



## PRIORITY TOPIC: FORESTS & FIBER

# REDUCING OUR IMPACT ON FORESTS THROUGH INNOVATION AND RESPONSIBLE SOURCING.

**We protect forests to address climate change, conserve terrestrial biodiversity and ensure a resilient, healthy supply chain.**

We are proud that major environmental groups, including Greenpeace, FSC® and the World Wildlife Fund, have recognized Kimberly-Clark as a market leader for responsible fiber sourcing and forest protection and we are committed to drive further improvements..

Our program focuses on:

- Extending our leadership through natural forest fiber substitution and EPF in our tissue products.
- Expanding our responsible sourcing practices to fiber-based packaging.
- Engaging customers and consumers through brand-led commercial programming, retail execution and partnerships.

### 2025 GOAL(S)

**INNOVATE OUR TISSUE PRODUCTS TO REDUCE THEIR NATURAL FOREST FOOTPRINT**

# BY 50%

**while increasing our use of environmentally-preferred fibers (EPF) by 2025.**

### HOW IMPACT IS ACHIEVED AND MEASURED

- Continue to source 100% virgin wood fiber for our products from certified sources and apply the same objective to fiber-based packaging by 2022.
- Reduce the use of wood fiber sourced from natural forests\* by 50% and increase use of environmentally-preferred fiber (EPF)\* to 90% in our global tissue products by 2025.
- Deliver sustainable alternative fiber innovation to reduce our use of fiber sourced from natural forests.
- Support the Consumer Goods Forum commitment to zero net deforestation by 2020.

*\*Environmentally-preferred fibers (EPF) include Forest Stewardship Council®-certified virgin fibers, recycled fibers and sustainable alternative natural fibers in tissue products. Natural forests are composed of native species that self-regenerate and contain key elements of native ecosystems such as wildlife and biological diversity. To us, this primarily includes boreal fibers known as Northern Bleached Softwood Kraft (NBSK).*

## PRIORITY TOPIC: FORESTS & FIBER (CONTINUED)



As one of the world's largest buyers of market pulp, we know that protecting forests is critical to creating a resilient supply chain for our products. Sustaining this natural resource through responsible forestry is just one of the ways we care for the planet and help lead the world in essentials for a better life.

Also by having the Forest Stewardship Council® (FSC®) trademark on packaging for products like Kleenex, Cottonelle, Andrex and Scott, we're using the strong reputation of our brands to raise awareness of responsible forestry around the world.

### 2017 PROGRESS

We have reduced our use of fiber from natural forest landscapes by 29% over the 2011 base year by using more fiber sourced from plantations as opposed to natural forest fiber. In addition, 89% of the fiber used in our tissue products was from environmentally-preferred sources.

The competitive landscape within the pulp supply chain will continue to be a challenge for our business, but we are working with our NGO and supplier partners to help prevent deforestation and ensure responsible forestry management moving forward. We are evaluating the working forest model to

balance long-term conservation/restoration with sustainable wood supply in forests with high landscape connectivity, terrestrial and freshwater biodiversity, and climate resilience potential.

We are continuing the challenging work of **developing alternatives** to traditional sources of fiber for our products while encouraging our suppliers and customers/consumers to seek FSC® certification.

**Read more about our partnership with FSC®.** All virgin fiber sourced in 2017 in our products was from suppliers certified to one of the five forest management certification systems recognized in our **fiber procurement policy**.

TOTAL FIBER USE (MILLION MT) <sup>1</sup>	2010	2011	2012	2013	2014	2015	2016	2017
Virgin Fiber	2.56	2.48	2.36	2.40	2.38	2.42	2.39	<b>2.40</b>
% of total	72.5%	70.3%	71.3%	71.4%	72.3%	73.5%	76.6%	<b>76.5%</b>
Recycled Fiber	0.97	1.05	0.95	0.96	0.91	0.87	0.73	<b>0.73</b>
% of total	27.5%	29.7%	28.7%	28.6%	27.7%	26.5%	23.4%	<b>23.5%</b>
<b>Total fiber used</b>	<b>3.53</b>	<b>3.53</b>	<b>3.31</b>	<b>3.36</b>	<b>3.29</b>	<b>3.29</b>	<b>3.12</b>	<b>3.13</b>

(1) As part of our 2011 global GF&TN agreement with WWF, we will report our total use of environmentally-preferred fiber for all fiber-containing products. Virgin pulp will include all K-C manufactured pulp, purchased market pulp and third-party contract-manufactured fiber-containing products.

FIBER SOURCING BY CERTIFICATION TYPE (%)	2010	2011	2012	2013	2014	2015	2016	2017
Virgin fiber from environmentally responsible sources <sup>1</sup>	98%	100%	100% <sup>1</sup>	100%	100%	100%	100%	<b>100%</b>
Forest Stewardship Council (FSC)	39%	47%	53%	61%	62%	64%	67%	<b>71%</b>
Sustainable Forest Initiative (SFI)	31%	30%	32%	24%	24%	23%	22%	<b>21%</b>
Program for the Endorsement of Forest Certification (PEFC)	8%	6%	5%	4%	4%	3%	2%	<b>2%</b>
CERFLOR (Brazil)	8%	3%	2%	0%	0%	0%	0%	<b>0%</b>
Canadian Standards Association (CSA)	7%	5%	5%	6%	7%	7%	5%	<b>4%</b>
Forest Stewardship Council Controlled Wood (FSC-CW)	5%	8%	2%	6%	4%	3%	4%	<b>2%</b>
Not Certified	2%	0%	0%	0%	0%	0%	0%	<b>0%</b>

(1) Approximately 150 tons of fiber was not certified in 2012; due to rounding, this is not reflected.

CHLORINE FREE WOOD PULP PURCHASES	2010	2011	2012	2013	2014	2015	2016	2017
Elemental Chlorine Free (ECF)	95%	95%	98%	98%	97%	97%	98%	<b>98%</b>
Total Chlorine Free (TCF)	5%	5%	2%	2%	3%	3%	2%	<b>2%</b>





**ENGAGING CONSUMERS  
TO HELP SAVE THE  
WORLD'S FORESTS**

**NORTH AMERICA**

Through a three-year effort with World Wildlife Fund (WWF), we are raising consumer awareness about the importance of choosing towel and tissue products made with fiber from responsibly managed forests certified to the Forest Stewardship Council® (FSC®) standard. Our new "Heart Your Planet" campaign features WWF's iconic logo on Kimberly-Clark's North American tissue products that are FSC®-certified, including Kleenex® facial tissue, Scott® paper towels, Viva® paper towels and Scott® and Cottonelle® bath tissue sold in North America. We will also support WWF's efforts to protect forests and other critical ecosystems.

 [Read more about the program](#)

**KIMBERLY-CLARK RECEIVES  
FIRST ENHANCED GREEN  
LABEL IN SINGAPORE**

**APAC**

In 2017, we were proud to become the first company to be certified under the Singapore Environment Council's new, stricter green label program. To receive this certification, companies selling paper and tissue products must show that their suppliers are following responsible forestry practices – including water use, fire management, and the protection of biodiversity on peat lands.

 [Read more about the program](#)

REDUCED FIBER SOURCED  
FROM NATURAL FORESTS

**BY 29%**

FROM 2011 BASE YEAR



INCREASED USE OF  
ENVIRONMENTALLY-  
PREFERRED FIBERS

**TO 89%**

IN OUR TISSUE PRODUCTS



**PRIORITY TOPIC:**  
**FORESTS & FIBER (CONTINUED)**



**ENVIRONMENTALLY-PREFERRED TISSUE FIBER  
(%; GLOBAL)<sup>1</sup>**

	2010	2011	2012	2013	2014	2015	2016	2017
<b>Environmentally-Preferred Fiber</b>	65%	74%	78%	83%	84%	86%	89%	<b>89%</b>
<b>Virgin Fiber</b>								
FSC Mix	33%	39%	44%	50%	52%	55%	61%	<b>61%</b>
FSC Plantation <sup>2</sup>	29%	33%	38%	42%	43%	44%	49%	<b>50%</b>
FSC Controlled Wood	31%	26%	22%	17%	15%	14%	11%	<b>8%</b>
<b>Recycled Fiber</b>								
Recycled content	32%	35%	34%	33%	32%	31%	28%	<b>28%</b>
Post-consumer recycled content <sup>3</sup>	13%	14%	14%	14%	14%	13%	13%	<b>13%</b>

(1) Data represents Kimberly-Clark and equity affiliates.

(2) FSC Plantation is a subset of FSC Mix.

(3) Post-consumer recycled content is a subset of Recycled content; Post-consumer recycled content reported for North America and Europe only.

**ENVIRONMENTALLY-PREFERRED TISSUE FIBER  
(%; NORTH AMERICA)<sup>1</sup>**

	2010	2011	2012	2013	2014	2015	2016	2017
<b>Environmentally-Preferred Fiber</b>	57%	63%	74%	79%	81%	84%	87%	<b>86%</b>
<b>Virgin Fiber</b>								
FSC Mix	32%	37%	44%	51%	53%	56%	59%	<b>60%</b>
FSC Plantation <sup>2</sup>	26%	30%	34%	38%	39%	40%	40%	<b>41%</b>
FSC Controlled Wood	43%	36%	27%	21%	20%	16%	14%	<b>14%</b>
<b>Recycled Fiber</b>								
Recycled content	25%	26%	30%	28%	28%	28%	28%	<b>26%</b>
Post-consumer recycled content <sup>3</sup>	20%	23%	26%	23%	23%	26%	26%	<b>24%</b>

(1) Data represents Kimberly-Clark and equity affiliates.

(2) FSC Plantation is a subset of FSC Mix.

(3) Post-consumer recycled content is a subset of Recycled content.

**NATURAL FOREST FIBER USE (MT)**

	2011	2012	2013	2014	2015	2016	2017
Virgin fiber from Natural Forest sources (Northern Softwood)	756,531	572,456	574,843	575,606	565,105	559,437	<b>534,644</b>
Reduction in Natural Forest Fiber	N/A <sup>1</sup>	24%	24%	24%	25%	26%	<b>29%</b>

(1) 2011 is the Base Year for 25% Reduction Target by 2025.