Social Impact

Giving ~11 million people in 14 countries access to sanitation since 2014 through programs like **Toilets Change Lives**, **Water For People**, **WaterAid** and **Plan International**<sup>1</sup>

**Más Abrazos™**: Offering public access to natal and maternity care to 4.6 million users in Latin America<sup>1</sup>

**Kotex She Can™**: Fighting period stigmas and the barriers facing women

1. Source: 2022 Global Sustainability Report







**How to Win:**  
**Innovation and Commercial Capabilities**

# Building Strong Commercial Capabilities



Maximizing **Innovation**  
Value & Scale



Leading Category with  
Superior **In-Market**  
**Execution**

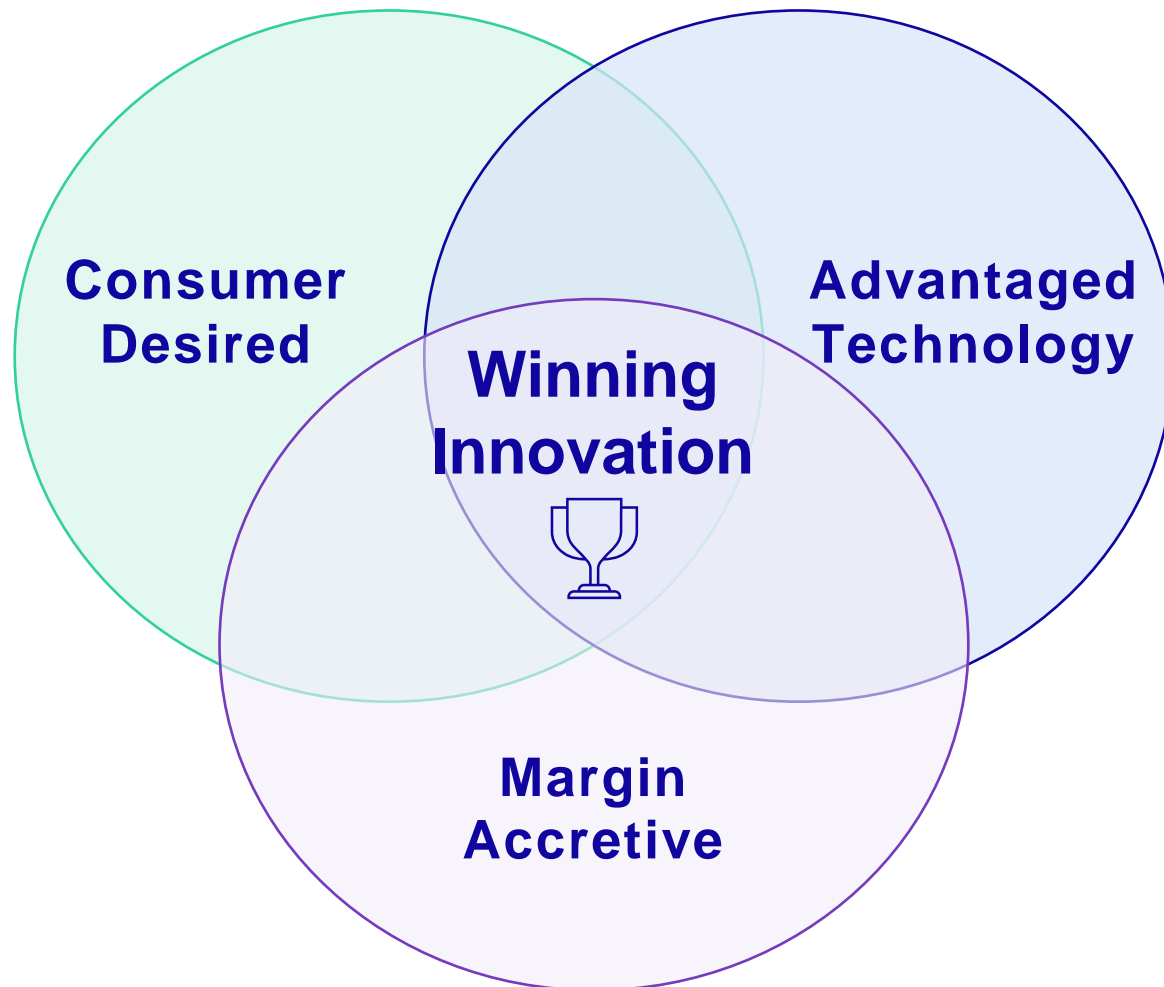


Building Iconic **Digital**  
First Brands



Unlocking Disciplined &  
Profitable **Revenue**  
**Generation**

# Expanding Our Innovation Pipeline



**1** Innovation > 50% of 2022 organic growth

**2** ~90% of top projects scaled globally in 2022

**3** Drove significant gains in price/mix in 2022



# Product Obsession Multiplied By Advantaged Technology

**Leak  
Protection**



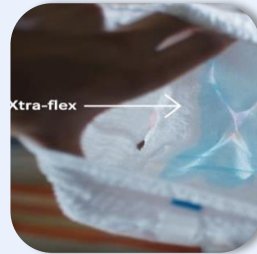
**Thin  
Core**

**Soft and  
Gentle**



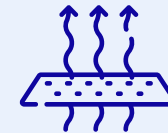
**Cloud Soft  
Waistband**

**Fit and  
Flexibility**



**Xtra-Flex  
Comfort Core**

**Breathable**



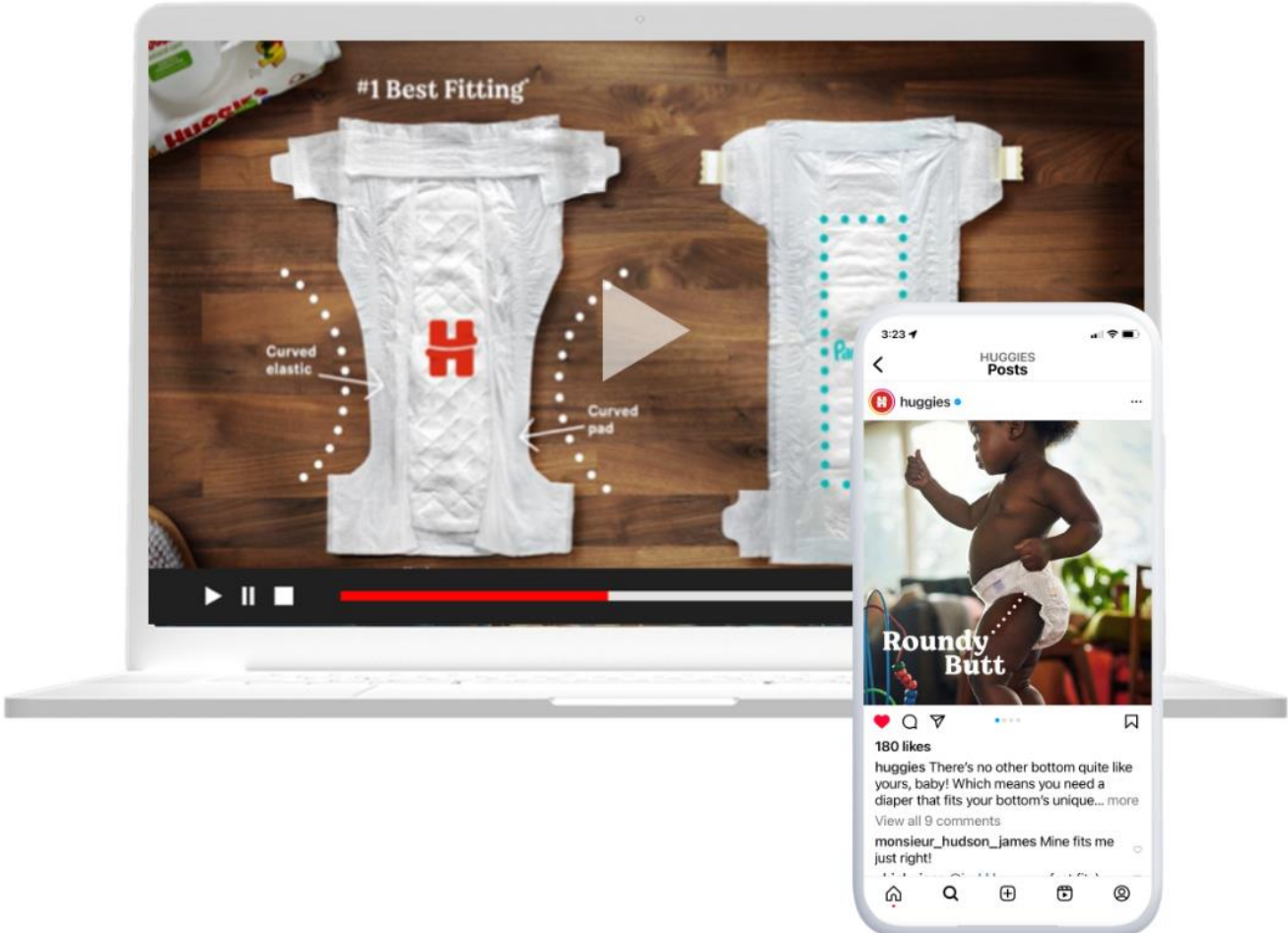
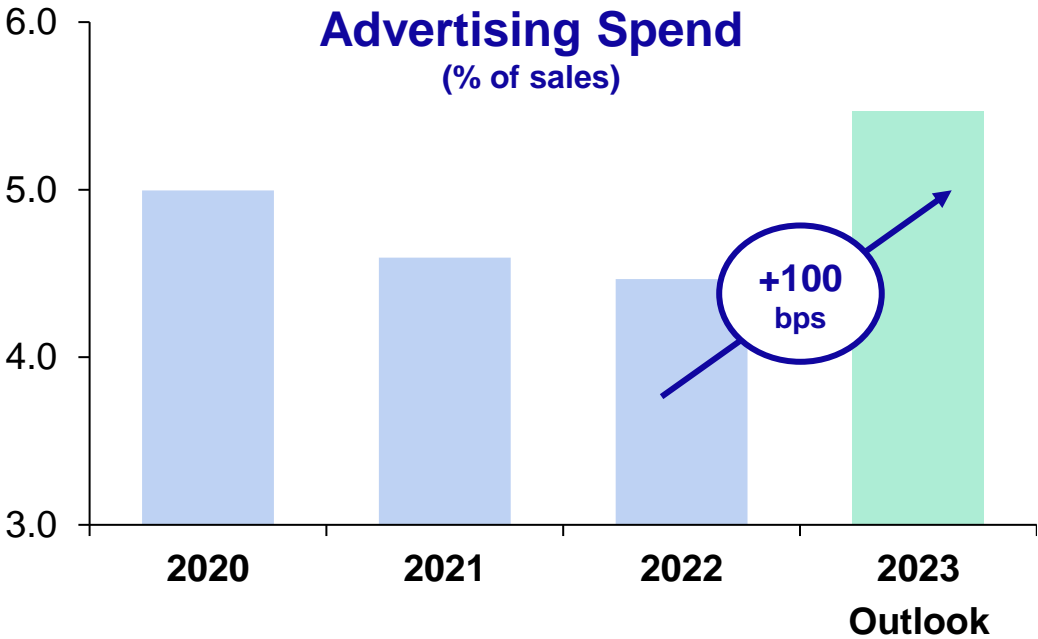
**Thin  
Core**

**Skin  
Health**



**3D  
Liner**

# Building Digital-First, Iconic Brands



# In-Market Execution Recognized By Industry

#1 in 2022 Advantage Survey in the US



Partnership



Execution



Reputation



Vision





# A Strong Start To The Year



**Strategy to elevate our categories and expand our markets is working**



**Margin recovery in progress**



**Investing in our innovation and commercial capabilities to drive top line results**

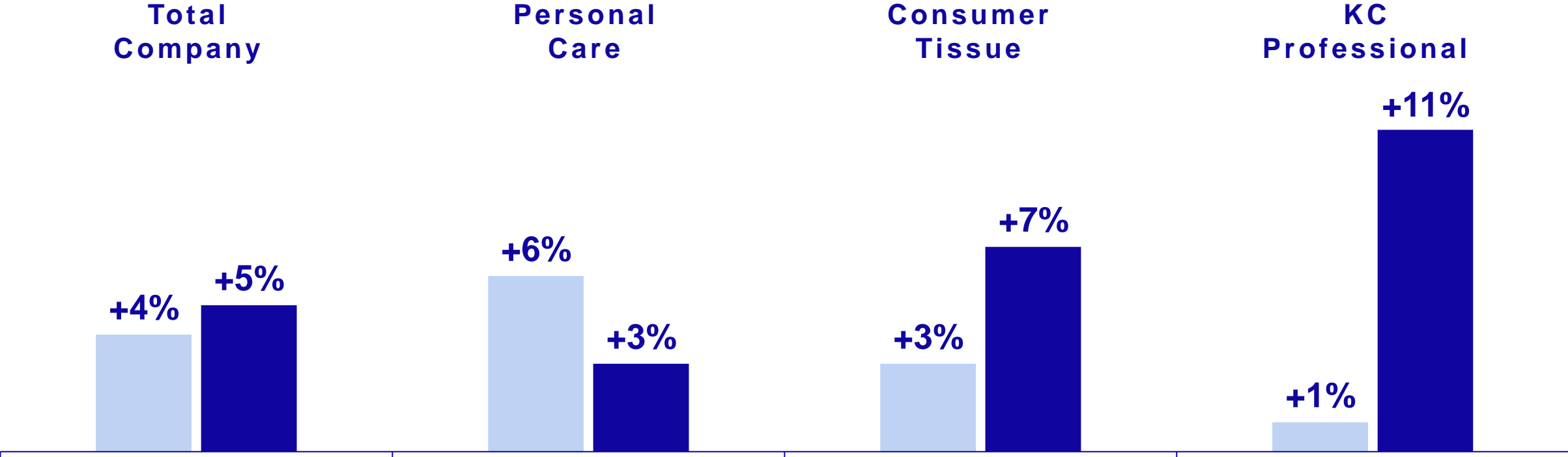


**Balanced and sustainable growth will enable us to deliver better care**

# Improving Top Line Momentum

Organic growth<sup>1</sup>

3-Year Average (full year 2020-2022) 1Q 23



1. Organic growth describes the impact of changes in volume, net selling prices and product mix on net sales. Changes in foreign currency exchange rates, acquisitions and exited businesses are excluded from organic growth. Refer to [KMB Q1 2023 Earnings](#).

# Strong Progress On Margin Recovery



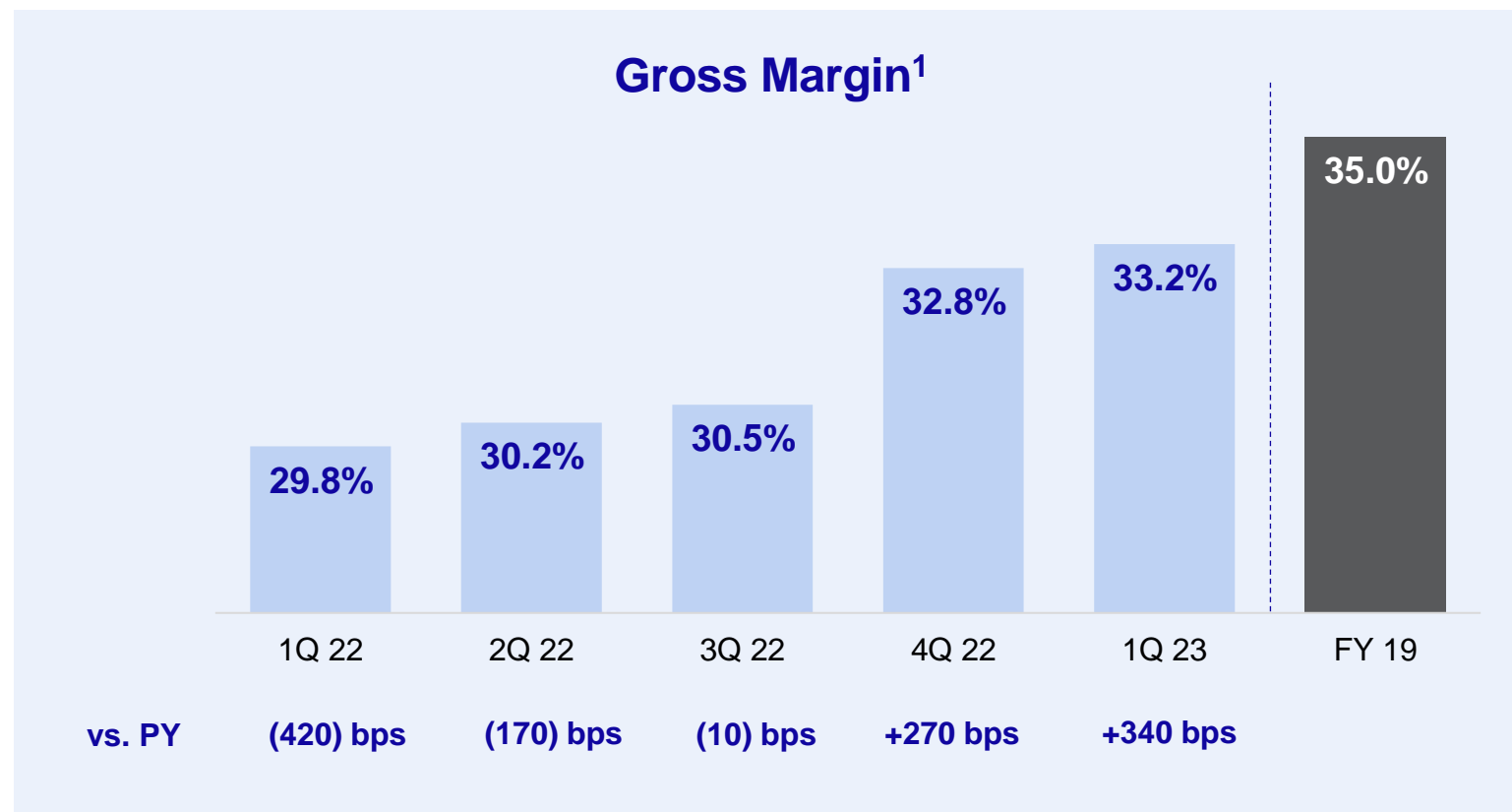
- Revenue Growth Mgt (RGM)
- Price/mix led growth



- Cost savings led by efficiencies



- Scale and deploy innovation
- Strategic sourcing
- Leverage global supply chain
- Marketing efficiency and effectiveness





# 2023 Outlook

## Sustainable Growth and Margin Recovery

- ✓ Maintain topline growth momentum with pipeline of innovation, commercial agility and disciplined investment
- ✓ Operating margin improvement of ~130 bps driven by gross margin recovery, while investing in our brands and capabilities

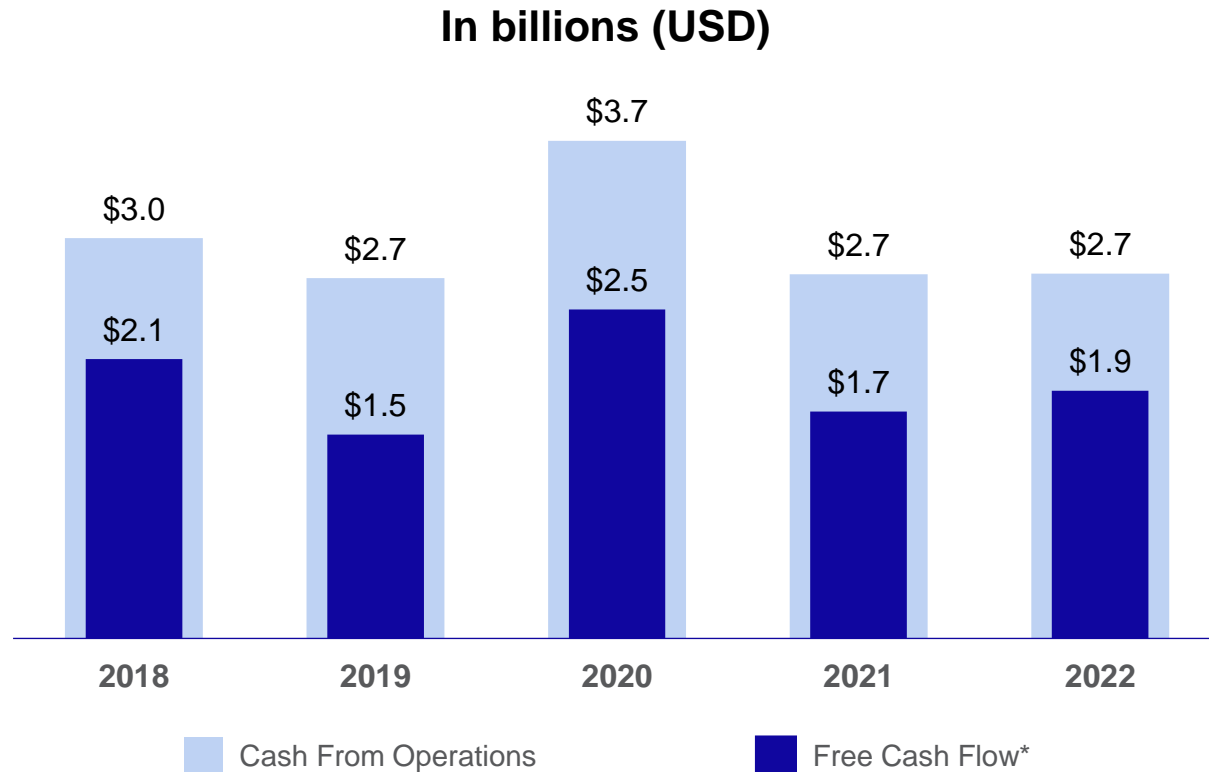
**2 – 4%**  
ORGANIC  
SALES GROWTH<sup>1</sup>

**+LDD**  
OPERATING  
PROFIT GROWTH<sup>2</sup>

**6% – 10%**  
EPS GROWTH<sup>2</sup>

1. Organic net sales describes the impact of changes in volume, net selling prices and product mix on net sales. Changes in foreign currency exchange rates, acquisitions and exited businesses are excluded from organic growth.  
2. Refers to adjusted measures where applicable. Non-GAAP measure. Please see the company's [Q1 2023 Earnings Press Release](#) for more information and a reconciliation to comparable measures under GAAP.

# Healthy Cash Generation Supported \$22B Cash Returns In The Last 10 Years



- ☒ Invest in our Business
- ☒ Grow the Dividend
- ☒ Value Creating M&A
- ☒ Share Repurchases

# Summary

- ✓ We continue our growth momentum
- ✓ We are driving margin recovery
- ✓ We are investing behind our capabilities and brands
- ✓ We are confident in our ability to deliver balanced and sustainable growth and create shareholder value



