Lead the world in **essentials** for a better life.

**UNLEASH THE POWER OF OUR PEOPLE**
- Attract, retain and develop great people
- Build pipeline of leaders in key capability areas
- Embrace diversity and inclusion across our business

**CREATE A BETTER FUTURE**
- Create new markets to meet emerging personal needs of consumers and users
- Be responsible stewards of the environment and positive contributors to our communities

**NURTURE & GROW OUR CORE BRANDS**
- Be brand leaders in focus categories and markets
- Lead innovation in focus categories and markets
- Place consumers, users and customers at the center of everything we do

**CONSISTENTLY GROW SALES, PROFIT & RETURNS**
- Prioritize our resources against the best opportunities to balance cash flow, growth and margins
- Drive continuous cost improvement

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**Our values:**

- **AUTHENTIC**
  We continue our heritage of honesty, integrity, and courageously doing the right thing

- **ACCOUNTABLE**
  We take ownership for our business and our future

- **INNOVATIVE**
  We are committed to new ideas that add value

- **CARING**
  We respect each other and care for the communities where we live and work

*Kimberly-Clark*
Top Down Buy-In (a business imperative)

“Sustainable business practices are woven into the fabric of our Global Business Plan. We challenge ourselves every day to look for ways to sustain the resources we enjoy today for generations to come. That’s why Kimberly-Clark is focused on setting and achieving sustainability performance metrics for our brands and facilities. And through our resource stewardship, we are demonstrating to our stakeholders that sustainability isn’t just the right thing to do, it’s a business imperative”.

Tom Falk
K-C’s Chairman and CEO
April 2010
The Business Imperative

Business-as-usual is not enough – we are setting aggressive targets

Profit, Planet, People

Sustainable Brands & Practices
- Products, Forestation

Resource Stewardship
- Energy, Water, Waste, Packaging

Stakeholder Engagement
- Employees, Community, Customers, NGO’s, Regulators
Kimberly Clark has a clear strategy for sustainability

**Renewing our Forests**
- 100% certified fiber sourcing
- FSC/Recycle sourcing
- Re-forestation
- Mapping high conservation forests

**Reducing our Footprint**
- GHG emission reduction
- Water use
- Waste Generation
- Zero fatalities

**Enhancing our Offerings**
- Naturals - Recycled content
- Eco - Renewable alternatives
- Packaging
- Innovative products
Kimberly-Clark Eastern Europe (K-C EE)
A responsible partner

1996 Office in Moscow
1999 Office in Kiev
2000 Huggies # 1 in Russia
2007 K-C =Top-10 employers in RF
2009 Office in Kazakhstan
2010 Opened K-C diaper plant in STUPINO
170 mln investment
Over 500 employees
Kimberly Clark’s responsibility in Russia

Over 260 mln of people in 12 countries + 8 regions of RF
Natural resources in Russia
Russia - Promotion of competence & hygienic support

Since 2006 - Joint projects with Scientific Center of Health of Children (RF Academy of MedSci) and Research Medical Institute of Pediatrics and Surgery

➢ Education for pediatricians: seminars, books

➢ Edition for mammies: (over 500,000 ns 368 PREGNANT) (encyclopedia for a young mother)

➢ Supply of maternity houses with means of babies' hygiene

➢ 2008-2010 Charity - 9 mln Rbl and over 24000 cases of diapers, 50 baby orphanages and hospitals in RF
We have a strong history and a clear policy on sustainable forestry

• Forests are, and have always been important for Kimberly Clark:
  • K-C established its first tree nursery in Ontario in 1947. We were one of the first companies to replant after harvesting.
  • We are now the largest buyer of market pulp globally.
  • We have one of the most progressive Fibre Procurement Policies in the industry:
    • Maximise environmentally responsible fibre (certified or recycled) – 100% goal
    • Never knowingly use ‘high conservation value’ or ‘illegal’ wood sources
    • Comprehensive supplier audit program and monitoring of certified sources

Fiber Procurement Policy Instructions
Issued on March 15, 2007 by the Senior Environmental Officer

These instructions define key terms and describe the practices that the Corporation is adopting to implement the Corporate Policy on Fiber Procurement Comments.

Environmentally Responsible Fiber
• The Corporation will strive to maximize the use of Environmentally Responsible Fiber in its products consistent with product performance and competitive market conditions.
  ◊ For purposes of this policy, “Environmentally Responsible Fiber” means:
    ➢ Wood pulp purchased from suppliers that have had their forestry operations or wood fiber procurement activities certified to one of the Forest Certification Systems (as defined below);
    ➢ Wood pulp manufactured by the Corporation from logs or chips purchased from suppliers that have had their forestry operations or wood fiber procurement activities certified to one of the Forest Certification Systems;
    ➢ Recycled fiber recovered from pre-consumer or post-consumer waste paper.

Sustainable Forest Management
• Kimberly-Clark will encourage its wood fiber suppliers (and their suppliers, if applicable) to practice sustainable forest management.
  ◊ For purposes of this policy, “wood fiber” includes:
    ➢ Wood pulp;
    ➢ Logs;
    ➢ Whole log chips; and
    ➢ Sawmill residuals including woodchips and sawdust.
• Kimberly-Clark will not knowingly use illegally harvested wood fiber, which for the purposes of this policy is wood fiber obtained in violation of applicable government forest management requirements or other applicable laws and regulations.
• Kimberly-Clark will not knowingly use wood fiber sourced from Forest Areas Requiring Protection.

Kimberly-Clark
Today 99.9% of our European suppliers are certified to one of the most recognized responsible forestry schemes

- Proportion of certified pulp increased from 34% in 2003 to 99% today.
- Certified means it comes from one of five globally recognised schemes:
  - FSC
  - PEFC
  - SFI
  - CSA
  - CERFLOR

![Percentage of virgin pulp from certified suppliers graph](chart.png)
Certification ensures good forest management, and a clear chain of custody

Certification of **Forest Management** guarantees the quality of the management

Certification of **Chain of Custody** guarantees the origin of forest raw material

Certified Forest  Manufacturing site  Certified Product

Kimberly-Clark
We continue to work with FSC and other NGOs to support our sustainable forestry program

We work with FSC international and other NGOs to help promote responsible forest management.

- In 2008 we launched a range of FSC labelled Kimberly Clark Professional products present on the Russian market
  - We work with FSC-International to help develop standards and drive change
  - We are active members of WWF Forest & Trade Network (in the UK, US and Australia)
  - We have a formal working relationship with Greenpeace in the US
Part. I: FSC - Categories of certified products

Category 3: FSC Mixed Sources
The timber or fibre in the product is a mixture of some/all of the following:

- Timber from an FSC-certified forest
- Post-consumer reclaimed material
- Controlled Sources
Raising awareness on sustainable consumption

It's not because it ends up here...
In 2007, K-C Taiwan launched KOTEX Natural Herbal Pad with natural herbal essences and chitosan, a substance with natural anti-bacterial properties which was proven 99 percent effective by the third party research institute of SGS Taiwan and The Food Industry Research and Development Institute of Taiwan.
Global best practice examples – family care

To help consumers take that “green” step at home, Kimberly-Clark launched nationwide Scott Naturals – a family of bath tissue, towels, napkins and flushable wipes products that deliver quality, performance and environmental benefits, at a competitive price.

Brings awareness to a related, growing environmental issue – water scarcity
Gives consumers a reason to try SCOTT Naturals™, offering them another reason that SCOTT Naturals™ are Green Done Right
Demonstrates thought leadership to retailers, showing that SCOTT Naturals™ will lead and define “green” in the paper aisle
Drives incremental promotions at retail
Global best practice examples – family care

Brazil
- Support from the Ministry of Environment
- Develop new packaging
- Brand equity
- Innovation
- Key customer recognition
- PR leverage

Kimberly-Clark
Some example for innovative product launch with official support - (Taiwan)

- FSC label with slogan
- Slogan: Protect forest, care for kid's future
- Protect rainforest label (The label is developed by KCTW)
Back Panel

• Left label: FSC
• Right label: Sustainable concept

Text content:
Future of the earth and people is inseparable. Kleenex protects rainforest and is FSC certificated. Kleenex promises to provide a better environment for the earth and kids.

The achievement to protect forest in Taiwan.