

UK Gender Pay Gap Report

March 2018



“One of our primary responsibilities as leaders is to build talent. For Kimberly-Clark to grow and prosper, we need to have the right people in the right roles with the right opportunities. Ultimately, we must build a more diverse and inclusive global organization that looks, thinks and behaves like the people that use our products.”

Kimberly-Clark
Chairman and CEO Thomas J Falk



Welcome to our gender pay report

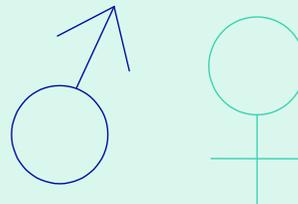
At Kimberly-Clark we value the unique and varied characteristics, life experiences and perspectives of our people. We believe that a workforce that reflects our consumer base provides insights and ideas that will strengthen our position as a global leader.

We also recognise that talent and skills are not defined by race, color, religion, sex/gender, age, sexual orientation, national origin, disability, gender identity, genetic information, veteran status, education, or background. We believe in nurturing talent and engaging all employees in the effort to make a difference for our customers and communities. We want to recruit and retain top talent

by insuring that training opportunities exist and that barriers to success are removed.

We know we will thrive as a business when all employees feel inspired to do their best work, individually and collectively. We are already working to bring gender balance to our work force. As you'll see from the results in this report, we still have opportunities to ensure more equal representation across our UK business, but I am proud to share our Diversity and Inclusion journey with you and we remain committed to closing the gap further in the coming years.

Michelle Hamilton
HR Director – UK & Ireland
Kimberly-Clark Ltd



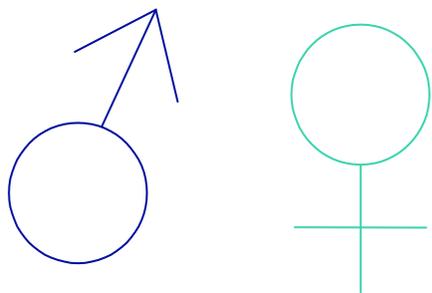


What is gender pay reporting?

Gender pay reporting is different to equal pay reporting.

Equal pay is about the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because of their gender.

The gender pay gap shows the difference in the average pay and bonuses between all men and all women across an employer.



Mean Pay Gap

The mean pay gap is the difference in the average hourly pay for female employees compared to that of male employees in an organisation.

Median Pay Gap

Median represents the middle point of a population. If you separately lined up all the women and men in a company, the median pay gap is the difference between the hourly pay rate for the 'middle woman' compared to that of the 'middle man'.

The Percentages – Positive versus Negative

**A positive percentage represents female employees having lower pay or bonuses than male employees. A negative percentage represents female employees having higher pay or bonuses than male employees.

Proportion of males and females receiving a bonus

The percentage of the total male and female employee populations who were paid any amount of bonus pay.

Proportion of males and females in each pay quartile

Quartiles represent the pay rates from the lowest to the highest, split into four equal sized groups, with the percentage of male and female employees in each quartile.





Kimberly-Clark UK gender pay gap results

Kimberly-Clark UK is made up of three employing entities: Kimberly-Clark Limited, Kimberly-Clark Europe Limited and Kimberly-Clark European Services Limited, employing a total of approximately 1,600 employees across the UK.

Our gender pay gap analysis shows that across our K-C UK workforce, the mean shows that men on average earn 2.6% more than women. The median shows that men earn 11.5% more than women:

Mean Pay Gap

The mean and median bonus pay gap is influenced by a large proportion of male employees in blue collar manufacturing roles (37.6%), where bonus payments typically make up a smaller part of overall remuneration. Shift based roles attract a pay and overtime premium whilst salaried roles deliver pay for performance, both company and individual via our compensation and bonus policies.

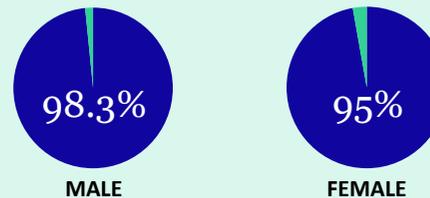
As quoted by the Office for National Statistics, the national median hourly pay shows that women earn 18.4% less than men

	Mean	Median
Gender Pay Gap	2.6%	11.5% ^Δ
Gender Bonus Gap	-9.4%**	-51.5%**

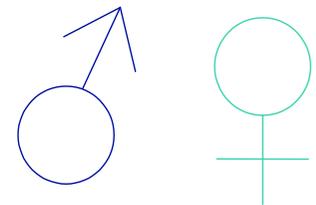
^Δ September 2018 an error was identified with the originally calculated Median total UK figure of -4% and has been corrected in this document version.

Proportion of employees receiving a bonus

All Kimberly-Clark UK all employees are eligible for a bonus. Bonus payments are made after the end of the plan period. As such, employees showing as not receiving a bonus joined after the 2016 bonus plan period



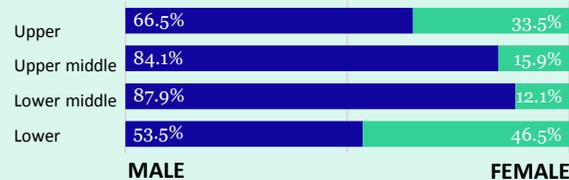
This data represents our April 2017 results



**A positive percentage represents female employees having lower pay or bonuses than male employees. A negative percentage represents female employees having higher pay or bonuses than male employees.

Proportion of employees in each pay quartile

Women make up 28% of our total UK workforce. 4.4% of our blue collar population at our manufacturing sites are women and our blue collar workforce accounts for 39% of the total UK population. However, 43.2% of our white collar roles are held by females, representing a more diverse workforce.





Kimberly-Clark UK gender pay gap results

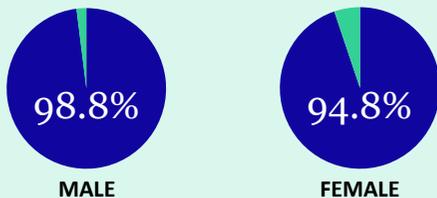
Kimberly-Clark Limited

Employer of our UK specific operations, including roles in manufacturing, commercial and UK support functions

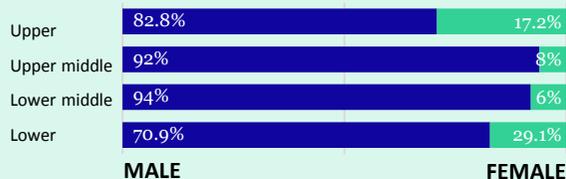
Mean and Median Pay and Bonus Figures

	Mean	Median
Gender Pay Gap	0.1%	14.3%
Gender Bonus Gap	-24.8%**	-0.6%**

Proportion of employees receiving a bonus



Proportion of employees in each pay quartile



Kimberly-Clark Ltd

The mean and median pay gap is influenced by a larger proportion of female employees in support and junior professional roles. Only 4% of female employees hold a blue collar position which a large proportion of attract a shift pay premium; and a higher proportion of male employees in senior professional, senior manager and executive roles.

The mean and median bonus pay gap is influenced by the larger proportion of men in blue collar manufacturing roles, where bonus payments typically make up a smaller part of overall remuneration. Of 1017 employees employed by KCL 58.5% are male employees in a blue collar role.

Kimberly-Clark Europe Limited

Employer of our EMEA functions based in the UK, which are mostly office based

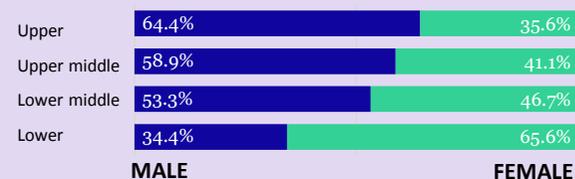
Mean and Median Pay and Bonus Figures

	Mean	Median
Gender Pay Gap	19.7%	16.7%
Gender Bonus Gap	37.9%	27.4%

Proportion of employees receiving a bonus

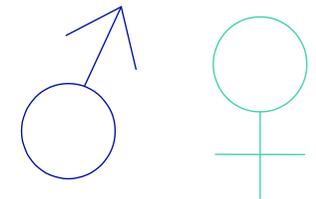


Proportion of employees in each pay quartile



Kimberly-Clark Europe Ltd

In this population there is a higher percentage of the overall male employees in senior and executive roles which attract higher pay, additional pay benefits such as car allowances, and higher bonus payments. Comparatively there is a higher percentage of the overall female population in middle management, professional and support roles; which overall means that male employees on average earn more than female employees.



**A positive percentage represents female employees having lower pay or bonuses than male employees. A negative percentage represents female employees having higher pay or bonuses than male employees.



Our diversity and inclusion journey

For more than 140 years, our values – Authentic, Accountable, Innovative and Caring have been woven throughout the fabric of our Company.

Accountable

Kimberly-Clark's Code of Conduct prohibits discrimination and/or harassment based on race, color, sex/gender, pregnancy, sexual orientation, gender identity, age, religion, creed, national origin, disability, genetic information, veteran status, legally protected

On a monthly basis we monitor UK diversity and inclusion by generation and gender to help inform our ongoing diversity strategy and plans and ensure we identify challenges to act upon

Authentic

Performance Management process – before we reward our employees, we calibrate all individual performance ratings to ensure performance is impartially measured based on merit

2014 winners of the prestigious Catalyst Award, recognising our focus on the recruitment, development and advancement of women in the workplace

We offer a range of diversity and inclusion programmes, raising awareness and educating our people in areas including inclusive leadership, unconscious bias, cultural awareness and sexual orientation

Many of our female leaders are members of the LEAD Network and we encourage them to leverage the resources it offers to inspire and enable their leadership progression

Innovative

At the end of 2013, the percentage of women in director-level positions globally was 26.4 %, this has now increased to 34.7%, demonstrating our commitment as a global organization to achieving gender parity

Talent development

We track the gender parity in our talent pools and on our succession plans to drive action where needed. Our 2018 D&I strategy includes a focus on converting women from individual contributor roles into leadership roles to strengthen our pipeline of female senior leaders

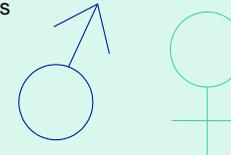
Gender neutral approach to Attraction & Selection

We use word coding to ensure our roles are equally attractive to both men & women

We actively target women's groups & societies, job boards, colleges and universities

We commit to a balanced selection panel during our interview and assessment processes

Focused female attraction tools for Engineering & Apprenticeships in our mills



Declaration

We confirm that the information set out in this report as required under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 is accurate.



Kalbander Dhillon
Vice President and CFO
EMEA

Caring

We have progressive and enhanced flexible working, maternity, shared parental leave and paternity policies and actively encourage employees to take advantage of these offerings

We support voluntary employee resource groups including an active Women's Interactive Network (WIN) group

We operate a flexible benefits programme including childcare vouchers to enable parents to balance childcare and work commitments



Our stories



Here are just three of our team members who have experienced our diversity and inclusion at first hand. Read their stories here.

Gulen Bengi

**Vice President & Managing Director UK and Ireland
Kimberly-Clark Ltd**

“At KC, we make essentials for a better life and what can be more essential than contributing to the development of people and communities around the world. I believe that my career is an example of KC’s commitment to developing talent and diversity.

I joined KC in 2007 as a customer development director in Turkey, becoming a general manager. Since then I have led our business all around the world and am currently leading our UK and Ireland business as Vice President and Managing Director. In all my postings, I always appreciated my mentors, my leaders, my peers and most important the support of my teams as I went through the steep learning curves of leading in different cultures, languages and business environments, developing our business and our teams.

Wherever I went, I always supported young female talent and KC has encouraged me to work to improve diversity and inclusion within the company and outside, including representing KC in our Catalyst award ceremony”



Tammie Fallows

Electrical Technician

“I joined K-C as an apprentice in September 2011 and qualified into an electrical technician role 4 years later. I am also a committee member of K-C’s Women’s Interactive Network. Kimberly-Clark’s values and commitment to equality and diversity are important to me and I would like to encourage more women to take on engineering roles within K-C as you are fully supported in everything that you do”



Kath Martin

EMEA Procurement Leader

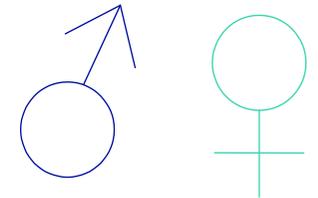
“I joined K-C in 2001 as European IT Purchasing Manager. Between 2003 and 2009, I held a number of European Procurement team leader roles, as well as starting a family and enjoying maternity leaves with my infant children.

In 2010, I was appointed to the role of Global Category Director for Packaging and in 2015, I took on a cross functional overseas assignment as factory manager at one of K-C’s manufacturing locations in Czech Republic. I returned to Procurement in 2016 as Europe, Middle East and Africa Procurement Director. My experience shows that K-C actively supports female talent in progressing their careers”



See our global website for more information on our approach to diversity:

<http://www.kimberly-clark.com/our-company/diversity.aspx>





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