



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, but we know there remains difficult work ahead 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.

2022 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.
- 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.

(Note that 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)



2016 PROGRESS

We have reduced our use of fiber from natural forest landscapes by 26% over the 2011 base year, while 89% of the fiber used in our tissue products was from environmentally-preferred sources.

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 Forest Stewardship Council (FSC) certification. **Read more about our partnership with FSC.**

All virgin fiber sourced in 2016 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) ¹	2010	2011	2012	2013	2014	2015	2016
Virgin Fiber	2.56	2.48	2.36	2.4	2.38	2.42	2.39
% of total	72.5%	70.3%	71.3%	71.4%	72.3%	73.5%	76.6%
Recycled Fiber	0.97	1.05	0.95	0.96	0.91	0.87	0.73
% of total	27.5%	29.7%	28.7%	28.6%	27.7%	26.5%	23.4%
Total fiber used	3.53	3.53	3.31	3.36	3.29	3.29	3.12

(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
Virgin fiber from environmentally responsible sources ¹	98%	100%	100% ¹	100%	100%	100%	100%
Forest Stewardship Council (FSC)	39%	47%	53%	61%	62%	64%	67%
Sustainable Forest Initiative (SFI)	31%	30%	32%	24%	24%	23%	22%
Program for the Endorsement of Forest Certification (PEFC)	8%	6%	5%	4%	4%	3%	2%
CERFLOR (Brazil)	8%	3%	2%	0%	0%	0%	0%
Canadian Standards Association (CSA)	7%	5%	5%	6%	7%	7%	5%
Forest Stewardship Council Controlled Wood (FSC-CW)	5%	8%	2%	6%	4%	3%	4%
Not Certified	2%	0%	0%	0%	0%	0%	0%

(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
Elemental Chlorine Free (ECF)	95%	95%	98%	98%	97%	97%	98%
Total Chlorine Free (TCF)	5%	5%	2%	2%	3%	3%	2%



PARTNERS IN ACTION

Influencing consumer behavior is challenging – but necessary. Kimberly-Clark and FSC aim to raise awareness and educate consumers on the importance of choosing FSC-certified products – by inviting them to play an active role in protecting forests.

-  **Watch and read** – ‘One Simple Action program’ story and video
-  **Read** more about Responsible Forest Management
-  **Read** more about efforts to save the native New Zealand Falcon

REDUCED FIBER SOURCED
FROM NATURAL FORESTS

BY 26%

FROM 2011 BASE YEAR

INCREASED USE OF
ENVIRONMENTALLY-
PREFERRED FIBERS

TO 89%

IN OUR TISSUE PRODUCTS



PRIORITY TOPIC:
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ENVIRONMENTALLY-PREFERRED TISSUE FIBER (%; GLOBAL) ¹	2010	2011	2012	2013	2014	2015	2016
Environmentally-Preferred Fiber	65%	74%	78%	83%	84%	86%	89%
Virgin Fiber							
FSC Mix	33%	39%	44%	50%	52%	55%	61%
FSC Plantation ²	29%	33%	38%	42%	43%	44%	49%
FSC Controlled Wood	31%	26%	22%	17%	15%	14%	11%
Recycled Fiber							
Recycled content	32%	35%	34%	33%	32%	31%	28%
Post-consumer recycled content ³	13%	14%	14%	14%	14%	13%	13%

(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) ¹	2010	2011	2012	2013	2014	2015	2016
Environmentally-Preferred Fiber	57%	63%	74%	79%	81%	84%	87%
Virgin Fiber							
FSC Mix	32%	37%	44%	51%	53%	56%	59%
FSC Plantation ²	26%	30%	34%	38%	39%	40%	40%
FSC Controlled Wood	43%	36%	27%	21%	20%	16%	14%
Recycled Fiber							
Recycled content	25%	26%	30%	28%	28%	28%	28%
Post-consumer recycled content ³	20%	23%	26%	23%	23%	26%	26%

(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)	2010 ¹	2011	2012	2013	2014	2015	2016
Virgin fiber from Natural Forest sources (Northern Softwood)	N/A	756,531	572,456	574,843	575,606	565,105	559,437
Reduction in Natural Forest Fiber	N/A	N/A	24%	24%	24%	25%	26%

(1) Data not available for reporting in 2010.