



# Kimberly-Clark

Better Care for a Better World

## Barclays Global Consumer Staples Conference

September 7, 2022



# Reminders

## Forward-Looking Information

Certain matters contained in this presentation concerning the outlook, anticipated financial and operating results, growth initiatives and the anticipated cost savings from the company's FORCE program constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the company. 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, the prices and availability of our raw materials, supply chain disruptions, 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, 2021.

## Non-GAAP Financial Measures

This presentation contains some financial measures that have been adjusted to exclude certain items and differ from reported results using Generally Accepted Accounting Principles (GAAP) including adjusted earnings per share. Management believes that reporting in this manner enhances investors' understanding and analysis of the company's performance. For additional information on why we make these adjustments and reconciliations to comparable measures under GAAP, see the Non-GAAP Disclosure document posted in the Events & Presentations section on our website ([www.kimberly-clark.com/investors](http://www.kimberly-clark.com/investors)). This presentation also contains organic net sales which 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 also impact the year-over-year change in net sales.



# Key Messages

- Strategy to elevate our categories and expand our markets is working
- Strength in organic sales reflects improved commercial execution
- Taking actions to offset significant supply chain headwinds and recover margins
- Confident in our ability to deliver balanced and sustainable growth and create shareholder value

A photograph of a young girl with dark hair, smiling broadly. She is wearing an orange t-shirt with white polka dots and a cartoon character on it. Her hands are resting on a light-colored concrete pillar. The background is slightly blurred.

# Our Purpose: Better Care for a Better World

Improving the  
lives of

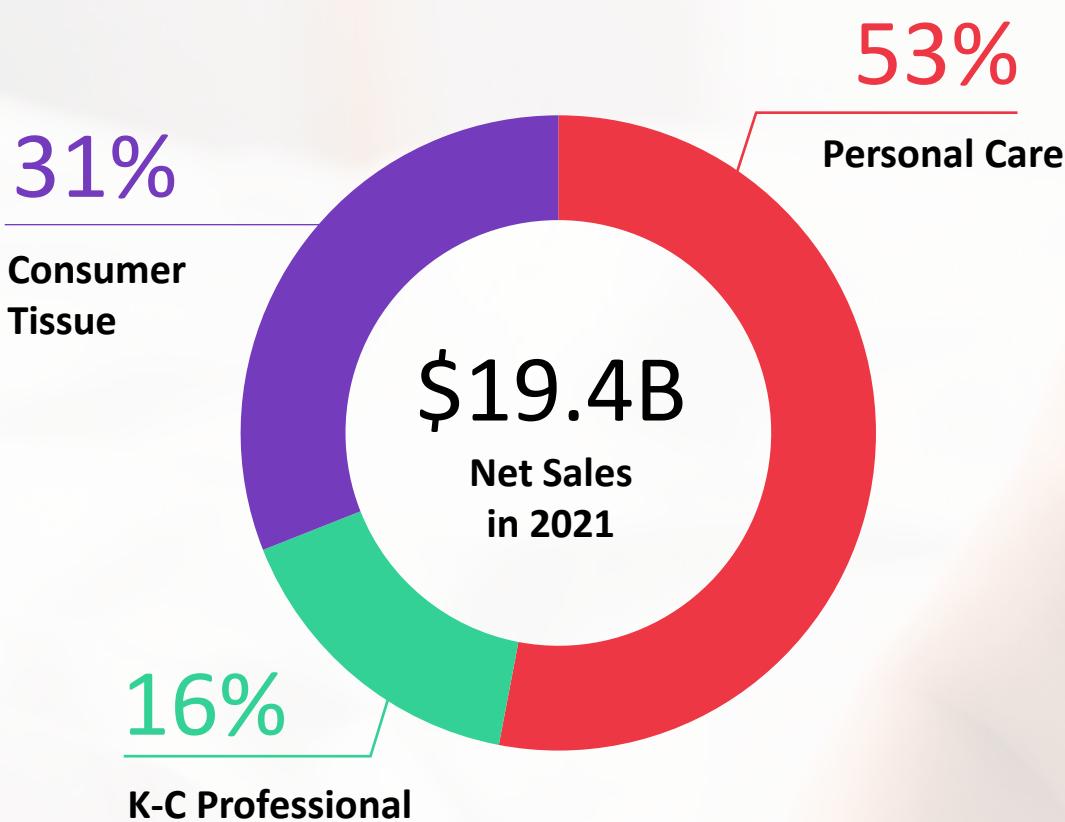
**1B**  
people

▼  
with half  
the environmental  
footprint





# 150 Years of Powerful, Iconic Brands



HUGGIES®

kotex

Depend®

Kleenex®  
BRAND

HUGGIES®  
pull-Ups®  
TRAINING UNDERWEAR

Scott®  
Brand

Cottonelle®

WYPALL®  
BRAND

# K-C Strategy 2022: Balanced, Sustainable Growth



# Improved Execution Driving Topline Growth - Taking Actions to Offset Macro Headwinds

Results

	Organic Sales	Adjusted EPS
2016 – 2018 average	+1%	+5%
2019	+4%	+4%
2020	+6%	+12%
2021	(1%)	(20%)
2022 Outlook *	<b>+5% to 7%</b>	<b>(3%) to (9%)</b>

## Headwinds

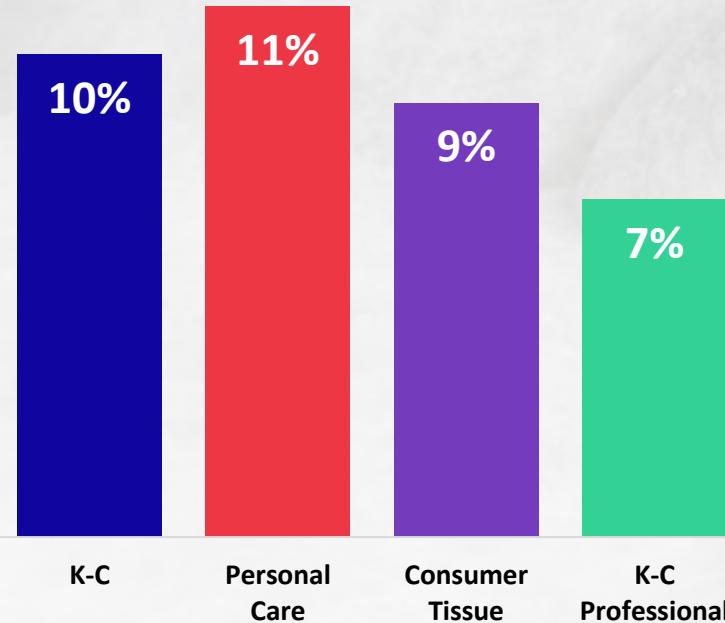
- Significant input cost inflation, ~\$3 billion over two years ('21 and '22)
- Supply chain challenges

## Taking action to recover margins over time

- Raising selling prices to offset inflation
- Driving cost savings programs
- Continuing to invest in our brands

# Actions Benefiting 2022 Results and Outlook

## Organic Sales – 1H '22



A diagram showing a flow from the "Organic Sales – 1H '22" section to a comparison table of initial and latest outlooks for January and July.

	Initial Outlook January	Latest Outlook July*
Organic Sales	+3% to 4%	+5% to 7%
Input Cost	\$750 to \$900M	\$1.4 to \$1.6B
Adjusted EPS	\$5.60 to \$6.00 (3%) to (9%)	\$5.60 to \$6.00 (3%) to (9%)

\* As communicated on July 26, 2022



# Strategy is Accelerating Growth

## Elevate Our Categories

Super Premium



Premium/  
Value

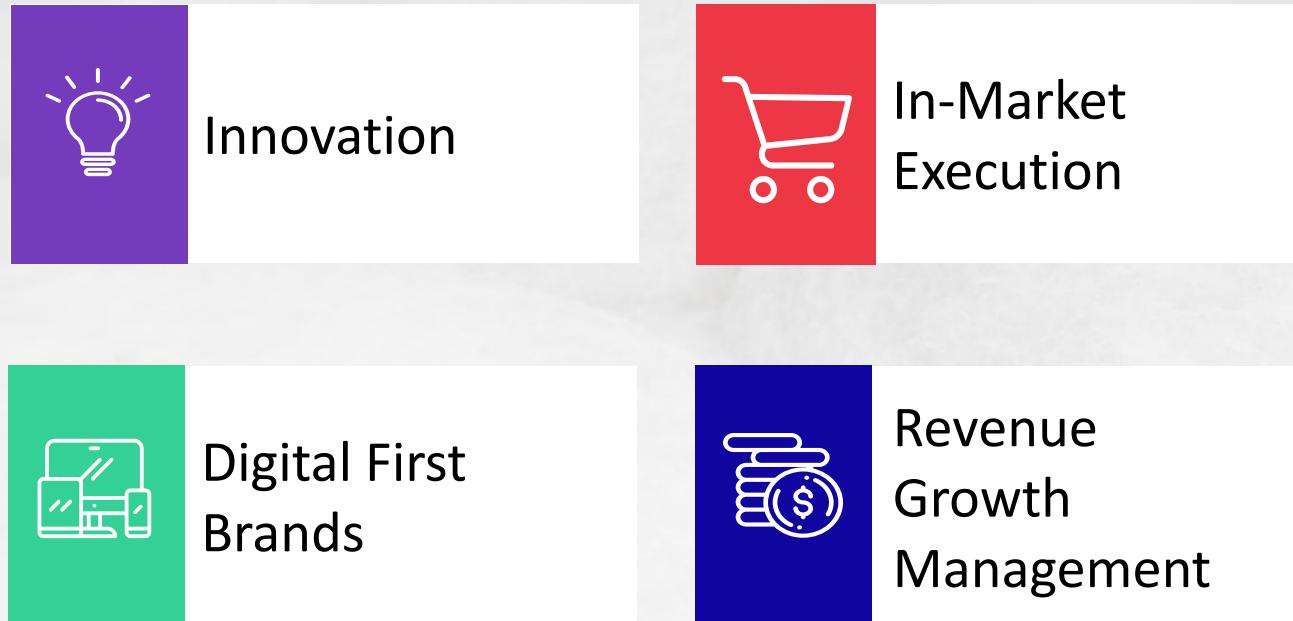


## Expand Our Markets

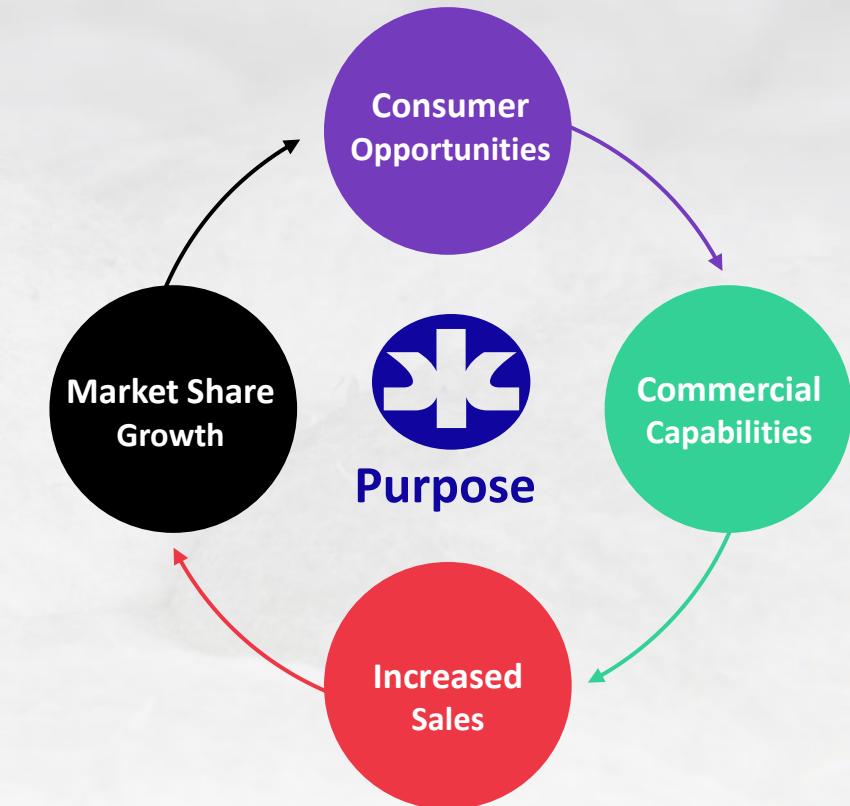


# Winning in the Market with a Clear Growth Playbook

## Commercial Capabilities



## Consistent Growth Playbook



# Enhanced Commercial Capabilities



>80% top  
Innovations  
scaled



Core SKU  
Distribution  
growing in >50%  
of markets



>70% marketing  
spend is Digital



Price / Mix  
+8% YTD 2022

# Accelerating Growth – Personal Care

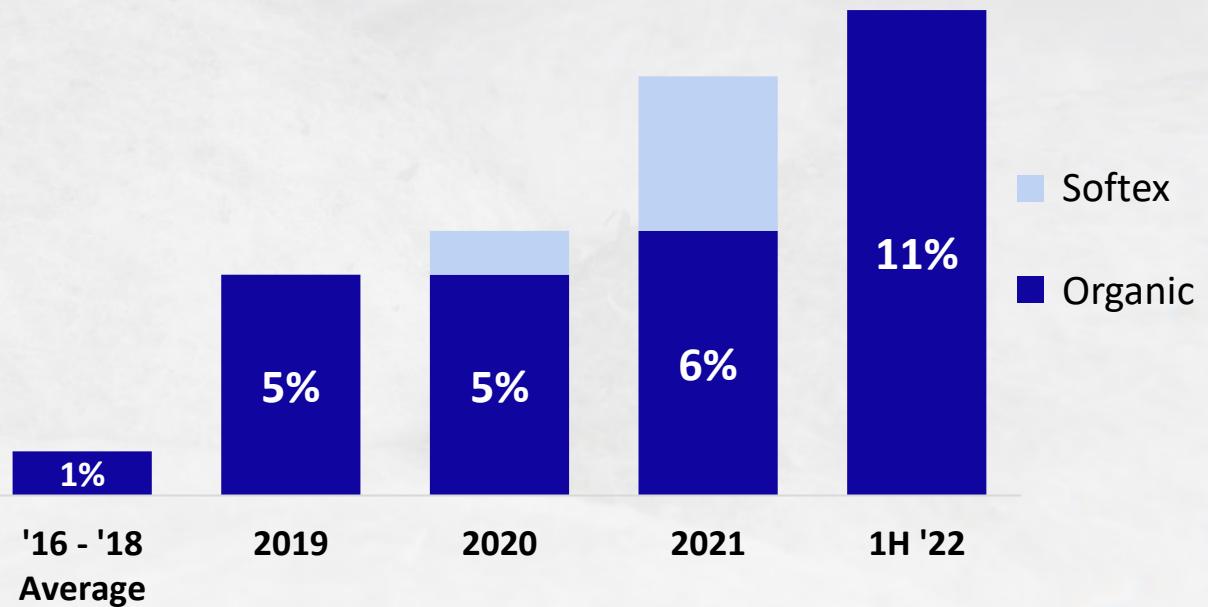
Market Share  
Grew/Held

**>60%**

of category/market  
combinations  
in 2020 and 2021

**>50%** so far in 2022

Net Sales Growth



# Winning in the Market – China Personal Care



Insight & technology driven  
Innovation – thinner, softer,  
breathable, comfortable



Creative marketing  
ideas & targeted digital  
first activation



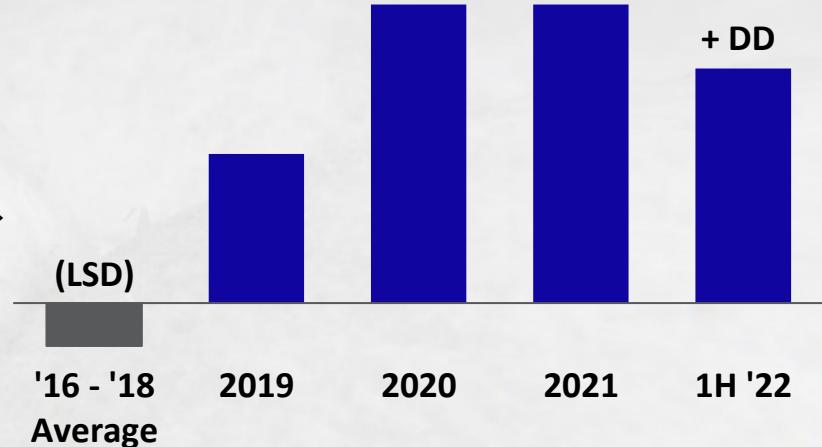
Strong omni-channel  
execution



Category elevation,  
majority of Huggies  
diapers sold are premium



Organic Sales Growth  
Personal Care



Huggies Market Share +4 pts  
diapers vs. 2018

# Summary

- ✓ We are growing – long runway to do more
- ✓ We are strengthening brands, market positions and company for long-term
- ✓ Near-term headwinds are significant; taking actions to offset over time
- ✓ Confident in our ability to deliver balanced and sustainable growth and create shareholder value



