



KIMBERLY-CLARK CORPORATION

A company incorporated and registered under the laws of the State of Delaware, USA

**PROSPECTUS FOR THE EMPLOYEES OF CERTAIN EUROPEAN
ECONOMIC AREA SUBSIDIARIES OF KIMBERLY-CLARK CORPORATION
IN RELATION TO THE KIMBERLY-CLARK SHAREPLUS PLAN AND THE
KIMBERLY-CLARK SHARE INCENTIVE PLAN**

WARNING: participation in the Plan is subject to the same risks as inherent to any investment in shares (such as movements in the stock exchange price of the shares). Share prices may go down, and the value of shares cannot be guaranteed.

27 September 2016

CONTENTS

	Page
SUMMARY	1
CHAPTER A RISK FACTORS	7
1. Risks related to the Company's business	7
2. Risks related to participation in the Plan	8
CHAPTER B GENERAL INFORMATION	9
1. Information concerning responsibility for the prospectus	9
2. Approval of the prospectus	9
3. Availability of the prospectus	9
4. Further information	9
CHAPTER C INFORMATION CONCERNING THE OFFER	10
1. Outline of Shareplus	10
1.1 Background and purpose	10
1.2 Eligible Employees	10
1.3 Invitation to participate	10
1.4 Administrator	10
1.5 Acquisition and award of shares	11
1.6 Direct reinvestment of dividends: Dividend Shares	12
1.7 Rights of the Shares under the Plan	12
1.8 Sale restrictions	13
1.9 Cessation of participation in the Plan	13
1.10 Takeovers	14
1.11 Administration and Alterations	14
1.12 Miscellaneous	15
2. Specific provisions for Shareplus-UK	15
3. Regional variations	16
4. Tax consequences	17
CHAPTER D GENERAL INFORMATION OF THE COMPANY	18
1. Description of the Company	18
2. Working Capital Statement	18
3. Statement of capitalisation and indebtedness as of 31 December 2015	18
4. Trends	19
5. Further information about the Company's financial condition	19
6. Board of directors and executive management	19
6.1 Board of directors	19
6.2 Executive management	20
6.3 Certain additional information regarding the Company's directors and executive officers ..	21
7. Dividend policy	21
8. Legal and arbitration proceedings	21
9. Change in the issuer's financial or trading position	22

LIST OF EXHIBITS

- EXHIBIT I ANNUAL REPORT OF THE ISSUER ON FORM 10-K FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015, FILED WITH THE SEC ON 11 FEBRUARY 2016
- EXHIBIT II DEFINITIVE PROXY STATEMENT OF THE ISSUER ON SCHEDULE 14A, FILED WITH THE SEC ON 11 MARCH 2016
- EXHIBIT III QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE FIRST QUARTERLY PERIOD OF 2016 ENDED 31 MARCH 2016, FILED WITH THE SEC ON 22 APRIL 2016
- EXHIBIT IV QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE SECOND QUARTERLY PERIOD OF 2016 ENDED 30 JUNE 2016, FILED WITH THE SEC ON 25 JULY 2016
- EXHIBIT V KIMBERLY-CLARK SHAREPLUS PLAN, FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.1 OF FORM S-8
- EXHIBIT VI TRUST DEED AND RULES OF KIMBERLY-CLARK SHAREPLUS UK
- EXHIBIT VII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (JERSEY), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.3 OF FORM S-8
- EXHIBIT VIII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (UK), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.4 OF FORM S-8
- EXHIBIT IX RESOLUTION APPROVING AMENDMENTS TO THE RULES OF THE KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK PLANS
- EXHIBIT X TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN

SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

Section A – Introduction and Warnings		
A.1	Introduction:	<p>This summary must be read as an introduction to this prospectus.</p> <p>Any decision to invest in the Shares should be based on a consideration of this prospectus as a whole, including any information incorporated by reference.</p> <p>Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor may, under the national legislation of the Member States, have to bear the costs of translating the prospectus before the legal proceedings are initiated.</p> <p>No civil liability will attach to any person solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus, including any information incorporated by reference, or it does not provide, when read together with the other parts of this prospectus, key information in order to aid investors when considering whether to invest in the Shares.</p>

Section B – Issuer		
B.1	Legal and commercial name of the Issuer:	Kimberly-Clark Corporation (the " Company ").
B.4a	Trends:	<p>Kimberly-Clark plans to continue to execute its Global Business Plan strategies for its long-term success. In 2016, Kimberly-Clark expects to remain focused on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. Kimberly-Clark continues to expect full-year growth in organic volume, price and mix in the 3 to 5 percent target range with a focus on developing markets. Kimberly-Clark expects to achieve increased cost savings, which Kimberly-Clark expects will help offset anticipated unfavorable currency rates and moderate commodity cost inflation. Kimberly-Clark also plans to support its product innovations and targeted growth initiatives with effective marketing campaigns. Although the macro environment has recently become more volatile, Kimberly-Clark remains optimistic about its opportunities and Kimberly-Clark continues to focus on executing its initiatives well.</p>

B.7	<p>Selected historical key financial information:</p>	<p>The tables below show selected historical key financial information of the Company prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP).</p> <p>The following selected financial data were derived from:</p> <ul style="list-style-type: none"> the unaudited consolidated income statement of the Company as of 31 March 2016 and 31 March 2015 set out in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 31 March 2016 (attached hereto as Exhibit III); the unaudited consolidated income statement of the Company as of 30 June 2016 and 30 June 2015 set out in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2016 (attached hereto as Exhibit IV); and the consolidated income statements of the Company as of 31 December 2011, 31 December 2012, 31 December 2013, 31 December 2014 and 31 December 2015 set out in the Company's Annual Report on Form 10-K for the fiscal year ended 31 December 2015 (attached hereto as Exhibit I), which were audited by Deloitte & Touche LLP in accordance with the standards of the Public Company Accounting Oversight Board (United States). <p>Kimberly-Clark completed the spin-off of its Health Care business on 31 October 2014. As a result, the health care business is presented as discontinued operations on the consolidated income statement 2014, and prior period consolidated income statements have been recast accordingly.</p> <table border="1" data-bbox="478 1008 1388 1904"> <thead> <tr> <th></th> <th colspan="5">Year Ended December 31</th> </tr> <tr> <th></th> <th colspan="5">(Millions of dollars, except per share amounts)</th> </tr> <tr> <th></th> <th>2015</th> <th>2014</th> <th>2013</th> <th>2012</th> <th>2011</th> </tr> </thead> <tbody> <tr> <td>Net Sales</td> <td>\$ 18,591</td> <td>\$ 19,724</td> <td>\$ 19,561</td> <td>\$ 19,467</td> <td>\$ 19,268</td> </tr> <tr> <td>Gross Profit</td> <td>6,624</td> <td>6,683</td> <td>6,609</td> <td>6,129</td> <td>5,539</td> </tr> <tr> <td>Operating Profit</td> <td>1,613</td> <td>2,521</td> <td>2,903</td> <td>2,377</td> <td>2,152</td> </tr> <tr> <td>Share of Net Income of Equity Companies</td> <td>149</td> <td>146</td> <td>205</td> <td>177</td> <td>161</td> </tr> <tr> <td>Income from Continuing Operations</td> <td>1,066</td> <td>1,545</td> <td>2,018</td> <td>1,627</td> <td>1,495</td> </tr> <tr> <td>Income from Discontinued Operations, Net of Income Taxes</td> <td>–</td> <td>50</td> <td>203</td> <td>201</td> <td>189</td> </tr> <tr> <td>Net Income</td> <td>1,066</td> <td>1,595</td> <td>2,221</td> <td>1,828</td> <td>1,684</td> </tr> <tr> <td>Income Attributable to Noncontrolling Interests in Continuing Operations</td> <td>(53)</td> <td>(69)</td> <td>(79)</td> <td>(78)</td> <td>(93)</td> </tr> <tr> <td>Net Income Attributable to Kimberly-Clark Corporation</td> <td>1,013</td> <td>1,526</td> <td>2,142</td> <td>1,750</td> <td>1,591</td> </tr> <tr> <td>Per Share Basis</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Net Income Attributable to Kimberly-Clark Corporation</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Basic</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Continuing operations</td> <td>2.78</td> <td>3.94</td> <td>5.05</td> <td>3.94</td> <td>3.54</td> </tr> <tr> <td>Discontinued operations</td> <td>–</td> <td>0.13</td> <td>0.53</td> <td>0.51</td> <td>0.48</td> </tr> <tr> <td>Net income</td> <td>2.78</td> <td>4.07</td> <td>5.58</td> <td>4.45</td> <td>4.02</td> </tr> </tbody> </table>		Year Ended December 31						(Millions of dollars, except per share amounts)						2015	2014	2013	2012	2011	Net Sales	\$ 18,591	\$ 19,724	\$ 19,561	\$ 19,467	\$ 19,268	Gross Profit	6,624	6,683	6,609	6,129	5,539	Operating Profit	1,613	2,521	2,903	2,377	2,152	Share of Net Income of Equity Companies	149	146	205	177	161	Income from Continuing Operations	1,066	1,545	2,018	1,627	1,495	Income from Discontinued Operations, Net of Income Taxes	–	50	203	201	189	Net Income	1,066	1,595	2,221	1,828	1,684	Income Attributable to Noncontrolling Interests in Continuing Operations	(53)	(69)	(79)	(78)	(93)	Net Income Attributable to Kimberly-Clark Corporation	1,013	1,526	2,142	1,750	1,591	Per Share Basis						Net Income Attributable to Kimberly-Clark Corporation						Basic						Continuing operations	2.78	3.94	5.05	3.94	3.54	Discontinued operations	–	0.13	0.53	0.51	0.48	Net income	2.78	4.07	5.58	4.45	4.02
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B.9	Profit Forecast:	Not Applicable; no profit forecast or estimate is made in this prospectus.																																																																																																																																																												
B.11	Explanation if Insufficient Working Capital:	Not Applicable; the Company's management believes that the Company's ability to generate cash from operations and its capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends and other needs in the foreseeable future.																																																																																																																																																												

Section C – Securities

C.1	Type and Class:	The securities being offered are shares of the Company's common stock (the " Shares "). The Shares have been created under the laws of the State of Delaware, USA. Each Share has a par value of USD 1.25. The Shares are listed on the New York Stock Exchange (NYSE: KMB).
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C.2	Currency:	Whilst the employees make contributions in local currency, the Shares are denominated in US Dollars. Therefore the employees' contributions will be converted into US Dollars prior to Shares being purchased. Shares allocated within the Plan (as defined below) will be in fractional form. Therefore, the total contribution made by each employee will be invested in the Company's stock.
C.4	Rights related to the Shares:	All Shares issued under the Plan shall as to voting, dividend, transfer and other rights rank equally in all respects with all other Shares then in issue. Any dividends declared by the Company will be used to purchase additional shares in the Plan.
C.5	Sale Restrictions:	The Partnership Shares (as defined below) can in principle be sold immediately (although those under Shareplus-UK have to be held for 3 years to benefit from partial tax relief and for 5 years for full tax relief). The Matching Shares (as defined below) can in principle be sold once the Eligible Employee (as defined below) owns them, but in Belgium, Italy and Spain, the Matching Shares must not be sold for a certain period of time (2 or 3 years, as the case may be) to benefit from (partial) tax relief. In addition, for Matching Shares under Shareplus-UK, there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full tax relief.
C.6	Application for Admission to Trading:	Not Applicable; the securities being offered are existing Shares, which are admitted to trading on the New York Stock Exchange.
C.7	Dividend Policy:	Dividend payout has increased from USD 0.88 per quarter for 2015 to USD 0.92 per quarter for 2016, based on the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2016 (attached hereto as Exhibit IV). This represents an increase of 4.5 per cent.

Section D - Risks

D.1	Risks Specific to the Issuer:	The risks related to the Company's business may be, without limitation, economic, tax, legal, operational, political or geographical in nature (or a combination of two or more of any such factors).
D.3	Risks Specific to the Shares:	The risks related to participation in the Plan include, without limitation, the risks inherent to any investment in shares, exchange risks, tax and/or social security consequences of participation in the Plan and the fact that the Shares are not listed on a regulated market of the European Economic Area.

Section E - Offer		
E.1	Estimated Expenses:	The total expenses of the offer are estimated at EUR 100,000.
E.2a	Reasons for the Offer:	<p>The Company is offering Eligible Employees (as defined below) of its participating subsidiaries in Europe (the "Participating Companies") the opportunity to acquire Shares pursuant to a share purchase plan called Shareplus ("Shareplus" or the "Plan"). The employees thereby have an additional incentive to contribute to the Company's success.</p> <p>The Company and its subsidiaries are together referred to as "Kimberly-Clark".</p>
E.3	Terms and Conditions of the Offer:	<p>As from 1 October 2016, the Plan will be offered to employees in the following countries: Belgium, Czech Republic, Germany, Italy, Netherlands, Spain, Switzerland and the United Kingdom.</p> <p>Shareplus is designed as an "umbrella" plan to allow for differences by country to take account of local legal and tax requirements and to achieve tax benefits wherever possible. There are two main formats within the Plan:</p> <ul style="list-style-type: none"> • Shareplus Europe: the main format used in most countries. • Shareplus UK: for employees in the UK, a tax-qualifying share incentive plan (the "SIP") has been set up. The SIP confers favourable tax treatment for both Kimberly Clark and participants, but contributions are subject to applicable limits. Employees in the UK will still be able to participate in Shareplus Europe, but only by contributing any excess contributions that exceed the limits of the SIP. This is referred to as the Shareplus UK top-up plan. <p>Note that the descriptions of certain provisions of the Plan in this summary and in this prospectus are executive summaries, that reading these summaries should not be taken as a substitute for reading the respective plan documents in their entirety, that the Company may determine that a subsidiary shall cease to be a Participating Company and that the rules of the Plan may be amended (within certain limits) by the European HR Policy Council.</p> <p>The key terms of the Plan are as follows:</p> <p>Eligible Employees All full-time and part-time employees being actively paid by the payroll of a Participating Company. There is no qualifying period of employment. Expatriates participate through their home country (they cannot participate if their home country is not participating even if they are located in a participating country).</p> <p>Contributions Eligible Employees will make a monetary contribution each month, via payroll, in their local currency. The minimum contribution is the local currency equivalent of approximately USD 15 per month. The maximum contribution an Eligible Employee can make is 4% of salary (contributions under the SIP are in any event limited to GBP 125 per month). If the minimum investment is actually more than 4% of the employee's pay, the</p>

		<p>minimum amount can still be invested.</p> <p>Administrator The Plan is administered by an external trustee and administrator, Computershare Investor Services PLC.</p> <p>Partnership Shares Each employee's investment will be transferred each month to the Administrator. The Administrator will use the funds to purchase Shares on a set date per month and will then hold these Shares in the employee's name in an account established within Shareplus. The number of Partnership Shares to be acquired will be determined in accordance with the market value of the Shares at that time. The Shares purchased by the employee are known as Partnership Shares.</p> <p>Matching Shares If the employee retains the Partnership Shares in Shareplus for the required period (1 year to 18 months), then Kimberly-Clark will award Matching Shares on a 1-for-2 basis.</p> <p>Dividend Shares Any dividends declared by the Company will be used to purchase additional shares in the Plan. These dividend Shares do not qualify for additional Matching Shares.</p>
E.6	Dilution:	Not Applicable; there will be no dilution as a result of the offer because the offered Shares are purchased in the market.
E.7	Costs:	<p>Kimberly-Clark will meet the cost of purchasing Shares and any associated administration charges whilst they remain held with Shareplus. Employees will be required to meet the cost of selling Shares. The cost of selling shares is a brokerage charge of 0.6% of the sale proceeds with a minimum of GBP 20 for Shareplus-UK (SIP) and USD 32 for Shareplus-Europe. This charge will be deducted from the employees' sale proceeds. The employees can sell their shares using the employee website provided by Computershare (the administrator) or by completing a paper sales form provided by Computershare. The website sales are done via Real Time Trading ensuring all participants in the plan can make informed decisions prior to electing to trade. The shares are always sold in the plan currency of USD. Upon converting the funds to the employees Computershare will convert the funds using guaranteed currency conversion fees. When converting the Shareplus-UK funds to GBP from USD a commission of 1.5% of the gross sale proceeds will be applied. When converting Shareplus-Europe funds to any global currency from USD a commission of 2.5% of the gross sale proceeds will be applied. The Shareplus-UK funds must be paid in GBP as this is a regulated approved plan. The Shareplus-Europe funds can be paid in any currency. If the participant wishes to receive their proceeds in USD no conversion costs are applied. The participant has this choice at the point of trading.</p> <p>The costs of the preparation and administration of the Plan (other than the cost of selling Shares) are born by Kimberly-Clark Europe Limited and will not be recharged to the Participating Companies. However, the costs of purchasing the Matching Shares will be recharged to the Participating Companies.</p>

CHAPTER A RISK FACTORS

Any investment in the Shares involves substantial risks. Before deciding to purchase Shares, prospective investors should carefully review and consider the following risk factors and the other information contained in this prospectus. The occurrence of one or more of the risks described below may have a material adverse effect on the Company's cash flows, results of operations and financial condition and endanger the Company's ability to continue as a going concern. Moreover, the Company's share price could fall significantly if any of these risks were to materialize, in which case investors could lose all or part of their investment.

Investors should note that the risks discussed below are not the only risks to which Kimberly-Clark is exposed. Additional risks and uncertainties, which are not currently known to the Company, which the Company currently believes are immaterial or which are inherent in any company, could likewise impair its business operations or have an adverse effect on the Company's cash flows, results of operations, financial condition, the Company's ability to continue as a going concern and the price of its shares. The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Company's cash flows, results of operations and financial condition, the Company's ability to continue as a going concern or the price of the Company's shares. This prospectus (including its exhibits) also contains forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this prospectus. Investors should consider carefully whether an investment in the Shares is suitable for them in light of the information contained in this prospectus and their own personal circumstances.

The risk factors to be taken into consideration when participating in Shareplus and the SIP consist of risks related to the Company's business and risks related to participation in the Plan.

1. RISKS RELATED TO THE COMPANY'S BUSINESS

The risks related to the Company's business, which may affect its future results, are described in detail in the Company's Annual Report on Form 10-K for the fiscal year ended 31 December 2015 (attached hereto as **Exhibit I**) on pages 3-7 (*Item 1A. Risk Factors*) and 28-29 (*Item 7A. Quantitative and Qualitative Disclosures about Market Risk*) and can be summarized as set forth below. This summary should be read together with, and is qualified in its entirety by, the risk factors in the Form 10-K (as attached as **Exhibit I**), which investors should read in their entirety.

- Kimberly-Clark's international operations are subject to foreign market risks, including foreign exchange risk, currency restrictions and political, social and economic instability, which may adversely affect Kimberly-Clark's financial results.
- Intense competition for sales of Kimberly-Clark's products, changes in consumer purchasing patterns and the inability to innovate or market Kimberly-Clark's products effectively could have an adverse effect on Kimberly-Clark's financial results.
- Damage to the reputation of Kimberly-Clark or to one or more of Kimberly-Clark's brands could adversely affect Kimberly-Clark's business.
- Increasing dependence on key retailers in developed markets and the emergence of new sales channels may adversely affect Kimberly-Clark's business.
- Significant increases in prices for raw materials, energy, transportation and other necessary supplies and services, without corresponding increases in Kimberly-Clark's selling prices, could adversely affect Kimberly-Clark's financial results.
- New or revised future legal or regulatory requirements, potential litigation or administrative actions, or tax matters could have an adverse effect on Kimberly-Clark's financial results.

- Disruption in Kimberly-Clark's supply chain or the failure of third-party providers to satisfactorily perform could adversely impact Kimberly-Clark's operations.
- There is no guarantee that Kimberly-Clark's ongoing efforts to reduce costs will be successful.
- If Kimberly-Clark's information technology systems suffer interruptions, failures or breaches, Kimberly-Clark's business operations could be disrupted and Kimberly-Clark could face financial and reputational damage.
- Kimberly-Clark may divest or acquire product lines or businesses, which could impact Kimberly-Clark's results.
- The 2014 spin-off of Kimberly-Clark's health care business could result in substantial tax liability to Kimberly-Clark and its shareholders.

2. **RISKS RELATED TO PARTICIPATION IN THE PLAN**

The risks related to participation in the Plan can be summarized as follows:

- Participation in the Plan is subject to the same risks as inherent to any investment in shares (such as movements in the stock exchange price of the shares). Share prices may go down, and the value of shares cannot be guaranteed.
- Participation in the Plan is subject to a currency risk (e.g. USD/EUR, USD/CZK or USD/GBP) that could adversely affect the amount invested in the Plan and anticipated profit resulting from participation in the Plan.
- The possible tax and/or social security consequences of participation in the Plan could adversely affect the anticipated profit resulting from participation in the Plan.
- The Company may determine that a subsidiary shall cease to be a Participating Company.
- The rules of the Plan may be amended (within certain limits) by the European HR Policy Council.
- There may be a delay between the date of the contributions made by participants and the actual investment of these contributions by the Administrator in the purchase of the Company's stock on the New York Stock Exchange.
- The Shares of the Company are listed on the New York Stock Exchange only and not on a regulated market of the European Economic Area.

CHAPTER B GENERAL INFORMATION

1. INFORMATION CONCERNING RESPONSIBILITY FOR THE PROSPECTUS

Kimberly-Clark Europe Limited, a company incorporated and existing under the laws of England, having its registered office at 40 London Road, Reigate, Surrey RH2 9QP, United Kingdom, represented by its board of directors, assumes responsibility for the prospectus.

Kimberly-Clark Europe Limited declares that, having taken all reasonable care to ensure that such is the case, the information contained in this prospectus is, to the best of its knowledge, in accordance with the facts and contains no omissions likely to affect its import.

2. APPROVAL OF THE PROSPECTUS

On 27 September 2016, the Belgian Financial Services and Markets Authority (the "FSMA") approved this prospectus in accordance with article 23 of the Law of 16 June 2006 relating to public offers of securities and to the admission to trading of securities on regulated markets. The FSMA's approval does not imply any judgment on the merits or the quality of the offer or the offered Shares, nor of the status of the Company.

This prospectus is for use solely in connection with offerings under the Plan to certain employees of Kimberly-Clark in certain jurisdictions within the European Economic Area. This prospectus is not to be distributed in any other jurisdiction and is not to be used in connection with any offer of, or any invitation or solicitation by or on behalf of the Company or any of its affiliates to subscribe for or purchase securities in any other jurisdiction.

This prospectus has not been submitted to the review or registration procedures of the Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended, or to any other regulatory authority outside of the European Economic Area.

The distribution of this prospectus and the offer of the Shares under the Plan may be restricted by law in certain jurisdictions. Kimberly-Clark requires persons into whose possession this prospectus comes to inform Kimberly-Clark about and to observe any such restrictions. This prospectus does not constitute an offer to sell, or an invitation to purchase, the Shares in connection with Kimberly-Clark's employee share plans in any jurisdiction in which such offer or invitation would be unlawful.

3. AVAILABILITY OF THE PROSPECTUS

This prospectus will be made available to employees of the European Economic Area subsidiaries of the Company based in countries in which offerings under the Plan are considered public offerings, subject to the laws applicable in each country, at the respective head offices of their employers. In addition, this prospectus along with summary translations (as applicable) will be posted on the intranet of Kimberly-Clark, and free copies will be available to the employees upon request by contacting the human resources departments of their employers.

4. FURTHER INFORMATION

Further information about Shareplus-Europe and Shareplus-UK is set forth in the Kimberly-Clark Shareplus Plan (**Exhibit V**), the Trust Deed and Rules of Kimberly-Clark Shareplus UK (**Exhibit VI**), the Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey) (**Exhibit VII**) and the Trust Deed of the Kimberly-Clark Employee Share Trust (UK) (**Exhibit VIII**). Please also refer to the resolution approving amendments to the rules of the Kimberly-Clark Shareplus and Shareplus-UK plans (**Exhibit IX**).

The Company's internet address is www.kimberly-clark.com. More detailed information about the Company, including information about its charter documents, its businesses and the Company's SEC reports, can be accessed free of charge through the Investor Relations section of the Company's website (<http://www.kimberly-clark.com/investors/>).

CHAPTER C INFORMATION CONCERNING THE OFFER

1. OUTLINE OF SHAREPLUS

1.1 Background and purpose

Shareplus was authorized and agreed by the Chief Executive Officer and Chief Operating Officer of the Company on 6 September 2001, in accordance with the authority granted to them by the Board of Directors of the Company. The Plan will continue to operate until 9 May 2082, unless terminated earlier by resolution of the Board of Directors of the Company.

The Plan was adopted to provide an opportunity for the Eligible Employees of the Participating Companies to purchase Shares through payroll deductions and to receive free shares, the Matching Shares, in proportion to the purchased shares after having held them for a certain period of time. The employees thereby have an additional incentive to contribute to the Company's success.

In 2002, the Company filed a registration statement on Form S-8 with the SEC registering 500,000 Shares under the Plan and on 18 September 2009, the Company filed a subsequent registration statement registering additional 500,000 Shares. The aggregate number of Shares offered for purchase under the Plan is 149,580 Shares, subject to the provisions in relation to adjustments to such number in the event of certain fundamental changes in the amount (or kind) of Shares. The Shares have been created under the laws of the State of Delaware, USA. Each Share has a par value of USD 1.25.

1.2 Eligible Employees

All full-time and part-time employees being actively paid by the payroll of a Participating Company are eligible to participate in the Plan. There is no qualifying period of employment. Expatriates participate through their home country (they cannot participate if their home country is not participating even if they are located in a participating country). Temporary workers (employed by a third party), contractors and suppliers cannot participate in the Plan.

1.3 Invitation to participate

Eligible Employees may be invited by Kimberly-Clark to participate in the Plan at any time and at Kimberly-Clark's sole discretion. The invitations to participation are normally issued on a continuing basis, but there exists no obligation for Kimberly-Clark to do so. An Eligible Employee who starts employment with a Participating Company is typically given an invitation as soon as administratively possible after the date of commencement of his employment.

These invitations (the "**Letter of Offer**") shall enclose, among other items, the draft agreement that will set out the terms of participation in the Plan (the "**Partnership Share Agreement**"). Eligible Employees who have received a Letter of Offer and who wish to participate in the Plan should return the Partnership Share Agreement, duly signed, within the date specified in the Letter of Offer. Upon receipt of the Partnership Share Agreement by the Company, they become "**Participating Employees**". The Partnership Share Agreement, duly signed, is collected by (or on behalf of) the Participating Company and sent to the Company.

1.4 Administrator

The Plan is set up under a trust and Kimberly-Clark has appointed an independent company, Computershare Investor Services PLC ("**Computershare**"), The Pavilions, Bridgwater Road, Bristol, BS13 8AE, United Kingdom, to be the external trustee and administrator of the Plan. It is their responsibility to administer the Plan in line with its rules.

1.5 Acquisition and award of shares

(a) *Monthly contributions by Participating Employees*

The Partnership Share Agreement shall include an agreement by the Participating Employee to make regular monthly contributions, via payroll, under the Plan.

The Participating Employee shall state the monthly contributions that he/she wishes to make. The minimum investment per employee will be the local currency equivalent of approximately USD 15 per month. For the minimum contribution on a country-by-country basis, please refer to Chapter C section 3 (*Regional Variations*). The maximum investment per employee will be 4 per cent. of the employee's gross salary (excluding bonuses, overtime payments, and benefits in kind). If the minimum investment is actually more than 4 per cent. of the employee's pay, he/she can still invest the minimum amount (but will not be allowed to invest more than that).

This monthly contribution shall be paid to the Administrator by the employer of the Participating Employee in accordance with the instructions of the Participating Employee. The Administrator shall keep this money on behalf of the Participating Employee and shall use it for the acquisition of Partnership Shares.

The Partnership Share Agreement shall include a provision allowing the Participating Employee to stop the monthly contributions at any time. The employee may, however, do so only after having notified the Participating Company.

After having given such a notice, the employee may re-start the monthly contributions in the same calendar year, although the payments that have been missed in the interim period may not be made up.

The Participating Employee is also entitled under the Partnership Share Agreement to vary his monthly contributions. Having said that, subject to a Participating Employee's right to stop purchasing Shares at any time, only two events of starting, stopping or varying are permitted in each calendar year. The Company has the discretion to allow further events in particular circumstances.

(b) *Acquisition of Partnership Shares*

The Partnership Shares will be bought and kept by the Administrator on behalf of the Participating Employees. On a monthly basis, the Administrator shall use the money transferred to it by the Participating Employees to purchase and allocate the Partnership Shares on behalf of the Participating Employees.

Whilst the employees make contributions in local currency, the Shares are denominated in US Dollars. Therefore, the employees' contributions will be converted into US Dollars prior to Shares being purchased. The Administrator collects the employees' contributions in a local currency collection account prior to the share purchase on the 5th calendar day of each month. The employer of the Participating Employees transfers the employees' contributions in bulk to the Administrator in local currency at least 5 working days before the purchase date. The exchange rate to US Dollars is then applied at the same time for all funds in each local currency collection account before the Shares are purchased.

On or as soon as possible after the 5th calendar day of the month, the Administrator will instruct the Plan stockbroker to invest all Plan contributions in the purchase of Shares on the New York Stock Exchange. In practice, and to be consistent each month, the Partnership Shares shall be purchased as close as possible to the opening of the New York Stock Exchange on the acquisition date (5th calendar day) each month. The Partnership Shares will be purchased in the market and there will therefore be no dilution of existing shareholders.

The number of Partnership Shares to be acquired shall be determined in accordance with the market value of Shares at that time. Whole Shares and fractional Shares (to five decimal places) will be allocated to the Participating Employees' accounts, ensuring that the total contribution for each Participant is fully invested, to the nearest cent. In the event that any sum of money from the contribution remains unused for the acquisition of Partnership Shares, it may be retained by the Administrator to the Participating Employee's account and added to his next contribution.

Any interest earned from the Participating Employees' contributions does not belong to the Participating Employees but is instead used to meet the expenses of the trust.

(c) *Award of Matching Shares*

After holding the Partnership Shares for a certain period of time (the "**Holding Period**"), the Participating Employee shall be granted free shares, the Matching Shares, in proportion to the Partnership Shares acquired by him.

The Matching Shares are awarded on the basis of one share for every two Shares that the Participating Employee has bought (i.e. for every two Partnership Shares).

The number of Matching Shares that each Participating Employee is entitled to receive is calculated twice per year, on 1 January and 1 July (the "**Calculation Date**"). However, the Matching Shares are only effectively awarded one year after the Calculation Date (i.e. the "**Vesting Date**"). Participating Employees must hold the Participating Shares that entitle them to receive the Matching Shares until the Matching Shares are vested. In other words, a Participating Employee loses the right to the Matching Shares if he/she sells or transfers the Partnership Shares to which they relate before or within a year of the Calculation Date. Similarly, if a Participating Employee leaves the Kimberly-Clark group, he/she will lose any Matching Shares that have not been awarded.

As the Matching Shares are calculated at six monthly intervals and only vest one year later, the Holding Period for Partnership Shares is between 1 year and 18 months to receive the Matching Shares. In some circumstances, the Holding Period does not apply.

Note that a different Holding Period applies in Shareplus-UK. This is set out in more detail in Chapter C section 2 (*Specific provisions for Shareplus-UK*).

1.6 Direct reinvestment of dividends: Dividend Shares

All dividends payable in respect of Shares acquired or received under the Plan will be directly reinvested by the Administrator in additional Shares of the Company on behalf of Participating Employees. These further Shares are known as Dividend Shares. The Dividend Shares are purchased on the 5th calendar day of the following month.

Dividends are only due on Shares that the Participating Employee fully owns. Dividends are therefore not due on Matching Shares before they have vested.

Dividend Shares do not qualify for additional Matching Shares.

1.7 Rights of the Shares under the Plan

All shares issued under the Plan shall as to voting, dividend, transfer and other rights rank equally in all respects with all other Shares then in issue.

The Participating Employee will receive all rights as to voting, dividend transfer and other rights in respect of Partnership Shares from the acquisition date and in respect of Matching Shares and Dividend Shares from the respective award date.

There exist no restrictions on their transfer, other than the sale restrictions imposed under the Plan.

1.8 Sale restrictions

The Partnership Shares can in principle be sold immediately (although the Partnership Shares under Shareplus-UK have to be held for 3 years to benefit from partial tax relief and for 5 years for full tax relief; see Chapter C section 2 (*Specific provisions for Shareplus-UK*) for more information).

The Matching Shares can in principle be sold as of the Vesting Date. However, in Belgium, Italy and Spain, the Matching Shares must not be sold for a certain period of time (2 or 3 years, as the case may be) to benefit from (partial) tax relief. In addition, for Matching Shares under Shareplus-UK, there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full tax relief. For further details, please refer to Chapter C section 3 (*Regional Variations*) below.

1.9 Cessation of participation in the Plan

(a) *General*

A Participating Employee may stop his monthly contribution and acquisition of Partnership Shares at any time after having given notice to the relevant Participating Company (*i.e.* his employer).

After having given such a notice, the employee may restart his participation in the Plan, although the payments that have been missed in the interim period may not be made up.

A Participating Employee may withdraw any or all of his Partnership Shares from the Plan at any time.

Subject to the sale restrictions mentioned above, a Participating Employee may direct the Administrator to transfer to him the legal ownership of the Partnership Shares, the Matching Shares (after the Vesting Date) and the Dividend Shares, as well as any money held on his behalf, at any time. He may also ask the Administrator to sell his Shares and send him the cash proceeds after deduction of the expenses of the sale.

The relevant Participating Company, *i.e.* the employer of a Participating Employee, will be entitled to withhold, and the Participating Employee will be obliged to pay, the amount of tax or any social security contributions or other regulatory payments which may be payable by or on behalf of such Participating Employee in connection with the award of Shares. For more details on the tax consequences, please refer to **Exhibit X** of this prospectus.

Any direction given by a Participating Employee must be in the form set out by the rules of the Plan (see **Exhibits V and VI**).

(b) *Termination of employment*

In the event of a Participating Employee ceasing to be employed by the Participating Company in any circumstances, his Shares (as described below) and money held on his behalf by the Administrator will be transferred to him as soon as practicable after such cessation.

A Participating Employee who ceases employment may also ask the Administrator to sell his Shares and send him the cash proceeds, after deduction of the expenses of sale.

Unless the employment ceases for one of the reasons laid down in the next paragraph, a Participating Employee who ceases employment during the Holding Period will lose any entitlement to receive any corresponding Matching Shares.

However, if the cessation of employment occurs by reason of:

- injury, disability (in each case as defined in the country in which the Participating Employee is employed); or
- redundancy or its equivalent in accordance with the laws and practices of the country in which the Participating Employee is employed, and as determined by the Company; or
- a change of control or other circumstances resulting in the Participating Company ceasing to be a member of the Kimberly-Clark group; or
- the sale of a business or part of a business of a Participating Company in such circumstances that employees retain their existing employment rights in accordance with the legislation in their country of residence; or
- retirement in accordance with the laws and practices of the country in which the Participating Employee is employed; or
- death,

the Holding Period will come to an end on the date of cessation and the Participating Employee or his estate will receive the corresponding Matching Shares on that date.

If a Participating Employee ceases to be employed by a Participating Company in one country and commences employment with a Participating Company in another country, the Holding Period will come to an end on the date of cessation and the Participating Employee will receive the corresponding Matching Shares on that date in accordance with the Plan rules.

1.10 Takeovers

If any person obtains control of the Company as a result of making a general offer to acquire the whole of the issued share capital of the Company, the European HR Policy Council will, as soon as practicable, give notice to all Participating Employees of the choices available to them.

1.11 Administration and Alterations

The Company shall have at any time power to make and vary such regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan as it thinks fit.

The Company shall have at any time power to decide that any subsidiary over which it has control shall become a Participating Company for the purposes of the Plan. Any such subsidiary shall cease to be a Participating Company as from such date as the Company may so determine and shall be deemed not to be a Participating Company as from the date on which the Company ceases to have control of the subsidiary.

The Plan rules may be altered by the European HR Policy Council **provided that**:

- no alteration which would adversely affect the rights of any Participating Employee in respect of Shares already acquired or awarded under the Plan shall be effective; and
- no alteration may be made which would alter the fundamental purpose of the Plan (subject to the rights of the Company to terminate the Plan).

The Company, the relevant Participating Company, and, where appropriate, the Administrator, may do all such acts and things as they may agree to rectify any error or omission, including any error or omission or as a result of which any Eligible Employee is not included in an award of Matching Shares, notwithstanding that such action may fall outside the time limits or otherwise conflict with the provisions of the Plan rules, **provided always that** the limits of subscribed Shares set out in the Plan rules would not thereby be exceeded.

Kimberly-Clark will meet the cost of purchasing Shares and any associated administration charges whilst they remain held with Shareplus. Employees will be required to meet the cost of selling Shares. The cost of selling shares is a brokerage charge of 0.6% of the sale proceeds with a minimum of GBP 20 for Shareplus-UK (SIP) and USD 32 for Shareplus-Europe. This charge will be deducted from the employees' sale proceeds. The employees can sell their shares using the employee website provided by Computershare (the administrator) or by completing a paper sales form provided by Computershare. The website sales are done via Real Time Trading ensuring all participants in the plan can make informed decisions prior to electing to trade. The shares are always sold in the plan currency of USD. Upon converting the funds to the employees Computershare will convert the funds using guaranteed currency conversion fees. When converting the Shareplus-UK funds to GBP from USD a commission of 1.5% of the gross sale proceeds will be applied. When converting Shareplus-Europe funds to any global currency from USD a commission of 2.5% of the gross sale proceeds will be applied. The Shareplus-UK funds must be paid in GBP as this is a regulated approved plan. The Shareplus-Europe funds can be paid in any currency. If the participant wishes to receive their proceeds in USD no conversion costs are applied. The participant has this choice at the point of trading.

The costs of the preparation and administration of the Plan (other than the cost of selling Shares) are born by Kimberly Clark Europe Limited and will not be recharged to the Participating Companies. However, the costs of purchasing the Matching Shares will be recharged to the Participating Companies.

1.12 Miscellaneous

The total expenses of the offer are estimated at EUR 100,000.

The operation of the Plan is at the absolute discretion of the European HR Policy Council and its operation in any particular year or years shall not create any obligation to operate it in any other year or years.

In no circumstances shall any person who has ceased to be an employee of any Participating Company by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim against Kimberly-Clark or the Administrator any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan.

In case of disputes, the decision of the European HR Policy Council in any dispute or question affecting any Eligible Employee or Participating Employee under the Plan shall be final and conclusive.

Any notice or communication to be given by the Company or the Administrator to any Eligible Employee or Participating Employee, or vice versa, has to be given as set out in the Plan rules (see **Exhibit V**, section 20 (*Notices*)).

The Plan is governed by and shall be construed in accordance with the laws of England.

2. **SPECIFIC PROVISIONS FOR SHAREPLUS-UK**

For employees in the UK a separate format of the Plan is used, Shareplus-UK. Shareplus-UK is based on the same principles as Shareplus. The general rules are therefore the same as those applicable to Shareplus in general. The difference is that Shareplus-UK is a UK tax-qualifying share incentive plan (SIP) and offers tax advantages, including:

- companies receive corporation tax relief for the costs incurred in providing Matching Shares for employees;
- employees who keep their Shares in the SIP for five years pay no income tax or national insurance contributions on those Shares;
- employees who sell their Shares will be liable to capital gains tax only on any increase in the value of their Shares after they come out of the SIP.

Because these advantages are significant, there is a limit on the amount that can be invested. Under Shareplus-UK, the maximum investment per employee will be GBP 125 per month. However, the purpose of the SIP and Shareplus is that each employee globally should be able to contribute up to a maximum of 4 per cent. of salary. Therefore if a UK Eligible Employee is earning a salary of more than GBP 37,500 per annum he/she could top-up his/her maximum contribution of GBP 125/month under the SIP with an additional contribution under the general Shareplus plan, up to the overall 4 per cent. of his/her pay. This is called the Shareplus-UK top-up plan.

Shareplus-UK also utilises Partnership, Matching and Dividend Shares, but there are a number of different holding periods for the Shares in Shareplus-UK.

The number of Matching Shares that each Participating Employee is entitled to receive (on a 1-for-2 basis) is not calculated twice per year, but every month on the same day as the acquisition date of the Partnership Shares, and the Matching Shares are immediately awarded. In other words, there is no vesting period. However, the Partnership Shares have to be held for 1 year in order for a Participating Employee to keep the Matching Shares that were received when buying the Partnership Shares. Partnership Shares under Shareplus-UK have to be held for longer to benefit from tax relief: for 3 years to benefit from partial tax relief and for 5 years for full tax relief. See **Exhibit X**, section 7 (*United Kingdom*) for further details.

Matching Shares have to be held in Shareplus-UK for three years, and for longer to benefit from full income tax and national insurance relief. See **Exhibit X**, section 7 (*United Kingdom*) for further details.

Dividend Shares have to be held in Shareplus-UK for three years in order to benefit from tax relief.

These holding periods do not apply in case of termination of employment for the reasons set out in Chapter C section 1.9(b) above.

The Administrator administers Shareplus-UK as well as Shareplus.

3. REGIONAL VARIATIONS

The regional variations that are in place on a country-by-country basis within the Plan are summarized in the table below.

	UK (SIP)	Belgium	Netherlands	Germany	Czech Republic	Italy	Spain
Minimum investment	10 GBP	15 EUR	15 EUR	15 EUR	500 CZK	15 EUR	15 EUR
Calculation Matching Shares	Every month on the same day as the acquisition date	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates	Every 6 months at fixed dates
Award Matching Shares	Immediately, every month	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date	1 year after calculation date
Forfeiture period Matching Shares	1 year	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)	None (need vesting)
Sale restrictions	Partnership Shares under Shareplus-UK must not be sold for 3 years to benefit from partial tax relief; 5 years for full tax relief. For Matching Shares under Shareplus-UK,	Matching Shares must not be sold for 2 years to benefit from partial tax relief	None	None	None	Matching Shares must not be sold for 3 years to benefit from tax relief (holding on a voluntary basis)	Matching Shares must not be sold for 3 years to benefit from tax relief (holding on a voluntary basis)

	UK (SIP)	Belgium	Netherlands	Germany	Czech Republic	Italy	Spain
	there is a mandatory sale restriction of 3 years (at which point the employee qualifies for a partial tax benefit), and the Matching Shares must be held for 5 years for full income tax and social security relief.						

4. TAX CONSEQUENCES

The tax consequences of participation in the Plan are set out in **Exhibit X**.

CHAPTER D GENERAL INFORMATION OF THE COMPANY

1. DESCRIPTION OF THE COMPANY

The name of the Company is Kimberly-Clark Corporation.

The Company was incorporated in Delaware in 1928. The Company is a global health and hygiene company focused on product innovation and building its personal care, consumer tissue, K-C Professional brand and health care brands. The Company is principally engaged in the manufacturing and marketing of a wide range of health and hygiene products around the world. Most of these products are made from natural or synthetic fibres using advanced technologies in fibres, nonwovens and absorbency. For further information regarding the Company's business, see **Exhibit I** hereto, notably pages 1 to 3.

The independent auditor of the Company is Deloitte & Touche LLP.

2. WORKING CAPITAL STATEMENT

The Company's management believes that the Company's ability to generate cash from operations and its capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends and other needs in the foreseeable future.

3. STATEMENT OF CAPITALISATION AND INDEBTEDNESS AS OF 31 DECEMBER 2015

(a) *Capitalisation and Indebtedness (in millions of USD)*

Total Current debt	1,669
(a) Guaranteed	-
(b) Secured	-
(c) Unguaranteed/Unsecured ^(a)	1,669

Total Non-Current debt (excluding current portion of long-term debt)^(*)	6,170
(a) Guaranteed	-
(b) Secured	-
(c) Unguaranteed/Unsecured ^(a)	6,170

Shareholder's Equity	(174)
(a) Share Capital	1082
(b) Legal Reserve	-
(c) Other Reserves	-1256

Total	7,665
--------------	--------------

(*) Includes Redeemable Preferred and Common Securities of Subsidiaries

(b) *Net Indebtedness (in millions of USD)*

A Cash	-
B Cash and equivalent ⁽¹⁾	619
C Trading securities	-
D Liquidity	619

E Current Financial Receivables⁽²⁾	124
--	------------

F	Current Bank debt	-
G	Current portion of non current debt	598
H	Other current financial debt	1071
I	Current Financial debt	1,669
J	Net Current Financial Indebtedness	926
K	Non Current Bank Loans ^(b)	44
L	Bonds Issued	264
M	Other non-current Loans	6,460
N	Non-current Indebtedness	6,768
O	Net Financial Indebtedness	7,694

⁽¹⁾ Cash equivalents are short-term investments with original maturities of 90 days or less

⁽²⁾ *I.e.*, time deposits

Assumptions

- (a) Assumed unsecured as per prior year
- (b) Assume all current portion of non-current debt is bank (therefore non-current bank loans are a balancing figure)

There has been no material change in the information in the statement of capitalisation and indebtedness since 31 December 2015.

4. TRENDS

Information concerning the Company's trends is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2015 (attached hereto as **Exhibit I**), on pages 13-14 (*Overview of Business* and *Overview of 2015 Results*) and pages 27-28 (*Business Outlook*), as well as in the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2016 (attached hereto as **Exhibit IV**), on page 21 (*Business Outlook*).

5. FURTHER INFORMATION ABOUT THE COMPANY'S FINANCIAL CONDITION

Further information about the Company's financial condition is available on the Company's website (<http://www.kimberly-clark.com>, under the headings "*Investors*" and "*Newsroom*").

6. BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT

6.1 Board of directors

The Company's board of directors comprises the following 12 directors (as at 31 July 2016):

Name	Function
Thomas J. Falk	Chairman of the board Executive Committee <i>Chairman of the Board and Chief Executive Officer Kimberly-Clark Corporation</i>
John F. Bergstrom	Audit Committee <i>Chairman and Chief Executive Officer Bergstrom Corporation</i>

Abelardo E. Bru	Management Development and Compensation Committee (Chair) Executive Committee <i>Retired Vice Chairman PepsiCo, Inc.</i>
Robert W. Decherd	Audit Committee <i>Vice Chairman A.H Belo Corporation</i>
Fabian T. Garcia	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>President and Chief Executive Officer Revlon</i>
Mae C. Jemison, M.D	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>President The Jemison Group</i>
James M. Jenness	Lead Director Executive Committee (Chair) <i>Retired Chairman of the Board and CEO Kellogg Company</i>
Nancy J. Karch	Nominating and Corporate Governance Committee (Chair) Executive Committee <i>Retired Director McKinsey & Company</i>
Ian C. Read	Audit Committee (Chair) Executive Committee <i>Chairman and Chief Executive Officer Pfizer, Inc.</i>
Christa S. Quarles	Audit Committee <i>Chief Executive Officer Open Table</i>
Marc J. Shapiro	Management Development and Compensation Committee Nominating and Corporate Governance Committee <i>Retired Vice Chairman JPMorgan Chase & Co.</i>
Michael D. White	Audit Committee <i>Former Chairman, President and CEO DIRECTV</i>

6.2 Executive management

The Company's executive officers are as follows (as at 31 July 2016):

Name	Function
Thomas J. Falk	Chairman of the Board and Chief Executive Officer
Thomas J. Mielke	Senior Vice President – General Counsel
Anthony J. Palmer	President of Global Brands and Innovation
Maria Henry	Senior Vice President and Chief Financial Officer
Elane B. Stock	Group President Kimberly-Clark International
Lizanne C. Gottung	Senior Vice President and Chief Human Resources Officer
Kimberly K. Underhill	President – Kimberly-Clark Professional
Sandra MacQuillan	Senior Vice President and Chief Supply Chain Officer
Michael Hsu	Group President – Kimberly-Clark North America

6.3 Certain additional information regarding the Company's directors and executive officers

For at least the last five years, none of the directors or executive officers of the Company named in Chapter D sections 6.1 (*Board of Directors*) and 6.2 (*Executive Management*) above has:

- (a) been convicted in relation to fraudulent offences;
- (b) been associated with any bankruptcies, receiverships or liquidations when acting in their capacity of directors or executive officers; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies) or ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

There are no family relationships between any of the directors and executive officers named in Chapter D sections 6.1 (*Board of Directors*) and 6.2 (*Executive Management*) above.

More detailed information about the Company's directors and executive officers as of 31 December 2015, including information about their previous functions, conflicts of interest and the shareholdings and stock options with respect to these persons, is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2015 (attached hereto as **Exhibit I**), on pages 8-9 (*Executive Officers of the Registrant*), as well as in the Company's Definitive Proxy Statement on Schedule 14A, filed with the SEC on 11 March 2016 (attached hereto as **Exhibit II**) on pages 13-14 (*Director Independence*), 25-30 (*The Nominees*), 31 (*Director compensation*), 32-34 (*2015 Outside Director Compensation*), 39-63 (*Compensation Discussion and Analysis*), 64-84 (*Compensation Tables*) and 97-101 (*Other Information*).

7. DIVIDEND POLICY

The amount of dividend per share from 2011 to 2015 as included in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2015 (attached hereto as **Exhibit I**) is set forth below.

	Year Ended 31 December				
	2015	2014	2013	2012	2011
	<i>(in USD)</i>				
Cash Dividends Per Share					
Declared.....	3.52	3.36	3.24	2.96	2.80
Paid.....	3.48	3.33	3.17	2.92	2.76

Dividend payout has increased from USD 0.88 per quarter for 2015 to USD 0.92 per quarter for 2016, based on the Company's Quarterly Report on Form 10-Q for the quarterly period ended 30 June 2016 (attached hereto as **Exhibit IV**). This represents an increase of 4.5 per cent.

8. LEGAL AND ARBITRATION PROCEEDINGS

Information on any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is subject, as at 31 December 2015 is set forth in the Company's Annual Report on Form 10-K for the financial year ended 31 December 2015 (attached hereto as **Exhibit I**) on pages 8 (*Legal Proceedings*), 27 (*Legal Matters*) and 52 (*Legal Matters*). No other legal proceeding pending on that date, to the extent not previously provided for, were expected to have a material adverse effect.

9. **CHANGE IN THE ISSUER'S FINANCIAL OR TRADING POSITION**

There have been no material changes in the Company's financial or trading position since the end of the second quarterly period of 2016 ended on 30 June 2016.

EXHIBIT I ANNUAL REPORT OF THE ISSUER ON FORM 10-K FOR THE FISCAL YEAR ENDED 31 DECEMBER 2015, FILED WITH THE SEC ON 11 FEBRUARY 2016

KIMBERLY CLARK CORP

FORM 10-K (Annual Report)

Filed 02/11/16 for the Period Ending 12/31/15

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2015

or

Transition Report Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____



KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation) **1-225** (Commission file number) **39-0394230** (I.R.S. Employer Identification No.)
P.O. Box 619100, Dallas, Texas (Address of principal executive offices) **75261-9100** (Zip code)

Registrant's telephone number, including area code: (972) 281-1200
Securities registered pursuant to Section 12(b) of the Act:

Common Stock—\$1.25 Par Value (Title of each class) **New York Stock Exchange** (Name of each exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes
No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the registrant's common stock held by non-affiliates on June 30, 2015 (based on the most recent closing stock price on the New York Stock Exchange as of such date) was approximately \$38.6 billion .

As of February 4, 2016 , there were 360,899,707 shares of Kimberly-Clark common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain information contained in the definitive Proxy Statement for Kimberly-Clark's Annual Meeting of Stockholders to be held on May 4, 2016 is incorporated by reference into Part III.

KIMBERLY-CLARK CORPORATION
TABLE OF CONTENTS

	<u>Page</u>
Part I	
Item 1. Business	1
Item 1A. Risk Factors	3
Item 1B. Unresolved Staff Comments	7
Item 2. Properties	7
Item 3. Legal Proceedings	8
Item 4. Mine Safety Disclosures	8
Executive Officers of the Registrant	8
Part II	
Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	10
Item 6. Selected Financial Data	11
Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations	12
Item 7A. Quantitative and Qualitative Disclosures About Market Risk	28
Item 8. Financial Statements and Supplementary Data	30
Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	62
Item 9A. Controls and Procedures	62
Item 9B. Other Information	64
Part III	
Item 10. Directors, Executive Officers and Corporate Governance	65
Item 11. Executive Compensation	65
Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	65
Item 13. Certain Relationships and Related Transactions, and Director Independence	65
Item 14. Principal Accountant Fees and Services	65
Part IV	
Item 15. Exhibits, Financial Statement Schedules	66
Signatures	70

ITEM 1. BUSINESS

Kimberly-Clark Corporation was incorporated in Delaware in 1928. We are a global company focused on leading the world in essentials for a better life through product innovation and building our personal care, consumer tissue and K-C Professional brands. We are principally engaged in the manufacturing and marketing of a wide range of products mostly made from natural or synthetic fibers using advanced technologies in fibers, nonwovens and absorbency. Unless the context indicates otherwise, the terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

For financial information by business segment and geographic area, including revenue, profit and total assets of each reportable segment, and information about our principal products and markets, see Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A") and Item 8, Note 16 to the Consolidated Financial Statements.

Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

Recent Developments

Effective January 2015, we amended the U.S. pension plan to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pre-tax in other (income) and expense, net) during 2015 , mostly in the second quarter. See additional information in MD&A and Item 8, Note 9 to the Consolidated Financial Statements.

Effective December 31, 2015, we deconsolidated the assets and liabilities of our business in Venezuela from our consolidated balance sheet and moved to the cost method of accounting for our operations in that country. The change reflects the continued deterioration of conditions in the country, including a slowdown in the availability of foreign exchange, and resulted in an after tax charge of \$102 in the fourth quarter of 2015 . Beginning in the first quarter of 2016, we will no longer include the results of our Venezuelan business in our consolidated financial statements.

Description of Kimberly-Clark

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments. Information on these three segments, as well as their principal sources of revenue, is included below.

- *Personal Care* brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel, soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and Jackson Safety, are well-known for quality and trusted to help people around the world work better.

These reportable segments were determined in accordance with how our chief operating decision maker and our executive managers develop and execute our global strategies to drive growth and profitability of our worldwide personal care, consumer tissue and KCP operations. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management and capacity and capital investments for each of these businesses.

Products for household use are sold directly to supermarkets, mass merchandisers, drugstores, warehouse clubs, variety and department stores and other retail outlets, as well as through other distributors and e-commerce. Products for away-from-home

use are sold through distributors and directly to manufacturing, lodging, office building, food service, and high volume public facilities.

Net sales to Wal-Mart Stores, Inc. were approximately 14 percent in 2015 , and approximately 13 percent in 2014 and 2013 , of our total net sales.

Patents and Trademarks

We own various patents and trademarks registered domestically and in many foreign countries. We consider the patents and trademarks that we own and the trademarks under which we sell certain of our products to be material to our business. Consequently, we seek patent and trademark protection by all available means, including registration.

Raw Materials

Cellulose fiber, in the form of kraft pulp or fiber recycled from recovered waste paper, is the primary raw material for our tissue products and in the form of fluff pulp is a component of disposable diapers, training and youth pants, feminine pads and incontinence care products.

Polypropylene and other synthetics and chemicals are the primary raw materials for manufacturing nonwoven fabrics, which are used in disposable diapers, training and youth pants, wet wipes, feminine pads, incontinence products, and away-from-home wipers and apparel. Superabsorbent materials are important components of disposable diapers, training and youth pants and incontinence care products.

Raw materials are purchased from third parties, and we consider the supply to be adequate to meet the needs of our businesses. See Item 1A, "Risk Factors."

Competition

We have several major competitors in most of our markets, some of which are larger and more diversified than us. The principal methods and elements of competition include brand recognition and loyalty, product innovation, quality and performance, price, and marketing and distribution capabilities. For additional discussion of the competitive environment in which we conduct our business, see Item 1A, "Risk Factors."

Research and Development

Research and development expenditures are directed toward new or improved personal care, tissue, wiping, safety and nonwoven materials. Consolidated research and development expense was \$324 in 2015 , \$368 in 2014 and \$333 in 2013 .

Foreign Market Risks

We operate and market our products globally, and our business strategy includes targeted growth in Asia, Latin America, Eastern Europe, the Middle East and Africa, with a particular emphasis in China, Eastern Europe and Latin America. See Item 1A, "Risk Factors" for a discussion of foreign market risks that may affect our financial results.

Environmental Matters

Total worldwide capital expenditures for voluntary environmental controls or controls necessary to comply with legal requirements relating to the protection of the environment at our facilities are expected to be as follows:

	2016	2017
Facilities in U.S.	\$ 6	\$ 4
Facilities outside U.S.	45	27
Total	<u>\$ 51</u>	<u>\$ 31</u>

Total worldwide operating expenses for environmental compliance, including pollution control equipment operation and maintenance costs, governmental payments, and research and engineering costs are expected to be as follows:

	2016	2017
Facilities in U.S.	\$ 53	\$ 53
Facilities outside U.S.	86	87
Total	\$ 139	\$ 140

Total environmental capital expenditures and operating expenses are not expected to have a material effect on our total capital and operating expenditures, consolidated earnings or competitive position. Current environmental spending estimates could be modified as a result of changes in our plans, changes in legal requirements, including any requirements related to global climate change, or other factors.

Employees

In our worldwide consolidated operations, we had approximately 43,000 employees as of December 31, 2015 .

Available Information

We make financial information, news releases and other information available on our corporate website at www.kimberly-clark.com . Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 are available free of charge on this website as soon as reasonably practicable after we file these reports and amendments with, or furnish them to, the Securities and Exchange Commission ("SEC"). The information contained on or connected to our website is not incorporated by reference into this Annual Report on Form 10-K and should not be considered part of this or any other report filed with the SEC. Stockholders may also contact Stockholder Services, P.O. Box 612606, Dallas, Texas 75261-2606 or call 972-281-5317 to obtain a hard copy of these reports without charge.

ITEM 1A. RISK FACTORS

Our business faces many risks and uncertainties that we cannot control. Any of the risks discussed below, as well as factors described in other places in this Form 10-K, or in our other filings with the SEC, could adversely affect our business, consolidated financial position, results of operations or cash flows. In addition, these items could cause our future results to differ from those in any of our forward-looking statements. These risks are not the only ones we face. Other risks that we do not presently know about or that we presently believe are not material could also adversely affect us.

Our international operations are subject to foreign market risks, including foreign exchange risk, currency restrictions and political, social and economic instability, which may adversely affect our financial results.

Our strategy includes operations growth outside the U.S., especially in developing markets such as China, Latin America and Eastern Europe. More than half of our net sales come from markets outside the U.S. We and our equity companies have manufacturing facilities in 39 countries, and sell products in more than 175 countries. Our results may be substantially affected by a number of foreign market risks:

- Exposure to the movement of various currencies against each other and the U.S. dollar. A portion of the exposures, arising from transactions and commitments denominated in non-local currencies, is systematically managed through foreign currency forward and swap contracts. We do not generally hedge our translation exposure with respect to foreign operations.
- Increases in dollar-based input costs for operations outside the U.S. due to weaker foreign exchange rates versus the U.S. dollar. There can be no assurance that we will be protected against substantial foreign currency fluctuations.
- Increases in currency exchange restrictions. These restrictions could limit our ability to repatriate earnings from outside the U.S. or obtain currency exchange for U.S. dollar inputs to continue operating in certain countries.
- Adverse political conditions. Risks related to political instability, expropriation, new or revised legal or regulatory constraints, difficulties in enforcing contractual and intellectual property rights, and potentially adverse tax consequences would adversely affect our financial results.

The inability to effectively manage foreign market risk could adversely affect our business, consolidated financial condition, results of operations or liquidity. See Recent Developments, MD&A and Item 8, Note 1 for information about the impact on our operations from currency restrictions in Venezuela and our decision to deconsolidate our Venezuelan operations at December 31, 2015 .

Intense competition for sales of our products, changes in consumer purchasing patterns and the inability to innovate or market our products effectively could have an adverse effect on our financial results.

We operate in highly competitive domestic and international markets against well-known, branded products and low-cost or private label products. Inherent risks in our competitive strategy include uncertainties concerning trade and consumer acceptance, the effects of consolidation within retailer and distribution channels, and competitors' actions. Our competitors for these markets include global, regional and local manufacturers, including private label manufacturers. Some of these competitors may have better access to financial resources and greater market penetration, which enable them to offer a wider variety of products and services at more competitive prices. Alternatively, some of these competitors may have significantly lower product development and manufacturing costs, particularly with respect to private label products, allowing them to offer products at a lower price. The actions of these competitors could adversely affect our financial results. It may be necessary for us to lower prices on our products and increase spending on advertising and promotions, which could adversely affect our financial results.

We may be unable to anticipate or adequately respond to changes in consumer demand for our products. Demand for our products may change based on many factors, including shifting consumer purchasing patterns to lower cost options such as private-label products and mid to lower-tier value products, low birth rates in certain countries due to slow economic growth or other factors, negative consumer response to pricing actions or changes in consumer trends or habits. If we experience lower sales due to changes in consumer demand for our products, our earnings could decrease.

Our ability to develop new products is affected by whether we can successfully anticipate consumer needs and preferences, develop and fund technological innovations, and receive and maintain necessary patent and trademark protection. In addition, we incur substantial development and marketing costs in introducing new and improved products and technologies. The introduction of a new consumer product (whether improved or newly developed) usually requires substantial expenditures for advertising and marketing to gain recognition in the marketplace. If a product gains consumer acceptance, it normally requires continued advertising and promotional support to maintain its relative market position. Some of our competitors may spend more aggressively on advertising and promotional activities, introduce competing products more quickly and respond more effectively to changing business and economic conditions. We may not be successful in developing new or improved products and technologies necessary to compete successfully in the industry, and we may not be successful in advertising, marketing, timely launching and selling our products. Also, if we fail to perfect or successfully assert our intellectual property rights, we may be less competitive, which could adversely affect our business, financial results and financial condition.

Damage to the reputation of Kimberly-Clark or to one or more of our brands could adversely affect our business.

Developing and maintaining our reputation, as well as the reputation of our brands, is a critical factor in our relationship with consumers, customers, suppliers and others. Our inability to address adverse publicity or other issues, including concerns about product safety, quality, efficacy or similar matters, or breaches of consumer, customer, supplier, employee or other confidential information, real or perceived, could negatively impact sentiment towards us and our products and brands, and our business and financial results could suffer. Consumers increasing use and reliance on social media for information could increase the risk of adverse publicity, potentially with negative perception of our products or brands. Our business and results could also be negatively impacted by the effects of a significant product recall, product-related litigation, allegations of product tampering or contamination, the distribution and sale of counterfeit products, or a failure or breach of our information technology systems.

Increasing dependence on key retailers in developed markets and the emergence of new sales channels may adversely affect our business.

Our products are sold in a highly competitive global marketplace, which continues to experience increased concentration and the growing presence of large-format retailers and discounters. With the consolidation of retail trade, especially in developed markets such as the U.S., Europe and Australia, we are increasingly dependent on key retailers, and some of these retailers, including large-format retailers, may have significant bargaining power. They may use this leverage to demand higher trade discounts or allowances which could lead to reduced profitability. We may also be negatively affected by changes in the policies of our retail trade customers, such as inventory de-stocking, limitations on access to shelf space, delisting of our products, additional requirements related to safety, environmental, social and other sustainability issues, and other conditions. If we lose a significant customer or if sales of our products to a significant customer materially decrease, our business, financial condition and results of operations may be

adversely affected. In addition, the emergence of new sales channels may affect customer preferences and market dynamics and could adversely impact our financial results. These new channels include sales of consumer and other products via e-commerce, as well as the growth of large-format retailers and discounters that exclusively sell private-label products.

Significant increases in prices for raw materials, energy, transportation and other necessary supplies and services, without corresponding increases in our selling prices, could adversely affect our financial results.

Increases in the cost and availability of raw materials, including pulp and petroleum-based materials, the cost of energy, transportation and other necessary services, supplier constraints, an inability to maintain favorable supplier arrangements and relations or an inability to avoid disruptions in production output could have an adverse effect on our financial results.

Cellulose fiber, in the form of kraft pulp or recycled fiber from recovered waste paper, is used extensively in our tissue products and is subject to significant price fluctuations. Cellulose fiber, in the form of fluff pulp, is a key component in our personal care products. In past years, pulp prices have experienced significant volatility. Increases in pulp prices or limits in the availability of recycled fiber could adversely affect our earnings if selling prices for our finished products are not adjusted or if these adjustments significantly trail the increases in pulp prices. We have not used derivative instruments to manage these risks.

A number of our products, such as diapers, training and youth pants, feminine pads, incontinence care products and disposable wipes, contain certain materials that are principally derived from petroleum. These materials are subject to price fluctuations based on changes in petroleum prices, availability and other factors, with these prices experiencing significant volatility in recent years. We purchase these materials from a number of suppliers. Significant increases in prices for these materials could adversely affect our earnings if selling prices for our finished products are not adjusted, if these adjustments significantly trail the increases in prices for these materials, or if we do not utilize lower priced substitutes for these materials. Generally, we have not used derivative instruments to manage these risks.

Our manufacturing operations utilize electricity, natural gas and petroleum-based fuels. To ensure we use all forms of energy efficiently and cost-effectively, we maintain energy efficiency improvement programs at our manufacturing sites. Our contracts with energy suppliers vary as to price, payment terms, quantities and duration. Our energy costs are also affected by various market factors including the availability of supplies of particular forms of energy, energy prices and local and national regulatory decisions (including actions taken to address climate change and related market responses). There can be no assurance that we will be fully protected against substantial changes in the price or availability of energy sources. We use derivative instruments to manage a portion of natural gas price risk in accordance with our risk management policy.

New or revised legal or regulatory requirements, potential litigation or administrative actions, or tax matters could have an adverse effect on our financial results.

As a global company, we are subject to many laws and governmental regulations across all of the countries in which we do business, including laws and regulations involving marketing, antitrust, anti-bribery or anti-corruption, product liability, environmental, intellectual property or other matters, as well as potential litigation or administrative actions. Additionally, our sales and results of operations may be adversely impacted by new or revised legal requirements, including excise or other taxes, financial reform legislation and regulations, export control and foreign sanctions legislation, and climate change and other environmental legislation and regulations. The costs and other effects of pending litigation and administrative actions against us and new legal requirements cannot be determined with certainty. For example, new legislation or regulations may result in increased costs to us, directly for our compliance or indirectly to the extent suppliers increase prices of goods and services because of increased compliance costs or reduced availability of raw materials. Adverse regulatory action, including a recall, regulatory or other governmental investigation, or product liability or other litigation may adversely affect our financial condition and business operations.

We are subject to income tax requirements in various jurisdictions in the U.S. and internationally. Many of these jurisdictions face budgetary shortfalls or have unpredictable enforcement activity. Increases in applicable tax rates, implementation of new taxes, changes in applicable tax laws and interpretations of these tax laws and actions by tax authorities in jurisdictions in which we operate could reduce our after-tax income and have an adverse effect on our results of operations.

Although we believe that none of these proceedings or requirements will have a material adverse effect on us, the outcome of these proceedings may not be as expected.

Disruption in our supply chain or the failure of third-party providers to satisfactorily perform could adversely impact our operations .

Our ability to manufacture, distribute and sell products is critical to our operations. These activities are subject to inherent risks such as natural disasters, power outages, fires or explosions, labor strikes, terrorism, pandemics, import restrictions, regional economic, business, environmental or political events, governmental regulatory requirements or nongovernmental voluntary actions in response to global climate change or other concerns regarding the sustainability of our business, which could impair our ability to manufacture or sell our products. This interruption, if not mitigated in advance or otherwise effectively managed, could adversely impact our business, financial condition and results of operations, as well as require additional resources to address.

In addition, third parties manufacture some of our products and provide certain administrative services. Disruptions or delays at these third-party manufacturers or service providers due to the reasons above or the failure of these manufacturers or service providers to otherwise satisfactorily perform, could adversely impact our operations, sales, payments to our vendors, employees, and others, and our ability to report financial and management information on a timely and accurate basis.

There is no guarantee that our ongoing efforts to reduce costs will be successful.

We continue to implement plans to improve our competitive position by achieving cost reductions in our operations, including implementing restructuring programs in functions or areas of our business where we believe such opportunities exist. In addition, we expect ongoing cost savings from our continuous improvement activities. We anticipate these cost savings will result from reducing material costs and manufacturing waste and realizing productivity gains, distribution efficiencies and overhead reductions in each of our business segments and in our corporate functions. Any negative impact these plans have on our relationships with employees or customers or any failure to generate the anticipated efficiencies and savings could adversely affect our financial results.

If our information technology systems suffer interruptions, failures or breaches, our business operations could be disrupted and we could face financial and reputational damage.

Our information technology systems, some of which are dependent on services provided by third parties, serve an important role in the efficient and effective operation and administration of our business. These systems could be damaged or cease to function properly due to any number of causes, such as catastrophic events, power outages, security breaches, computer viruses or cyber-based attacks. While we have contingency plans in place to prevent or mitigate the impact of these events, if they were to occur and our disaster recovery plans do not effectively address the issues on a timely basis, we could suffer interruptions in our ability to manage our operations, which may adversely affect our business and financial results.

Increased cyber-security threats and computer crime also pose a potential risk to the security of our information technology systems, including those of third party service providers with whom we have contracted, as well as the confidentiality, integrity and availability of the data stored on those systems. Any breach in our information technology security systems could result in the disclosure or misuse of confidential or proprietary information, including sensitive customer, vendor, employee or investor information maintained in the ordinary course of our business. Any such event could cause damage to our reputation, loss of valuable information or loss of revenue and could result in large expenditures to investigate or remediate, to recover data, to repair or replace networks or information systems, or to protect against similar future events.

We may divest or acquire product lines or businesses, which could impact our results.

We periodically divest product lines or businesses. These divestitures may adversely impact our results if we are unable to offset the dilutive impacts from the loss of revenue associated with the divested products or businesses, mitigate overhead costs allocated to those businesses, or otherwise achieve the anticipated benefits or cost savings from the divestitures. Furthermore, the divestitures could adversely affect our ongoing business operations, including by enhancing our competitors' positions or reducing consumer confidence in our ongoing brands and products.

We may pursue acquisitions of product lines or businesses from third parties. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies, services and products of the acquired product lines or businesses, estimation and assumption of liabilities and contingencies, personnel turnover and the diversion of management's attention from other business concerns. We may be unable to successfully integrate and manage product lines or businesses that we may acquire in the future, or be unable to achieve anticipated benefits or cost savings from acquisitions in the timeframe we anticipate, or at all.

The inability to effectively and efficiently manage divestitures and acquisitions with the results we expect or in the timeframe we anticipate could adversely affect our business, consolidated financial condition, results of operations or liquidity.

The 2014 spin-off of our health care business could result in substantial tax liability to us and our shareholders.

On October 31, 2014, we completed the spin-off of our health care business, creating a stand-alone, publicly traded health care company, Halyard Health, Inc. ("Halyard"). Historically, the IRS provided companies seeking to perform a spin-off transaction with an advance ruling that the proposed spin-off transaction would qualify for tax-free treatment. However, the IRS no longer provides such advance rulings. Prior to completing the spin-off of our health care business, we obtained an opinion of counsel that neither we nor our U.S. shareholders will recognize taxable income, gain or loss for U.S. federal income tax purposes as a result of the spin-off. The opinion of counsel is based on certain statements and representations made by us, which, if incomplete or inaccurate in any material respect, could invalidate the opinion of counsel. In addition, this opinion is not binding on the IRS. Accordingly, the IRS or the courts may reach conclusions with respect to the spin-off that are different from the conclusions reached in the opinion of counsel.

If the spin-off and certain related transactions were determined to be taxable, we would be subject to a substantial tax liability. In addition, if the spin-off were deemed taxable, each U.S. holder of our common stock who received shares of Halyard would generally be treated as receiving a taxable distribution of property in an amount equal to the fair market value of the shares received.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

At December 31, 2015 we own or lease:

- our principal executive offices located in the Dallas, Texas metropolitan area;
- four operating segment and geographic headquarters at two U.S. and two international locations; and
- four administrative centers at one U.S. and three international locations.

The locations of our and our equity affiliates' principal production facilities by major geographic areas of the world are as follows:

<u>Geographic Area :</u>	<u>Number of Facilities</u>
United States (in 16 states)	18
Europe	13
Asia, Latin America and other	63
Worldwide Total (in 39 countries)	94

Many of these facilities produce multiple products. Consumer tissue and KCP products are produced in 57 facilities and personal care products are produced in 51 facilities. We believe that our and our equity affiliates' facilities are suitable for their purpose, adequate to support their businesses and well maintained.

ITEM 3. LEGAL PROCEEDINGS

See Item 8, Note 12 to the Consolidated Financial Statements for information on legal proceedings, which is incorporated in this Item 3 by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

EXECUTIVE OFFICERS OF THE REGISTRANT

The names and ages of our executive officers as of February 11, 2016, together with certain biographical information, are as follows:

Thomas J. Falk, 57, was elected Chairman of the Board and Chief Executive Officer in 2003 and President and Chief Executive Officer in 2002. Prior to that, he served as President and Chief Operating Officer since 1999. Mr. Falk previously had been elected Group President - Global Tissue, Pulp and Paper in 1998, where he was responsible for Kimberly-Clark's global tissue businesses. Earlier in his career, Mr. Falk had responsibility for Kimberly-Clark's North American Infant Care, Child Care and Wet Wipes businesses. Mr. Falk joined Kimberly-Clark in 1983 and has held other senior management positions. He has been a director of Kimberly-Clark since 1999. He also serves on the board of directors of Lockheed Martin Corporation, Catalyst Inc., the Global Consumer Goods Forum, and the University of Wisconsin Foundation, and serves as a governor of the Boys & Girls Clubs of America.

Lizanne C. Gottung, 59, was elected Senior Vice President and Chief Human Resources Officer in 2002. She is responsible for leading the design and implementation of all human capital strategies for Kimberly-Clark, including global compensation and benefits, talent management, diversity and inclusion, organizational effectiveness and corporate health services. Ms. Gottung joined Kimberly-Clark in 1981. She has held a variety of human resources, manufacturing and operational roles of increasing responsibility, including Vice President of Human Resources from 2001 to 2002. She is a director of Louisiana-Pacific Corporation.

Maria Henry, 49, was elected Senior Vice President and Chief Financial Officer in April 2015. Prior to joining Kimberly-Clark, Ms. Henry was the chief financial officer of Hillshire Brands Company from 2012 to 2014, and Chief Financial Officer of Sara Lee's North American Retail and Food Service business from 2011 to 2012. Prior to joining Sara Lee in 2011, Ms. Henry was executive vice president and chief financial officer of Culligan International, where she was responsible for finance, strategy, business development and information technology. Before Culligan, Ms. Henry was the Chief Financial Officer for Vastera, a publicly-traded global trade management company. She began her career at General Electric.

Michael D. Hsu, 51, was elected Group President - K-C North America in 2013. From 2012 to May 2013, his title was Group President - North America Consumer Products. He is responsible for our consumer business in North America, as well as leading the development of new business strategies for global nonwovens. Prior to joining Kimberly-Clark, Mr. Hsu served as Executive Vice President and Chief Commercial Officer of Kraft Foods, Inc., a North American grocery manufacturing and processing conglomerate, from January 2012 to July 2012, as President of Sales, Customer Marketing and Logistics from 2010 to 2012 and as President of its grocery business unit from 2008 to 2010. Prior to that, Mr. Hsu served as President and Chief Operating Officer, Foodservice at H. J. Heinz Company, a manufacturer and marketer of food products.

Sandra MacQuillan, 49, was appointed Senior Vice President and Chief Supply Chain Officer in April 2015. She is responsible for procurement, transportation, continuous improvement, sustainability, quality, safety, regulatory operations and lean cost transformation. Ms. MacQuillan joined Kimberly-Clark from Mars Incorporated, where she served from 2009 to 2015 as Global Vice President, Supply Chain responsible for manufacturing, engineering and logistics for Global Petcare. She has extensive experience in procurement, technology and engineering.

Thomas J. Mielke, 57, was elected Senior Vice President - General Counsel in 2013. From 2007 to 2012, his title was Senior Vice President - Law and Government Affairs and Chief Compliance Officer, and from 2012 to 2013, his title was Senior Vice President - General Counsel and Chief Compliance Officer. His responsibilities include our legal affairs, internal audit and government relations activities. Mr. Mielke joined Kimberly-Clark in 1988. He held various positions within the legal function

and was appointed Vice President and Chief Patent Counsel in 2000, and Vice President and Chief Counsel - North Atlantic Consumer Products in 2004.

Anthony J. Palmer, 56, was elected President - Global Brands and Innovation in 2012. Previously, he served as Senior Vice President and Chief Marketing Officer from 2006 to 2012. He leads the global development of the company's consumer categories through marketing, innovations, category and customer development and shopper marketing. In addition, he leads the company's global marketing, innovation, corporate research and development and corporate communications functions. Prior to joining Kimberly-Clark in 2006, he served in a number of senior marketing and general management roles at the Kellogg Company, a producer of cereal and convenience foods, from 2002 to 2006, including as managing director of Kellogg's U.K. business. He is a director of The Hershey Company.

Elane B. Stock, 51, was elected Group President - K-C International in 2014. She is responsible for our businesses in Asia, Latin America, Europe, the Middle East and Africa. She previously served as Group President - K-C Professional from 2013 to 2014. From 2012 to 2013, her title was President - Global K-C Professional. She also served as Senior Vice President and Chief Strategy Officer from 2010 to 2012. Prior to joining Kimberly-Clark, Ms. Stock served as National Vice President of Strategy for the American Cancer Society from 2008 to 2010. From 2007 to 2008, she was a regional manager at Georgia-Pacific Corporation (Koch Industries). Ms. Stock was a partner at McKinsey & Company, Inc. in Ireland from 2005 to 2007. She is a director of Yum! Brands, Inc.

Kimberly K. Underhill, 51, was appointed President of K-C Professional in 2014. From 2011 to 2014, she served as President, Consumer Europe. She is responsible for our global professional business, which includes commercial tissue and wipers, skin care, safety and Do-It-Yourself products. She joined Kimberly-Clark in 1988 and has held a number of positions with increasing responsibility within research and engineering, operations and marketing.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The dividend and market price data included in Item 7, MD&A "Unaudited Quarterly Data," are incorporated in this Item 5 by reference.

Quarterly dividends have been paid continually since 1935. Dividends have been paid on or about the second business day of January, April, July and October.

Kimberly-Clark common stock is listed on the New York Stock Exchange. The ticker symbol is KMB.

As of February 4, 2016, we had 22,972 holders of record of our common stock.

For information relating to securities authorized for issuance under equity compensation plans, see Part III, Item 12 of this Form 10-K.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During 2015, we repurchased 7.1 million shares of our common stock at a cost of \$800 through a broker in the open market.

The following table contains information for shares repurchased during the fourth quarter of 2015. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2015)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
October 1 to October 31	1,089,000	\$ 116.37	1,882,811	38,117,189
November 1 to November 30	1,102,000	119.85	2,984,811	37,015,189
December 1 to December 31	749,000	121.73	3,733,811	36,266,189
Total	<u>2,940,000</u>			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on November 13, 2014. This program allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

ITEM 6. SELECTED FINANCIAL DATA

	Year Ended December 31				
	2015 ^(a)	2014 ^(b)	2013 ^(c)	2012 ^(d)	2011 ^(e)
Net Sales	\$ 18,591	\$ 19,724	\$ 19,561	\$ 19,467	\$ 19,268
Gross Profit	6,624	6,683	6,609	6,129	5,539
Operating Profit	1,613	2,521	2,903	2,377	2,152
Share of Net Income of Equity Companies	149	146	205	177	161
Income from Continuing Operations	1,066	1,545	2,018	1,627	1,495
Income from Discontinued Operations, Net of Income Taxes	—	50	203	201	189
Net Income	1,066	1,595	2,221	1,828	1,684
Net Income Attributable to Noncontrolling Interests in Continuing Operations	(53)	(69)	(79)	(78)	(93)
Net Income Attributable to Kimberly-Clark Corporation	1,013	1,526	2,142	1,750	1,591
Per Share Basis					
Net Income Attributable to Kimberly-Clark Corporation					
Basic					
Continuing operations	2.78	3.94	5.05	3.94	3.54
Discontinued operations	—	0.13	0.53	0.51	0.48
Net income	2.78	4.07	5.58	4.45	4.02
Diluted					
Continuing operations	2.77	3.91	5.01	3.91	3.52
Discontinued operations	—	0.13	0.52	0.51	0.47
Net income	2.77	4.04	5.53	4.42	3.99
Cash Dividends Per Share					
Declared	3.52	3.36	3.24	2.96	2.80
Paid	3.48	3.33	3.17	2.92	2.76
Total Assets	14,842	15,526	18,919	19,873	19,373
Long-Term Debt	6,106	5,630	5,386	5,070	5,426
Total Stockholders' Equity	40	999	5,140	5,287	5,529

- (a) Results include pre-tax charges related to pension settlements of \$1,358, \$835 after tax, a \$45 nondeductible charge related to the remeasurement of the Venezuelan balance sheet and a pre-tax charge of \$108, \$102 after tax, related to the deconsolidation of our Venezuelan operations. Additionally, results were negatively impacted by pre-tax charges of \$63, \$42 after tax, related to the 2014 Organization Restructuring, and nondeductible charges of \$23 related to the restructuring of operations in Turkey. Also included is an income tax charge of \$49 related to prior years as a result of an updated assessment of uncertain tax positions in certain of our international operations. See Item 8, Notes 1, 2, 9 and 14 of the Consolidated Financial Statements for details.
- (b) Results include pre-tax charges of \$133, \$95 after tax, related to the 2014 Organization Restructuring, pre-tax charges of \$33, \$30 after tax, related to European strategic changes, a nondeductible charge of \$462 related to the remeasurement of the Venezuelan balance sheet and a nondeductible charge of \$35, \$17 attributable to Kimberly-Clark Corporation, related to a regulatory dispute in the Middle East. Additionally, results were negatively impacted by pre-tax charges of \$157, \$138 after tax, for transaction and related costs associated with the spin-off of the health care business (classified in discontinued operations). See Item 8, Notes 1 through 4 of the Consolidated Financial Statements for details on the charges for the Venezuela devaluation and restructuring programs.
- (c) Results include pre-tax charges of \$81, \$66 after tax, related to European strategic changes. Additionally, results were negatively impacted by a \$36 pre-tax charge, \$26 after tax, related to the devaluation of the Venezuelan bolivar. See Item 8, Notes 1 and 4 of the Consolidated Financial Statements for details.
- (d) Results include pre-tax charges of \$299, \$242 after tax, related to European strategic changes. Additionally, results were negatively impacted by \$135 in pre-tax charges, \$86 after tax, for restructuring actions related to our pulp and tissue operations. See Item 8, Note 4 of the Consolidated Financial Statements for details related to European strategic changes.
- (e) Results include a nondeductible business tax charge related to a law change in Colombia of \$35, as well as the effect of pre-tax charges of \$415, \$289 after tax, related to the restructuring of our pulp and tissue operations.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

This MD&A is intended to provide investors with an understanding of our recent performance, financial condition and prospects. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted. The following will be discussed and analyzed:

- Overview of Business
- Overview of 2015 Results
- Results of Operations and Related Information
- Unaudited Quarterly Data
- Liquidity and Capital Resources
- Critical Accounting Policies and Use of Estimates
- Legal Matters
- Business Outlook
- Information Concerning Forward-Looking Statements

Throughout this MD&A, we refer to financial measures that have not been calculated in accordance with accounting principles generally accepted in the U.S., or GAAP, and are therefore referred to as non-GAAP financial measures. These measures include adjusted operating profit, adjusted net income, adjusted earnings per share, adjusted other (income) and expense, net, and adjusted effective tax rate. We believe these measures provide our investors with additional information about our underlying results and trends, as well as insight to some of the financial measures used to evaluate management.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP measures, and they should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. There are limitations to these non-GAAP financial measures because they are not prepared in accordance with GAAP and may not be comparable to similarly titled measures of other companies due to potential differences in methods of calculation and items being excluded. We compensate for these limitations by using these non-GAAP financial measures as a supplement to the GAAP measures and by providing reconciliations of the non-GAAP and comparable GAAP financial measures.

The non-GAAP financial measures exclude the following items for the relevant time periods as indicated in the reconciliations included later in this MD&A:

- Pension settlement charges - In 2015, we recorded settlement-related charges from certain actions taken for our U.S. pension plan.
- Charges related to Venezuelan Operations - Results in 2015, 2014 and 2013 include charges for remeasuring the local currency balance sheet in Venezuela, and in 2015 include charges for the deconsolidation of our Venezuelan operations.
- Uncertain tax positions adjustment - In the fourth quarter of 2015, we updated our assessment of uncertain tax positions for certain international operations, and recorded a charge related to prior years in provision for income taxes.
- 2014 Organization Restructuring - In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. Results in both 2014 and 2015 include charges related to this initiative.
- Turkey restructuring - In 2015, we recorded charges related to the restructuring of our operations in Turkey.
- Regulatory dispute in the Middle East - In 2014, we recorded a charge as a result of an adverse court ruling regarding the treatment of capital contributions in prior years to an affiliate in the Middle East.
- European strategic changes and related restructuring charges - In 2012, we initiated strategic changes to and a related restructuring in our Western and Central European businesses. Results in 2014 and 2013 include charges related to this restructuring activity.

In addition, we provide commentary regarding organic net sales, which exclude the impact of changes in foreign currency rates and lower sales in 2014 and 2013 associated with European strategic changes and tissue restructuring actions.

Overview of Business

We are a global company focused on leading the world in essentials for a better life, with manufacturing facilities in 36 countries and products sold in more than 175 countries. Our products are sold under well-known brands such as Kleenex, Scott, Huggies, Pull-Ups, Kotex and Depend. We have three reportable business segments: Personal Care, Consumer Tissue and K-C Professional ("KCP"). These business segments are described in greater detail in Item 8, Note 16 to the Consolidated Financial Statements.

In operating our business, we seek to:

- manage our portfolio to balance growth, profit margin and cash flow,
- invest in our brands, innovation and growth initiatives,
- deliver sustainable cost reductions, and
- provide disciplined capital management to improve return on invested capital and return cash to shareholders.

Beginning in 2015, we describe our business outside North America in two groups – Developing and Emerging Markets ("D&E") and Developed Markets, instead of K - C International ("KCI") and Europe. D&E markets comprise Eastern Europe, the Middle East and Africa, Latin America and Asia-Pacific, excluding Australia and South Korea. Developed Markets consist of Western and Central Europe, Australia and South Korea. Previously, KCI consisted of our businesses in Asia, Latin America, the Middle East, Eastern Europe and Africa.

Highlights for 2015 include the following:

- Net sales of \$18.6 billion decreased 6 percent compared to 2014. Weakening foreign currency exchanges rates significantly decreased net sales and operating profit. Organic net sales increased 5 percent.
- We executed our growth strategies in D&E markets with a focus on China, Eastern Europe and Latin America. Organic net sales in D&E grew 10 percent in 2015 as a result of strong growth in diapers, feminine care, adult care and baby wipes. In D&E, we continue to benefit from innovation, expansion, category development and higher net selling prices.
- In North America, we generated 5 percent volume growth in our consumer business, with increases on most brands. Results benefited from innovations, promotion support, category growth and market share gains.
- In our Developed Markets outside North America, organic net sales were even with prior year.
- To help fund our investments in innovations and growth initiatives and to improve our profit margins, we are generating cost savings through several initiatives, including leveraging our global procurement organization and deploying lean principles. Full-year cost savings from our ongoing FORCE (Focused On Reducing Costs Everywhere) program in 2015 were \$365.
- In 2015, we continued to execute our 2014 Organization Restructuring in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business in 2014. The restructuring is expected to be completed by the end of 2016. In 2015, savings from this initiative were \$65.
- We continued to focus on generating cash flow and allocating capital to shareholders. In 2015, cash provided by operations was \$2.3 billion, and share repurchases of Kimberly-Clark common stock were \$0.8 billion. In addition, we raised our dividend in 2015 by 5 percent, the 43rd consecutive annual increase in our dividend. Altogether, share repurchases and dividends in 2015 amounted to \$2.1 billion.

We completed the spin-off of our health care business on October 31, 2014. As a result, the health care business is presented as discontinued operations on the Consolidated Income Statement in 2014 and 2013.

We are subject to risks and uncertainties, which can affect our business operations and financial results. See Item 1A, "Risk Factors" in this Form 10-K for additional information.

Overview of 2015 Results

- Net sales of \$18.6 billion decreased 6 percent compared to prior year, as changes in foreign currency exchange rates decreased net sales by 10 percent.
- Operating profit and income from continuing operations decreased 36 percent and 31 percent, respectively, compared to 2014. Comparisons were negatively impacted by significant unfavorable currency effects, as well as adjusting items described elsewhere in this MD&A.
- Adjusted operating profit and adjusted earnings per share increased 1 percent and 5 percent, respectively, compared to 2014.

Results of Operations and Related Information

This section presents a discussion and analysis of net sales, operating profit and other information relevant to an understanding of 2015 results of operations. This discussion and analysis compares 2015 results to 2014, and 2014 results to 2013. The reference to "N.M." indicates that the calculation is not meaningful.

Consolidated

Selected Financial Results

	Year Ended December 31				
	2015	2014	Change 2015 vs. 2014	2013	Change 2014 vs. 2013
Net Sales	\$ 18,591	\$ 19,724	-5.7 %	\$ 19,561	+0.8 %
Other (income) and expense, net	1,568	453	+246.1 %	7	N.M.
Operating Profit	1,613	2,521	-36.0 %	2,903	-13.2 %
Provision for income taxes	418	856	-51.2 %	828	+3.4 %
Share of net income from equity companies	149	146	+2.1 %	205	-28.8 %
Income from Continuing Operations	1,066	1,545	-31.0 %	2,018	-23.4 %
Income from discontinued operations, net of income taxes	—	50	N.M.	203	-75.4 %
Net Income Attributable to Kimberly-Clark Corporation	1,013	1,526	-33.6 %	2,142	-28.8 %
Diluted Earnings per Share from Continuing Operations	2.77	3.91	-29.2 %	5.01	-22.0 %

Operating Profit Reconciliation of GAAP to Non-GAAP

Operating profit includes the following adjusting items:

	Year Ended December 31		
	2015	2014	2013
Operating Profit, GAAP	\$ 1,613	\$ 2,521	\$ 2,903
Plus adjustments for:			
Pension Settlements	1,358	—	—
Charges Related to Venezuelan Operations	153	462	36
2014 Organization Restructuring	63	133	—
Turkey Restructuring	23	—	—
Regulatory Dispute in Middle East	—	35	—
European Strategic Changes	—	33	81
Adjusted Operating Profit	\$ 3,210	\$ 3,184	\$ 3,020

Consolidated Net Sales and Adjusted Operating Profit

Net Sales	Percent Change	
	2015 vs. 2014	2014 vs. 2013
Volume	4	2
Restructuring	—	(1)
Net Price	—	2
Mix/Other ^(a)	—	—
Currency	(10)	(2)
Total	<u>(5.7)</u>	<u>0.8</u>

2015 vs. 2014

Net sales of \$18.6 billion decreased 6 percent compared to 2014, as changes in foreign currency exchange rates reduced net sales more than 10 percent. Organic net sales increased 5 percent, as volumes increased 4 percent and product mix was favorable by 1 percent. Adjusted operating profit of \$3,210 in 2015 increased 1 percent compared to \$3,184 in 2014. The comparisons benefited from organic sales growth, FORCE cost savings of \$365, input cost deflation of \$150 and \$65 of savings from the 2014 Organization Restructuring. Translation effects due to changes in foreign currency exchange rates lowered adjusted operating profit by \$360 and foreign currency transaction effects also negatively impacted the operating profit comparisons. Total marketing, research and general expenses increased on a local currency basis, driven by higher administrative costs.

2014 vs. 2013

Adjusted Operating Profit	2014 vs. 2013	2013 vs. 2012
Volume	8	5
Net Price	1	13
Input Costs	5	(8)
Cost Savings	11	11
Currency Translation	(11)	(3)
Other	(13)	(13)
Total	<u>0.8</u>	<u>5.4</u>

Net sales of \$19.7 billion increased 1 percent compared to 2013. Organic net sales increased 4 percent, with volumes and net selling prices each increasing net sales by 2 percent. Foreign currency exchange rates were unfavorable by 2 percent and lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions reduced sales by 1 percent. Adjusted operating profit of \$3,184 in 2014 increased 5 percent compared to \$3,020 in 2013. The comparisons benefited from organic sales growth, FORCE cost savings of \$320 and \$30 of savings from pulp and tissue restructuring actions. Input costs were \$240 higher overall versus 2013. Foreign currency translation effects reduced operating profit by \$75 and currency transaction effects also negatively impacted the operating profit comparison.

^(a) Mix/Other includes rounding

Other (Income) & Expense, Net Reconciliation of GAAP to Non-GAAP

Other (income) & expense, net includes the following adjusting items:

	Year Ended December 31		
	2015	2014	2013
Other (income) and expense, net, GAAP	\$ 1,568	\$ 453	\$ 7
Less adjustments for:			
Pension Settlements	1,358	—	—
Charges Related to Venezuelan Operations	148	421	36
Regulatory Dispute in Middle East	—	35	—
European Strategic Changes	—	—	5
Adjusted other (income) and expense, net	<u>\$ 62</u>	<u>\$ (3)</u>	<u>\$ (34)</u>

Adjusted other (income) and expense, net was expense of \$62 in 2015 and income of \$3 in 2014. The change was driven by higher foreign currency transaction losses in 2015 compared to 2014, and gains on asset sales in 2014. Lower income of \$3 in 2014 compared to \$34 in 2013 was driven by higher foreign currency transaction losses in 2014, as both periods included gains on the sale of non-core assets.

Provision for Income Taxes Reconciliation of GAAP to Non-GAAP

Provision for income taxes includes the following adjusting items:

	Year Ended December 31		
	2015	2014	2013
Effective Tax Rate, GAAP	31.3%	38.0%	31.4%
Provision for income taxes, GAAP	\$ 418	\$ 856	\$ 828
Plus adjustments for:			
Pension Settlements	523	—	—
Charges Related to Venezuelan Operations	6	—	10
Uncertain Tax Positions Adjustment	(49)	—	—
2014 Organization Restructuring	21	38	—
Europe Strategic Changes	—	3	15
Adjusted Provision for income taxes	\$ 919	\$ 897	\$ 853
Adjusted Effective Tax Rate	31.3%	30.7%	30.9%

The increase in adjusted tax rate in 2015 is primarily due to the redemption of preferred securities in 2014.

Share of Net Income from Equity Companies

Our share of net income of equity companies was \$149 in 2015, \$146 in 2014 and \$205 in 2013. Kimberly-Clark de Mexico, S.A.B. de C.V. ("KCM") results in 2015 compared to 2014 benefited from increased organic net sales, cost savings, and lower input costs, partially offset by a weaker Mexican peso. Results in 2014 compared to 2013 were negatively impacted by input cost increases and a weaker Mexican peso, partially offset by increased sales volumes and cost savings.

Income from Discontinued Operations

Income from discontinued operations, net of income taxes, was \$50 in 2014 and \$203 in 2013. The decrease was primarily due to after tax charges of \$138 (\$157 pre-tax), excluded from adjusted earnings per share, related to the spin-off of our health care business.

Net Income Attributable to Noncontrolling Interests

Net income attributable to noncontrolling interests decreased in 2015 as a result of the redemption of preferred securities. In 2014, adjusted net income attributable to noncontrolling interests of \$87 includes an adjustment of \$18, excluded from adjusted earnings per share, as a result of an adverse court ruling regarding the treatment of capital contributions in prior years to an affiliate in the Middle East.

Net Income Attributable to Kimberly-Clark and Diluted Earnings Per Share from Continuing Operations Reconciliations of GAAP to Non-GAAP

Net Income Attributable to Kimberly-Clark and Diluted Earnings Per Share include the following adjusting items:

	Year Ended December 31		
	2015	2014	2013
Net Income Attributable to Kimberly-Clark, GAAP	\$ 1,013	\$ 1,526	\$ 2,142
Plus adjustments (net of tax) for:			
Pension Settlements	835	—	—
Charges Related to Venezuelan Operations	147	462	26
Uncertain Tax Positions Adjustment	49	—	—
2014 Organization Restructuring	42	95	—
Turkey Restructuring	23	—	—
Regulatory Dispute in Middle East	—	17	—
Health Care Spin-off	—	138	—
European Strategic Changes	—	30	66
Adjusted Net Income Attributable to Kimberly-Clark	\$ 2,109	\$ 2,268	\$ 2,234

	Year Ended December 31		
	2015	2014	2013
Diluted Earnings Per Share from Continuing Operations, GAAP	\$ 2.77	\$ 3.91	\$ 5.01
Plus adjustments for:			
Pension Settlements	2.28	—	—
Charges Related to Venezuelan Operations	0.40	1.22	0.07
Uncertain Tax Positions Adjustment	0.13	—	—
2014 Organization Restructuring	0.11	0.25	—
Turkey Restructuring	0.06	—	—
Regulatory Dispute in Middle East	—	0.05	—
European Strategic Changes	—	0.08	0.17
Rounding	0.01	—	(0.01)
Adjusted Diluted Earnings Per Share from Continuing Operations	\$ 5.76	\$ 5.51	\$ 5.24

The increase in adjusted earnings per share from continuing operations in 2015 and 2014 are primarily due to lower share counts and higher earnings.

Geographical Information

	Year Ended December 31				
	2015	2014	Change 2015 vs. 2014	2013	Change 2014 vs. 2013
NET SALES					
North America	\$ 9,531	\$ 9,400	+1.4 %	\$ 9,430	-0.3 %
Europe	2,304	2,717	-15.2 %	2,839	-4.3 %
Asia, Latin America and other	7,154	7,961	-10.1 %	7,639	+4.2 %
Intergeographic sales	(398)	(354)	+12.4 %	(347)	+2.0 %
TOTAL NET SALES	\$ 18,591	\$ 19,724	-5.7 %	\$ 19,561	+0.8 %
OPERATING PROFIT					
North America	\$ 2,180	\$ 2,003	+8.8 %	\$ 1,984	+1.0 %
Europe	297	282	+5.3 %	237	+19.0 %
Asia, Latin America and other	1,071	1,184	-9.5 %	1,070	+10.7 %
Corporate & Other ^(a)	(367)	(495)	N.M.	(381)	N.M.
Other (income) and expense, net ^(b)	1,568	453	N.M.	7	N.M.
TOTAL OPERATING PROFIT	\$ 1,613	\$ 2,521	-36.0 %	\$ 2,903	-13.2 %

- (a) Corporate & Other includes charges related to the 2014 Organization Restructuring of \$63 and \$133 and \$5 and \$41 related to the remeasurement of the Venezuelan balance sheet, in 2015 and 2014, respectively. Corporate & Other also includes \$23 for restructuring in Turkey in 2015, and \$33 and \$76 related to European strategic changes in 2014 and 2013, respectively.
- (b) Other (income) and expense, net for 2015 and 2014 include charges of \$40 and \$421, respectively, related to the remeasurement of the Venezuelan balance sheet. In addition, 2015 includes charges of \$108 for the deconsolidation of our Venezuelan operations and \$1,358 for charges related to pension settlements and 2014 includes a charge of \$35 related to a regulatory dispute in the Middle East. The results for 2013 include a balance sheet remeasurement charge of \$36 due to a devaluation of the Venezuelan bolivar and a charge of \$5 for European strategic changes.

Business Segments

Personal Care

	Year Ended December 31		
	2015	2014	2013
Net Sales	\$ 9,204	\$ 9,635	\$ 9,536
Operating Profit	\$ 1,885	\$ 1,803	\$ 1,698

2015 vs. 2014

In 2015, net sales of \$9.2 billion decreased 4 percent compared to 2014. Unfavorable currency rates decreased net sales by 11 percent while sales volumes increased 5 percent and net selling prices and product mix each increased net sales by 1 percent. Operating profit of \$1,885 increased 5 percent. The comparison benefited from growth in organic net sales, cost savings and lower input and other manufacturing costs, partially offset by unfavorable effects from changes in currency rates and higher marketing, research and general expenses on a local currency basis.

Net Sales	PERCENT CHANGE	
	2015 vs. 2014	2014 vs. 2013
Volume	5	3
Restructuring	—	(1)
Net Price	1	3
Mix/Other ^(a)	1	—
Currency	(11)	(4)
Total	(4.5)	1.0

Net sales in North America increased 1 percent. Sales volumes increased 4 percent while net selling prices and currency decreased net sales by 2 percent and 1 percent, respectively. Adult care volumes increased high-single digits with benefits from innovations, brand investments and category growth. Volumes on Huggies diapers rose low-single digits including benefits from innovation and increased promotion support. Huggies baby wipes volumes rose mid-single digits with benefits from innovation and child care volumes were even with prior year.

Net sales in developing and emerging markets decreased 8 percent including a 22 percent decrease from unfavorable currency rate changes. This was partly offset by an increase in sales volumes of 8 percent which included gains in China, most of Latin America, and Eastern Europe, and 5 percent higher net selling prices, driven by increases in Eastern Europe and Latin America in response to weaker currency rates.

Operating Profit		
Volume	10	5
Net Price	5	15
Input Costs	6	(9)
Cost Savings	12	12
Currency Translation	(11)	(3)
Other	(17)	(14)
Total	4.5	6.2

Net sales in developed markets outside North America decreased 10 percent. Currency rates were unfavorable by 11 percent. Volumes and product mix increased by 1 percent each while net selling prices decreased net sales by 1 percent.

^(a) Mix/Other includes rounding

2014 vs. 2013

In 2014, net sales of \$9.6 billion increased 1 percent compared to 2013. Sales volumes and net selling prices each increased 3 percent. Currency rates were unfavorable by 4 percent, and lower sales in conjunction with European strategic changes reduced net sales by 1 percent. Operating profit of \$1,803 increased 6 percent. The comparison benefited from higher net selling prices, sales volume growth and cost savings, partially offset by unfavorable effects from changes in currency rates and input cost inflation.

Net sales in North America were essentially even with the prior year. Slightly higher sales volumes and net selling prices were offset by unfavorable currency rates. Huggies baby wipes volumes rose double-digits, including benefits from market share gains and product innovation. Adult care volumes increased high-single digits, including innovation on Depend and Poise brands. Huggies diaper volumes decreased mid-single digits and were impacted by market share declines and competitive promotional activity. Child care volumes decreased mid-single digits, driven by lower Pull-Ups training pants volumes, partially offset by the launch of new GoodNites youth pants. Feminine care volumes were down slightly.

Net sales in KCI increased 4 percent. Sales volumes increased 6 percent, and net selling prices were higher by 5 percent, partially offset by unfavorable currency rates of 7 percent. The volume increase included gains in China, Eastern Europe, South Africa, South Korea, Vietnam and most of Latin America. The higher net selling prices were driven by increases in Latin America and Eastern Europe in response to weaker currency rates and cost inflation.

Net sales in Europe decreased 19 percent. Lower sales in conjunction with European strategic changes reduced net sales by 20 percent and net selling prices decreased net sales by 1 percent. Favorable currency rates increased net sales by 2 percent.

Consumer Tissue

	Year Ended December 31		
	2015	2014	2013
Net Sales	\$ 6,121	\$ 6,645	\$ 6,637
Operating Profit	\$ 1,073	\$ 1,062	\$ 988

2015 vs. 2014

Net Sales	PERCENT CHANGE	
	2015 vs. 2014	2014 vs. 2013
Volume	3	1
Restructuring	—	(1)
Net Price	(1)	1
Mix/Other ^(a)	(1)	—
Currency	(9)	(1)
Total	(7.9)	0.1

In 2015, net sales of \$6.1 billion decreased 8 percent compared to 2014. Unfavorable currency rates reduced net sales by 9 percent. Sales volumes increased net sales by 3 percent and net selling price lowered net sales by 1 percent. Operating profit of \$1,073 increased 1 percent compared to prior year. The comparison benefited from cost savings and higher sales volumes, mostly offset by the impact of unfavorable foreign currency rates.

Net sales in North America increased 2 percent. Sales volumes increased by 6 percent, while net selling prices decreased net sales by 2 percent and product mix was unfavorable by 1 percent. Paper towel volumes rose double-digits led by Viva and bathroom tissue volumes rose high-single digits led by Cottonelle.

Operating Profit		
	2015 vs. 2014	2014 vs. 2013
Volume	7	1
Net Price	(5)	10
Input Costs	1	(5)
Cost Savings	10	10
Currency Translation	(8)	—
Other	(4)	(9)
Total	1.0	7.5

Net sales in developing and emerging markets decreased 22 percent. Unfavorable currency rates reduced net sales by 25 percent. Net selling price increased net sales by 2 percent while volumes increased 1 percent.

Net sales in developed markets outside North America decreased 13 percent. Unfavorable currency effects reduced net sales by 11 percent. Sales volumes decreased 1 percent, mostly in Western/Central Europe, and net selling price decreased net sales by 1 percent.

^(a) Mix/Other includes rounding

2014 vs. 2013

In 2014, net sales of \$6.6 billion were essentially even with the prior year. Sales volumes and net selling prices each increased net sales by 1 percent. Unfavorable currency rates decreased net sales by 1 percent, and lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions reduced net sales by a combined 1 percent. Operating profit of \$1,062 increased 7 percent. The comparison benefited from higher net selling prices and cost savings, partially offset by input cost inflation and higher manufacturing-related costs in 2014.

Net sales in North America increased 1 percent. Sales volumes increased 2 percent, driven by growth in Cottonelle and Scott bathroom tissue and the launch of Viva Vantage paper towels. Unfavorable currency effects and changes in product mix reduced net sales by a combined 1 percent.

Net sales in KCI increased 1 percent. Net selling prices increased net sales by 4 percent, and improved product mix and growth in sales volumes increased net sales by a combined 1 percent. Unfavorable currency rates decreased net sales by 4 percent. The improvement in net selling prices was driven by increases in Latin America.

Net sales in Europe decreased 4 percent, driven by lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions which reduced net sales by a combined 6 percent. Favorable currency rates increased net sales by 3 percent.

K-C Professional

	Year Ended December 31		
	2015	2014	2013
Net Sales	\$ 3,219	\$ 3,388	\$ 3,323
Operating Profit	\$ 590	\$ 604	\$ 605

2015 vs. 2014

In 2015, net sales of \$3.2 billion decreased 5 percent compared to 2014. Unfavorable currency rate changes decreased net sales by 9 percent. Sales volumes and product mix each increased net sales by 2 percent, including sales of nonwovens to Halyard Health, Inc. in conjunction with a near-term supply agreement. Operating profit of \$590 decreased 2 percent. The comparison was impacted by unfavorable currency effects, mostly offset by benefits from organic net sales growth, cost savings and lower input costs.

Net sales in North America increased 1 percent. Sales volumes increased 2 percent, primarily due to growth in wipers, while unfavorable currency effects decreased net sales by 1 percent.

Net sales in developing and emerging markets decreased 15 percent, including a 21 percent decrease from unfavorable changes in currency rates. Volumes increased by 2 percent and the combined impact of changes in net selling prices and product mix improved net sales by 4 percent.

Net sales in developed markets outside North America were down 13 percent. Unfavorable changes in currency rates decreased net sales by 13 percent. Sales volumes increased 1 percent, while the combined impact of changes in overall net selling prices and product mix reduced net sales 1 percent.

	PERCENT CHANGE	
	2015 vs. 2014	2014 vs. 2013
Net Sales		
Volume	2	3
Restructuring	—	—
Net Price	—	1
Mix/Other ^(a)	2	—
Currency	(9)	(2)
Total	(5.0)	2.0
Operating Profit		
Volume	3	5
Net Price	1	3
Input Costs	3	(8)
Cost Savings	7	5
Currency Translation	(13)	(3)
Other	(3)	(2)
Total	(2.3)	(0.2)

^(a) Mix/Other includes rounding

2014 vs. 2013

In 2014, net sales of \$3.4 billion increased 2 percent compared to 2013. Sales volumes increased 3 percent, and net selling prices improved by 1 percent. The impact of currency rates on net sales was unfavorable by 2 percent. Operating profit of \$604 was essentially even with the prior year. The comparison benefited from sales volume growth, higher net selling prices and cost savings, offset by input cost inflation and unfavorable currency effects.

Net sales in North America decreased 2 percent. Net selling prices were lower by 2 percent, and unfavorable currency effects and changes in product mix decreased net sales by a combined 1 percent. Sales volumes increased 1 percent, driven by gains in safety products, wipers and other categories, partially offset by declines in washroom products.

Net sales in KCI increased 8 percent, despite unfavorable currency rates of 5 percent. Sales volumes rose 7 percent, net selling prices improved net sales by 5 percent and product mix improved 1 percent. Sales volumes rose in each major geography.

Net sales in Europe increased 3 percent. Sales volumes increased 3 percent, driven by growth in washroom products. Favorable currency rates and improved product mix each increased net sales by 1 percent, while lower sales in conjunction with European strategic changes and pulp and tissue restructuring actions and the impact of lower net selling prices each reduced net sales by 1 percent.

Defined Benefit Pension Plan Changes

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pre-tax in other (income) and expense, net) during 2015, mostly in the second quarter. In 2015, we made cash contributions of \$484 to our pension trusts, of which \$410 relates to the changes in the U.S. plan.

2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. Cumulative pre-tax savings from the restructuring are expected to be \$120 to \$140 by the end of 2017, and were \$70 by the end of 2015. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

During 2015, \$63 of pre-tax charges were recognized for the organization restructuring, including \$23 recorded in cost of products sold and \$40 recorded in marketing, research and general expenses, primarily for workforce reductions. A related benefit of \$21 was recorded in provision for income taxes. During 2014, \$133 of pre-tax charges were recognized for the organization restructuring, including \$40 recorded in cost of products sold and \$93 recorded in marketing, research and general expenses, primarily for workforce reductions. A related benefit of \$38 was recorded in provision for income taxes.

European Strategic Changes

In 2012, we approved strategic changes related to our Western and Central European consumer and professional businesses to focus our resources and investments on stronger market positions and growth opportunities. We exited the diaper category in that region, with the exception of the Italian market, and divested or exited some lower-margin businesses, mostly in consumer tissue, in certain markets. The changes primarily affected our consumer businesses, with a modest impact on KCP. The impacted businesses generated annual net sales of approximately \$0.5 billion and negligible operating profit. As a result of the restructuring activities, compared to 2012, annual net sales in 2014 and 2013 were decreased by \$500 and \$350, respectively.

Restructuring actions related to the strategic changes involved the sale or closure of five of our European manufacturing facilities and streamlining of our administrative organization. The restructuring actions commenced in 2012 and were completed by December 31, 2014. The restructuring resulted in cumulative pre-tax charges of \$413 (\$338 after tax) over that period.

For information on the charges by year, see Item 8, Note 4 to the Consolidated Financial Statements.

Venezuela Charges

Effective December 31, 2015, we deconsolidated the assets and liabilities of our business in Venezuela from our consolidated balance sheet and moved to the cost method of accounting for our operations in that country. The change reflects the continued deterioration of conditions in the country, including a slowdown in the availability of foreign exchange, and resulted in an after tax charge of \$102 in the fourth quarter of 2015. Beginning in the first quarter of 2016, we will no longer include the results of our Venezuelan business in our consolidated financial statements. We also recorded nondeductible charges of \$45 and \$462, and pre-tax charges of \$36 (after-tax of \$26), related to the remeasurement of the Venezuelan balance sheet in 2015, 2014 and 2013 respectively. For information on the charges by year, see Item 8, Note 1 to the Consolidated Financial Statements.

Unaudited Quarterly Data

	2015				2014			
	Fourth	Third	Second	First	Fourth	Third	Second	First
Net sales	\$ 4,539	\$ 4,718	\$ 4,643	\$ 4,691	\$ 4,828	\$ 5,056	\$ 4,953	\$ 4,887
Gross profit	1,626	1,682	1,657	1,659	1,553	1,765	1,700	1,665
Operating profit (loss)	630	779	(544)	748	158	877	775	711
Income (loss) from continuing operations	344	529	(293)	486	(48)	581	522	490
Income (loss) from discontinued operations, net of income taxes	—	—	—	—	(15)	1	8	56
Net income (loss)	344	529	(293)	486	(63)	582	530	546
Net income (loss) attributable to Kimberly- Clark Corporation	333	517	(305)	468	(83)	562	509	538
Earnings (loss) per share - Diluted								
Continuing operations	0.91	1.41	(0.83)	1.27	(0.18)	1.49	1.32	1.26
Discontinued operations	—	—	—	—	(0.04)	—	0.02	0.15
Net income (loss)	0.91	1.41	(0.83)	1.27	(0.22)	1.50	1.35	1.41
Cash dividends declared per share	0.88	0.88	0.88	0.88	0.84	0.84	0.84	0.84
Market price per share								
High	129.89	117.95	113.45	119.01	118.83	114.45	113.93	111.71
Low	107.79	103.04	104.53	103.67	103.88	103.50	108.02	102.81
Close	127.30	109.04	105.97	107.11	115.54	107.57	111.22	110.25

Historical market prices do not reflect any adjustment for the impact of the spin-off of our health care business completed on October 31, 2014.

Income (loss) from continuing operations was impacted by the \$102 after tax charge (\$108 pre-tax) to deconsolidate our Venezuelan operations and a charge of \$49 related to prior years for uncertain tax positions for certain international operations in the fourth quarter of 2015 , and charges related to pension settlements of \$0.8 billion after tax (\$1.4 billion pre-tax) primarily in the second quarter of 2015 . Income (loss) from continuing operations was impacted by a nondeductible charge of \$462 in the fourth quarter of 2014 for the remeasurement of the Venezuelan balance sheet as of December 31, 2014.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$2.3 billion in 2015 compared to \$2.8 billion in 2014 . The decrease was driven by higher pension contributions in conjunction with the transfer of the pension benefit obligations to two insurance companies in the second quarter of 2015, the spin-off of the health care business in the fourth quarter of 2014 and increased operating working capital. Cash provided by operations of \$2.8 billion in 2014 decreased compared to \$3.0 billion in 2013 due to higher tax payments and transaction costs for the health care spin-off, partially offset by lower payments for restructuring items.

Obligations

The following table presents our total contractual obligations for which cash flows are fixed or determinable.

	<u>Total</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021+</u>
Long-term debt	\$ 6,720	\$ 598	\$ 964	\$ 933	\$ 308	\$ 755	\$ 3,162
Interest payments on long-term debt	2,693	280	254	205	158	144	1,652
Operating leases	545	142	115	86	67	53	82
Unconditional purchase obligations	1,314	698	170	139	144	156	7
Open purchase orders	1,435	1,373	54	4	2	1	1
Total contractual obligations	<u>\$ 12,707</u>	<u>\$ 3,091</u>	<u>\$ 1,557</u>	<u>\$ 1,367</u>	<u>\$ 679</u>	<u>\$ 1,109</u>	<u>\$ 4,904</u>

- Projected interest payments for variable-rate debt were calculated based on the outstanding principal amounts and prevailing market rates as of December 31, 2015 .
- The unconditional purchase obligations are for the purchase of raw materials, primarily superabsorbent materials, pulp and utilities. Although we are primarily liable for payments on the above operating leases and unconditional purchase obligations, based on historic operating performance and forecasted future cash flows, we believe exposure to losses, if any, under these arrangements is not material.
- The open purchase orders displayed in the table represent amounts for goods and services we have negotiated for delivery.

The table does not include amounts where payments are discretionary or the timing is uncertain. The following payments are not included in the table:

- We will fund our defined benefit pension plans to meet or exceed statutory requirements and currently expect to contribute up to \$100 to these plans in 2016 .
- Other postretirement benefit payments are estimated using actuarial assumptions, including expected future service, to project the future obligations. Based upon those projections, we anticipate making annual payments for these obligations ranging from \$51 in 2016 to more than \$58 by 2025 .
- Accrued income tax liabilities for uncertain tax positions, deferred taxes and noncontrolling interests.
- Potential estimated redemption price of \$38 for the redeemable preferred securities related to our subsidiary in Central America as the timing of such redemption is unknown.

Investing

Our capital spending was \$1.1 billion in 2015 and \$1.0 billion in 2014 . We expect capital spending to be \$950 to \$1,050 in 2016 .

Financing

In August 2015, we issued \$250 aggregate principal amount of 2.15% notes due August 2020 and \$300 aggregate principal amount of 3.05% notes due August 2025. Proceeds from the offering were used to repay \$300 of notes due in August 2015 and to pay down a portion of our outstanding commercial paper balance.

In February 2015, we issued \$250 aggregate principal amount of 1.85% notes due March 2020 and \$250 aggregate principal amount of 2.65% notes due March 2025. Proceeds from the offering were used for general corporate purposes, including pension contribution payments.

In 2015, at our election, we redeemed \$200 of dealer remarketable securities.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$1,071 as of December 31, 2015 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the fourth quarter of 2015 was \$971 and for the twelve months ended December 31, 2015 was \$993 . These short-term borrowings provide supplemental funding for supporting

our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as pension contributions, dividends and income taxes.

At December 31, 2015, total debt was \$7.8 billion compared to \$7.0 billion at December 31, 2014.

We maintain a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We paid \$1.3 billion in dividends in 2015. We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During 2015, we repurchased 7.1 million shares of our common stock at a cost of \$800 through a broker in the open market. In addition, we acquired the remaining interest in our subsidiary in Israel for \$151. We are targeting full-year 2016 share repurchases of \$600 to \$900, subject to market conditions.

Management believes that our ability to generate cash from operations and our capacity to issue short-term and long-term debt are adequate to fund working capital, capital spending, payment of dividends, pension plan contributions and other needs for the foreseeable future. Further, we do not expect restrictions or taxes on repatriation of cash held outside of the United States to have a material effect on our overall business, liquidity, financial condition or results of operations for the foreseeable future.

Critical Accounting Policies and Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting period. The critical accounting policies we used in the preparation of the Consolidated Financial Statements are those that are important both to the presentation of our financial condition and results of operations and require significant judgments by management with regard to estimates used. The critical judgments by management relate to accruals for sales incentives and trade promotion allowances, pension and other postretirement benefits, deferred income taxes and potential income tax assessments. These critical accounting policies have been reviewed with the Audit Committee of the Board of Directors.

Sales Incentives and Trade Promotion Allowances

Trade promotion programs include introductory marketing funds such as slotting fees, cooperative marketing programs, temporary price reductions, end-of-aisle or in-store product displays and other activities conducted by our customers to promote our products. Rebate and promotion accruals are based on estimates of the quantity of customer sales and the promotion accruals also consider estimates of the number of consumer coupons that will be redeemed, timing of promotional activities and forecasted costs for activities within the promotional programs. Generally, the estimates for consumer coupon costs are based on historical patterns of coupon redemption, influenced by judgments about current market conditions such as competitive activity in specific product categories. Our related accounting policies are discussed in Item 8, Note 1 to the Consolidated Financial Statements.

Employee Postretirement Benefits

Pension Plans

We have defined benefit pension plans in the United States and the United Kingdom (the "Principal Plans") and/or defined contribution retirement plans covering substantially all regular employees. Certain other subsidiaries have defined benefit pension plans or, in certain countries, termination pay plans covering substantially all regular employees. Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pre-tax in other (income) and expense, net) during the twelve months ended December 31, 2015, mostly in the second quarter. During 2015, we made cash contributions of \$484 to our pension trusts, of which \$410 relates to the changes to the U.S. plan. Our related accounting policies and account balances are discussed in Item 8, Note 9 to the Consolidated Financial Statements.

Changes in certain assumptions could significantly affect pension expense and the benefit obligations, particularly the estimated long-term rate of return on plan assets and the discount rates used to calculate the obligations:

- Long-term rate of return on plan assets. The expected long-term rate of return is evaluated on an annual basis. In setting these assumptions, we consider a number of factors including projected future returns by asset class relative to the target

asset allocation. Actual asset allocations are regularly reviewed and they are periodically rebalanced to the targeted allocations when considered appropriate. Pension expense is determined using the fair value of assets rather than a calculated value that averages gains and losses ("Calculated Value") over a period of years. Investment gains or losses represent the difference between the expected return calculated using the fair value of assets and the actual return based on the fair value of assets. The variance between actual and expected gains and losses on pension assets is recognized in pension expense more rapidly than it would be if a Calculated Value was used for plan assets.

As of December 31, 2015, the Principal Plans had cumulative unrecognized investment and actuarial losses of approximately \$1.4 billion. These unrecognized net losses may increase future pension expense if not offset by (i) actual investment returns that exceed the assumed investment returns, (ii) other factors, including reduced pension liabilities arising from higher discount rates used to calculate pension obligations, or (iii) other actuarial gains, including whether such accumulated actuarial losses at each measurement date exceed the "corridor" as required. If the expected long-term rates of return on assets for the Principal Plans were lowered by 0.25 percent, the impact on annual pension expense would not be material in 2016.

- Discount rate. The discount (or settlement) rate used to determine the present value of our future U.S. pension obligation at December 31, 2015 was based on a portfolio of high quality corporate debt securities with cash flows that largely match the expected benefit payments of the plan. For the U.K. plan, the discount rate was determined based on yield curves constructed from a portfolio of high quality corporate debt securities. Each year's expected future benefit payments were discounted to their present value at the appropriate yield curve rate to determine the pension obligations. If the discount rate assumptions for these same plans were reduced by 0.25 percent, the increase in annual pension expense would not be material in 2016, and the December 31, 2015 pension liability would increase by about \$127.
- Other assumptions. There are a number of other assumptions involved in the calculation of pension expense and benefit obligations, primarily related to participant demographics and benefit elections.

Pension expense for defined benefit pension plans is estimated to approximate \$75 in 2016. Pension expense beyond 2016 will depend on future investment performance, our contributions to the pension trusts, changes in discount rates and various other factors related to the covered employees in the plans.

Other Postretirement Benefit Plans

Substantially all U.S. retirees and employees have access to our unfunded healthcare and life insurance benefit plans. Changes in significant assumptions could affect the consolidated expense and benefit obligations, particularly the discount rates used to calculate the obligations and the healthcare cost trend rate:

- Discount rate. The determination of the discount rates used to calculate the benefit obligations of the plans is discussed in the pension benefit section above, and the methodology for each country is the same as the methodology used to determine the discount rate for that country's pension obligation. If the discount rate assumptions for these plans were reduced by 0.25 percent, there would be no impact to 2016 other postretirement benefit expense and the increase in the December 31, 2015 benefit liability would not be material. The discount rates displayed for the two types of obligations for our consolidated operations may appear different due to the unique benefit payments of the plans.
- Healthcare cost trend rate. The healthcare cost trend rate is based on a combination of inputs including our recent claims history and insights from external advisers regarding recent developments in the healthcare marketplace, as well as projections of future trends in the marketplace.

Our related accounting policies, account balances and the effects of a one percentage point change in the healthcare cost trend rate are discussed in Item 8, Note 9 to the Consolidated Financial Statements.

Deferred Income Taxes and Potential Assessments

As a global organization we are subject to income tax requirements in various jurisdictions in the U.S. and internationally. Changes in certain assumptions related to income taxes could significantly affect consolidated results, particularly with regard to valuation allowances on deferred tax assets, unremitted earnings of subsidiaries outside the U.S. and uncertain tax positions:

- Deferred tax assets and related valuation allowances. We have recorded deferred tax assets related to, among other matters, income tax loss carryforwards, income tax credit carryforwards and capital loss carryforwards and have established

valuation allowances against these deferred tax assets. These carryforwards are primarily in non-U.S. taxing jurisdictions and in certain states in the U.S. Foreign tax credits earned in the U.S. in current and prior years, which cannot be used currently, also give rise to net deferred tax assets. In determining the valuation allowances to establish against these deferred tax assets, many factors are considered, including the specific taxing jurisdiction, the carryforward period, income tax strategies and forecasted earnings for the entities in each jurisdiction. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

- **Unremitted earnings.** As of December 31, 2015, U.S. income taxes and foreign withholding taxes have not been provided on approximately \$8.8 billion of unremitted earnings of subsidiaries operating outside the U.S. These earnings are considered by management to be invested indefinitely. However, they would be subject to income tax if they were remitted as dividends, were lent to one of our U.S. entities or if we were to sell our stock in the subsidiaries. It is not practicable to determine the amount of unrecognized deferred U.S. income tax liability on these unremitted earnings. We periodically determine whether our non-U.S. subsidiaries will invest their undistributed earnings indefinitely and reassess this determination, as appropriate.
- **Uncertain tax positions.** We record our global tax provision based on the respective tax rules and regulations for the jurisdictions in which we operate. Where we believe that a tax position is supportable for income tax purposes, the item is included in our income tax returns. Where treatment of a position is uncertain, a liability is recorded based upon the expected most likely outcome taking into consideration the technical merits of the position based on specific tax regulations and facts of each matter. These liabilities may be affected by changing interpretations of laws, rulings by tax authorities or the expiration of the statute of limitations. In the fourth quarter of 2015, we updated our assessment of uncertain tax positions for certain international operations and, as a result, recorded a charge of \$49 related to prior years in provision for income taxes. We currently believe that the ultimate resolution of matters subject to administrative appeals, litigation or other uncertainty, individually or in the aggregate, will not have a material effect on our business, financial condition, results of operations or liquidity.

Our income tax related accounting policies, account balances and matters affecting income taxes are discussed in Item 8, Note 14 to the Consolidated Financial Statements.

Legal Matters

See Item 8, Note 12 to the Consolidated Financial Statements for information on legal matters.

New Accounting Standards

See Item 8, Note 1 to the Consolidated Financial Statements for a description of new accounting standards and their anticipated effects on our Consolidated Financial Statements.

Business Outlook

In 2016, we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. In 2016, we expect adjusted earnings per share in a range of \$5.95 to \$6.15. This excludes expected 2014 Organization Restructuring charges equivalent to \$0.06 to \$0.03. Our adjusted earnings per share guidance is based on the assumptions described below:

- Growth in sales volumes, net selling prices and product mix is expected to be in the combined 3 to 5 percent range.
- We expect net sales to be negatively impacted by unfavorable foreign currency exchange rates of 5 to 6 percent. We also expect unfavorable foreign currency translation effects to negatively impact operating profit growth by 5 to 6 percent. Currency transaction effects are also anticipated to negatively impact operating profit.
- We anticipate the net impact of changes in commodity costs to be between deflation of \$100 and \$50 of inflation.
- We plan to achieve cost savings of at least \$350 from our FORCE program, and at least \$50 from the 2014 Organization Restructuring.
- We anticipate that advertising spending will be similar to, or up slightly, as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- We expect the adjusted effective tax rate to be between 30.5 and 32.5 percent.

- Our share of net income from equity companies is expected to be similar to, or up somewhat, compared to 2015.
- We anticipate capital spending to be in a \$950 to \$1,050 range and share repurchases to total \$600 to \$900, subject to market conditions.
- We expect to contribute up to \$100 to our defined benefit pension plans and to increase our quarterly dividend mid-single digits effective April 2016, subject to approval by the Board of Directors.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 Organization Restructuring, the anticipated cost savings from the company's FORCE program, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our 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.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, 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.

The factors described under Item 1A, "Risk Factors" in this Form 10-K, or in our other SEC filings, among others, could cause our future results to differ from those expressed in any forward-looking statements made by us or on our behalf. Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a multinational enterprise, we are exposed to risks such as changes in foreign currency exchange rates, interest rates and commodity prices. A variety of practices are employed to manage these risks, including operating and financing activities and, where deemed appropriate, the use of derivative instruments. Derivative instruments are used only for risk management purposes and not for speculation. All foreign currency derivative instruments are entered into with major financial institutions. Our credit exposure under these arrangements is limited to agreements with a positive fair value at the reporting date. Credit risk with respect to the counterparties is actively monitored but is not considered significant since these transactions are executed with a diversified group of financial institutions.

Presented below is a description of our risks (foreign currency risk and interest rate risk) together with a sensitivity analysis, performed annually, of each of these risks based on selected changes in market rates and prices. These analyses reflect management's view of changes which are reasonably possible to occur over a one-year period. Also included is a description of our commodity price risk.

Foreign Currency Risk

A portion of our foreign currency risk is managed by the systematic use of foreign currency forward and swap contracts. The use of these instruments allows the management of transactional exposures to exchange rate fluctuations because the gains or losses incurred on the derivative instruments will offset, in whole or in part, losses or gains on the underlying foreign currency exposure.

Foreign currency contracts and transactional exposures are sensitive to changes in foreign currency exchange rates. An annual test is performed to quantify the effects that possible changes in foreign currency exchange rates would have on annual operating profit based on our foreign currency contracts and transactional exposures at the current year-end. The balance sheet effect is calculated by multiplying each affiliate's net monetary asset or liability position by a 10 percent change in the foreign currency exchange rate versus the U.S. dollar.

As of December 31, 2015, a 10 percent unfavorable change in the exchange rate of the U.S. dollar against the prevailing market rates of foreign currencies involving balance sheet transactional exposures would not be material to our consolidated financial position, results of operations or cash flows. This hypothetical loss on transactional exposures is based on the difference between the December 31, 2015 rates and the assumed rates.

The translation of the balance sheets of non-U.S. operations from local currencies into U.S. dollars is also sensitive to changes in foreign currency exchange rates. Consequently, an annual test is performed to determine if changes in currency exchange rates would have a significant effect on the translation of the balance sheets of non-U.S. operations into U.S. dollars. These translation gains or losses are recorded as unrealized translation adjustments ("UTA") within stockholders' equity. The hypothetical change in UTA is calculated by multiplying the net assets of these non-U.S. operations by a 10 percent change in the currency exchange rates. As of December 31, 2015, a 10 percent unfavorable change in the exchange rate of the U.S. dollar against the prevailing market rates of our foreign currency translation exposures would have reduced stockholders' equity by approximately \$700. These hypothetical adjustments in UTA are based on the difference between the December 31, 2015 exchange rates and the assumed rates. In the view of management, the above UTA adjustments resulting from these assumed changes in foreign currency exchange rates are not material to our consolidated financial position because they would not affect our cash flow.

Interest Rate Risk

Interest rate risk is managed through the maintenance of a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. The objective is to maintain a cost-effective mix that management deems appropriate. At December 31, 2015, the debt portfolio was composed of approximately 29 percent variable-rate debt and 71 percent fixed-rate debt.

Two separate tests are performed to determine whether changes in interest rates would have a significant effect on our financial position or future results of operations. Both tests are based on consolidated debt levels at the time of the test. The first test estimates the effect of interest rate changes on fixed-rate debt. Interest rate changes would result in increases or decreases in the market value of fixed-rate debt due to differences between the current market interest rates and the rates governing these instruments. With respect to fixed-rate debt outstanding at December 31, 2015, a 10 percent decrease in interest rates would have increased the fair value of fixed-rate debt by about \$186, which would not have a significant impact on our financial statements as we do not record debt at fair value. The second test estimates the potential effect on future pre-tax income that would result from increased interest rates applied to our current level of variable-rate debt. With respect to variable-rate debt, a 10 percent increase in interest rates would not have a material effect on the future results of operations or cash flows.

Commodity Price Risk

We are subject to commodity price risk, the most significant of which relates to the price of pulp. Selling prices of tissue products are influenced, in part, by the market price for pulp. As previously discussed under Item 1A, "Risk Factors," increases in pulp prices could adversely affect earnings if selling prices are not adjusted or if such adjustments significantly trail the increases in pulp prices. Derivative instruments have not been used to manage these risks.

Our energy, manufacturing and transportation costs are affected by various market factors including the availability of supplies of particular forms of energy, energy prices and local and national regulatory decisions. As previously discussed under Item 1A, "Risk Factors," there can be no assurance we will be fully protected against substantial changes in the price or availability of energy sources. In addition, we are subject to price risk for utilities and manufacturing inputs, used in our manufacturing operations. Derivative instruments are used in accordance with our risk management policy to hedge a limited portion of the price risk.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT

(Millions of dollars, except per share amounts)	Year Ended December 31		
	2015	2014	2013
Net Sales	\$ 18,591	\$ 19,724	\$ 19,561
Cost of products sold	11,967	13,041	12,952
Gross Profit	6,624	6,683	6,609
Marketing, research and general expenses	3,443	3,709	3,699
Other (income) and expense, net	1,568	453	7
Operating Profit	1,613	2,521	2,903
Interest income	17	18	20
Interest expense	(295)	(284)	(282)
Income From Continuing Operations Before Income Taxes and Equity Interests	1,335	2,255	2,641
Provision for income taxes	(418)	(856)	(828)
Income From Continuing Operations Before Equity Interests	917	1,399	1,813
Share of net income of equity companies	149	146	205
Income From Continuing Operations	1,066	1,545	2,018
Income from discontinued operations, net of income taxes	—	50	203
Net Income	1,066	1,595	2,221
Net income attributable to noncontrolling interests in continuing operations	(53)	(69)	(79)
Net Income Attributable to Kimberly-Clark Corporation	\$ 1,013	\$ 1,526	\$ 2,142
Per Share Basis			
Net Income Attributable to Kimberly-Clark Corporation			
Basic			
Continuing operations	\$ 2.78	\$ 3.94	\$ 5.05
Discontinued operations	—	0.13	0.53
Net income	\$ 2.78	\$ 4.07	\$ 5.58
Diluted			
Continuing operations	\$ 2.77	\$ 3.91	\$ 5.01
Discontinued operations	—	0.13	0.52
Net income	\$ 2.77	\$ 4.04	\$ 5.53
Cash Dividends Declared	\$ 3.52	\$ 3.36	\$ 3.24

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Millions of dollars)	Year Ended December 31		
	2015	2014	2013
Net Income	\$ 1,066	\$ 1,595	\$ 2,221
Other Comprehensive Income (Loss), Net of Tax			
Unrealized currency translation adjustments	(922)	(835)	(494)
Employee postretirement benefits	942	(275)	302
Other	5	20	17
Total Other Comprehensive Income (Loss), Net of Tax	25	(1,090)	(175)
Comprehensive Income	1,091	505	2,046
Comprehensive income attributable to noncontrolling interests	(33)	(57)	(87)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 1,058	\$ 448	\$ 1,959

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET

(Millions of dollars)	December 31	
	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 619	\$ 789
Accounts receivable, net	2,281	2,223
Inventories	1,909	1,892
Other current assets	617	655
Total Current Assets	5,426	5,559
Property, Plant and Equipment, Net	7,104	7,359
Investments in Equity Companies	247	257
Goodwill	1,446	1,628
Other Assets	619	723
TOTAL ASSETS	\$ 14,842	\$ 15,526
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 1,669	\$ 1,326
Trade accounts payable	2,612	2,616
Accrued expenses	1,750	1,974
Dividends payable	318	310
Total Current Liabilities	6,349	6,226
Long-Term Debt	6,106	5,630
Noncurrent Employee Benefits	1,137	1,693
Deferred Income Taxes	766	587
Other Liabilities	380	319
Redeemable Preferred Securities of Subsidiaries	64	72
Stockholders' Equity (Deficit)		
Kimberly-Clark Corporation		
Preferred stock - no par value - authorized 20.0 million shares, none issued	—	—
Common stock - \$1.25 par value - authorized 1.2 billion shares; issued 378.6 and 428.6 million shares at December 31, 2015 and 2014, respectively	473	536
Additional paid-in capital	609	632
Common stock held in treasury, at cost - 17.7 and 63.3 million shares at December 31, 2015 and 2014, respectively	(2,972)	(5,597)
Retained earnings	4,994	8,470
Accumulated other comprehensive income (loss)	(3,278)	(3,312)
Total Kimberly-Clark Corporation Stockholders' Equity (Deficit)	(174)	729
Noncontrolling Interests	214	270
Total Stockholders' Equity	40	999
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 14,842	\$ 15,526

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

(Millions of dollars, shares in thousands)	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interests
	Shares	Amount		Shares	Amount			
Balance at December 31, 2012	428,597	\$ 536	\$ 481	39,322	\$ (2,796)	\$ 8,823	\$ (2,059)	\$ 302
Net income in stockholders' equity	—	—	—	—	—	2,142	—	48
Other comprehensive income, net of tax								
Unrealized translation	—	—	—	—	—	—	(499)	5
Employee postretirement benefits	—	—	—	—	—	—	298	4
Other	—	—	—	—	—	—	18	(1)
Stock-based awards exercised or vested	—	—	(33)	(4,108)	264	—	—	—
Income tax benefits on stock-based compensation	—	—	46	—	—	—	—	—
Shares repurchased	—	—	—	12,584	(1,214)	—	—	—
Recognition of stock-based compensation	—	—	92	—	—	—	—	—
Dividends declared	—	—	—	—	—	(1,244)	—	(39)
Other	—	—	8	—	—	(7)	—	(35)
Balance at December 31, 2013	428,597	536	594	47,798	(3,746)	9,714	(2,242)	284
Net income in stockholders' equity	—	—	—	—	—	1,526	—	39
Other comprehensive income, net of tax								
Unrealized translation	—	—	—	—	—	—	(819)	(15)
Employee postretirement benefits	—	—	—	—	—	—	(278)	3
Other	—	—	—	—	—	—	19	1
Stock-based awards exercised or vested	—	—	(54)	(2,783)	180	—	—	—
Income tax benefits on stock-based compensation	—	—	32	—	—	—	—	—
Shares repurchased	—	—	—	18,246	(2,031)	—	—	—
Recognition of stock-based compensation	—	—	52	—	—	—	—	—
Dividends declared	—	—	—	—	—	(1,256)	—	(43)
Spin-off of health care business	—	—	—	—	—	(1,505)	9	—
Other	—	—	8	—	—	(9)	(1)	1
Balance at December 31, 2014	428,597	536	632	63,261	(5,597)	8,470	(3,312)	270
Net income in stockholders' equity	—	—	—	—	—	1,013	—	48
Other comprehensive income, net of tax								
Unrealized translation	—	—	—	—	—	—	(905)	(17)
Employee postretirement benefits	—	—	—	—	—	—	945	(3)
Other	—	—	—	—	—	—	5	—
Stock-based awards exercised or vested	—	—	(47)	(2,888)	186	—	—	—
Income tax benefits on stock-based compensation	—	—	32	—	—	—	—	—
Shares repurchased	—	—	—	7,364	(833)	—	—	—
Shares retired	(50,000)	(63)	—	(50,000)	3,272	(3,209)	—	—
Recognition of stock-based compensation	—	—	75	—	—	—	—	—
Dividends declared	—	—	—	—	—	(1,280)	—	(36)
Shares purchased from noncontrolling interest	—	—	(94)	—	—	—	(12)	(45)
Other	—	—	11	—	—	—	1	(3)
Balance at December 31, 2015	<u>378,597</u>	<u>\$ 473</u>	<u>\$ 609</u>	<u>17,737</u>	<u>\$ (2,972)</u>	<u>\$ 4,994</u>	<u>\$ (3,278)</u>	<u>\$ 214</u>

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT

(Millions of dollars)	Year Ended December 31		
	2015	2014	2013
Operating Activities			
Net income	\$ 1,066	\$ 1,595	\$ 2,221
Depreciation and amortization	746	862	863
Asset impairments	22	42	45
Stock-based compensation	75	52	92
Deferred income taxes	(255)	63	151
Net (gains) losses on asset dispositions	17	21	11
Equity companies' earnings (in excess of) less than dividends paid	(10)	28	(36)
(Increase) decrease in operating working capital	(445)	(176)	(158)
Postretirement benefits	930	(102)	(158)
Charges related to Venezuelan Operations	153	462	36
Other	7	(2)	(27)
Cash Provided by Operations	2,306	2,845	3,040
Investing Activities			
Capital spending	(1,056)	(1,039)	(953)
Acquisitions of businesses	—	—	(32)
Proceeds from dispositions of property	27	38	129
Proceeds from sales of investments	—	127	26
Investments in time deposits	(146)	(151)	(93)
Maturities of time deposits	164	239	94
Other	(39)	16	(15)
Cash Used for Investing	(1,050)	(770)	(844)
Financing Activities			
Cash dividends paid	(1,272)	(1,256)	(1,223)
Change in short-term debt	303	721	(287)
Debt proceeds	1,100	1,257	890
Debt repayments	(553)	(123)	(544)
Redemption of redeemable preferred securities of subsidiary	—	(500)	—
Cash paid on redeemable preferred securities of subsidiaries	(3)	(34)	(27)
Proceeds from exercise of stock options	140	127	232
Acquisitions of common stock for the treasury	(861)	(1,939)	(1,216)
Cash transferred to Halyard Health, Inc. related to spin-off	—	(120)	—
Shares purchased from noncontrolling interest	(151)	—	—
Other	(1)	(26)	(10)
Cash Used for Financing	(1,298)	(1,893)	(2,185)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(128)	(447)	(63)
Increase (Decrease) in Cash and Cash Equivalents	(170)	(265)	(52)
Cash and Cash Equivalents - Beginning of Year	789	1,054	1,106
Cash and Cash Equivalents - End of Year	\$ 619	\$ 789	\$ 1,054

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 . Accounting Policies

Basis of Presentation

The Consolidated Financial Statements present the accounts of Kimberly-Clark Corporation and all subsidiaries in which it has a controlling financial interest as if they were a single economic entity in conformity with accounting principles generally accepted in the United States of America ("GAAP"). All intercompany transactions and accounts are eliminated in consolidation. The terms "Corporation," "Kimberly-Clark," "we," "our," and "us" refer to Kimberly-Clark Corporation and all subsidiaries in which it has a controlling financial interest. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

In 2014, we completed the spin-off of our health care business, creating a stand-alone, publicly traded health care company, Halyard Health, Inc. ("Halyard"), by distributing 100 percent of the outstanding shares of Halyard to holders of our common stock. See Note 3 for more information. The spun-off health care business is presented as discontinued operations on the Consolidated Income Statement for all periods presented. The health care business' balance sheet, other comprehensive income and cash flows are included within our Consolidated Balance Sheet, Consolidated Statement of Stockholders' Equity, Consolidated Statement of Comprehensive Income and Consolidated Cash Flow Statement through October 31, 2014.

Accounting for Venezuelan Operations

Prior to December 31, 2015, we accounted for our operations in Venezuela using highly inflationary accounting. Since February 2013, the Central Bank of Venezuela's regulated currency exchange system rate has been 6.3 bolivars per U.S. dollar. During March 2013, the Venezuelan government announced a complementary currency exchange system, SICAD. In February 2014, the president of Venezuela announced that another floating rate exchange system (referred to as SICAD II) would be initiated. On February 10, 2015, the Venezuelan government announced the addition of a new foreign currency exchange system referred to as the Marginal Currency System, or SIMADI, along with the elimination of the SICAD II system.

We have historically measured results in Venezuela at the rate in which we transact our business. We have qualified for access to the official exchange rate because we manufacture and sell price-controlled products. Since March 2013, exchange transactions have taken place through letters of credit which resulted in an effective exchange rate of 6.3 bolivars per U.S. dollar and through approved transactions using the regulated currency exchange system, which were also at a 6.3 exchange rate. To date, we have not been invited to participate in SICAD, and currency exchanges obtained using the SIMADI system have been minimal. The SIMADI exchange rate at December 31, 2015 was 199 bolivars per U.S. dollar.

We continued to measure results at the 6.3 rate through December 31, 2014; however, given the level of uncertainty and lack of liquidity in Venezuela, we remeasured our local currency-denominated balance sheet as of December 31, 2014 at the year-end floating SICAD II exchange rate of 50 bolivars per U.S. dollar as we believed this was the most accessible rate available in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a nondeductible charge of \$462 of which \$421 is recorded in other (income) and expense, net and \$41 is recorded in cost of products sold for the year ended December 31, 2014.

With the elimination of SICAD II in February 2015, we remeasured our local currency-denominated balance sheet during the first quarter of 2015 at the applicable floating SIMADI exchange rate as we believed this was the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a nondeductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015, with \$5 recorded in cost of products sold and \$40 recorded in other (income) and expense, net. We continued to use the applicable floating SIMADI exchange rate to measure our results of operations for the remainder of 2015. Remeasurement charges since March 31, 2015 were not significant.

As a result of the continued deterioration of conditions in the country, including a slowdown in the availability of foreign exchange, we concluded that we no longer meet the accounting criteria for control over our business in Venezuela and we deconsolidated our Venezuelan operations on December 31, 2015. As a result of deconsolidating our Venezuelan operations, we recorded an after tax charge of \$102, \$108 pre-tax, in other (income) and expense, net in the fourth quarter of 2015. This charge included the write-off of our investment in our Venezuelan operations, related unrealized translation adjustments and elimination of intercompany

amounts. Beginning in the first quarter of 2016, we will no longer include the results of our Venezuelan business in our consolidated financial statements.

Net sales of K-C Venezuela represented approximately 3 percent and 2 percent of consolidated net sales for the years ended December 31, 2014 and 2013 , respectively, and were insignificant in 2015 .

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net sales and expenses during the reporting periods. Actual results could differ from these estimates, and changes in these estimates are recorded when known. Estimates are used in accounting for, among other things, sales incentives and trade promotion allowances, employee postretirement benefits, and deferred income taxes and potential assessments.

Cash Equivalents

Cash equivalents are short-term investments with an original maturity date of three months or less.

Inventories and Distribution Costs

Most U.S. inventories are valued at the lower of cost, using the Last-In, First-Out ("LIFO") method, or market. The balance of the U.S. inventories and inventories of consolidated operations outside the U.S. are valued at the lower of cost and net realizable value using either the First-In, First-Out ("FIFO") or weighted-average cost methods. Net realizable value is the estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation. Distribution costs are classified as cost of products sold.

Property and Depreciation

Property, plant and equipment are stated at cost and are depreciated on the straight-line method. Buildings are depreciated over their estimated useful lives, primarily 40 years . Machinery and equipment are depreciated over their estimated useful lives, primarily ranging from 16 to 20 years . Purchases of computer software, including external costs and certain internal costs (including payroll and payroll-related costs of employees) directly associated with developing significant computer software applications for internal use, are capitalized. Computer software costs are amortized on the straight-line method over the estimated useful life of the software, which generally does not exceed 5 years .

Estimated useful lives are periodically reviewed and, when warranted, changes are made to them. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss would be indicated when estimated undiscounted future cash flows from the use and eventual disposition of an asset group, which are identifiable and largely independent of the cash flows of other asset groups, are less than the carrying amount of the asset group. Measurement of an impairment loss would be based on the excess of the carrying amount of the asset group over its fair value. Fair value is measured using discounted cash flows or independent appraisals, as appropriate. When property is sold or retired, the cost of the property and the related accumulated depreciation are removed from the Consolidated Balance Sheet and any gain or loss on the transaction is included in income.

Goodwill and Other Intangible Assets

Goodwill represents costs in excess of fair values assigned to the underlying net assets of acquired businesses. Goodwill is not amortized, but rather is assessed for impairment annually and whenever events and circumstances indicate that impairment may have occurred. Impairment testing compares the reporting unit carrying amount of goodwill with its fair value. If the reporting unit carrying amount of goodwill exceeds its fair value, an impairment charge would be recorded. In our evaluation of goodwill impairment, we have the option to first assess qualitative factors such as macroeconomic, industry and competitive conditions, legal and regulatory environment, historical and projected financial performance, significant changes in the reporting unit and the magnitude of excess fair value over carrying amount from the previous quantitative impairment testing. If the qualitative assessment determines that it is more likely than not that the fair value of a reporting unit is less than its carrying amount, then a quantitative impairment test using discounted cash flows to estimate fair value must be performed. On the other hand, if the qualitative assessment determines that it is more likely than not that the fair value of a reporting unit is more than its carrying value, then further quantitative testing is not required. For 2015, we have completed the required annual assessment of goodwill for impairment for all of our reporting units using a qualitative assessment as of the first day of the third quarter, and have determined that it is more likely than not that the fair value is more than the carrying amount for each of our reporting units.

Intangible assets with finite lives are amortized over their estimated useful lives and are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Estimated useful lives range from 2 to 20 years for trademarks, 5 to 15 years for patents and developed technologies, and 5 to 15 years for other intangible assets. An impairment loss would be indicated when estimated undiscounted future cash flows from the use of the asset are less than its carrying amount. An impairment loss would be measured as the difference between the fair value (based on discounted future cash flows) and the carrying amount of the asset.

Investments in Equity Companies

Investments in companies which we do not control but over which we have the ability to exercise significant influence and that, in general, are at least 20 percent-owned by us, are stated at cost plus equity in undistributed net income. These investments are evaluated for impairment when warranted. An impairment loss would be recorded whenever a decline in value of an equity investment below its carrying amount is determined to be other than temporary. In judging "other than temporary," we would consider the length of time and extent to which the fair value of the equity company investment has been less than the carrying amount, the near-term and longer-term operating and financial prospects of the equity company, and our longer-term intent of retaining the investment in the equity company.

Revenue Recognition

Sales revenue is recognized at the time of product shipment or delivery, depending on when title passes, to unaffiliated customers, and when all of the following have occurred: a firm sales agreement is in place, pricing is fixed or determinable, and collection is reasonably assured. Sales are reported net of returns, consumer and trade promotions, rebates and freight allowed. Taxes imposed by governmental authorities on our revenue-producing activities with customers, such as sales taxes and value-added taxes, are excluded from net sales.

Sales Incentives and Trade Promotion Allowances

The cost of promotion activities provided to customers is classified as a reduction in sales revenue. In addition, the estimated redemption value of consumer coupons is recorded at the time the coupons are issued and classified as a reduction in sales revenue. Rebate and promotion accruals are based on estimates of the quantity of customer sales and the promotion accruals also consider estimates of the number of consumer coupons that will be redeemed, timing of promotional activities and forecasted costs for activities within the promotional programs.

Advertising Expense

Advertising costs are expensed in the year the related advertisement or campaign is first presented by the media. For interim reporting purposes, advertising expenses are charged to operations as a percentage of sales based on estimated sales and related advertising expense for the full year.

Research Expense

Research and development costs are charged to expense as incurred.

Foreign Currency Translation

The income statements of foreign operations, other than those in highly inflationary economies, are translated into U.S. dollars at rates of exchange in effect each month. The balance sheets of these operations are translated at period-end exchange rates, and the differences from historical exchange rates are reflected in stockholders' equity as unrealized translation adjustments.

Derivative Instruments and Hedging

Our policies allow the use of derivatives for risk management purposes and prohibit their use for speculation. Our policies also prohibit the use of any leveraged derivative instrument. Consistent with our policies, foreign currency derivative instruments, interest rate swaps and locks, and the majority of commodity hedging contracts are entered into with major financial institutions. At inception we formally designate certain derivatives as cash flow, fair value or net investment hedges and establish how the effectiveness of these hedges will be assessed and measured. This process links the derivatives to the transactions or financial balances they are hedging. Changes in the fair value of derivatives not designated as hedging instruments are recorded in earnings as they occur. All derivative instruments are recorded as assets or liabilities on the balance sheet at fair value. Changes in the fair value of derivatives are either recorded in the income statement or other comprehensive income, as appropriate. The gain or loss on derivatives designated as fair value hedges and the offsetting loss or gain on the hedged item attributable to the hedged risk are included in income in the period that changes in fair value occur. The effective portion of the gain or loss on derivatives designated

as cash flow hedges is included in other comprehensive income in the period that changes in fair value occur, and is reclassified to income in the same period that the hedged item affects income. The gain or loss on derivatives designated as hedges of investments in foreign subsidiaries is recognized in other comprehensive income to offset the change in value of the net investments being hedged. Any ineffective portion of cash flow hedges and net investment hedges is immediately recognized in income. Certain foreign-currency derivative instruments not designated as hedging instruments have been entered into to manage a portion of our foreign currency transactional exposures. The gain or loss on these derivatives is included in income in the period that changes in their fair values occur. See Note 13 for disclosures about derivative instruments and hedging activities.

New Accounting Standards

In July 2015, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) No. 2015-11, *Simplifying the Measurement of Inventory*. This ASU changes the measurement principle for inventories valued under the FIFO or weighted-average methods from the lower of cost or market to the lower of cost and net realizable value. Net realizable value is defined by the FASB as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. This ASU does not change the measurement principles for inventories valued under the LIFO method. We adopted this ASU on September 30, 2015. The adoption of this ASU did not have a material effect on our Consolidated Financial Statements.

In November 2015, the FASB issued ASU No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes*. Under ASU 2015-17, a reporting entity is required to classify deferred tax assets and liabilities as noncurrent in a classified statement of financial position. Current guidance requiring the offsetting of deferred tax assets and liabilities of a tax-paying component of an entity and presentation as a single noncurrent amount is not affected. This ASU is effective for public business entities issuing financial statements for the annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted for financial statements as of the beginning of an interim or annual reporting period. Entities may apply the update prospectively to all deferred tax assets and liabilities and taxes, or retrospectively for all periods presented. The effects of this update on our financial position, results of operations and cash flows are not expected to be material.

In January 2016, the FASB issued ASU No. 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, which makes limited amendments to the guidance in U.S. GAAP on the classification and measurement of financial instruments. The update significantly revises an entity's accounting related to the classification and measurement of investments in equity securities and the presentation of certain fair value changes for financial liabilities measured at fair value. It also amends certain disclosure requirements associated with the fair value of financial instruments. The update will take effect for public companies for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The effects of this update on our financial position, results of operations and cash flows are not expected to be material.

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. The standard is effective for public entities for annual and interim periods beginning after December 15, 2017. Early adoption is permitted as of one year prior to the current effective date. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

Note 2 . 2014 Organization Restructuring

In October 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth.

The restructuring is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be \$130 to \$160 after tax (\$190 to \$230 pre-tax). Cash costs are projected to be approximately 80 percent of the total charges. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Charges were recorded in the following income statement line items:

	Year Ended December 31	
	2015	2014
Cost of products sold	\$ 23	\$ 40
Marketing, research and general expenses	40	93
Provision for income taxes	(21)	(38)
Net charges	<u>\$ 42</u>	<u>\$ 95</u>

Cash payments of \$86 were made during 2015 related to the restructuring. Cash payments in 2014 were not material.

Note 3 . Spin-Off of Health Care Business and Related Costs

On October 31, 2014, we completed the spin-off of our health care business, and each of our shareholders of record as of the close of business on October 23, 2014 (the "Record Date") received one share of Halyard common stock for every 8 shares of our common stock held as of the Record Date. The distribution was structured to be tax free to our U.S. shareholders for U.S. federal income tax purposes. After the distribution, we do not beneficially own any shares of Halyard common stock.

The results of the health care discontinued operations exclude certain corporate costs which were allocated to the health care segment historically and we expect to continue to incur these costs after the spin-off. These include costs related to supply chain, finance, legal, information technology, human resources, compliance, shared services, insurance, employee benefits and incentives, and stock-based compensation. On a pre-tax basis, these costs were \$70 for the ten months ended October 31, 2014 and \$85 in 2013 .

To evaluate, plan and execute the spin-off, we incurred \$157 of pre-tax charges (\$138 after tax) in transaction and related costs, including the exit of one of Halyard's health care glove manufacturing facilities in Thailand and outsourcing of the related production. These charges and the related tax impact are recorded in Income from discontinued operations, net of income taxes.

In order to implement the spin-off, we entered into certain agreements with Halyard to effect our legal and structural separation; govern the relationship between us; and allocate various assets, liabilities and obligations between us, including, among other things, employee benefits, intellectual property and tax-related assets and liabilities. We also entered into a transition services agreement with Halyard, whereby we provided certain administrative and other services for a limited time, a tax matters agreement, an employee matters agreement, intellectual property agreements, manufacturing and supply agreements, distribution agreements and non-competition agreements.

Note 4 . European Strategic Changes

In 2012, we approved strategic changes related to our Western and Central European consumer and professional businesses to focus our resources and investments on stronger market positions and growth opportunities. We exited the diaper category in that region, with the exception of the Italian market, and divested or exited some lower-margin businesses, mostly in consumer tissue, in certain markets. The changes primarily affected our consumer businesses, with a modest impact on K - C Professional ("KCP"). The restructuring actions commenced in 2012 and were completed by December 31, 2014.

Restructuring actions related to the strategic changes involved the sale or closure of five of our European manufacturing facilities and streamlining of our administrative organization. After tax charges of \$30 and \$66 were incurred in connection with the European strategic changes in 2014 and 2013, respectively. Cumulative pre-tax charges between 2012 and 2014 for these strategic changes were \$413 (\$338 after tax). Cash payments of \$41 and \$156 were made during 2014 and 2013 , respectively, related to the restructuring.

Note 5 . Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1—Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2—Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3—Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

During 2015 and 2014, there were no significant transfers among level 1, 2 or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$57 and \$58 at December 31, 2015 and 2014, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value of the COLI policies is considered a level 2 measurement and is derived from investments in a mix of money market, fixed income and equity funds managed by unrelated fund managers. At December 31, 2015 and 2014, derivative assets were \$56 and \$54, respectively, and derivative liabilities were \$42 and \$112, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 13.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Estimated Fair Value		Estimated Fair Value	
		Carrying Amount	December 31, 2015	Carrying Amount	December 31, 2014
Assets					
Cash and cash equivalents ^(a)	1	\$ 619	\$ 619	\$ 789	\$ 789
Time deposits and other ^(b)	1	124	124	130	130
Liabilities and redeemable securities of subsidiaries					
Short-term debt ^(c)	2	1,071	1,071	777	777
Long-term debt ^(d)	2	6,704	7,300	6,179	6,963
Redeemable preferred securities of subsidiaries ^(e)	3	64	64	72	72

^(a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.

^(b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Other, included in other current assets, is composed of funds held in escrow. Time deposits and other are recorded at cost, which approximates fair value.

^(c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.

^(d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

^(e) The redeemable preferred securities of subsidiaries are not traded in active markets. For certain instruments, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. Additionally, the fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions.

Note 6 . Intangible Assets

The changes in the carrying amount of goodwill by business segment are as follows:

	Personal Care	Consumer Tissue	K-C Professional	Health Care Business	Total
Balance at December 31, 2013	\$ 684	\$ 641	\$ 424	\$ 1,432	\$ 3,181
Currency and other	(59)	(47)	(15)	(3)	(124)
Spin-off of health care business	—	—	—	(1,429)	(1,429)
Balance at December 31, 2014	625	594	409	—	1,628
Currency and other	(92)	(70)	(20)	—	(182)
Balance at December 31, 2015	<u>\$ 533</u>	<u>\$ 524</u>	<u>\$ 389</u>	<u>\$ —</u>	<u>\$ 1,446</u>

Intangible assets subject to amortization consist of the following at December 31:

	2015		2014	
	Gross Carrying Amount	Accumulated Amortization	Gross Carrying Amount	Accumulated Amortization
Trademarks	\$ 109	\$ 77	\$ 117	\$ 79
Patents and developed technologies	47	11	49	9
Other	60	34	64	33
Total	<u>\$ 216</u>	<u>\$ 122</u>	<u>\$ 230</u>	<u>\$ 121</u>

Note 7 . Debt and Redeemable Preferred Securities of Subsidiaries

Long-term debt is composed of the following:

	Weighted- Average Interest Rate	Maturities	December 31	
			2015	2014
Notes and debentures	4.3%	2016 - 2045	\$ 6,396	\$ 5,656
Dealer remarketable securities	—	—	—	200
Industrial development revenue bonds	0.1%	2018 - 2034	264	261
Bank loans and other financings in various currencies	8.1%	2016 - 2025	44	62
Total long-term debt			<u>6,704</u>	<u>6,179</u>
Less current portion			598	549
Long-term portion			<u>\$ 6,106</u>	<u>\$ 5,630</u>

Scheduled maturities of long-term debt for the next five years are \$598 in 2016 , \$964 in 2017 , \$933 in 2018 , \$308 in 2019 and \$755 in 2020 .

In August 2015 , we issued \$250 aggregate principal amount of 2.15% notes due August 2020 and \$300 aggregate principal amount of 3.05% notes due August 2025 . Proceeds from the offering were used to repay \$300 of notes due in August 2015 and to pay down a portion of our outstanding commercial paper balance.

In February 2015 , we issued \$250 aggregate principal amount of 1.85% notes due March 2020 and \$250 aggregate principal amount of 2.65% notes due March 2025 . Proceeds from the offering were used for general corporate purposes, including pension contribution payments.

In 2015, at our election, we redeemed \$200 of dealer remarketable securities.

On October 17, 2014 , we issued debt of \$640 aggregate principal amount that was transferred to Halyard as part of the spin-off.

On May 22, 2014 , we issued \$300 aggregate principal amount of floating rate notes due May 19, 2016 and \$300 aggregate principal amount of 1.9% notes due May 22, 2019 . Proceeds from the offering were used for general corporate purposes and repurchases of common stock.

In 2013 , we issued \$250 aggregate principal amount of floating rate notes due May 15, 2016 , \$350 aggregate principal amount of 2.4% notes due June 1, 2023 , and \$250 aggregate principal amount of 3.7% notes due June 1, 2043 . Proceeds from the offering were used to repay our \$500 aggregate principal amount of 5.0% notes due August 15, 2013 , to fund investment in our business and for general corporate purposes.

In 2014, we entered into a \$2.0 billion revolving credit facility which expires in 2019 . This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

Redeemable Preferred Securities of Subsidiaries

Our subsidiary in Central America has outstanding redeemable securities that are held by a noncontrolling interest and another noncontrolling interest holds certain redeemable preferred securities issued by one of our subsidiaries in North America. In December 2014, we redeemed \$0.5 billion preferred securities in our Luxembourg-based financing subsidiary, and accordingly, the subsidiary became wholly-owned by Kimberly-Clark.

Note 8 . Stock-Based Compensation

We have a stock-based Equity Participation Plan and an Outside Directors' Compensation Plan (the "Plans"), under which we can grant stock options, restricted shares and restricted share units to employees and outside directors. As of December 31, 2015 , the number of shares of common stock available for grants under the Plans aggregated 20 million shares.

Stock options are granted at an exercise price equal to the fair market value of our common stock on the date of grant, and they have a term of 10 years. Stock options are subject to graded vesting whereby options vest 30 percent at the end of each of the first two 12-month periods following the grant and 40 percent at the end of the third 12-month period.

Restricted shares, time-vested restricted share units and performance-based restricted share units granted to employees are valued at the closing market price of our common stock on the grant date and vest generally at the end of three years. The number of performance-based share units that ultimately vest ranges from zero to 200 percent of the number granted, based on performance tied to return on invested capital ("ROIC") and net sales during the three-year performance period. ROIC and net sales targets are set at the beginning of the performance period. Restricted share units granted to outside directors are valued at the closing market price of our common stock on the grant date and vest when they are granted. The restricted period begins on the date of grant and expires on the date the outside director retires from or otherwise terminates service on our Board.

At the time stock options are exercised or restricted shares and restricted share units become payable, common stock is issued from our accumulated treasury shares. Dividend equivalents are credited on restricted share units on the same date and at the same rate as dividends are paid on Kimberly-Clark's common stock. These dividend equivalents, net of estimated forfeitures, are charged to retained earnings.

Stock-based compensation costs of \$75 , \$52 and \$92 and related deferred income tax benefits of \$29 , \$19 and \$35 were recognized for 2015 , 2014 and 2013 , respectively.

The fair value of stock option awards was determined using a Black-Scholes-Merton option-pricing model utilizing a range of assumptions related to dividend yield, volatility, risk-free interest rate, and employee exercise behavior. Dividend yield is based on historical experience and expected future dividend actions. Expected volatility is based on a blend of historical volatility and implied volatility from traded options on Kimberly-Clark's common stock. The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. We estimate forfeitures based on historical data.

The weighted-average fair value of options granted was estimated at \$7.39 , \$7.89 and \$7.15 , in 2015 , 2014 and 2013 , respectively, per option on the date of grant based on the following assumptions:

	Year Ended December 31		
	2015	2014	2013
Dividend yield	3.50%	3.50%	3.70%
Volatility	13.42%	13.41%	15.40%
Risk-free interest rate	1.51%	1.73%	0.87%
Expected life - years	4.8	5.0	5.1

Total remaining unrecognized compensation costs and amortization period are as follows:

	December 31, 2015	Weighted-Average Service Years
Nonvested stock options	\$ 9	1.3
Restricted shares and time-vested restricted share units	5	1.9
Nonvested performance-based restricted share units	52	1.9

Excess tax benefits, resulting from tax deductions in excess of the compensation cost recognized, aggregating \$37 , \$37 and \$50 were classified as other cash inflows under Financing Activities in the Consolidated Cash Flow Statement for the years ended December 31, 2015 , 2014 and 2013 , respectively.

A summary of stock-based compensation is presented below:

<u>Stock Options</u>	Shares (in thousands)	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at January 1, 2015	6,961	\$ 82.32		
Granted	1,779	110.73		
Exercised	(1,941)	71.97		
Forfeited or expired	(209)	103.43		
Outstanding at December 31, 2015	6,590	92.35	6.76	\$ 230
Exercisable at December 31, 2015	3,339	77.34	4.86	\$ 167

The total intrinsic value of options exercised during the years ended December 31, 2015 , 2014 and 2013 was \$83 , \$79 and \$138 , respectively.

<u>Other Stock-Based Awards</u>	Time-Vested Restricted Share Units		Performance-Based Restricted Share Units	
	Shares (in thousands)	Weighted- Average Grant-Date Fair Value	Shares (in thousands)	Weighted- Average Grant-Date Fair Value
Nonvested at January 1, 2015	244	\$ 86.34	1,809	\$ 96.35
Granted	77	107.29	770	106.82
Vested	(212)	83.01	(683)	78.17
Forfeited	(7)	87.59	(135)	104.30
Nonvested at December 31, 2015	102	108.91	1,761	107.51

The total fair value of restricted share units that were distributed to participants during 2015 , 2014 and 2013 was \$99 , \$102 and \$45 , respectively.

Note 9 . Employee Postretirement Benefits

Substantially all regular employees in the U.S. and the United Kingdom are covered by defined benefit pension plans (the "Principal Plans") and/or defined contribution retirement plans. The information presented for the Principal Plans for 2014 and 2013 also included Canada and Puerto Rico. Certain other subsidiaries have defined benefit pension plans or, in certain countries, termination pay plans covering substantially all regular employees. The funding policy for our qualified defined benefit pension plans is to contribute assets at least equal in amount to regulatory minimum requirements. Nonqualified U.S. plans providing pension benefits in excess of limitations imposed by the U.S. income tax code are not funded.

Substantially all U.S. retirees and employees have access to our unfunded healthcare and life insurance benefit plans. The annual increase in the consolidated weighted-average healthcare cost trend rate is expected to be 5.8 percent in 2016 and to decline to 4.6 percent in 2028 and thereafter. Assumed healthcare cost trend rates affect the amounts reported for postretirement healthcare benefit plans. A one-percentage-point change in assumed healthcare trend rates would not have a significant effect on our financial results.

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pre-tax in other (income) and expense, net) during 2015 , mostly in the second quarter. In 2015 , we made cash contributions of \$410 related to these changes to the U.S. plan.

Summarized financial information about postretirement plans, excluding defined contribution retirement plans, is presented below:

	Pension Benefits		Other Benefits	
	Year Ended December 31			
	2015	2014	2015	2014
Change in Benefit Obligation				
Benefit obligation at beginning of year	\$ 6,860	\$ 6,164	\$ 788	\$ 761
Service cost	38	46	12	13
Interest cost	187	279	32	35
Actuarial loss (gain)	(150)	986	(53)	39
Currency and other	(139)	(207)	(8)	(4)
Benefit payments from plans	(235)	(356)	—	—
Direct benefit payments	(12)	(10)	(54)	(56)
Settlements	(2,590)	(42)	—	—
Benefit obligation at end of year	<u>3,959</u>	<u>6,860</u>	<u>717</u>	<u>788</u>
Change in Plan Assets				
Fair value of plan assets at beginning of year	5,914	5,567	—	—
Actual return on plan assets	54	694	—	—
Employer contributions	484	185	—	—
Currency and other	(119)	(142)	—	—
Benefit payments	(235)	(356)	—	—
Settlements	(2,590)	(34)	—	—
Fair value of plan assets at end of year	<u>3,508</u>	<u>5,914</u>	<u>—</u>	<u>—</u>
Funded Status	<u>\$ (451)</u>	<u>\$ (946)</u>	<u>\$ (717)</u>	<u>\$ (788)</u>
Amounts Recognized in the Balance Sheet				
Noncurrent asset - prepaid benefit cost	\$ 16	\$ 6	\$ —	\$ —
Current liability - accrued benefit cost	(11)	(13)	(50)	(51)
Noncurrent liability - accrued benefit cost	(456)	(939)	(667)	(737)
Net amount recognized	<u>\$ (451)</u>	<u>\$ (946)</u>	<u>\$ (717)</u>	<u>\$ (788)</u>

Information for the Principal Plans and All Other Pension Plans

	Principal Plans		All Other Pension Plans		Total	
	Year Ended December 31					
	2015	2014	2015	2014	2015	2014
Projected benefit obligation ("PBO")	\$ 3,295	\$ 6,312	\$ 664	\$ 548	\$ 3,959	\$ 6,860
Accumulated benefit obligation ("ABO")	3,253	6,221	594	475	3,847	6,696
Fair value of plan assets	3,019	5,559	489	355	3,508	5,914

Approximately one-half of the PBO and fair value of plan assets for the Principal Plans relate to the U.S. qualified and nonqualified pension plans.

Information for Pension Plans with an ABO in Excess of Plan Assets

	December 31	
	2015	2014
PBO	\$ 2,115	\$ 4,983
ABO	2,096	4,908
Fair value of plan assets	1,696	4,111

Components of Net Periodic Benefit Cost

	Pension Benefits			Other Benefits		
	Year Ended December 31					
	2015	2014	2013	2015	2014	2013
Service cost	\$ 38	\$ 46	\$ 53	\$ 12	\$ 13	\$ 17
Interest cost	187	279	257	32	35	32
Expected return on plan assets ^(a)	(215)	(332)	(331)	—	—	—
Recognized net actuarial loss	75	100	120	—	—	3
Curtailments	—	—	(32)	—	—	—
Settlements	1,357	20	1	—	—	—
Other	(10)	(3)	1	(1)	(1)	(2)
Net periodic benefit cost	<u>\$ 1,432</u>	<u>\$ 110</u>	<u>\$ 69</u>	<u>\$ 43</u>	<u>\$ 47</u>	<u>\$ 50</u>

^(a) The expected return on plan assets is determined by multiplying the fair value of plan assets at the remeasurement date, typically the prior year-end adjusted for estimated current year cash benefit payments and contributions, by the expected long-term rate of return.

Weighted-Average Assumptions Used to Determine Net Cost for Years Ended December 31

	Pension Benefits				Other Benefits		
	Projected 2016	2015	2014	2013	2015	2014	2013
Discount rate	3.91%	3.86%	4.66%	4.04%	4.28%	4.97%	3.97%
Expected long-term return on plan assets	4.84%	5.21%	5.98%	6.26%	—	—	—
Rate of compensation increase	2.32%	2.63%	2.67%	2.73%	—	—	—

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31

	Pension Benefits		Other Benefits	
	2015	2014	2015	2014
Discount rate	3.91%	3.83%	4.59%	4.28%
Rate of compensation increase	2.32%	2.63%	—	—

Investment Strategies for the Principal Plans

Strategic asset allocation decisions are made considering several risk factors, including plan participants' retirement benefit security, the estimated payments of the associated liabilities, the plan funded status, and Kimberly-Clark's financial condition. The resulting strategic asset allocation is a diversified blend of equity and fixed income investments. Equity investments are typically diversified across geographies and market capitalization. Fixed income investments are diversified across multiple sectors including government issues and corporate debt instruments with a portfolio duration that is consistent with the estimated payment of the associated liability. Actual asset allocation is regularly reviewed and periodically rebalanced to the strategic allocation when considered appropriate. Our 2016 target plan asset allocation for the Principal Plans is 70 percent fixed income securities and 30 percent equity securities.

The expected long-term rate of return is evaluated on an annual basis. In setting this assumption, we consider a number of factors including projected future returns by asset class relative to the current asset allocation. The weighted-average expected long-term rate of return on pension fund assets used to calculate pension expense for the Principal Plans was 5.35 percent in 2015 compared with 6.16 percent in 2014 and will be 5.10 percent in 2016 .

Set forth below are the pension plan assets of the Principal Plans measured at fair value, by level in the fair-value hierarchy:

	Fair Value Measurements at December 31, 2015			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Held directly	\$ 14	\$ 12	\$ 2	\$ —
Held through mutual and pooled funds	34	—	34	—
Fixed Income				
Held directly				
U.S. government and municipals	157	141	16	—
U.S. corporate debt	21	—	21	—
Held through mutual and pooled funds				
U.S. government and municipals	149	—	149	—
U.S. corporate debt	623	—	623	—
International bonds	1,236	—	1,236	—
Equity				
Held directly				
U.S. equity	58	58	—	—
International equity	30	30	—	—
Held through mutual and pooled funds				
Non-U.S. equity	67	—	67	—
Global equity	630	—	630	—
Total Plan Assets	\$ 3,019	\$ 241	\$ 2,778	\$ —

For the U.S. pension plan, Treasury futures contracts are used when appropriate to manage duration targets. As of December 31, 2015, the U.S. plan had Treasury futures contracts in place with a total notional value of approximately \$15 and an insignificant fair value.

Fair Value Measurements at December 31, 2014

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and Cash Equivalents				
Held directly	\$ 28	\$ 28	\$ —	\$ —
Held through mutual and pooled funds	175	9	166	—
Fixed Income				
Held directly				
U.S. government and municipals	252	71	181	—
U.S. corporate debt	2,167	—	2,167	—
U.S. securitized fixed income	6	—	6	—
Held through mutual and pooled funds				
U.S. corporate debt	149	—	149	—
International bonds	1,438	—	1,438	—
Multi-sector	1	1	—	—
Equity				
Held directly				
U.S. equity	18	18	—	—
Held through mutual and pooled funds				
U.S. equity	4	4	—	—
Non-U.S. equity	106	1	105	—
Global equity	1,186	—	1,186	—
Other	29	29	—	—
Total Plan Assets	\$ 5,559	\$ 161	\$ 5,398	\$ —

As of December 31, 2014, the U.S. pension plan had equity options in place with a total notional value of approximately \$950, and the fair value of the aggregate options was an asset position of \$29. As of December 31, 2014, the U.S. plan had Treasury futures contracts in place with a total notional value of approximately \$510 and an insignificant fair value.

During 2015 and 2014, the plan assets did not include a significant amount of Kimberly-Clark common stock.

Inputs and valuation techniques used to measure the fair value of plan assets vary according to the type of security being valued. Substantially all of the equity securities held directly by the plans are actively traded and fair values are determined based on quoted market prices. Fair values of U.S. Treasury securities are determined based on trading activity in the marketplace.

Fair values of U.S. corporate debt, U.S. securitized fixed income and international bonds are typically determined by reference to the values of similar securities traded in the marketplace and current interest rate levels. Multiple pricing services are typically employed to assist in determining these valuations.

Fair values of equity securities and fixed income securities held through units of pooled funds are based on net asset value of the units of the pooled fund determined by the fund manager. Pooled funds are similar in nature to retail mutual funds, but are typically more efficient for institutional investors. The fair value of pooled funds is determined by the value of the underlying assets held by the fund and the units outstanding. The value of the pooled fund is not directly observable, but is based on observable inputs.

Equity securities held directly by the pension trusts and those held through units in pooled funds are monitored as to issuer and industry. Except for U.S. Treasuries, concentrations of fixed income securities are similarly monitored for concentrations by issuer and industry. As of December 31, 2015, there were no significant concentrations of equity or debt securities in any single issuer or industry.

No significant level 3 transfers (in or out) were made in 2015 or 2014.

We expect to contribute up to \$100 to our defined benefit pension plans in 2016 . Over the next ten years, we expect that the following gross benefit payments will occur:

	<u>Pension Benefits</u>	<u>Other Benefits</u>
2016	\$ 217	\$ 51
2017	234	53
2018	238	54
2019	242	56
2020	251	58
2021-2025	1,284	291

Defined Contribution Pension Plans

Our 401(k) profit sharing plan and supplemental plan provide for a matching contribution of a U.S. employee's contributions and accruals, subject to predetermined limits, as well as a discretionary profit sharing contribution, in which contributions will be based on our profit performance. We also have defined contribution pension plans for certain employees outside the U.S. Costs charged to expense for our defined contribution pension plans were \$107 , \$121 and \$117 in 2015 , 2014 and 2013 , respectively. Approximately one-third of these costs were for plans outside the U.S.

Note 10 . Stockholders' Equity

During the first quarter of 2015 , we acquired the remaining 49.9 percent interest in our subsidiary in Israel, Hogla-Kimberly, Ltd., for \$151 . As our subsidiary in Turkey was wholly-owned by our subsidiary in Israel, through this acquisition we also effectively acquired the remaining 49.9 percent interest in our subsidiary in Turkey, Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.s. The purchase of additional ownership in an already controlled subsidiary is treated as an equity transaction with no gain or loss recognized in consolidated net income or comprehensive income. The effect of the change in ownership interest is as follows:

	<u>2015</u>
Net Income Attributable to Kimberly-Clark Corporation	\$ 1,013
Decrease in Kimberly-Clark Corporation's additional paid-in capital for acquisition	(94)
Change from net income attributable to Kimberly-Clark Corporation and transfers to noncontrolling interests	\$ 919

Accumulated Other Comprehensive Income/Loss

The changes in the components of accumulated other comprehensive income ("AOCI") attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2013	\$ (525)	\$ (1,668)	\$ (15)	\$ (34)
Other comprehensive income (loss) before reclassifications	(819)	(313)	(23)	29
(Income) loss reclassified from AOCI	—	57 ^(a)	1 ^(a)	(11)
Net current period other comprehensive income (loss)	(819)	(256)	(22)	18
Spin-off of health care business	9	—	—	—
Balance as of December 31, 2014	(1,335)	(1,924)	(37)	(16)
Other comprehensive income (loss) before reclassifications	(942)	39	35	53
(Income) loss reclassified from AOCI	37 ^(b)	872 ^(a)	(1) ^(a)	(48)
Net current period other comprehensive income (loss)	(905)	911	34	5
Shares purchased from noncontrolling interests and other	(12)	—	—	1
Balance as of December 31, 2015	\$ (2,252)	\$ (1,013)	\$ (3)	\$ (10)

(a) Included in computation of net periodic pension and postretirement benefits costs (see Note 9).

(b) Included in other (income) and expense, net as part of the charge related to the deconsolidation of our Venezuelan operations at December 31, 2015 (see Note 1).

Included in the defined benefit pension plans and other postretirement benefit plans balances as of December 31, 2015 is \$1,061 and \$46 of unrecognized net actuarial loss and unrecognized net prior service credit, respectively, of which \$52 and \$10 pre-tax, respectively, are expected to be recognized as a component of net periodic benefit cost in 2016.

The changes in the components of AOCI attributable to Kimberly-Clark, including the tax effect, are as follows:

	Year Ended December 31		
	2015	2014	2013
Unrealized translation	\$ (882)	\$ (826)	\$ (495)
Tax effect	(23)	7	(4)
	<u>(905)</u>	<u>(819)</u>	<u>(499)</u>
Defined benefit pension plans			
Unrecognized net actuarial loss and transition amount			
Funded status recognition	(4)	(624)	356
Amortization included in net periodic benefit cost	75	100	120
2015 U.S. plan settlements (recorded in Other (income) and expense, net)	1,355	—	—
Currency and other	42	69	(8)
	<u>1,468</u>	<u>(455)</u>	<u>468</u>
Unrecognized prior service cost/credit			
Funded status recognition	4	42	—
Amortization included in net periodic benefit cost	(12)	(7)	(31)
Currency and other	(2)	(3)	(1)
	<u>(10)</u>	<u>32</u>	<u>(32)</u>
Tax effect	(547)	167	(176)
	<u>911</u>	<u>(256)</u>	<u>260</u>
Other postretirement benefit plans			
Unrecognized net actuarial loss and transition amount	59	(36)	65
Unrecognized prior service cost/credit	(4)	—	(3)
Tax effect	(21)	14	(24)
	<u>34</u>	<u>(22)</u>	<u>38</u>
Cash flow hedges and other			
Recognition of effective portion of hedges	66	18	37
Amortization included in net income	(53)	(5)	(10)
Currency and other	(7)	2	4
Tax effect	(1)	3	(13)
	<u>5</u>	<u>18</u>	<u>18</u>
Shares purchased from noncontrolling interests and other	(11)	—	—
Spin-off of health care business	—	9	—
Change in AOCI	<u>\$ 34</u>	<u>\$ (1,070)</u>	<u>\$ (183)</u>

Amounts are reclassified from AOCI into cost of products sold, marketing, research and general expenses, interest expense or other (income) and expense, net, as applicable, in the Consolidated Income Statement.

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in AOCI. For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation adjustments are recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation adjustment would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation. The change in unrealized translation in 2015 is primarily due to the strengthening of the U.S. dollar versus the Brazilian real, Australian dollar, euro, Canadian dollar and Colombian peso as well as most other foreign currencies. Also included in unrealized translation amounts are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

Note 11 . Leases and Commitments

We have entered into operating leases for certain warehouse facilities, automobiles and equipment. The future minimum obligations under operating leases having a noncancelable term in excess of one year are as follows:

	Year Ending December 31
2016	\$ 142
2017	115
2018	86
2019	67
2020	53
Thereafter	82
Future minimum obligations	<u>\$ 545</u>

Consolidated rental expense under operating leases was \$279 , \$303 and \$316 in 2015 , 2014 and 2013 , respectively.

We have entered into long-term contracts for the purchase of superabsorbent materials, pulp and certain utilities. Commitments under these contracts based on current prices are \$698 in 2016 , \$170 in 2017 , \$139 in 2018 , \$144 in 2019 , \$156 in 2020 , and beyond the year 2020 are not significant.

Although we are primarily liable for payments on the above-mentioned leases and purchase commitments, our exposure to losses, if any, under these arrangements is not material.

Note 12 . Legal Matters

We are subject to various legal proceedings, claims and governmental inquiries, inspections, audits or investigations pertaining to issues such as contract disputes, product liability, tax matters, patents and trademarks, advertising, pricing, business practices, governmental regulations, employment and other matters. Although the results of litigation and claims cannot be predicted with certainty, we believe that the ultimate disposition of these matters, to the extent not previously provided for, will not have a material adverse effect, individually or in the aggregate, on our business, financial condition, results of operations or liquidity.

We are subject to federal, state and local environmental protection laws and regulations with respect to our business operations and are operating in compliance with, or taking action aimed at ensuring compliance with, these laws and regulations. We have been named a potentially responsible party under the provisions of the U.S. federal Comprehensive Environmental Response, Compensation and Liability Act, or analogous state statutes, at a number of sites where hazardous substances are present. None of our compliance obligations with environmental protection laws and regulations, individually or in the aggregate, is expected to have a material adverse effect on our business, liquidity, financial condition or results of operations.

Note 13 . Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable and fixed-rate debt composed of short and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar, generally is not hedged.

Set forth below is a summary of the designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	2015	2014	2015	2014
Foreign currency exchange contracts	\$ 56	\$ 54	\$ 27	\$ 102
Commodity price contracts	—	—	15	10
Total	\$ 56	\$ 54	\$ 42	\$ 112

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At December 31, 2015, the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$375. Fair value hedges resulted in no significant ineffectiveness in each of the three years ended December 31, 2015. For each of the three years ended December 31, 2015, gains or losses recognized in interest expense and the related assets and liabilities for interest rates swaps were not significant. For each of the three years ended December 31, 2015, no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of December 31, 2015, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in 2016 and future periods. As of December 31, 2015, the aggregate notional values of outstanding foreign exchange derivative contracts designated as cash flow hedges was \$815 and there were no outstanding interest rate derivative contracts designated as cash flow hedges. Cash flow hedges resulted in no significant ineffectiveness in each of the three years ended December 31, 2015. For each of the three years ended December 31, 2015, no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecast transaction no longer being probable of occurring. At December 31, 2015, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at December 31, 2015 is December 2018.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. Losses of \$188, \$192 and \$74 were recorded in the years ending December 31, 2015, 2014 and 2013, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At December 31, 2015, the notional amount of these undesignated derivative instruments was \$2.4 billion.

Note 14 . Income Taxes

An analysis of the provision for income taxes follows:

	Year Ended December 31		
	2015	2014	2013
Current income taxes			
United States	\$ 223	\$ 350	\$ 292
State	56	48	99
Other countries	394	387	286
Total	<u>673</u>	<u>785</u>	<u>677</u>
Deferred income taxes			
United States	(180)	67	85
State	(74)	(16)	14
Other countries	(1)	20	52
Total	<u>(255)</u>	<u>71</u>	<u>151</u>
Total provision for income taxes	<u>\$ 418</u>	<u>\$ 856</u>	<u>\$ 828</u>

Income from continuing operations before income taxes is earned in the following tax jurisdictions:

	Year Ended December 31		
	2015	2014	2013
United States	\$ 451	\$ 1,571	\$ 1,557
Other countries	884	684	1,084
Total income before income taxes	<u>\$ 1,335</u>	<u>\$ 2,255</u>	<u>\$ 2,641</u>

Deferred income tax assets and liabilities are composed of the following:

	December 31	
	2015	2014
Deferred tax assets		
Pension and other postretirement benefits	\$ 682	\$ 883
Tax credits and loss carryforwards	443	538
Other	599	667
	<u>1,724</u>	<u>2,088</u>
Valuation allowance	(274)	(215)
Total deferred tax assets	<u>1,450</u>	<u>1,873</u>
Deferred tax liabilities		
Pension and other postretirement benefits	254	260
Property, plant and equipment, net	1,118	1,162
Investments in subsidiaries	186	223
Other	281	339
Total deferred tax liabilities	<u>1,839</u>	<u>1,984</u>
Net deferred tax assets (liabilities)	<u>\$ (389)</u>	<u>\$ (111)</u>

Valuation allowances at the end of 2015 primarily relate to tax credits and income tax loss carryforwards of \$0.8 billion . If these items are not utilized against taxable income, \$357 of the loss carryforwards will expire from 2016 through 2035 . The remaining \$458 have no expiration date.

Realization of income tax loss carryforwards is dependent on generating sufficient taxable income prior to expiration of these carryforwards. Although realization is not assured, we believe it is more likely than not that all of the deferred tax assets, net of applicable valuation allowances, will be realized. The amount of the deferred tax assets considered realizable could be reduced or increased due to changes in the tax environment or if estimates of future taxable income change during the carryforward period.

Presented below is a reconciliation of the income tax provision computed at the U.S. federal statutory tax rate to the actual effective tax rate:

	Year Ended December 31		
	2015	2014	2013
U.S. statutory rate applied to income before income taxes	35.0 %	35.0 %	35.0 %
Rate of state income taxes, net of federal tax benefit	(0.9)	0.7	2.7
Statutory rates other than U.S. statutory rate	(6.9)	(3.0)	(3.0)
Venezuela deconsolidation, balance sheet remeasurement and inflationary impacts	4.5	4.9	(0.8)
Uncertain tax positions adjustment ^(a)	3.7	—	—
Routine tax incentives ^(b)	(7.4)	(3.6)	(3.9)
Net tax cost on foreign income ^(b)	5.1	3.6	1.6
Other - net ^(c)	(1.8)	0.4	(0.2)
Effective income tax rate	31.3 %	38.0 %	31.4 %

(a) In the fourth quarter of 2015, we updated our assessment of uncertain tax positions for certain international operations and as a result we recorded an immaterial income tax charge of \$49 related to prior years.

(b) In 2015, we aggregated certain items to provide additional information on impacts to our effective tax rate. Prior years have been recast to conform with the 2015 presentation.

(c) Other - net is composed of numerous items, none of which is greater than 1.75 percent of income before income taxes.

At December 31, 2015 , U.S. income taxes and foreign withholding taxes have not been provided on \$8.8 billion of unremitted earnings of subsidiaries operating outside the U.S. These earnings, which are considered to be invested indefinitely, would become subject to income tax if they were remitted as dividends, were lent to one of our U.S. entities, or if we were to sell our stock in the subsidiaries. Determination of the amount of unrecognized deferred U.S. income tax liability on these unremitted earnings is not practicable because of the complexities associated with this hypothetical calculation. We do not expect restrictions or taxes on repatriation of cash held outside of the U.S. to have a material effect on our overall liquidity, financial condition or results of operations in the foreseeable future.

Presented below is a reconciliation of the beginning and ending amounts of unrecognized income tax benefits:

	2015	2014	2013
Balance at January 1	\$ 416	\$ 473	\$ 435
Gross increases for tax positions of prior years	80	36	73
Gross decreases for tax positions of prior years	(61)	(91)	(31)
Gross increases for tax positions of the current year	59	87	37
Settlements	(63)	(77)	(35)
Other	(25)	(12)	(6)
Balance at December 31	\$ 406	\$ 416	\$ 473

Of the amounts recorded as unrecognized tax benefits at December 31, 2015 , \$307 would reduce our effective tax rate if recognized.

We recognize accrued interest and penalties related to unrecognized tax benefits in income tax expense. During each of the three years ended December 31, 2015, the net cost in interest and penalties was not significant. Total accrued penalties and net accrued interest was \$40 and \$28 at December 31, 2015 and 2014, respectively.

It is reasonably possible that a number of uncertainties could be resolved within the next 12 months. The aggregate resolution of the uncertainties could be up to \$170, while none of the uncertainties is individually significant. Resolution of these matters is not expected to have a material effect on our financial condition, results of operations or liquidity.

As of December 31, 2015, the following tax years remain subject to examination for the major jurisdictions where we conduct business:

Jurisdiction	Years
United States	2012 to 2015
United Kingdom	2012 to 2015
Brazil	2010 to 2015
Korea	2014 to 2015
China	2006 to 2015

Our U.S. federal income tax returns have been audited through 2011. We have various federal income tax return positions in administrative appeals for 2004, 2005, 2007, 2010 and 2011.

State income tax returns are generally subject to examination for a period of 3 to 5 years after filing of the respective return. The state effect of any changes to filed federal positions remains subject to examination by various states for a period of up to two years after formal notification to the states. We have various state income tax return positions in the process of examination, administrative appeals or litigation.

Note 15. Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing basic and diluted EPS. The average number of common shares outstanding is reconciled to those used in the basic and diluted EPS computations as follows:

(Millions of shares)	2015	2014	2013
Basic	363.8	374.5	384.0
Dilutive effect of stock options and restricted share unit awards	2.5	2.9	3.3
Diluted	366.3	377.4	387.3

Options outstanding that were not included in the computation of diluted EPS because their exercise price was greater than the average market price of the common shares were insignificant. The number of common shares outstanding as of December 31, 2015, 2014 and 2013 was 360.9 million, 365.3 million and 380.8 million, respectively.

Note 16. Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and KCP. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments, including the charges related to the 2014 Organization Restructuring and the European strategic changes described in Notes 2 and 4, respectively.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel, soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and Jackson Safety, are well-known for quality and trusted to help people around the world work better.

Net sales to Wal-Mart Stores, Inc. were approximately 14 percent in 2015 , and approximately 13 percent in 2014 and 2013 , of our total net sales.

Information concerning consolidated operations by business segment is presented in the following tables:

Consolidated Operations by Business Segment

	Year Ended December 31		
	2015	2014	2013
NET SALES (a)			
Personal Care	\$ 9,204	\$ 9,635	\$ 9,536
Consumer Tissue	6,121	6,645	6,637
K-C Professional	3,219	3,388	3,323
Corporate & Other	47	56	65
TOTAL NET SALES	\$ 18,591	\$ 19,724	\$ 19,561
OPERATING PROFIT (b)			
Personal Care	\$ 1,885	\$ 1,803	\$ 1,698
Consumer Tissue	1,073	1,062	988
K-C Professional	590	604	605
Corporate & Other (c)	(367)	(495)	(381)
Other (income) and expense, net (d)	1,568	453	7
TOTAL OPERATING PROFIT	\$ 1,613	\$ 2,521	\$ 2,903

(a) Net sales in the United States to third parties totaled \$8,819 , \$8,573 and \$8,557 in 2015 , 2014 and 2013 , respectively.

(b) Segment operating profit excludes other (income) and expense, net and income and expenses not associated with the business segments.

(c) Corporate & Other includes charges related to the 2014 Organization Restructuring of \$63 and \$133 , and \$5 and \$41 related to the remeasurement of the Venezuelan balance sheet, in 2015 and 2014 , respectively. Corporate & Other also includes \$23 for restructuring in Turkey in 2015 , and \$33 and \$76 related to European strategic changes in 2014 and 2013, respectively

(d) Other (income) and expense, net for 2015 and 2014 include charges of \$40 and \$421 , respectively, related to the remeasurement of the Venezuelan balance sheet. In addition, 2015 includes charges of \$108 for the deconsolidation of our Venezuelan operations and \$1,358 for charges related to pension settlements and 2014 includes a charge of \$35 related to a regulatory dispute in the Middle East. The results for 2013 include a balance sheet remeasurement charge of \$36 due to a devaluation of the Venezuelan bolivar and a charge of \$5 for European strategic changes.

	Personal Care	Consumer Tissue	K-C Professional	Corporate & Other	Ongoing Operations	Health Care Business (Spun-off)	Consolidated Total
Depreciation and Amortization							
2015	\$ 340	\$ 282	\$ 121	\$ 3	\$ 746	\$ —	\$ 746
2014	359	299	132	3	793	69	862
2013	332	318	138	4	792	71	863
Assets							
2015	6,330	5,050	2,264	1,198	14,842	—	14,842
2014	6,373	5,229	2,339	1,585	15,526	—	15,526
2013	6,623	5,483	2,431	2,012	16,549	2,370	18,919
Capital Spending							
2015	590	344	116	6	1,056	—	1,056
2014	501	314	143	6	964	75	1,039
2013	461	328	118	2	909	44	953

Sales of Principal Products

(Billions of dollars)	2015	2014	2013
Consumer tissue products	\$ 6.1	\$ 6.6	\$ 6.6
Baby and child care products	6.6	7.0	7.0
Away-from-home professional products	3.2	3.4	3.3
All other	2.7	2.7	2.7
Consolidated	\$ 18.6	\$ 19.7	\$ 19.6

Note 17. Supplemental Data

Supplemental Income Statement Data

	Year Ended December 31		
	2015	2014	2013
Advertising expense	\$ 710	\$ 767	\$ 769
Research expense	324	368	333

Equity Companies' Data

	Net Sales	Gross Profit	Operating Profit	Net Income	Corporation's Share of Net Income
2015	\$ 2,255	\$ 773	\$ 497	\$ 308	\$ 149
2014	2,452	781	485	304	146
2013	2,638	950	642	426	205

	Current Assets	Non-Current Assets	Current Liabilities	Non-Current Liabilities	Stockholders' Equity
2015	\$ 1,103	\$ 993	\$ 508	\$ 1,068	\$ 520
2014	1,016	1,040	690	963	403
2013	1,197	1,124	847	845	629

Equity companies are principally engaged in operations in the personal care and consumer tissue businesses. At December 31, 2015, our ownership interest in Kimberly-Clark de Mexico, S.A.B. de C.V. and subsidiaries was 47.9%. Kimberly-Clark de Mexico, S.A.B. de C.V. is partially owned by the public, and its stock is publicly traded in Mexico. At December 31, 2015, our investment in this equity company was \$179, and the estimated fair value of the investment was \$2.9 billion based on the market price of publicly traded shares. Our other equity ownership interests are not significant to our consolidated balance sheet or financial results.

At December 31, 2015, unremitted net income of equity companies included in consolidated retained earnings was \$1 billion.

Supplemental Balance Sheet Data

	December 31	
	2015	2014
Summary of Accounts Receivable, Net		
From customers	\$ 2,017	\$ 2,079
Other	329	210
Less allowance for doubtful accounts and sales discounts	(65)	(66)
Total	<u>\$ 2,281</u>	<u>\$ 2,223</u>

	December 31					
	2015			2014		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Summary of Inventories by Major Class						
Raw materials	\$ 100	\$ 297	\$ 397	\$ 104	\$ 322	\$ 426
Work in process	110	93	203	120	95	215
Finished goods	525	689	1,214	511	672	1,183
Supplies and other	—	278	278	—	288	288
	<u>735</u>	<u>1,357</u>	<u>2,092</u>	<u>735</u>	<u>1,377</u>	<u>2,112</u>
Excess of FIFO or weighted-average cost over LIFO cost	(183)	—	(183)	(220)	—	(220)
Total	<u>\$ 552</u>	<u>\$ 1,357</u>	<u>\$ 1,909</u>	<u>\$ 515</u>	<u>\$ 1,377</u>	<u>\$ 1,892</u>

Inventories are valued at the lower of cost and net realizable value, determined on the FIFO or weighted-average cost methods, and at the lower of cost or market, determined on the LIFO cost method.

	December 31	
	2015	2014
Summary of Property, Plant and Equipment, Net		
Land	\$ 164	\$ 177
Buildings	2,537	2,574
Machinery and equipment	13,393	13,437
Construction in progress	453	591
	<u>16,547</u>	<u>16,779</u>
Less accumulated depreciation	(9,443)	(9,420)
Total	<u>\$ 7,104</u>	<u>\$ 7,359</u>

Property, plant and equipment, net in the United States as of December 31, 2015 and 2014 was \$3,716 and \$3,685, respectively.

	December 31	
	2015	2014
Summary of Accrued Expenses		
Accrued advertising and promotion	\$ 339	\$ 326
Accrued salaries and wages	392	415
Accrued rebates	229	258
Accrued taxes - income and other	329	330
Derivatives	36	113
Other	425	532
Total	<u>\$ 1,750</u>	<u>\$ 1,974</u>

Supplemental Cash Flow Statement Data

	Year Ended December 31		
	2015	2014	2013
Summary of Cash Flow Effects of Decrease (Increase) in Operating Working Capital			
Accounts receivable	\$ 60	\$ 267	\$ 4
Inventories	(28)	12	100
Trade accounts payable	44	(30)	128
Accrued expenses	(110)	(120)	(177)
Accrued income taxes	(81)	(159)	(90)
Derivatives	(63)	103	5
Currency and other	(267)	(249)	(128)
Total	<u>\$ (445)</u>	<u>\$ (176)</u>	<u>\$ (158)</u>

	Year Ended December 31		
	2015	2014	2013
Other Cash Flow Data			
Interest paid	\$ 308	\$ 300	\$ 307
Income taxes paid	695	926	776

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
Kimberly-Clark Corporation:

We have audited the accompanying consolidated balance sheets of Kimberly-Clark Corporation and subsidiaries (the "Corporation") as of December 31, 2015 and 2014, and the related consolidated statements of income, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2015. Our audits also included the financial statement schedule listed in the Index at Item 15. These financial statements and financial statement schedule are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Kimberly-Clark Corporation and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Corporation's internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 11, 2016 expressed an unqualified opinion on the Corporation's internal control over financial reporting.

/s/ D ELOITTE & T OUCHE LLP

Deloitte & Touche LLP

Dallas, Texas

February 11, 2016

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

As of December 31, 2015, an evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a - 15(e) and 15d - 15(e) of the Securities Exchange Act of 1934 (Exchange Act)). Based on that evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of December 31, 2015.

Internal Control Over Financial Reporting

Management's Report on the Financial Statements

Our management is responsible for all aspects of the business, including the preparation of the Consolidated Financial Statements in this annual report. The Consolidated Financial Statements have been prepared using generally accepted accounting principles considered appropriate in the circumstances to present fairly our consolidated financial position, results of operations and cash flows on a consistent basis. Management also has prepared the other information in this annual report and is responsible for its accuracy and consistency with the Consolidated Financial Statements.

Some financial statement amounts are based on estimates and judgments, and measures have been taken to provide reasonable assurance of the integrity and reliability of the financial information contained in this annual report. These measures include an effective control-oriented environment in which the internal audit function plays an important role and an Audit Committee of the Board of Directors oversees the financial reporting process. The Consolidated Financial Statements have been audited by the independent registered public accounting firm, Deloitte & Touche LLP. During its audits, Deloitte & Touche LLP was given unrestricted access to all financial records, including minutes of all meetings of stockholders and our Board of Directors and all committees of our Board. Management believes that all representations made to the independent registered public accountants during their audits were valid and appropriate.

Audit Committee Oversight and Our Code of Conduct

The Audit Committee of our Board of Directors, which is composed solely of independent directors, assists our Board in fulfilling its responsibility for oversight of the quality and integrity of our accounting, auditing and financial reporting practices; the audits of our Consolidated Financial Statements; and internal control over financial reporting. The Audit Committee reviews with the auditors any relationships that may affect their objectivity and independence. The Audit Committee also reviews with management, the internal auditors and the independent registered public accounting firm the quality and adequacy of our internal control over financial reporting, including compliance matters related to our code of conduct, and the results of internal and external audits. The Audit Committee has reviewed and recommended that the audited Consolidated Financial Statements included in this report be included in the Form 10-K for filing with the Securities and Exchange Commission.

Our code of conduct, among other things, contains policies for conducting business affairs in a lawful and ethical manner everywhere we do business, for avoiding potential conflicts of interest and for preserving confidentiality of information and business ideas. Internal controls have been implemented to provide reasonable assurance that the code of conduct is followed.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and our Board of Directors regarding preparation of reliable published financial statements and safeguarding of our assets. This system is supported with written policies and procedures, contains self-monitoring mechanisms and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

We have assessed the effectiveness of our internal control over financial reporting as of December 31, 2015 . In making this assessment, we used the criteria described in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management believes that, as of December 31, 2015 , our internal control over financial reporting is effective.

Deloitte & Touche LLP has issued its attestation report on the effectiveness of our internal control over financial reporting. That attestation report appears below.

/s/ Thomas J. Falk

Thomas J. Falk

Chairman of the Board and
Chief Executive Officer

/s/ Maria Henry

Maria Henry

Senior Vice President and
Chief Financial Officer

February 11, 2016

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation described above in "Management's Report on Internal Control Over Financial Reporting" that occurred during our fourth fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Kimberly-Clark Corporation:

We have audited the internal control over financial reporting of Kimberly-Clark Corporation and subsidiaries (the "Corporation") as of December 31, 2015, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control Over Financial Reporting* . Our responsibility is to express an opinion on the Corporation's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis.

Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements and financial statement schedule of the Corporation as of and for the year ended December 31, 2015 and our report dated February 11, 2016 expressed an unqualified opinion on those financial statements and financial statement schedule.

/s/ D ELOITTE & T OUCHE LLP

Deloitte & Touche LLP

Dallas, Texas

February 11, 2016

ITEM 9B. OTHER INFORMATION

None.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following sections of our 2016 Proxy Statement for the Annual Meeting of Stockholders (the "2016 Proxy Statement") are incorporated in this Item 10 by reference:

- "The Nominees" under "Proposal 1. Election of Directors," which identifies our directors and nominees for our Board of Directors.
- "Other Information-Section 16(a) Beneficial Ownership Reporting Compliance."
- "Corporate Governance-Other Corporate Governance Policies and Practices-Code of Conduct," which describes our Code of Conduct.
- "Corporate Governance-Stockholder Rights," "Proposal 1. Election of Directors," "Other Information-Stockholder Director Nominees for Inclusion in Next Year's Proxy Statement," and "Other Information-Stockholder Director Nominees Not Included in Next Year's Proxy Statement," which describe the procedures by which stockholders may nominate candidates for election to our Board of Directors.
- "Corporate Governance-Board Committees-Audit Committee," which identifies members of the Audit Committee of our Board of Directors and audit committee financial experts.

Information regarding our executive officers is reported under the caption "Executive Officers of the Registrant" in Part I of this Report.

ITEM 11. EXECUTIVE COMPENSATION

The information in the sections of the 2016 Proxy Statement captioned "Compensation Discussion and Analysis," "Compensation Tables," "Director Compensation" and "Corporate Governance - Compensation Committee Interlocks and Insider Participation" is incorporated in this Item 11 by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information in the sections of the 2016 Proxy Statement captioned "Equity Compensation Plan Information" under "Proposal 4. Reapproval of Performance Goals Under the 2011 Equity Participation Plan" and "Other Information - Security Ownership Information" is incorporated in this Item 12 by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information in the sections of the 2016 Proxy Statement captioned "Other Information - Transactions with Related Persons" and "Corporate Governance - Director Independence" is incorporated in this Item 13 by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information in the sections of the 2016 Proxy Statement captioned "Principal Accounting Firm Fees" and "Audit Committee Approval of Audit and Non-Audit Services" under "Proposal 2. Ratification of Auditors" is incorporated in this Item 14 by reference.

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Documents filed as part of this report.

1. Financial statements.

The financial statements are set forth under Item 8 of this report on Form 10-K.

2. Financial statement schedules.

The following information is filed as part of this Form 10-K and should be read in conjunction with the financial statements contained in Item 8:

- Report of Independent Registered Public Accounting Firm

Schedule for Kimberly-Clark Corporation and Subsidiaries:

- Schedule II Valuation and Qualifying Accounts

All other schedules have been omitted because they were not applicable or because the required information has been included in the financial statements or notes thereto.

3. Exhibits

- Exhibit No. (2)a. Distribution Agreement, dated October 31, 2014, between Halyard Health, Inc. and the Corporation, incorporated by reference to Exhibit No. 2.1 of the Corporation's Current Report on Form 8-K dated October 31, 2014.
- Exhibit No. (2)b. Definitive Purchase Agreement, dated as of February 23, 2015, by and among the Corporation, The Prudential Insurance Company of America, Prudential Financial, Inc., and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, incorporated by reference to Exhibit No. (2)b of the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015.**
- Exhibit No. (2)c. Definitive Purchase Agreement, dated as of February 23, 2015, by and among the Corporation, Massachusetts Mutual Life Insurance Company, and State Street Bank and Trust Company, as Independent Fiduciary of the Kimberly-Clark Corporation Pension Plan, incorporated by reference to Exhibit No. (2)c of the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015.**
- Exhibit No. (3)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.
- Exhibit No. (3)b. By-Laws, as amended December 14, 2015, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated December 14, 2015.
- Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.
- Exhibit No. (10)a. Management Achievement Award Program, as amended and restated November 13, 2008, incorporated by reference to Exhibit No. (10)a of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*

- Exhibit No. (10)b. Executive Severance Plan, as amended and restated as of December 31, 2014, incorporated by reference to Exhibit No. (10)b of the Corporation's Current Report on Form 8-K dated September 17, 2014.*
- Exhibit No. (10)c. Seventh Amended and Restated Deferred Compensation Plan for Directors, effective January 1, 2008, incorporated by reference to Exhibit No. (10)c of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008.*
- Exhibit No. (10)d. Executive Officer Achievement Award Program as amended November 12, 2008, incorporated by reference to Exhibit No. (10)d of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*
- Exhibit No. (10)e. Letter Agreement between the Corporation and Sandra MacQuillan, incorporated by reference to Exhibit No. (10)e of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015.*
- Exhibit No. (10)f. Deferred Compensation Plan, as amended and restated, dated December 31, 2005, incorporated by reference to Exhibit No. (10)f of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2005.*
- Exhibit No. (10)g. Outside Directors' Stock Compensation Plan, as amended, incorporated by reference to Exhibit No. (10)g of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2002.*
- Exhibit No. (10)h. Supplemental Benefit Plan to the Kimberly-Clark Corporation Pension Plan, as amended and restated effective April 17, 2009, incorporated by reference to Exhibit No. (10)h of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009.*
- Exhibit No. (10)i. Second Supplemental Benefit Plan to the Kimberly-Clark Corporation Pension Plan, as amended and restated, effective April 17, 2009, incorporated by reference to Exhibit No. (10)i of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2009.*
- Exhibit No. (10)j. Kimberly-Clark Corporation Supplemental Retirement 401(k) and Profit Sharing Plan, as amended and restated, effective January 1, 2010, incorporated by reference to Exhibit No. (10)j of the Corporation's Current Report on Form 8-K dated December 21, 2009.*
- Exhibit No. (10)k. Letter Agreement between the Corporation and Maria Henry, incorporated by reference to Exhibit No. (10)k of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015.*
- Exhibit No. (10)l. 2011 Outside Directors' Compensation Plan, as amended and restated, effective April 21, 2011, incorporated by reference to Exhibit No. 10.l of the Corporation's Current Report on Form 8-K dated April 26, 2011.*
- Exhibit No. (10)m. 2011 Equity Participation Plan, as amended and restated, effective April 21, 2011, incorporated by reference to Exhibit No. 10.2 of the Corporation's Current Report on Form 8-K dated April 26, 2011.*
- Exhibit No. (10)n. Form of Award Agreements under 2011 Equity Participation Plan for Nonqualified Stock Options and Time-Vested Restricted Stock Units, incorporated by reference to Exhibit No. (10)n of the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.*

Exhibit No. (10)o.	Summary of Outside Directors' Compensation pursuant to the 2011 Outside Directors' Compensation Plan, effective January 1, 2015, incorporated by reference to Exhibit No. (10)o of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2014.
Exhibit No. (10)p.	Severance Pay Plan, amended and restated, effective June 25, 2013, incorporated by reference to Exhibit No. (10)p of the Corporation's Quarterly Report on Form 10-Q for the quarter ended March 31, 2014.*
Exhibit No. (10)q.	Form of Award Agreements under 2011 Equity Participation Plan for Performance Restricted Stock Units, incorporated by reference to Exhibit No. (10)n of the Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015.*
Exhibit No. (10)t.	Summary of Financial Counseling Program for Kimberly-Clark Corporation Executives, dated November 12, 2008, incorporated by reference to Exhibit No. (10)t of the Corporation's Annual Report on Form 10-K for the year ended December 31, 2008.*
Exhibit No. (10)v.	Tax Matters Agreement, dated October 31, 2014, between Halyard Health, Inc. and the Corporation, incorporated by reference to Exhibit No. 10.1 of the Corporation's Current Report on Form 8-K dated October 31, 2014.
Exhibit No. (12).	Computation of ratio of earnings to fixed charges for the five years ended December 31, 2015, filed herewith.
Exhibit No. (21).	Subsidiaries of the Corporation, filed herewith.
Exhibit No. (23).	Consent of Independent Registered Public Accounting Firm, filed herewith.
Exhibit No. (24).	Powers of Attorney, filed herewith.
Exhibit No. (31)a.	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.
Exhibit No. (31)b.	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
Exhibit No. (32)a.	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
Exhibit No. (32)b.	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
Exhibit No. (101).INS	XBRL Instance Document
Exhibit No. (101).SCH	XBRL Taxonomy Extension Schema Document
Exhibit No. (101).CAL	XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

* A management contract or compensatory plan or arrangement required to be identified pursuant to Item 15(a)(3) of this Annual Report on Form 10-K.

** Pursuant to a request for confidential treatment, which has been granted, portions of this exhibit have been redacted from the publicly filed document and have been furnished separately to the Securities and Exchange Commission as required by Rule 24b-2 under the Securities Exchange Act of 1934. Schedules and exhibits to this agreement have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished supplementally to the Securities and Exchange Commission on request.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KIMBERLY-CLARK CORPORATION

February 11, 2016

By: /s/ Maria Henry

Maria Henry
Senior Vice President and
Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>/s/ Thomas J. Falk</u> Thomas J. Falk	Chairman of the Board and Chief Executive Officer and Director (principal executive officer)	February 11, 2016
<u>/s/ Maria Henry</u> Maria Henry	Senior Vice President and Chief Financial Officer (principal financial officer)	February 11, 2016
<u>/s/ Michael T. Azbell</u> Michael T. Azbell	Vice President and Controller (principal accounting officer)	February 11, 2016

Directors

John F. Bergstrom	James M. Jenness
Abelardo E. Bru	Nancy J. Karch
Robert W. Decherd	Ian C. Read
Fabian T. Garcia	Marc J. Shapiro
Mae C. Jemison	Michael D. White

By: /s/ Thomas J. Mielke

Thomas J. Mielke
Attorney-in-Fact

February 11, 2016

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2015 , 2014 AND 2013
(Millions of dollars)

<u>Description</u>	Balance at Beginning of Period	Additions		Deductions		Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts ^(a)	Write-Offs and Reclassifications		
December 31, 2015						
Allowances deducted from assets to which they apply						
Allowance for doubtful accounts	\$ 50	\$ 12	\$ (10)	\$ 2 ^(b)		\$ 50
Allowances for sales discounts	16	256	(1)	256 ^(c)		15
December 31, 2014						
Allowances deducted from assets to which they apply						
Allowance for doubtful accounts	\$ 51	\$ 13	\$ (7)	\$ 7 ^(b)		\$ 50
Allowances for sales discounts	20	265	(1)	268 ^(c)		16
December 31, 2013						
Allowances deducted from assets to which they apply						
Allowance for doubtful accounts	\$ 60	\$ —	\$ (4)	\$ 5 ^(b)		\$ 51
Allowances for sales discounts	20	275	(1)	274 ^(c)		20

^(a) Includes bad debt recoveries and the effects of changes in foreign currency exchange rates.

^(b) Primarily uncollectible receivables written off.

^(c) Sales discounts allowed.

<u>Description</u>	Balance at Beginning of Period	Additions		Deductions ^(a)	Balance at End of Period
		Charged to Costs and Expenses	Charged to Other Accounts		
December 31, 2015					
Deferred taxes					
Valuation allowance	\$ 215	\$ 78	\$ —	\$ 19	\$ 274
December 31, 2014					
Deferred taxes					
Valuation allowance	\$ 197	\$ 30	\$ —	\$ 12	\$ 215
December 31, 2013					
Deferred taxes					
Valuation allowance	\$ 215	\$ (11)	\$ —	\$ 7	\$ 197

^(a) Represents the net currency effects of translating valuation allowances at current rates of exchange.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
Computation of Ratio of Earnings to Fixed Charges
(Dollar amounts in millions)

	Year Ended December 31				
	2015	2014	2013	2012	2011
<u>Consolidated Companies</u>					
Income from continuing operations before income taxes	\$ 1,335	\$ 2,255	\$ 2,641	\$ 2,110	\$ 1,893
Interest expense	295	284	282	285	277
Interest factor in rent expense	93	101	106	101	88
Amortization of capitalized interest	9	23	12	11	13
<u>Equity Affiliates</u>					
Share of 50%-owned:					
Income before income taxes	(2)	1	6	3	(1)
Interest expense	-	-	-	-	-
Interest factor in rent expense	-	-	-	-	-
Amortization of capitalized interest	-	-	-	-	-
Distributed income of less than 50%-owned	136	168	163	148	137
Earnings	<u>\$ 1,866</u>	<u>\$ 2,832</u>	<u>\$ 3,210</u>	<u>\$ 2,658</u>	<u>\$ 2,407</u>
<u>Consolidated Companies</u>					
Interest expense	\$ 295	\$ 284	\$ 282	\$ 285	\$ 277
Capitalized interest	15	11	14	9	8
Interest factor in rent expense	93	101	106	101	88
<u>Equity Affiliates</u>					
Share of 50%-owned:					
Interest and capitalized interest	-	-	-	-	-
Interest factor in rent expense	-	-	-	-	-
Fixed Charges	<u>\$ 403</u>	<u>\$ 396</u>	<u>\$ 402</u>	<u>\$ 395</u>	<u>\$ 373</u>
Ratio of earnings to fixed charges	<u>4.63</u>	<u>7.15</u>	<u>7.99</u>	<u>6.73</u>	<u>6.45</u>

KIMBERLY-CLARK CORPORATION
CONSOLIDATED SUBSIDIARIES

Abdelia Comercial Ltda., Brazil
Bacraft Industria de Papel Ltda., Brazil
Badgers LLC, Delaware
Badgers II LLC, Delaware
Balder d.o.o., Slovenia
Beco, Inc., Wisconsin
Bonster S.A., Luxembourg
Colombiana Kimberly Colpapel S.A., Colombia
Comercializadora de Fibras Guaicaipuro, C.A., Venezuela
Comercializadora de Repuestos Industriales Guaicaipuro, C.A., Venezuela
Delaware Overseas Finance, Inc., Wisconsin
Durafab, LLC, Wisconsin
Excell Paper Sales Company, Pennsylvania
Gerincomfort Industria e Comercio de Productos Higienicos Ltda., Brazil
Hogla-Kimberly Holdings AS, Turkey
Hogla-Kimberly Limited, Israel
Hogla-Kimberly Marketing Limited, Israel
Hoosiers LLC, Delaware
Hoosiers II LLC, Delaware
Housing Horizons, LLC, Texas
I-Flow, LLC, Delaware
Jackson Products, Inc., Wisconsin
Jackson Safety Canada, Ltd., Ontario, Canada
K-C Advertising, Inc., Wisconsin
K-C AFC Manufacturing, S. de R.L. de C. V., Mexico
K-C Antioquia Global Ltda., Colombia
K-C Equipment Finance LP, United Kingdom
K-C Guernsey I Limited, Isle of Guernsey
K-C Guernsey II Limited, Isle of Guernsey
K-C Nevada, Inc., Nevada
K.C.S.A. Holdings (Pty) Limited, South Africa
Kalayaan Land Corporation, Philippines
KCA Super Pty Limited, Australia
KCSSA East Africa Limited, Africa
KCSSA West Africa Limited, Africa
Kimberly Bolivia S.A., Bolivia
Kimberly Clark MEA DMCC, Dubai
Kimberly-Clark (China) Company Ltd, China
Kimberly-Clark (Cyprus) Limited, Cyprus
Kimberly-Clark (Hong Kong) Limited, Hong Kong

Kimberly-Clark (Nanjing) Care Products Co. Ltd., China
Kimberly-Clark (Nanjing) Personal Hygienic Products Company Limited, China
Kimberly-Clark (Shanghai) Trading Co., Ltd., China
Kimberly-Clark (Singapore) Finance Pte Ltd, Singapore
Kimberly-Clark (Tianjin) Care Products Co., Ltd., China
Kimberly-Clark (Trinidad) Ltd., Trinidad & Tobago
Kimberly-Clark Amsterdam Holdings, B.V., Netherlands
Kimberly-Clark Argentina S.A., Argentina
Kimberly-Clark Asia Holdings Pte. Ltd, Singapore
Kimberly-Clark Asia Pacific Headquarters Pte Ltd, Singapore
Kimberly-Clark Asia Pacific Pte. Ltd, Singapore
Kimberly-Clark Australia Holdings Pty Limited, Australia
Kimberly-Clark Australia Pty. Limited, Australia
Kimberly-Clark B.V., Netherlands
Kimberly-Clark BVBA, Belgium
Kimberly-Clark Bahrain Holding Company S.P.C., Bahrain
Kimberly-Clark Brasil Holdings Limitada, Brazil
Kimberly-Clark Brasil Industria e Comercio de Produtos de Higiene Ltda, Brazil
Kimberly-Clark Brazil Holdings, LLC, Delaware
Kimberly-Clark Canada Holdings ULC, British Colombia, Canada
Kimberly-Clark Canada International Holdings Inc., Ontario, Canada
Kimberly-Clark Canada Services ULC, British Colombia, Canada
Kimberly-Clark Canada Services Subsidiary ULC, Canada
Kimberly-Clark Canada U.K. Holding Limited, United Kingdom
Kimberly-Clark Cayman Islands Company, Cayman Islands
* Kimberly-Clark Central American Holdings, S.A., Panama
Kimberly-Clark Chile S.A., Chile
Kimberly-Clark Colombia Holding Limitada, Colombia
* Kimberly-Clark Costa Rica Limitada, Costa Rica
* Kimberly-Clark de Centro America, S.A., El Salvador
* Kimberly-Clark de Honduras, S.de R.L. de C.V., Honduras
Kimberly-Clark Denmark Holdings ApS, Denmark
Kimberly-Clark Dominican Republic S.A., Dominican Republic
Kimberly-Clark Dominicana, S.A., Dominican Republic
Kimberly-Clark Dutch Holdings B.V., Netherlands
Kimberly-Clark Ecuador S.A., Ecuador
Kimberly-Clark Ede Holdings B.V., Netherlands
Kimberly-Clark Europe Limited, United Kingdom
Kimberly-Clark European Investment B.V., Netherlands
Kimberly-Clark European Services Limited, United Kingdom
Kimberly-Clark Finance Canada ULC, Canada
Kimberly-Clark Finance Limited, United Kingdom
*Kimberly-Clark Financial Services, Inc., Tennessee
Kimberly-Clark Germany Holding GmbH, Koblenz
Kimberly-Clark Global Sales, LLC, Wisconsin
Kimberly-Clark GmbH, Austria

Kimberly-Clark GmbH, Germany
Kimberly-Clark GmbH, Switzerland
*Kimberly-Clark Guatemala, Limitada, Guatemala
Kimberly-Clark Hellas EPE, Greece
Kimberly-Clark Holding Limited, United Kingdom
Kimberly-Clark Holding srl, Italy
Kimberly-Clark Holland Holdings B.V., Netherlands
Kimberly-Clark Hygiene Products Private Limited, India
Kimberly-Clark Inc., Ontario, Canada
Kimberly-Clark Industrial Solutions Mexico, S. de R.L. de C.V., Mexico
Kimberly-Clark Innovacion Global Ltda., Colombia
Kimberly-Clark Innovation Center, Brazil
Kimberly-Clark Innovation Corporation, South Korea
Kimberly-Clark Integrated Services Corporation, Wisconsin
Kimberly-Clark International Holding Limited, United Kingdom
Kimberly-Clark International Services Corporation, Wisconsin
Kimberly-Clark International, S.A., Panama
Kimberly-Clark Investment Canada Inc., Canada
Kimberly-Clark Japan Godo Kaisha, Japan
Kimberly-Clark Kazakhstan Limited Liability Partnership, Kazakhstan
Kimberly-Clark Latin America Investments, Inc., Wisconsin
Kimberly-Clark Latin America, Inc., Wisconsin
Kimberly-Clark LDA, Portugal
*Kimberly-Clark Lever Private Limited, India
Kimberly-Clark Limited, United Kingdom
Kimberly-Clark Luxembourg Finance S.à r.l., Luxembourg
Kimberly-Clark Luxembourg Holdings S.à r.l., Luxembourg
Kimberly-Clark Luxembourg S.à r.l., Luxembourg
Kimberly-Clark Magyarorszag Kft., Hungary
Kimberly-Clark Manufacturing (Thailand) Limited, Thailand
Kimberly-Clark Mediterranean Finance Company Ltd., Malta
Kimberly-Clark Netherlands Holdings B.V., Netherlands
Kimberly-Clark Noordzee Cooperatief U.A., Netherlands
Kimberly-Clark North Asia (HK) Limited, Hong Kong
Kimberly-Clark of South Africa (Pty) Ltd., South Africa
Kimberly-Clark Pacific Finance Company, Cayman Islands
Kimberly-Clark Pacific Holdings Pty Limited, Australia
Kimberly-Clark Paper (Shanghai) Co. Ltd, China
Kimberly-Clark Paraguay, S.A., Paraguay
Kimberly-Clark Patriot Holdings, Inc., Cayman Islands
Kimberly-Clark Pennsylvania, LLC, Wisconsin
Kimberly-Clark Pension Trusts Ltd., United Kingdom
Kimberly-Clark Personal Hygienic Products Co. Ltd., Beijing, China
Kimberly-Clark Peru S.R.L., Peru
Kimberly-Clark Philippines Inc., Philippines
Kimberly-Clark Polska Sp. Z.o.o., Poland

Kimberly-Clark Products (M) Sdn. Bhd., Malaysia
Kimberly-Clark Produtos Para Saude Limitada, Brazil
Kimberly-Clark Puerto Rico, Inc., Wisconsin
Kimberly-Clark Regional Services (M) Sdn. Bhd., Malaysia
Kimberly-Clark S.L.U., Spain
Kimberly-Clark s.r.l., Italy
Kimberly-Clark s.r.o., Czech Republic
Kimberly-Clark SAS, France
Kimberly-Clark Scandinavia ApS, Denmark
Kimberly-Clark Services Asia-Pacific Pty Limited, Australia
Kimberly-Clark Services, Inc., Wisconsin
Kimberly-Clark Singapore Pte. Ltd., Singapore
Kimberly-Clark Southeast Asia Holdings Pte. Ltd., Singapore
Kimberly-Clark Southern Africa (Holdings) (Pty) Ltd., South Africa
Kimberly-Clark Taiwan, Cayman Islands
Kimberly-Clark Thailand Limited, Thailand
Kimberly-Clark Trading (M) Sdn. Bhd., Malaysia
Kimberly-Clark Trading and Services Limitada, Costa Rica
Kimberly-Clark Trading Kft, Hungary
Kimberly-Clark Treasury Australia Pty Limited, Australia
Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.S., Turkey
Kimberly-Clark Tulip Holdings, B.V., Netherlands
Kimberly-Clark U.K. Operations Limited, United Kingdom
Kimberly-Clark Uruguay S.A., Uruguay
Kimberly-Clark Utrecht Holdings BV, Netherlands
Kimberly-Clark Venezuela, C.A., Venezuela
Kimberly-Clark Ventures, LLC, Delaware
Kimberly-Clark Vietnam Holdings Pte. Ltd., Singapore
Kimberly-Clark Vietnam Ltd., Vietnam
Kimberly-Clark Worldwide Australia Holdings Pty. Limited, Australia
Kimberly-Clark Worldwide Taiwan Investment Limited, Taiwan
Kimberly-Clark Worldwide, Inc., Wisconsin
Kimberly-Clark Zimbabwe (Private) Limited, South Africa
*Kimnica, Sociedad Anonima, Nicaragua
KS & J Industria e Comercio Limitada, Brazil
Limited Liability Company Kimberly-Clark, Russia

Limited Liability Company with Foreign Investment 'Kimberly-Clark Ukraine', Ukraine
Maharlika Water Services Corporation, Philippines
Manlak Waste Recovery (Pty) Limited, South Africa
Mimo S.A., Argentina
Minnetonka Limitada, Brazil
Minnetonka Overseas Investments Limited, Cayman Islands
Molett Marketing Limited, Israel
Nueva Arizona S.A., Argentina
Papeles del Cauca S.A., Colombia
P.T. Kimberly-Clark Indonesia, Indonesia

Ridgeway Insurance Company Limited, Bermuda
Ropers II LLC, Delaware
Scott Executive Pension Trustees Limited, United Kingdom
SK Corporation, Taiwan
Taiwan Scott Paper Corporation, Taiwan
Technology Systems S.A., Argentina
Texans II LLC, Delaware
Three Rivers Timber Company, Washington
Unified Resource Services Mexico, S. de R.L. de C. V., Mexico
*VOID Technologies Limited, United Kingdom
*Yuhan-Kimberly Limited, South Korea

* Indicates a company that is not wholly owned directly or indirectly by the Corporation.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 33-49050, 33-58402, 33-64689, 333-02607, 333-06996, 333-17367, 333-173725, 333-43647, 333-94139, 333-51922, 333-61010, 333-62358, 333-89314, 333-104099, 333-115347, 333-155380, 333-161986, and 333-163891 on Form S-8 and Nos. 333-144828, 333-167886, and 333-189633 on Form S-3 of our reports dated February 11, 2016, relating to the consolidated financial statements and financial statement schedule of Kimberly-Clark Corporation and subsidiaries (the "Corporation"), and the effectiveness of the Corporation's internal control over financial reporting, appearing in this Annual Report on Form 10-K of the Corporation for the year ended December 31, 2015.

/s/ D ELOITTE & T OUCHE LLP

Deloitte & Touche LLP

Dallas, Texas

February 11, 2016

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ John F. Bergstrom

John F. Bergstrom

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Abelardo E. Bru

Abelardo E. Bru

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Robert W. Decherd

Robert W. Decherd

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Fabian T. Garcia

Fabian T. Garcia

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for her and in her name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Mae C. Jemison

Mae C. Jemison

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ James M. Jenness

James M. Jenness

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for her and in her name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Nancy J. Karch

Nancy J. Karch

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Ian C. Read

Ian C. Read

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for her and in her name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Marc J. Shapiro

Marc J. Shapiro

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned does hereby constitute and appoint Maria Henry, Michael T. Azbell and Thomas J. Mielke, and each of them, with full power to act alone, his true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign Kimberly-Clark Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February 2016.

/s/ Michael D. White

Michael D. White

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this annual report on Form 10-K of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

February 11, 2016

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

CERTIFICATIONS

I, Maria Henry, certify that:

1. I have reviewed this annual report on Form 10-K of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

February 11, 2016

/s/ Maria Henry

Maria Henry

Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-K , filed with the Securities and Exchange Commission on February 11, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

February 11, 2016

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Maria Henry, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-K , filed with the Securities and Exchange Commission on February 11, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Maria Henry

Maria Henry
Chief Financial Officer

February 11, 2016

EXHIBIT II DEFINITIVE PROXY STATEMENT OF THE ISSUER ON SCHEDULE 14A, FILED
WITH THE SEC ON 11 MARCH 2016

KIMBERLY CLARK CORP

FORM DEF 14A (Proxy Statement (definitive))

Filed 03/11/16 for the Period Ending 05/04/16

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

Kimberly-Clark Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies: _____
 - (2) Aggregate number of securities to which transaction applies: _____
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): _____
 - (4) Proposed maximum aggregate value of transaction: _____
 - (5) Total fee paid: _____
- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - (1) Amount Previously Paid: _____
 - (2) Form, Schedule or Registration Statement No.: _____
 - (3) Filing Party: _____
 - (4) Date Filed: _____



Kimberly-Clark

**Proxy Statement
For 2016 Annual Meeting of Stockholders**



March 11, 2016

Thomas J. Falk
Chairman of the Board and
Chief Executive Officer

FELLOW STOCKHOLDERS:

It is my pleasure to invite you to the Annual Meeting of Stockholders of Kimberly-Clark Corporation. The meeting will be held on Wednesday, May 4, 2016, at 9:00 a.m. at our World Headquarters, which is located at 351 Phelps Drive, Irving, Texas.

At the Annual Meeting, stockholders will be asked to elect eleven directors for a one-year term, ratify the selection of Kimberly-Clark's independent auditors, approve the compensation for our named executive officers, reapprove the performance goals under the Corporation's 2011 Equity Participation Plan, and approve the amended and restated 2011 Outside Directors' Compensation Plan. These matters are fully described in the accompanying Notice of Annual Meeting and proxy statement.

Your vote is important. Regardless of whether you plan to attend the meeting, I urge you to vote your shares as soon as possible. You may vote using the proxy form by completing, signing, and dating it, then returning it by mail. Also, most of our stockholders can submit their vote by telephone or through the Internet. If telephone or Internet voting is available to you, instructions will be included on your proxy form. Additional information about voting your shares is included in the proxy statement.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas J. Falk', written in a cursive style.



Notice of Annual Meeting of Stockholders

TO BE HELD
MAY 4, 2016

AT OUR WORLD HEADQUARTERS
**351 Phelps Drive
Irving, Texas**

The Annual Meeting of Stockholders of Kimberly-Clark Corporation will be held at our World Headquarters, which is located at 351 Phelps Drive, Irving, Texas, on Wednesday, May 4, 2016, at 9:00 a.m. for the following purposes:

1. To elect as directors the eleven nominees named in the accompanying proxy statement;
2. To ratify the selection of Deloitte & Touche LLP as our independent auditors for 2016;
3. To approve the compensation for our named executive officers in an advisory vote;
4. To reapprove the performance goals under the Corporation's 2011 Equity Participation Plan; and
5. To approve the amended and restated 2011 Outside Directors' Compensation Plan.

Stockholders also will take action upon any other business that may properly come before the meeting.

Stockholders of record at the close of business on March 7, 2016 are entitled to notice of and to vote at the meeting or any adjournments.

It is important that your shares be represented at the meeting. I urge you to vote promptly by using the Internet or telephone or by signing, dating and returning your proxy form.

The accompanying proxy statement also is being used to solicit voting instructions for shares of Kimberly-Clark common stock that are held by the trustees of our employee benefit and stock purchase plans for the benefit of the participants in the plans. It is important that participants in the plans indicate their preferences by using the Internet or telephone or by signing, dating and returning the voting instruction card, which is enclosed with the proxy statement, in the business reply envelope provided.

To attend in person, please register by following the instructions on page 11.

March 11, 2016

By Order of the Board of Directors.

A handwritten signature in black ink, appearing to read 'J. Melucci'.

Jeffrey P. Melucci
Vice President—
Deputy General Counsel
and Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on May 4, 2016

The Proxy Statement and proxy card, as well as our Annual Report on Form 10-K for the year ended December 31, 2015, are available at <http://www.kimberly-clark.com/investors>.



Table of Contents

5 **[Proxy Summary](#)**

9 **[Information About Our Annual Meeting](#)**

- 9 [How We Provide Proxy Materials](#)
- 9 [Who May Vote](#)
- 9 [How To Vote](#)
- 10 [How to Revoke or Change Your Vote](#)
- 10 [Votes Required](#)
- 10 [How Abstentions will be Counted](#)
- 11 [Effect of Not Instructing Your Broker](#)
- 11 [Direct Stock Purchase and Dividend Reinvestment Plan](#)
- 11 [Employee Benefit Plans](#)
- 11 [Attending the Annual Meeting](#)
- 11 [Costs of Solicitation](#)

12 **[Corporate Governance](#)**

- 12 [Board Leadership Structure](#)
- 13 [Director Independence](#)
- 14 [Board Meetings](#)
- 14 [Board Committees](#)
- 19 [Compensation Committee Interlocks and Insider Participation](#)
- 19 [Stockholder Rights](#)
- 20 [Communicating With Directors; Stockholder Engagement Policy](#)
- 20 [Investor Outreach](#)
- 20 [Other Corporate Governance Policies and Practices](#)

23 **[Proposal 1. Election of Directors](#)**

- 23 [Process for Director Elections](#)
- 23 [Process and Criteria for Nominating Directors](#)
- 25 [Committee Review of Attributes of Current Directors](#)
- 25 [Diversity of Directors](#)
- 25 [The Nominees](#)
- 31 [Director Compensation](#)
- 32 [2015 Outside Director Compensation](#)

35 **[Proposal 2. Ratification of Auditors](#)**

- 36 [Principal Accounting Firm Fees](#)



36 [Audit Committee Approval of Audit and Non-Audit Services](#)

37 [Audit Committee Report](#)

38 [Proposal 3. Advisory Vote to Approve Named Executive Officer Compensation](#)

39 [Compensation Discussion and Analysis](#)

39 [2015 Compensation Highlights](#)

42 [Executive Compensation Objectives and Policies](#)

44 [Components of Our Executive Compensation Program](#)

45 [Setting Annual Compensation](#)

47 [Executive Compensation for 2015](#)

55 [Benefits and Other Compensation](#)

56 [Executive Compensation for 2016](#)

59 [Additional Information About Our Compensation Practices](#)

62 [Management Development and Compensation Committee Report](#)

63 [Analysis of Compensation-Related Risks](#)

64 [Compensation Tables](#)

64 [Summary Compensation](#)

68 [Grants of Plan-Based Awards](#)

69 [Discussion of Summary Compensation and Plan-Based Awards Tables](#)

70 [Outstanding Equity Awards](#)

72 [Option Exercises and Stock Vested](#)

72 [Pension Benefits](#)

75 [Nonqualified Deferred Compensation](#)

78 [Potential Payments on Termination or Change of Control](#)

85 [Proposal 4. Reapproval of Performance Goals Under the 2011 Equity Participation Plan](#)

85 [Purpose](#)

85 [Plan Term](#)

85 [Administration](#)

86 [Eligibility](#)

86 [Shares Authorized; Share Limitations](#)

87 [Section 162\(m\)](#)

87 [Awards](#)

89 [Performance Goals](#)

89 [Vesting](#)

89 [Amendment of the 2011 Plan; Modifications of Awards](#)



90	Re-pricings and Cash Buyouts Prohibited
90	Effect of Change of Control
91	Non-Transferability of Awards
91	Use of Proceeds
91	U.S. Federal Income Tax Consequences
91	Closing Quotation
92	Equity Compensation Plan Information

93 [Proposal 5. Approval of Amended and Restated 2011 Outside Directors' Compensation Plan](#)

93	Plan Term
93	Shares to be Granted
93	Annual Individual Limit
94	Awards
95	Administration; Termination
95	Amendment; Expiration
95	Effect of Section 409A of the Code
96	U.S. Federal Tax Consequences
96	Plan Benefits

97 [Other Information](#)

97	Security Ownership Information
99	Section 16(a) Beneficial Ownership Reporting Compliance
99	Transactions with Related Persons
100	Stockholders Sharing the Same Household
100	Stockholder Proposals for Inclusion in Next Year's Proxy Statement
100	Stockholder Director Nominees for Inclusion in Next Year's Proxy Statement
100	Stockholder Director Nominees Not Included in Next Year's Proxy Statement
101	Other Stockholder Proposals Not Included in Next Year's Proxy Statement

102 [Other Matters to be Presented at the Meeting](#)

Appendices

A-1	Appendix A - 2011 Equity Participation Plan
B-1	Appendix B - 2011 Equity Participation Plan — U.S. Federal Income Tax Consequences
C-1	Appendix C - 2011 Outside Directors' Compensation Plan
D-1	Appendix D - 2011 Outside Directors' Compensation Plan — U.S. Federal Income Tax Consequences



Proxy Summary

This section contains only selected information. Stockholders should review the entire Proxy Statement before casting their votes.

Matters for Stockholder Voting

Proposal	Description	Board voting recommendation	
1	Election of Directors	Election of 11 directors to serve for a one-year term	FOR all nominees
2	Ratification of auditors for the coming year	Approval of the Audit Committee's selection of Deloitte & Touche LLP as Kimberly-Clark's independent auditor for 2016	FOR
3	Say-on-pay	Advisory approval of our named executive officers' compensation	FOR
4	Reapproval of performance goals under 2011 Equity Participation Plan	Reapproval of performance goals in order to meet requirements of Section 162(m) of the Internal Revenue Code for performance-based compensation	FOR
5	Approval of amended and restated 2011 Outside Directors' Compensation Plan	Approval of amendment to add an annual limit on compensation that can be paid to an individual director	FOR

2015 Performance and Compensation Highlights

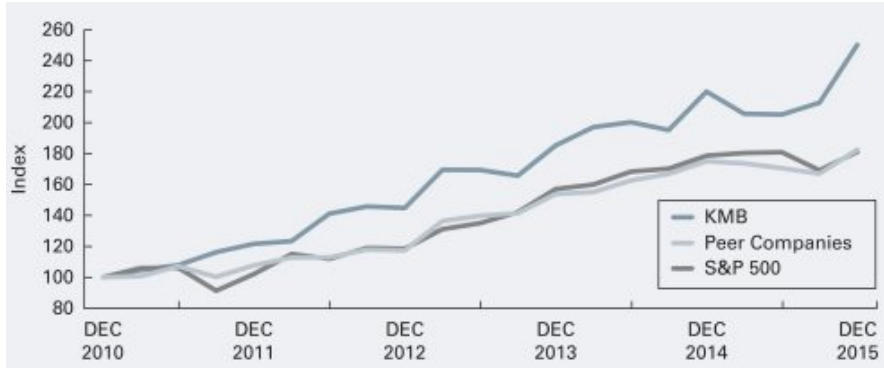
The Management Development and Compensation Committee of our Board concluded that Kimberly-Clark's management delivered financial performance in 2015 that was above-target from an overall perspective, as reflected in the financial metrics of our annual incentive program.

Performance Measures	2015 Results	2015 Target
Net sales	\$18.59 billion	\$19.00 billion
Adjusted EPS	\$5.76	\$5.70
Adjusted OPROS improvement	+120 bps	+90 bps

For details on how these measures are adjusted, see "Compensation Discussion and Analysis — Executive Compensation for 2015, 2015 Performance Goals, Performance Assessments and Payouts."



Based on this performance, the Committee approved annual cash incentives for 2015 slightly above the target amount, including an annual incentive payout for our Chief Executive Officer of 105 percent.



The chart at left shows the Total Shareholder Return for Kimberly-Clark, our Executive Compensation Peer Group (taken as a whole) and the S&P 500 for the previous five years. We believe this indicates that the execution of our global business plan and the oversight by our management and Board have been effective for the growth of Kimberly-Clark as well as for returning value to our stockholders.

Corporate Governance

In 2015, we took the following new governance actions:

- ▶ adopted a proxy access By-Law amendment
- ▶ adopted a formal stockholder engagement policy
- ▶ adopted a policy prohibiting hedging and pledging of our common stock by directors, executive officers and other designated employees, and
- ▶ added Michael D. White, former Chairman, President and Chief Executive Officer of DIRECTV, to our Board of Directors.

The Corporate Governance section beginning on page 12 describes our governance framework, which includes the following:

Our Corporate Governance Profile

Independent Lead Director	Stockholders have Right to Call Special Meetings
Independent Board Committees	Proxy Access Rights
Annual Board and Committee Evaluations	Stockholder Engagement Policy and Robust Outreach Program
Annually Elected Directors	Anti-Hedging and Pledging Policy
Independent Directors Meet Without Management Present	Stock Ownership Guidelines for Directors and Executive Officers
Robust Succession Planning and Risk Oversight	Codes of Conduct for Directors, Officers and Employees
Majority Voting in Director Elections	



Our Board Nominees

Listed below are Kimberly-Clark’s Board nominees. We believe they collectively possess the necessary experience and attributes to effectively guide our company and reflect the diversity of our global consumers.

Name Main Occupation	Committee Roles*	Independent	Experience Highlights
Thomas J. Falk Chairman of the Board and CEO Kimberly-Clark Corporation	EC		<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements; background in accounting u Leadership experience as a CEO u Industry knowledge u International experience u Marketing, compensation, governance, and public company board experience
John F. Bergstrom Chairman and CEO Bergstrom Corporation	AC	✓	<ul style="list-style-type: none"> u Audit Committee Financial Expert u Leadership experience as a CEO u Provides diversity of background/viewpoint u Marketing, compensation, governance and public company board experience
Abelardo E. Bru Retired Vice Chairman Pepsico, Inc.	MDCC (Chair) EC	✓	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements u Leadership experience as a CEO u Industry knowledge u International experience u Provides diversity of background/viewpoint u Marketing, compensation, governance and public company board experience
Robert W. Decherd Vice Chairman A.H. Belo Corporation	AC	✓	<ul style="list-style-type: none"> u Audit Committee Financial Expert u Leadership experience as a CEO u Provides diversity of background/viewpoint u Marketing, compensation, governance and public company board experience
Fabian T. Garcia COO Global Innovation and Growth, Europe & Hill’s Pet Nutrition, Colgate-Palmolive Company	MDCC NCGC	✓	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements u Leadership experience as a COO u Industry knowledge u International experience u Provides diversity of background/viewpoint u Marketing, compensation and governance experience
Mae C. Jemison, M.D. President The Jemison Group	MDCC NCGC	✓	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements u Leadership experience with start-ups and non-profits u International experience u Provides diversity of background/viewpoint u Compensation, governance and public company board experience

- * AC *Audit Committee*
- * EC *Executive Committee*
- * MDCC *Management Development and Compensation Committee*
- * NCGC *Nominating and Corporate Governance Committee*



Our Board Nominees (continued)

Name Main Occupation	Committee Roles*	Independent	Experience Highlights
James M. Jenness Retired Chairman of the Board and CEO Kellogg Company	EC (Chair)	✓ Independent Lead Director	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements u Leadership experience as a CEO u Industry knowledge u International experience u Marketing, compensation, governance and public company board experience
Nancy J. Karch Retired Director McKinsey & Co.	NCGC (Chair) EC	✓	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements; background in finance u Leadership experience as a Senior Executive u Industry knowledge u Provides diversity of background/viewpoint u Compensation, governance and public company board experience
Ian C. Read Chairman of the Board and CEO Pfizer, Inc.	AC (Chair) EC	✓	<ul style="list-style-type: none"> u Audit Committee Financial Expert u Leadership experience as a CEO u International experience u Provides diversity of background/viewpoint u Marketing, compensation, governance and public company board experience
Marc J. Shapiro Retired Vice Chairman, JPMorgan Chase & Co.	MDCC NCGC	✓	<ul style="list-style-type: none"> u Meets NYSE financial literacy requirements; background in banking/finance u Leadership experience as a CEO u Provides diversity of background/viewpoint u Compensation, governance and public company board experience
Michael D. White Former Chairman, President and Chief Executive Officer of DIRECTV	AC	✓	<ul style="list-style-type: none"> u Audit Committee Financial Expert u Leadership experience as a CEO u Provides diversity of background/viewpoint u Marketing, compensation, governance and public company board experience u Digital marketing and e-commerce experience

* AC *Audit Committee*
 * EC *Executive Committee*
 * MDCC *Management Development and Compensation Committee*
 * NCGC *Nominating and Corporate Governance Committee*

Information About Our Annual Meeting

On behalf of the Board of Directors of Kimberly-Clark Corporation, we are soliciting your proxy for use at the 2016 Annual Meeting of Stockholders, to be held on May 4, 2016, at 9:00 a.m. at our World Headquarters in Irving, Texas.

How We Provide Proxy Materials

We began providing our proxy statement and form of proxy to stockholders on March 11, 2016.

As Securities and Exchange Commission (“SEC”) rules permit, we are making our proxy statement and our annual report available to many of our stockholders via the Internet rather than by mail. This reduces printing and delivery costs and supports our sustainability efforts. You may have received in the mail a “Notice of Electronic Availability” explaining how to access this proxy statement and our annual report on the Internet and how to vote online. If you received this Notice but would like to receive a paper copy of the proxy materials, you should follow the instructions contained in the notice for requesting these materials.

Who May Vote

If you were a stockholder of record at the close of business on the record date of March 7, 2016, you are eligible to vote at the meeting. Each share that you own entitles you to one vote.

As of the record date, 360,669,790 shares of our common stock were outstanding.

How To Vote

You may vote in person by attending the meeting, by using the Internet or telephone, or (if you received printed proxy materials) by completing and returning a proxy form by mail. If telephone or Internet voting is available to you, see the instructions on the notice of electronic availability or the proxy form and have the notice or proxy form available when you access the Internet website or place your telephone call. To vote your proxy by mail, mark your vote on the proxy form, then follow the instructions on the card.

Please note that if you received a notice of electronic availability as described above, you cannot vote your shares by filling out and returning the notice. Instead, you should follow the instructions contained in the notice on how to vote by using the Internet or telephone.



The named proxies will vote your shares according to your directions. The voting results will be certified by independent Inspectors of Election.

If you sign and return your proxy form, or if you vote using the Internet or by telephone, but you do not specify how you want to vote your shares, the named proxies will vote your shares as follows:

- ▶ FOR the election of directors named in this proxy statement
- ▶ FOR ratification of the selection of our independent auditors
- ▶ FOR approval of the compensation of our named executive officers
- ▶ FOR reapproval of the performance goals under the 2011 Equity Participation Plan
- ▶ FOR approval of the amended and restated 2011 Outside Directors' Compensation Plan

How To Revoke or Change Your Vote

There are several ways to revoke or change your vote:

- ▶ Mail a revised proxy form to the Corporate Secretary of Kimberly-Clark (the form must be received before the meeting starts). Use the following address: 351 Phelps Drive, Irving, TX 75038
- ▶ Use the Internet voting website
- ▶ Use the telephone voting procedures
- ▶ Attend the meeting and vote in person

Votes Required

There must be a quorum to conduct business at the Annual Meeting, which is established by having a majority of the shares of our common stock present in person or represented by proxy.

Election of Directors. A director nominee will be elected if he or she receives a majority of the votes cast at the meeting in person or by proxy. If any nominee does not receive a majority of the votes cast, then that nominee will be subject to the Board's existing policy regarding resignations by directors who do not receive a majority of "for" votes.

Other Proposals or Matters. Approval requires the affirmative vote of a majority of shares that are present at the Annual Meeting in person or by proxy and are entitled to vote on the proposal or matter.

How Abstentions will be Counted

Election of Directors. Abstentions will have no impact on the outcome of the vote. They will not be counted for the purpose of determining the number of votes cast or as votes "for" or "against" a nominee.

Other Proposals. Abstentions will be counted:

- ▶ as present in determining whether we have a quorum
- ▶ in determining the total number of shares entitled to vote on a proposal
- ▶ as votes against a proposal



Effect of Not Instructing Your Broker

Routine Matters. If your shares are held through a broker and you do not instruct the broker on how to vote your shares, your broker may choose to leave your shares unvoted or to vote your shares on routine matters. "Proposal 2. Ratification of Auditors" is the only routine matter on the agenda at this year's Annual Meeting.

Non-Routine Matters. Without instructions, your broker cannot vote your shares on non-routine matters, resulting in what are known as "broker non-votes." Broker non-votes will not be considered present or entitled to vote on non-routine matters and will also not be counted for the purpose of determining the number of votes cast on these proposals.

Direct Stock Purchase and Dividend Reinvestment Plan

If you participate in our Direct Stock Purchase and Dividend Reinvestment Plan, you will receive a proxy form that represents the number of full shares in your plan account plus any other shares registered in your name. There are no special instructions for voting shares held in the plan; simply use the normal voting methods described in this proxy statement.

Employee Benefit Plans

We are also sending or otherwise making this proxy statement and voting materials available to participants who hold Kimberly-Clark stock through any of our employee benefit and stock purchase plans. The trustee of each plan will vote whole shares of stock attributable to each participant's interest in the plans in accordance with the participant's directions. If a participant gives no directions, the plan committee will direct the voting of his or her shares.

Attending the Annual Meeting

If you are eligible to vote, you or a duly appointed representative may attend the Annual Meeting in person. If you do plan to attend, we ask that you inform us electronically, by telephone, or by checking the appropriate box on your proxy form. This will assist us with meeting preparations and help to expedite your admittance.

If your shares are not registered in your own name and you would like to attend the meeting, please ask the broker, trust, bank or other nominee that holds your shares to provide you with written proof of your share ownership as of the record date. This will enable you to gain admission to the meeting.

If you need directions to the meeting, please contact Stockholder Services by telephone at (972) 281-5317 or by e-mail at stockholders@kcc.com.

Costs of Solicitation

Kimberly-Clark will bear all costs of this proxy solicitation, including the cost of preparing, printing and delivering materials, the cost of the proxy solicitation and the expenses of brokers, fiduciaries and other nominees who forward proxy materials to stockholders. In addition to mail and electronic means, our employees may solicit proxies by telephone or otherwise. We have retained D. F. King & Co., Inc. to aid in the solicitation at a cost of approximately \$20,000 plus reimbursement of out-of-pocket expenses.



Corporate Governance

Our governance structure and processes are based on a number of important governance documents including our Code of Conduct, Certificate of Incorporation, Corporate By-Laws, Corporate Governance Policies and our Board Committee Charters. These documents, which are available in the Investors section of our website at www.kimberly-clark.com, guide the Board and our management in the execution of their responsibilities.

Kimberly-Clark believes that there is a direct connection between good corporate governance and long-term, sustained business success, and we believe it is important to uphold sound governance practices. As such, the Board reviews its governance practices and documents on an ongoing basis, considering changing regulatory requirements, governance trends, and issues raised by our stockholders. After careful evaluation, we may periodically make changes to maintain or enhance current governance practices and promote stockholder value.

Board Leadership Structure

The Board has established a leadership structure that allocates responsibilities between our Chairman of the Board and Chief Executive Officer (CEO) and our Lead Director. The Board believes that this allocation provides for dynamic Board leadership while maintaining strong independence and oversight.

Consistent with this leadership structure, at least once a quarter our Lead Director, who is an independent director, chairs executive sessions of our non-management directors. Members of the company's senior management team do not attend these sessions.

Chairman and Chief Executive Officer Positions

The Board's current view is that a combined Chairman and CEO position, coupled with a predominantly independent board and a proactive, independent Lead Director, promotes candid discourse and responsible corporate governance. Mr. Falk serves as Chairman of the Board and CEO. The Board believes Mr. Falk's thirty years of operational and management experience at Kimberly-Clark has demonstrated the leadership and vision necessary to lead the Board and Kimberly-Clark. Accordingly, Mr. Falk continues to serve in this combined role at the pleasure of the Board without an employment contract.

Lead Director

Mr. Jenness served as independent Lead Director in 2015. Our Corporate Governance Policies outline the significant role and responsibilities of the Lead Director, which include:

- ▶ Chairing the Executive Committee
- ▶ Chairing executive sessions at which non-management directors meet outside management's presence, and providing feedback from such sessions to the Chief Executive Officer
- ▶ Coordinating the activities of the Independent Directors
- ▶ Providing input on agendas and schedules for Board meetings
- ▶ Leading (with the Chairman of the Nominating and Corporate Governance Committee) the annual Board evaluation



- ▶ Leading (with the Chairman of the Management Development and Compensation Committee) the Board's review and discussion of the Chief Executive Officer's performance
- ▶ Providing feedback to individual directors following their periodic evaluations
- ▶ Speaking on behalf of the Board and chairing Board meetings when the Chairman of the Board is unable to do so
- ▶ Acting as a direct conduit to the Board for stockholders, employees and others according to the Board's policies

Director Independence

Our By-Laws provide that a majority of our directors must be independent ("Independent Directors"). We believe our independent board helps ensure good corporate governance and strong internal controls.

Our Corporate Governance Policies, as adopted by the Board, provide independence standards consistent with the rules and regulations of the SEC and the listing standards of the New York Stock Exchange ("NYSE"). Our independence standards can be found in Section 17 of our Corporate Governance Policies.

The Board has determined that all directors and nominees, except for Thomas J. Falk, are Independent Directors and meet the independence standards in our Corporate Governance Policies. In addition, the Board previously reviewed the independence of former directors John R. Alm, who did not stand for re-election at our 2015 Annual Meeting, and Linda Johnson Rice, who resigned in August 2015, and found that Mr. Alm and Ms. Johnson Rice were also independent. In making these determinations, the Board considered the following:

- ▶ We made charitable contributions of \$132,000 in 2013 and \$175,000 in 2014 and paid approximately \$85,000 in 2013 for venue rental to the Fox Cities Performing Arts Center in Appleton, Wisconsin, where Mr. Bergstrom is a director. We have significant operations and a significant number of employees in the Fox Cities area of Wisconsin.
- ▶ Companies majority-owned by Mr. Bergstrom paid us approximately \$55,000 in 2013, \$57,000 in 2014 and \$57,000 in 2015 to lease excess hangar space at an airport near Appleton, Wisconsin and approximately \$195,000 in 2013, \$200,000 in 2014 and \$205,000 in 2015 for pilot services pursuant to a pilot sharing contract. In addition, these companies paid us approximately \$196,000 in 2013, \$197,000 in 2014 and \$201,000 in 2015 for scheduling and aircraft services for their airplane.
- ▶ We paid approximately \$111,000 in 2013, \$78,600 in 2014 and \$8,000 in 2015 for automobiles and related services to car dealerships in the Neenah, Wisconsin area that are majority-owned by Mr. Bergstrom.
- ▶ We made a charitable contribution of \$50,000 in 2013 to the Education is Freedom Foundation, where Mr. Bru is a director.
- ▶ We purchased advertising totaling \$43,000 in 2014 for advertising services from entities owned directly or indirectly by A.H. Belo Corporation, where Mr. Decherd serves as Vice Chairman of the Board.
- ▶ We paid approximately \$51,000 in 2013 and \$16,000 in 2014 for the purchase of products for cooperative marketing to Colgate-Palmolive Company, where Mr. Garcia is Chief Operating Officer, Global Innovation and Growth, Europe & Hill's Pet Nutrition.
- ▶ Colgate-Palmolive Company paid us approximately \$78,000 in 2013 for products.



- ▶ Pfizer, Inc., for which Mr. Read serves as Chairman and Chief Executive Officer, paid us approximately \$89,000 in 2013, \$42,000 in 2014 and \$77,000 in 2015 for products.
- ▶ We made a charitable contribution of \$25,000 in each of 2013, 2014 and 2015 to the United Negro College Fund, where Ms. Johnson Rice is a director.
- ▶ We purchased advertising totaling \$90,000 in 2013 and \$20,000 in 2014 from entities owned directly or indirectly by Johnson Publishing Company, Inc., where Ms. Johnson Rice is Chairman. These amounts constituted less than five percent of the gross revenues of Johnson Publishing Company, Inc., for 2013 and 2014, respectively.
- ▶ We paid approximately \$645,000 in 2013, \$665,000 in 2014 and \$497,000 in 2015 to JPMorgan Chase & Co. (“JPMC”) for investment banking services. Mr. Shapiro serves as a consultant to JPMC and as non-executive Chairman of its Texas operations. We do not believe his relationship with JPMC gives him a direct or indirect material interest in our transactions with JPMC.

The NYSE listing standards and our own Corporate Governance Policies establish certain levels at which transactions are considered to have the potential to affect a director’s independence. The transactions listed above all fall below these levels.

Board Meetings

The Board of Directors met six times in 2015. All of the directors attended in excess of 75 percent of the total number of meetings of the Board and the committees on which they served.

All of our directors are encouraged to attend our annual meeting of stockholders. All of our directors attended the 2015 Annual Meeting, with the exception of Mr. Alm, who retired from the Board just prior to the 2015 Annual Meeting.

Board Committees

The standing committees of the Board include the Audit Committee, Management Development and Compensation Committee, Nominating and Corporate Governance Committee, and Executive Committee. In compliance with applicable NYSE corporate governance listing standards, the Board has adopted charters for all Committees except the Executive Committee.

Our Committee charters are available in the Investors section of our website at www.kimberly-clark.com.

As set forth in our Corporate Governance Policies, the Audit, Management Development and Compensation, and Nominating and Corporate Governance Committees all have the authority to retain independent advisors and consultants, with all costs paid by Kimberly-Clark.



Audit Committee

Chairman: Ian C. Read

Other members: John F. Bergstrom, Robert W. Decherd, and Michael D. White

The Board has determined that each Audit Committee member is an “audit committee financial expert” under SEC rules and regulations. In addition, all Audit Committee members satisfy the NYSE’s financial literacy requirements and qualify as Independent Directors under the rules of the SEC and the NYSE, as well as under our Corporate Governance Policies. See “Corporate Governance - Director Independence” for additional information on Independent Directors.

No member of the Audit Committee serves on the audit committees of more than three public companies. Under our Audit Committee Charter and NYSE corporate governance listing standards, if a member were to serve on more than three such committees, the Board would then determine whether this situation impairs the member’s ability to serve effectively on our Audit Committee, and we would post information about this determination on the Investors section of our website at www.kimberly-clark.com.

During 2015 the Committee met eight times.

The Committee’s principal functions, as specified in its charter, include:

- ▶ Overseeing:
 - ▶ the quality and integrity of our financial statements
 - ▶ our compliance programs
 - ▶ our hedging strategies and policies
 - ▶ the independence, qualification and performance of our independent auditors
 - ▶ the performance of our internal auditors
- ▶ Selecting and engaging our independent auditors, subject to stockholder ratification
- ▶ Pre-approving all audit and non-audit services that our independent auditors provide
- ▶ Reviewing the scope of audits and audit findings, including any comments or recommendations of our independent auditors
- ▶ Establishing policies for our internal audit programs
- ▶ Overseeing the company’s risk management program (including risks related to data privacy and cybersecurity) and receiving periodic reports from management on risk assessments, the risk management process, and issues related to the risks of managing our business

For additional information about the Audit Committee’s oversight activities in 2015, see “Proposal 2. Ratification of Auditors - Audit Committee Report.”



Management Development and Compensation Committee

Chairman: Abelardo E. Bru

Other members: Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro

Each member of this Committee is an Independent Director under the rules of the SEC and the NYSE, as well as under our Corporate Governance Policies. The Committee met five times in 2015.

The Committee's principal functions, as specified in its charter, include:

- ▶ Establishing and administering the policies governing annual compensation and long-term compensation, including stock option awards, restricted stock awards and restricted share unit awards, such that the policies are designed to align compensation with our overall business strategy and performance
- ▶ Setting, after an evaluation of his overall performance, the compensation level of the Chief Executive Officer
- ▶ Determining, in consultation with the Chief Executive Officer, compensation levels and performance targets for the senior executive team
- ▶ Overseeing:
 - ▶ leadership development for senior management and future senior management candidates
 - ▶ a periodic review of our long-term and emergency succession planning for the Chief Executive Officer and other key officer positions, in conjunction with our Board
 - ▶ key organizational effectiveness and engagement policies
- ▶ Reviewing diversity and inclusion programs and related metrics
- ▶ Annually reviewing our compensation policies and practices for the purpose of mitigating risks arising from these policies and practices that could reasonably have a material adverse effect

Roles of the Committee and the CEO in Compensation Decisions

Each year, the Committee reviews and sets the compensation of the officers that are elected by the Board (our "elected officers"), including our Chief Executive Officer and our other executive officers. The Committee's charter does not permit the Committee to delegate to anyone the authority to establish any compensation policies or programs for elected officers, including our executive officers. With respect to officers that have been appointed to their position (our "non-elected officers"), our Chief Executive Officer has the authority to establish compensation programs and to approve equity grants. However, only the Committee may make grants to elected officers, including our executive officers.

Our Chief Executive Officer makes a recommendation to the Committee each year on the appropriate target annual compensation for each of the other executive officers. The Committee makes the final determination of the target annual compensation for each executive officer, including our Chief Executive Officer. While our Chief Executive Officer and Chief Human Resources Officer typically attend Committee meetings, none of the other executive officers is present during the portion of the Committee's meetings when compensation for executive officers is set. In addition, our Chief Executive Officer is not present during the portion of the Committee's meetings when his compensation is set.



For additional information on the Committee's processes and procedures for determining executive compensation, and for a detailed discussion of our compensation policies, see "Compensation Discussion and Analysis."

Use of Compensation Consultants

The Committee's charter authorizes it to retain advisors, including compensation consultants, to assist it in its work. The Committee believes that compensation consultants can provide important market information and perspectives that can help it determine compensation programs that best meet the objectives of our compensation policies. In selecting a consultant, the Committee evaluates the independence of the firm as a whole and of the individual advisors who will be working with the Committee.

Independent Committee Consultant. In 2015, the Committee retained Semler Brossy Consulting Group as its independent executive compensation consultant. According to the Committee's written policy, the independent Committee consultant provides services solely to the Committee and not to Kimberly-Clark. Semler Brossy has no other business relationship with Kimberly-Clark and receives no payments from us other than fees for services to the Committee. Semler Brossy reports directly to the Committee, and the Committee may replace it or hire additional consultants at any time. A representative of Semler Brossy attends Committee meetings and communicates with the Chairman of the Committee between meetings from time to time.

The scope of Semler Brossy's engagement in 2015 included:

- ▶ Conducting a review of the competitive market data (including base salary, annual incentive targets and long-term incentive targets) for our executive officers, including our Chief Executive Officer
- ▶ Reviewing and commenting, as requested by the Committee, on recommendations by management and Mercer Human Resource Consulting ("Mercer") concerning executive compensation programs, including program changes and redesign, special awards, change-of-control provisions, our executive compensation peer group, any executive contract provisions, promotions, retirement and related items
- ▶ Reviewing and commenting on the Committee's report for the proxy statement
- ▶ Attending Committee meetings
- ▶ Periodically consulting with the Chairman of the Committee

During 2015, at the request of the Committee, a representative of Semler Brossy attended all Committee meetings.

Kimberly-Clark Consultant. To assist management and the Committee in assessing our compensation programs and determining appropriate, competitive compensation for our executive officers, Kimberly-Clark annually engages an outside compensation consultant. In 2015, it retained Mercer for this purpose. Mercer has provided consulting services to Kimberly-Clark on a wide variety of human resources and compensation matters, both at the officer and non-officer levels. During 2015, Mercer provided advice and counsel on various matters relating to executive and director remuneration, including the following services:

- ▶ Assessing our executive compensation peer group and recommending changes as necessary
- ▶ Assessing compensation levels within our peer group for executive officer positions and other selected positions
- ▶ Reviewing historic and projected performance for peer group companies under the metrics we use in our annual and long-term incentive plans



- ▶ Assisting in incentive plan design and modifications, as requested
- ▶ Providing market research on various issues as requested by management
- ▶ Preparing for and participating in Committee meetings, as requested
- ▶ Reviewing the Compensation Discussion and Analysis section of the proxy statement and other disclosures, as requested
- ▶ Consulting with management on compensation matters

Committee Assessment of Consultant Conflicts of Interest. The Committee has reviewed whether the work provided by Semler Brossy and Mercer represents any conflict of interest. Factors considered by the Committee include: (1) other services provided to Kimberly-Clark by the consultant; (2) what percentage of the consultant’s total revenue is made up of fees from Kimberly-Clark; (3) policies or procedures of the consultant that are designed to prevent a conflict of interest; (4) any business or personal relationships between individual consultants involved in the engagement and Committee members; (5) any shares of Kimberly-Clark stock owned by individual consultants involved in the engagement; and (6) any business or personal relationships between our executive officers and the consulting firm or the individual consultants involved in the engagement. Based on its review, the Committee does not believe that any of the compensation consultants that performed services in 2015 has a conflict of interest with respect to the work performed for Kimberly-Clark or the Committee.

Committee Report

The Committee has reviewed the “Compensation Discussion and Analysis” section of this proxy statement and has recommended that it be included in this proxy statement. The Committee’s report is located at “Compensation Discussion and Analysis — Management Development and Compensation Committee Report.”

Nominating and Corporate Governance Committee

Chairman: Nancy J. Karch

Other Members: Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro

Each member of this Committee is an Independent Director under the rules of the SEC and the NYSE, as well as under our Corporate Governance Policies. The Committee met four times in 2015.

The Committee’s principal functions, as specified in its charter, include the following:

- ▶ Overseeing the process for Board nominations
- ▶ Overseeing corporate governance matters, including developing and recommending to the Board changes to our Corporate Governance Policies
- ▶ Advising the Board on:
 - ▶ Board organization, membership, function, performance and compensation
 - ▶ committee structure and membership
 - ▶ policies and positions regarding significant stockholder relations issues
- ▶ Reviewing director independence standards and making recommendations to the Board with respect to the determination of director independence
- ▶ Monitoring and recommending improvements to the Board’s practices and procedures



- ▶ Reviewing stockholder proposals and considering how to respond to them
- ▶ Overseeing matters relating to Kimberly-Clark's corporate social responsibility and sustainability activities and providing input to management on these programs and their effectiveness

The Committee, in accordance with its charter and our Certificate of Incorporation, has established criteria and processes for director nominations, including those proposed by stockholders. Those criteria and processes are described in "Proposal 1. Election of Directors - Process and Criteria for Nominating Directors," "Other Information - Stockholder Director Nominees for Inclusion in Next Year's Proxy Statement" and "Other Information - Stockholder Director Nominees Not Included in Next Year's Proxy Statement."

Executive Committee

Chairman: James M. Jenness (Lead Independent Director)

Other Members: Abelardo E. Bru, Thomas J. Falk, Nancy J. Karch and Ian C. Read

The Committee met one time in 2015.

The Committee's principal function is to exercise, when necessary between board meetings, the Board's powers to direct our business and affairs.

Compensation Committee Interlocks and Insider Participation

None of the members of the Management Development and Compensation Committee is a current or former officer or employee of Kimberly-Clark. No interlocking relationship exists between the members of our Board of Directors or the Management Development and Compensation Committee and the board of directors or compensation committee of any other company.

Stockholder Rights

Proxy Access By-Law. In December 2015, our Board adopted a "proxy access" By-Law, which allows eligible stockholders to nominate candidates for election to the Board. Proxy access candidates will be included in our proxy materials. The proxy access By-Law permits a stockholder, or a group of up to 20 stockholders, owning three percent or more of our outstanding common stock continuously for at least three years to nominate and include in our proxy materials directors constituting up to two individuals or 20 percent of the Board (whichever is greater). Our Board adopted the proxy access By-Law following thoughtful discussions with stockholders through our stockholder outreach program, including discussions of the key terms.

Stockholders who wish to nominate directors under our proxy access By-Law should follow the instructions under "Other Information - Stockholder Proposals for Inclusion in Next Year's Proxy Statement."

Special Stockholder Meetings. Our Certificate of Incorporation allows the holders of 25 percent or more of our issued and outstanding shares of capital stock to request that a special meeting of stockholders be called, subject to procedures and other requirements set forth in our By-Laws.

Board Policy on Stockholder Rights Plans. We do not have a "poison pill" or stockholder rights plan. If we were to adopt a stockholder rights plan, the Board would seek prior stockholder approval of the plan unless, due to timing constraints or other reasons, a majority of Independent Directors of the Board determines that it would be in the best interests of stockholders to adopt a plan before obtaining stockholder approval. If a stockholder rights plan is adopted without prior stockholder approval, the plan must either be ratified by stockholders or must expire, without being renewed or replaced, within one year. The Nominating and Corporate Governance Committee reviews this



policy statement periodically and reports to the Board on any recommendations it may have concerning the policy.

Simple Majority Voting Provisions. Our Certificate of Incorporation does not include supermajority voting provisions.

Communicating with Directors; Stockholder Engagement Policy

The Board has established a process by which stockholders and other interested parties may communicate with the Board, including the Lead Director. That process can be found in the Investors section of our website at www.kimberly-clark.com.

In 2015, we adopted a stockholder engagement policy, set forth in our Corporate Governance Policies, which formalizes the Board's commitment to interact directly with stockholders, as appropriate. Under the policy, stockholders who wish to meet directly with members of our Board may send a meeting request to our Lead Director who will consider the request in consultation with the Corporate Secretary. Requests should include information about the party (including the number of shares held), the reason for requesting the meeting and the topics to be discussed.

Investor Outreach

We conduct extensive meetings with investors throughout the year on corporate governance matters. This ensures that management and the Board understand and consider the issues that matter most to our stockholders and enables the Corporation to address them effectively. For 2015, after considering feedback received from investors, the Board determined to adopt a proxy access By-Law, as described in "Stockholder Rights" above.

Other Corporate Governance Policies and Practices

Corporate Governance Policies. The Board of Directors first adopted Corporate Governance Policies in 1994, and has amended them from time to time as rules and regulations change and governance practices develop. These policies guide Kimberly-Clark and the Board on matters of corporate governance, including: director responsibilities, Board committees and their charters, director independence, director compensation, performance assessments of the Board and individual directors, director orientation and education, director access to management, Board access to outside financial, business and legal advisors, management development and succession planning, and Board interaction with stockholders. To see these policies, go to the Investors section of our website at www.kimberly-clark.com.

Board and Committee Evaluations. The Board conducts annual self-evaluations to determine whether it and its committees are functioning effectively and whether its governing documents continue to remain appropriate. Each Board member is periodically evaluated on an individual basis. The process is designed and overseen by our Lead Director and our Nominating and Corporate Governance Committee, and the results of the evaluations are discussed by the full Board.

Each committee annually reviews its own performance and assesses the adequacy of its charter, and reports the results and any recommendations to the Board. The Nominating and Corporate Governance Committee oversees and reports annually to the Board its assessment of each committee's performance evaluation process.

Code of Conduct. Kimberly-Clark has a Code of Conduct that applies to all of our directors, executive officers and employees, including our Chief Executive Officer, Chief Financial Officer and Vice President and Controller. It is available in the Investors section of our website at www.kimberly-clark.com. Any amendments to or waivers of our Code of Conduct applicable to our Chief Executive Officer, Chief Financial Officer or Vice President and Controller will also be posted at that location.



Board and Management Roles in Risk Oversight. The Board is responsible for providing risk oversight with respect to our operations. In connection with this oversight, the Board particularly focuses on our strategic and operational risks, as well as related risk mitigation. In addition, the Board reviews and oversees management's response to key risks facing Kimberly-Clark.

The Board's committees review particular risk areas to assist the Board in its overall risk oversight of Kimberly-Clark:

- ▶ The Audit Committee oversees our risk management program, with a particular focus on our internal controls, compliance programs, financial statement integrity and fraud risks, data privacy and cybersecurity, and related risk mitigation. In connection with this oversight, the Audit Committee receives regular reports from management on risk assessments, the risk management process, and issues related to the risks of managing our business. The Audit Committee also receives an annual enterprise risk management update, which describes our key financial, strategic, operational and compliance risks.
- ▶ The Management Development and Compensation Committee reviews the risk profile of our compensation policies and practices. This process includes a review of an assessment of our compensation programs, as described in "Compensation Discussion and Analysis — Analysis of Compensation-Related Risks."
- ▶ The Nominating and Corporate Governance Committee monitors risks relating to governance matters and recommends appropriate actions in response to those risks. In addition, it provides oversight of our Corporate Social Responsibility programs and sustainability activities and receives regular updates on the effectiveness of these programs.

Complementing the Board's overall risk oversight, our senior executive team identifies and monitors key enterprise-wide and business unit risks, providing the basis for the Board's risk review and oversight process. We have a Global Risk Oversight Committee, consisting of management members from core business units and from our finance, treasury, global risk management, compliance and legal functions. This committee identifies significant risks for review and updates our policies for risk management in areas such as hedging, foreign currency and country risks, product liability, property and casualty risks, data privacy and cybersecurity risks, and supplier and customer risks. The Board believes the allocation of risk management responsibilities described above supplements the Board's leadership structure by allocating risk areas to an appropriate committee for oversight, allows for an orderly escalation of issues as necessary, and helps the Board satisfy its risk oversight responsibilities.

Whistleblower Procedures. The Audit Committee has established procedures for receiving, recording and addressing any complaints we receive regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission, by our employees or others, of any concerns about our accounting or auditing practices. We also maintain a toll-free Code of Conduct telephone line and a website, each allowing our employees and others to voice their concerns anonymously.

Chief Compliance Officer. Our Vice President and Chief Compliance Officer oversees our compliance programs. His duties include: regularly updating the Audit Committee on the effectiveness of our compliance programs, providing periodic reports to the Board, and working closely with our various compliance functions to promote coordination and sharing of best practices across these functions. Our Vice President and Chief Compliance Officer is also a member of our Global Risk Oversight Committee.

Management Succession Planning. In conjunction with the Board, the Management Development and Compensation Committee is responsible for periodically reviewing the long-term management development plans and succession plans for the Chief Executive Officer and other key officers, as well as the emergency succession plan for the Chief Executive Officer and other key officers if any of these officers unexpectedly becomes unable to perform his or her duties.



Disclosure Committee. We have established a Disclosure Committee to assist in fulfilling our obligations to maintain disclosure controls and procedures and to coordinate and oversee the process of preparing our periodic securities filings with the SEC. This committee is composed of members of management and is chaired by our Vice President and Controller.

No Executive Loans. We do not extend loans to our executive officers or directors and therefore do not have any such loans outstanding.

Charitable Contributions. The Nominating and Corporate Governance Committee has adopted guidelines for the review and approval of charitable contributions by Kimberly-Clark (or any foundation under the common control of Kimberly-Clark) to organizations or entities with which a Director or an executive officer may be affiliated. We will disclose in the Investors section of our website at www.kimberly-clark.com any contributions made by us to a tax-exempt organization under the following circumstances:

- ▶ An Independent Director serves as an executive officer of the tax-exempt organization; and
- ▶ If within the preceding three years, contributions in any single year from Kimberly-Clark to the organization exceeded the greater of \$1 million or 2 percent of the tax-exempt organization's consolidated gross revenues.



Proposal 1.

Election of Directors

As of the date of this proxy statement, the Board of Directors consists of eleven members. Each director's term will expire at this year's Annual Meeting. All the nominees standing for election at the Annual Meeting are being nominated to serve until the 2017 Annual Meeting of Stockholders and until their successors have been duly elected and qualified. All nominees have advised us that they will serve if elected; however, should any nominee become unable to serve, proxies may be voted for another person designated by the Board.

Given the independent status of the nominees, if all nominees are elected at the Annual Meeting, ten of the eleven directors on our Board will be Independent Directors.

Process for Director Elections

Our Certificate of Incorporation provides that all of our directors must be elected annually. Our By-Laws provide that, in uncontested elections, directors must be elected by a majority of votes cast rather than by a plurality. If any incumbent director does not receive a majority of votes, he or she is required to tender his or her resignation for consideration by the Board.

Process and Criteria for Nominating Directors

The Board of Directors is responsible for approving candidates for Board membership. The Board has delegated the screening and recruitment process to the Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board and Chief Executive Officer and the Lead Director. The Committee therefore recommends to the Board any new appointments and nominees for election as directors at our annual meeting of stockholders. It also recommends nominees to fill any vacancies. As provided in our Certificate of Incorporation, the Board of Directors has the authority to determine the size of the Board and to fill any vacancies that occur between annual meetings of stockholders.

The Committee may receive recommendations for Board candidates from various sources, including our directors, management and stockholders. The Nominating and Corporate Governance Committee periodically retains a search firm to assist it in identifying and recruiting director candidates meeting the criteria specified by the Committee. The Committee utilized a search firm in connection with Mr. White's nomination. In addition, as described in "Corporate Governance – Stockholder Rights," our By-Laws provide for proxy access stockholder nominations of director candidates. Stockholders who wish to nominate directors under our proxy access By-Law should follow the instructions under "Other Information – Stockholder Director Nominees for Inclusion in Next Year's Proxy Statement." Stockholders who wish to nominate directors who are not intended to be included in the Corporation's proxy materials should follow the instructions under "Other Information – Stockholder Director Nominees Not Included in Next Year's Proxy Statement."

The Committee believes that the criteria for director nominees should foster effective corporate governance, support our strategies and businesses, take diversity into account and ensure that our directors, as a group, have an overall mix of the attributes needed for an effective Board. The criteria should also support the successful recruitment of qualified candidates.



Qualified candidates for director are those who, in the judgment of the Committee, possess all of the personal attributes and a sufficient mix of the experience attributes listed below to ensure effective service on the Board.

PERSONAL ATTRIBUTES

<p>Leadership</p> <ul style="list-style-type: none"> ▶ Lead in personal and professional lives. 	<p>Collaborative</p> <ul style="list-style-type: none"> ▶ Actively participate in Board and committee matters. 	<p>Ability to communicate</p> <ul style="list-style-type: none"> ▶ Possess good interpersonal skills.
<p>Ethical Character</p> <ul style="list-style-type: none"> ▶ Possess high standards for ethical behavior. 	<p>Independence</p> <ul style="list-style-type: none"> ▶ Independent of management and Kimberly-Clark (for non-management directors only). 	<p>Effectiveness</p> <ul style="list-style-type: none"> ▶ Bring a proactive and solution-oriented approach.

EXPERIENCE ATTRIBUTES

ATTRIBUTE	FACTORS THAT MAY BE CONSIDERED
<p>Financial acumen Has good knowledge of business finance and financial statements</p>	<ul style="list-style-type: none"> ▶ Satisfies the financial literacy requirements of the NYSE ▶ Qualifies as an audit committee financial expert under the rules and regulations of the SEC ▶ Has an accounting, finance or banking background
<p>General business experience Possesses experience that will aid in judgments concerning business issues</p>	<ul style="list-style-type: none"> ▶ Has leadership experience as a chief or senior executive officer ▶ Has experience setting compensation
<p>Industry knowledge Possesses knowledge about our industries</p>	<ul style="list-style-type: none"> ▶ Has marketing expertise, with digital marketing and e-commerce experience ▶ Has governance/public company board experience
<p>Diversity of background and viewpoint Brings to the Board an appropriate level of diversity</p>	<ul style="list-style-type: none"> ▶ Brings a diverse viewpoint that is representative of our customer, consumer, employee and stockholder base ▶ Provides a different perspective (stemming, for example, from an academic background or experience from outside the consumer packaged goods industry)
<p>Special business experience Possesses global management experience and experience with branded consumer packaged goods</p>	<ul style="list-style-type: none"> ▶ Has international experience ▶ Has branded consumer packaged goods experience



Committee Review of Attributes of Current Directors

The Nominating and Corporate Governance Committee has reviewed the background of each of our current directors and their service on the Board in light of the personal and experience attributes described above. The Committee has determined that each director possesses all of the personal attributes as well as a sufficient mix of the experience attributes.

For details about each nominee's specific experience attributes, see "The Nominees" below.

Diversity of Directors

As noted above, the Nominating and Corporate Governance Committee believes that diversity of backgrounds and viewpoints is a key attribute for directors. As a result, the Committee seeks to have a diverse Board that is representative of our customer, consumer, employee and stockholder base. While the Committee carefully considers this diversity when considering nominees for director, the Committee has not established a formal policy regarding diversity in identifying director nominees. Our Board currently includes individuals of differing ages, races and genders.

The Nominees



Director since 1987
Age 69

John F. Bergstrom

Chairman and Chief Executive Officer, Bergstrom Corporation

Mr. Bergstrom has served as Chairman and Chief Executive Officer of Bergstrom Corporation, Neenah, Wisconsin, for more than the past five years. Bergstrom Corporation owns and operates automobile sales and leasing businesses and a credit life insurance company based in Wisconsin.

Public company boards served on since 2011: Advance Auto Parts, Inc., Associated Banc-Corp, WEC Energy Group, Inc. and Wisconsin Electric Power Company.

Experience attributes: Mr. Bergstrom has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.



Director since 2005
Age 67

Abelardo E. Bru

Retired Vice Chairman, PepsiCo, Inc.

Mr. Bru retired as Vice Chairman of PepsiCo, a food and beverage company, in 2005. He joined PepsiCo in 1976. Mr. Bru served from 1999 to 2003 as President and Chief Executive Officer and in 2003 to 2004 as Chief Executive Officer and Chairman of Frito-Lay Inc., a division of PepsiCo. Prior to leading Frito-Lay, Mr. Bru led PepsiCo's largest international business, Sabritas Mexico, as President and General Manager from 1992 to 1999. Mr. Bru is a member of the board of directors of the Education is Freedom Foundation.

Public company boards served on since 2011: DIRECTV (from May 2013 through July 2015), Kraft Foods Group, Inc. (from October 2012 through July 2015).

Experience attributes: Mr. Bru satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, provides diversity of background and viewpoint, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.



Director since 1996
Age 65

Robert W. Decherd

Vice Chairman, A. H. Belo Corporation

Mr. Decherd has served as Vice Chairman of the Board of A. H. Belo Corporation, a newspaper publishing and Internet company, since September 2013. Prior to that, he served as Chairman of the Board, President and Chief Executive Officer of A. H. Belo Corporation since it was spun off from Belo Corp. in February 2008. Prior to February 2008, Mr. Decherd was Chief Executive Officer of Belo Corp., a broadcasting and newspaper publishing company, for 21 years. Mr. Decherd has served as a member of the Advisory Council for the Harvard University Center for Ethics and the Board of Visitors of the Columbia Graduate School of Journalism. He is presently Chairman of Parks for Downtown Dallas, a civic organization.

Public company boards served on since 2011: A. H. Belo Corporation and Belo Corp. (through December 2013).

Experience attributes: Mr. Decherd has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.



Director since 1999
Age 57

Thomas J. Falk

Chairman of the Board and Chief Executive Officer

Mr. Falk was elected Chairman of the Board and Chief Executive Officer in 2003 and President and Chief Executive Officer in 2002. Prior to that, he served as President and Chief Operating Officer since 1999. Mr. Falk previously had been elected Group President — Global Tissue, Pulp and Paper in 1998, where he was responsible for Kimberly-Clark's global tissue businesses. Earlier in his career, Mr. Falk had responsibility for Kimberly-Clark's North American Infant Care, Child Care and Wet Wipes businesses. Mr. Falk joined Kimberly-Clark in 1983 and has held other senior management positions. He has been a director of Kimberly-Clark since 1999. He also serves on the board of directors of Catalyst Inc., the University of Wisconsin Foundation, and the Consumer Goods Forum, and serves as a governor of the Boys & Girls Clubs of America.

Public company boards served on since 2011: Lockheed Martin Corporation.

Experience attributes: Mr. Falk satisfies the financial literacy requirements of the NYSE and has a background in accounting, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.



Director since 2011
Age 56

Fabian T. Garcia

Chief Operating Officer, Global Innovation and Growth, Europe & Hill's Pet Nutrition, Colgate-Palmolive Company

Mr. Garcia has served as Chief Operating Officer, Global Innovation and Growth, Europe and Hill's Pet Nutrition (added responsibility in 2012), of Colgate-Palmolive Company, a household, health care and personal products company, since 2010. From 2007 to 2010, he served as Executive Vice President and President, Colgate – Latin America and Global Sustainability. He joined Colgate-Palmolive in 2003 as President, Colgate Greater Asia Pacific.

Experience attributes: Mr. Garcia satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief operating officer, provides diversity of background and viewpoint, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation and governance experience.



Director since 2002
Age 59

Mae C. Jemison, M.D.

President, The Jemison Group

Dr. Jemison is founder and President of The Jemison Group, Inc., a technology consulting company, and is also the Principal for the 100 Year Starship Project, a new initiative started by DARPA that focuses on human space travel to another star within the next 100 years. She was President and founder of BioSentient Corporation, a medical devices company from 2000 to 2012. Dr. Jemison founded the Dorothy Jemison Foundation for Excellence and developed The Earth We Share international science camp. Dr. Jemison served as a professor of Environmental Studies at Dartmouth College from 1995 to 2002. From 1987 to 1993, she served as a National Aeronautics and Space Administration (NASA) astronaut. Dr. Jemison is a member of the National Academy of Sciences' Institute of Medicine and the Greater Houston Partnership. She chaired the State of Texas Product Development and Small Business Incubator Board, and was a member of the National Advisory Council for Biomedical Imaging and Bioengineering.

Public company boards served on since 2011: Scholastic Corporation (through September 2015) and Valspar Corporation.

Experience attributes: Dr. Jemison satisfies the financial literacy requirements of the NYSE, has international experience and leadership experience of entrepreneurial start-up enterprises and non-profit organizations, provides diversity of background and viewpoint, and has compensation, governance and public company board experience.



Director since 2007
Age 69

James M. Jenness

Retired Chairman of the Board and CEO, Kellogg Company

Mr. Jenness has served as a Director of Kellogg Company, a producer of cereal and convenience foods, since 2000. From 2005 to 2014 he was Executive Chairman of the Board of Kellogg and he served as Chief Executive Officer of Kellogg from February 2005 through 2006. Mr. Jenness was Chief Executive Officer of Integrated Merchandising Systems LLC, a market leader in outsource management for retail promotion and branded merchandising, from 1997 to 2004. He served in various positions of increasing responsibility at Leo Burnett Company, Kellogg's major advertising agency partner, from 1974 to 1997, including as Vice Chairman, Chief Operating Officer and Director. He serves as a Trustee of DePaul University and serves on DePaul's College of Admissions Advisory Council. He is a Regent for Mercy Home for Boys and Girls.

Public company boards served on since 2011: Kellogg Company, Prestige Brands Holdings, Inc. (since May 2015).

Experience attributes: Mr. Jenness satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.



Director since 2010
Age 68

Nancy J. Karch

Retired Director, McKinsey & Co.

Ms. Karch served as a Director (senior partner) of McKinsey & Co., an independent consulting firm, from 1988 until her retirement in 2000. She had served in various executive capacities at McKinsey since 1974. Ms. Karch is Director Emeritus of McKinsey's Stamford, Connecticut office, and serves on the boards of Northern Westchester Hospital and Northwell Health, both of which are not-for-profit entities.

Public company boards served on since 2011: CEB Inc. (through January 2015), Genworth Financial, Inc., Kate Spade & Company and Mastercard Incorporated.

Experience attributes: Ms. Karch satisfies the financial literacy requirements of the NYSE and has a background in finance, has leadership experience as a senior executive officer, provides diversity of background and viewpoint, has knowledge about our industries, has experience with branded consumer packaged goods, and has compensation, governance and public company board experience.



Director since 2007
Age 62

Ian C. Read

Chairman of the Board and Chief Executive Officer, Pfizer, Inc.

Mr. Read was elected Chairman of the Board and Chief Executive Officer in December 2011 and President and Chief Executive Officer in December 2010, of Pfizer, Inc., a drug manufacturer. Mr. Read joined Pfizer in 1978 in its financial organization. He worked in Latin America through 1995, holding positions of increasing responsibility, and was appointed President of the Pfizer International Pharmaceuticals Group, Latin America/Canada in 1996. In 2000, Mr. Read was named Executive Vice President of Europe/Canada and was named a corporate Vice President in 2001. In 2006, he was named Senior Vice President of Pfizer, as well as Group President of its Worldwide Biopharmaceutical Businesses.

Public company boards served on since 2011: Pfizer, Inc.

Experience attributes: Mr. Read has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations and has a background in finance, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, has international experience, and has marketing, compensation, governance and public company board experience.



Director since 2001
Age 68

Marc J. Shapiro

Retired Vice Chairman, JPMorgan Chase & Co.

Mr. Shapiro retired in 2003 as Vice Chairman of JPMorgan Chase & Co., a financial services company. Before becoming Vice Chairman of JPMorgan Chase & Co. in 1997, Mr. Shapiro was Chairman and Chief Executive Officer of Chase Bank of Texas, a wholly-owned subsidiary of JPMorgan Chase & Co., from 1989 until 1997. He now serves as a consultant to JPMorgan Chase & Co. and as non-executive Chairman of its Texas operations. Mr. Shapiro serves on the boards of the Baylor College of Medicine, the Baylor St. Luke's Medical Center Hospital, the M.D. Anderson Cancer Center, and the Baker Institute at Rice University.

Public company boards served on since 2011: The Mexico Fund and Weingarten Realty Investors.

Experience attributes: Mr. Shapiro satisfies the financial literacy requirements of the NYSE and has a banking and finance background, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has compensation, governance and public company board experience.



Director since
September 2015
Age 64

Michael D. White

Former Chairman of the Board, President and Chief Executive Officer of DIRECTV

Mr. White served as Chairman of the Board, President and Chief Executive Officer of DIRECTV, a leading provider of digital television entertainment services, from 2010 to July 2015. From 2003 until 2009, Mr. White was Chief Executive Officer of PepsiCo International and Vice Chairman, PepsiCo, Inc. after holding positions of increasing importance with PepsiCo since 1990. Mr. White is a member of the Boston College Board of Trustees and is Chairman of the Partnership for Drug-Free Kids.

Public company boards served on since 2011: DIRECTV (through July 2015) and Whirlpool Corporation.

Experience attributes: Mr. White has been determined by our Board to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, digital marketing, e-commerce, compensation, governance and public company board experience.

The Board of Directors unanimously recommends a vote FOR the election of each of the eleven nominees for director.



Director Compensation

Directors who are not officers or employees of Kimberly-Clark or any of our subsidiaries, affiliates or equity companies are “Outside Directors” for compensation purposes and are compensated for their services under our 2011 Outside Directors’ Compensation Plan. All Independent Directors currently on our Board are Outside Directors and are compensated under this Plan.

Our objectives for Outside Director Compensation are:

- u to remain competitive with the median compensation paid to outside directors of comparable companies
- u to keep pace with changes in practices in director compensation
- u to attract qualified candidates for Board service
- u to reinforce our practice of encouraging stock ownership by our directors

In 2014, the Nominating and Corporate Governance Committee assessed our Outside Director compensation against the median non-management director compensation for our peers. Based on this review, the Committee recommended an increase in Outside Director compensation for 2015, and the Board agreed with the Committee’s recommendation.

The table below shows how we structured Outside Director compensation in 2015:

Board Members	Cash retainer: \$100,000 annually, paid in four quarterly payments at the beginning of each quarter. Restricted share units: Annual grant with a value of \$165,000, awarded and valued on the first business day of the year
Committee Chairs	Additional annual grant of restricted share units with a value of \$20,000, awarded and valued on the first business day of the year
Lead Director	Additional grant of restricted share units with a value of \$30,000, awarded and valued on the first business day of the year
Stockholder Alignment	Restricted share units are not paid out until retirement or other termination of Board service

New Outside Directors receive the full quarterly amount of the annual retainer for the quarter in which they join the Board. Their annual grant of restricted share units is pro-rated based on the date when they joined.

We also reimburse Outside Directors for expenses incurred in attending Board or committee meetings.

Restricted share units are not shares of our common stock. Rather, restricted share units represent the right to receive a pre-determined number of shares of our common stock within 90 days following a “restricted period” that begins on the date of grant and expires on the date the Outside Director retires from or otherwise terminates service on the Board. In this way, they align the director’s interests with the interests of our stockholders. Outside Directors may not dispose of the units or use them in a pledge or similar transaction. Outside Directors also receive additional restricted share units equivalent in value to the dividends that would have been paid to them if the restricted share units granted to them were shares of our common stock.



2015 Outside Director Compensation

The following table shows the compensation paid to each Outside Director for his or her service in 2015.

Name (1)	Fees Earned or Paid in Cash(\$)	Stock Awards (\$) (2)(3)(4)	All Other Compensation (\$) (5)	Total(\$)(6)
John R. Alm	50,000	185,000	—	235,000
John F. Bergstrom	100,000	165,000	10,000	275,000
Abelardo E. Bru	100,000	185,000	10,000	295,000
Robert W. Decherd	100,000	165,000	10,000	275,000
Fabian T. Garcia	100,000	165,000	—	265,000
Mae C. Jemison, M.D.	100,000	165,000	—	265,000
James M. Jenness	100,000	195,000	—	295,000
Nancy J. Karch	100,000	165,000	7,000	272,000
Ian C. Read	100,000	185,000	9,000	294,000
Linda Johnson Rice	75,000	165,000	—	240,000
Marc J. Shapiro	100,000	165,000	10,000	275,000
Michael D. White	50,000	55,000	—	105,000

(1) Mr. Alm served as a director until his retirement on April 30, 2015 and received fees for two quarters. Ms. Johnson Rice served as a director until her resignation on August 17, 2015 and received fees for three quarters. Mr. White joined the Board on September 1, 2015 and received a pro-rated stock award as well as fees for two quarters.

(2) Amounts shown reflect the grant date fair value of those grants, determined in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 — Stock Compensation ("ASC Topic 718") for restricted share unit awards granted pursuant to our 2011 Outside Directors' Compensation Plan. See Note 8 to our audited consolidated financial statements included in our Annual Report on Form 10-K for 2015 for the assumptions used in valuing these restricted share units.

(3) Restricted share unit awards were granted to the Outside Directors on January 2, 2015, except for Mr. White, who joined the Board and received a grant on September 1, 2015. The number of restricted share units granted is set forth below:

Name	Restricted Share Unit Grants in 2015(#)
John R. Alm	1,601
John F. Bergstrom	1,428
Abelardo E. Bru	1,601
Robert W. Decherd	1,428
Fabian T. Garcia	1,428
Mae C. Jemison, M.D.	1,428
James M. Jenness	1,688
Nancy J. Karch	1,428
Ian C. Read	1,601
Linda Johnson Rice	1,428
Marc J. Shapiro	1,428
Michael D. White	529



(4) As of December 31, 2015, Outside Directors had the following stock awards outstanding:

Name	Restricted Stock(#)	Restricted Share Units(#)
John R. Alm	—	—
John F. Bergstrom	3,000	32,548
Abelardo E. Bru	—	26,397
Robert W. Dechard	3,000	35,760
Fabian T. Garcia	—	8,221
Mae C. Jemison, M.D.	—	32,548
James M. Jenness	—	24,100
Nancy J. Karch	—	11,779
Ian C. Read	—	20,705
Linda Johnson Rice	—	—
Marc J. Shapiro	—	36,689
Michael D. White	—	533

Note that Mr. Alm's and Ms. Johnson Rice's stock awards were settled upon the termination of Board service, in accordance with the terms of the awards.

- (5) Reflects charitable matching gifts paid in 2015 under the Kimberly-Clark Foundation's Matching Gifts Program to a charity designated by the director. This program is available to all our employees and directors. Under the program, the Kimberly-Clark Foundation matches employees' and directors' financial contributions to qualified educational and charitable organizations in the United States on a dollar-for-dollar basis, up to \$10,000 per person per calendar year. Amounts paid in 2015 in connection with matching gifts for Messrs. Bergstrom, Bru, Read and Shapiro and Ms. Karch reflect donations made in 2014. Not included in this column is the value of retirement gifts to Mr. Alm, which had a value of less than \$1,000. In addition, we made a charitable contribution of \$50,000 in honor of Mr. Alm. This contribution was made directly by Kimberly-Clark to a charitable organization selected by Kimberly-Clark and was not made in the name or at the direction of Mr. Alm. Mr. Alm did not receive any personal benefit from this contribution and accordingly, the amount of the contribution has been excluded from the Director Compensation table.
- (6) During 2015, Outside Directors received credit for cash dividends on restricted stock held by them. These dividends are credited to interest bearing accounts maintained by us on behalf of those Outside Directors with restricted stock. Earnings on those accounts are not included in the Outside Director Compensation Table because the earnings were not above market or preferential. Also in 2015, Outside Directors received additional restricted share units with a value equal to the cash dividends paid during the year on our common stock on the restricted share units held by them. Because we factor the value of the right to receive dividends into the grant date fair value of the restricted stock and restricted share units awards, the dividends and dividend equivalents received by Outside Directors are not included in the Outside Director Compensation table. The dividends and other amounts credited on restricted stock and additional restricted share units credited in 2015 were as follows:

Name	Dividends Credited on Restricted Stock(\$)	Number of Restricted Share Units Credited in 2015(#)	Grant Date Fair Value of Restricted Share Units Credited(\$)
John R. Alm	—	373.23	41,270
John F. Bergstrom	10,440	1,003.75	109,845
Abelardo E. Bru	—	810.87	88,719
Robert W. Dechard	10,440	1,103.83	120,803
Fabian T. Garcia	—	245.78	26,856
Mae C. Jemison, M.D.	—	1,003.75	109,845
James M. Jenness	—	738.64	80,806
Nancy J. Karch	—	356.64	38,994
Ian C. Read	—	633.51	69,299
Linda Johnson Rice	7,800	784.34	85,918
Marc J. Shapiro	—	1,132.80	123,975
Michael D. White	—	4.27	466

Other than the cash retainer, grants of restricted share units and the other compensation previously described, no Outside Director received any compensation or perquisites from Kimberly-Clark for services as a director in 2015.



A director who is not an Outside Director does not receive any compensation for services as a member of the Board or any committee, but is reimbursed for expenses incurred as a result of the services.

The Nominating and Corporate Governance Committee did not make any changes to our Outside Director compensation for 2016.

In Proposal 5 of this Proxy Statement, the Board is requesting stockholder approval of an amendment to the 2011 Outside Directors' Compensation Plan to add a limit on the amount of equity and cash compensation that can be paid to an Outside Director in a calendar year.



Proposal 2. Ratification of Auditors

The Audit Committee of the Board of Directors is directly responsible for the appointment, compensation, retention and oversight of our independent auditors. The Audit Committee is also responsible for overseeing the negotiation of the audit fees associated with retaining our independent auditors. To assure continuing auditor independence, the Audit Committee periodically considers whether a different audit firm should perform our independent audit work. Also, in connection with the mandated rotation of the independent auditor's lead engagement partner, the Audit Committee and its chairman are directly involved in the selection of the new lead engagement partner.

For 2016, the Audit Committee has selected Deloitte & Touche LLP (along with its member firms and affiliates, "Deloitte") as the independent registered public accounting firm to audit our financial statements. In engaging Deloitte for 2016, the Audit Committee utilized a review and selection process that included the following:

- u a review of management's assessment of the services Deloitte provided in 2015 and a comparison of this assessment to prior years' reviews
- u discussions, in executive session, with the Chief Financial Officer and the Vice President and Controller regarding their viewpoints on the selection of the 2016 independent auditors and on Deloitte's performance
- u discussions, in executive session, with representatives of Deloitte about their possible engagement
- u Audit Committee discussions, in executive session, about the selection of the 2016 independent auditors
- u a review and approval of Deloitte's proposed estimated fees for 2016
- u a review and assessment of Deloitte's independence
- u the Audit Committee's consideration of the fact that Deloitte has served as our independent auditors since 1928, and its conclusion that this service does not impact Deloitte's independence

The Audit Committee and the Board believe that the continued retention of Deloitte to serve as our independent auditor is in the best interests of Kimberly-Clark and its stockholders, and they recommend that stockholders ratify this selection. If the stockholders do not ratify the selection of Deloitte, the Audit Committee will consider the selection of other independent auditors.

Representatives of Deloitte are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

The Board of Directors unanimously recommends a vote FOR ratification of Deloitte's selection as Kimberly-Clark's auditor for 2016.



Principal Accounting Firm Fees

Our aggregate fees to Deloitte (excluding value added taxes) with respect to the fiscal years ended December 31, 2015 and 2014, were as follows:

	2015(\$)	2014(\$)
Audit Fees (1)	11,346,900	13,701,800
Audit-Related Fees (2)	774,000	4,730,000
Tax Fees (3)	2,208,000	2,926,500
All Other Fees	—	—

- (1) *These amounts represent fees billed or expected to be billed for professional services rendered by Deloitte for the audit of Kimberly-Clark's annual financial statements for the fiscal years ended December 31, 2015 and December 31, 2014, reviews of the financial statements included in Kimberly-Clark's Forms 10-Q, and other services that are normally provided by the independent registered public accounting firm in connection with statutory or regulatory filings or engagements for each of those fiscal years, including: fees for consolidated financial audits, statutory audits, comfort letters, attest services, consents, assistance with and review of SEC filings and other related matters. These amounts also include fees for an audit of internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002. Fees in 2014 include \$1,074,000 for audits related to the recasted financial statements to reflect discontinued operations as required due to the spin-off of our health care business.*
- (2) *These amounts represent aggregate fees billed or expected to be billed by Deloitte for assurance and related services reasonably related to the performance of the audit or review of our financial statements for the fiscal years ended December 31, 2015 and 2014, that are not included in the audit fees listed above. These services include engagements related to employee benefit plans, due diligence assistance and other matters. Fees in 2014 include \$3,875,000 for audits of the combined financial statements of the health care business as required for the Form 10 registration statement and other audit-related services associated with the spin-off of our health care business.*
- (3) *These amounts represent Deloitte's aggregate fees for tax compliance, tax advice and tax planning for 2015 and 2014. For 2015, approximately \$310,000 was for tax compliance/preparation fees.*

Audit Committee Approval of Audit and Non-Audit Services

Using the following procedures, the Audit Committee pre-approves all audit and non-audit services provided by Deloitte to Kimberly-Clark:

- u At the first face-to-face Audit Committee meeting each year, our Chief Financial Officer presents a proposal, including fees, to engage Deloitte for audit services;
- u Before the first face-to-face Audit Committee meeting of the year, our Vice President and Controller oversees the preparation of a detailed memorandum regarding non-audit services to be provided by Deloitte during the year. This memorandum includes the services to be provided, the estimated cost of these services, reasons why it is appropriate to have Deloitte provide these services, and reasons why the requested service is not inconsistent with applicable auditor independence rules; and
- u Before each subsequent meeting of the Audit Committee, our Vice President and Controller oversees the preparation of an additional memorandum that includes updated information regarding the approved services and highlights any new audit and non-audit services to be provided by Deloitte. All new non-audit services to be provided are described in individual requests for services.

The Audit Committee reviews the requests presented in these proposals and memoranda and approves all services it finds acceptable.

To ensure prompt handling of unexpected matters, the Audit Committee has delegated to the Chairman of the Audit Committee the authority to amend or modify the list of audit and non-audit services and fees between meetings, as long as the additional or amended services do not affect Deloitte's independence under applicable rules. Any actions taken under this authority are reported to the Audit Committee at its next face-to-face Committee meeting.

All Deloitte services and fees in 2015 and 2014 were pre-approved by the Audit Committee or the Audit Committee Chairman.



Audit Committee Report

In accordance with its charter adopted by the Board, the Audit Committee assists the Board in overseeing the quality and integrity of Kimberly-Clark's accounting, auditing and financial reporting practices.

In discharging its oversight responsibility for the audit process, the Audit Committee obtained from the independent registered public accounting firm (the "auditors") a formal written statement describing all relationships between the auditors and Kimberly-Clark that might bear on the auditors' independence, as required by Public Company Accounting Oversight Board ("PCAOB") Rule 3526, *Communication with Audit Committees Concerning Independence*, discussed with the auditors any relationships that may impact their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also discussed with management, the internal auditors, and the auditors, the quality and adequacy of Kimberly-Clark's internal controls and the internal audit function's organization, responsibilities, budget and staffing. The Audit Committee reviewed with both the auditors and the internal auditors their audit plans, audit scope and identification of audit risks.

The Audit Committee discussed and reviewed with the auditors all communications required by the PCAOB's auditing standards, including those required by PCAOB AS 16, "Communication with Audit Committees." Also, with and without management present, it discussed and reviewed the results of the auditors' examination of our financial statements and our internal control over financial reporting. The Committee also discussed the results of internal audit examinations.

Management is responsible for preparing Kimberly-Clark's financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP") and for establishing and maintaining Kimberly-Clark's internal control over financial reporting. The auditors have the responsibility for performing an independent audit of Kimberly-Clark's financial statements and internal control over financial reporting, and expressing opinions on the conformity of Kimberly-Clark's financial statements with GAAP and the effectiveness of internal control over financial reporting. The Audit Committee discussed and reviewed Kimberly-Clark's audited financial statements as of and for the fiscal year ended December 31, 2015, with management and the auditors. The Audit Committee also reviewed management's assessment of the effectiveness of internal controls as of December 31, 2015, and discussed the auditors' examination of the effectiveness of Kimberly-Clark's internal control over financial reporting.

Based on the above-mentioned reviews and discussions with management and the auditors, the Audit Committee recommended to the Board that Kimberly-Clark's audited financial statements be included in Kimberly-Clark's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, for filing with the SEC. The Audit Committee also has selected and recommended to stockholders for ratification the reappointment of Deloitte as the independent registered public accounting firm for 2016.

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

Ian C. Read, Chairman
John F. Bergstrom
Robert W. Decherd
Michael D. White



Proposal 3. Advisory Vote to Approve Named Executive Officer Compensation

In the Compensation Discussion and Analysis that follows, we describe in detail our executive compensation program, including its objectives, policies and components. As discussed in that section, our executive compensation program seeks to align the compensation of our executives with the objectives of our Global Business Plan. To this end, the Management Development and Compensation Committee (the "Committee") has adopted executive compensation policies that are designed to achieve the following objectives:

- u *Pay-for-Performance* . Support a performance-oriented environment that rewards achievement of our financial and non-financial goals.
- u *Focus on Long-Term Success* . Reward executives for long-term strategic management and stockholder value enhancement.
- u *Stockholder Alignment* . Align the financial interests of our executives with those of our stockholders.
- u *Quality of Talent* . Attract and retain executives whose abilities are considered essential to our long-term success.

For a more detailed discussion of how our executive compensation program reflects these objectives and policies, including information about the fiscal year 2015 compensation of our named executive officers, see "Compensation Discussion and Analysis," below.

We are asking our stockholders to support our executive compensation as described in this proxy statement. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our executive compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our executives and the objectives, policies and practices described in this proxy statement. Accordingly, we will ask our stockholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the compensation paid to the Corporation's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved by the Corporation's stockholders on an advisory basis.

The say-on-pay vote is advisory and is therefore not binding on Kimberly-Clark, the Committee or our Board. Nonetheless, the Committee and our Board value the opinions of our stockholders. Therefore, to the extent there is any significant vote against the executive compensation as disclosed in this proxy statement, the Committee and our Board will consider our stockholders' concerns and will evaluate whether any actions are necessary to address those concerns.

At our 2011 Annual Meeting, stockholders voted to adopt the recommendation of our Board to vote on the say-on-pay proposal every year at our annual meeting. As a result, we will continue to submit our say-on-pay proposal to our stockholders at each annual meeting, until stockholders next vote on the frequency for the proposal in 2017.

The Board of Directors unanimously recommends a vote FOR the approval of named executive officer compensation, as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules.



Compensation Discussion and Analysis

This Compensation Discussion and Analysis is intended to provide investors with an understanding of our compensation policies and decisions regarding 2015 compensation for our named executive officers.

For 2015, our named executive officers are:

Named Executive Officer	Title
Thomas J. Falk	Chairman of the Board and Chief Executive Officer
Maria G. Henry	Senior Vice President and Chief Financial Officer*
Michael D. Hsu	Group President – K-C North America
Sandra J. MacQuillan	Senior Vice President and Chief Supply Chain Officer**
Elane B. Stock	Group President – K-C International
Mark A. Buthman	Former Chief Financial Officer*

* In February 2015, Mr. Buthman announced his intention to retire at the end of 2015. On April 27, 2015, Ms. Henry joined Kimberly-Clark and succeeded Mr. Buthman as Chief Financial Officer. On that date, Mr. Buthman assumed the title of Executive Vice President and served during a management transition period until he retired on December 31, 2015.

** Ms. MacQuillan joined Kimberly-Clark on April 20, 2015.

2015 Compensation Highlights

As measured under our annual incentive program, we delivered the results below in net sales, adjusted earnings per share (EPS) and adjusted operating profit return on sales (OPROS).

Performance Measure*	2015 Results	2015 Target
Net sales	\$18.59 billion	\$19.00 billion
Adjusted EPS	\$5.76	\$5.70
Adjusted OPROS Improvement	+120 bps	+90 bps

* See "2015 Performance Goals, Performance Assessments and Payouts" for additional information on how we use these measures to promote our pay-for-performance culture.

Based on our 2015 performance, the Management Development and Compensation Committee of our Board (the "Committee") concluded that:

- u management delivered a strong financial performance in 2015 with below target level net sales and above target adjusted earnings per share and adjusted OPROS growth, as well as solid organic sales growth highlighted by a 4 percent increase in volumes, and
- u management continues to make good progress executing strategies for our long-term success, including:
 - u focusing on targeted growth initiatives and product innovations,
 - u generating cost savings to help fund brand investments and improve margins, and
 - u focusing on cash generation and allocating capital in stockholder-friendly ways.

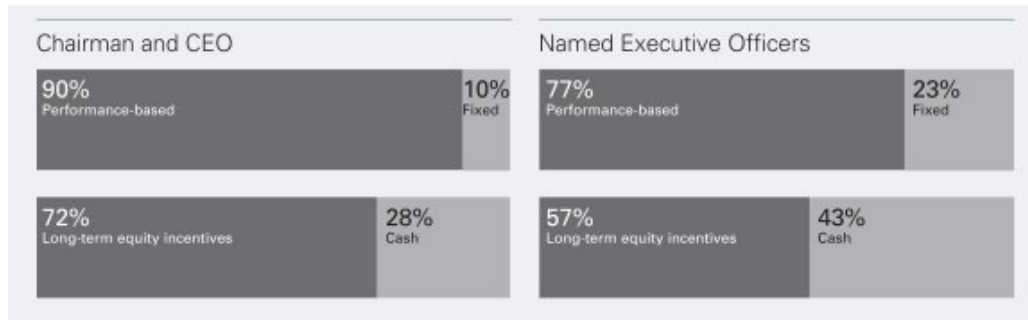
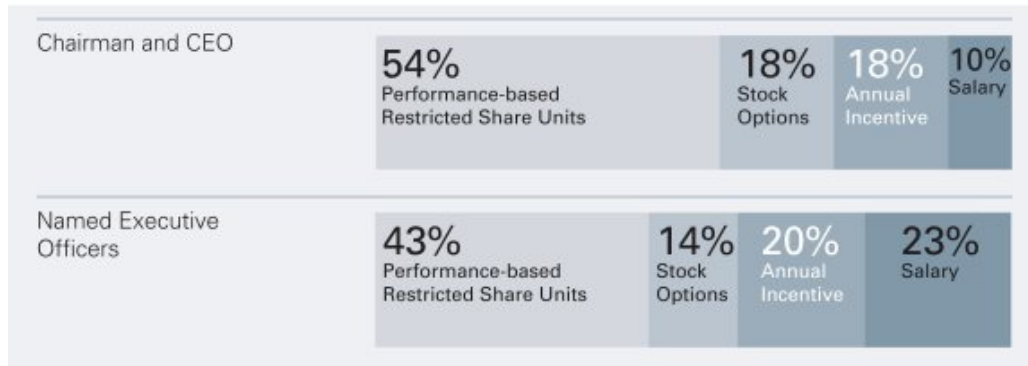


Based on this performance, the Committee approved annual cash incentives for 2015 at slightly above the target amount, including an annual incentive payout for the Chief Executive Officer of 105 percent of his target payment amount.

Performance-Based Compensation

Pay-for-performance is a key objective of our compensation programs. Consistent with that objective, performance-based compensation constituted a significant portion of our named executive officers' direct annual compensation targets for 2015. Also, to further align the financial interests of our executives with those of our stockholders, a majority of our executives' target direct annual compensation for 2015 was equity-based.

COMPOSITION OF TARGET DIRECT COMPENSATION



Committee Consideration of 2015 Stockholder Advisory Vote

At our 2015 Annual Meeting, our executive compensation program received the support of approximately 94 percent of shares represented at the meeting. The Committee has considered the results of this vote and views this outcome as evidence of stockholder support of its executive compensation decisions and policies. Accordingly, the Committee has not made any substantial changes to its executive compensation policies for 2016. The Committee will continue to review the annual stockholder votes on our executive compensation program and determine whether to make any changes in light of the results.



CEO Target Direct Compensation and Realizable Direct Compensation

The following chart compares the Chief Executive Officer's target direct annual compensation and realizable direct compensation over the last three years. Realizable direct compensation reflects the actual compensation received for base salary and annual cash incentive plus the intrinsic value of the long-term equity incentives granted in that year, determined as follows:

- u For stock options, intrinsic value is the amount by which our 2015 year-end stock price (\$127.30) exceeds the exercise price, multiplied by the number of options granted, and
- u For performance-based restricted share units, intrinsic value is the number of units that were paid out based on actual performance (for the grant made in 2013) or are expected to be paid out based on projected performance (for the grants made in 2014 and 2015), multiplied by our 2015 year-end stock price.

(Where applicable, the stock option exercise prices and numbers of stock options throughout this proxy statement have been adjusted for our Halyard Health spin-off on October 31, 2014. Also, on October 31, 2014, all outstanding performance-based restricted share units received a dividend equivalent for the Halyard Health spin-off, as described on page 71 (footnote 4).)

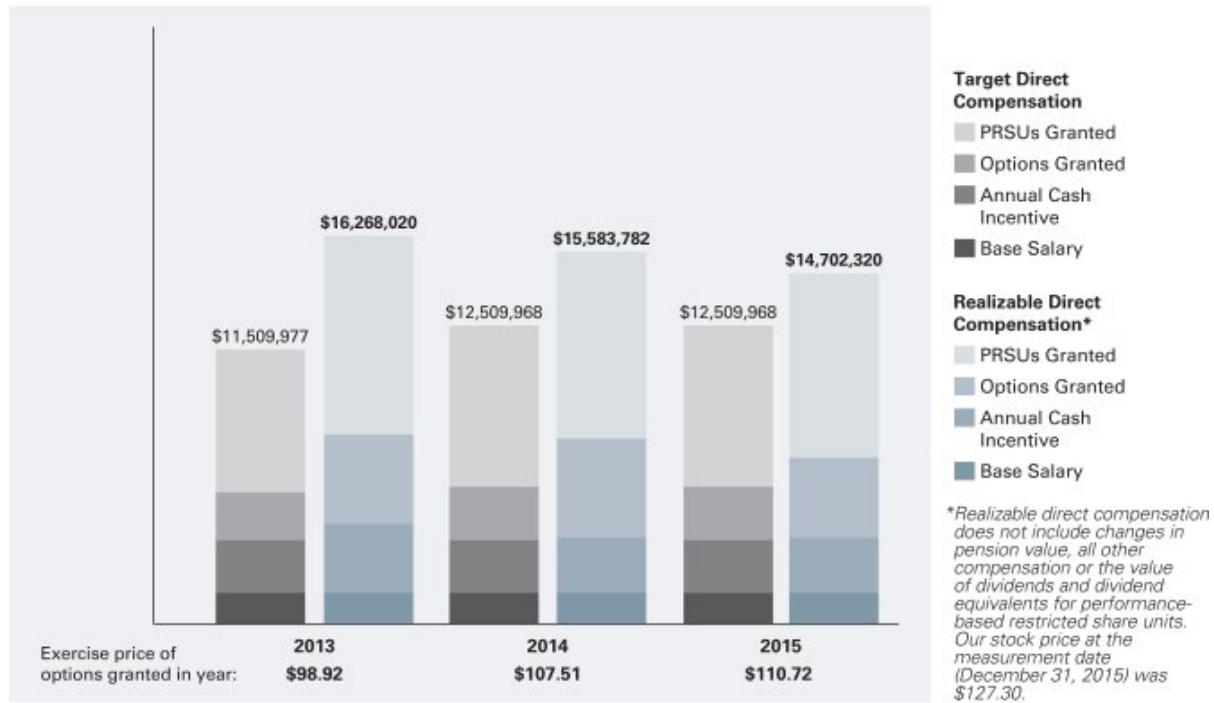
Key factors causing realizable direct compensation to differ from target direct annual compensation over these three years are:

- u Improved performance that resulted in annual cash incentives to be paid out at 132 percent of target (2013), 105 percent of target (2014) and 105 percent of target (2015), and
- u A rising stock price over the last three years that significantly impacted the intrinsic value of stock options and the dollar value of performance-based restricted share units granted in each year. Our stock prices on the dates stock options were granted to our Chief Executive Officer were \$98.92 (2013), \$107.51 (2014) and \$110.72 (2015) (as adjusted for our Halyard Health spin-off in the case of options granted in 2013 and 2014).

The Committee believes that this chart demonstrates that our Chief Executive Officer's realizable direct compensation varies from his target direct annual compensation based on our performance and stock price consistent with our pay-for-performance philosophy.



CEO TARGET DIRECT COMPENSATION AND REALIZABLE DIRECT COMPENSATION



Executive Compensation Objectives and Policies

The Committee is responsible for establishing and administering our policies governing the compensation of our elected officers, including our named executive officers. The Committee reviews its compensation philosophy annually, including determining whether this philosophy supports our business objectives and is consistent with the Committee’s charter.

The Committee has adopted executive compensation policies that are designed to achieve the following objectives:

Objective	Description	Related Policies
Pay-for-Performance	Support a performance-oriented environment that rewards achievement of our financial and non-financial goals.	The majority of our named executive officers’ pay varies with the levels at which annual and long-term performance goals are achieved. The Committee chooses performance goals that align with our strategies for sustained growth and profitability.
Focus on Long-Term Success	Reward executives for long-term strategic management and stockholder value enhancement.	The largest single component of our named executive officers’ annual target compensation is in the form of performance-based restricted share units. The number of shares actually received on payout of these units depends on our performance over a three-year period.



Objective	Description	Related Policies
Stockholder Alignment	Align the financial interests of our executives with those of our stockholders.	<i>Equity-based awards make up the largest part of our named executive officers' annual target compensation. As part of this, named executive officers receive stock options, which vest over time and have value only if our stock value rises after the option grants are made. We also have other policies that link our executives' interests with those of our stockholders, including target stock ownership guidelines.</i>
Quality of Talent	Attract and retain highly skilled executives whose abilities are considered essential to our long-term success as a global company operating our personal care, consumer tissue and K-C professional businesses.	<i>The Committee reviews peer group data to ensure our executive compensation program remains competitive so we can continue to attract and retain this talent.</i>

These compensation objectives and policies seek to align the compensation of our elected officers, including our named executive officers, with the objectives of our Global Business Plan. Our Global Business Plan, established by our senior management and the Board, is designed to make Kimberly-Clark a stronger and more competitive company and to increase our total return to stockholders by:

- u managing our business portfolio to balance growth, margin and cash flow
- u investing in brands, innovation and growth initiatives
- u delivering sustainable cost reduction
- u providing disciplined capital management to improve return on invested capital and return cash to stockholders



Components of Our Executive Compensation Program

The table below gives an overview of the compensation components used in our program and matches each with one or more of the objectives described above.

Component	Objectives	Purpose	Target Competitive Position
Base salary	Quality of talent	Provide annual cash income based on: <ul style="list-style-type: none"> u level of responsibility, experience and performance u comparison to market pay information 	<ul style="list-style-type: none"> u Compared to median of peer group u Actual base salary will vary based on the individual's level of responsibility, experience in the position and performance
	Pay-for-performance		
Annual cash incentive	Pay-for-performance	Motivate and reward achievement of the following annual performance goals: <ul style="list-style-type: none"> u corporate key financial goals u other corporate financial and strategic performance goals u performance of the business unit or staff function of the individual 	<ul style="list-style-type: none"> u Target compared to median of peer group u Actual payout will vary based on actual corporate and business unit or staff function performance
Long-term equity incentive	Stockholder alignment	Provide an incentive to deliver stockholder value and to achieve our long-term objectives, through awards of: <ul style="list-style-type: none"> u performance-based restricted share units u stock options 	<ul style="list-style-type: none"> u Target compared to median of peer group u Actual payout of performance-based restricted share units will vary based on actual corporate performance
	Focus on long-term success		
	Pay-for-performance	Time-vested restricted share units may be granted from time to time for recruiting, retention or other purposes	<ul style="list-style-type: none"> u Actual payout will also vary based on actual stock price performance
	Quality of talent		
Retirement benefits	Quality of talent	Provide competitive retirement plan benefits through 401(k) plan and other defined contribution plans	<ul style="list-style-type: none"> u Benefits comparable to those of peer group
Perquisites	Quality of talent	Provide minimal market-based additional benefits	<ul style="list-style-type: none"> u Subject to review and approval by the Committee
Post-termination compensation (severance and change of control)	Quality of talent	Encourage attraction and retention of executives critical to our long-term success and competitiveness: <ul style="list-style-type: none"> u Severance Pay Plan, which provides eligible employees, including executives, with payments and benefits in the event of certain involuntary terminations u Executive Severance Plan, which provides eligible employees, including executives, payments in the event of a qualified separation of service following a change of control 	<ul style="list-style-type: none"> u Subject to review and approval by the Committee



Setting Annual Compensation

This section describes how the Committee thinks about annual compensation and the processes that it followed in setting 2015 target annual compensation for our named executive officers.

Focus on Direct Annual Compensation

In setting 2015 compensation for our executive officers, including our Chief Executive Officer, the Committee focused on direct annual compensation, which consists of annual cash compensation (base salary and annual cash incentive) and long-term equity incentive compensation (performance-based restricted share units and stock options). The Committee considered annual cash and long-term equity incentive compensation both separately and as a package to help ensure that our executive compensation objectives are met.

Executive Compensation Peer Group

To ensure that our executive compensation programs are reasonable and competitive in the marketplace, the Committee compares our programs to those at other companies. In setting compensation in February 2015 for our named executive officers, the Committee used a peer group consisting of the following consumer goods and business to business companies:

2015 Executive Compensation Peer Group

u 3M	u DuPont	u Kraft Foods
u Avon Products	u General Mills	u Mondelēz International
u Campbell Soup	u Hershey	u Newell Rubbermaid
u Clorox	u Honeywell International	u Nike
u Coca-Cola	u Johnson & Johnson	u PepsiCo
u Colgate-Palmolive	u Kellogg	u Procter & Gamble
u ConAgra Foods		

The Committee generally seeks to select companies with whom Kimberly-Clark competes for talent. We believe that we generally compete for talent with consumer goods and business-to-business companies with annual revenues ranging from approximately one-half to two times our annual revenues. However, the Committee concluded that it was appropriate also to include certain companies outside of this annual revenue range because we directly compete with them for talent.

In developing the peer group, the Committee does not consider individual company compensation practices, and no company has been included or excluded because it is known to pay above-average or below-average compensation. The Committee (working with compensation consultants retained separately by the Committee and the company), reviews the peer group annually to ensure that it continues to serve as an appropriate comparison for our compensation program.

For purposes of setting executive compensation for 2016, the Committee did not make any changes to the peer group. Kraft Foods merged with H.J. Heinz in July 2015 and the surviving company, Kraft Heinz, remained in the peer group.

Process for Setting Direct Annual Compensation Targets

In setting the direct annual compensation of our executive officers, the Committee evaluates both market data provided by the compensation consultants and information on the performance of each executive officer for prior years. To remain competitive in the marketplace for executive talent, the target levels for the executive officers' compensation components, including our Chief Executive Officer, are compared to the median of the peer group.



To reinforce a pay-for-performance culture, targets for individual executive officers may be set above or below this median depending on the individual's performance in prior years and experience in the position. The Committee believes that comparing target levels to the median, setting targets as described above, and providing incentive compensation opportunities that will enable executives to earn above-target compensation if they deliver above-target performance on their performance goals, are consistent with the objectives of our compensation policies. In particular, the Committee believes that this approach enables us to attract and retain skilled and talented executives to guide and lead our businesses and supports a pay-for-performance culture. At times, the Committee may award long-term equity incentive compensation to key individuals to address retention concerns.

When setting annual compensation for our executive officers, the Committee considers each compensation component (base salary, annual cash incentive and long-term equity incentive), but its decision regarding a particular component does not necessarily impact its decision about other components.

In setting compensation for executive officers that join us from other companies, the Committee evaluates both market data for the position to be filled and the candidate's compensation history. The Committee recognizes that in order to successfully recruit a candidate to leave his or her current position and to join Kimberly-Clark, the candidate's compensation package may have to exceed his or her current compensation, resulting in a package above the median of our peer group.

CEO Direct Annual Compensation

The Committee determines Mr. Falk's direct annual compensation in the same manner as the direct annual compensation of the other named executive officers. Mr. Falk's direct annual target compensation is at or near the median of direct annual compensation of chief executive officers of companies included in the peer group.

The difference between Mr. Falk's compensation and that of the other named executive officers reflects the significant difference in their relative responsibilities. Mr. Falk's responsibilities for management and oversight of a global enterprise are significantly greater than those of the other executive officers. As a result, the market pay level for Mr. Falk is appropriately higher than the market pay for our other executive officer positions.

Direct Annual Compensation Targets for 2015

Consistent with its focus on direct annual compensation, the Committee approved 2015 direct annual compensation targets for each of our named executive officers. The Committee believes that these target amounts, which formed the basis for the Committee's compensation decisions for 2015, were appropriate and consistent with our executive compensation objectives:

Name	2015 Direct Annual Compensation Target(\$)
Thomas J. Falk	12,510,000
Maria G. Henry	3,625,000
Michael D. Hsu	3,948,500
Sandra J. MacQuillan	1,702,000
Elane B. Stock	3,948,500
Mark A. Buthman	3,920,000



These 2015 direct annual compensation target amounts differ from the amounts set forth in the Summary Compensation Table in the following ways:

- u Base salaries are adjusted on April 1 of each year, while the Summary Compensation Table includes salaries for the calendar year. See “Executive Compensation for 2015 – Base Salary.”
- u Annual cash incentive compensation is included at the target level, while the Summary Compensation Table reflects the actual amount earned for 2015.
- u As described below under “Long-Term Equity Incentive Compensation – 2015 Stock Option Awards,” for compensation purposes the Committee values stock options differently than the way they are required to be reflected in the Summary Compensation Table. Also, target-level annual long-term incentive compensation amounts do not include off-cycle awards such as the one-time sign-on award to Ms. MacQuillan reported in the Summary Compensation Table.
- u In setting direct annual compensation targets, the Committee does not include increases in pension or deferred compensation earnings or other compensation, while those amounts are required to be included in the Summary Compensation Table.

Executive Compensation for 2015

To help achieve the objectives discussed above, our executive compensation program for 2015 consists of fixed and performance-based components, as well as short-term and long-term components.

Base Salary

To attract and retain high caliber executives, we pay our executives an annual fixed salary that the Committee considers competitive in the marketplace.

Salary ranges and individual salaries for executive officers are reviewed annually, and salary adjustments generally are effective on April 1 of each year. In determining individual salaries, the Committee considers the salary levels for similar positions at our peer group companies, as well as the executive’s performance and experience in his or her position. This performance evaluation is based on how the executive performs during the year against results-based objectives established at the beginning of the year. In general, an experienced executive who is performing at a satisfactory level will receive a base salary at or around the median of our peer group companies. However, executives may be paid above or below the median depending on their experience and performance. From time to time, if warranted, executives and other employees may receive additional salary increases because of promotions, changes in duties and responsibilities, retention concerns or market conditions.

For purposes of setting 2015 base salaries, each executive’s leadership performance was measured against the following set of behaviors viewed as characteristic of executives who are adept at leading the strategic, operational and organizational aspects of our global business:

- u building trust
- u making decisions
- u winning consistently
- u thinking customer
- u continuously improving
- u building talent



In the case of Ms. Henry and Ms. MacQuillan, the Committee determined base salaries when the company extended employment offers to these officers, taking into account their prior salaries, prior experience and peer company data.

The Committee approved the following base salaries for our named executive officers, effective April 2015:

Name	2015 Base Salary(\$)
Thomas J. Falk	1,300,000
Maria G. Henry	750,000
Michael D. Hsu	815,000
Sandra J. MacQuillan	560,000
Elane B. Stock	815,000
Mark A. Buthman	800,000

Annual Cash Incentive Program

Consistent with our pay-for-performance compensation objective, our executive compensation program includes an annual cash incentive program to motivate and reward executives in achieving annual performance objectives.

2015 Targets

The target payment amount for annual cash incentives is a percentage of the executive’s base salary. The Committee determines this target payment amount as described above under “Setting Annual Compensation – Process for Setting Direct Annual Compensation Targets.” The range of possible payouts is expressed as a percentage of the target payment amount. The Committee sets this range based on competitive factors.

TARGET PAYMENT AMOUNTS AND RANGE OF POSSIBLE PAYOUTS FOR 2015 ANNUAL CASH INCENTIVE PROGRAM

	Target Payment Amount	Potential Payout
Chief Executive Officer	170% of base salary	0% - 200% of target payment amount
Senior Vice President and Chief Supply Chain Officer	70% of base salary	0% - 200% of target payment amount
Other Named Executive Officers	90% of base salary	0% - 200% of target payment amount

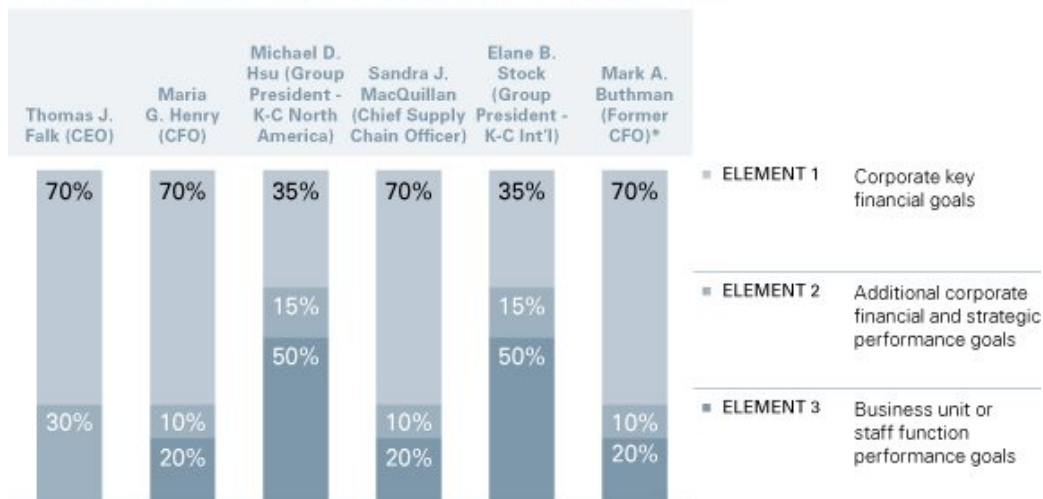
2015 Performance Goals, Performance Assessments and Payouts

Payment amounts under the annual cash incentive program are dependent on performance measured against corporate goals and business unit or staff function goals established by the Committee at the beginning of each year. These performance goals, which are communicated to our executives at the beginning of each year, are derived from our financial and strategic goals.

As shown in the table below, the Committee established goals for three different performance elements for 2015. It then weighted the three elements for each executive (note that the business unit or staff function performance goals did not apply to our CEO because his responsibilities are company-wide). As it does each year, the Committee chose weightings that are intended to strike an appropriate balance between aligning each executive’s individual objectives with our overall corporate objectives and holding the executive accountable for performance in the executive’s particular area of responsibility.



ANNUAL CASH INCENTIVE PROGRAM 2015 PERFORMANCE GOALS AND WEIGHTS



* Mr. Buthman served as Chief Financial Officer until April 27, 2015, when he assumed the title of Executive Vice President. As Executive Vice President, Mr. Buthman's goals were weighted 70% for Element 1 and 30% for Element 2. Mr. Buthman's 2015 payout amount was prorated between the two weighting structures.

Below we describe the three elements of performance, explain how performance was assessed for each element, and show the payouts that were determined in each case.

■ ELEMENT 1: CORPORATE KEY FINANCIAL GOALS

For 2015, the Committee chose the following as corporate key financial goals for the annual cash incentive program:

2015 Goal	Explanation	Reason for Use as a Performance Measure
Net sales	Net sales for 2015	A key indicator of our overall growth
Adjusted EPS	Consists of diluted net income per share that is then adjusted to eliminate the effect of items or events that the Committee determines in its discretion should be excluded for compensation purposes (1)	A key indicator of our overall performance
Adjusted OPROS	After net sales and adjusted EPS are determined as described above, a multiplier based on adjusted OPROS is applied to the calculation result to determine the final payout percentage (2)	A measure of margin efficiency and a helpful method of tracking our cost structure performance

(1) In 2015 the following adjustments were made to diluted net income per share to determine adjusted EPS:

Diluted Net Income Per Share	\$2.77
Adjustment for:	
Add—Charges related to Venezuelan operations	\$0.40
Add—Charges related to uncertain tax positions	\$0.13
Add—Charges related to 2014 organization restructuring	\$0.11
Add—Charges related to restructuring in Turkey	\$0.06
Add—Charges related to pension settlements	\$2.28
Rounding	\$0.01
Adjusted EPS	<u>\$5.76</u>

For more information regarding these adjustments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2015 Annual Report on Form 10-K.



(2) For purposes of determining annual cash incentive amounts, we calculate adjusted OPROS using our reported financial results, adjusted for the same items described above in determining adjusted EPS.

Because Element 1 represents key company-wide goals, it produces the same payout percentage for each named executive officer. To determine this percentage, the Committee follows the following process.

First, it determines an initial payout percentage based on how Kimberly-Clark performed against the net sales and adjusted EPS goals established in February of each year. For 2015, the Committee set these goals and the corresponding initial payout percentages at the following levels:

Measure (each weighted 50%)	Range of Performance Levels		
	Threshold	Target	Maximum
Net sales (billions)	\$ 17.48	\$ 19.00	\$ 20.52
Adjusted EPS	\$ 5.25	\$ 5.70	\$ 6.15
Initial Payout Percentage	0%	100%	200%

Second, it applies a multiplier to this initial payout percentage. The multiplier is based on how Kimberly-Clark performed against the adjusted OPROS goals also established in February. Depending on the level of basis point improvement, the multiplier may either decrease or increase the initial payout percentage (but the amount of the final payout percentage cannot exceed a 200 percent cap).

For 2015, the Committee set the following ranges for this adjusted OPROS multiplier:

	Range of Performance Levels		
	Threshold	Target	Maximum
Adjusted OPROS (bps improvement)	+40 bps	+90 bps	+140 bps
Adjusted OPROS Multiplier Applied to Initial Payout Percentage	0.8 x	1.0 x	1.2 x

Actual results. For 2015, our net sales result was \$18.59 billion and our adjusted EPS result was \$5.76. Based on these results, the initial payout percentage was determined to be 93 percent. To this percentage, we then applied an adjusted OPROS multiplier of 1.12, which was based on the actual 2015 improvement of 120 bps.

The resulting 2015 payout percentage for achieving the corporate key financial goals was 104 percent of each named executive officer's target payment amount.

■ ELEMENT 2: ADDITIONAL CORPORATE FINANCIAL AND STRATEGIC PERFORMANCE GOALS

At the beginning of 2015, the Committee also established additional corporate financial and non-financial strategic performance goals that are intended to challenge our executives to exceed our long-term objectives. At the end of the year, it determined a payout percentage based on its assessment of the degree to which these goals are achieved.

The Committee does not use a formula to assess the performance of these goals but instead takes a holistic approach and considers performance of all the goals collectively. Although it does review each goal separately, the key consideration for the Committee is how it views Kimberly-Clark's performance for the year in all of these categories, taken as a whole.



The chart below shows the 2015 goals and how the Committee assessed Kimberly-Clark’s performance against each one:

Additional Corporate Financial and Strategic Performance Goals for 2015		Final Result		
		Below Goal	At Goal	Above Goal
Quality of earnings:	u Gross profit growth percentage exceeding the net sales growth rate.			X
	u Advertising spending growth percentage exceeding the net sales growth rate.	X		
	u Attaining cost savings goals.			X
	u Operating profit growth percentage exceeding the net sales growth rate.			X
Brand equity and market performance:	u Increasing market share in select markets.		X	
Innovation:	u Attaining net sales from innovation goals (based on a rolling three-year review) in new products and line extensions in 2015.	X		
	u Attaining net sales from innovation goals (based on launches in 2015).			X
Diversity and inclusion	u Making progress on goals for women in senior roles globally and ethnic minorities in senior roles in the United States.			X

Actual payout percentage. After taking into account performance on all of these goals, the Committee determined that the payout percentage for achieving these other financial and strategic goals should be 105 percent of target.

■ ELEMENT 3: BUSINESS UNIT OR STAFF FUNCTION PERFORMANCE GOALS

In addition to the performance goals established by the Committee, our CEO establishes individual business unit or staff function performance goals that are intended to challenge the executives to exceed the objectives for that unit or function. These objectives include strategic performance goals for the business units and staff functions, as well as financial goals for the business units.

Following the end of the year, the executives’ performance is analyzed to determine whether performance for the goals was above target, on target or below target. Our CEO then provides the Committee with an assessment of each individual business unit’s or staff function’s performance against the objectives for that unit or function.

Actual payout percentages. Based on the assessed performance of the relevant business unit or staff function against its pre-established performance goals, and taking into account the CEO’s recommendations, the Committee determined the following payout percentages for business unit or staff function performance for our named executive officers:

Name	2015 Business Unit/Staff Function Payout Percentage
Thomas J. Falk	N/A
Maria G. Henry	110%
Michael D. Hsu	138%
Sandra J. MacQuillan	116%
Elane B. Stock	106%
Mark A. Buthman (prior to April 27)	111%



Annual Cash Incentive Payouts for 2015

The following table shows the payout opportunities and the actual payouts of annual cash incentives for 2015 for each of our named executive officers. Payouts were based on the payout percentages for each element, weighted for each executive as shown on page 49.

Name	Annual Incentive Target		Annual Incentive Maximum		2015 Annual Incentive Payout	
	% of Base Salary	Amount(\$)	% of Target	Amount(\$)	% of Target	Amount(\$)
Thomas J. Falk	170%	2,210,000	200%	4,420,000	105%	2,310,615
Maria G. Henry	90%	675,000	200%	1,350,000	106%	712,483
Michael D. Hsu	90%	733,500	200%	1,467,000	121%	890,683
Sandra J. MacQuillan	70%	392,000	200%	784,000	107%	418,668
Elane B. Stock	90%	733,500	200%	1,467,000	105%	771,904
Mark A. Buthman	90%	720,000	200%	1,440,000	105%	755,780

Summary of Annual Cash Incentive Payouts: 2010 through 2015

Generally, the Committee seeks to set the minimum, target and maximum levels such that the relative difficulty of achieving the target level is consistent from year to year. From 2010 through 2015, total payout percentages (including business unit or staff function performance) for our named executive officers in those years ranged from 58 percent to 132 percent of each executive’s target award opportunity. The Committee believes that these payouts are consistent with how Kimberly-Clark performed during these years and reflect the pay-for-performance objectives of our executive compensation.

PAYOUTS FOR CORPORATE GOALS AND AVERAGE TOTAL PAYOUT PERCENTAGES FOR NAMED EXECUTIVE OFFICERS

	2015	2014	2013	2012	2011	2010	Average
Payout for Corporate Goals Combination of corporate key financial goals and additional corporate financial and strategic performance goals	105%	105%	132%	129%	75%	67%	102%
Average Total Payout Percentages (including business unit or staff function performance) for named executive officers	108%	105%	128%	123%	79%	77%	103%

Long-Term Equity Incentive Compensation

The Committee awards long-term equity incentive grants to executive officers as part of their overall compensation package. These awards are consistent with the Committee’s objectives of aligning our senior leaders’ interests with the financial interests of our stockholders, focusing on our long-term success, supporting our performance-oriented environment and offering competitive compensation packages.

Information regarding long-term equity incentive awards granted to our named executive officers can be found under “Summary Compensation,” “Grants of Plan-Based Awards,” and “Discussion of Summary Compensation and Plan-Based Awards Tables.”



2015 Grants

In determining the 2015 long-term equity incentive award amounts for our named executive officers, the Committee considered the following factors, among others: the specific responsibilities and performance of the executive, our business performance, retention needs, our stock price performance and other market factors. Because these awards are part of our annual compensation program that compares direct annual compensation to the median of our peer group comparison, grants from prior years were not considered when setting 2015 targets or granting awards.

To determine target values, it first compared each executive’s direct annual compensation to the median of our peer group, and then considered individual performance and the other factors listed above, as applicable. Target grant values were approved in February 2015 and were divided into two types:

- u Performance-based restricted share units (75 percent of the target grant value). For valuation purposes, each unit is assigned the same value as one share of our common stock on the date of grant.
- u Stock options (25 percent of the target grant value). For valuation purposes, one option has the same value as 10 percent of the price of one share of our common stock on the date of grant of the stock option.

The Committee believes this allocation between performance-based restricted share units and stock options supports the pay-for-performance and stockholder alignment objectives of its executive compensation program.

In addition to her annual long-term incentive award, the Committee granted a one-time time-vested restricted share unit award to Ms. MacQuillan as an incentive to join the company and to replace certain compensation and benefits she forfeited upon leaving her former employer.

Performance Goals and Potential Payouts for 2015 - 2017 Performance-Based Restricted Share Units

For the performance-based restricted share unit awards granted in 2015, the actual number of shares to be received by our named executive officers can range from zero to 200 percent of the target levels established by the Committee for each executive, depending on the degree to which the performance objectives for these awards are met over a three-year period.

The performance objectives for the 2015 awards are based on average annual net sales growth and the average adjusted return on invested capital (ROIC) for the period January 1, 2015 through December 31, 2017. Adjusted ROIC is a measure of the return we earn on the capital invested in our businesses. It is calculated using our reported financial results, adjusted for the same items that we use in determining adjusted EPS. The formula we use to calculate adjusted ROIC can be found under the Investors section of our website at www.kimberly-clark.com. The performance objectives for the awards reflect assumed annual organic sales growth of 3 to 5 percent for 2015 through 2017, with significantly unfavorable foreign exchange rate effects in 2015.

2015 - 2017 PERFORMANCE-BASED RESTRICTED SHARE UNITS: POTENTIAL PAYOUTS AT VARYING PERFORMANCE LEVELS

Goals (Each weighted 50%)	Performance Levels				
Annual net sales growth	(1.40)%	(0.15)%	1.10%	2.35%	3.60%
Adjusted ROIC	20.25%	20.75%	21.25%	21.75%	22.25%
Potential Payout (as a percentage of target)	0%	50%	100%	150%	200%



Payout of 2012 - 2014 Performance-Based Restricted Share Units

In February 2015, the Committee evaluated the results of the three-year performance period for the performance-based restricted share units that were granted in 2012. The performance objectives for these 2012 awards were based on average annual adjusted net sales growth and average adjusted ROIC for the period January 1, 2012 through December 31, 2014, each weighted equally.

Goals (Each weighted 50%)	Performance Levels					
Annual adjusted net sales growth*	1.00%	2.25%	3.50%	4.75%	6.00%	1.52%
Adjusted ROIC**	14.50%	15.00%	15.50%	16.00%	16.50%	17.01%
Potential Payout (as a percentage of target)	0%	50%	100%	150%	200%	Actual

* For purposes of calculating annual adjusted net sales growth, the Committee added \$1.59 billion to 2014 net sales to neutralize the impact of the Halyard Health spin-off on October 31, 2014. The adjustment represents the estimated net sales that our health care business would have contributed in 2014 had the spin-off not occurred. The adjustment represents, (1) for January through October, the actual results for our health care business (which are reported as discontinued operations in our 2014 Annual Report on Form 10-K) and (2) for November and December, pro-forma results determined by multiplying our health care business actual year-to-date performance for January through October, expressed as a percentage of target, by the target performance level attributable to November and December.

** For purposes of calculating average adjusted ROIC, the Committee (1) added \$29.8 million of lost earnings to 2014 operating profit to neutralize the impact of the Halyard Health spin-off and (2) excluded from the calculation of operating profit and invested capital the impacts of charges related to (a) the Halyard Health spin-off, (b) an exchange rate change in Venezuela, (c) our 2014 organization restructuring, (d) a regulatory dispute in the Middle East and (e) our European restructurings.

Based on this review, the Committee determined that we achieved our performance goal for adjusted ROIC but did not achieve our performance goal for adjusted net sales growth. As a result, the payout percentage for the share units was 111 percent of target. The following table includes information about the opportunities and payouts (including reinvested dividends) regarding these grants to our named executive officers:

Name	Share Amount		% of Target	2012 - 2014 Performance-Based Restricted Share Unit Award (Paid in February 2015)	
	Target	Maximum		Amount of Shares(#)	Value of Shares on Date Received(\$)
Thomas J. Falk	90,114	180,228	111%	100,026	10,968,851
Maria G. Henry *	—	—	—	—	—
Michael D. Hsu *	—	—	—	—	—
Sandra J. MacQuillan *	—	—	—	—	—
Elane B. Stock	7,209	14,418	111%	8,002	877,499
Mark A. Buthman	21,627	43,254	111%	24,006	2,632,498

* Mmes. Henry and MacQuillan and Mr. Hsu joined Kimberly-Clark after these grants were made.

The Committee believes that these payouts further highlight the link between pay and performance established by our compensation program, which seeks to align actual compensation paid to our named executive officers with our long-term performance.

The shares underlying these performance-based restricted share unit awards were distributed to our named executive officers in February 2015 and are included in the table below entitled "Option Exercises and Stock Vested in 2015."

Vesting Levels of Outstanding Performance-Based Restricted Share Unit Awards

As of February 10, 2016, the performance-based restricted share units granted in 2015 and 2014 were on pace to vest at 100 percent.

The Committee has determined that the 2013 award vested at 100 percent. Payouts under these awards will be reflected in 2016 compensation.



2015 Stock Option Awards

As noted above, 25 percent of the annual long-term equity incentive grants to executive officers in 2015 consisted of stock options. Stock option grants vest in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date. The Committee believes that stock options help further align our executives' interest with those of our stockholders and encourage executives to remain with the company through the multi-year vesting schedule.

For purposes of determining the number of options to be granted, stock options are valued on the basis that one option has the same value as 10 percent of the price of one share of our common stock on the date of grant. The value we use for this purpose differs from, and in April 2015 was higher than, the value of approximately 6.7 percent that we use for financial statement purposes (resulting in fewer options being granted than if the financial statement value had been used). The Committee believes that this value is an appropriate way to determine the number of options to be granted because it provides more consistent application and is not subject to the volatility inherent in the valuation method (Black-Scholes-Merton) used for financial statement purposes. Information regarding stock options granted to our named executive officers can be found under "Summary Compensation," "Grants of Plan-Based Awards," and "Discussion of Summary Compensation and Plan-Based Awards Tables."

Benefits and Other Compensation

Retirement Benefits

Our named executive officers receive contributions from us under the Kimberly-Clark Corporation 401(k) and Profit Sharing Plan (the "401(k) Profit Sharing Plan") and the Kimberly-Clark Supplemental Retirement 401(k) and Profit Sharing Plan (the "Supplemental 401(k) Plan") and some executive officers participate in our frozen defined benefit pension plans depending on their hire date. These plans are consistent with those maintained by our peer group companies and are therefore necessary to remain competitive with them for recruiting and retaining executive talent. The Committee believes that these retirement benefits are important parts of our compensation program. For more information, see "Nonqualified Deferred Compensation – 401(k) Profit Sharing Plan and Supplemental 401(k) Plan" and "Pension Benefits."

Other Compensation

A review conducted in 2014 indicated that perquisites provided to our executive officers are below the median of those provided by our peer group. In addition, the Committee has adopted a policy providing that executive officers will no longer receive tax reimbursement and a related gross-up for perquisites (including personal use of corporate aircraft), except for certain relocation benefits.

Perquisites include personal financial planning services under our Executive Financial Counseling Program, an executive health screening program where executives may receive comprehensive physical examinations from an independent health care provider, and permitted personal use of corporate aircraft consistent with our policy. The personal financial planning program is designed to provide executives with access to knowledgeable financial advisors that understand our compensation and benefit plans and can assist our executives in efficiently and effectively managing their financial and tax planning issues. Our Chief Executive Officer does not receive personal financial planning services pursuant to this program. The executive health screening program provides executives with additional services that help maintain their overall health.

Under an executive security program for our Chief Executive Officer, approved by the Board of Directors, our Chief Executive Officer is expected to use our corporate aircraft for all business and personal travel, consistent with our policy, and security services are provided for him at all times, including at his office, other company locations and his residences. Periodically, an independent security consultant conducts a security assessment, and the Board reviews the program, to ensure that security measures provided by us are appropriate. The Board considers these security



arrangements to be appropriate and reasonable in light of the security risks identified in the independent security assessment. In addition, if a corporate aircraft is already scheduled for business purposes and can accommodate additional passengers, executive officers and their guests may, under certain circumstances, join flights for personal travel. The incremental cost to us of providing security services at Mr. Falk’s residences and personal travel for Mr. Falk and his guests on our corporate aircraft is included in “All Other Compensation” in the Summary Compensation Table.

Post-Termination Benefits

We maintain two severance plans that cover our executive officers: the Severance Pay Plan and the Executive Severance Plan. An executive officer may not receive severance payments under more than one severance plan. Benefits under these plans are payable only if the executive’s employment terminates under the conditions specified in the applicable plan. We believe that our severance plans are consistent with those maintained by our peer group companies and that they are therefore important for attracting and retaining executives who are critical to our long-term success and competitiveness. For more information about these severance plans and their terms, see “Potential Payments on Termination or Change of Control – Severance Benefits.”

Severance Pay Plan

Our Severance Pay Plan provides severance benefits to most of our U.S. hourly and salaried employees, including our named executive officers, who are involuntarily terminated under the circumstances described in the plan. The objective of this plan is to facilitate the employee’s transition to his or her next position, and it is not intended to serve as a reward for the employee’s past service.

Executive Severance Plan

Our Executive Severance Plan provides severance benefits to eligible employees, including our named executive officers, in the event of a qualified termination of employment (as defined in the plan) in connection with a change of control. For an eligible employee to receive a payment under this plan, two things must occur: there must be a change of control of Kimberly-Clark, and the employee must have been involuntarily terminated without cause or have resigned for good reason (as defined in the plan) within two years of the change of control (often referred to as a “double trigger”). Each of our named executive officers has entered into an agreement under the plan that expires on December 31, 2017.

Executive Compensation for 2016

2016 Base Salary

In February 2016, the Committee approved the following base salaries for our named executive officers, effective April 1, 2016:

Name	2016 Base Salary(\$)
Thomas J. Falk	1,325,000
Maria G. Henry	780,000
Michael D. Hsu	840,000
Sandra J. MacQuillan	570,000
Elane B. Stock	840,000



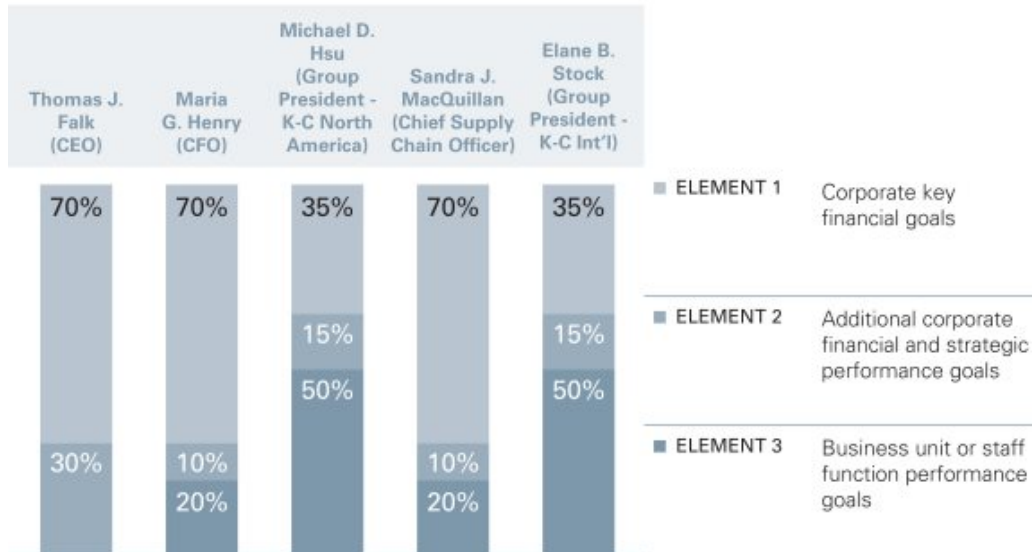
2016 Annual Cash Incentive Targets

In February 2016, the Committee also established objectives for 2016 annual cash incentives, which will be payable in 2017. The target payment amounts and range of possible payouts for 2016 were as follows:

	Target Payment Amount	Possible Payout
Thomas J. Falk	170% of base salary	0% - 200% of target payment amount
Maria G. Henry	90% of base salary	0% - 200% of target payment amount
Michael D. Hsu	90% of base salary	0% - 200% of target payment amount
Sandra J. MacQuillan	70% of base salary	0% - 200% of target payment amount
Elane B. Stock	90% of base salary	0% - 200% of target payment amount

As discussed in “2015 Performance Goals, Performance Assessments and Payouts” above, the Committee sets the appropriate split among the different elements of performance that make up our performance goals. The following are the 2016 performance goals and relative weights for our named executive officers:

ANNUAL CASH INCENTIVE PROGRAM 2016 PERFORMANCE GOALS AND WEIGHTS



The corporate key financial goals for 2016 are designed to encourage a continued focus on executing our long-term Global Business Plan objectives and include achieving net sales, adjusted EPS and adjusted OPROS goals.

The Committee also established other corporate financial and non-financial goals for 2016. These goals, intended to further align compensation with achieving our Global Business Plan, include:

- u Focusing on gross profit growth, advertising spending growth, cost savings and operating profit growth



- u Focusing on market share improvement in global markets
- u Driving innovation
- u Diversity and inclusion

In addition, goals have been established for each named executive officer, other than our Chief Executive Officer, relating to his or her business unit or specific staff function.

2016 Long-Term Equity Compensation Incentive Awards

In February 2016, the Committee approved long-term incentive compensation awards for the named executive officers consisting of awards of performance-based restricted share units with a value equal to 75 percent of the target grant value for long-term equity incentive compensation, with the balance of the value to be granted in stock options. The performance objectives for the performance-based restricted share unit awards granted in 2016 are based on average annual net sales growth and average adjusted ROIC improvement for the period January 1, 2016 through December 31, 2018. The actual number of shares to be received by our named executive officers will range from zero to 200 percent of the target levels established by the Committee for each executive, depending on the degree to which the performance objectives are met.

PERFORMANCE-BASED RESTRICTED SHARE UNITS GRANTED IN 2016

Name	Target Amount of Shares(#)	Maximum Amount of Shares(#)
Thomas J. Falk	57,559	115,118
Maria G. Henry	13,814	27,628
Michael D. Hsu	15,253	30,506
Sandra J. MacQuillan	4,893	9,786
Elane B. Stock	15,253	30,506

In February 2016, the Committee also approved the dollar amount of stock options to be granted to our named executive officers in May 2016, along with our annual stock option grants to other employees. The number of options they will receive will be based on the fair market value of our stock on the date of grant.

Name	Value of Stock Options to be Granted(\$)
Thomas J. Falk	2,500,000
Maria G. Henry	600,000
Michael D. Hsu	662,500
Sandra J. MacQuillan	212,500
Elane B. Stock	662,500



Additional Information about Our Compensation Practices

As a matter of sound governance, we follow certain practices with respect to our compensation program. We regularly review and evaluate our compensation practices in light of regulatory developments, market standards and other considerations.

Use of Independent Compensation Consultant

As previously discussed, the Committee engaged Semler Brossy Consulting Group as its independent consultant to assist it in determining the appropriate executive officer compensation in 2015 under our compensation policies described above. Consistent with the Committee's policy in which its independent consultant may provide services only to the Committee, Semler Brossy had no other business relationship with Kimberly-Clark and received no payments from us other than fees and expenses for services to the Committee. See "Corporate Governance - Management Development and Compensation Committee" for information about the use of compensation consultants.

Adjustment of Financial Measures for Annual and Long-Term Equity Incentives

Financial measures for the annual and long-term equity incentive programs are developed based on expectations about our planned activities and reasonable assumptions about the performance of our key business drivers for the applicable period. From time to time, however, discrete items or events may arise that were not contemplated by these plans or assumptions. These could include accounting and tax law changes, tax credits or charges from items not within the ordinary course of our business operations, charges relating to currency exchange rate changes, restructuring and write-off charges, significant acquisitions or dispositions, and significant gains or losses from litigation settlements.

Under the Committee's exception guidelines regarding our annual and long-term equity incentive program measures, the Committee has adjusted in the past, and may adjust in the future, the calculation of financial measures for these incentive programs to eliminate the effect of the types of items or events described above. In making these adjustments, the Committee's policy is to seek to neutralize the impact of the unexpected or unplanned items or events, whether positive or negative, in order to provide consistent and equitable incentive payments that the Committee believes are reflective of our performance. In considering whether to make a particular adjustment under its guidelines, the Committee will review whether the item or event was one for which management was responsible and accountable, treatment of similar items in prior periods, the extent of the item's or event's impact on the financial measure, and the item's or event's characteristics relative to normal and customary business practices. Generally, the Committee will apply an adjustment to all compensation that is subject to that financial measure.

Pricing and Timing of Stock Option Grants and Timing of Performance-Based Equity Grants

Our policies and the 2011 Plan require stock options to be granted at no less than the closing price of our common stock on the date of grant. Stock option grants to our elected officers, including our executive officers, are generally made annually at a meeting of the Committee that is scheduled at least one year in advance, and the grants are effective on the date of this meeting. However, if the meeting occurs during the period beginning on the first day of the final month of a calendar quarter and ending on the date of our earnings release, the stock option grants will not be effective until the first business day following the earnings release. Our executives are not permitted to choose the grant date for their individual stock option grants.

The Chairman of the Board and Chief Executive Officer has been delegated the authority to approve equity grants, including stock options, to employees who are not elected officers of Kimberly-Clark. These grants include scheduled annual grants, which are subject to an annual limit set by the



Committee, and recruiting and special employee recognition and retention grants, which may not exceed 200,000 shares in any calendar year. The Chairman of the Board and Chief Executive Officer is not permitted to make any grants to any of our elected officers, including our executive officers.

Annual stock option grants to non-elected officers are effective on the same date as the annual stock option grants to our elected officers. Recruiting, special recognition and retention stock-based awards are made on a pre-determined date following our quarterly earnings release. In April 2015, our Chief Executive Officer authorized an aggregate of 1.69 million options, performance-based restricted share units and time-vested restricted share units to employees who are not elected officers. In 2015, our Chief Executive Officer also authorized an aggregate of 27,301 shares underlying recruiting and retention grants, consisting of options, performance-based restricted share units and time-vested restricted share units.

With respect to grants of performance-based restricted share units to executive officers, the Committee's current practice is to approve the grants at its February meeting and the grants are effective on the last business day of February. (Prior to 2016, grants were effective on the date of the Committee's February meeting.) We believe this practice is consistent with award practices at other large public companies. Our executives are not permitted to choose the grant date for their individual restricted stock or restricted share unit awards.

Policy on Incentive Compensation Clawback

As described in detail above, a significant percentage of our executive officer compensation is incentive-based. The determination of the extent to which the incentive objectives are achieved is based in part on the Committee's discretion and in part on our published financial results. The Committee has the right to reassess its determination of the performance awards if the financial statements on which it relied are restated. The Committee has the right to direct Kimberly-Clark to seek to recover from any executive officer any amounts determined to have been inappropriately received by the individual executive officer. In addition, under the 2011 Plan, the Committee may require awards with performance goals under the 2011 Plan to be subject to any policy we may adopt relating to the recovery of that award to the extent it is determined that performance goals relating to the awards were not actually achieved. Further, the Sarbanes-Oxley Act of 2002 mandates that the chief executive officer and the chief financial officer reimburse us for any bonus or other incentive-based or equity-based compensation paid to them in a year following the issuance of financial statements that are later required to be restated as a result of misconduct. The Committee intends to review and revise the incentive compensation clawback policy once the SEC issues final regulations on clawbacks under the Dodd-Frank legislation enacted in 2010.

Stock Ownership Guidelines

We strongly believe that the financial interests of our executives should be aligned with those of our stockholders. Accordingly, the Committee has established stock ownership guidelines for our elected officers, including our named executive officers.

TARGET STOCK OWNERSHIP AMOUNTS

Position	Ownership Level
Chief Executive Officer	Six times annual base salary
Other named executive officers	Three times annual base salary

Failure to attain these targeted stock ownership levels within five years from date of hire for, or appointment to, an eligible position can result in the reduction of part or all of the executive's annual cash incentive (with a corresponding grant of time-vested restricted share units or restricted stock in that amount), or a reduction in future long-term equity incentive awards, either of which may continue until the ownership guideline is achieved. In determining whether our stock ownership



guidelines have been met, any time-vested restricted share units held are counted as owned, but performance-based restricted share units are excluded until they vest. Executive officer stock ownership levels were reviewed in 2015 for compliance with these guidelines. Based on our stock price as of the compliance date for this review, the stock ownership levels specified by the guidelines have been met or exceeded by each of our named executive officers.

Insider Trading Policy; Anti-Hedging and Pledging Policy

We require all executive officers to pre-clear transactions involving our common stock (and other securities related to our common stock) with our Legal Department.

Our insider trading policy prohibits any director, executive officer or any other officer or employee subject to its terms (approximately 200 people) from entering into short sales or derivative transactions to hedge their economic exposure to our common stock. In addition, these directors, officers and employees are prohibited from pledging our stock, including through holding our stock in margin accounts.

Committee Exercise of Discretion to Reduce Annual Cash Incentive Payment

In establishing performance goals and target levels under the annual cash incentive program, the Committee is exercising its discretion to limit the amount of the incentive payments, consistent with our pay-for-performance objective. In the absence of this exercise of discretion, each of the executive officers would be entitled to an award equal to 0.3 percent of our earnings before unusual items; however, the Committee has exercised its discretion to limit the amount of the incentive payments each year of the program, and this potential maximum award has never been paid to any of the executive officers.

Corporate Tax Deduction for Executive Compensation

The United States income tax laws generally limit the deductibility of compensation paid to the chief executive officer and each of the three highest-paid executive officers (not including the chief financial officer) to \$1,000,000 per annum. However, an exception exists for performance-based compensation that meets certain regulatory requirements. Several classes of our executive compensation, including option awards and portions of our long-term equity grants to executive officers, are designed to meet the requirements for deductibility. Other classes of our executive compensation, including portions of the long-term equity grants described above, may be subject to the \$1,000,000 deductibility limit.

Although deductibility of compensation is preferred, tax deductibility is not a primary objective of our compensation programs. In the Committee's view, meeting the compensation objectives set forth above is more important than the benefit of being able to deduct the compensation for tax purposes.



Management Development and Compensation Committee Report

In accordance with its written charter adopted by the Board, the Management Development and Compensation Committee has oversight of compensation policies designed to align elected officers' compensation with our overall business strategy, values and management initiatives. In discharging its oversight responsibility, the Committee has retained an independent compensation consultant to advise the Committee regarding market and general compensation trends.

The Committee has reviewed and discussed the Compensation Discussion and Analysis with our management, which has the responsibility for preparing the Compensation Discussion and Analysis. Based upon this review and discussion, the Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and incorporated by reference in our Annual Report on Form 10-K filed with the SEC for the fiscal year ended December 31, 2015.

**MANAGEMENT DEVELOPMENT AND COMPENSATION
COMMITTEE OF THE BOARD OF DIRECTORS**

Abelardo E. Bru, Chairman
Fabian T. Garcia
Mae C. Jemison, M.D.
Marc J. Shapiro



**Analysis of
Compensation-
Related Risks**

The Committee, with the assistance of its independent consultant and Kimberly-Clark's compensation consultant, has reviewed an assessment of our compensation programs for our employees, including our executive officers, to analyze the risks arising from our compensation systems.

Based on this assessment, the Committee believes that the design of our compensation programs, including our executive compensation program, does not encourage our executives or employees to take excessive risks and that the risks arising from these programs are not reasonably likely to have a material adverse effect on Kimberly-Clark.

Several factors contributed to the Committee's conclusion, including:

- u The Committee believes Kimberly-Clark maintains a values-driven, ethics-based culture supported by a strong tone at the top.
- u The performance targets for annual cash incentive programs are selected to ensure that they are reasonably attainable in a manner consistent with our Global Business Plan without encouraging executives or employees to take inappropriate risks.
- u An analysis by Kimberly-Clark's consultant indicated that our compensation programs are consistent with those of our peer group. In addition, the analysis noted that target levels for direct annual compensation are compared to the median of our peer group.
- u The Committee believes the allocation among the components of direct annual compensation provides an appropriate balance between annual and long-term incentives and between fixed and performance-based compensation.
- u Annual cash incentives and long-term performance-based restricted share unit awards under our executive compensation program are capped at 200 percent of the target award, and all other material non-executive cash incentive programs are capped at reasonable levels, which the Committee believes protects against disproportionately large incentives.
- u The Committee believes the performance measures and the multi-year vesting features of the long-term equity incentive compensation component encourage participants to seek sustainable growth and value creation.
- u The Committee believes inclusion of share-based compensation through the long-term equity incentive compensation component encourages appropriate decision-making that is aligned with the long-term interests of stockholders.
- u Our stock ownership guidelines further align the interests of management and stockholders.



Compensation Tables

Summary Compensation

The following table contains information concerning compensation awarded to, earned by, or paid to our named executive officers in the last three years. Additional information regarding the items reflected in each column appears below the table and on page 69.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary(\$)	Stock Awards(\$)	Option Awards(\$)	Non-Equity Incentive Plan Compensation(\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(\$) ⁽¹⁾	All Other Compensation(\$)	Total(\$)
Thomas J. Falk Chairman of the Board and Chief Executive Officer	2015	1,300,000	6,749,972	1,501,759	2,310,615	—	298,147	12,160,493
	2014	1,300,000	6,749,976	1,601,556	2,328,677	3,057,191	357,781	15,395,181
	2013	1,300,000	5,999,979	1,384,455	2,908,360	—	321,210	11,914,004
Maria G. Henry ⁽²⁾ Senior Vice President and Chief Financial Officer	2015	511,364	1,649,949	367,098	712,483	—	205,333	3,446,227
Michael D. Hsu Group President – K-C North America	2015	805,000	1,800,015	400,471	890,683	—	112,835	4,009,004
	2014	746,250	1,500,044	355,899	671,545	—	113,808	3,387,546
	2013	657,500	1,237,481	285,542	692,031	—	66,395	2,938,949
Sandra J. MacQuillan ⁽²⁾ Senior Vice President and Chief Supply Chain Officer	2015	392,424	2,262,453	125,150	418,668	—	232,943	3,431,638
Elane B. Stock ⁽²⁾ Group President – K-C International	2015	805,000	1,800,015	400,471	771,904	—	118,593	3,895,983
	2014	718,750	1,500,044	355,899	752,650	—	89,434	3,416,777
Mark A. Buthman Former Senior Vice President and Chief Financial Officer	2015	800,000	1,800,015	400,471	755,780	—	123,303	3,879,569
	2014	796,250	1,649,960	391,494	767,650	618,724	127,439	4,351,517
	2013	781,250	1,350,046	311,504	873,097	—	116,719	3,432,616

⁽¹⁾ For 2015, the aggregate value of pension benefits for Messrs. Falk and Buthman decreased by \$614,183 and \$157,264, respectively. For 2013, the aggregate values for these officers decreased by \$1,735,962 and \$378,044, respectively. Because these amounts decreased, they have been excluded from the table above under the SEC's regulations. Mmes. Henry, MacQuillan and Stock and Mr. Hsu are not participants in our pension plans.

⁽²⁾ Mmes. Henry and MacQuillan were not named executive officers in 2013 or 2014 and Ms. Stock was not a named executive officer in 2013. Therefore, no compensation information for these years appears in this table for these officers.



Salary. The amounts in this column represent base salary earned during the year.

Stock Awards and Option Awards. The amounts in these columns reflect the dollar value of restricted share unit awards and stock options, respectively, granted under our stockholder-approved 2011 Equity Participation Plan (the “2011 Plan”).

The restricted share unit awards either vest over time or are based on the achievement of performance-based standards.

The amounts for each year represent the grant date fair value of the awards, computed in accordance with ASC Topic 718. See Notes 8, 10, and 9 to our audited consolidated financial statements included in our Annual Reports on Form 10-K for 2015, 2014 and 2013, respectively, for the assumptions we used in valuing and expensing these restricted share units and stock option awards in accordance with ASC Topic 718.

For awards that are subject to performance conditions, the value is based on the probable outcome of the conditions at grant date. This value, as well as the value of the awards at the grant date assuming the highest level of performance conditions will be achieved and using the grant date stock price, is set forth below:

Name	Year	Stock Awards at Grant Date Value(\$)	Stock Awards at Highest Level of Performance Conditions(\$)
Thomas J. Falk	2015	6,749,972	13,499,944
	2014	6,749,976	13,499,952
	2013	5,999,979	11,999,958
Maria G. Henry	2015	1,649,949	3,299,898
Michael D. Hsu	2015	1,800,015	3,600,030
	2014	1,500,044	3,000,088
	2013	1,237,481	2,474,962
Sandra J. MacQuillan	2015	562,458	1,124,916
Elane B. Stock	2015	1,800,015	3,600,030
	2014	1,500,044	3,000,088
Mark A. Buthman	2015	1,800,015	3,600,030
	2014	1,649,960	3,299,920
	2013	1,350,046	2,700,092

Non-Equity Incentive Plan Compensation. The amounts in this column are the annual cash incentive payments described in “Compensation Discussion and Analysis.” These amounts were earned during the years indicated and were paid to our named executive officers in February of the following year.

Change In Pension Value and Nonqualified Deferred Compensation Earnings. The amounts in this column reflect the aggregate change during the year in actuarial present value of accumulated benefits under all defined benefit and actuarial plans (including supplemental pension plans). With respect to the supplemental pension plans, amounts have been calculated to reflect an approximate 30-year Treasury bond rate to determine the amount of the earlier retirement age lump sum benefit in a manner consistent with our financial statements. We describe the assumptions we used in determining the amounts and provide additional information about these plans in “Pension Benefits.”

Mr. Falk has compensation from before 2005 that he elected to defer pursuant to a Deferred Compensation Plan then in effect. Beginning in 2010, each of our named executive officers participates in the Supplemental 401(k) Plan, a non-qualified defined contribution plan, and prior to



2010, Mr. Buthman participated in its predecessor plan, the supplemental Retirement Contribution Program. Earnings on each of these plans are not included in the Summary Compensation Table because the earnings were not above-market or preferential. See “Nonqualified Deferred Compensation” for a discussion of these plans and each named executive officer’s earnings under these plans in 2015.

All Other Compensation. All other compensation consists of the following:

Name	Year	Perquisites (\$) ⁽¹⁾	Defined Contribution Plan Amounts(\$) ⁽²⁾	Tax Gross-Ups(\$) ⁽³⁾	Total (\$) ⁽⁴⁾
Thomas J. Falk	2015	40,511	257,636	—	298,147
	2014	63,196	294,585	—	357,781
	2013	22,823	298,387	—	321,210
Maria G. Henry	2015	148,326	36,207	20,800	205,333
Michael D. Hsu	2015	8,000	104,835	—	112,835
	2014	13,128	100,680	—	113,808
	2013	10,522	55,873	—	66,395
Sandra J. MacQuillan	2015	143,392	27,862	61,689	232,943
Elane B. Stock	2015	8,000	110,593	—	118,593
	2014	8,000	81,434	—	89,434
Mark A. Buthman	2015	12,000	111,303	—	123,303
	2014	10,585	116,854	—	127,439
	2013	1,872	114,847	—	116,719

⁽¹⁾ *Perquisites.* For a description of the perquisites we provide executive officers, and the reasons why, see “Compensation Discussion and Analysis – Benefits and Other Compensation – Other Compensation.” Perquisites for our named executive officers in 2015 included the following:

Name	Executive Financial Counseling Program(\$) ^(a)	Personal Use of Corporate Aircraft(\$)	Security Services(\$)	Executive Health Screening Program(\$)	Relocation Expenses(\$)	Total(\$)
Thomas J. Falk	—	29,900	10,611	—	—	40,511
Maria G. Henry	—	—	—	3,802	144,524	148,326
Michael D. Hsu	8,000	—	—	—	—	8,000
Sandra J. MacQuillan	—	—	—	—	143,392	143,392
Elane B. Stock	8,000	—	—	—	—	8,000
Mark A. Buthman	12,000	—	—	—	—	12,000

^(a) Our Chief Executive Officer does not receive personal financial counseling under this program.



- (2) *Defined Contribution Plan Amounts. Matching contributions were made under the 401(k) Profit Sharing Plan and accrued under the Supplemental 401(k) Plan in 2015, 2014 and 2013 for all named executive officers, as applicable. A profit-sharing contribution was also made under the 401(k) Profit Sharing Plan and the Supplemental 401(k) Plan in February 2016, 2015 and 2014 with respect to our performance in 2015, 2014 and 2013, respectively, for the named executive officers as follows:*

<i>Name</i>	<i>Performance Year</i>	<i>Profit Sharing Contribution(\$)</i>
<i>Thomas J. Falk</i>	2015	112,489
	2014	126,251
	2013	132,617
<i>Maria G. Henry</i>	2015	15,852
<i>Michael D. Hsu</i>	2015	45,773
	2014	43,148
	2013	24,832
<i>Sandra J. MacQuillan</i>	2015	12,165
<i>Elane B. Stock</i>	2015	48,287
	2014	34,900
<i>Mark A. Buthman</i>	2015	48,597
	2014	50,080
	2013	51,043

See "Nonqualified Deferred Compensation" for a discussion of these plans. The profit sharing contribution varies depending on our performance for the applicable year, contributing to fluctuations from year to year in the amounts in the All Other Compensation column.

- (3) *Tax Gross Ups. The amounts shown for Mmes. Henry and MacQuillan reflect tax reimbursement for moving and related expenses incurred for a relocation in connection with joining the company.*
- (4) *Certain Dividends. Dividend equivalents on unvested performance-based and time-vested restricted share units are accumulated and will be paid in additional shares after the restricted share units vest, based on the actual number of shares that vest. See "Outstanding Equity Awards" for information on these reinvested dividend equivalents. In connection with the Halyard Health spin-off on October 31, 2014, performance-based restricted share units and time-vested restricted share units (and the dividend equivalents credited to these restricted share units equal to cash dividends on our Common Stock as described above) were credited with reinvested dividend equivalents equal to the value of the Halyard Health stock dividend distributed on our common stock to maintain the value of the awards before and after the spin-off.*



Grants of Plan-Based Awards

The following table sets forth plan-based awards granted to our named executive officers during 2015 on a grant-by-grant basis.

GRANTS OF PLAN-BASED AWARDS IN 2015

Name	Grant Type	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			Estimated Future Payouts Under Equity Incentive Plan Awards (2)			All Other Stock Awards: Number of Shares of Stock or Units (#) (3)	All Other Option Awards: Number of Securities Underlying Options (#) (4)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$) (5)
			Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)				
Thomas J. Falk	Annual cash incentive award		—	2,210,000	4,420,000							
	Performance-based RSU	2/17/2015				—	60,663	121,326			6,749,972	
	Time-vested stock option	4/29/2015							203,215	110.72	1,501,759	
Maria G. Henry	Annual cash incentive award		—	675,000	1,350,000							
	Performance-based RSU	4/29/2015				—	14,902	29,804			1,649,949	
	Time-vested stock option	4/29/2015							49,675	110.72	367,098	
Michael D. Hsu	Annual cash incentive award		—	733,500	1,467,000							
	Performance-based RSU	2/17/2015				—	16,177	32,354			1,800,015	
	Time-vested stock option	4/29/2015							54,191	110.72	400,471	
Sandra J. MacQuillan	Annual cash incentive award		—	392,000	784,000							
	Performance-based RSU	4/29/2015				—	5,080	10,160			562,458	
	Time-vested stock option	4/29/2015							16,935	110.72	125,150	
	Time-vested RSU	4/29/2015							15,354		1,699,995	
Elane B. Stock	Annual cash incentive award		—	733,500	1,467,000							
	Performance-based RSU	2/17/2015				—	16,177	32,354			1,800,015	
	Time-vested stock option	4/29/2015							54,191	110.72	400,471	
Mark A. Buthman	Annual cash incentive award		—	720,000	1,440,000							
	Performance-based RSU	2/17/2015				—	16,177	32,354			1,800,015	
	Time-vested stock option	4/29/2015							54,191	110.72	400,471	

(1) Represents the potential annual performance-based incentive cash payments each named executive officer could earn in 2015. These awards were granted under our Executive Officer Achievement Award Program, which is our annual cash incentive program for executive officers, which was approved by stockholders in 2002. Actual amounts earned in 2015 were based on the 2015 objectives established by the Management Development and Compensation Committee at its February 17, 2015 meeting. See "Compensation Discussion and Analysis – Executive Compensation for 2015 – Annual Cash Incentive Program." At the time of the grant, the incentive payment could range from the threshold amount to the maximum amount depending on the extent to which the 2015 objectives were met. The actual amounts paid in 2016 based on the 2015 objectives are set forth in the Summary Compensation Table under the column entitled "Non-Equity Incentive Plan Compensation."

(2) Performance-based restricted share units granted under the 2011 Plan to our named executive officers on February 17, 2015, except for the grants to Mmes. Henry and MacQuillan, which occurred on April 29, 2015. The number of performance-based restricted share units granted in 2015 that will ultimately vest on the third anniversary of the grant date could range from the threshold number to the maximum number depending on the extent to which the average annual net sales growth and average adjusted ROIC performance objectives for those awards are met. See "Compensation Discussion and Analysis – Long-Term Equity Incentive Compensation – 2015 Grants."



- (3) *Time-vested restricted stock units granted under the 2001 Plan to Ms. MacQuillan on April 29, 2015.*
- (4) *Time-vested stock options granted under the 2011 Plan to our named executive officers on April 29, 2015.*
- (5) *Grant date fair value is determined in accordance with ASC Topic 718 and, for performance-based restricted share units, is the value at grant date based on the probable outcome of the performance condition and is consistent with the estimate of aggregate compensation cost to be recognized over the service period determined as of the grant date, excluding the effect of estimated forfeitures. See Notes 8, 10, and 9 to our audited consolidated financial statements included in our Annual Reports on Form 10-K for 2015, 2014 and 2013, respectively, for the assumptions used in valuing and expensing these restricted share units and stock option awards in accordance with ASC Topic 718.*

Discussion of Summary Compensation and Plan-Based Awards Tables

Our executive compensation policies and practices, pursuant to which the compensation set forth in the Summary Compensation Table and the Grants of Plan-Based Awards in 2015 table was paid or awarded, are described under “Compensation Discussion and Analysis.”

Other than the executive severance plans described below, none of our named executive officers has an employment agreement with us. See “Potential Payments on Termination or Change of Control.”

Executive officers may receive long-term equity incentive awards of stock options, restricted stock or restricted share units, or a combination of stock options, restricted stock and restricted share units under the 2011 Plan, which was approved by stockholders in 2011. The 2011 Plan provides the Committee with discretion to require performance-based standards to be met before awards vest. The Committee awarded time-vested restricted share units to Ms. MacQuillan in 2015 in connection with her hire which vest in one-fifth increments on each of the first through fifth anniversaries of the grant date. In 2014, the Committee did not award time-vested restricted share units to our named executive officers. In 2013, the Committee awarded time-vested restricted share units to Ms. Stock for retention purposes which vest on the third anniversary of the date of grant. In 2015, each named executive officer received grants of stock options and performance-based restricted share units under the 2011 Plan.

For grants of stock options, the 2011 Plan provides that the option price per share shall be no less than the closing price per share of our common stock at the grant date. The term of any option is no more than ten years from the grant date. Options granted in 2015 become exercisable in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date; however, all of the options become exercisable for three years upon death or total and permanent disability, and for the earlier of five years or the remaining term of the options, upon retirement of the officer. In addition, options generally become exercisable upon a termination of employment following a change of control, and certain options granted to our named executive officers are subject to our Executive Severance Plan. See “Potential Payments on Termination or Change of Control.” The officers may transfer the options to family members or certain entities in which family members have interests.

Performance-based restricted share unit awards granted in 2015 vest three years following the grant date in a range from zero to 200 percent of the target levels based on our average annual net sales growth and average adjusted ROIC performance during the three years. As of February 10, 2016, the performance-based restricted share units granted in 2015 and 2014 were on pace to vest at 100 percent. The Committee has determined that the 2013 award vested at 100 percent.

Dividend equivalents on unvested performance-based restricted share units equal to cash dividends on our common stock are accumulated and will be paid in additional shares after the performance-based restricted share units vest, based on the actual number of shares that vest. Dividend equivalents on the time-vested restricted share units granted to Ms. MacQuillan in 2015 and Ms. Stock in 2013, will be accumulated and paid in additional shares when the time-vested restricted share units vest.



Outstanding Equity Awards

The following table sets forth information concerning outstanding equity awards for our named executive officers as of December 31, 2015. Option awards were granted for ten-year terms, ending on the option expiration date set forth in the table. Stock awards were granted as indicated in the footnotes to the table. Where applicable, the numbers of shares subject to option awards and option exercise prices in this table and throughout this proxy statement reflect adjustments for the Halyard Health spin-off on October 31, 2014.

OUTSTANDING EQUITY AWARDS AS OF DECEMBER 31, 2015 (1)

Name	Grant Date	Option Awards (2)				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) (3)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) (4)(5)	Market Value of Shares or Units of Stock That Have Not Vested (\$) (6)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (4)(7)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) (6)
Thomas J. Falk	4/29/2015	—	203,215	110.72	4/29/2025				
	2/17/2015							62,159	7,912,841
	4/30/2014	62,786	146,505	107.51	4/30/2024				
	2/25/2014							67,593	8,604,589
	5/1/2013	—	80,871	98.92	5/1/2023				
	2/20/2013							74,428	9,474,684
Maria G. Henry	4/29/2015	—	49,675	110.72	4/29/2025				
	4/29/2015							15,145	1,927,959
Michael D. Hsu	4/29/2015	—	54,191	110.72	4/29/2025				
	2/17/2015							16,576	2,110,125
	4/30/2014	13,951	32,557	107.51	4/30/2024				
	2/25/2014							15,021	1,912,173
	5/1/2013	25,017	16,681	98.92	5/1/2023				
	2/20/2013							15,351	1,954,182
Sandra J. MacQuillan	4/29/2015	—	16,935	110.72	4/29/2025				
	4/29/2015								
	4/29/2015					15,604	1,986,389	5,163	657,250
Elane B. Stock	4/29/2015	—	54,191	110.72	4/29/2025				
	4/29/2015							16,576	2,110,125
	4/30/2014	13,951	32,557	107.51	4/30/2024				
	2/25/2014							15,021	1,912,173
	5/1/2013	15,162	10,110	98.92	5/1/2023				
	2/20/2013					3,101	394,757		
	2/20/2013							9,303	1,184,272
5/2/2012	11,168	—	75.22	5/2/2022					
4/26/2011	6,767	—	62.07	4/26/2021					
Mark A. Buthman	4/29/2015	—	54,191	110.72	4/29/2025				
	4/29/2015							16,576	2,110,125
	4/30/2014	15,347	35,813	107.51	4/30/2024				
	2/25/2014							16,522	2,103,251
	5/1/2013	27,292	18,197	98.92	5/1/2023				
	2/20/2013							16,747	2,131,893

(1) The amounts shown reflect outstanding equity awards granted under the 2011 Plan. Under the 2011 Plan, an executive officer may receive awards of stock options, restricted stock or restricted share units, or a combination of stock options, restricted stock and restricted share units.

(2) Stock options granted under the 2011 Plan become exercisable in three annual installments of 30 percent, 30 percent and 40 percent, beginning on the first anniversary of the grant date; however, all of the options become exercisable for three years upon death or total and



permanent disability and for the earlier of five years or the remaining term of the options, upon retirement of the officer. In addition, options generally become exercisable upon a termination of employment following a change of control, and certain options granted to our named executive officers are subject to our Executive Severance Plan. See "Potential Payments on Termination or Change of Control." The officers may transfer the options to family members or certain entities in which family members have interests.

In connection with the Halyard Health spin-off on October 31, 2014 the numbers of stock options were increased and the exercise prices were decreased to maintain the fair value of outstanding options immediately before and after the spin-off. Specifically, for each stock option held by a Kimberly-Clark employee, officer, or director, the exercise price was divided by 1.044134 (the "Adjustment Ratio") and the number of shares subject to the outstanding stock option was multiplied by the Adjustment Ratio, with fractional shares rounded down to the nearest whole share. No incremental fair value was generated as a result of the adjustments.

- (3) The 2011 Plan provides that the option price per share shall be no less than the closing price per share of our common stock at grant date.
- (4) In connection with the Halyard Health spin-off on October 31, 2014, performance-based restricted share units and time-vested restricted share units (and the dividend equivalents credited to these restricted share units equal to cash dividends on our Common Stock as described in footnotes 5 and 6 below) were credited with reinvested dividend equivalents equal to the value of the Halyard Health stock dividend distributed on our common stock (approximately \$4.69 per share) to maintain the value of the awards before and after the spin-off.
- (5) The amounts shown represent awards of time-vested restricted share units. Subject to accelerated vesting as described in "Potential Payments on Termination or Change of Control," time-vested restricted share unit awards vest (a) in the case of Ms. MacQuillan's units, in one-fifth increments on each of the first through fifth anniversaries of the grant date and (b) in the case of Ms. Stock's units, on the third anniversary of the grant date. Dividend equivalents on these time-vested restricted share units equal to cash dividends on our Common Stock will be accumulated and paid in additional shares when the time-vested restricted share units vest. The units listed include the following amount of dividend equivalents on time-vested restricted share units granted to our named executive officers on the dates indicated:

Name	Grant Date	Dividend Equivalents
Sandra J. MacQuillan	4/29/2015	250
Elane B. Stock	2/20/2013	376

- (6) The values shown in this column are based on the closing price of our common stock on December 31, 2015 of \$127.30 per share.
- (7) The amounts shown represent awards of performance-based restricted share units granted to our named executive officers in February 2013, 2014 and 2015. Subject to accelerated vesting as described in "Potential Payments on Termination or Change of Control," performance-based restricted share unit awards granted in 2013, 2014 and 2015 vest on February 20, 2016, February 25, 2017, and February 17, 2018, respectively, in a range from zero to 200 percent of the target levels indicated based on the achievement of specific performance goals. Based on the current vesting pace of these awards, the amounts shown represent the target level for all awards. See "Discussion of Summary Compensation and Plan-Based Awards Tables." The units listed include the following amounts of dividend equivalents on performance-based restricted share units granted to our named executive officers (a) equal to cash dividends on our Common Stock and (b) with respect to awards prior to 2015, equal to the value of the stock dividend in connection with the Halyard Health spin-off, in each case, based on the target level.

Name	Year	Dividend Equivalents
Thomas J. Falk	2015	1,496
	2014	6,224
	2013	9,026
Maria G. Henry	2015	243
Michael D. Hsu	2015	399
	2014	1,383
	2013	1,862
Sandra J. MacQuillan	2015	83
Elane B. Stock	2015	399
	2014	1,383
Mark A. Buthman	2015	399
	2014	1,521
	2013	2,031



Option Exercises and Stock Vested

The following table sets forth information concerning stock options exercised and stock awards vested during 2015 for our named executive officers.

OPTION EXERCISES AND STOCK VESTED IN 2015

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) (1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$) (2)
Thomas J. Falk	357,558	11,048,319	100,026	10,968,851
Maria G. Henry	—	—	—	—
Michael D. Hsu	—	—	6,846	803,116
Sandra J. MacQuillan	—	—	—	—
Elane B. Stock	—	—	12,392	1,364,914
Mark A. Buthman	57,991	2,364,395	24,006	2,632,498

(1) The dollar amount reflects the total pre-tax value realized by our named executive officers (number of shares exercised times the difference between the fair market value on the exercise date and the exercise price). It is not the grant date fair value disclosed in other locations in this proxy statement. Value from these option exercises was only realized to the extent our stock price increased relative to the stock price at grant (the exercise price).

(2) The dollar amount reflects the total pre-tax value received by our named executive officers upon the vesting of time-vested restricted share units or performance-based restricted share units (number of shares vested times the closing price of our common stock on the vesting date), including cash paid in lieu of fractional shares. It is not the grant date fair value disclosed in other locations in this proxy statement.

Pension Benefits

The following table sets forth information as of December 31, 2015 concerning potential payments to our named executive officers under our pension plan and supplemental pension plans. Information about these plans follows the table.

2015 PENSION BENEFITS

Name (1)	Plan Name	Number of Years Credited Service (#) (3)	Present Value of Accumulated Benefit (\$)	Payments During Last Fiscal Year (\$) (4)
Thomas J. Falk (2)	Pension Plan	26.5	1,069,640	—
	Supplemental Pension Plans	26.5	17,764,546	—
Mark A. Buthman (2)	Pension Plan	15.2	554,399	—
	Supplemental Pension Plans	15.2	2,841,797	106,377

(1) Because Mr. Hsu and Mmes. Henry, MacQuillan and Stock joined Kimberly-Clark after January 1, 1997, they are not eligible to participate in our defined benefit pension plans.

(2) Mr. Falk is currently eligible for early retirement under the plans and would be eligible to receive the early retirement benefit described in the table below. At the time of Mr. Buthman's departure on December 31, 2015, he was eligible for early retirement under the plans.

(3) Mr. Falk has 32.4 years of actual service. Beginning in 2010, the number of years of credited service was frozen at the amounts set forth in the table, as a result of our ceasing to accrue compensation and benefit service under the plans. Mr. Buthman had 33.5 years of actual service upon his departure on December 31, 2015. In 1997, he elected to participate in our defined contribution plans instead of accruing additional years of service under our defined benefit pension plans. This election reduces his benefits under our defined benefit pension plans, in accordance with the terms of those plans.

(4) The amount shown represents a distribution to Mr. Buthman for required income and payroll taxes withheld in 2015.



9

Employees who joined Kimberly-Clark prior to January 1, 1997 are eligible to participate in our pension plans, which provide benefits based on years of service as of December 31, 2009 and pay (annual cash compensation), integrated with social security benefits. Our pension plans are comprised of the Kimberly-Clark Pension Plan and the Supplemental Benefit Plans. We stopped accruing compensation and benefit service for participants under our pension plans for most of our U.S. employees, including our named executive officers, for plan years after 2009. These changes do not affect benefits earned by participants prior to January 1, 2010.

The following is an overview of these plans.

	Pension Plan	Supplemental Pension Plans
Reason for Plan	Provide eligible participants with a competitive level of retirement benefits based on pay and years of service.	Provide eligible participants with benefits as are necessary to fulfill the intent of the pension plan without regard to limitations imposed by the Internal Revenue Code.
Eligible Participants	Salaried employees who joined Kimberly-Clark prior to January 1, 1997.	Salaried employees impacted by limitations imposed by the Internal Revenue Code on payments under the pension plan.
Payment Form	Normal benefit: <ul style="list-style-type: none"> u Single-life annuity payable monthly Other optional forms of benefit are available, including a joint and survivor and a lump sum benefit.	Accrued benefits prior to 2005: <ul style="list-style-type: none"> u Monthly payments or a lump sum after age 55 Accrued benefits for 2005 and after: <ul style="list-style-type: none"> u Lump sum six months after termination of employment
Retirement Eligibility	Full unreduced benefit: <ul style="list-style-type: none"> u Normal retirement age of 65 u Age 62 with 10 years of service u Age 60 with 30 years of service u Disability retirement Early retirement benefit: <ul style="list-style-type: none"> u Age 55 with five years of service. The amount of the benefit is reduced according to the number of years the participant retires before the age the participant is eligible for a full, unreduced benefit. The amount of the reduction is based on age and years of vesting service. 	Same
Benefits Payable	Service and earnings frozen as of December 31, 2009. Benefit depends on the participant's years of service under our plan and monthly average earnings over the last 60 months of service or, if higher, the monthly average earnings for the five calendar years in his or her last fifteen years of service for which earnings were the highest.	Same



	Pension Plan	Supplemental Pension Plans
Benefit Formula for Salaried Employees (As of December 31, 2009) (Payable in the form of a single life annuity)	Unreduced monthly benefit = 1/12 of ((1.125% x final average annual earnings (up to 2/3 of the Social Security Taxable Wage Base)) + (1.425% x final average annual earnings (in excess of 2/3 of the Social Security Taxable Wage Base up to Taxable Wage Base)) + (1.5% x final average annual earnings (over the Social Security Taxable Wage Base))) multiplied by the years of credited service	Same
Pensionable Earnings	Annual cash compensation. Long-term equity compensation is not included.	Same
Change of control or reduction in our long-term credit rating (below investment grade)	Not applicable	Participants have the option of receiving the present value of their accrued benefits prior to 2005 in the supplemental pension plans in a lump sum, reduced by 10 percent and 5 percent for active and former employees, respectively.

The estimated actuarial present value of the retirement benefits accrued through December 31, 2015 appears in the 2015 Pension Benefits table. For purposes of determining the present value of accumulated benefits, we have used the potential earlier retirement ages as described above rather than the normal retirement age under the plans, which is 65. For a discussion of how we value these obligations and the assumptions we use in that valuation, see Note 9 to our audited consolidated financial statements included in our 2015 Annual Report on Form 10-K. The calculation of actuarial present value generally is consistent with the methodology and assumptions outlined in our audited consolidated financial statements, except that benefits are reflected as payable as of the date the executive is first entitled to full unreduced benefits (as opposed to the assumed retirement date) and without consideration of pre-retirement mortality. Present values for the qualified plan are based on the RP-2014 annuitant table, as adjusted for company experience and generational improvements, and for the supplemental plans were calculated using the 2014 417(e) mortality table. With respect to the supplemental pension plans, the amount of the earlier retirement age lump sum benefit was determined using an approximate 30-year Treasury Bond rate of 3.14%, consistent with the methodology used for purposes of our consolidated financial statements; any actual lump sum benefit would be calculated using the 30-year Treasury Bond rate in effect as of the beginning of the month prior to termination. Present value amounts were determined based on the financial accounting discount rate for United States pension plans of 4.64% as of December 31, 2015.

The actuarial decrease in 2015 of the projected retirement benefits can be found in footnote 1 to the Summary Compensation Table under the heading “Change in Pension Value and Nonqualified Deferred Compensation Earnings.” Other than the payment to Mr. Buthman described above, no payments were made to our named executive officers under our pension plans during 2015.

While the supplemental pension plans remain unfunded, in 1994 the Board approved the establishment of a trust and authorized us to make contributions to this trust in order to provide a source of funds to assist us in meeting our liabilities under our supplemental defined benefit plans. For additional information regarding these plans, see “Compensation Discussion and Analysis – Benefits and Other Compensation – Retirement Benefits.”



Nonqualified Deferred Compensation

The following table sets forth information concerning nonqualified defined contribution and deferred compensation plans for our named executive officers during 2015.

2015 NONQUALIFIED DEFERRED COMPENSATION

Name	Plan	Company Contributions in 2015(\$) ⁽¹⁾	Aggregate Earnings in 2015(\$) ⁽²⁾	Aggregate Withdrawals/Distributions(\$)	Aggregate Balance at December 31, 2015(\$) ⁽³⁾
Thomas J. Falk	Supplemental 401(k) Plan	238,821	(25,485)	—	1,687,526
	Deferred Compensation Plan	—	4,629	—	2,370,340
Maria G. Henry	Supplemental 401(k) Plan	17,492	(51)	—	17,441
	Deferred Compensation Plan	—	—	—	—
Michael D. Hsu	Supplemental 401(k) Plan	86,020	(3,251)	—	207,279
	Deferred Compensation Plan	—	—	—	—
Sandra J. MacQuillan	Supplemental 401(k) Plan	9,047	(56)	—	8,991
	Deferred Compensation Plan	—	—	—	—
Elane B. Stock	Supplemental 401(k) Plan	91,778	(4,111)	—	271,931
	Deferred Compensation Plan	—	—	—	—
Mark A. Buthman	Supplemental 401(k) Plan	92,488	(572)	—	1,107,051
	Deferred Compensation Plan	—	—	—	—

⁽¹⁾ Contributions consist solely of amounts accrued by Kimberly-Clark under the Supplemental 401(k) Plan, including the profit-sharing contribution in February 2016 with respect to our performance in 2015. These amounts are included in the Summary Compensation Table and represent a portion of the Defined Contribution Plan Payments included in All Other Compensation.

⁽²⁾ The amounts in this column show the changes in the aggregate account balance for our named executive officers during 2015 that are not attributable to company contributions. Aggregate earnings are not included in the Summary Compensation Table because the earnings are not above-market or preferential.



(3) Balance for the Supplemental 401(k) Plan includes the profit-sharing contribution made in February 2016 with respect to our performance in 2015, as well as the following contributions by Kimberly-Clark under the Supplemental 401(k) Plan in 2014 and 2013 that are reported in the Summary Compensation Table as a portion of All Other Compensation for those years:

Name	Year	Accrued Amount(\$)
Thomas J. Falk	2014	276,385
	2013	280,027
Michael D. Hsu	2014	82,480
	2013	37,512
Elane B. Stock	2014	63,234
Mark A. Buthman	2014	98,654
	2013	96,487

In addition to amounts shown in the table that reflect participation in the Supplemental 401(k) Plan, amounts shown for Mr. Falk represent compensation deferred in prior years under our Deferred Compensation Plan and accumulated earnings. Effective in 2005, no further amounts may be deferred under this plan. Participants in the Deferred Compensation Plan may elect to have deferrals credited with yields equal to those earned on any of a subset of funds available in the 401(k) Profit Sharing Plan. Generally, benefits are payable under the Deferred Compensation Plan in accordance with the participant's election in a lump sum or in quarterly installments over a period between two and 20 years. If a participant ceases employment (other than as a result of a total and permanent disability or death or on or after age 55 with five or more years of service), the account balance is paid in a lump sum. In the event of a change of control or a reduction in our long-term credit rating (below investment grade), currently-employed participants have the option to elect an immediate lump-sum payment of their account balance, less a 10 percent penalty.



Overview of 401(k) Profit Sharing Plan and Supplemental 401(k) Plan .

	401(k) Profit Sharing Plan	Supplemental 401(k) Plan
Purpose	To assist employees in saving for retirement, as well as to provide a discretionary profit sharing contribution in which contributions will be based on our profit performance.	To provide benefits to the extent necessary to fulfill the intent of the 401(k) Profit Sharing Plan without regard to the limitations imposed by the Internal Revenue Code on qualified defined contribution plans.
Eligible participants	Most employees.	Salaried employees impacted by limitations imposed by the Internal Revenue Code on the 401(k) Profit Sharing Plan.
Is the plan qualified under the Internal Revenue Code?	Yes.	No.
Can employees make contributions?	Yes.	No.
Do we make contributions or match employee contributions?	We match 100% of employee contributions, to a yearly maximum of 4% of eligible compensation. In addition, we may make a discretionary profit sharing contribution of 0% to 6% of eligible compensation based on our profit performance.	We provide credit to the extent our contributions to the 401(k) Profit Sharing Plan are limited by the Internal Revenue Code.
When do account balances vest?	Account balances under these plans generally vest once the participant completes at least two years of service.	Same.
How are account balances invested?	Account balances are invested in certain designated investment options selected by the participant.	Account balances are credited with earnings and losses as if these account balances were invested in certain designated investment options selected by the participant.
When are account balances distributed?	Distributions of the participant's vested account balance are only available after termination of employment. Loans, hardship and certain other withdrawals are allowed prior to termination of employment for certain vested amounts under the 401(k) Profit Sharing Plan.	Distributions of the participant's vested account balance are payable after termination of employment.

While the Supplemental 401(k) Plan remains unfunded, in 1996 the Board amended a previously established trust and authorized us to make contributions to this trust in order to provide a source of funds to assist us in meeting our liabilities under our supplemental defined contribution plans.



Potential Payments on Termination or Change of Control

Our named executive officers are eligible to receive certain benefits in the event of termination of employment, including following a change of control. This section describes various termination scenarios as well as the payments and benefits payable under those scenarios.

Severance Benefits

We maintain two severance plans that cover our executive officers, depending on the circumstances that result in their termination. Those plans include the Executive Severance Plan, which is applicable when an executive officer is terminated following a change of control, and the Severance Pay Plan, which is applicable in the event of certain other involuntary terminations. An executive officer may not receive severance payments under more than one of the plans described below.

We entered into an additional severance pay arrangement with Ms. Henry as an incentive to join the company, which arrangement covers the first year of Ms. Henry's employment in lieu of benefits under the Executive Severance Plan and the Severance Pay Plan to the extent that benefits under the additional arrangement would exceed benefits under those plans. If Ms. Henry's employment is involuntarily terminated by Kimberly-Clark for any reason other than for cause, or by Ms. Henry for good reason, during the first year of her employment, Ms. Henry will receive a lump sum cash payment equal to the sum of her annual base salary and the target amount of her annual incentive award.

Executive Severance Plan. We have agreements under our Executive Severance Plan with each named executive officer. The agreements provide that, in the event of a "Qualified Termination of Employment" (as described below), the participant will receive a cash payment in an amount equal to the sum of:

- u Two times the sum of annual base salary and the average annual incentive award for the three prior fiscal years,
- u The value of any forfeited awards, based on the closing price of our common stock at the date of the participant's separation from service, of restricted stock and time-vested restricted share units,
- u The number of performance-based restricted share units that are forfeited multiplied by the average performance-based restricted share unit payment for the prior three years,
- u The value of any forfeited benefits under the 401(k) Profit Sharing Plan and Supplemental 401(k) Plan,
- u The value of the employer match and assumed 3 percent profit sharing contribution the named executive officer would have received if he or she had remained employed an additional two years under the 401(k) Profit Sharing Plan and Supplemental 401(k) Plan, and
- u the cost of two years of COBRA premiums for medical and dental coverage.

In addition, nonqualified stock options will vest and be exercisable within the earlier of five years from the participant's termination or the remaining term of the option.

A "Qualified Termination of Employment" is a separation of service within two years following a change of control of Kimberly-Clark (as defined in the plan) either involuntarily without cause or by the participant with good reason. In addition, any involuntary separation of service without cause within one year before a change of control will also be determined to be a Qualified Termination of Employment if it is in connection with, or in anticipation of, a change of control.

The current agreements with our named executive officers expire on December 31, 2017, unless extended by the Committee.

These agreements reflect that the named executive officer is not entitled to a tax gross-up if the named executive officer incurs an excise tax due to the application of Section 280G of the Internal Revenue Code. Instead, payments and benefits payable to the named executive officer will be reduced to the extent doing so would result in the executive retaining a larger after-tax amount, taking into account the income, excise and other taxes imposed on the payments and benefits.



The Board has determined the eligibility criteria for participation in the plan. Each named executive officer's agreement under the Executive Severance Plan provides that the executive will retain in confidence any confidential information known to the executive concerning Kimberly-Clark and Kimberly-Clark's business so long as such information is not publicly disclosed.

Severance Pay Plan. Our Severance Pay Plan generally provides eligible employees (including our named executive officers) severance payments and benefits in the event of certain involuntary terminations. Under the Severance Pay Plan, a named executive officer (employed for at least one year) whose employment is involuntarily terminated would receive:

- u Two times the sum of annual base salary and the average annual incentive award for the three prior fiscal years,
- u If the termination occurs after March 31, the pro-rated current year annual incentive award based on actual performance,
- u An amount equal to the cost of six months of COBRA premiums for medical coverage, and
- u An amount equal to the cost of six months of outplacement services and three months of participation in our employee assistance program.

If the named executive officer's employment is involuntarily terminated within the first 12 months of employment, the Severance Pay Plan provides that the named executive officer would receive three months' base salary.

Severance pay under the Severance Pay Plan will not be paid to any participant who is terminated for cause (as defined under the plan), is terminated during a period in which the participant is not actively at work for more than 25 weeks (except to the extent otherwise required by law), voluntarily quits or retires, dies or is offered a comparable position (as defined under the plan).

A named executive officer must execute a full and final release of claims against us within a specified period of time following termination to receive severance benefits under our severance pay plans. Under the Severance Pay Plan, if the release has been timely executed, severance benefits are payable as a lump sum cash payment no later than 60 days following the participant's termination date. Any current year annual incentive award that is payable under the Severance Pay Plan will be paid at the same time as it was payable under the Executive Officer Achievement Award Program, but no later than 60 days following the calendar year of the separation from service.

2011 Plan. In the event of a "Qualified Termination of Employment" (as described below) of a participant in the 2011 Plan in connection with a change of control, all of the participant's awards not subject to performance goals would become fully vested. Any awards subject to performance goals will vest at the average performance-based restricted share unit payout for awards for the three prior fiscal years. Unless otherwise governed by another applicable plan or agreement, such as the terms of the Executive Severance Plan, options in this event would be exercisable for the lesser of three months or the remaining term of the option. If any amounts payable under the 2011 Plan result in excise tax due to the application of Section 280G of the Internal Revenue Code, the 2011 Plan provides that payments and benefits payable to the named executive officer will be reduced to the extent necessary so that no excise tax will be imposed if doing so would result in the executive retaining a larger after-tax amount, taking into account the income, excise and other taxes imposed on the payments and benefits. A "Qualified Termination of Employment" is a termination of the participant's employment within two years following a change of control of Kimberly-Clark (as defined in the 2011 Plan), unless the termination is by reason of death or disability or unless the termination is by Kimberly-Clark for cause or by the participant without good reason.

The 2011 Plan provides that, if pending a change of control, the Committee determines that Kimberly-Clark common stock will cease to exist without an adequate replacement security that preserves the economic rights and positions of the participants in the 2011 Plan (for example, as a result of the failure of the acquiring company to assume outstanding grants), then all options and



stock appreciation rights will become exercisable, in a manner deemed fair and equitable by the Committee, immediately prior to the consummation of the change of control. In addition, the restrictions on all restricted stock will lapse and all restricted share units, performance awards and other stock-based awards will vest immediately prior to the consummation of the change of control and will be settled upon the change of control in cash equal to the fair market value of the restricted share units, performance awards and other stock-based awards at the time of the change of control.

In the event of a termination of employment of a participant in the 2011 Plan, other than a Qualified Termination of Employment, death, total and permanent disability or retirement of the participant, the participant will forfeit all unvested restricted stock and restricted share units, and any vested stock options held by the participant will be exercisable for the lesser of three months or the remaining term of the option.

Retirement, Death and Disability

Retirement. In the event of retirement (separation from service on or after age 55), our named executive officers are entitled to receive:

- u Benefits payable under our pension plans for eligible participants (if the participant has at least five years of vesting service) (see “Pension Benefits” for additional information),
- u Their account balance, if any, under the Deferred Compensation Plan,
- u Their account balance under the Supplemental 401(k) Plan (if the participant has at least two years of vesting service),
- u Their account balance under the 401(k) Profit Sharing Plan, including any unvested employer contributions,
- u Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of five years or the remaining term of the options,
- u For units outstanding more than six months after the date of grant, performance-based restricted share units will be payable based on attainment of the performance goal at the end of the restricted period,
- u Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,
- u For participants with at least fifteen years of vesting service and who joined Kimberly-Clark before January 1, 2004, retiree medical credits based on number of years of vesting service (up to a maximum of \$104,500 in credits), and
- u For participants with at least fifteen years of vesting service, continuing coverage under Kimberly-Clark’s group life insurance plan.

Death. In the event of death while an active employee, the following benefits are payable:

- u 50 percent of the benefits under our pension plans for eligible participants, not reduced for early payment (if the participant has at least five years of vesting service) (see “Pension Benefits”), payable under the terms of the plans to the participant’s spouse or minor children,
- u Their account balance, if any, under the Deferred Compensation Plan,
- u Their account balance under the Supplemental 401(k) Plan,
- u Their account balance under the 401(k) Profit Sharing Plan, including any unvested employer contributions,
- u Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of three years or the remaining term of the options,
- u Time-vested restricted share units will be vested pro rata, based on the number of full months of employment during the restricted period prior to the participant’s termination of employment, payable within 70 days following the end of the restricted period,



- u For units outstanding more than six months after the date of grant, performance-based restricted share units will be vested pro rata, based on attainment of the performance goal at the end of the restricted period, payable within 70 days following the end of the restricted period,
- u Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,
- u For participants who were at least age 55, had at least fifteen years of vesting service and joined Kimberly-Clark before January 1, 2004, medical credits payable to their spouse or dependent based on number of years of vesting service (up to a maximum of \$104,500 in credits), and
- u Payment of benefits under Kimberly-Clark's group life insurance plan (which is available to all salaried employees in the U.S.) equal to two times the participant's annual pay, up to \$2 million (plus any additional coverage of three, four, five or six times the participant's annual pay, in increments of up to \$1 million each, purchased by the participant at group rates). Benefits provided by Kimberly-Clark and employee-purchased benefits cannot exceed \$6 million.

Disability. In the event of a separation of service due to a total and permanent disability, as defined in the applicable plan, our named executive officers are entitled to receive:

- u Benefits payable under our pension plans for eligible participants, not reduced for early payment, if the participant has at least five years of vesting service (see "Pension Benefits" for additional information),
- u Their account balance, if any, under the Deferred Compensation Plan,
- u Accelerated vesting of unvested stock options, and the options will be exercisable until the earlier of three years or the remaining term of the options,
- u Time-vested restricted share units will be vested pro rata, based on the number of full months of employment during the restricted period prior to the participant's termination of employment, payable within 70 days following the end of the restricted period,
- u For units outstanding more than six months after the date of grant, performance-based restricted share units will be vested pro rata, based on attainment of the performance goal at the end of the restricted period, payable within 70 days following the end of the restricted period,
- u Annual incentive award payment under the Executive Officer Achievement Award Program as determined by the Committee in its discretion,
- u For participants of at least age 55 with at least fifteen years of vesting service and who joined Kimberly-Clark before January 1, 2004, medical credits based on number of years of vesting service (up to a maximum of \$104,500 in credits),
- u Continuing coverage under Kimberly-Clark's group life insurance plan (available to all U.S. salaried employees), with no requirement to make monthly contributions toward coverage during disability, and
- u Payment of benefits under Kimberly-Clark's Long-Term Disability Plan (available to all U.S. salaried employees). Long-term disability under the plan would provide income protection of monthly base pay, ranging from a minimum monthly benefit of \$50 to a maximum monthly benefit of \$20,000. Benefits are reduced by the amount of any other Kimberly-Clark or government-provided income benefits received (but will not be lower than the minimum monthly benefit).

Potential Payments on Termination or Change of Control Table

The following table presents the approximate value of (i) the severance benefits for our named executive officers under the Executive Severance Plan had a Qualified Termination of Employment under that plan occurred on December 31, 2015; (ii) the severance benefits for our named executive officers under the Severance Pay Plan if an involuntary termination had occurred on December 31, 2015; (iii) the benefits that would have been payable on the death of our named



executive officers on December 31, 2015; (iv) the benefits that would have been payable on the total and permanent disability of our named executive officers on December 31, 2015; and (v) the potential payments to Mr. Falk if he had retired on December 31, 2015. If applicable, amounts in the table were calculated using the closing price of our common stock on December 31, 2015 of \$127.30 per share.

Because Mr. Buthman retired on December 31, 2015, he is discussed separately below under “Retirement of Mr. Buthman.”

The termination benefits provided to our executive officers upon their voluntary termination of employment do not discriminate in scope, terms or operation in favor of our executive officers compared to the benefits offered to all salaried employees, so those benefits are not included in the table below. Because none of our named executive officers, other than Messrs. Falk and Buthman, was eligible to retire as of December 31, 2015, potential payments assuming retirement on that date are not included for the other named executive officers.

The amounts presented in the table are in addition to amounts each named executive officer earned or accrued prior to termination, such as the officer’s balances under our Deferred Compensation Plan, accrued retirement benefits (including accrued pension plan benefits), previously vested benefits under our qualified and non-qualified plans, previously vested options, restricted stock and restricted share units and accrued salary and vacation. For information about these previously earned and accrued amounts, see “Summary Compensation,” “Outstanding Equity Awards,” “Option Exercises and Stock Vested,” “Pension Benefits,” and “Nonqualified Deferred Compensation.”



POTENTIAL PAYMENTS ON TERMINATION OR CHANGE OF CONTROL TABLE

Name	Cash Payment(\$)	Equity with Accelerated Vesting(\$)	Additional Retirement Benefits(\$)	Continued Benefits and Other Amounts(\$)	Total(\$)
Thomas J. Falk					
Qualified Termination of Employment	10,298,153 ⁽¹⁾	31,717,649 ⁽²⁾	559,128 ⁽³⁾	36,347 ⁽⁴⁾	42,611,277
Involuntary Termination ⁽⁵⁾	10,298,153	—	—	14,469 ⁽⁶⁾	10,312,622
Death	4,310,615 ⁽⁷⁾	24,968,784 ⁽⁸⁾	— ⁽⁹⁾	104,500	29,383,899
Disability	2,310,615 ⁽⁷⁾	24,968,784 ⁽⁸⁾	3,516,594 ⁽¹⁰⁾	104,500 ⁽¹¹⁾	30,900,493
Retirement	2,310,615 ⁽¹⁾	34,556,214	726,570	104,500 ⁽¹²⁾	37,697,899
Maria G. Henry					
Qualified Termination of Employment	3,361,958 ⁽¹⁾	2,441,249 ⁽²⁾	205,818 ⁽³⁾	36,347 ⁽⁴⁾	6,045,372
Involuntary Termination ⁽⁵⁾	1,425,000	—	—	— ⁽⁶⁾	1,425,000
Death	1,712,483 ⁽⁷⁾	1,252,047 ⁽⁸⁾	20,355	—	2,984,885
Disability	712,483 ⁽⁷⁾	1,252,047 ⁽⁸⁾	—	— ⁽¹¹⁾	1,964,530
Michael D. Hsu					
Qualified Termination of Employment	3,508,741 ⁽¹⁾	7,030,794 ⁽²⁾	183,264 ⁽³⁾	36,347 ⁽⁴⁾	10,759,146
Involuntary Termination ⁽⁵⁾	3,508,741	—	—	14,469 ⁽⁶⁾	3,523,210
Death	2,440,683 ⁽⁷⁾	5,616,591 ⁽⁸⁾	—	—	8,057,274
Disability	890,683 ⁽⁷⁾	5,616,591 ⁽⁸⁾	—	— ⁽¹¹⁾	6,507,274
Sandra J. MacQuillan					
Qualified Termination of Employment	2,688,143 ⁽¹⁾	832,242 ⁽²⁾	174,560 ⁽³⁾	36,347 ⁽⁴⁾	3,731,292
Involuntary Termination ⁽⁵⁾	558,668	—	—	14,469 ⁽⁶⁾	573,137
Death	1,538,668 ⁽⁷⁾	691,690 ⁽⁸⁾	15,697	—	2,246,055
Disability	418,668 ⁽⁷⁾	691,690 ⁽⁸⁾	—	— ⁽¹¹⁾	1,110,358
Elane B. Stock					
Qualified Termination of Employment	3,438,139 ⁽¹⁾	6,720,305 ⁽²⁾	186,636 ⁽³⁾	36,347 ⁽⁴⁾	10,381,427
Involuntary Termination ⁽⁵⁾	3,438,139	—	—	14,469 ⁽⁶⁾	3,452,608
Death	2,321,904 ⁽⁷⁾	5,075,821 ⁽⁸⁾	—	—	7,397,725
Disability	771,904 ⁽⁷⁾	5,075,821 ⁽⁸⁾	—	— ⁽¹¹⁾	5,847,725

- ⁽¹⁾ Assumes the Committee would approve full payment under the Executive Officer Achievement Award Program for 2015; actual amount that would be paid is determined by the Committee in its discretion.
- ⁽²⁾ Assumes vesting of unvested performance-based restricted share units at the target level for the 2013, 2014 and 2015 grants. See "Outstanding Equity Awards." In addition, under the terms of the 2011 Plan, if the Committee were to determine that, pending a change of control, our common stock would cease to exist without an adequate replacement security, the payment of this amount would not be contingent upon the Qualified Termination of Employment of the named executive officer. This provision also applies to grants under the 2011 Plan to employees other than our named executive officers.
- ⁽³⁾ Includes the value of two additional years of employer contributions under the 401(k) Profit Sharing Plan and the Supplemental 401(k) Plan, pursuant to the terms of the Executive Severance Plan.
- ⁽⁴⁾ Includes an amount equal to 24 months of COBRA medical and dental coverage.
- ⁽⁵⁾ Benefits payable under the Severance Pay Plan. For Mr. Falk, does not include accelerated equity vesting that occurred when he became retirement eligible at age 55. See the benefits payable for Mr. Falk for retirement for the amount of this accelerated equity vesting.
- ⁽⁶⁾ Equals six months of COBRA medical coverage and outplacement services with an estimated value of \$8,469 and \$6,000, respectively.
- ⁽⁷⁾ For death, includes the payment of benefits under Kimberly-Clark's group life insurance plan (which is available to all U.S. salaried employees). For death and disability, assumes the Committee would approve full payment under the Executive Officer Achievement Award Program for 2015; actual amount that would be paid is determined by the Committee in its discretion. For disability, does not include benefits payable under Kimberly-Clark's Long-Term Disability Plan (which is available to all U.S. salaried employees), the value of which would be dependent on the life span of the named executive officer and the value of any Kimberly-Clark or government-provided income benefits received.
- ⁽⁸⁾ Assumes pro rata vesting of unvested performance-based restricted share units at the maximum level for all grants. See "Outstanding Equity Awards."
- ⁽⁹⁾ For Mr. Falk, the estimated actuarial present value of the pension benefits payable on death is less than the present value of the aggregate accumulated benefit set forth in the Pension Benefits table; as a result, no incremental benefit as a result of his death is included in the amount.
- ⁽¹⁰⁾ Includes the excess, if any, of the estimated actuarial present value of the retirement benefits payable on disability for the named executive officer through December 31, 2015 (assuming the named executive officer elects to receive a continuing benefit for his surviving spouse) over the present value of the aggregate accumulated benefit set forth in the Pension Benefits table.



(11) For Mr. Falk, includes the value of retiree medical credits assuming total and permanent disability on December 31, 2015. Our named executive officers would also be eligible for continuing coverage under Kimberly-Clark's group life insurance plan assuming total and permanent disability on December 31, 2015, which benefit does not discriminate in scope, terms or operation in favor of our named executive officers compared to the benefits offered to all U.S. salaried employees and is therefore not included in the table.

(12) Includes the value of retiree medical credits assuming Mr. Falk's retirement on December 31, 2015. Mr. Falk would also be eligible for continuing coverage under Kimberly-Clark's group life insurance plan assuming retirement on December 31, 2015, which benefit does not discriminate in scope, terms or operation in favor of our executive officers compared to the benefits offered to all U.S. salaried employees and is therefore not included in the table.

Retirement of Mr. Buthman

Mr. Buthman retired on December 31, 2015. He received a payout for 2015 under our annual cash incentive program which is shown in the Summary Compensation Table above. Because Mr. Buthman is over age 55, under the terms of the 2011 Plan, his unvested stock options vested on the date of his departure and will be exercisable until the earlier of five years or the remaining term of the options, and his unvested performance-based restricted share units will be payable in full based on attainment of the performance goal at the end of the restricted period. The value of the unvested stock options and performance-based restricted share units was \$8,469,016 at the time of Mr. Buthman's retirement (assuming that all performance-based restricted share units vest at the target level). Upon Mr. Buthman's retirement, the following benefits under the Supplemental Pension Plan became payable: (1) a distribution of \$106,377, payable on December 31, 2015, for required income and payroll taxes withheld in 2015 and (2) a lump sum distribution having a present value of \$1,926,851, payable on July 1, 2016, relating to benefits accrued after 2004. Commencement of Mr. Buthman's remaining benefits under the Pension Plan and Supplemental Pension Plan is subject to his election, as described above under Pension Benefits. Mr. Buthman received retiree medical credits valued at \$104,500 and he is eligible for continuing coverage under Kimberly-Clark's group life insurance plan. Mr. Buthman did not receive any additional retirement benefits or other benefits upon his retirement.



Proposal 4. Reapproval of Performance Goals Under the 2011 Equity Participation Plan

We are asking stockholders to reapprove the performance goals for our 2011 Equity Participation Plan (the “2011 Plan”) set forth below, as previously approved by stockholders in 2011. No amendments to the 2011 Plan are being requested. Stockholder approval is necessary for the Corporation to meet one of the requirements for performance-based compensation under Section 162(m) of the Internal Revenue Code (the “Code”).

The material terms of the 2011 Plan are summarized below. This summary is qualified by the specific language of the 2011 Plan, which is included as Appendix A to this proxy statement.

Purpose

The purpose of the 2011 Plan is to encourage ownership in Kimberly-Clark by those employees who have contributed, or are determined to be in a position to materially contribute, to our success. Equity participation plans are significant factors in attracting and retaining management talent, encouraging key employees to identify more closely with the interests of the stockholders and providing incentive and reward for long-term growth and performance.

The 2011 Plan allows us to grant stock options, SARs, restricted shares, restricted share units, performance awards and other stock-based awards.

Plan Term

The 2011 Plan will expire on April 20, 2021, unless earlier terminated by the Committee.

Administration

The Committee administers the 2011 Plan. Each member of the Committee is a “Non-Employee Director” within the meaning of Rule 16b-3 under the Securities Exchange Act of 1934 (the “Exchange Act”), an “outside director” within the meaning of Section 162(m) of the Code and an Independent Director. In the event that all members of the Committee are not Disinterested Directors (as defined in the 2011 Plan), the 2011 Plan will be administered by a committee appointed by the Board of two or more directors, all of whom are Disinterested Directors.

Under the terms of the 2011 Plan, the Committee selects participants, determines the extent of participation and makes all other necessary decisions and interpretations.

The Committee may delegate its authority under the 2011 Plan, including the authority to grant awards. This delegation of authority, however, is limited as follows:

- u Only the Committee may grant awards under the 2011 Plan to participants who are subject to Section 16 of the Exchange Act (which includes our executive officers).
- u The maximum number of shares of common stock covered by awards to newly hired employees or to respond to special recognition or retention needs that may be granted by the Chief Executive Officer cannot exceed 200,000 in any calendar year. This 200,000 limitation does not apply to any delegation by the Committee to the Chief Executive Officer with respect to scheduled annual grants of awards (but these annual grants are subject to the other limitations on delegations of authority).



- u The authority to grant awards is limited to grants by the Chief Executive Officer subject to the requirements of Section 157(c) of the Delaware General Corporation Law and no delegation may result in the disallowance of a deduction under Section 162(m).
- u The Chief Executive Officer does not have the authority to grant awards to himself.

Eligibility

The participants in the 2011 Plan are employees the Committee determines are in a position to contribute materially to the success of Kimberly-Clark or have in the past so contributed. Only employees (including officers and directors who are employees) of Kimberly-Clark and our affiliates are eligible to participate in the 2011 Plan.

Awards under the 2011 Plan are made by the Committee, or by the Chief Executive Officer to the extent he has been delegated authority to grant awards to participants as described above. Currently, Kimberly-Clark and our affiliates have approximately 3,000 employees and officers eligible to participate in the 2011 Plan, including our current executive officers.

The selection of officers and other employees who will receive awards under the 2011 Plan and the size and types of awards will be determined by the Committee in its discretion. Therefore, the amount of any future awards under the Plan is not yet determinable and it is not possible to predict the benefits or amounts that will be received by, or allocated to, particular individuals or groups of employees. For information concerning awards granted in 2015 to our named executive officers under the 2011 Plan see “Executive Compensation—Grants of Plan Based Awards” above.

During 2015, 2014 and 2013, we made awards to an average of 1,300 employees per year, covering an average of approximately 2,500,000 shares per year. However, these amounts are not necessarily indicative of the number of participants or the number of shares that might be awarded in the future.

Shares Authorized; Share Limitations

When adopted, the 2011 Plan provided for the issuance of up to 69,956,978 shares of Kimberly-Clark common stock (as adjusted for our Halyard Health spin-off on October 31, 2014). Of the 69,956,978 shares, no more than 24,015,082 shares (as adjusted) were authorized for grants of restricted shares and restricted share units, performance awards settled in shares of Kimberly-Clark common stock, and all other non-option or SAR stock-based awards settled in shares of Kimberly-Clark common stock. As of February 29, 2016, awards representing 8,101,188 shares of common stock were outstanding under the 2011 Plan and 19,033,145 shares of common stock remained available for grant, of which 15,280,849 shares are available for grants of restricted shares and restricted share units, performance awards settled in shares of Kimberly-Clark common stock, and all other non-option or SAR stock-based awards settled in shares of Kimberly-Clark common stock under the 2011 Plan.

The 2011 Plan describes how the number of shares available for awards is reduced for exercises, settlements or vestings of awards. Shares subject to stock options and SARs that become ineligible for purchase, restricted share units, performance awards and other stock-based awards that are retired through forfeiture or maturity other than those that are retired through the payment of common stock, and restricted shares that are forfeited during the restricted period due to any applicable transferability restrictions will again become available under the 2011 Plan to the extent permitted by Section 16 of the Exchange Act.

The total number of shares of Kimberly-Clark common stock available for awards under the 2011 Plan will be reduced by the maximum number of shares issued upon exercise or settlement of options and SARs granted, as well as shares retained or withheld in satisfaction of a participant’s withholding. Shares that were subject to an option or SAR and were not issued upon the net



settlement or net exercise of the option or SAR may not again be made available for issuance under the 2011 Plan. All other awards (except restricted share units subject to performance goals, performance awards, other stock-based awards subject to performance goals and dividend equivalents) will reduce the total number of shares available for awards under the stock award pool by the number of shares vested under the Award. Restricted share units subject to performance goals, performance awards and other stock-based awards subject to performance goals will reduce the total number of shares available for awards under the stock award pool by the target number of shares to be issued under grants of restricted share units subject to performance goals, grants of performance awards and grants of other stock-based awards, and the number of shares will then be adjusted accordingly upon actual vesting of these awards. Dividend equivalents on restricted share units, performance awards and other stock-based awards subject to performance goals will reduce the total number of shares available for awards under the stock award pool by the number of shares of common stock vested upon vesting of the underlying award. Any award that may be settled only in cash will reduce the number of shares available for awards, including, as applicable, the stock award pool.

The maximum number of shares of common stock covered by all awards under the 2011 Plan that are granted to any participant within any calendar year period will not exceed 1,500,000 in the aggregate, except that, in connection with a participant's initial service, a participant may be granted awards covering up to an additional 1,500,000 shares.

Section 162(m)

Section 162(m) of the Code generally limits to \$1,000,000 the amount that a publicly held corporation is allowed each year to deduct for the compensation paid to its chief executive officer and the three other most highly compensated officers other than the principal financial officer. However, "qualified performance-based compensation" is not subject to the \$1,000,000 deduction limit. Awards under the 2011 Plan are designed to qualify as qualified performance-based compensation, by satisfying the following requirements: (1) the performance goals are determined by the Committee consisting solely of outside directors; (2) the material terms under which the compensation is to be paid, including examples of the performance goals, are approved by a majority of votes cast by our stockholders; and (3) if applicable, the Committee certifies that the applicable performance goals and any other material terms were satisfied before payment of any performance-based compensation is made.

Awards

All awards are expected to be evidenced by an award agreement between us and the individual participant. In the discretion of the Committee, an eligible employee may receive awards from one or more of the categories described below, and more than one award may be granted to an eligible employee.

The types of awards under the 2011 Plan include:

Stock Options

The 2011 Plan employs market value as a basis for rewarding performance through the use of incentive stock options under Section 422 of the Code ("Incentive Stock Options") and stock options which are not Incentive Stock Options ("Nonqualified Stock Options") to acquire Kimberly-Clark common stock. The option price per share will be at least equal to the fair market value per share of Kimberly-Clark common stock at the date of grant. The option period will be no more than 10 years from the date of grant. Options will only become exercisable (1) after specified periods of employment after grant (generally, 30 percent after the first year, 30 percent after the second year and the remaining 40 percent after the third year), (2) if earlier, upon the employee's termination of employment without cause following a change of control of Kimberly-Clark, or (3) as otherwise



determined by the Committee. The 2011 Plan also provides the Committee with discretion to require performance-based standards to be met before option awards will vest. The option price, as well as any withholding tax, is payable in full in cash at the time of exercise, or at the discretion of the Committee in shares of Kimberly-Clark common stock transferable to us and having a fair market value on the transfer date equal to the amount payable to us.

If the participant terminates employment for any reason other than death, disability, retirement or without cause following a change of control of Kimberly-Clark, the then-exercisable portion of the option will only be exercisable for three months following such termination. The entire unexercised portion of the option is exercisable within three years from the date of death or disability of a participant, within five years of the date of retirement of a participant, or within the remaining period of the option, whichever is earlier, unless otherwise determined by the Committee. Under no circumstances, however, will an option be exercisable beyond 10 years from the date of the grant.

Under the 2011 Plan, the Committee, by written notice to a participant, may limit the period in which an incentive stock option may be exercised to a period ending at least three months following the date of the notice, and/or limit or eliminate the number of shares subject to an incentive stock option after a period ending at least three months following the date of the notice.

Stock Appreciation Rights (SARs)

SARs offer recipients the right to receive payment for the difference (spread) between the exercise price of the SAR and the fair market value of Kimberly-Clark common stock at the time of redemption. The Committee may authorize payment of the spread for a SAR in the form of cash, common stock to be valued at its fair market value on the date of exercise, a combination of these, or by any other method as the Committee may determine. SARs are generally subject to the same limitations and restrictions regarding exercise, transfer and forfeiture as are stock options.

Restricted Shares and Restricted Share Units

The 2011 Plan permits the Committee to award restricted shares or restricted share units to participants. The Committee may determine the number of restricted shares to be granted to participants and the periods during which the shares may not be transferred. Unless otherwise determined by the Committee, the transferability restrictions will last for a period of three to ten years from the date of grant. During this restricted period, the restricted shares may not be sold or transferred by the participant except in the case of death. Upon expiration of the restricted period, the restricted shares will be delivered to the participant free of restrictions. A participant who is awarded restricted shares will be entitled to vote these shares and to receive dividends declared on these shares during the restricted period.

The Committee may also determine the number of restricted share units to be granted to participants and the periods during which the units may not be transferred. During this restricted period, the restricted share units may not be sold or transferred by the participant except in the case of death. Upon expiration of the restricted period, payment of restricted share units will be made in cash or shares of common stock as determined by the Committee at the time of grant. During the restricted period, a participant who is awarded restricted share units will not be entitled to vote these units. Unless otherwise determined by the Committee, (i) during this restricted period participants will be credited with dividend equivalents equal in value to the dividends declared and paid on Kimberly-Clark common stock, (ii) these dividend equivalents will be reinvested in restricted share units at the then fair market value of Kimberly-Clark common stock on the date dividends are paid, and (iii) the dividend equivalents will be paid only to the extent the underlying awards vest.

Performance Awards

The 2011 Plan permits the Committee to grant performance awards to participants. Performance awards include arrangements under which the grant, issuance, retention, vesting and/or



transferability of the Award are subject to performance goals and any additional conditions or terms as the Committee may designate. A performance award granted may be denominated or payable in cash, Kimberly-Clark common stock (including, without limitation, restricted shares), other securities or other awards. The performance awards denominated in shares may earn dividend equivalents; however, unless otherwise determined by the Committee, dividend equivalents for performance awards will accrue and will not be paid unless and until the underlying awards vest.

Other Stock-Based Awards

The Committee may grant other awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Kimberly-Clark common stock, as are deemed by the Committee to be consistent with the purposes of the 2011 Plan. The Committee will determine the terms and conditions of these awards.

Performance Goals

The 2011 Plan provides that specific performance goals may be established by the Committee, which, if achieved, will result in the amount of payment, or the early payment, of an award under the 2011 Plan. The performance goals may consist of one or more or any combination of the following criteria: return on invested capital, stock price, market share, sales revenue, cash flow, earnings per share, return on equity, total stockholder return, gross margin, net sales, operating profit return on sales, costs and/or such other financial, accounting or quantitative metric determined by the Committee. The performance goals may be described in terms that are related to the individual participant, to Kimberly-Clark as a whole, or to a subsidiary, division, department, region, function or business unit of Kimberly-Clark in which the participant is employed. The Committee, in its discretion, may change or modify these criteria; however, in the case of any award to any employee who is or may be a “covered employee” (as defined in Section 162(m) of the Code), the Committee has no discretion to increase the amount of compensation that would otherwise be due on attainment of the goal, and at all times the criteria must meet the requirements of Section 162(m) of the Code, or any successor section, to the extent applicable.

Vesting

Under the 2011 Plan, no award (other than awards subject to performance goals) may vest in whole in less than three years from the date of grant. Notwithstanding the preceding sentence, in certain situations such as for new hires, retirement, and other situations warranting a shorter or no vesting period as determined by the Committee, these awards may vest in whole in less than three years from the date of grant, provided that these awards do not constitute more than ten percent of the shares of Kimberly-Clark common stock covered by all awards granted in any calendar year period. Awards subject to performance goals may not vest in whole in less than one year from the date of grant.

Amendment of the 2011 Plan; Modifications of Awards

The 2011 Plan provides that the Committee may amend, suspend or discontinue the 2011 Plan or amend any or all awards under the 2011 Plan to the extent permitted by law, permitted by the rules of any stock exchange on which Kimberly-Clark common stock is listed, permitted under applicable provisions of the Securities Act of 1933 and the Exchange Act, and that the action would not result in the disallowance of a deduction to Kimberly-Clark under Section 162(m) of the Code. However, if an amendment must be approved by the stockholders, any such proposed amendment will be submitted to the stockholders for approval. Except as provided in the 2011 Plan, no amendment, suspension or termination of the 2011 Plan will adversely alter any rights granted a participant under the 2011 Plan.



Under the 2011 Plan, the Committee may, by written notice to a participant, (i) limit the period in which an incentive stock option may be exercised to a period ending at least three months following the date of such notice, (ii) limit or eliminate the number of shares subject to an incentive stock option after a period ending at least three months following the date of such notice, (iii) accelerate the restricted period with respect to the restricted shares, restricted share units, performance awards and other stock-based awards granted under the 2011 Plan, (iv) subject any performance-based award or any other award subject to performance goals to any policy adopted by Kimberly-Clark relating to the recovery of the award to the extent it is determined that the performance goals were not actually achieved or (v) determine whether, to what extent, and under what circumstances awards may be settled or exercised in cash, common stock, other securities or other awards, or cancelled, forfeited, or suspended, and the method by which awards may be settled, exercised, cancelled, forfeited or suspended. However, the Committee may not take any action to the extent that it would result in the disallowance of a deduction to Kimberly-Clark under Section 162(m) of the Code. Further, any restricted share units, performance awards and other stock-based awards that are required to meet the requirements of Section 409A of the Code will be settled in a manner that complies with that section. Except as provided in the 2011 Plan, no amendment, suspension, or termination of the 2011 Plan or any awards under the 2011 Plan will, without the consent of the participant, adversely alter or change any of the rights or obligations under any awards or other rights previously granted to the participant.

Re-pricings and Cash Buyouts Prohibited

Except in connection with a change in Kimberly-Clark common stock or the capitalization of Kimberly-Clark as provided in Section 17 of the 2011 Plan, no option or SAR may be re-priced, replaced, re-granted through cancellation, or modified without stockholder approval if the effect would be to reduce the exercise price for the shares underlying the option, and no stock option or SAR may be repurchased for cash at a time when the price is equal to or less than the fair market value of the underlying shares. The Committee may take these actions, however, subject to the approval of stockholders.

Effect of Change of Control

In the event of a "Qualified Termination of Employment" (as defined in the 2011 Plan) of a participant in the 2011 Plan in connection with a "Change of Control" of Kimberly-Clark (as defined in the 2011 Plan), all of the awards not subject to performance goals would become fully vested. Any awards subject to performance goals will vest at the average performance-based restricted share unit payout for awards for the three prior fiscal years. Unless otherwise governed by another applicable plan or agreement, such as the terms of the Executive Severance Plan, options in this event would be exercisable for the lesser of three months or the remaining term of the option. If any amounts payable under the 2011 Plan constitute a parachute payment under Section 280G of the Code, the 2011 Plan provides that the amounts will be reduced to the extent necessary to provide the participant with the greatest aggregate net after tax receipt.

The 2011 Plan provides that, if pending a change of control, the Committee determines that Kimberly-Clark common stock will cease to exist without an adequate replacement security that preserves the economic rights and positions of the participants in the 2011 Plan (for example, as a result of the failure of the acquiring company to assume outstanding grants), then all options (other than incentive stock options) and SARs will become exercisable, in a manner deemed fair and equitable by the Committee, immediately prior to the consummation of the change of control. In addition, the restrictions on all restricted stock will lapse and all restricted share units, performance awards and other stock-based awards will vest immediately prior to the consummation of the change of control and will be settled upon the change of control in cash equal to the fair market value of the restricted share units, performance awards and other stock-based awards at the time of the change of control.



Non-Transferability of Awards

During a participant's lifetime, options shall be exercisable only by that participant. Awards are not transferable other than by will or the laws of descent and distribution upon the participant's death. However, the Committee may grant to designated participants the right to transfer awards, to the extent allowed under Rule 16b-3 of the Exchange Act, subject to the terms and conditions of administrative rules approved by the Committee.

Use of Proceeds

The proceeds we receive from the sale of stock under the 2011 Plan will be used for general corporate purposes.

U.S. Federal Tax Consequences

See Appendix B for a discussion of certain U.S. federal tax consequences regarding the 2011 Plan.

Closing Quotation

The closing quotation of Kimberly-Clark common stock on February 29, 2016 was \$130.30 per share.

The Board of Directors unanimously recommends a vote FOR reapproval of the performance goals under the 2011 Equity Participation Plan.



Equity Compensation Plan Information

The following table gives information about Kimberly-Clark’s common stock that may be issued upon the exercise of options, warrants, and rights under all of Kimberly-Clark’s equity compensation plans as of December 31, 2015.

	Number of securities to be issued upon exercise of outstanding options, warrants, and rights (In millions) (a)	Weighted average exercise price of outstanding options, warrants, and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (in millions) (c)
Equity compensation plans approved by stockholders (1)	8.8 (2)	\$92.35	20

(1) Includes (a) the stockholder-approved 2011 Plan, which effective April 21, 2011 amended and restated the stockholder-approved 2001 Equity Participation Plan and (b) the stockholder-approved 2011 Outside Directors’ Compensation Plan, which effective April 21, 2011 amended and restated the Outside Directors’ Compensation Plan.

(2) Includes 2.0 million restricted share units granted under the 2011 Plan (including shares that may be issued pursuant to outstanding performance-based restricted share units, assuming the target award is met; actual shares issued may vary, depending on actual performance). Upon vesting, a share of Kimberly-Clark common stock is issued for each restricted share unit. Column (b) does not take these awards into account because they do not have an exercise price. Also includes 0.2 million restricted share units granted under the 2011 Outside Directors’ Compensation Plan. Upon retirement from or any other termination of service from the Board, a share of Kimberly-Clark common stock is issued for each restricted share unit. Column (b) does not take these awards into account because they do not have an exercise price.

2011 Outside Directors’ Compensation Plan

In 2011, our Board approved the 2011 Outside Directors’ Compensation Plan. A maximum of 1,044,134 shares of Kimberly-Clark common stock was available for grant under this plan (as adjusted for the Halyard Heath spin-off). The Board may grant awards in the form of stock options, SARs, restricted stock, restricted share units, or any combination of cash, stock options, SARs, restricted shares or restricted share units under this plan. The 2011 Outside Directors’ Compensation Plan is proposed to be amended to add annual limits on compensation awarded to our directors, subject to stockholder approval. See “Proposal 5. Approval of Amended and Restated 2011 Outside Directors’ Compensation Plan.”



Proposal 5. Approval of Amended and Restated 2011 Outside Directors' Compensation Plan

In consideration of emerging best practices in corporate governance, on February 10, 2016, our Board adopted an amendment and restatement of the Kimberly-Clark Corporation 2011 Outside Directors' Compensation Plan (as amended and restated, the "2011 Directors Plan"), for the sole purpose of adding a limit on the amount of equity and cash compensation that can be paid to an Outside Director in a calendar year. The amendment is subject to approval by our stockholders at the 2016 Annual Meeting. In setting the compensation limit, the Board used survey data covering companies within the Fortune 500, as well as data from our 2015 executive compensation peer group discussed above in the Compensation Discussion and Analysis.

We believe that the 2011 Directors Plan promotes the interests of Kimberly-Clark and our stockholders by enhancing our ability to attract, motivate and retain our Outside Directors. The 2011 Directors Plan is intended to permit flexibility in implementing an Outside Director compensation policy to align the Outside Directors' compensation closely with the economic interests of our stockholders by use of equity based compensation awards.

The only change to the 2011 Directors Plan from the prior plan is:

Annual Individual Limit:	The 2011 Directors Plan (as amended and restated) provides that the aggregate value of equity-based and cash compensation granted under the 2011 Directors Plan or otherwise during any calendar year to any individual Outside Director shall not exceed \$1,000,000, provided that in the calendar year in which an Outside Director is first designated as Chairman of the Board or Lead Director, the maximum for that Outside Director is \$2,000,000.
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The prior plan does not contain this limit.

The following is a summary of the basic features of the 2011 Directors Plan, which is subject to the specific provisions of the full text of the 2011 Directors Plan included in Appendix C of this proxy statement.

Plan Term

The 2011 Directors Plan will expire on April 20, 2021, unless earlier terminated by the Board.

Shares to be Granted

When adopted, the 2011 Directors Plan provided for the issuance of up to 1,044,134 shares of Kimberly-Clark common stock (as adjusted for our Halyard Health spin-off on October 31, 2014). As of February 29, 2016, awards representing 247,001 shares of common stock were outstanding under the 2011 Directors Plan and 585,116 shares of common stock remained available for grant.

Annual Individual Limit

The 2011 Directors Plan provides that the aggregate value of equity-based (based on the grant date fair value of equity-based awards as determined for financial reporting purposes) and cash



compensation granted under the 2011 Directors Plan or otherwise during any calendar year to any individual Outside Director shall not exceed \$1,000,000; provided that in the calendar year in which an Outside Director is first designated as Chairman of the Board of Directors or Lead Director, the maximum aggregate value applicable to that Outside Director is \$2,000,000.

Awards

Although other types of awards may be granted under the 2011 Directors Plan, currently only restricted share units are issued. If outside director compensation practices change, the 2011 Directors Plan continues to permit the following types of awards:

Stock Options

The 2011 Directors Plan permits awards of options to acquire Kimberly-Clark common stock. The option price per share will be at least equal to the fair market value per share of Kimberly-Clark common stock at the date of grant. The option period will be 10 years from the date of grant. Payment of the option price may be made in cash, by check, or with shares of Kimberly-Clark common stock having a fair market value at the time of exercise equal to the option price. In general, no option may be exercised until one year after it has been granted, except that the 2011 Directors Plan provides that the options become exercisable in full if the Outside Director separates from service as a Director within the two year period following the date of a change of control of Kimberly-Clark, as defined in the 2011 Directors Plan.

If an Outside Director's service is terminated for any reason other than death, retirement, disability or voluntary decision by the Outside Director not to stand for reelection to the Board, the options become exercisable only for the number of shares of common stock which were exercisable on the date of such termination. If an Outside Director dies, retires, becomes disabled, or voluntarily decides not to stand for reelection to the Board without having exercised an option in full, the remaining portion of the option may be exercised within the remaining period of the option. Under no circumstances, however, will an option be exercisable beyond 10 years from the date of the grant. Options are not transferable other than by will or by the laws of descent and distribution, provided that Outside Directors have the right to transfer options, to the extent allowed and subject to the same terms and conditions applicable to options granted to the Chief Executive Officer under the current equity participation plan.

Under the 2011 Directors Plan, the Board, by written notice to an Outside Director, may limit the period in which an option may be exercised to a period ending at least three months following the date of the notice, and/or limit or eliminate the number of shares subject to option after a period ending at least three months following the date of the notice.

Stock Appreciation Rights (SARs)

SARs offer Outside Directors the right to receive payment for the difference (spread) between the exercise price of the SAR and the fair market value of Kimberly-Clark common stock at the time of redemption. The Board may authorize payment of the spread for a SAR in the form of cash, common stock to be valued at its fair market value on the date of exercise, a combination of these, or by any other method as the Board may determine. SARs are generally subject to the same limitations and restrictions regarding exercise, transfer and forfeiture as are stock options.

Restricted Shares and Restricted Share Units

The Board may award restricted shares or restricted share units to Outside Directors. The Board may determine the number of restricted shares to be granted to Outside Directors and the periods during which the shares may not be transferred. During this restricted period, the restricted shares may not be sold or transferred by the Outside Director except in the case of death. Upon expiration



of the restricted period, the restricted shares will be delivered to the Outside Director free of restrictions. Outside Directors who are awarded restricted shares will be entitled to vote these shares and to receive dividends declared on these shares during the restricted period.

The Board may also determine the number of restricted share units to be granted to Outside Directors and the periods during which the units may not be transferred. Unless otherwise determined by the Board, the restricted period for restricted share units begins on the date of grant and expires on the date the recipient retires from or otherwise terminates service on the Board. During this restricted period, the restricted share units may not be sold or transferred by the Outside Director except in the case of death. Upon expiration of the restricted period, payment of restricted share units will be made in cash or shares of common stock as determined by the Board at the time of grant. During the restricted period, an Outside Director who is awarded restricted share units will not be entitled to vote these units but will be credited with dividend equivalents equal in value to the dividends declared and paid on Kimberly-Clark common stock which will be reinvested in restricted share units at the then fair market value of Kimberly-Clark common stock on the date dividends are paid, and these dividend equivalents will not be paid unless and until the underlying awards are paid.

Administration; Termination

The 2011 Directors Plan is administered by the Board. The Board may amend, suspend, or discontinue the 2011 Directors Plan or amend any or all awards under the 2011 Directors Plan to the extent permitted by law and the rules of any stock exchange on which Kimberly-Clark common stock is listed, provided that no action may be taken if it would result in a failure to comply with applicable provisions of the federal securities or income tax laws or constitute a re-pricing, replacing, re-granting through cancellation or modifying without stockholder approval (except as provided in Section 7 of the 2011 Directors Plan) if the effect would be to reduce the exercise price for the shares underlying the option or SAR. However, if an amendment must be approved by the stockholders pursuant to law or the rules of any stock exchange on which Kimberly-Clark common stock is listed, any such proposed amendment will be submitted to the stockholders for approval.

The Board may, by written notice to an Outside Director, limit the period during which an option may be exercised to a period ending at least three months following the date of such notice, and/or limit or eliminate the number of shares subject to an option after a period ending at least three months following the notice. Except as provided in the 2011 Directors Plan, no amendment, suspension or termination of the 2011 Directors Plan will adversely alter any rights granted to an Outside Director without the Outside Director's consent.

Amendment; Expiration

The Board may amend the 2011 Directors Plan from time to time, including amendments to increase the amount of the compensation payable in common stock from time to time, provided that the total number of shares of common stock issued under the 2011 Directors Plan may not exceed the amount previously approved by stockholders.

The authorization to issue common stock under the 2011 Directors Plan will expire on April 20, 2021, unless reapproved by stockholders. If for any reason shares cannot be issued, the value of any shares that cannot be issued will be paid in the form of cash.

Effect of Section 409A of the Code

Section 409A of the Internal Revenue Code of 1986 (the "Code") imposes certain requirements applicable to "nonqualified deferred compensation plans." If a nonqualified deferred compensation plan subject to Section 409A fails to meet, or is not operated in accordance with, these new requirements, then all compensation deferred under the 2011 Directors Plan may become immediately taxable. It is our intention that any agreement governing awards subject to Section 409A will comply with these rules.



U.S. Federal Tax Consequences

See Appendix D for a discussion of certain U.S. federal tax consequences regarding the 2011 Directors Plan.

Plan Benefits

See "Director Compensation" above for information concerning compensation to our Outside Directors under the 2011 Outside Directors' Compensation Plan prior to the amendment and restatement.

The Board of Directors unanimously recommends a vote FOR approval of the amended and restated 2011 Outside Directors' Compensation Plan.



Other Information

Security Ownership Information

The following table shows the number of shares of our common stock beneficially owned as of December 31, 2015, by each director and nominee, by each named executive officer, and by all directors, nominees and executive officers as a group.

Name	Number of Shares (1)(2)(3)(4)	Percent of Class
John F. Bergstrom	43,548	*
Abelardo E. Bru	26,397	*
Mark A. Buthman	300,040	*
Robert W. Decherd	75,704(6)	*
Thomas J. Falk	904,209(5)(7)	*
Fabian T. Garcia	8,221	*
Maria G. Henry	15,145	*
Michael D. Hsu	89,857	*
Mae C. Jemison, M.D.	32,548	*
James M. Jenness	24,100	*
Nancy J. Karch	12,779	*
Sandra J. MacQuillan	20,767	*
Ian C. Read	21,405	*
Marc J. Shapiro	56,790(8)	*
Elane B. Stock	104,993	*
Michael D. White	2,633	*
All directors, nominees and executive officers as a group (20 persons)	2,086,048(5)(9)	*

* Each director, nominee, named executive officer and the directors, nominees and executive officers as a group, owns less than one percent of the outstanding shares of our common stock.

(1) Except as otherwise noted, the directors, nominees and named executive officers, and the directors, nominees and executive officers as a group, have sole voting and investment power with respect to the shares listed.

(2) As of the date of this proxy statement, none of the executive officers or directors has pledged any shares of our common stock.

(3) Share amounts include unvested restricted share units granted to the following named executive officers under the 2011 Plan as indicated below. Amounts representing performance-based restricted share units in the table below represent target levels for these awards. See "Compensation Tables – Outstanding Equity Awards" for additional information regarding these grants.

Name	Time-Vested Restricted Share Units(#)	Performance-Based Restricted Share Units(#)
Mark A. Buthman	—	49,845
Thomas J. Falk	—	204,180
Maria G. Henry	—	15,145
Michael D. Hsu	—	46,948
Sandra J. MacQuillan	15,604	5,163
Elane B. Stock	3,101	40,900



- (4) For each director who is not an officer or employee of Kimberly-Clark, share amounts include restricted share units and shares of restricted stock granted under our Outside Directors' Compensation Plan. These awards are restricted and may not be transferred or sold until the Outside Director retires from or otherwise terminates service on the Board. See footnote 4 to the 2015 Outside Director Compensation table for the number of shares of restricted stock and restricted share units that the Outside Directors had outstanding as of December 31, 2015.
- (5) Includes shares of common stock held by the trustee of the 401(k) Profit Sharing Plan for the benefit of, and that are attributable to, the accounts in the plans of, the named executive officers. Also includes the following shares which could be acquired within 60 days of December 31, 2015 by:

Name	Number of Shares That Could be Acquired Within 60 Days of December 31, 2015
Mark A. Buthman	150,840
Thomas J. Falk	62,786
Maria G. Henry	—
Michael D. Hsu	38,968
Sandra J. MacQuillan	—
Elane B. Stock	47,048
All directors, nominees and executive officers as a group (20 persons)	467,095

- (6) Voting and investment power with respect to 39,944 of the shares is shared with Mr. Decherd's spouse.
- (7) Includes 99,411 shares held by TKM, Ltd. and 523,798 shares held by TKM II, Ltd. TKM, Ltd. is a family limited partnership, which is owned by (i) an entity owned by a trust, controlled by Mr. Falk and his spouse as general partner and (ii) two family trusts previously established for the benefit of Mr. Falk's child as limited partners. TKM II, Ltd. is a family limited partnership which is owned by (i) an entity owned by a trust, controlled by Mr. Falk and his spouse as general partner, and (ii) a trust controlled by Mr. Falk and his spouse as limited partners. Mr. Falk shares voting control over the shares held by TKM, Ltd. and TKM II, Ltd.
- (8) Includes 8,000 shares held by a trust for the benefit of Mr. Shapiro's children and for which Mr. Shapiro shares voting and investment power.
- (9) Voting and investment power with respect to 689,872 of the shares is shared.

Our Corporate Governance Policies provide that, within three years of joining the Board, all Outside Directors should own an amount of our common stock or share units at least equal in value to three times the annual Board cash compensation. For the purpose of these stock ownership guidelines, a director is deemed to own beneficially-owned shares, as well as restricted stock and restricted share units (whether or not any applicable restrictions have lapsed), but not stock options (whether vested or unvested). As of December 31, 2015, the stock ownership levels specified by these guidelines had been met or exceeded by each of the Outside Directors.

The following table sets forth the information, as of December 31, 2015, regarding persons or groups known to us to be beneficial owners of more than five percent of our common stock.

Name and Address of Beneficial Owner	Number of Shares of Common Stock Beneficially Owned	Percentage of Common Stock Outstanding
BlackRock, Inc. (1) 55 East 52nd Street New York, NY 10055	25,221,762	6.9%
The Vanguard Group Inc. (2) 100 Vanguard Boulevard Malvern, PA 19355	21,293,346	5.9%

- (1) The address, number and percentage of shares of our common stock beneficially owned by BlackRock, Inc. ("BlackRock") are based on the Schedule 13G/A filed by BlackRock with the SEC on February 10, 2016. According to the filing, BlackRock had sole voting power with respect to 21,790,073 shares, sole dispositive power with respect to 25,221,762 shares, and did not have shared voting or dispositive power as to any shares.
- (2) The address, number and percentage of shares of our common stock beneficially owned by The Vanguard Group Inc. ("Vanguard") are based on the Schedule 13G/A filed by Vanguard with the SEC on February 10, 2016. According to the filing, Vanguard had sole voting power with respect to 675,285 shares, sole dispositive power with respect to 20,573,253 shares, shared dispositive power with respect to 720,093 shares and did not have shared voting power as to any shares.



Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers and any person owning more than 10 percent of a class of our common stock to file reports with the SEC regarding their ownership of our stock and any changes in ownership. We maintain a compliance program to assist our directors and executive officers in making these filings. Other than the exceptions noted below, we believe that our executive officers and directors timely complied with their filing requirements for 2015. Due to an administrative oversight, each of the following executive officers filed one late Form 4, which reported one transaction, the automatic vesting of previously reported time-vested restricted share units in accordance with their previously disclosed vesting schedule: Mr. Hsu and Ms. Kimberly K. Underhill. The grants of the restricted share units were initially reported in 2012 and the restricted share units vested on November 15, 2015. The Form 4 reports reflecting these transactions were filed on November 24, 2015.

Transactions With Related Persons

Policies and Procedures for Review, Approval or Ratification of Related Person Transactions. The Board has adopted procedures for reviewing any transactions between the company and certain “related persons” that involve amounts above certain thresholds. The SEC requires that our proxy statement disclose these “related person transactions.” A related person is defined under the SEC’s rules and includes our directors, executive officers and five percent stockholders.

The Board’s procedures provide that:

- u The Nominating and Corporate Governance Committee is best suited to review, approve and ratify related person transactions involving any director, nominee for director, any five percent stockholder, or any of their immediate family members or related firms, and
- u The Audit Committee is best suited to review, approve and ratify related person transactions involving executive officers (or their immediate family members or related firms), other than any executive officer that is also a Board member.
- u Either Committee may, in its sole discretion, refer its consideration of related person transactions to the full Board.

Each director, director nominee and executive officer is required to promptly provide written notification of any material interest that he or she (or an immediate family member) has or will have in a transaction with Kimberly-Clark. Based on a review of the transaction, a determination will be made as to whether the transaction constitutes a related person transaction under the SEC’s rules. As appropriate, the Nominating and Corporate Governance Committee or the Audit Committee will then review the terms and substance of the transaction to determine whether to ratify or approve the related person transaction.

In determining whether the transaction is consistent with Kimberly-Clark’s best interest, the Nominating and Corporate Governance Committee or the Audit Committee may consider any factors deemed relevant or appropriate, including:

- u Whether the transaction is on terms comparable to those that could be obtained in arm’s-length dealings with an unrelated third party;
- u Whether the transaction constitutes a conflict of interest under our Code of Conduct, the nature, size or degree of any conflict, and whether mitigation of the conflict is feasible;
- u The impact of the transaction on a director’s independence; and
- u Whether steps have been taken to ensure fairness to Kimberly-Clark.

2015 Related Person Transactions. We share aircraft hangar space, pilots and related services with Bergstrom Corporation, an entity that is majority-owned by Mr. Bergstrom. During 2015, Bergstrom Corporation paid us \$463,000 for its share of the costs associated with these services. We believe this arrangement is fair and reasonable, advantageous to Kimberly-Clark, and consistent with national benchmarking. Based on an analysis of the arrangement, we also believe its terms to be comparable to those that could be obtained in arm’s-length dealings with an unrelated third party.



**Stockholders
Sharing the
Same
Household**

Stockholders who have the same address and last name as of the record date and have not previously requested electronic delivery of proxy materials may receive their voting materials in one of two ways. They may receive a single proxy package containing one annual report, one proxy statement and multiple proxy cards for each stockholder. Or they may receive one envelope containing a Notice of Internet Availability of Proxy Materials for each stockholder. This "householding" procedure helps us reduce printing and postage costs associated with providing our proxy materials and is consistent with our sustainability efforts.

If you reside in the same household with another stockholder with the same last name and would like us to mail proxy-related materials to you separately in the future, or are receiving multiple copies of materials and wish to receive only one set of proxy-related materials, please contact Stockholder Services by mail at P.O. Box 619100, Dallas, Texas 75261-9100, by telephone at (972) 281-5317 or by e-mail at stockholders@kcc.com.

Beneficial stockholders can request information about householding from their banks, brokers or other such holders of record.

**Stockholder
Proposals for
Inclusion in
Next Year's
Proxy Statement**

Stockholders who, in accordance with SEC Rule 14a-8, wish to present proposals for inclusion in our proxy statement and form of proxy for the 2017 Annual Meeting of Stockholders must submit their proposals to the Corporate Secretary, Kimberly-Clark Corporation, P.O. Box 619100, Dallas, Texas 75261-9100, so that they are received at this address no later than November 11, 2016. Upon receipt of a proposal, we will determine whether or not to include the proposal in the proxy statement and form of proxy in accordance with applicable law. We suggest that proposals be forwarded by certified mail, return receipt requested.

**Stockholder
Director
Nominees for
Inclusion in
Next Year's
Proxy Statement**

Stockholders who wish to nominate one or more director candidates to be included in our proxy statement and form of proxy pursuant to By-Law 11A of our By-Laws (a "proxy access nomination") must submit written notice of the nomination to the Corporate Secretary so that it is received at least 75 days, but not more than 100 days, before the 2017 Annual Meeting of Stockholders (unless we give less than 75 days' notice of the annual meeting date, in which case the notice must be received within 10 days after the meeting date is announced). Any notice of a proxy access nomination must comply with the requirements of our By-Laws, which may be found in the Investors section of our website at www.kimberly-clark.com, and any applicable law.

**Stockholder
Director
Nominees Not
Included in Next
Year's Proxy
Statement**

Under our Certificate of Incorporation and By-Laws, a stockholder who wishes to nominate a candidate for election to the Board who is not intended to be included in our proxy statement for the 2017 Annual Meeting of Stockholders is required to give written notice to our Corporate Secretary. We must receive this notice at least 75 days, but not more than 100 days, before the 2017 Annual Meeting of Stockholders (unless we give less than 75 days' notice of the annual meeting date, in which case the notice must be received within 10 days after the meeting date is announced). Any notice of a director nomination must comply with the requirements of our By-Laws and any applicable law. A nomination that does not comply with the requirements set forth in our Certificate of Incorporation and By-Laws will not be considered for presentation at the annual meeting, but will be considered by the Nominating and Corporate Governance Committee for any vacancies arising on the Board between annual meetings in accordance with the process described in "Proposal 1. Election of Directors—Process and Criteria for Nominating Directors."



**Other
Stockholder
Proposals Not
Included in Next
Year's Proxy
Statement**

Under our Certificate of Incorporation and By-Laws, a stockholder who wishes to present a proposal at the 2017 Annual Meeting of Stockholders, other than a matter brought under SEC Rule 14a-8 or a director nomination, must submit written notice of the proposal to the Corporate Secretary. This notice must be received between January 24, 2017 and February 18, 2017, unless the 2017 annual meeting is held earlier than April 4, 2017 or later than July 3, 2017, in which case the notice must be received at least 75 days, but not more than 100 days, before the 2017 Annual Meeting of Stockholders (unless we give less than 75 days' notice of the annual meeting date, in which case the notice must be received within 10 days after the meeting date is announced). Any notice of a proposal must comply with the requirements of our By-Laws and any applicable law.



Other Matters to Be Presented at the Annual Meeting

Our management does not know of any other matters to be presented at the Annual Meeting. Should any other matter requiring a vote of the stockholders arise at the meeting, the persons named in the proxy will vote the proxies in accordance with their best judgment.

Kimberly-Clark Corporation
P.O. Box 619100
Dallas, Texas 75261-9100
Telephone (972) 281-1200
March 11, 2016

By Order of the Board of Directors.

A handwritten signature in black ink, appearing to read "J. Melucci".

Jeffrey P. Melucci
Vice President—Deputy General Counsel Corporate
Secretary



Appendix A

Kimberly-Clark Corporation
2011 Equity Participation Plan
(Amended and restated effective April 21, 2011)

1. Purpose

This 2011 Equity Participation Plan (formerly the 2001 Equity Participation Plan) (the “Plan”) of Kimberly-Clark Corporation (the “Corporation”) is intended to aid in attracting and retaining highly qualified personnel and to encourage those employees who materially contribute, by managerial, scientific or other innovative means to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation’s or Affiliate’s long-term success.

2. Effective Date

The Plan was originally adopted effective as of April 26, 2001, upon approval by the stockholders of the Corporation at its 2001 annual meeting. The Plan is renamed, amended and restated effective as of April 21, 2011, upon approval by the stockholders of the Corporation at its 2011 annual meeting.

3. Definitions

“Affiliate” means any domestic or foreign corporation at least fifty percent (50%) of whose shares normally entitled to vote in electing directors is owned directly or indirectly by the Corporation or other Affiliates (collectively, the “Affiliates”), provided, however, that “at least twenty percent (20%)” shall replace “at least fifty percent (50%)” where there is a legitimate business criteria for using such lower percentage.

“Average PRSU Payout” has the meaning set forth in subsection 14(b) of the Plan.

“Award” has the meaning set forth in Section 6 of the Plan.

“Award Agreement” means an agreement entered into between the Corporation and a Participant setting forth the terms and conditions applicable to the Award granted to the Participant.

“Board” means the Board of Directors of the Corporation.

“Cause” means any of the following: (i) the commission by the Participant of a felony; (ii) the Participant’s dishonesty, habitual neglect or incompetence in the management of the affairs of the Corporation; or (iii) the refusal or failure by the Participant to act in accordance with any lawful directive or order of the Corporation, or an act or failure to act by the Participant which is in bad faith and which is detrimental to the Corporation.

“Change of Control” means an event deemed to have taken place if: (i) a third person, including a “group” as defined for purposes of Code Section 409A, acquires shares of the Corporation having thirty percent (30%) or more of the total number of votes that may be cast for the election of directors of the Corporation; or (ii) as the result of any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions (a “Transaction”), within a twelve month period, the persons who were directors of the Corporation before the Transaction shall cease to constitute a majority of the Board of the Corporation or any successor to the Corporation.

“Code” means the Internal Revenue Code of 1986 and the regulations thereunder, as amended from time to time.

“Committee” means the Management Development and Compensation Committee of the Board, provided that if the requisite number of members of the Management Development and Compensation Committee are not Disinterested Persons, the Plan shall be administered by a



committee, all of whom are Disinterested Persons, appointed by the Board and consisting of two or more directors with full authority to act in the matter. The term “Committee” shall mean the Management Development and Compensation Committee or the committee appointed by the Board, as the case may be. Furthermore, the term “Committee” shall include any delegate to the extent authority is delegated pursuant to Section 4 hereunder.

“Committee Rules” means the interpretative guidelines approved by the Committee providing the foundation for administration of the Plan.

“Common Stock” means the common stock, par value \$1.25 per share, of the Corporation and shall include both treasury shares and authorized but unissued shares and shall also include any security of the Corporation issued in substitution, in exchange for, or in lieu of the Common Stock.

“Disinterested Person” means a person who is a “Non-Employee Director” for purposes of Rule 16b-3 under the Exchange Act, or any successor provision, and who is also an “outside director” for purposes of Section 162(m) of the Code or any successor section.

“Exchange Act” means the Securities Exchange Act of 1934 and the rules and regulations thereunder, as amended from time to time.

“Fair Market Value” means (a) the reported closing price of the Common Stock, on the relevant date as reported on the composite list used by The Wall Street Journal for reporting stock prices, or if no such sale shall have been made on that day, on the last preceding day on which there was such a sale, or (b) if clause (a) is not applicable, the value determined by the Committee using such reasonable method of valuation that complies with Section 409A of the Code and the regulations thereunder.

“Incentive Stock Option” means an Option which is so defined for purposes of Section 422 of the Code or any successor section.

“Nonqualified Stock Option” means any Option which is not an Incentive Stock Option.

“Option” means a right to purchase a specified number of shares of Common Stock at a fixed option price equal to no less than one hundred percent (100%) of the Fair Market Value of the Common Stock on the date the Award is granted.

“Other Stock-Based Award” has the meaning set forth in Section 12 of the Plan.

“Option Price” has the meaning set forth in subsection 7(b) of the Plan.

“Participant” means an employee who the Committee selects to participate in and receive Awards under the Plan (collectively, the “Participants”).

“Performance Award” shall mean any right granted under Section 11 of the Plan.

“Performance Goal” means the specific performance objectives as established by the Committee, which, if achieved, will result in the amount of payment, or the early payment, of the Award. The Performance Goal may consist of one or more or any combination of the following criteria: return on invested capital, stock price, market share, sales revenue, cash flow, earnings per share, return on equity, total stockholder return, gross margin, net sales, operating profit return on sales, costs and/or such other financial, accounting or quantitative metric determined by the Committee. The performance goals may be described in terms that are related to the individual Participant, to the Corporation as a whole, or to a subsidiary, division, department, region, function or business unit of the Corporation in which the Participant is employed. The Committee, in its discretion, may change or modify these criteria; however, in the case of any Award to any employee who is or may be a “covered employee,” as defined in Section 162(m) of the Code, the Committee has no discretion to increase the amount of compensation that would otherwise be due upon attainment of the goal, and at all times the criteria must meet the requirements of Section 162(m) of the Code, or any successor section, to the extent applicable.



“Qualified Termination of Employment” means the termination of a Participant’s employment with the Corporation and/or its Affiliates within the two (2) year period following a Change of Control of the Corporation for any reason unless such termination is by reason of death or disability or unless such termination is (i) by the Corporation for Cause or (ii) by the Participant without Good Reason. Subject to the definition of “Termination by the Participant for Good Reason,” transfers of employment for administrative purposes among the Corporation and its Affiliates shall not be deemed a Qualified Termination of Employment.

“Restricted Period” shall mean the period of time during which the Transferability Restrictions applicable to Awards will be in force.

“Restricted Share” shall mean a share of Common Stock which may not be traded or sold, until the date the Transferability Restrictions expire.

“Restricted Share Unit” means the right, as described in Section 10, to receive an amount, payable in either cash or shares of Common Stock, equal to the value of a specified number of shares of Common Stock. No certificates shall be issued with respect to such Restricted Share Unit, except as provided in subsection 10(d), and the Corporation shall maintain a bookkeeping account in the name of the Participant to which the Restricted Share Unit shall relate.

“Retirement” and “Retires” for Awards granted after December 31, 2003 means the termination of employment on or after the date the Participant has attained age 55. For Awards granted prior to January 1, 2004 “Retirement” and “Retires” means the termination of employment on or after the date the Participant is entitled to receive immediate payments under a qualified retirement plan of the Corporation or an Affiliate; provided, however, if the Participant is not eligible to participate under a qualified retirement plan of the Corporation or its Affiliates then such Participant shall be deemed to have retired if his termination of employment is on or after the date such Participant has attained age 55.

“Stock Appreciation Right (SAR)” has the meaning set forth in Section 8 of the Plan.

“Termination by the Participant for Good Reason” shall mean the separation from service during the two year time period following the initial existence (without the Participant’s express written consent) of any one of the following conditions:

- (a) A material diminution in the Participant’s base compensation;
- (b) A material diminution in the Participant’s authority, duties, or responsibilities;
- (c) A material diminution in the authority, duties, or responsibilities of the supervisor to whom the Participant is required to report, including a requirement that a Participant report to a corporate officer or employee instead of reporting directly to the board of directors of the Corporation;
- (d) A material diminution in the budget over which the Participant retains authority;
- (e) A material change in the geographic location at which the Participant must perform the services; or
- (f) Any other action or inaction that constitutes a material breach by the Corporation of any agreement under which the Participant provides services.

The Participant must provide notice to the Corporation of the existence of any of the above conditions within a period not to exceed 90 days of the initial existence of the condition, upon the notice of which the Corporation must be provided a period of at least 30 days during which it may remedy the condition and not be required to pay the amount.

The Participant’s right to terminate the Participant’s employment for Good Reason shall not be affected by the Participant’s incapacity due to physical or mental illness. The Participant’s continued employment shall not constitute consent to, or a waiver of rights with respect to, any act or failure to act constituting Good Reason hereunder.



“ Total and Permanent Disability ” means Totally and Permanently Disabled as defined in the Kimberly-Clark Corporation Pension Plan.

“ Transferability Restrictions ” means the restrictions on transferability imposed on Awards of Restricted Shares or Restricted Share Units.

4. Administration

The Plan and all Awards granted pursuant thereto shall be administered by the Committee. The Committee, in its absolute discretion, shall have the power to interpret and construe the Plan and any Award Agreements; provided, however, that no such action or determination may increase the amount of compensation payable that would otherwise be due in a manner that would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section. Any interpretation or construction of any provisions of the Plan or the Award Agreements by the Committee shall be final and conclusive upon all persons. No member of the Board or the Committee shall be liable for any action or determination made in good faith.

The Committee shall have the power to promulgate Committee Rules and other guidelines in connection with the performance of its obligations, powers and duties under the Plan, including its duty to administer and construe the Plan and the Award Agreements.

The Committee may authorize persons other than its members to carry out its policies and directives subject to the limitations and guidelines set by the Committee, and may delegate its authority under the Plan. The foregoing delegation of authority shall be limited as follows: (a) with respect to persons who are subject to Section 16 of the Exchange Act, the authority to grant Awards, the selection for participation, decisions concerning the timing, pricing and amount of a grant or Award and authority to administer Awards shall not be delegated by the Committee; (b) the maximum number of shares of Common Stock covered by Awards to newly hired employees, or to respond to special recognition or retention needs which may be granted by the Chief Executive Officer within any calendar year period shall not exceed 200,000, provided, however, this limitation shall not apply to any delegation by the Committee to the Chief Executive Officer with respect to any scheduled annual grant of Awards (subject, however, to the other limitations set forth in this Section 4); (c) the delegation of authority to grant Awards shall be limited to grants by the Chief Executive Officer subject to the requirements of Section 157(c) of the Delaware General Corporation Law (or any successor statute); (d) any delegation shall satisfy all applicable requirements of Rule 16b-3 of the Exchange Act, or any successor provision; (e) no such delegation shall result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section; and (f) the Chief Executive Officer shall not have the authority to grant Awards to himself or herself. Any person to whom such authority is granted shall continue to be eligible to receive Awards under the Plan.

5. Eligibility

The Committee shall from time to time select the Participants from those employees whom the Committee determines either to be in a position to contribute materially to the success of the Corporation or Affiliate or to have in the past so contributed. Only employees (including officers and directors who are employees) of the Corporation and its Affiliates are eligible to participate in the Plan.

6. Form of Grants

All Awards under the Plan shall be made in the form of Options, Stock Appreciation Rights, Restricted Shares, Restricted Share Units, Performance Awards, Other Stock-Based Awards or any combination thereof. Notwithstanding anything in the Plan to the contrary, any Awards shall contain the restriction on assignability in subsection 20(f) of the Plan to the extent required under Rule 16b-3 of the Exchange Act.

7. Stock Options

The Committee or its delegate shall determine and designate from time to time those Participants to whom Options are to be granted, the number of shares of Common Stock to be granted/



awarded to each and the periods the Option shall be exercisable. Such Options may be in the form of Incentive Stock Options or in the form of Nonqualified Stock Options. The Committee in its discretion at the time of grant may establish Performance Goals that may affect the grant, exercise and/or settlement of an Option. After granting an Option to a Participant, the Committee shall cause to be delivered to the Participant an Award Agreement evidencing the granting of the Option. The Award Agreement shall be in such form as the Committee shall from time to time approve. The terms and conditions of all Options granted under the Plan need not be the same, but all Options must meet the applicable terms and conditions specified in subsections 7(a) through 7(i).

(a) Period of Option. The Period of each Option shall be no more than 10 years from the date it is granted.

(b) Option Price. The Option price shall be determined by the Committee, but shall not in any instance be less than the Fair Market Value of the Common Stock at the time that the Option is granted (the "Option Price").

(c) Limitations on Exercise. The Option shall not be exercisable until at least one year has expired after the granting of the Option, during which time the Participant shall have been in the continuous employ of the Corporation or an Affiliate; provided, however, that the Option shall become exercisable immediately in the event of a Qualified Termination of Employment of a Participant, without regard to the limitations set forth below in this subsection 7(c). Unless otherwise determined by the Committee or its delegate at the time of grant, at any time during the period of the Option after the end of the first year, the Participant may purchase up to thirty percent (30%) of the shares covered by the Option; after the end of the second year, an additional thirty percent (30%); and after the end of the third year, the remaining forty percent (40%) of the total number of shares covered by the Option; provided, however, that if the Participant's employment is terminated for any reason other than death, Retirement or Total and Permanent Disability, the Option shall be exercisable only for three months following such termination and only for the number of shares of Common Stock which were exercisable on the date of such termination. In no event, however, may an Option be exercised more than 10 years after the date of its grant.

(d) Exercise after Death, Retirement, or Disability. Unless otherwise determined by the Committee or its delegate at the time of grant, if a Participant dies, becomes Totally and Permanently Disabled, or Retires without having exercised the Option in full, the remaining portion of such Option may be exercised, without regard to the limitations in subsection 7(c), as follows. If a Participant dies or becomes Totally and Permanently Disabled the remaining portion of such Option may be exercised within (i) three years from the date of any such event or (ii) the remaining period of the Option, whichever is earlier. Upon a Participant's death, the Option may be exercised by the person or persons to whom such Participant's rights under the Option shall pass by will or by applicable law or, if no such person has such rights, by his executor or administrator. If a Participant Retires the remaining portion of such Option may be exercised within (i) five years from the date of any such event or (ii) the remaining period of the Option, whichever is earlier.

(e) No Repricings. No Option or SAR may be re-priced, replaced, re-granted through cancellation, or modified (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 17 hereof) if the effect would be to reduce the exercise price for the shares underlying such Option or SAR. In addition, no Option or SAR may be repurchased or otherwise cancelled in exchange for cash (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 17 hereof) if the Option Price or Grant Price of the SAR is equal to or less than the Fair Market Value of the Common Stock at the time of such repurchase or exchange. Notwithstanding anything herein to the contrary, the Committee may take any such action set forth in this subsection 7(e) subject to the approval of the stockholders.

(f) Exercise; Notice Thereof. Options shall be exercised by delivering to the Corporation, or an agent designated by the Corporation, subject to any applicable rules or regulations adopted by the Committee, notice of the number of shares with respect to which Option rights are being



exercised and by paying in full the Option Price of the shares at the time being acquired. Exercise methods and processes for paying the Option Price shall be as determined by the Committee, or its delegate, and may include payment in cash, a check payable to the Corporation, or in shares of Common Stock transferable to the Corporation and having a fair market value on the transfer date equal to the amount payable to the Corporation or such other methods permitted by the Committee in its sole discretion. A Participant shall have none of the rights of a stockholder with respect to shares covered by such Option until the Participant becomes the record holder of such shares.

(g) Purchase for Investment. It is contemplated that the Corporation will register shares sold to Participants pursuant to the Plan under the Securities Act of 1933. In the absence of an effective registration, however, a Participant exercising an Option hereunder may be required to give a representation that he/she is acquiring such shares as an investment and not with a view to distribution thereof.

(h) Limitations on Incentive Stock Option Grants.

(i) An Incentive Stock Option shall be granted only to an individual who, at the time the Option is granted, does not own stock possessing more than ten percent (10%) of the total combined voting power of all classes of stock of the Corporation or Affiliates.

(ii) The aggregate Fair Market Value of all shares with respect to which Incentive Stock Options are exercisable by a Participant for the first time during any year shall not exceed \$100,000. The aggregate Fair Market Value of such shares shall be determined at the time the Option is granted.

(i) Tandem Grants.

(i) At the same time as Nonqualified Stock Options are granted the Committee may also grant to designated Participants a tandem SAR, subject to the terms and conditions of this subsection 7(i) and Section 8. If Nonqualified Stock Options and a SAR are granted in tandem, as designated in the relevant Award Agreements, such tandem Option shall be cancelled to the extent that the shares of Common Stock subject to such Option are used to calculate amounts or shares receivable upon the exercise of the related tandem SAR. The tandem SAR shall expire when the period of the subject Option expires. Participants to whom a tandem SAR has been granted shall be notified of such grant and of the Options to which such SAR pertains. A tandem SAR may be revoked by the Committee, in its sole discretion, at any time, provided, however, that no such revocation may be taken hereunder if such action would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

(ii) At the time a Participant converts one or more shares of Common Stock covered by an Option to cash pursuant to a SAR, such Participant must exercise one or more Nonqualified Stock Options, which were granted at the same time as the Option subject to such SAR, for an equal number of shares of Common Stock. In the event that the number of shares and the Option Price per share of all shares of Common Stock subject to outstanding Options is adjusted as provided in the Plan, the above SARs shall automatically be adjusted in the same ratio which reflects the adjustment to the number of shares and the Option Price per share of all shares of Common Stock subject to outstanding Options.

8. Stock Appreciation Rights

The Committee or its delegate may from time to time designate those Participants who shall receive Awards of Stock Appreciation Rights. Subject to the terms of the Plan and any applicable Award Agreement, a SAR granted under the Plan shall confer on the holder thereof a right to receive, upon exercise thereof, the excess of the difference between the Fair Market Value of the Common Stock at the time the Participant's SAR is granted and the Fair Market Value of the Common Stock on the date of conversion. A SAR may be revoked by the Committee, in its sole



discretion, at any time, provided, however, that no such revocation may be taken hereunder if such action would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

- (a) Grant. A SAR may be granted in addition to any other Award under the Plan or in tandem with or independent of a Nonqualified Stock Option.
- (b) Grant Price. The Grant Price shall be determined by the Committee, provided, however, that such price shall not be less than one hundred percent (100%) of the Fair Market Value of one share of Common Stock on the date of grant of the SAR, except that if a SAR is at any time granted in tandem to an Option, the grant price of the SAR shall not be less than the exercise price of such Option.
- (c) Term. The term of each SAR shall be such period of time as is fixed by the Committee; provided, however, that the term of any SAR shall not exceed ten (10) years from the date of grant. The Committee in its discretion at the time of grant may establish Performance Goals that may affect the grant, exercise and/or settlement of a SAR.
- (d) Time and Method of Exercise. The Committee shall establish in the applicable Award Agreement the time or times at which a SAR may be exercised in whole or in part.
- (e) Form of Payment. Payment may be made to the Participant in respect thereof in cash or in shares of Common Stock, or any combination thereof, as the Committee in its sole discretion, shall determine and provide in the relevant Award Agreement. If stock-settled SARs are issued and paid, the gross amount of the Award shall be counted against the Plan.

9. Restricted Shares

The Committee or its delegate may from time to time designate those Participants who shall receive Awards of Restricted Shares. Each grant of Restricted Shares under the Plan shall be evidenced by an agreement which shall be executed by the Corporation and the Participant. The agreement shall contain such terms and conditions, not inconsistent with the Plan, as shall be determined by the Committee and shall indicate the number of Restricted Shares awarded and the following terms and conditions of the award.

- (a) Grant of Restricted Shares. The Committee shall determine the number of Restricted Shares to be included in the grant and the period or periods during which the Transferability Restrictions applicable to the Restricted Shares will be in force (the "Restricted Period"). Unless otherwise determined by the Committee at the time of grant, the Restricted Period shall be for a minimum of three years and shall not exceed ten years from the date of grant, as determined by the Committee at the time of grant. The Restricted Period may be the same for all Restricted Shares granted at a particular time to any one Participant or may be different with respect to different Participants or with respect to various of the Restricted Shares granted to the same Participant, all as determined by the Committee at the time of grant.
- (b) Transferability Restrictions. During the Restricted Period, Restricted Shares may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, a Participant's right, if any, to receive Common Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. In order to enforce the limitations imposed upon the Restricted Shares the Committee may (i) cause a legend or legends to be placed on any such certificates, and/or (ii) issue "stop transfer" instructions as it deems necessary or appropriate. Holders of Restricted Shares limited as to sale under this subsection 9(b) shall have rights as a stockholder with respect to such shares to receive dividends in cash or other property or other distribution or rights in respect of such shares, and to vote such shares as the record owner thereof. With respect to each grant of Restricted Shares, the Committee shall determine the Transferability Restrictions which will apply to the Restricted Shares for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Committee may provide (i) that the



Participant will not be entitled to receive any shares of Common Stock unless he or she is still employed by the Corporation or its Affiliates at the end of the Restricted Period, (ii) that the Participant will become vested in Restricted Shares according to a schedule determined by the Committee, or under other terms and conditions, including Performance Goals, determined by the Committee, and (iii) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Participant's death or Total and Permanent Disability.

(c) Manner of Holding and Delivering Restricted Shares. Each certificate issued for Restricted Shares shall be registered in the name of the Participant and deposited with the Corporation or its designee. These certificates shall remain in the possession of the Corporation or its designee until the end of the applicable Restricted Period or, if the Committee has provided for earlier termination of the Transferability Restrictions following a Participant's death, Total and Permanent Disability or earlier vesting of the shares of Common Stock, such earlier termination of the Transferability Restrictions. At whichever time is applicable, certificates representing the number of shares to which the Participant is then entitled shall be delivered to the Participant free and clear of the Transferability Restrictions; provided that in the case of a Participant who is not entitled to receive the full number of Shares evidenced by the certificates then being released from escrow because of the application of the Transferability Restrictions, those certificates shall be returned to the Corporation and canceled and a new certificate representing the shares of Common Stock, if any, to which the Participant is entitled pursuant to the Transferability Restrictions shall be issued and delivered to the Participant, free and clear of the Transferability Restrictions.

10. Restricted Share Units

The Committee or its delegate shall from time to time designate those Participants who shall receive Awards of Restricted Share Units. The Committee shall advise such Participants of their Awards by a letter indicating the number of Restricted Share Units awarded and the following terms and conditions of the award.

(a) Restricted Share Units may be granted to Participants as of the first day of a Restricted Period. The number of Restricted Share Units to be granted to each Participant and the Restricted Period shall be determined by the Committee in its sole discretion.

(b) Transferability Restrictions. During the Restricted Period, Restricted Share Units may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, a Participant's right, if any, to receive cash or Common Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. With respect to each grant of Restricted Share Units, the Committee shall determine the Transferability Restrictions which will apply to the Restricted Share Units for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Committee may provide (i) that the Participant will forfeit any Restricted Share Units unless he or she is still employed by the Corporation or its Affiliates at the end of the Restricted Period, (ii) that the Participant will forfeit any or all Restricted Share Units unless he or she has met the Performance Goals according to the schedule determined by the Committee, (iii) that the Participant will become vested in Restricted Share Units according to a schedule determined by the Committee, or under other terms and conditions, including Performance Goals, determined by the Committee, and (iv) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Participant's death or Total and Permanent Disability.

(c) Unless otherwise determined by the Committee, (i) during the Restricted Period, Participants will be credited with dividend equivalents equal in value to those declared and paid on shares of Common Stock, on all Restricted Share Units granted to them, (ii) these dividends will be regarded as having been reinvested in Restricted Share Units on the date of the Common Stock dividend payments based on the then Fair Market Value of the Common Stock thereby increasing the number of Restricted Share Units held by a Participant, and (iii) such dividend equivalents will be paid only to the extent the underlying Awards vest. Holders of Restricted Share Units under this subsection 10(c) shall have none of the rights of a stockholder with



respect to such shares. Holders of Restricted Share Units are not entitled to receive distribution of rights in respect of such shares, nor to vote such shares as the record owner thereof.

(d) Payment of Restricted Share Units. The payment of Restricted Share Units shall be made in cash or shares of Common Stock, or a combination of both, as determined by the Committee at the time of grant. The payment of Restricted Share Units shall be made within 90 days following the end of the Restricted Period.

11. Performance Awards

The Committee or its delegate may from time to time designate those Participants who shall receive Performance Awards. Performance Awards include arrangements under which the grant, issuance, retention, vesting and/or transferability of any Award is subject to such Performance Goals, Transferability Restrictions and such additional conditions or terms as the Committee may designate. Subject to the terms of the Plan and any applicable Award Agreement, a Performance Award granted under the Plan:

(a) may be denominated or payable in cash, Common Stock (including, without limitation, Restricted Shares), other securities, or other Awards;

(b) shall confer on the holder thereof rights valued as determined by the Committee and payable to, or exercisable by, the holder of the Performance Award, in whole or in part, upon the achievement of such Performance Goals during such performance periods as the Committee shall establish; and

(c) as specified in the relevant Award Agreement, the Committee may provide that Performance Awards denominated in shares earn dividend equivalents. Unless otherwise determined by the Committee, dividend equivalents for Performance Awards will accrue and will not be paid unless and until the underlying Awards vest.

12. Other Stock-Based Awards

The Committee or its delegate may from time to time designate those Participants who shall receive such other Awards (“Other Stock-Based Awards”) that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, Common Stock (including, without limitation, securities convertible into Common Stock), as are deemed by the Committee to be consistent with the purposes of the Plan, provided, however, that such grants must comply with applicable law. Subject to the terms of the Plan and any applicable Award Agreement, the Committee shall determine the terms and conditions, including Performance Goals and Transferability Restrictions, of such Awards. Common Stock or other securities delivered pursuant to a purchase right granted under this Section 12 shall be purchased for such consideration, which may be paid by such method or methods and in such form or forms, including, without limitation, cash, Common Stock, other securities, or other Awards, or any combination thereof, as the Committee shall determine, the value of which consideration, as established by the Committee shall not be less than the Fair Market Value of such Common Stock or other securities as of the date such purchase right is granted.

13. Vesting

An Award (other than Awards subject to Performance Goals) may not vest in whole in less than three years from the date of grant (although individual Award shares may vest in annual installments over a period of not less than three years). Notwithstanding the preceding sentence, in certain limited situations such as for new hires, retirement and certain other limited situations warranting a shorter or no vesting period, as may be determined by the Committee, these Awards may vest in whole in less than three years from the date of grant; provided, however, that these Awards do not constitute more than ten percent (10%) of the shares of Common Stock covered by all Awards granted within any calendar year period. Awards subject to Performance Goals may not vest in whole in less than one year from the date of grant.



14. Government Service, Leaves of Absence and Other Terminations

(a) In the event the Participant's employment with the Corporation or an Affiliate is terminated by reason of a shutdown or divestiture of all or a portion of the Corporation's or its Affiliate's business, a proportion of the Restricted Shares or Restricted Share Unit Award shall be considered to vest as of the Participant's termination of employment. The number of shares that shall vest shall be prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment. In the event the number of Restricted Shares or Restricted Share Units was to be determined by the attainment of Performance Goals according to a schedule determined by the Committee the number of shares that are considered to vest shall be determined at the end of the Restricted Period, prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 90 days following the end of the Restricted Period.

(b) In the event of a Qualified Termination of Employment of a Participant, all of the Awards that were not subject to Performance Goals shall be considered to vest immediately. For Awards subject to Performance Goals, (i) with respect to a grant prior to January 1, 2010, with a performance period starting on or before January 1, 2009, the number of shares that shall be considered to vest shall be the greater of the target level established or the number of shares which would have vested based on the attainment of the Performance Goal as of the end of the prior calendar year, and (ii) with respect to a grant on or after January 1, 2010, with a performance period starting after January 1, 2009, a severance amount shall be paid equal to the Average PRSU Payout multiplied by the number of annual applicable Awards subject to Performance Goals with a performance period starting after January 1, 2009 which are forfeited due to the Qualified Termination of Employment and the forfeited Awards determined by the attainment of Performance Goals according to a schedule determined by the Committee will not be paid. For purposes of this subsection 14(b), the "Average PRSU Payout" shall mean the three year average of the dollar amount of the restricted shares and/or restricted share units determined by the attainment of performance goals (the "PRSUs") awards paid to the Participant under the Plan. The three year average of the PRSUs paid to the Participant will be determined based on the higher of two dollar amount averages computed during alternative three year periods consisting of either (i) the year in which the relevant date occurred (or, if the award is not yet paid as of the relevant date, for the preceding year) and the two preceding years or, (ii) the year of the Qualified Termination of Employment (or, if the award is not yet paid as of the Qualified Termination of Employment, for the preceding year) and the two preceding years. If a Participant has been paid less than three years of PRSUs, the three year average of the PRSUs paid to the Participant will be determined based on the average dollar amount of the PRSUs paid in prior years to the Participant under the Plan. If a Participant has not received any prior payment of PRSUs, the Average PRSU Payout will be determined as follows:

- (1) For a Participant classified at the Corporation's Grade 1 through 6 level, as defined by the Corporation's Compensation Department, the Average PRSU Payout shall be calculated based on the prior three year average PRSU payment to other employees at the same grade level.
- (2) For a Participant at the Global Senior Leadership Team level (except for the Chief Executive Officer of the Corporation), the Average PRSU Payout shall be calculated based on the prior three year average PRSU payment to Participants at GSLT level.
- (3) For the Chief Executive Officer of the Corporation, the Average PRSU Payout shall be calculated based on the prior three year average PRSU payment to the previous Chief Executive Officer(s) of the Corporation.

Notwithstanding the foregoing, no severance amount shall be paid to any Participant with respect to any Awards to the extent that the Participant is entitled to receive payment under the Kimberly-Clark Executive Severance Plan. Notwithstanding anything in the Plan to the contrary, this definition may be amended at the discretion of the Committee to allow any amounts payable by the Corporation to comply with the definition of performance based compensation under Section 162(m) of the Code or any successor section (including the rules and regulations promulgated thereunder).



(c) If, pending a Change of Control, the Committee determines the Common Stock will cease to exist without an adequate replacement security that preserves Participants' economic rights and positions, then, by action of the Committee, the following shall occur:

(i) All Options and SARs, except for Incentive Stock Options, shall become exercisable immediately prior to the consummation of the Change of Control in such manner as is deemed fair and equitable by the Committee.

(ii) The restrictions on all Restricted Shares shall lapse, and all Restricted Share Units, Performance Awards and Other Stock-Based Awards shall vest immediately prior to consummation of the Change of Control and shall be settled upon the Change of Control in cash equal to the Fair Market Value of the Restricted Share Units, Performance Awards and Other Stock-Based Awards at the time of the Change of Control. Provided, however, that any Restricted Share Units that are required to meet the requirements of Section 409A of the Code and the regulations thereunder shall be settled in a manner that complies with Section 409A of the Code and the regulations thereunder.

(d) A termination of employment shall not be deemed to have occurred while a Participant is on military leave or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing sentence, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for purposes of the Plan. A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan. Notwithstanding anything in the Plan to the contrary, a termination of employment with respect to any Restricted Share Units, Performance Awards and Other Stock-Based Awards that are required to meet the requirements of Section 409A of the Code and the regulations thereunder shall not be deemed to be a termination of employment for purposes of the Plan if it is anticipated that the level of bona fide services the Participant would perform after such date would continue at a rate equal to more than 20 percent (20%) of the average level of bona fide services performed over the immediately preceding 36-month period (or the full period of services to the Corporation or an Affiliate if the Participant has been providing such services less than 36 months).

(e) If any amounts payable under the Plan would constitute a parachute payment under Section 280G(b)(2) of the Code then such amounts shall be reduced to the extent necessary to provide the Participant with the greatest aggregate net after tax receipt as determined by applying the procedures set forth in the Committee Rules.

15. Shares Subject to the Plan

(a) The number of shares of Common Stock available with respect to all Awards that may be issued under the Plan shall not exceed 67,000,000 in the aggregate, consisting of 17,000,000 newly authorized shares, plus up to 50,000,000 shares which on April 21, 2011 are previously authorized but not awarded under the Corporation's original 2001 Equity Participation Plan.



(b) In no event shall more than 23,000,000 shares of Common Stock be available for grant as Restricted Shares, Restricted Share Units, Performance Awards settled in shares of Common Stock, and all Other Stock-Based Awards settled in shares of Common Stock (the "Stock Award Pool"), in each case subject to the adjustment provision set forth in Section 17 hereof.

(c) Shares subject to (i) Options and SARs which become ineligible for purchase, (ii) Restricted Share Units, Performance Awards and Other Stock-Based Awards which are retired through forfeiture or maturity, other than those which are retired through the payment of Common Stock, and (iii) Restricted Shares which are forfeited during the Restricted Period due to any applicable Transferability Restrictions will be available for Awards under the Plan to the extent permitted by Section 16 of the Exchange Act (or the rules and regulations promulgated thereunder) and to the extent determined to be appropriate by the Committee.

(d) The total number of shares of Common Stock available for Awards under the Plan shall be reduced by the maximum number of shares of Common Stock issued upon exercise or settlement of Options and SARs granted, as well as shares of Common Stock retained or withheld by the Corporation in satisfaction of a Participant's withholding (as defined in subsection 20(j) below). Shares that were subject to an Option or SAR and were not issued upon the net settlement or net exercised of such Option or SAR may not again be made available for issuance under the Plan. All other Awards (except Restricted Share Units subject to Performance Goals, Performance Awards, Other Stock-Based Awards subject to Performance Goals and dividend equivalents thereof) shall reduce the total number of shares available for Awards under the Stock Award Pool by the number of shares of Common Stock vested under the Award. Restricted Share Units subject to Performance Goals, Performance Awards and Other Stock-Based Awards subject to Performance Goals shall reduce the total number of shares available for Awards under the Stock Award Pool by the target number of shares of Common Stock to be issued under grants of Restricted Share Units subject to Performance Goals, grants of Performance Awards and grants of Other Stock-Based Awards, and the number of shares of Common Stock will then be adjusted accordingly upon actual vesting of such Awards. Dividend equivalents on Restricted Share Units, Performance Awards and Other Stock-Based Awards subject to Performance Goals shall reduce the total number of shares available for Awards under the Stock Award Pool by the number of shares of Common Stock vested upon vesting of the underlying Award. Any Award that may be settled only in cash shall reduce the number of shares available for Awards, including, as applicable, the Stock Award Pool.

(e) The shares of Common Stock subject to the Plan may consist in whole or in part of authorized but unissued shares or of treasury shares, as the Board may from time to time determine.

16. Individual Limits

The maximum number of shares of Common Stock covered by Awards which may be granted to any Participant within any calendar year period shall not exceed 1,500,000 in the aggregate, except that in connection with a newly-hired Participant's initial service, a Participant may be granted Awards covering up to an additional 1,500,000 shares of Common Stock. If an Option which had been granted to a Participant is canceled, the shares of Common Stock which had been subject to such canceled Option shall continue to be counted against the maximum number of shares for which Options may be granted to the Participant. In the event that the number of Options which may be granted is adjusted as provided in the Plan, the above limits shall automatically be adjusted in the same ratio which reflects the adjustment to the number of Options available under the Plan.

17. Changes in Capitalization

In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, combination, or exchange of shares, any separation of the Corporation (including a spin-off, split-up or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split, extraordinary cash dividend or other change in the



corporate structure, appropriate adjustments and changes shall be made by the Committee, to the extent necessary to preserve the benefit to the Participant contemplated hereby, to reflect such changes in (a) the aggregate number of shares subject to the Plan, (b) the maximum number of shares subject to the Plan, (c) the maximum number of shares for which Awards may be granted to any Participant, (d) the number of shares and the Option Price per share of all shares of Common Stock subject to outstanding Options, (e) the maximum number of shares of Common Stock covered by Awards which may be granted by the Chief Executive Officer within any calendar year period, (f) the maximum number of shares of Common Stock available for option and sale and available for grant as Restricted Shares and Restricted Share Units, (g) the number of Restricted Shares, Restricted Share Units, Performance Awards and Other Stock-Based Awards awarded to Participants, and (h) such other provisions of the Plan and individual Awards as may be necessary and equitable to carry out the foregoing purposes, provided, however that no such adjustment or change may be made to the extent that such adjustment or change will result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

18. Effect on Other Plans

All payments and benefits under the Plan shall constitute special compensation and shall not affect the level of benefits provided to or received by any Participant (or the Participant's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. The Plan shall not be construed to affect in any way a Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.

19. Term of the Plan

The term of the Plan, as amended and restated, shall be ten years, beginning April 21, 2011, and ending April 20, 2021, unless the Plan is terminated prior thereto by the Committee. No Award may be granted or awarded after the termination date of the Plan, but Awards theretofore granted or awarded shall continue in force beyond that date pursuant to their terms.

20. General Provisions

(a) No Right of Continued Employment. Neither the establishment of the Plan nor the payment of any benefits hereunder nor any action of the Corporation, its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee shall be held or construed to confer upon any person any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates expressly reserve the right to discharge any Participant without liability to the Corporation, its Affiliates, the Board of Directors of the Corporation or its Affiliates or the Committee, except as to any rights which may be expressly conferred upon a Participant under the Plan.

(b) Binding Effect. Any decision made or action taken by the Corporation, the Board or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of the Plan shall be conclusive and binding upon all persons. Notwithstanding anything in Section 3 to the contrary, the Committee may determine in its sole discretion whether a termination of employment for purposes of the Plan is caused by disability, retirement or for other reasons.

(c) Modification of Awards. The Committee may in its sole and absolute discretion, by written notice to a Participant, (i) limit the period in which an Incentive Stock Option may be exercised to a period ending at least three months following the date of such notice, (ii) limit or eliminate the number of shares subject to an Incentive Stock Option after a period ending at least three months following the date of such notice, (iii) accelerate the Restricted Period with respect to the Restricted Shares, Restricted Share Units, Performance Awards and Other Stock-Based Awards granted under the Plan, (iv) subject any Performance-Based Award or any other Award subject to Performance Goals to any policy adopted by the Corporation relating to the recovery of such Award to the extent it is determined that the Performance Goals were not actually achieved and/or (v) determine whether, to what extent, and under what circumstances Awards may be settled or exercised in cash, Common Stock, other securities or other Awards, or canceled, forfeited, or



suspended, and the method or methods by which Awards may be settled, exercised, canceled, forfeited, or suspended. Notwithstanding anything in this subsection 20(c) to the contrary, the Committee may not take any action to the extent that such action would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section. Provided however, that any Restricted Share Units, Performance Awards and Other Stock-Based Awards that are required to meet the requirements of Section 409A of the Code and the regulations thereunder shall be settled in a manner that complies with Section 409A of the Code and the regulations thereunder. Except as provided in this subsection and in subsection 20(d) no amendment, suspension, or termination of the Plan or any Awards under the Plan shall, without the consent of the Participant, adversely alter or change any of the rights or obligations under any Awards or other rights previously granted the Participant.

(d) Nonresident Aliens. In the case of any Award granted to a Participant who is not a resident of the United States or who is employed by an Affiliate other than an Affiliate that is incorporated, or whose place of business is, in a State of the United States, the Committee may (i) waive or alter the terms and conditions of any Awards to the extent that such action is necessary to conform such Award to applicable foreign law, (ii) determine which Participants, countries and Affiliates are eligible to participate in the Plan, (iii) modify the terms and conditions of any Awards granted to Participants who are employed outside the United States, (iv) establish subplans, each of which shall be attached as an appendix hereto, modify Option exercise procedures and other terms and procedures to the extent such actions may be necessary or advisable, and (v) take any action, either before or after the Award is made, which is deemed advisable to obtain approval of such Award by an appropriate governmental entity; provided, however, that no action may be taken hereunder if such action would (i) materially increase any benefits accruing to any Participants under the Plan, (ii) increase the number of shares of Common Stock which may be issued under the Plan, (iii) modify the requirements for eligibility to participate in the Plan, (iv) result in a failure to comply with applicable provisions of the Securities Act of 1933, the Exchange Act or the Code or (v) result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

(e) No Segregation of Cash or Stock. The Restricted Share Unit accounts established for Participants are merely a bookkeeping convenience and neither the Corporation nor its Affiliates shall be required to segregate any cash or stock which may at any time be represented by Awards. Nor shall anything provided herein be construed as providing for such segregation. Neither the Corporation, its Affiliates, the Board nor the Committee shall, by any provisions of the Plan, be deemed to be a trustee of any property, and the liability of the Corporation or its Affiliates to any Participant pursuant to the Plan shall be those of a debtor pursuant to such contract obligations as are created by the Plan, and no such obligation of the Corporation or its Affiliates shall be deemed to be secured by any pledge or other encumbrance on any property of the Corporation or its Affiliates.

(f) Non-transferability. During the Participant's lifetime, Options shall be exercisable only by such Participant. Awards shall not be transferable other than by will or the laws of descent and distribution upon the Participant's death. Notwithstanding anything in this subsection 20(f) to the contrary, the Committee may grant to designated Participants the right to transfer Awards, to the extent allowed under Rule 16b-3 of the Exchange Act, subject to the terms and conditions of the Committee Rules.

Except as otherwise provided in the Plan, no benefit payable under or interest in the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of any Participant or beneficiary.

(g) Delaware Law to Govern. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with the laws of the State of Delaware.



(h) Purchase of Common Stock. The Corporation and its Affiliates may purchase from time to time shares of Common Stock in such amounts as they may determine for purposes of the Plan. The Corporation and its Affiliates shall have no obligation to retain, and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock purchased pursuant to this paragraph.

(i) Use of Proceeds. The proceeds received by the Corporation from the sale of Common Stock pursuant to the exercise of Options shall be used for general corporate purposes.

(j) Withholding. The Committee shall require the withholding of all taxes as required by law. In the case of exercise of an Option or payments of Awards whether in cash or in shares of Common Stock or other securities, withholding shall be as required by law and the Committee Rules.

(k) Amendments. The Committee may at any time amend, suspend, or discontinue the Plan or alter or amend any or all Awards and Award Agreements under the Plan to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, (3) permitted under applicable provisions of the Securities Act of 1933, as amended, the Exchange Act (including Rule 16b-3 thereof); and (4) that such action would not result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section (including the rules and regulations promulgated thereunder); provided, however, that if any of the foregoing requires the approval by stockholders of any such amendment, suspension or discontinuance, then the Committee may take such action subject to the approval of the stockholders. Except as provided in subsections 20(c) and 20(d) no such amendment, suspension, or termination of the Plan shall, without the consent of the Participant, adversely alter or change any of the rights or obligations under any Awards or other rights previously granted the Participant.

(l) Section 409A of the Code. To the extent that any Award is subject to Section 409A of the Code, such Award and the Plan is intended to comply with the applicable requirements of Section 409A of the Code and shall be limited, construed and interpreted in accordance with such intent. Such Award shall be paid in a manner that will comply with Section 409A of the Code, including the final treasury regulations or any other official guidance issued by the Secretary of the Treasury or the Internal Revenue Service with respect thereto.



Appendix B

Kimberly-Clark Corporation
2011 Equity Participation Plan
U.S. Federal Income Tax Consequences

The following discussion is intended only as a brief summary of the federal income and employment tax rules relevant to stock options, stock appreciation rights (SARs), performance awards, restricted shares and, restricted share units under the 2011 Equity Participation Plan (the “2011 Plan”). These rules are highly technical and subject to change. The following discussion is limited to the federal income tax rules relevant to us and to the individuals who are citizens or residents of the United States. The discussion does not address the state, local or foreign income tax rules relevant to stock options, SARs, performance awards, restricted shares, and restricted share units.

Incentive Stock Options

A participant who is granted an incentive stock option (“Incentive Stock Option”) under Section 422 of the Internal Revenue Code of 1986 (the “Code”) recognizes no income upon grant or exercise of the option. However, the excess of the fair market value of Kimberly-Clark shares on the date of exercise over the option price is an item includible in the optionee’s alternative minimum taxable income. The IRS may require the optionee to pay an alternative minimum tax even though the optionee receives no cash upon exercise of the Incentive Stock Option that the optionee can use to pay such tax.

If an optionee holds the common stock acquired upon exercise of the Incentive Stock Option for at least two years from the date of grant and at least one year following exercise (the “Statutory Holding Periods”), the IRS taxes the optionee’s gain, if any, upon a subsequent disposition of such common stock, as capital gain. If an optionee disposes of common stock acquired through the exercise of an Incentive Stock Option before satisfying the Statutory Holding Periods (a “Disqualifying Disposition”), the optionee may recognize both compensation income and capital gain in the year of disposition. The amount of the compensation income generally equals the excess of (1) the lesser of the amount realized on disposition or the fair market value of the common stock on the exercise date over (2) the exercise price. This income is subject to income tax, but not to income or employment tax withholding. The balance of the gain that the optionee realizes on such a disposition, if any, is long-term or short-term capital gain depending on whether the common stock has been held for more than one year following exercise of the Incentive Stock Option.

Special rules apply for determining an optionee’s tax basis in and holding period for common stock acquired upon the exercise of an Incentive Stock Option if the optionee pays the exercise price of the Incentive Stock Option in whole or in part with previously owned Kimberly-Clark shares. Under these rules, the optionee does not recognize any income or loss from delivery of shares of common stock (other than shares previously acquired through the exercise of an Incentive Stock Option and not held for the Statutory Holding Periods) in payment of the exercise price. The optionee’s tax basis in and holding period for the newly-acquired shares of common stock will be determined as follows: as to a number of newly-acquired shares equal to the previously-owned shares delivered, the optionee’s tax basis in and holding period for the previously-owned shares will carry over to the newly-acquired shares on a share-for-share basis; as to each remaining newly-acquired share, the optionee’s basis will be zero (or, if part of the exercise price is paid in cash, the amount of such cash divided by the number of such remaining newly-acquired shares) and the optionee’s holding period will begin on the date such shares are transferred. Under regulations, any Disqualifying Disposition is deemed made from shares with the lowest basis first.

If any optionee pays the exercise price of an Incentive Stock Option in whole or in part with previously-owned shares that were acquired upon the exercise of an Incentive Stock Option and that have not been held for the Statutory Holding Periods, the optionee will recognize compensation income (but not capital gain) under the rules applicable to Disqualifying Dispositions.



Kimberly-Clark is not entitled to any deduction with respect to the grant or exercise of an Incentive Stock Option or the optionee's subsequent disposition of the shares acquired if the optionee satisfies the Statutory Holding Periods. If these holding periods are not satisfied, we are generally entitled to a deduction in the year the optionee disposes of the common stock in an amount equal to the optionee's compensation income.

Nonqualified Stock Options

A participant who is granted a stock option that is not an Incentive Stock Option (a "Nonqualified Stock Option") recognizes no income upon grant of the option. At the time of exercise, however, the optionee recognizes compensation income equal to the difference between the exercise price and the fair market value of the Kimberly-Clark shares received on the date of exercise. This income is subject to income and employment tax withholding. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the compensation income that the optionee recognizes.

When an optionee disposes of common stock received upon the exercise of a Nonqualified Stock Option, the optionee will recognize capital gain or loss equal to the difference between the sales proceeds received and the optionee's basis in the stock sold. Kimberly-Clark will not receive a deduction for any capital gain recognized by the optionee.

If an optionee pays the exercise price for a Nonqualified Stock Option entirely in cash, the optionee's tax basis in the common stock received equals the stock's fair market value on the exercise date, and the optionee's holding period begins on the day after the exercise date. If however, an optionee pays the exercise price of a Nonqualified Stock Option in whole or in part with previously-owned shares of common stock, then the optionee's tax basis in and holding period for the newly-acquired shares will be determined as follows: as to a number of newly acquired shares equal to the previously-owned shares delivered, the optionee's basis in and holding period for the previously-owned shares will carry over to the newly-acquired shares on a share-for-share basis; as to each remaining newly-acquired share, the optionee's basis will equal the share's value on the exercise date, and the optionee's holding period will begin on the day after the exercise date.

SARs

A participant who is granted a SAR recognizes no income upon grant of the SAR. At the time of exercise, however, the participant recognizes compensation income equal to any cash received and the fair market value of any Kimberly-Clark common stock received. This income is subject to income and employment tax withholding. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the ordinary income that the participant recognizes.

Restricted Shares

Restricted shares are subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code. A participant to whom we grant restricted shares may make an election under Section 83(b) of the Code (a "Section 83(b) Election") to have the grant taxed as compensation income at the date of receipt, resulting in the IRS taxing any future appreciation (or depreciation) in the value of the restricted shares as capital gain (or loss) upon a subsequent sale of the shares. Such an election must be made within 30 days of the date that we grant the restricted shares.

However, if a participant does not make a Section 83(b) Election, then the grant will be taxed as compensation income at the full fair market value on the date that the restrictions imposed on the shares expire. Unless the participant makes a Section 83(b) Election, any dividends that we pay on common stock subject to the restrictions constitutes compensation income to the participant and compensation expense to us. Any compensation income the participant recognizes from a grant of restricted shares is subject to income and employment tax withholding. Kimberly-Clark is generally entitled to an income tax deduction for any compensation income taxed to the participant.



Performance Awards and Restricted Share Units

The grant of a performance award or restricted share unit does not generate taxable income to a participant or an income tax deduction to us. Any cash and the fair market value of any Kimberly-Clark common stock received as payment in respect of a performance award or restricted share unit will constitute ordinary income to the participant. The participant's income is subject to income and employment tax withholding. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the ordinary income that the participant recognizes.

Payment of Withholding Taxes

Kimberly-Clark has the right to withhold or require a participant to remit to us an amount sufficient to satisfy any federal, state, local, or foreign withholding tax requirements on any grant or exercise made under the 2011 Plan. However, to the extent permissible under applicable tax, securities, and other laws, the Committee may, in its sole discretion, permit the participant to satisfy a tax withholding requirement by delivering shares of Kimberly-Clark common stock that the participant previously owned or directing us to apply shares of common stock to which the participant is entitled as a result of the exercise of an option or the lapse of a period of restriction, to satisfy such requirement.



Appendix C

Kimberly-Clark Corporation
2011 Outside Directors' Compensation Plan
(Amended and Restated Effective May 4, 2016)

1. Introduction

The Kimberly-Clark Corporation Outside Directors' Compensation Plan (the "Plan") is intended to promote the interests of Kimberly-Clark Corporation (the "Corporation") and its stockholders by enhancing the Corporation's ability to attract, motivate and retain as Outside Directors persons of training, experience and ability, and to encourage the highest level of Outside Director performance. The Plan is intended to permit the Corporation maximum flexibility in implementing a compensation policy including aligning the Outside Directors' economic interests closely with those of the Corporation's stockholders by use of equity based compensation awards.

2. Definitions

Unless otherwise defined in the text of the Plan, capitalized terms herein shall have the meanings set forth in this Section 2.

"Affiliate" means any Corporation in which the Corporation owns 20 percent or more of the equity interest (collectively, the "Affiliates").

"Award" has the meaning set forth in Section 3 of the Plan.

"Board" means the Board of Directors of the Corporation.

"Change of Control" means an event deemed to have taken place if: (i) a third person, including a "group" as defined for purposes of Code Section 409A, acquires shares of the Corporation having 30 percent or more of the total number of votes that may be cast for the election of Directors of the Corporation; or (ii) as the result of any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions (a "Transaction"), the persons who were Directors of the Corporation before the Transaction shall cease to constitute a majority of the Board of Directors of the Corporation or any successor to the Corporation.

"Code" means the Internal Revenue Code of 1986 and the regulations thereunder, as amended from time to time.

"Committee Rules" means the Committee Rules for the Kimberly-Clark Corporation 2001 Equity Participation Plan or any successor plan.

"Director" means a member of the Board.

"Effective Date" means May 4, 2016 for the amended and restated Plan, upon approval by the stockholders of the Corporation at its 2016 annual meeting. The Plan was originally adopted effective January 1, 2001.

"Exchange Act" means the Securities Exchange Act of 1934 and the rules and regulations thereunder, as amended from time to time.

"Fair Market Value" means the reported closing price of the Stock, on the relevant date as reported on the composite list used by The Wall Street Journal for reporting stock prices or, if no such sale shall has been made on that day, on the last preceding day on which there was such a sale.

"Management Development and Compensation Committee" means the Management Development and Compensation Committee of the Board.

"Nominating and Corporate Governance Committee" means the Nominating and Corporate Governance Committee of the Board.



“Option” means a right to purchase a specified number of shares of Stock at a fixed Option price equal to no less than the Fair Market Value of the Stock on the date the Option is granted. For purposes of this Plan, Options shall be issued either as “Annual Options,” as described in subsection 8(a)(iii), or “Additional Options,” as described in subsection 8(b).

“Outside Director” means a Director who is not on the date of grant of an Award pursuant to the Plan, or within one year prior to the date of such grant, an employee of the Corporation or any of its Affiliates.

“Restricted Period” shall mean the period of time during which the Transferability Restrictions applicable to Awards will be in force.

“Restricted Share” shall mean a share of Stock which may not be traded or sold, until the date the Transferability Restrictions expire.

“Restricted Share Unit” means the right, as described in Section 10, to receive an amount, payable in either cash or shares of Stock, equal to the value of a specified number of shares of Stock. No certificates shall be issued with respect to such Restricted Share Unit, except as provided in subsection 10(d), and the Corporation shall maintain a bookkeeping account in the name of the Outside Director to which the Restricted Share Unit shall relate.

“Retainer” means the annual retainer payable to an Outside Director for services rendered as a Director. As of the Effective Date, the amount of the cash portion of such Retainer shall be \$100,000 per year, payable in quarterly installments in advance. The Board may, from time to time, establish a different retainer amount and/or the method of paying the retainer.

“Rule 16b-3” means Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

“Retirement” and “Retires” means the separation from service as a Director on or after the date the Director has attained age 55.

“Stock” means the shares of the Corporation’s common stock, par value \$1.25 per share.

“Stock Appreciation Right (SAR)” has the meaning set forth in subsection 8(l)(i) of this Plan.

“Transferability Restrictions” means the restrictions on transferability imposed on Awards of Restricted Shares or Restricted Share Units.

3. Compensation

The Outside Directors will be entitled to receive compensation for their services as a member of the Board, and any of its committees, as may be determined from time to time by the Board following a review of, and recommendation on, Outside Director compensation made by the Nominating and Corporate Governance Committee. The compensation paid to each Outside Director is referred to herein as an “Award”, and may be paid in cash, Stock, Options, SARs, Restricted Shares, Restricted Share Units, other forms of equity or any combination thereof as is determined by the Board.

4. Participation and Form of Grant

Participation in the Plan is limited to Outside Directors. It is intended that all Outside Directors will be participants in the Plan.

All Awards under the Plan shall be made in the form of Options, SARs, Stock, cash, Restricted Shares, Restricted Share Units, other forms of equity or any combination thereof. Notwithstanding anything in this Plan to the contrary, any Awards shall contain restrictions on assignability to the extent required under Rule 16b-3 of the Exchange Act.

5. Administration of the Plan

The Plan shall be administered by the Board, which shall have sole and complete discretion and authority with respect thereto, except as expressly limited by the Plan. All action taken by the Board in the administration and interpretation of the Plan shall be final and binding on all matters relating



to the Plan. All questions of interpretation, administration and application of the Plan shall be determined by a majority of the members of the Board, except that the Board may authorize any Directors, officers or employees of the Corporation to assist the Board in the administration of the Plan and to execute documents on behalf of the Board. The Board also may delegate to a committee of the Board, or such other Directors, officers or employees, as the Board determines, such other ministerial and discretionary duties as it sees fit.

The Corporation or the Board may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan, and may rely upon any advice or opinion received from any such counsel or consultant and any computation received from any such consultant or agent. No member of the Board shall be liable for any act done or omitted to be done by such member, or by any other member of the Board, in connection with the Plan, except for such member's own willful misconduct or as otherwise expressly provided by statute.

The Board shall have the power to promulgate rules and other guidelines in connection with the performance of its obligations, powers and duties under the Plan, including its duty to administer and construe the Plan and the Awards.

All expenses of administering the Plan shall be paid by the Corporation.

6. Term of Plan

The Plan as amended and restated shall become effective as of the Effective Date. The Plan shall remain in effect until April 20, 2021, unless the Plan is terminated prior thereto by the Board. No Awards may be granted after the termination date of the Plan, but Awards theretofore granted shall continue in force beyond that date pursuant to their terms.

7. Shares Subject to the Plan; Adjustments; Individual Limit

(a) Shares Subject to the Plan. The aggregate maximum number of shares of Stock available for grant under the Plan shall be 1,000,000 shares, subject to the adjustment provision set forth in subsection 7(b) below. Shares of Stock subject to the Plan will be shares that were once issued and subsequently reacquired by the Corporation in the form of treasury stock. Shares subject to Awards which become ineligible for purchase, and Restricted Shares forfeited, will be available for Awards under the Plan to the extent permitted by Section 16 of the Exchange Act (or the rules and regulations promulgated thereunder) and to the extent determined to be appropriate by the Board. Notwithstanding anything in this Plan to the contrary, each grant of Awards under this Plan shall be subject to the availability of shares of Stock under this subsection 7(a).

(b) Adjustments. In the event there are any changes in the Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Board, to the extent necessary to preserve the benefit to the Outside Director contemplated hereby, to reflect such changes in (i) the aggregate number of shares of Stock subject to the Plan, (ii) the number of shares and the Award price per share of all shares of Stock subject to outstanding Awards, and (iii) such other provisions of the Plan as may be necessary and equitable to carry out the foregoing purposes, provided, however, that no such adjustment or change may be made to the extent that such adjustment or change will result in the dilution or enlargement of any rights of any Outside Director.

(c) Individual Limit. Notwithstanding anything in this Plan to the contrary, the aggregate dollar value of equity-based (based on the grant date fair value of equity-based Awards as determined for financial reporting purposes) and cash compensation granted under this Plan or otherwise during any calendar year to any individual Outside Director shall not exceed one million dollars (\$1,000,000); provided, however, that in the calendar year in which an Outside Director is first designated as Chairman of the Board of Directors or Lead Director, the maximum aggregate dollar value of equity-based and cash compensation to the Outside Director may be up to two hundred percent (200%) of the foregoing limit.



8. Stock Options

(a) Annual Grant of Options. Except to the extent that the Board determines otherwise, Options may be granted to Outside Directors under the Plan as follows:

(i) The Board, by resolution, may provide that each Outside Director in office on January 1 of the calendar year may be automatically granted an Option to purchase a number of shares of Stock to be determined by the Board. The Board, by resolution, also may provide that each Outside Director who is first elected or appointed to the Board after January 1 of the calendar year, may be automatically granted a pro rata number of Options hereunder, without further action by the Board or the stockholders of the Corporation, on the earlier of the date of the first regular meeting during the calendar year of the Board or the Management Development and Compensation Committee after the date such Outside Director first becomes eligible for the grant of Options under this subsection 8(a). The Options to be pro rated will be the amount that would have been paid during the calendar year.

(ii) In addition, the Board, by resolution, may provide that each Outside Director who during the calendar year is designated to serve as the Chair of any one or more of the Audit, Management Development and Compensation, or Nominating and Corporate Governance Committees of the Board, or such other committee as may be determined by the Board, may be granted an Option to purchase an additional number of shares of Stock for each Chair to be determined by the Board.

(iii) A grant of Options as payment of either the annual Retainer or for each applicable Chair of a Committee is referred to herein as "Annual Options."

(iv) Except as otherwise determined by the Board, Annual Options that may be granted to each Outside Director, and each Chair of the Audit, Management Development and Compensation, or Nominating and Corporate Governance Committees, as of January 1 of the calendar year, shall be automatically granted, without further action by the Board or the stockholders of the Corporation, on the date of the regular February meeting of the Management Development and Compensation Committee.

(b) Election of Additional Option. To the extent determined by the Board, each Outside Director may elect to receive the cash portion of his or her annual Retainer in the form of an additional Option (hereinafter referred to as an "Additional Option"), in increments of 50 percent of such cash portion of the Retainer. Except as otherwise provided below, such election must be made prior to the date that services are rendered in the calendar year in which such Retainer otherwise would be paid and shall be irrevocable thereafter for such calendar year; provided, however, that an election by an Outside Director pursuant to this subsection for a calendar year (or portion thereof) shall be valid and effective for all purposes for all succeeding calendar years, unless and until such election is revoked or modified by such Outside Director prior to the date that services are rendered in such succeeding calendar year(s); and, provided further, that no such election, revocation or modification may be made within six months of another such election, revocation or modification if the exemption afforded by Rule 16b-3 would not be available as a result thereof.

Notwithstanding the preceding, an individual who is first elected to the Board as an Outside Director during a calendar year may, to the extent determined by the Board, be permitted to make an election to receive the cash portion of his or her annual Retainer in the form of an Additional Option, in increments of 50 percent of such cash portion of the Retainer, during the thirty day period following his or her election date. An election under this paragraph shall be subject to the terms and conditions of this Section.

The number of shares of Stock subject to this Additional Option shall be based on 85 percent of the Black-Scholes-Merton valuation of the cash portion of the Retainer elected to be received as an Additional Option as of the date of grant. To the extent Additional Options are authorized by the Board, each Outside Director as of January 1 of the calendar year, shall be automatically granted the Additional Options elected hereunder, without further action by the Board or the stockholders of the Corporation, on the date of the February Management Development and Compensation



Committee meeting. To the extent Additional Options are authorized by the Board, each Outside Director who first becomes eligible for a grant after January 1 of the calendar year, shall be automatically granted the Additional Options elected hereunder, without further action by the Board or the stockholders of the Corporation, on the earlier of the date of the first regular meeting during the calendar year of either the Board or the Management Development and Compensation Committee after the date such Outside Director first becomes eligible and elects the grant of Additional Options under this subsection 8(b).

(c) Form of Additional Option Election. An election by an Outside Director to receive some or all of the cash portion of his or her Retainer as an Additional Option shall (i) be in writing, (ii) be delivered to the Secretary of the Corporation, and (iii) be irrevocable in all respects with respect to the calendar year(s) to which the election relates. If no election has ever been made by the Outside Director pursuant to subsection 8(b) above, he or she shall be deemed to have made an election to receive the entire cash portion of the Retainer in cash.

(d) Period of Option. The period of each Option shall be 10 years from the date it is granted.

(e) Option Price. The exercise price of an Option shall be the Fair Market Value of the Stock at the time the Option is granted.

(f) Limitations on Exercise. Each Option shall not be exercisable until at least one year has expired after the granting of the Option, during which time the Outside Director shall have been in the continuous service as a Director of the Corporation; provided, however, that the provisions of this subsection 8(f) shall not apply and all Options outstanding under the Plan shall be exercisable in full if the Outside Director separates from service as a Director within the two (2) year period following the date a Change of Control of the Corporation occurs. Commencing one year after the date the Option was granted, the Outside Director may purchase the total number of shares of Stock covered by the Option; provided, however, that if the Director separates from service as a Director for any reason other than death, Retirement, a voluntary decision by the Outside Director not to stand for reelection to the Board or total and permanent disability, the Option shall be exercisable only for the number of shares of Stock which were exercisable on the date of such separation from service. In no event, however, may an Option be exercised more than 10 years after the date of its grant.

(g) Exercise; Notice Thereof. Options shall be exercised by delivering to the Corporation, as directed by the office of the Treasurer at the World Headquarters, written notice of the number of shares of Stock with respect to which Option rights are being exercised and by paying in full the Option Price of the shares at the time being acquired. Payment may be made in cash, a check payable to the Corporation or in shares of Stock transferable to the Corporation and having a Fair Market Value on the transfer date equal to the amount payable to the Corporation. The date of exercise shall be deemed to be the date the Corporation receives the written notice and payment for the shares being purchased. An Outside Director shall have none of the rights of a stockholder with respect to shares covered by an Option until the Outside Director becomes the record holder of such shares.

(h) Exercise after Death, Retirement, Disability or Voluntary Separation of Service. If a Director dies, retires, becomes totally and permanently disabled, or separates from service on the Board by reason of a voluntary decision by the Outside Director not to stand for reelection to the Board, without having exercised an Option in full, the remaining portion of such Option may be exercised, without regard to the limitations in subsection 8(f), within the remaining period of the Option. Upon an Outside Director's death, the Option may be exercised by the person or persons to whom such Outside Director's rights under the Option shall pass by will or the laws of descent and distribution or, if no such person has such rights, by his executor or administrator.

(i) Non-transferability. During the Outside Director's lifetime, Options shall be exercisable only by such Outside Director. Options shall not be transferable other than by will or the laws of descent and distribution upon the Outside Director's death. Notwithstanding anything in this subsection 8(i) to the contrary, Outside Directors shall have the right to transfer Options, to the extent allowed under Rule 16b-3 of the Exchange Act, subject to the same terms and conditions applicable to Options granted to the Chief Executive Officer of the Corporation under Committee Rules.



(j) Purchase for Investment . It is contemplated that the Corporation will register shares sold to Directors pursuant to the Plan under the Securities Act of 1933. In the absence of an effective registration, however, an Outside Director exercising an Option hereunder may be required to give a representation that he/she is acquiring such shares as an investment and not with a view to distribution thereof.

(k) Options for Nonresident Aliens . In the case of any Option awarded to an Outside Director who is not a resident of the United States, the Board may (i) waive or alter the conditions set forth in subsections 8(a) through 8(j) to the extent that such action is necessary to conform such Option to applicable foreign law, or (ii) take any action, either before or after the award of such Option, which it deems advisable to obtain approval of such Option by an appropriate governmental entity; provided, however, that no action may be taken hereunder if such action would (1) increase any benefits accruing to any Outside Directors under the Plan, (2) increase the number of securities which may be issued under the Plan, (3) modify the requirements for eligibility to participate in the Plan, or (4) result in a failure to comply with applicable provisions of the Securities Act of 1933, the Exchange Act or the Code.

(l) Election to Receive Cash Rather than Stock .

(i) At the same time as Options are granted the Board may also grant to designated Outside Directors the right to convert a specified number of shares of Stock covered by such Options to cash, subject to the terms and conditions of this subsection 8(l). For each such Option so converted, the Outside Director shall be entitled to receive cash equal to the difference between the Outside Director's Option Price and the Fair Market Value of the Stock on the date of conversion. Such a right shall be referred to herein as a Stock Appreciation Right ("SAR"). Outside Directors to whom a SAR has been granted shall be notified of such grant and of the Options to which such SAR pertains. A SAR may be revoked by the Board, in its sole discretion, at any time, provided, however, that no such revocation may be taken hereunder if such action would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

(ii) An Outside Director who has been granted a SAR may exercise such SAR during such periods as provided for in the rules promulgated under Section 16 of the Exchange Act. The SAR shall expire when the period of the subject Option expires.

(iii) At the time an Outside Director converts one or more shares of Stock covered by an Option to cash pursuant to a SAR, such Outside Director must exercise one or more Options, which were granted at the same time as the Option subject to such SAR, for an equal number of shares of Stock. In the event that the number of shares and the Option Price per share of all shares of Stock subject to outstanding Options is adjusted as provided in the Plan, the above SARs shall automatically be adjusted in the same ratio which reflects the adjustment to the number of shares and the Option Price per share of all shares of Stock subject to outstanding Options.

(m) No Repricings . No Option or SAR may be re-priced, replaced, re-granted through cancellation, or modified without stockholder approval (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 7 hereof) if the effect would be to reduce the exercise price for the shares underlying such Option or SAR. In addition, no Option or SAR may be repurchased or otherwise cancelled in exchange for cash (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 7 hereof) if the Option Price or Grant Price of the SAR is equal to or less than the Fair Market Value of the Common Stock at the time of such repurchase or exchange. Notwithstanding anything herein to the contrary, the Committee may take any such action set forth in this subsection 8(m) subject to the approval of the stockholders.



9. Restricted Shares

The Board may from time to time designate those Outside Directors who shall receive Restricted Share Awards. Each grant of Restricted Shares under the Plan shall be evidenced by a notice from the Board to the Outside Director. The notice shall contain such terms and conditions, not inconsistent with the Plan, as shall be determined by the Board and shall indicate the number of Restricted Shares awarded and the following terms and conditions of the award.

(a) Grant of Restricted Shares. The Board shall determine the number of Restricted Shares to be included in the grant and the period or periods during which the Transferability Restrictions applicable to the Restricted Shares will be in force (the "Restricted Period"). The Restricted Period may be the same for all Restricted Shares granted at a particular time to any one Outside Director or may be different with respect to different Outside Directors or with respect to various of the Restricted Shares granted to the same Outside Director, all as determined by the Board at the time of grant.

(b) Transferability Restrictions. During the Restricted Period, Restricted Shares may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, an Outside Director's right, if any, to receive Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. In order to enforce the limitations imposed upon the Restricted Shares the Board may (i) cause a legend or legends to be placed on any such certificates, and/or (ii) issue "stop transfer" instructions as it deems necessary or appropriate. Holders of Restricted Shares limited as to sale under this subsection 9(b) shall have rights as a shareholder with respect to such shares to receive dividends in cash or other property or other distribution or rights in respect of such shares, and to vote such shares as the record owner thereof. With respect to each grant of Restricted Shares, the Board shall determine the Transferability Restrictions which will apply to the Restricted Shares for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Board may provide (i) that the Outside Director will not be entitled to receive any shares of Stock unless he or she still serves as a Director of the Corporation at the end of the Restricted Period, (ii) that the Outside Director will become vested in Restricted Shares according to a schedule determined by the Board, or under other terms and conditions determined by the Board, and (iii) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Outside Director's death or total and permanent disability.

(c) Manner of Holding and Delivering Restricted Shares. Each certificate issued for Restricted Shares shall be registered in the name of the Outside Director and deposited with the Corporation or its designee. These certificates shall remain in the possession of the Corporation or its designee until the end of the applicable Restricted Period or, if the Board has provided for earlier termination of the Transferability Restrictions following an Outside Director's death, total and permanent disability or earlier vesting of the shares of Stock, such earlier termination of the Transferability Restrictions. At whichever time is applicable, certificates representing the number of shares of Stock to which the Outside Director is then entitled shall be delivered to the Outside Director free and clear of the Transferability Restrictions; provided that in the case of an Outside Director who is not entitled to receive the full number of Restricted Shares evidenced by the certificates then being released from escrow because of the application of the Transferability Restrictions, those certificates shall be returned to the Corporation and canceled and a new certificate representing the shares of Stock, if any, to which the Outside Director is entitled pursuant to the Transferability Restrictions shall be issued and delivered to the Outside Director, free and clear of the Transferability Restrictions.

10. Restricted Share Units

The Board shall from time to time designate those Outside Directors who shall receive Restricted Share Unit Awards. The Board shall advise such Outside Directors of their Awards by a letter indicating the number of Restricted Share Units awarded and the following terms and conditions of the award.

(a) Restricted Share Units may be granted to Outside Directors as of the first day of a Restricted Period. The number of Restricted Share Units to be granted to each Outside Director and the Restricted Period shall be determined by the Board in its sole discretion.



(b) Transferability Restrictions. During the Restricted Period, Restricted Share Units may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, an Outside Director's right, if any, to receive cash or Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. With respect to each grant of Restricted Share Units, the Board shall determine the Transferability Restrictions which will apply to the Restricted Share Units for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Board may provide (i) that the Outside Director will forfeit any Restricted Share Units unless he or she still serves as a Director of the Corporation at the end of the Restricted Period, (ii) that the Outside Director will become vested in Restricted Share Units according to a schedule determined by the Board or under other terms and conditions determined by the Board, and (iii) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Outside Director's death or total and permanent disability.

(c) Dividends. During the Restricted Period, Outside Directors will be credited with dividends, equivalent in value to those declared and paid on shares of Stock, on all Restricted Share Units granted to them. These dividends will be regarded as having been reinvested in Restricted Share Units on the date of the Stock dividend payments based on the then Fair Market Value of the Stock thereby increasing the number of Restricted Share Units held by an Outside Director. Holders of Restricted Share Units under this subsection 10(c) shall have none of the rights of a shareholder with respect to such shares. Holders of Restricted Share Units are not entitled to receive dividends in cash or other property, nor other distribution of rights in respect of such shares, nor to vote such shares as the record owner thereof.

(d) Payment of Restricted Share Units. The payment of Restricted Share Units shall be made in shares of Stock unless the Board determines at the time of grant that payment will be made in cash or a combination of both cash and shares of Stock. The payment of Restricted Share Units shall be made within 90 days following the end of the Restricted Period.

11. Notices; Delivery of Stock Certificates

Any notice required or permitted to be given by the Corporation or the Board pursuant to the Plan shall be deemed given when personally delivered or deposited in the United States mail, registered or certified, postage prepaid, addressed to the Outside Director at the last address shown for the Outside Director on the records of the Corporation.

12. Amendment and Termination

The Board may at any time amend, suspend, or discontinue the Plan or alter or amend any or all Awards under the Plan to the extent (i) permitted by law, (ii) permitted by the rules of any stock exchange on which the Stock or any other security of the Corporation is listed, and (iii) permitted under applicable provisions of the Securities Act of 1933, as amended, the Exchange Act (including Rule 16b-3 thereof); provided, however, that if any of the foregoing requires the approval by the stockholders of any such amendment, suspension or discontinuance, then the Board may take such action subject to the approval of the stockholders. Except as provided in subsection 7(b), no such amendment, suspension or termination of the Plan shall, without the consent of the Director, adversely alter or change any of the rights or obligations under any Award granted to the Director. The Board may in its sole and absolute discretion, by written notice to a Director, (i) limit the period in which an Award may be exercised to a period ending at least three months following the date of such notice, and/or (ii) limit or eliminate the number of shares of Stock subject to Award after a period ending at least three months following the date of such notice. Except as provided in subsection 8(k) and this Section 12, no such amendment, suspension, or termination of the Plan shall, without the consent of the Director, adversely alter or change any of the rights or obligations under any Options or other rights previously granted the Director under the Plan.



13. Taxes

The Corporation shall require the withholding of all taxes as required by law. An Outside Director may elect, to the extent allowed by law, to have any portion of the federal, state or local income tax withholding required with respect to an Award satisfied by tendering Stock to the Corporation, which, in the absence of such an election, would have been issued to the Director in connection with the Award.

14. Governing Law

The terms of the Plan shall be governed, construed, administered and regulated in accordance with the laws of the state of Delaware and applicable federal law. In the event any provision of the Plan shall be determined to be illegal or invalid for any reason, the other provisions of the Plan shall continue in full force and effect as if such illegal or invalid provision had never been included herein.

15. Director's Service

Nothing contained in the Plan, or with respect to any grant hereunder, shall interfere with or limit in any way the right of stockholders of the Corporation to remove any Director from the Board, nor confer upon any Director any right to continue to serve on the Board as a Director.



Appendix D

Kimberly-Clark Corporation
2011 Outside Directors' Compensation Plan
U.S. Federal Income Tax Consequences

The following discussion is intended only as a brief summary of the United States federal income tax rules relevant to stock options, stock appreciation rights (SARs), restricted shares, restricted share units and cash payments under the 2011 Outside Directors' Compensation Plan, as amended and restated on February 10, 2016 (the "2011 Directors Plan"). These rules are highly technical and subject to change. The following discussion is limited to the federal income tax rules relevant to us and to the individuals who are citizens or residents of the United States. Different or additional rules may apply to individuals who are subject to income tax in foreign jurisdictions or subject to state or local income taxes in the United States.

Options

An Outside Director who is granted an option recognizes no income upon grant of the option. At the time of exercise, however, the Outside Director recognizes compensation income equal to the difference between the exercise price and the fair market value of the Kimberly-Clark shares received on the date of exercise. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the compensation income that the Outside Director recognizes.

When an Outside Director disposes of common stock received upon the exercise of an option, the Outside Director will recognize a capital gain or loss equal to the difference between the sales proceeds received and the Outside Director's basis in the stock sold. Kimberly-Clark will not receive a deduction for any capital gain recognized by the Outside Director.

SARs

An Outside Director who is granted a SAR recognizes no income upon grant of the SAR. At the time of exercise, however, the Outside Director recognizes compensation income equal to any cash received and the fair market value of any Kimberly-Clark common stock received. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the ordinary income that the Outside Director recognizes.

Restricted Shares

Restricted shares, if issued under the 2011 Directors Plan, are subject to a "substantial risk of forfeiture" within the meaning of Section 83 of the Code. An Outside Director to whom we grant restricted shares may make an election under Section 83(b) of the Code (a "Section 83(b) Election") to have the grant taxed as compensation income at the date of receipt, resulting in the IRS taxing any future appreciation (or depreciation) in the value of the shares of common stock that we grant as capital gain (or loss) upon a subsequent sale of the shares. Such an election must be made within 30 days of the date that we grant the restricted shares.

However, if an Outside Director does not make a Section 83(b) Election, then the grant shall be taxed as compensation income at the full fair market value on the date that the restrictions imposed on the shares expire. Unless the Outside Director makes a Section 83(b) Election, any dividends that we pay on common stock subject to the restrictions constitutes compensation income to the Outside Director. Kimberly-Clark is generally entitled to an income tax deduction for any compensation income taxed to the Outside Director.

Restricted Share Units

The grant of a restricted share unit does not generate taxable income to an Outside Director or an income tax deduction to us. Any cash and the fair market value of any Kimberly-Clark common stock received as payment in respect of a restricted share unit will constitute ordinary income to the Outside Director. On



any subsequent sale of the common stock, Outside Directors will realize a capital gain or loss in an amount equal to the net sale proceeds, less the Outside Director's tax basis in the common stock. The holding period, for purposes of determining long-term or short-term capital gain or loss on the sale of the common stock, would commence on the date of distribution. Kimberly-Clark is generally entitled to an income tax deduction corresponding to the ordinary income that the Outside Director recognizes.

Stock

In general, an Outside Directors' basis for common stock received under the 2011 Directors Plan will be the amount recognized as taxable compensation with respect to such common stock, and an Outside Director's holding period for such shares will begin on the date the Outside Director recognizes taxable compensation with respect to the shares.

The foregoing tax effects may be different if common stock is subject to restrictions imposed by Section 16(b) of the Exchange Act. In such case, an Outside Director who is issued common stock under the 2011 Directors Plan will recognize taxable compensation on the issued shares when the restrictions on such shares imposed by Section 16(b) of the Exchange Act lapse, unless the Outside Director makes a Section 83(b) Election to be taxed at the time of issuance of the shares.

Cash

In general, an Outside Director will recognize taxable compensation in the year of payment of the cash annual retainer in an amount equal to such cash payment, and in the year of payment we will be allowed a deduction for federal income tax purposes equal to the compensation recognized by that Outside Director.

Kimberly-Clark Corporation
Invitation to Stockholders
Notice of 2016 Annual Meeting
Proxy Statement





IMPORTANT ANNUAL MEETING INFORMATION

Electronic Voting Instructions

Available 24 hours a day, 7 days a week!

Instead of mailing your proxy, you may choose one of the voting methods outlined below to vote your proxy.

VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.

Proxies submitted by the Internet or telephone must be received by 1:00 a.m., Central Time, on May 4, 2016.

Vote by Internet

- Go to www.envisionreports.com/kmb
- Or scan the QR code with your smartphone
- Follow the steps outlined on the secure website

Vote by telephone

- Call toll free 1-800-652-VOTE (8683) within the USA, US territories & Canada on a touch tone telephone
- Follow the instructions provided by the recorded message

Using a **black ink** pen, mark your votes with an **X** as shown in this example. Please do not write outside the designated areas.



Annual Stockholder Meeting Proxy Card

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

A Election of Directors — The Board of Directors recommends a vote **FOR** the listed nominees (terms to expire at 2017 Annual Stockholder Meeting).

1. Nominees:	For	Against	Abstain	For	Against	Abstain	For	Against	Abstain	+	
01 - John F. Bergstrom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	02 - Abelardo E. Bru	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	03 - Robert W. Decherd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
04 - Thomas J. Falk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	05 - Fabian T. Garcia	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	06 - Mae C. Jemison, M.D.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
07 - James M. Jenness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	08 - Nancy J. Karch	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	09 - Ian C. Read	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 - Marc J. Shapiro	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 - Michael D. White	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

B Proposals — The Board of Directors recommends a vote **FOR** Proposals 2, 3, 4 and 5.

	For	Against	Abstain	For	Against	Abstain
2. Ratification of Auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	3. Advisory Vote to Approve Named Executive Officer Compensation	<input type="checkbox"/>	<input type="checkbox"/>
4. Reapproval of Performance Goals under the 2011 Equity Participation Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5. Approval of the Amended and Restated 2011 Outside Directors' Compensation Plan	<input type="checkbox"/>	<input type="checkbox"/>

C Authorized Signatures — This section must be completed for your vote to be counted — Date and Sign Below

Please sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.

Date (mm/dd/yyyy) — Please print date below.

Signature 1 — Please keep signature within the box.

Signature 2 — Please keep signature within the box.

 / /

PLEASE SEE REVERSE FOR ADDRESS CHANGES AND ATTENDANCE PREFERENCE.



1UPX





Proxy — Kimberly-Clark Corporation

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL STOCKHOLDER MEETING TO BE HELD ON MAY 4, 2016: The Notice of the Annual Meeting, the Proxy Statement and the 2015 Annual Report, including Form 10-K, are available at <http://www.kimberly-clark.com/investors>

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.

Proxy/Voting Instructions for the Annual Stockholder Meeting — May 4, 2016



Solicited on Behalf of the Board of Directors

Thomas J. Falk, Thomas J. Mielke and Jeffrey P. Melucci, or any of them, with full power of substitution to each, hereby are appointed proxies and are authorized to vote, as specified on the reverse side of this card, all shares of common stock that the undersigned is entitled to vote at the Annual Stockholder Meeting of Kimberly-Clark Corporation, to be held at the Kimberly-Clark World Headquarters, 351 Phelps Drive, Irving, Texas on May 4, 2016 at 9:00 a.m. Central Time and at any adjournment thereof. In their discretion, the proxies are authorized to vote on such other business as may properly come before the meeting.

IF NO DIRECTION IS GIVEN, THIS PROXY WILL BE VOTED FOR PROPOSALS 1, 2, 3, 4 AND 5. IF YOU PREFER TO VOTE SEPARATELY ON INDIVIDUAL PROPOSALS YOU MAY DO SO BY MARKING THE APPROPRIATE BOXES, SIGN AND DATE ON THE REVERSE SIDE.

This card also constitutes voting instructions to the trustees of the Corporation's employee benefits and stock purchase plans to vote whole shares attributable to accounts the undersigned may hold under such plans. If no voting instructions are provided, the respective plan committees, which are comprised of management personnel, will direct the trustees to vote the shares. Please date, sign and return this proxy/voting instruction card promptly. If you own shares directly and plan to attend the Annual Stockholder Meeting, please so indicate in the space provided below.

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE PLEASE RETURN THIS CARD IN THE SELF-ADDRESSED ENVELOPE PROVIDED.

D Non-Voting Items	
Change of Address — Please print new address below.	
<input type="text"/>	Meeting Attendance Mark box to the right if you plan to attend the Annual Meeting. <input type="checkbox"/>



EXHIBIT III QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE FIRST
QUARTERLY PERIOD OF 2016 ENDED 31 MARCH 2016, FILED WITH THE SEC
ON 22 APRIL 2016

KIMBERLY CLARK CORP

FORM 10-Q (Quarterly Report)

Filed 04/22/16 for the Period Ending 04/22/16

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-225



KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

39-0394230
(I.R.S. Employer
Identification No.)

P. O. Box 619100
Dallas, Texas
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of April 15, 2016, there were 360,127,819 shares of the Corporation's common stock outstanding.

Table of Contents

<u>PART I – FINANCIAL INFORMATION</u>	<u>3</u>
<u>Item 1. Financial Statements</u>	<u>3</u>
<u>UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015</u>	<u>3</u>
<u>UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015</u>	<u>4</u>
<u>CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 2016 (UNAUDITED) AND DECEMBER 31, 2015</u>	<u>5</u>
<u>UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015</u>	<u>6</u>
<u>UNAUDITED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</u>	<u>7</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>15</u>
<u>Item 4. Controls and Procedures</u>	<u>23</u>
<u>PART II – OTHER INFORMATION</u>	<u>24</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>24</u>
<u>Item 6. Exhibits</u>	<u>25</u>

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT

(Unaudited)

	Three Months Ended March	
	31	
(Millions of dollars, except per share amounts)	2016	2015
Net Sales	\$ 4,476	\$ 4,691
Cost of products sold	2,837	3,032
Gross Profit	1,639	1,659
Marketing, research and general expenses	825	849
Other (income) and expense, net	10	62
Operating Profit	804	748
Interest income	4	4
Interest expense	(76)	(72)
Income Before Income Taxes and Equity Interests	732	680
Provision for income taxes	(207)	(230)
Income Before Equity Interests	525	450
Share of net income of equity companies	35	36
Net Income	560	486
Net income attributable to noncontrolling interests	(15)	(18)
Net Income Attributable to Kimberly-Clark Corporation	\$ 545	\$ 468
Per Share Basis		
Net Income Attributable to Kimberly-Clark Corporation		
Basic	\$ 1.51	\$ 1.28
Diluted	\$ 1.50	\$ 1.27
Cash Dividends Declared	\$ 0.92	\$ 0.88

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended March	
	2016	2015
Net Income	\$ 560	\$ 486
Other Comprehensive Income (Loss), Net of Tax		
Unrealized currency translation adjustments	208	(468)
Employee postretirement benefits	(6)	8
Other	(19)	20
Total Other Comprehensive Income (Loss), Net of Tax	183	(440)
Comprehensive Income	743	46
Comprehensive income attributable to noncontrolling interests	(22)	(15)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 721	\$ 31

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(2016 Data is Unaudited)

(Millions of dollars)	March 31, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 635	\$ 619
Accounts receivable, net	2,255	2,281
Inventories	1,902	1,909
Other current assets	359	617
Total Current Assets	5,151	5,426
Property, Plant and Equipment, Net	7,188	7,104
Investments in Equity Companies	284	247
Goodwill	1,498	1,446
Other Assets	699	619
TOTAL ASSETS	\$ 14,820	\$ 14,842
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 999	\$ 1,669
Trade accounts payable	2,442	2,612
Accrued expenses	1,618	1,750
Dividends payable	332	318
Total Current Liabilities	5,391	6,349
Long-Term Debt	6,904	6,106
Noncurrent Employee Benefits	1,167	1,137
Deferred Income Taxes	594	766
Other Liabilities	371	380
Redeemable Preferred Securities of Subsidiaries	64	64
Stockholders' Equity (Deficit)		
Kimberly-Clark Corporation	109	(174)
Noncontrolling Interests	220	214
Total Stockholders' Equity	329	40
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 14,820	\$ 14,842

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

(Millions of dollars)	Three Months Ended March 31	
	2016	2015
Operating Activities		
Net income	\$ 560	\$ 486
Depreciation and amortization	172	194
Stock-based compensation	15	15
Deferred income taxes	(34)	171
Equity companies' earnings (in excess of) less than dividends paid	(30)	(35)
(Increase) decrease in operating working capital	(105)	(446)
Postretirement benefits	(16)	(414)
Charge related to Venezuelan operations	—	45
Other	(9)	4
Cash Provided by Operations	553	20
Investing Activities		
Capital spending	(220)	(284)
Investments in time deposits	(59)	(46)
Maturities of time deposits	42	73
Other	8	(24)
Cash Used for Investing	(229)	(281)
Financing Activities		
Cash dividends paid	(318)	(310)
Change in short-term debt	(675)	291
Debt proceeds	796	497
Debt repayments	(2)	(4)
Proceeds from exercise of stock options	31	41
Acquisitions of common stock for the treasury	(140)	(248)
Shares purchased from noncontrolling interest	—	(151)
Other	(7)	(12)
Cash (Used for) Provided by Financing	(315)	104
Effect of Exchange Rate Changes on Cash and Cash Equivalents	7	(45)
Increase (Decrease) in Cash and Cash Equivalents	16	(202)
Cash and Cash Equivalents - Beginning of Year	619	789
Cash and Cash Equivalents - End of Period	\$ 635	\$ 587

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 . Accounting Policies

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

For further information, refer to the Consolidated Financial Statements and footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2015 . The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Accounting for Venezuelan Operations

Effective December 31, 2015, we deconsolidated the assets and liabilities of our business in Venezuela from our consolidated balance sheet and moved to the cost method of accounting for our operations in that country. The change resulted in the recognition of an after tax charge of \$102 in the fourth quarter of 2015. As of the first quarter of 2016, we no longer include the results of our Venezuelan business in our consolidated financial statements. Prior to deconsolidation, in February 2015 we remeasured our local currency-denominated balance sheet at the applicable floating SIMADI exchange rate (193 bolivars per U.S. dollar at March 31, 2015) as we believed this was the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015 , with \$5 recorded in cost of products sold and \$40 recorded in other (income) and expense, net. Net sales of K-C Venezuela were insignificant in 2015.

Balance Sheet Classification of Deferred Taxes

In 2015, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* . Under this ASU, a reporting entity is required to classify all deferred tax assets and liabilities as noncurrent in a classified balance sheet. Current guidance requiring the offsetting of deferred tax assets and liabilities of a tax-paying component of an entity and presentation as a single noncurrent amount is not affected. We early adopted this ASU prospectively, and our March 31, 2016 consolidated balance sheet reflects the new guidance for classification of deferred taxes. Prior periods were not recasted.

New Accounting Standards

In 2016, the FASB issued ASU No. 2016-09, *Compensation-Stock Compensation (Topic 718)* . The new guidance simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public companies, the amendments in this standard are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted. The effects of this standard on our financial position, results of operations and cash flows are not expected to be material.

In 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* . Under the new guidance, a lessee will be required to recognize assets and liabilities for all leases with lease terms of more than 12 months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. The ASU requires additional disclosures. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The ASU requires adoption based upon a modified retrospective transition approach. Early adoption is permitted. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

In 2015, the FASB issued ASU No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* , which amends ASC 820, *Fair Value Measurement* . This ASU removes the requirement to categorize within the fair value hierarchy investments without readily determinable fair values in entities that elect to measure fair value using net asset value per share or its equivalent. The ASU requires that sufficient information be provided to permit reconciliation of the fair value of assets categorized within the fair value hierarchy to the amounts presented in the statement of financial position.

We adopted this ASU in the first quarter of 2016 retrospectively. The adoption of this standard did not have a material impact on our financial position, results of operations and cash flows.

In 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers*, which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. In 2016, the FASB issued two amendments to the ASU. The standard is effective for public companies for annual and interim periods beginning after December 15, 2017. Early adoption is permitted as of one year prior to the current effective date. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

Note 2 . 2014 Organization Restructuring

In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The plan is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be toward the high end of the range of \$130 to \$160 after tax (\$190 to \$230 pretax). Cash costs are projected to be approximately 80 percent of the total charges. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Total pretax charges were \$14 (\$10 after tax) and \$13 (\$5 after tax) for the three months ended March 31, 2016 and 2015, respectively. Through March 31, 2016, cumulative pretax charges for the restructuring were \$210 (\$147 after tax). Cash payments during the three months ended March 31, 2016 and 2015 related to the restructuring were \$24 and \$31, respectively.

Note 3 . Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. During the three months ended March 31, 2016 and for the full year 2015, there were no significant transfers among level 1, 2, or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$57 at both March 31, 2016 and December 31, 2015. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value amount of the COLI policies is measured at fair value using the net asset value per share practical expedient, and therefore, is not classified in the fair value hierarchy under the ASU adopted in the first quarter of 2016 as discussed in Note 1.

In addition, in our Form 10-K for the year-ended December 31, 2015, we disclosed the fair value as of December 31, 2015 and 2014 of the pension assets in our Principal Plans (U.S. and United Kingdom) as \$241 and \$161 in level 1 and \$2.8 billion and \$5.4 billion in level 2, respectively, and none in level 3. Approximately \$8 of level 1 at December 31, 2014, and \$2.7 billion and \$2.9 billion at December 31, 2015 and 2014, respectively of the level 2 pension assets, were measured at fair value using the net asset value per share practical expedient, and therefore, will no longer be classified in the fair value hierarchy under the ASU adopted in first quarter of 2016 as discussed in Note 1.

At March 31, 2016 and December 31, 2015, derivative assets were \$67 and \$56, respectively, and derivative liabilities were \$53 and \$42, respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 7.

Redeemable preferred securities of subsidiaries are measured on a recurring basis at fair value and were \$64 at both March 31, 2016 and December 31, 2015. They are not traded in active markets. For certain redeemable securities, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. The fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions. Measurement of the redeemable preferred securities is considered a level 3 measurement.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		March 31, 2016		December 31, 2015	
Assets					
Cash and cash equivalents ^(a)	1	\$ 635	\$ 635	\$ 619	\$ 619
Time deposits and other ^(b)	1	135	135	124	124
Liabilities and redeemable securities of subsidiaries					
Short-term debt ^(c)	2	400	400	1,071	1,071
Long-term debt ^(d)	2	7,503	8,267	6,704	7,300

- (a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.
- (b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Other, included in other current assets, is composed of funds held in escrow. Time deposits and other are recorded at cost, which approximates fair value.
- (c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.
- (d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

Note 4 . Employee Postretirement Benefits

The table below presents net periodic benefit cost information for defined benefit plans and other postretirement benefit plans:

	Pension Benefits		Other Benefits	
	Three Months Ended March 31			
	2016	2015	2016	2015
Service cost	\$ 14	\$ 10	\$ 3	\$ 4
Interest cost	38	64	8	8
Expected return on plan assets	(41)	(75)	—	—
Recognized net actuarial loss	13	29	—	—
Settlements	—	9	—	—
Other	(3)	(5)	—	—
Net periodic benefit cost	\$ 21	\$ 32	\$ 11	\$ 12

For the three months ended March 31, 2016 and 2015, we made cash contributions of \$30 and \$435, respectively, to our pension trusts. We expect to contribute up to \$100 to our defined benefit pension plans for the full year 2016. Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. In connection with these transactions, during the first quarter of 2015 we made a \$410 contribution to our U.S. pension plan in order to maintain the plan's funded status. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pretax in other (income) and expense, net) during 2015, mostly in the second quarter.

Note 5 . Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. A reconciliation of the average number of common shares outstanding used in the basic and diluted EPS computations follows:

(Millions of shares)	Three Months Ended March 31	
	2016	2015
Basic	360.7	365.2
Dilutive effect of stock options and restricted share unit awards	2.7	2.7
Diluted	363.4	367.9

Options outstanding that were not included in the computation of diluted EPS because their exercise price was greater than the average market price of the common shares were insignificant.

The number of common shares outstanding as of March 31, 2016 and 2015 was 360.2 million and 364.3 million , respectively.

Note 6 . Stockholders' Equity (Deficit)

Set forth below is a reconciliation for the three months ended March 31, 2016 of the carrying amount of total stockholders' equity (deficit) from the beginning of the period to the end of the period.

	Stockholders' Equity (Deficit) Attributable to	
	The Corporation	Noncontrolling Interests
Balance at December 31, 2015	\$ (174)	\$ 214
Net Income	545	14
Other comprehensive income, net of tax		
Unrealized translation	200	8
Employee postretirement benefits	(5)	(1)
Other	(19)	—
Stock-based awards exercised or vested	30	—
Recognition of stock-based compensation	15	—
Income tax benefits on stock-based compensation	9	—
Shares repurchased	(160)	—
Dividends declared	(332)	(16)
Other	—	1
Balance at March 31, 2016	\$ 109	\$ 220

During the three months ended March 31, 2016 , we repurchased 1.1 million shares at a total cost of \$150 pursuant to a share repurchase program authorized by our Board of Directors.

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in accumulated other comprehensive income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation is recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the three months ended March 31, 2016 was primarily due to the weakening of the U.S. dollar versus most foreign currencies, including the Australian dollar, Brazilian real, the euro, the South Korean won and the Canadian dollar.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2014	\$ (1,335)	\$ (1,924)	\$ (37)	\$ (16)
Other comprehensive income (loss) before reclassifications	(465)	(8)	2	37
(Income) loss reclassified from AOCI	—	14 (a)	—	(17)
Net current period other comprehensive income (loss)	(465)	6	2	20
Shares purchased from noncontrolling interest and other	(12)	—	—	—
Balance as of March 31, 2015	\$ (1,812)	\$ (1,918)	\$ (35)	\$ 4
Balance as of December 31, 2015	\$ (2,252)	\$ (1,013)	\$ (3)	\$ (10)
Other comprehensive income (loss) before reclassifications	200	(12)	—	(13)
(Income) loss reclassified from AOCI	—	7 (a)	—	(6)
Net current period other comprehensive income (loss)	200	(5)	—	(19)
Balance as of March 31, 2016	\$ (2,052)	\$ (1,018)	\$ (3)	\$ (29)

(a) Included in computation of net periodic pension costs (see Note 4).

During the first quarter of 2015, we acquired the remaining 49.9 percent interest in our subsidiary in Israel, Hogla-Kimberly, Ltd., for \$151. As our subsidiary in Turkey was wholly-owned by our subsidiary in Israel, through this acquisition we also effectively acquired the remaining 49.9 percent interest in our subsidiary in Turkey, Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.s.

The purchase of additional ownership in an already controlled subsidiary is treated as an equity transaction with no gain or loss recognized in consolidated net income or comprehensive income. The effect of the change in ownership interest is as follows:

	Three Months Ended March 31, 2015
Net income attributable to Kimberly-Clark Corporation	\$ 468
Decrease in Kimberly-Clark Corporation's additional paid-in capital for acquisition	(94)
Change from net income attribution to Kimberly-Clark Corporation and transfers to noncontrolling interests	\$ 374

Note 7. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable- and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar,

generally is not hedged. However, consistent with other years, a portion of our net investment in our Mexican affiliate has been hedged. At March 31, 2016, we had in place net investment hedges of \$120 for a portion of our investment in our Mexican affiliate.

Set forth below is a summary of the designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	March 31, 2016	December 31, 2015	March 31, 2016	December 31, 2015
Foreign currency exchange contracts	\$ 67	\$ 56	\$ 40	\$ 27
Commodity price contracts	—	—	13	15
Total	\$ 67	\$ 56	\$ 53	\$ 42

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At March 31, 2016, the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$375. Fair value hedges resulted in no significant ineffectiveness in the three months ended March 31, 2016 and 2015. For the three months ended March 31, 2016 and 2015, gains or losses recognized in interest expense for interest rate swaps were not significant. For the three month periods ended March 31, 2016 and 2015, no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of March 31, 2016, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2016 and future periods. As of March 31, 2016, the aggregate notional value of outstanding foreign exchange derivative contracts designated as cash flow hedges was \$787, and there were no outstanding interest rate derivative contracts designated as cash flow hedges. Cash flow hedges resulted in no significant ineffectiveness for the three months ended March 31, 2016 and 2015. For the three months ended March 31, 2016 and 2015, no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At March 31, 2016, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at March 31, 2016 is December 2018.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. A gain of \$28 and a loss of \$155 were recorded in the three month periods ended March 31, 2016 and 2015, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At March 31, 2016, the notional amount of these undesignated derivative instruments was \$1.8 billion.

Note 8 . Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel, soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and Jackson Safety, are well-known for quality and trusted to help people around the world work better.

The following schedules present information concerning consolidated operations by business segment:

	Three Months Ended March 31		Change
	2016	2015	
NET SALES			
Personal Care	\$ 2,207	\$ 2,308	-4.4 %
Consumer Tissue	1,496	1,574	-5.0 %
K-C Professional	763	795	-4.0 %
Corporate & Other	10	14	N.M.
TOTAL NET SALES	\$ 4,476	\$ 4,691	-4.6 %
OPERATING PROFIT			
Personal Care	\$ 449	\$ 455	-1.3 %
Consumer Tissue	280	291	-3.8 %
K-C Professional	150	134	+11.9 %
Corporate & Other	(65)	(70)	N.M.
Other (income) and expense, net	10	62	-83.9 %
TOTAL OPERATING PROFIT	\$ 804	\$ 748	+7.5 %

N.M. - Not Meaningful

Note 9 . Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

(Summary of Inventories by Major Class)	March 31, 2016			December 31, 2015		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Raw materials	\$ 99	\$ 286	\$ 385	\$ 100	\$ 297	\$ 397
Work in process	113	98	211	110	93	203
Finished goods	499	705	1,204	525	689	1,214
Supplies and other	—	283	283	—	278	278
	711	1,372	2,083	735	1,357	2,092
Excess of FIFO or weighted-average cost over LIFO cost	(181)	—	(181)	(183)	—	(183)
Total	\$ 530	\$ 1,372	\$ 1,902	\$ 552	\$ 1,357	\$ 1,909

Inventories are valued at the lower of cost and net realizable value, determined on the FIFO or weighted-average cost methods, and at the lower of cost or market, determined on the LIFO cost method.

The following schedule presents a summary of property, plant and equipment, net:

	March 31, 2016	December 31, 2015
Land	\$ 166	\$ 164
Buildings	2,583	2,537
Machinery and equipment	13,583	13,393
Construction in progress	427	453
	<u>16,759</u>	<u>16,547</u>
Less accumulated depreciation	(9,571)	(9,443)
Total	<u>\$ 7,188</u>	<u>\$ 7,104</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

This management's discussion and analysis of financial condition and results of operations is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of First Quarter 2016 Results
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Legal Matters
- Business Outlook

We describe our business outside North America in two groups – Developing and Emerging Markets ("D&E") and Developed Markets. D&E markets comprise Eastern Europe, the Middle East and Africa, Latin America and Asia-Pacific, excluding Australia and South Korea. Developed Markets consist of Western and Central Europe, Australia and South Korea.

Throughout this MD&A, we refer to financial measures that have not been calculated in accordance with accounting principles generally accepted in the U.S., or GAAP, and are therefore referred to as non-GAAP financial measures. These measures include adjusted operating profit, adjusted net income, adjusted earnings per share, adjusted other (income) and expense, net, and adjusted effective tax rate. We believe these measures provide our investors with additional information about our underlying results and trends, as well as insight to some of the financial measures used to evaluate management.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP measures, and they should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. There are limitations to these non-GAAP financial measures because they are not prepared in accordance with GAAP and may not be comparable to similarly titled measures of other companies due to potential differences in methods of calculation and items being excluded. We compensate for these limitations by using these non-GAAP financial measures as a supplement to the GAAP measures and by providing reconciliations of the non-GAAP and comparable GAAP financial measures.

The non-GAAP financial measures exclude the following items for the relevant time periods as indicated in the reconciliations included later in this MD&A:

- Pension settlement charges - In 2015, we recorded settlement-related charges from certain actions taken for our U.S. pension plan.
- 2014 Organization Restructuring - In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. Results in both 2016 and 2015 include charges related to this initiative.
- Charge related to Venezuelan Operations - Results in 2015 include a charge for remeasuring the local currency balance sheet in Venezuela.

In addition, we provide commentary regarding organic net sales, which exclude the impact of changes in foreign currency rates.

Overview of First Quarter 2016 Results

- Net sales of \$4.5 billion decreased 5 percent compared to prior year, as changes in foreign currency exchange rates reduced net sales 7 percent. Organic net sales rose 2 percent, including a 5 percent increase in developing and emerging markets.
- Operating profit of \$804 and net income attributable to Kimberly-Clark Corporation of \$545 increased 7 percent and 16 percent, respectively, compared to the prior year. The increases were driven by lower expense in other (income) and expense, net and a lower effective tax rate.
- Diluted earnings per share of \$1.50 in 2016 increased versus the prior year of \$1.27 due to the higher earnings and a lower share count.

Results of Operations and Related Information

This section presents a discussion and analysis of our first quarter 2016 net sales, operating profit and other information relevant to an understanding of the results of operations.

Consolidated**Selected Financial Results**

	Three Months Ended March 31		
	2016	2015	Change 2016 vs. 2015
Net Sales	\$ 4,476	\$ 4,691	-4.6 %
Other (income) and expense, net	10	62	-83.9 %
Operating Profit	804	748	+7.5 %
Provision for income taxes	207	230	-10.0 %
Share of net income from equity companies	35	36	-2.8 %
Net Income	560	486	+15.2 %
Net Income Attributable to Kimberly-Clark Corporation	545	468	+16.5 %
Diluted Earnings per Share	1.50	1.27	+18.1 %

Operating Profit Reconciliation of GAAP to Non-GAAP

Operating profit includes the following adjusting items:

	Three Months Ended March 31	
	2016	2015
Operating Profit, GAAP	\$ 804	\$ 748
Plus adjustments for:		
2014 Organization Restructuring	14	13
Pension Settlements	—	9
Charge Related to Venezuelan Operations	—	45
Adjusted Operating Profit	\$ 818	\$ 815

Consolidated Net Sales and Adjusted Operating Profit

Net Sales	Percent Change	Adjusted Operating Profit	Percent Change
Volume	2	Volume	5
Net Price	—	Net Price	1
Mix/Other ^(a)	—	Input Costs	4
Currency	(7)	Cost Savings	12
Total	<u>(4.6)</u>	Currency Translation	(6)
		Other	(16)
		Total	<u>0.4</u>

^(a) Mix/Other includes rounding

Net sales of \$4.5 billion in the first quarter of 2016 decreased 5 percent compared to prior year. Changes in foreign currency exchange rates reduced net sales 7 percent as a result of the weakening of most currencies relative to the U.S. dollar. Organic net sales rose 2 percent due to higher volumes.

Adjusted operating profit was \$818 in the first quarter of 2016 compared to \$815 in the prior year. The comparison benefited from organic net sales growth, \$95 in cost savings from the company's FORCE (Focused on Reducing Costs Everywhere) program and \$15 of savings from the 2014 Organization Restructuring. Input costs decreased \$30 including \$25 of lower costs for raw materials other than fiber and \$5 of lower fiber costs. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$50 and transaction effects also negatively impacted the comparison. Total marketing, research and general expenses increased on a local currency basis, driven by higher selling, administrative and research costs.

Other (Income) & Expense, Net Reconciliation of GAAP to Non-GAAP

Other (income) & expense, net includes the following adjusting items:

	Three Months Ended March 31	
	2016	2015
Other (income) and expense, net, GAAP	\$ 10	\$ 62
Less adjustments for:		
Pension Settlements	—	9
Charge Related to Venezuelan Operations	—	40
Adjusted other (income) and expense, net	\$ 10	\$ 13

Adjusted other (income) and expense, net was an expense of \$10 in 2016 and an expense of \$13 in 2015. Results in both quarters were impacted by foreign currency transaction losses.

Provision for Income Taxes Reconciliation of GAAP to Non-GAAP

Provision for income taxes includes the following adjusting items:

	Three Months Ended March 31	
	2016	2015
Effective Tax Rate, GAAP	28.3%	33.8%
Provision for income taxes, GAAP	\$ 207	\$ 230
Plus adjustments for:		
2014 Organization Restructuring	4	8
Pension Settlements	—	3
Adjusted Provision for income taxes	\$ 211	\$ 241
Adjusted Effective Tax Rate	28.3%	32.3%

The decrease in the adjusted effective tax rate in 2016 is a result of benefits from certain tax planning initiatives.

Share of Net Income from Equity Companies

Our share of net income of equity companies was \$35

and \$36 for the three months ended March 31, 2016 and 2015, respectively. Kimberly-Clark de Mexico, S.A.B. de C.V. ("KCM") results in 2016 compared to 2015 benefited from organic net sales growth, lower input costs and cost savings, offset by a weaker Mexican peso.

**Net Income Attributable to Kimberly-Clark and Diluted Earnings Per Share
Reconciliations of GAAP to Non-GAAP**

Net Income Attributable to Kimberly-Clark and Diluted Earnings Per Share include the following adjusting items:

	Three Months Ended March 31	
	2016	2015
Net Income Attributable to Kimberly-Clark, GAAP	\$ 545	\$ 468
Plus adjustments (net of tax) for:		
2014 Organization Restructuring	10	5
Pension Settlements	—	6
Charge Related to Venezuelan Operations	—	45
Adjusted Net Income Attributable to Kimberly-Clark	\$ 555	\$ 524
	Three Months Ended March 31	
	2016	2015
Diluted Earnings Per Share, GAAP	\$ 1.50	\$ 1.27
Plus adjustments for:		
2014 Organization Restructuring	0.03	0.01
Pension Settlements	—	0.02
Charge Related to Venezuelan Operations	—	0.12
Adjusted Earnings Per Share	\$ 1.53	\$ 1.42

The increase in adjusted earnings per share in 2016 is primarily due to higher earnings and a lower share count.

Results By Geography

	Three Months Ended March 31	
	2016	2015
NET SALES		
North America	\$ 2,373	\$ 2,360
Outside North America	2,175	2,418
Intergeographic sales	(72)	(87)
TOTAL NET SALES	\$ 4,476	\$ 4,691
OPERATING PROFIT		
North America	\$ 570	\$ 528
Outside North America	309	352
Corporate & Other ^(a)	(65)	(70)
Other (income) and expense, net ^(a)	10	62
TOTAL OPERATING PROFIT	\$ 804	\$ 748

^(a) Corporate & Other and other (income) and expense, net include expenses not associated with the business segments, including charges as indicated in the Non-GAAP Reconciliations.

Results by Business Segments

Personal Care

	Three Months Ended March 31			Three Months Ended March 31	
	2016	2015		2016	2015
Net Sales	\$ 2,207	\$ 2,308	Operating Profit	\$ 449	\$ 455
Net Sales		Percent Change	Adjusted Operating Profit		Percent Change
Volume		3	Volume		8
Net Price		—	Net Price		(1)
Mix/Other ^(a)		2	Input Costs		6
Currency		(9)	Cost Savings		14
Total		<u>(4.4)</u>	Currency Translation		(8)
			Other		(20)
			Total		<u>(1.3)</u>

^(a) Mix/Other includes rounding

First quarter net sales of \$2.2 billion decreased 4 percent compared to prior year. Unfavorable currency rates reduced net sales by 9 percent. Sales volumes increased 3 percent and changes in product mix improved net sales by 1 percent. First quarter operating profit of \$449 decreased 1 percent compared to prior year. The comparison was impacted by unfavorable currency effects and increased marketing, research and general spending on a local currency basis. This was mostly offset by organic net sales growth, cost savings and lower input costs.

Net sales in North America increased 3 percent compared to prior year. Sales volumes improved 5 percent, while the combined impact of changes in net selling price and product mix reduced net sales by 1 percent. Currency was unfavorable 1 percent. Adult care volumes increased double-digits, with benefits from category growth, innovations and market share gains. Baby wipes and child care volumes each rose mid-single digits, including benefits from innovation. Feminine care volumes advanced low-single digits and diaper volumes were even with year-ago levels.

Net sales in developing and emerging markets decreased 11 percent, including an approximate 18 percent impact from unfavorable currency rates. Changes in sales volumes, net selling prices and product mix each improved net sales by 2 percent. The volume growth included gains in China and portions of Latin America. Sales volumes were down in Brazil, as comparisons were impacted by difficult economic conditions and strong growth in the base period. The higher net selling prices were driven by Latin America and Eastern Europe in response to weaker currency rates and local cost inflation. Net selling prices declined in China due to increased promotion activity.

Net sales in developed markets outside North America decreased 7 percent, including a 9 percent impact from unfavorable changes in currency rates. Sales volumes rose 2 percent, driven by Australia. Changes in product mix improved net sales by 2 percent, while lower net selling prices reduced net sales by 2 percent.

Consumer Tissue

	Three Months Ended March 31			Three Months Ended March 31	
	2016	2015		2016	2015
Net Sales	\$ 1,496	\$ 1,574	Operating Profit	\$ 280	\$ 291
Net Sales		Percent Change	Adjusted Operating Profit		Percent Change
Volume		—	Volume		—
Net Price		1	Net Price		4
Mix/Other ^(a)		(1)	Input Costs		1
Currency		(5)	Cost Savings		5
Total		(5.0)	Currency Translation		(2)
			Other		(12)
			Total		(3.8)

^(a) Mix/Other includes rounding

First quarter net sales of \$1.5 billion decreased by 5 percent compared to prior year. Currency rates were unfavorable by 5 percent. Higher net selling prices increased net sales by 1 percent, while changes in product mix reduced net sales by 1 percent. First quarter operating profit of \$280 decreased by 4 percent compared to prior year. The comparison was impacted by unfavorable currencies, partially offset by cost savings.

Net sales in North America increased 1 percent compared to prior year. Sales volumes increased by 3 percent, while changes in product mix decreased net sales by 2 percent. Sales volumes improved in all product categories, led by paper towels.

Net sales in developing and emerging markets decreased 14 percent including a 14 percent negative impact from currency rates. Changes in net selling prices increased net sales by about 5 percent, while sales volumes decreased 4 percent. The changes in net selling prices and volumes mostly occurred in Latin America.

Net sales in developed markets outside North America decreased 9 percent. Currency rates were unfavorable by 7 percent. Sales volumes decreased 2 percent, primarily in Western/Central Europe. Changes in net selling prices reduced net sales by 1 percent, while product mix improved net sales by 1 percent.

K-C Professional

	Three Months Ended March 31			Three Months Ended March 31	
	2016	2015		2016	2015
Net Sales	\$ 763	\$ 795	Operating Profit	\$ 150	\$ 134
Net Sales		Percent Change	Adjusted Operating Profit		Percent Change
Volume		1	Volume		7
Net Price		1	Net Price		4
Mix/Other ^(a)		(1)	Input Costs		1
Currency		(5)	Cost Savings		9
Total		(4.0)	Currency Translation		(5)
			Other		(4)
			Total		11.9

^(a) Mix/Other includes rounding

First quarter net sales of \$763 decreased by 4 percent compared to prior year. Changes in currency rates reduced net sales by 5 percent. Sales volumes and net selling prices each increased net sales by 1 percent while changes in product mix/other decreased net sales by 1 percent. The decline in product mix/other included an approximate 2 percent impact from lower net sales of nonwovens to Halyard Health, Inc. First quarter operating profit of \$150 increased by 12 percent compared to prior year. The comparison benefited from organic net sales growth and cost savings, partially offset by unfavorable currency effects.

Net sales in North America increased by 3 percent compared to prior year. Sales volumes improved 3 percent, driven by growth in washroom products and wipers. The combined impact of changes in net selling prices and product mix increased net sales by 1 percent, while currency was unfavorable 1 percent.

Net sales in developing and emerging markets decreased by 11 percent including an unfavorable impact from currency rates changes of 15 percent. Changes in net selling prices and product mix increased net sales by 5 and 3 percent, respectively. Sales volumes decreased by 4 percent.

Net sales in developed markets outside North America decreased 8 percent. Changes in currency rates reduced net sales by 6 percent. Lower net selling prices decreased net sales by 3 percent, while volumes increased 1 percent.

2014 Organization Restructuring

In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve underlying profitability and increase flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The restructuring is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be toward the high end of the range of \$130 to \$160 after tax (\$190 to \$230 pretax). Cash costs are projected to be approximately 80 percent of the total charges. Cumulative pretax savings from the restructuring are expected to be toward the high end of the range of \$120 to \$140 by the end of 2017, and were \$85 through March 31, 2016 . The restructuring is expected to impact all of our business segments and our organizations in all major geographies. Charges of \$10 and \$5 after tax (\$14 and \$13 pretax), were recognized during the three months ended March 31, 2016 and 2015 , respectively, for the restructuring.

Defined Benefit Pension Plan Changes

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. In connection with these transactions, during the first quarter of 2015 we made a \$410 contribution to our U.S. pension plan in order to maintain the plan's funded status. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pretax in other (income) and expense, net) during 2015, mostly in the second quarter.

Accounting for Venezuelan Operations

Effective December 31, 2015, we deconsolidated the assets and liabilities of our business in Venezuela from our consolidated balance sheet and moved to the cost method of accounting for our operations in that country. The change resulted in the recognition of an after tax charge of \$102 in the fourth quarter of 2015. As of the first quarter of 2016, we no longer include the results of our Venezuelan business in our consolidated financial statements. Prior to deconsolidation, in February 2015 we remeasured our local currency-denominated balance sheet at the applicable floating SIMADI exchange rate (193 bolivars per U.S. dollar at March 31, 2015) as we believed this was the most accessible rate available to us in the absence of exchange at 6.3 bolivars per U.S. dollar. This remeasurement resulted in a non-deductible charge of \$45 in the Consolidated Income Statement for the three months ended March 31, 2015 , with \$5 recorded in cost of products sold and \$40 recorded in other (income) and expense, net. Net sales of K-C Venezuela were insignificant in 2015.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$553 for the first three months of 2016 , compared to \$20 in the prior year. The increase was driven by lower pension contributions and tax payments. First quarter defined benefit pension plan contributions were \$30 in 2016 and \$435 in 2015. We expect to contribute up to \$100 to our defined benefit pension plans for the full year 2016.

Investing

During the first three months of 2016 , our capital spending was \$220 compared to \$284 in the prior year. We anticipate that full-year 2016 capital spending will be between \$950 and \$1,050.

Financing

On February 22, 2016, we issued \$400 aggregate principal amount of 1.40% notes due February 15, 2019 and \$400 aggregate principal amount of 2.75% notes due February 15, 2026. Proceeds from the offering were used for general corporate purposes, including repayment of a portion of our outstanding commercial paper indebtedness.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$400 as of March 31, 2016 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the first quarter of 2016 was \$805 . These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as pension contributions, dividends and income taxes.

At March 31, 2016 , total debt was \$7.9 billion compared to \$7.8 billion at December 31, 2015 .

We maintain a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first three months of 2016 , we repurchased 1.1 million shares of our common stock at a cost of \$150 through a broker in the open market. We are targeting full-year 2016 share repurchases of \$600 to \$900, subject to market conditions.

Legal Matters

We believe that the ultimate disposition of litigation or compliance obligations with environmental protections laws and regulations, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations or liquidity.

Business Outlook

In 2016, we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. In 2016, we expect adjusted earnings per share in a range of \$5.95 to \$6.15. This excludes expected 2014 Organization Restructuring charges equivalent to \$0.03 to \$0.06. Our adjusted earnings per share guidance is based on the assumptions described below:

- Growth in organic net sales is expected to be in the combined 3 to 5 percent range.
- We expect negative foreign currency translation effects on net sales and operating profit to be toward the low end of the previously assumed range of 5 to 6 percent. Currency transaction effects are also anticipated to negatively impact operating profit.
- Benefits from higher net selling prices are expected to be somewhat lower than prior assumptions as a result of the updated estimates for changes in foreign currency exchange rates and cost inputs.
- We anticipate the net impact of changes in commodity costs to be between \$0 and \$150 of deflation year-on-year compared to the prior range of \$50 inflation to \$100 of deflation.
- We plan to achieve cost savings of at least \$350 from our FORCE program, and at least \$50 from the 2014 Organization Restructuring.
- We anticipate that advertising spending will be similar to, or up slightly, as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- We expect the adjusted effective tax rate to be between 30.5 and 32.5 percent.
- Our share of net income from equity companies is expected to be similar to, or down somewhat, compared to 2015. The prior assumption was for net income to be similar to, or up somewhat, compared to 2015. The update assumes more negative currency effects at K-C de Mexico.
- We anticipate capital spending will be between \$950 and \$1,050 and share repurchases of \$600 to \$900, subject to market conditions.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 Organization Restructuring, the anticipated cost savings from the company's FORCE program, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as

anticipated or that our 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.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, 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.

For a description of certain factors that could cause our future results to differ from those expressed in these forward-looking statements, see Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2015 entitled "Risk Factors." Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

Item 4. Controls and Procedures

As of March 31, 2016, an evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of March 31, 2016. There were no changes in our internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. All our share repurchases during the first quarter of 2016 were made through a broker in the open market.

The following table contains information for shares repurchased during the first quarter of 2016. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2016)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
January 1 to January 31	103,000	\$125.97	3,836,811	36,163,189
February 1 to February 29	503,000	129.78	4,339,811	35,660,189
March 1 to March 31	537,000	133.46	4,876,811	35,123,189
Total	<u>1,143,000</u>			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on November 13, 2014. This program allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

Item 6. Exhibits

(a) Exhibits

Exhibit No. (3)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (3)b. By-Laws, as amended December 14, 2015, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated December 14, 2015.

Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

Exhibit No. (10)q. Form of Award Agreement under 2011 Equity Participation Plan for Performance Restricted Stock Units, filed herewith.

Exhibit No. (31)a. Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.

Exhibit No. (31)b. Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.

Exhibit No. (32)a. Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (32)b. Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (101).INS XBRL Instance Document

Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document

Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Maria Henry

Maria Henry
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Michael T. Azbell

Michael T. Azbell
Vice President and Controller
(principal accounting officer)

April 22, 2016

EXHIBIT INDEX

Exhibit No.	Description
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**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award, granted effective on February 29, 2016, by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), to [REDACTED] (the "Participant") is subject to the terms and conditions of the 2011 Equity Participation Plan (the "Plan") and the Award Agreement.

WITNESSETH:

WHEREAS, the Corporation has adopted the Plan to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's and its Affiliate's long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Participant Performance Restricted Stock Units ("PRSUs") at the target level of [REDACTED] (the "Target Level"), subject to the terms, conditions and restrictions set forth herein and in the Plan, and the Corporation's attainment of the Performance Goals established by the Committee as set forth on Appendix A-1. The actual number of PRSUs earned by the Participant at the end of the Restricted Period may range from 0 to 200% of the Target Level.
2. Transferability Restrictions.
 - (a) Restricted Period. During the Restricted Period, the Participant may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award, and any such attempted sale, assignment, transfer, pledge or disposal shall be void. Except as provided under paragraph 2, the Award, including any accrued dividend equivalents, shall be subject to forfeiture until the end of the Restricted Period. Participant becomes 100% vested in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee.

The Restricted Period shall begin on the date of the granting of this Award, and shall end on February 28, 2019. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Agreement, nor to vote such shares as the record owner thereof.

During each year in the Restricted Period, the Participant will not be paid dividend equivalents on the unvested PRSUs but the Participant will receive a credit equal to dividends declared on the Corporation's Common Stock which will be reinvested in additional PRSUs at the then fair market value of the Corporation's Common Stock on the date dividends are paid, and the additional PRSUs will be accumulated and paid if and when the PRSUs vest, based on the actual number of PRSUs that vest. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as

determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation.

- (b) Termination of Employment. Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon termination of employment unless such termination (i) is due to a Qualified Termination of Employment, or (ii) if more than six months after the Grant Date, due to death, Retirement, Total and Permanent Disability, or the shutdown or divestiture of a business unit. A termination of employment shall not be deemed to have occurred while a Participant is on military leave or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing sentence, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for purposes of the Plan. A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan.
- (c) Death, Retirement, or Total and Permanent Disability. In the event that more than six months after the Grant Date the Participant's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1) prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period. In the event that more than six months after the Grant Date the Participant's termination of employment is due to Retirement it shall result in 100% vesting in the number of PRSUs earned based on attainment of the Performance Goal at the end of the Restricted Period as approved and authorized by the Committee, and such Award shall be paid within 70 days following the end of the Restricted Period.

Notwithstanding this Section 2(c), if the Corporation receives an opinion of counsel that there has been a legal judgment and/or legal development in the Participant's jurisdiction that would likely result in the favorable Retirement treatment that applies to the PRSUs under this Section 2(c) being deemed unlawful and/or discriminatory, then the Corporation will not apply the favorable Retirement treatment and PRSUs will be treated as they would under the rules that apply if the Participant's employment with the Corporation or an Affiliate ends for any other reason, as applicable.

- (d) Shutdown or Divestiture . In the event that more than six months after the Grant Date the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business it shall result in pro rata vesting in the number of PRSUs earned. This pro rata vesting shall be determined based on the Target Level of PRSUs (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) (1) prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, multiplied by (2) the Performance Goal percentage as approved and authorized by the Committee at the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated award shall be rounded to the nearest whole share and shall be paid within 70 days following the end of the Restricted Period.
- (e) Qualified Termination of Employment . In the event of a Qualified Termination of Employment the Award which would have otherwise been forfeited will be handled consistent with subsection 14(b) of the Plan and shall be paid within 10 days following the last day of employment of the Participant with the Corporation. Notwithstanding anything in this Agreement to the contrary, the payment of an Award to a Key Employee who has separated from service due to a Qualified Termination of Employment shall be made at the earlier of the first day of the seventh month following the date of separation from service or the end of the Restricted Period. A Key Employee is any Participant who meets the definition of a specified employee as defined in Section 409A(a)(2)(B)(i) of the Code and the regulations promulgated thereunder.
- (f) Payment of Awards . The payment of the Award, including any accrued dividend equivalents accumulated pursuant to Section 2(a), shall be made in shares of Common Stock. Except as may otherwise be provided in subparagraph 2(e), the payment of an Award shall be made within 70 days following the end of the Restricted Period.
- (g) Payment of Withholding Taxes . No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Participant or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation or an Affiliate, as applicable, such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities in relation to this Award. The Corporation may, in its discretion, withhold payment of required withholding taxes with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this paragraph 2.
3. Nontransferability . Neither the Award nor the Participant's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Participant (i) by will, or (ii) by the laws of descent and distribution.
4. Compliance with Law . No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Participant will not constitute a violation of the U.S. Securities Act of 1933, as amended. As a condition of this Award, the Participant shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the U.S. Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Participant is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Participant to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither the Corporation nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties the Participant may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Participant any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Participant whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Participant under this Award.
6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.
7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Participant.
8. Delaware Law to Govern. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware and federal courts located in the District of Delaware shall be the exclusive forum for any dispute arising out of related to the Award or the Award Agreement and the Participant consents to and waives any objection to the exercise of personal jurisdiction and venue by such courts.
9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock of the Corporation purchased for satisfying the requirements of this Award.
10. Notices. Any notice to be given to the Corporation under this Award shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Participant under the terms of this Award may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may

hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government or any equivalent non-U.S. postal service.

11. Changes in Capitalization. In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.
12. Effect on Other Plans. All benefits under this Award shall constitute special incentives and shall not affect the level of benefits provided to or received by the Participant (or the Participant's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. This Award shall not be construed to affect in any way the Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.
13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of PRSUs and vesting provisions. The value of the Award is an extraordinary item outside the scope of the Participant's employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
14. Data Privacy. The Participant hereby authorizes their employer to furnish the Corporation (and any agent of the Corporation administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Participant waives any data privacy rights such Participant might otherwise have with respect to such information.
15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.
16. Successors. This Award Agreement, including but not limited to the non-competition obligations described in Section 19 below, shall be binding upon and inure to the benefit of any successor or successors of the Corporation.
17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the U.S. Securities Act of 1933, as amended, the U.S. Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).
18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.

19. Non-Competition Provisions For U.S. Participants Only.

(a) During the term of the Participant's employment and for a period of two (2) years following the termination of employment, regardless of the reason for or the manner of termination, the Participant shall not, without the written consent of the Corporation, anywhere in the United States of America, either directly or indirectly, perform duties or undertake responsibilities for a Competitor that are the same or substantially similar to those duties or responsibilities that the Participant performed or undertook for the Corporation or an Affiliate during the two (2) year period prior to the end of the Participant's employment with the Corporation or an Affiliate. As used herein, "Competitor" means any person or entity whose business engages in the same or substantially the same business as the Business of the Corporation. As used herein, "Business of the Corporation" is the development, production, sales and/or marketing of health and hygiene products. The foregoing restriction shall not apply if the Participant resides and/or primarily works in the State of California.

(b) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant agrees to notify the Corporation in writing prior to accepting new employment, or engaging in any other activity which may violate this Agreement, and the Participant agrees to provide in such notice information concerning the anticipated new employment or activity, including, but not limited to: name of employer; address of employer; name of new team leader; job title; and scope and responsibilities of the new position. The Participant recognizes that such duty of notification is absolute and is not affected by the Participant's belief that such employment may perhaps not violate this Agreement or otherwise be unfairly competitive with the Corporation. The Participant's written notice should be addressed to General Counsel, Attention: Noncompetition and Confidentiality Agreement, Kimberly-Clark Corporation, 351 Phelps Drive, Irving, TX 75038. Provided, however, the foregoing notice requirement shall not apply if the Participant resides and/or primarily works in the State of California.

(c) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant shall provide a copy of Section 19 of this Agreement to each new employer before starting in any new employment. The Participant agrees that the Corporation may notify any third party about the Participant's obligations under Section 19 of this Agreement until such obligations are fulfilled.

(d) If any provision of this Section 19 is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such provision shall be deemed to be severed from the Agreement and such invalidity, illegality or unenforceability will not affect any other provision of the Agreement, all of which shall remain valid and enforceable. Notwithstanding the foregoing, if a court of competent jurisdiction determines that the covenants contained in this Section 19 are unenforceable because they are overbroad in some respect, to the full extent permitted by applicable law, the court should revise or reform any aspect of this Section 19 so as to make the scope of such Section 19 as broad as can be enforced under applicable law.

(e) In the event of an anticipated or actual breach by the Participant of this provision, the Participant acknowledges and agrees that damages would not be an adequate remedy to compensate the Corporation for the harm to the business of the Corporation and, in such event, agrees that the Corporation shall be entitled to a temporary restraining order and to temporary injunctive relief to prevent or terminate such anticipated or actual breach, provided, however, that nothing in this Agreement shall be construed to limit any

permanent relief to which the Corporation may be entitled or the damages otherwise recoverable by the Corporation in any such event.

(f) If the Participant violates any aspect of this provision, or any duty of loyalty or confidentiality imposed by law, in addition to any damages that the Participant may be required to pay, the Participant understands and agrees that the Participant shall be required to reimburse the Corporation for all its costs incurred to enforce this Agreement, including but not limited to, all attorneys' fees.

20. Acceptance of Award Terms and Conditions. A Participant has until the end of the one hundred twenty (120) day period beginning from the Grant Date of this Award to accept this Award Agreement. If the Participant does not accept this Award Agreement on or before the end of such one hundred twenty (120) day period then the grant of the Award, as set forth in Section 1, shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

Acknowledgment of Conditions

I understand, acknowledge and agree to the following conditions with respect to the Award granted to me under the Plan:

- The Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended, cancelled or terminated at any time, to the extent permitted by the Plan. The grant of an Award is a voluntary and occasional benefit and does not create any contractual or other right to receive an Award or benefits in lieu of an Award in the future, even if the Awards have been granted in the past. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of Awards, vesting provisions and the exercise price.
- My participation in the Plan is voluntary. Participation in the Plan will not create a right to further employment with my actual employer (the "Employer") and shall not interfere with the ability of the Employer to terminate my employment relationship at any time. Further, the Award and my participation in the Plan will not be interpreted to form an employment contract or relationship with the Corporation or any Affiliate.
- The Award and the shares of Common Stock subject to the Award, and the income and value of same, are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Corporation or, if different, the Employer, and which are outside the scope of my employment contract, if any, and are not intended to replace any pension rights or compensation. As such, the Award, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension, retirement or welfare benefits or similar payments and in no event shall be considered as compensation for, or relating in any way to, past services for the Corporation, the Employer or any other Affiliate.
- Unless otherwise agreed with the Corporation, the Award and shares of Common Stock subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, any service I may provide as a director of any Affiliate.
- The future value of the underlying shares of Common Stock is unknown, indeterminable, and cannot be predicted with certainty.
- The Award will be subject to any policy adopted by the Corporation relating to the recovery of such Award to the extent it is determined that the Performance Goals were not actually achieved.

- No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of my employment by the Corporation or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and in consideration of the grant of the Award, to which I am otherwise not entitled, I irrevocably agree never to institute any claim against the Corporation, the Employer or any other Affiliate, waive my ability, if any, to bring any such claim, and release the Corporation, the Employer and all other Affiliates from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, I shall be deemed irrevocably to have agreed not to pursue such a claim and agree to execute any and all documents necessary to request dismissal or withdrawal of such claims.
- In the event of termination of my employment (whether or not in breach of local labor laws and except as otherwise explicitly provided in the Award Agreement of the Plan), my right to receive PRSUs and vest in the Award under the Plan, if any, will terminate effective as of the date that I am no longer actively employed and will not be extended by any notice period mandated under local law (e.g. , active employment would not include a period of “garden leave” or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed for purposes of the Award (including whether I may still be considered employed while on a leave of absence).
- The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding participation in the Plan, or my acquisition or sale of the underlying shares of Common Stock. Further, I have been advised to consult with my own advisors regarding participation in the Plan before taking any action related to the Plan.
- Neither the Corporation, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between my local currency and the United States Dollar that may affect the value of the PRSUs or of any amounts due to me pursuant to the settlement of the PRSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.
- Regardless of any action the Corporation or the Employer takes with respect to any or all income tax (including federal, state and local taxes), social insurance, fringe benefit tax, payroll tax, payment on account or other tax-related items related to my participation in the Plan and legally applicable to me (“Tax-Related Items”), I acknowledge that the ultimate liability for all Tax-Related Items is and remains my responsibility and may exceed the amount actually withheld by the Corporation or the Employer. I further acknowledge that the Corporation and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the PRSUs, the vesting of PRSUs, the conversion of the PRSUs into shares or the receipt of an equivalent cash payment, the subsequent sale of any shares acquired at vesting and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to Tax-Related Items in more than one jurisdiction, I acknowledge that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- Prior to the relevant taxable or tax withholding event, as applicable, I shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employer to satisfy or account for all Tax-Related Items. In this regard, I authorize the Corporation or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations with regard to all Tax-Related Items by one or a combination of the following:
 - (1) withholding from my wages or other cash compensation paid to me by the Corporation and/or the Employer; or

(2) withholding from the proceeds of the sale of shares acquired upon vesting of the Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on my behalf, pursuant to this authorization); or

(3) withholding shares to be issued upon vesting of the Award.

- To avoid negative accounting treatment, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case I will receive a refund of any over-withheld amount in cash and will have no entitlement to the common stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, I am deemed to have been issued the full number of shares subject to the Award, notwithstanding that a number of shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of my participation in the Plan.
- I shall pay to the Corporation or to the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of my participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to deliver shares or the proceeds of the sale of shares to me if I fail to comply with my obligations in connection with the Tax-Related Items.
- ***I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement by and among, as applicable, my Employer, the Corporation, and its other Affiliates for the exclusive purpose of implementing, administering and managing my participation in the Plan.***
- ***I understand that the Corporation and my Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in my favor ("Data"), for the purpose of implementing, administering and managing the Plan.***
- ***I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service and career with the Employer will not be adversely affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me PRSUs or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or***

withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

- The Plan and the Award are governed by and subject to U.S. law. Interpretation of the Plan and my rights under the Plan will be governed by provisions of U.S. law. For purposes of litigating any dispute that arises under this Award or Award Agreement, the parties submit to and consent to the jurisdiction of the State of Delaware, and agree that such litigation shall be conducted in the federal courts for the United States for the District of Delaware, and no other courts, where this Award is made and/or to be performed; and waive, to the fullest extent permitted by law, any objection that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in any such court is improper or that such proceedings have been brought in an inconvenient forum.
- I understand that I am solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses or notices, which may be necessary for my Award, to acquire the shares or to hold or sell the shares subject to the PRSU award. Neither the Corporation nor its Affiliates will be responsible for obtaining such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties I may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.
- The provisions of this Award Agreement are severable and if one or more of the provisions of this Award Agreement shall be held invalid, illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nonetheless be binding and enforceable. To the extent that any provisions of this Award Agreement are held to be invalid or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Award Agreement to be construed so as to foster the intent of this Award Agreement and the Plan.
- If I have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
- Notwithstanding any provisions in this Award Agreement, if I relocate to a country outside of the United States, the special terms and conditions for such country will apply to me, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons.
- For U.S. Participants only: I acknowledge that the grant of an Award is expressly conditioned on the non-competition provisions set forth in Section 19
- The Corporation reserves the right to impose other requirements on my participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
- The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. I hereby consent to receive such documents by on-line delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third-party designated by the Corporation.

- A waiver by the Corporation of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by me or any other participant.
- I may be subject to insider trading restrictions and/or market abuse laws, which may affect my ability to acquire or sell shares of Common Stock or rights to shares of Common Stock (e.g. , PRSUs) under the Plan during such times as I am considered to have “inside information” regarding the Corporation (as defined by the laws in my country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. I am responsible for ensuring my compliance with any applicable restrictions and am advised to speak with my personal legal advisor on this matter.
- My country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect my ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares acquired under the Plan) in a brokerage or bank account outside my country. I may be required to report such accounts, assets or transactions to the tax or other authorities in my country. I also may be required to repatriate sale proceeds or other funds received as a result of my participation in the Plan to my country through a designated bank or broker within a certain time after receipt. I acknowledge that it is my responsibility to be compliant with such regulations, and that I am advised to consult my personal legal advisor for any details.
- I acknowledge that I have reviewed the Corporation’s Code of Conduct. I further acknowledge that I understand and will comply with the terms and standards contained in that Code of Conduct, including but not limited to the prohibition against retaliation, and specifically acknowledge that I have an obligation to report suspected violations of the Code of Conduct pursuant to the Corporation’s Escalation Policy.

Conclusion and Acceptance

I accept this grant via electronic signature by clicking the "Accept" icon and certify that I have read, understand and agree to the terms and conditions of the 2011 Equity Participation Plan (the "Plan"), the provisions of the applicable Award Agreement and all other applicable documents. I hereby authorize the Employer to furnish the Corporation (and any agent administering the Plan or providing recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and enable administration of the Plan and I understand that such information shall be used only as long and to the extent necessary to administer my participation in the Plan. I agree that my participation in the Plan and the Awards granted to me under the Plan will be governed solely by provisions of U.S. law.

**KIMBERLY-CLARK CORPORATION
PERFORMANCE RESTRICTED STOCK UNIT
AWARD AGREEMENT**

Appendix A-1

**Performance Goal for Kimberly-Clark Corporation
Performance Restricted Stock Unit Awards Granted in 2016¹**

50% of the Performance Goal will be based on attainment of Three Year Average ROIC performance set forth below for the Performance Period, and 50% of the Performance Goal will be based on attainment of the Three Year Average Net Sales growth set forth below for the Performance Period.

Payout as a Percentage of Target

Weight	Measure	0%	50%	100%	150%	200%
50%	Net Sales	(0.90%)	0.70%	1.60%	2.90%	4.10%
50%	ROIC	22.20%	22.70%	23.20%	23.70%	24.20%

Net Sales is defined as consolidated revenues as reported.

Annual ROIC is defined as consolidated after-tax operating profit plus earnings from equity companies for the year, divided by invested capital. Invested capital will be defined as the average total assets less notes receivable and non-interest bearing current liabilities.

Performance Period - January 1, 2016 through December 31, 2018.

Three Year Average ROIC shall be the Annual ROIC for each year in the Performance Period divided by three and rounded to the nearest hundredth of a percent.

Three Year Average Net Sales shall be the Annual Net Sales growth for each year in the Performance Period divided by three and rounded to the nearest hundredth of a percent.

Any adjustment to Three Year Average Net Sales or the Three Year Average ROIC will be approved by the Management Development and Compensation Committee.

¹ Performance Goal - The Management Development and Compensation Committee (the "Committee") intends to exercise its discretion so that all performance restricted share unit awards granted will be paid in accordance with the Performance Goal formula set forth above. If the Committee did not exercise this discretion, each Executive Officer (as defined by Rule 3b-7 of the Securities Exchange Act of 1934) would be paid based on an award of 200% of Target provided that the Corporation has positive earnings per share for the Performance Period. In addition, the Committee awarded an amount equal to any dividends and other distributions which would have been paid on shares of Common Stock, based on the number of PRSUs that vest under this Award, provided the Corporation has positive earnings per share for the applicable calendar quarter.

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

April 22, 2016

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

CERTIFICATIONS

I, Maria Henry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

April 22, 2016

/s/ Maria Henry

Maria Henry

Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q , filed with the Securities and Exchange Commission on April 22, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

April 22, 2016

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Maria Henry, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q , filed with the Securities and Exchange Commission on April 22, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Maria Henry

Maria Henry

Chief Financial Officer

April 22, 2016

EXHIBIT IV QUARTERLY REPORT OF THE ISSUER ON FORM 10-Q FOR THE SECOND QUARTERLY PERIOD OF 2016 ENDED 30 JUNE 2016, FILED WITH THE SEC ON 25 JULY 2016

KIMBERLY CLARK CORP

FORM 10-Q (Quarterly Report)

Filed 07/25/16 for the Period Ending 06/30/16

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
SIC Code	2670 - Converted Paper And Paperboard Products, Except
Industry	Personal & Household Prods.
Sector	Consumer/Non-Cyclical
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2016

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-225



KIMBERLY-CLARK CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

39-0394230
(I.R.S. Employer
Identification No.)

P. O. Box 619100
Dallas, Texas
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of July 18, 2016, there were 359,636,074 shares of the Corporation's common stock outstanding.

Table of Contents

<u>PART I – FINANCIAL INFORMATION</u>	<u>3</u>
<u>Item 1. Financial Statements</u>	<u>3</u>
<u>UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2016 AND 2015</u>	<u>3</u>
<u>UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2016 AND 2015</u>	<u>4</u>
<u>CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2016 (UNAUDITED) AND DECEMBER 31, 2015</u>	<u>5</u>
<u>UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED JUNE 30, 2016 AND 2015</u>	<u>6</u>
<u>UNAUDITED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS</u>	<u>7</u>
<u>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>15</u>
<u>Item 4. Controls and Procedures</u>	<u>22</u>
<u>PART II – OTHER INFORMATION</u>	<u>23</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>23</u>
<u>Item 6. Exhibits</u>	<u>24</u>

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
(Unaudited)

(Millions of dollars, except per share amounts)	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Net Sales	\$ 4,588	\$ 4,643	\$ 9,064	\$ 9,334
Cost of products sold	2,924	2,986	5,761	6,018
Gross Profit	1,664	1,657	3,303	3,316
Marketing, research and general expenses	847	869	1,672	1,718
Other (income) and expense, net	(21)	1,332	(11)	1,394
Operating Profit (Loss)	838	(544)	1,642	204
Interest income	3	4	7	8
Interest expense	(81)	(73)	(157)	(145)
Income (Loss) Before Income Taxes and Equity Interests	760	(613)	1,492	67
Provision for income taxes	(217)	281	(424)	51
Income (Loss) Before Equity Interests	543	(332)	1,068	118
Share of net income of equity companies	35	39	70	75
Net Income (Loss)	578	(293)	1,138	193
Net income attributable to noncontrolling interests	(12)	(12)	(27)	(30)
Net Income (Loss) Attributable to Kimberly-Clark Corporation	\$ 566	\$ (305)	\$ 1,111	\$ 163
Per Share Basis				
Net Income (Loss) Attributable to Kimberly-Clark Corporation				
Basic	\$ 1.57	\$ (0.84)	\$ 3.08	\$ 0.45
Diluted	\$ 1.56	\$ (0.83)	\$ 3.06	\$ 0.44
Cash Dividends Declared	\$ 0.92	\$ 0.88	\$ 1.84	\$ 1.76

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Net Income (Loss)	\$ 578	\$ (293)	\$ 1,138	\$ 193
Other Comprehensive Income (Loss), Net of Tax				
Unrealized currency translation adjustments	(72)	152	136	(316)
Employee postretirement benefits	13	853	7	861
Other	12	(25)	(7)	(5)
Total Other Comprehensive Income (Loss), Net of Tax	(47)	980	136	540
Comprehensive Income	531	687	1,274	733
Comprehensive income attributable to noncontrolling interests	(9)	(10)	(31)	(25)
Comprehensive Income Attributable to Kimberly-Clark Corporation	\$ 522	\$ 677	\$ 1,243	\$ 708

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(2016 Data is Unaudited)

(Millions of dollars)	June 30, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 656	\$ 619
Accounts receivable, net	2,249	2,281
Inventories	1,807	1,909
Other current assets	402	617
Total Current Assets	5,114	5,426
Property, Plant and Equipment, Net	7,188	7,104
Investments in Equity Companies	287	247
Goodwill	1,507	1,446
Other Assets	674	619
TOTAL ASSETS	\$ 14,770	\$ 14,842
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	\$ 772	\$ 1,669
Trade accounts payable	2,448	2,612
Accrued expenses	1,677	1,750
Dividends payable	331	318
Total Current Liabilities	5,228	6,349
Long-Term Debt	6,905	6,106
Noncurrent Employee Benefits	1,192	1,137
Deferred Income Taxes	626	766
Other Liabilities	331	380
Redeemable Preferred Securities of Subsidiaries	64	64
Stockholders' Equity (Deficit)		
Kimberly-Clark Corporation	196	(174)
Noncontrolling Interests	228	214
Total Stockholders' Equity	424	40
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 14,770	\$ 14,842

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENT
(Unaudited)

(Millions of dollars)	Six Months Ended June 30	
	2016	2015
Operating Activities		
Net income	\$ 1,138	\$ 193
Depreciation and amortization	349	383
Stock-based compensation	45	51
Deferred income taxes	3	(346)
Equity companies' earnings (in excess of) less than dividends paid	(30)	(37)
(Increase) decrease in operating working capital	(48)	(417)
Postretirement benefits	(4)	908
Adjustments related to Venezuelan operations	(11)	45
Other	(29)	12
Cash Provided by Operations	1,413	792
Investing Activities		
Capital spending	(397)	(527)
Proceeds from sales of investments	28	—
Investments in time deposits	(73)	(82)
Maturities of time deposits	42	91
Other	16	(8)
Cash Used for Investing	(384)	(526)
Financing Activities		
Cash dividends paid	(650)	(631)
Change in short-term debt	(322)	183
Debt proceeds	796	510
Debt repayments	(591)	(44)
Proceeds from exercise of stock options	58	82
Acquisitions of common stock for the treasury	(293)	(358)
Shares purchased from noncontrolling interest	—	(151)
Other	(1)	5
Cash Used for Financing	(1,003)	(404)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	11	(48)
Increase (Decrease) in Cash and Cash Equivalents	37	(186)
Cash and Cash Equivalents - Beginning of Period	619	789
Cash and Cash Equivalents - End of Period	\$ 656	\$ 603

See Notes to Consolidated Financial Statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1 . Accounting Policies

Basis of Presentation

The accompanying unaudited Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all material adjustments which are of a normal and recurring nature necessary for a fair presentation of the results for the periods presented have been reflected. Dollar amounts are reported in millions, except per share dollar amounts, unless otherwise noted.

For further information, refer to the Consolidated Financial Statements and footnotes included in our Annual Report on Form 10-K for the year ended December 31, 2015 . The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Accounting for Venezuelan Operations

Effective December 31, 2015, we deconsolidated the assets and liabilities of our business in Venezuela from our consolidated balance sheet and moved to the cost method of accounting for our operations in that country. As of the first quarter of 2016, we no longer include the results of our Venezuelan business in our consolidated financial statements. The change resulted in the recognition of an after tax charge of \$102 in the fourth quarter of 2015 and, for the three months ended June 30, 2016, other income of \$11 related to an updated assessment. In addition, for the three months ended March 31, 2015, we recorded a non-deductible charge of \$45 related to a balance sheet remeasurement. Net sales of K-C Venezuela were insignificant in 2015.

Balance Sheet Classification of Deferred Taxes

In 2015, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") No. 2015-17, *Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes* . Under this ASU, a reporting entity is required to classify all deferred tax assets and liabilities as noncurrent in a classified balance sheet. Current guidance requiring the offsetting of deferred tax assets and liabilities of a tax-paying component of an entity and presentation as a single noncurrent amount is not affected. We early adopted this ASU prospectively as of March 31, 2016 and our consolidated balance sheet reflects the new guidance for classification of deferred taxes. Prior periods were not recasted.

New Accounting Standards

In 2016, the FASB issued ASU No. 2016-09, *Compensation-Stock Compensation (Topic 718)* . The new guidance simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. For public companies, the amendments in this standard are effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted. The effects of this standard on our financial position, results of operations and cash flows are not expected to be material.

In 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* . Under the new guidance, a lessee will be required to recognize assets and liabilities for all leases with lease terms of more than 12 months. Consistent with current GAAP, the recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee primarily will depend on its classification as a finance or operating lease. The ASU requires additional disclosures. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The ASU requires adoption based upon a modified retrospective transition approach. Early adoption is permitted. The effects of this standard on our financial position, results of operations and cash flows are not yet known.

In 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* , which provides a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and will supersede most current revenue recognition guidance. In 2016, the FASB issued four amendments to the ASU. The standard is effective for public companies for annual and interim periods beginning after December 15, 2017. Early adoption is permitted as of one year prior to the current effective date. The guidance permits two implementation approaches, one requiring retrospective application of the new standard with restatement of prior years and one requiring prospective application of the new standard with disclosure of results under old standards. The effects of this standard on our financial position, results of operations and cash flows are not expected to be material.

Note 2 . 2014 Organization Restructuring

In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve our underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The plan is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be toward the high end of the range of \$130 to \$160 after tax (\$190 to \$230 pretax). Cash costs are projected to be approximately 80 percent of the total charges. The restructuring is expected to impact all of our business segments and our organizations in all major geographies.

Total pretax charges were \$1 (\$1 after tax) and \$12 (\$8 after tax) for the three months ended June 30, 2016 and 2015 , respectively. Total pretax charges were \$15 (\$11 after tax) and \$25 (\$13 after tax) for the six months ended June 30, 2016 and 2015 , respectively. Through June 30, 2016 , cumulative pretax charges for the restructuring were \$211 (\$148 after tax). Cash payments during the six months ended June 30, 2016 and 2015 related to the restructuring were \$40 and \$49 , respectively.

Note 3 . Fair Value Information

The following fair value information is based on a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels in the hierarchy used to measure fair value are:

Level 1 – Unadjusted quoted prices in active markets accessible at the reporting date for identical assets and liabilities.

Level 2 – Quoted prices for similar assets or liabilities in active markets. Quoted prices for identical or similar assets and liabilities in markets that are not considered active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Prices or valuations that require inputs that are significant to the valuation and are unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. During the six months ended June 30, 2016 and for the full year 2015 , there were no significant transfers among level 1, 2, or 3 fair value determinations.

Company-owned life insurance ("COLI") assets and derivative assets and liabilities are measured on a recurring basis at fair value. COLI assets were \$58 and \$57 at June 30, 2016 and December 31, 2015 . The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in other assets. The fair value amount of the COLI policies is measured at fair value using the net asset value per share practical expedient, and therefore, is not classified in the fair value hierarchy.

At June 30, 2016 and December 31, 2015 , derivative assets were \$51 and \$56 , respectively, and derivative liabilities were \$41 and \$42 , respectively. The fair values of derivatives used to manage interest rate risk and commodity price risk are based on LIBOR rates and interest rate swap curves and NYMEX price quotations, respectively. The fair value of hedging instruments used to manage foreign currency risk is based on published quotations of spot currency rates and forward points, which are converted into implied forward currency rates. Measurement of our derivative assets and liabilities is considered a level 2 measurement. Additional information on our classification and use of derivative instruments is contained in Note 7 .

Redeemable preferred securities of subsidiaries are measured on a recurring basis at fair value and were \$64 at both June 30, 2016 and December 31, 2015 . They are not traded in active markets. For certain redeemable securities, fair values were calculated using a floating rate pricing model that compared the stated spread to the fair value spread to determine the price at which each of the financial instruments should trade. The model used the following inputs to calculate fair values: face value, current LIBOR rate, unobservable fair value credit spread, stated spread, maturity date and interest or dividend payment dates. The fair value of the remaining redeemable securities was based on various inputs, including an independent third-party appraisal, adjusted for current market conditions. Measurement of the redeemable preferred securities is considered a level 3 measurement.

The following table includes the fair value of our financial instruments for which disclosure of fair value is required:

	Fair Value Hierarchy Level	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
		June 30, 2016		December 31, 2015	
Assets					
Cash and cash equivalents ^(a)	1	\$ 656	\$ 656	\$ 619	\$ 619
Time deposits and other ^(b)	1	148	148	124	124
Liabilities and redeemable securities of subsidiaries					
Short-term debt ^(c)	2	758	758	1,071	1,071
Long-term debt ^(d)	2	6,919	7,862	6,704	7,300

- (a) Cash equivalents are composed of certificates of deposit, time deposits and other interest-bearing investments with original maturity dates of 90 days or less. Cash equivalents are recorded at cost, which approximates fair value.
- (b) Time deposits are composed of deposits with original maturities of more than 90 days but less than one year and instruments with original maturities of greater than one year, included in other current assets or other assets in the Consolidated Balance Sheet, as appropriate. Other, included in other current assets, is composed of funds held in escrow. Time deposits and other are recorded at cost, which approximates fair value.
- (c) Short-term debt is composed of U.S. commercial paper and/or other similar short-term debt issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.
- (d) Long-term debt includes the current portion of these debt instruments. Fair values were estimated based on quoted prices for financial instruments for which all significant inputs were observable, either directly or indirectly.

Note 4 . Employee Postretirement Benefits

The table below presents net periodic benefit cost information for defined benefit plans and other postretirement benefit plans:

	Pension Benefits		Other Benefits	
	Three Months Ended June 30			
	2016	2015	2016	2015
Service cost	\$ 10	\$ 9	\$ 3	\$ 2
Interest cost	37	45	9	9
Expected return on plan assets	(40)	(55)	—	—
Recognized net actuarial loss	13	19	(1)	(1)
Settlements	—	1,320	—	—
Other	(2)	(2)	—	—
Net periodic benefit cost	\$ 18	\$ 1,336	\$ 11	\$ 10

	Pension Benefits		Other Benefits	
	Six Months Ended June 30			
	2016	2015	2016	2015
Service cost	\$ 24	\$ 19	\$ 6	\$ 6
Interest cost	75	109	17	17
Expected return on plan assets	(81)	(130)	—	—
Recognized net actuarial loss	26	48	(1)	(1)
Settlements	—	1,329	—	—
Other	(5)	(7)	—	—
Net periodic benefit cost	\$ 39	\$ 1,368	\$ 22	\$ 22

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pretax in other (income) and expense, net) during 2015, mostly in the second quarter. In connection with these transactions, during the first quarter of 2015 we made a \$410 contribution to our U.S. pension plan in order to maintain the plan's funded status.

For the six months ended June 30, 2016 and 2015, we made cash contributions of \$30 and \$435, respectively, to our pension trusts. We expect to contribute up to \$100 to our defined benefit pension plans for the full year 2016.

Note 5 . Earnings Per Share ("EPS")

There are no adjustments required to be made to net income for purposes of computing EPS. A reconciliation of the average number of common shares outstanding used in the basic and diluted EPS computations follows:

(Millions of shares)	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Basic	360.0	364.3	360.4	364.7
Dilutive effect of stock options and restricted share unit awards	2.4	2.4	2.5	2.6
Diluted	362.4	366.7	362.9	367.3

Options outstanding that were not included in the computation of diluted EPS because their exercise price was greater than the average market price of the common shares were insignificant.

The number of common shares outstanding as of June 30, 2016 and 2015 was 359.7 million and 364.3 million, respectively.

Note 6 . Stockholders' Equity (Deficit)

Set forth below is a reconciliation for the six months ended June 30, 2016 of the carrying amount of total stockholders' equity (deficit) from the beginning of the period to the end of the period.

	Stockholders' Equity (Deficit) Attributable to	
	The Corporation	Noncontrolling Interests
Balance at December 31, 2015	\$ (174)	\$ 214
Net Income	1,111	26
Other comprehensive income, net of tax		
Unrealized translation	132	4
Employee postretirement benefits	7	—
Other	(7)	—
Stock-based awards exercised or vested	58	—
Recognition of stock-based compensation	45	—
Income tax benefits on stock-based compensation	15	—
Shares repurchased	(327)	—
Dividends declared	(663)	(16)
Other	(1)	—
Balance at June 30, 2016	\$ 196	\$ 228

During the six months ended June 30, 2016, we repurchased 2.3 million shares at a total cost of \$300 pursuant to a share repurchase program authorized by our Board of Directors.

Net unrealized currency gains or losses resulting from the translation of assets and liabilities of foreign subsidiaries, except those in highly inflationary economies, are recorded in accumulated other comprehensive income ("AOCI"). For these operations, changes in exchange rates generally do not affect cash flows; therefore, unrealized translation is recorded in AOCI rather than net income. Upon sale or substantially complete liquidation of any of these subsidiaries, the applicable unrealized translation would be removed from AOCI and reported as part of the gain or loss on the sale or liquidation.

Also included in unrealized translation are the effects of foreign exchange rate changes on intercompany balances of a long-term investment nature and transactions designated as hedges of net foreign investments.

The change in net unrealized currency translation for the six months ended June 30, 2016 was primarily due to the strengthening of most foreign currencies versus the U.S. dollar, including the Brazilian real, Australian dollar, Russian ruble, South Korean won and the Canadian dollar, partially offset by the weakening of the British pound sterling.

The changes in the components of AOCI attributable to Kimberly-Clark, net of tax, are as follows:

	Unrealized Translation	Defined Benefit Pension Plans	Other Postretirement Benefit Plans	Cash Flow Hedges and Other
Balance as of December 31, 2014	\$ (1,335)	\$ (1,924)	\$ (37)	\$ (16)
Other comprehensive income (loss) before reclassifications	(310)	9	7	16
(Income) loss reclassified from AOCI	—	844 (a)	—	(21)
Net current period other comprehensive income (loss)	(310)	853	7	(5)
Shares purchased from noncontrolling interest and other	(12)	—	—	1
Balance as of June 30, 2015	\$ (1,657)	\$ (1,071)	\$ (30)	\$ (20)
Balance as of December 31, 2015	\$ (2,252)	\$ (1,013)	\$ (3)	\$ (10)
Other comprehensive income (loss) before reclassifications	132	2	(9)	6
(Income) loss reclassified from AOCI	—	14 (a)	—	(13)
Net current period other comprehensive income (loss)	132	16	(9)	(7)
Balance as of June 30, 2016	\$ (2,120)	\$ (997)	\$ (12)	\$ (17)

(a) Included in computation of net periodic pension costs (see Note 4).

During the first quarter of 2015, we acquired the remaining 49.9 percent interest in our subsidiary in Israel, Hogla-Kimberly, Ltd., for \$151. As our subsidiary in Turkey was wholly-owned by our subsidiary in Israel, through this acquisition we also effectively acquired the remaining 49.9 percent interest in our subsidiary in Turkey, Kimberly-Clark Tuketim Mallari Sanayi ve Ticaret A.s.

The purchase of additional ownership in an already controlled subsidiary is treated as an equity transaction with no gain or loss recognized in consolidated net income or comprehensive income. The effect of the change in ownership interest is as follows:

	Six Months Ended June 30, 2015
Net income attributable to Kimberly-Clark Corporation	\$ 163
Decrease in Kimberly-Clark Corporation's additional paid-in capital for acquisition	(94)
Change from net income attribution to Kimberly-Clark Corporation and transfers to noncontrolling interests	\$ 69

Note 7. Objectives and Strategies for Using Derivatives

As a multinational enterprise, we are exposed to financial risks, such as changes in foreign currency exchange rates, interest rates, and commodity prices. We employ a number of practices to manage these risks, including operating and financing activities and, where appropriate, the use of derivative instruments. We enter into derivative instruments to hedge a portion of forecasted cash flows denominated in foreign currencies for non-U.S. operations' purchases of raw materials, which are priced in U.S. dollars, and imports of intercompany finished goods and work-in-process priced predominantly in U.S. dollars and euros. The derivative instruments used to manage these exposures are designated and qualify as cash flow hedges. The foreign currency exposure on certain non-functional currency denominated monetary assets and liabilities, primarily intercompany loans and accounts payable, is hedged with primarily undesignated derivative instruments.

Interest rate risk is managed using a portfolio of variable- and fixed-rate debt composed of short- and long-term instruments. Interest rate swap contracts may be used to facilitate the maintenance of the desired ratio of variable- and fixed-rate debt and are designated and qualify as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, using forward-starting swaps, and these contracts are designated as cash flow hedges.

We use derivative instruments, such as forward swap contracts, to hedge a limited portion of our exposure to market risk arising from changes in prices of certain commodities. These derivatives are designated as cash flow hedges of specific quantities of the underlying commodity expected to be purchased in future months.

Translation adjustments result from translating foreign entities' financial statements into U.S. dollars from their functional currencies. The risk to any particular entity's net assets is reduced to the extent that the entity is financed with local currency borrowing. Translation exposure, which results from changes in translation rates between functional currencies and the U.S. dollar,

generally is not hedged. However, consistent with other years, a portion of our net investment in our Mexican affiliate has been hedged. At June 30, 2016, we had in place net investment hedges of \$89 for a portion of our investment in our Mexican affiliate.

Set forth below is a summary of the designated and undesignated fair values of our derivative instruments:

	Assets		Liabilities	
	June 30, 2016	December 31, 2015	June 30, 2016	December 31, 2015
Foreign currency exchange contracts	\$ 42	\$ 56	\$ 35	\$ 27
Interest rate contracts	7	—	—	—
Commodity price contracts	2	—	6	15
Total	\$ 51	\$ 56	\$ 41	\$ 42

The derivative assets are included in the Consolidated Balance Sheet in other current assets and other assets, as appropriate. The derivative liabilities are included in the Consolidated Balance Sheet in accrued expenses and other liabilities, as appropriate.

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in current earnings. The offset to the change in fair values of the related hedged items also is recorded in current earnings. Any realized gain or loss on the derivatives that hedge interest rate risk is amortized to interest expense over the life of the related debt. At June 30, 2016, the aggregate notional values of outstanding interest rate contracts designated as fair value hedges were \$375. Fair value hedges resulted in no significant ineffectiveness in the six months ended June 30, 2016 and 2015. For the six months ended June 30, 2016 and 2015, gains or losses recognized in interest expense for interest rate swaps were not significant. For the six month periods ended June 30, 2016 and 2015, no gain or loss was recognized in earnings as a result of a hedged firm commitment no longer qualifying as a fair value hedge.

For derivative instruments that are designated and qualify as cash flow hedges, the effective portion of the gain or loss on the derivative instrument is initially recorded in AOCI, net of related income taxes, and recognized in earnings in the same period that the hedged exposure affects earnings. As of June 30, 2016, outstanding commodity forward contracts were in place to hedge a limited portion of our estimated requirements of the related underlying commodities in the remainder of 2016 and future periods. As of June 30, 2016, the aggregate notional value of outstanding foreign exchange derivative contracts designated as cash flow hedges was \$795, and there were no outstanding interest rate derivative contracts designated as cash flow hedges. Cash flow hedges resulted in no significant ineffectiveness for the six months ended June 30, 2016 and 2015. For the six months ended June 30, 2016 and 2015, no gains or losses were reclassified into earnings as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At June 30, 2016, amounts to be reclassified from AOCI during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at June 30, 2016 is December 2018.

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in other (income) and expense, net. A loss of \$14 and a gain of \$74 were recorded in the three months ended June 30, 2016 and 2015, respectively. A gain of \$14 and a loss of \$81 were recorded in the six months ended June 30, 2016 and 2015, respectively. The effect on earnings from the use of these non-designated derivatives is substantially neutralized by the transactional gains and losses recorded on the underlying assets and liabilities. At June 30, 2016, the notional amount of these undesignated derivative instruments was \$2 billion.

Note 8 . Business Segment Information

We are organized into operating segments based on product groupings. These operating segments have been aggregated into three reportable global business segments: Personal Care, Consumer Tissue and K-C Professional. The reportable segments were determined in accordance with how our executive managers develop and execute global strategies to drive growth and profitability. These strategies include global plans for branding and product positioning, technology, research and development programs, cost reductions including supply chain management, and capacity and capital investments for each of these businesses. Segment management is evaluated on several factors, including operating profit. Segment operating profit excludes other (income) and expense, net and income and expense not associated with the business segments.

The principal sources of revenue in each global business segment are described below:

- *Personal Care* brands offer our consumers a trusted partner in caring for themselves and their families by delivering confidence, protection and discretion through a wide variety of innovative solutions and products such as disposable diapers, training and youth pants, swimpants, baby wipes, feminine and incontinence care products, and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Kotex, U by Kotex, Intimus, Depend, Plenitud, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that touch and improve people's lives every day. Products in this segment include facial and bathroom tissue, paper towels, napkins and related products, and are sold under the Kleenex, Scott, Cottonelle, Viva, Andrex, Scottex, Neve and other brand names.
- *K-C Professional* partners with businesses to create Exceptional Workplaces, helping to make them healthier, safer and more productive through a range of solutions and supporting products such as wipers, tissue, towels, apparel, soaps and sanitizers. Our brands, including Kleenex, Scott, WypAll, Kimtech and Jackson Safety, are well-known for quality and trusted to help people around the world work better.

The following schedules present information concerning consolidated operations by business segment:

	Three Months Ended June 30			Six Months Ended June 30		
	2016	2015	Change	2016	2015	Change
NET SALES						
Personal Care	\$ 2,279	\$ 2,306	-1.2 %	\$ 4,486	\$ 4,614	-2.8 %
Consumer Tissue	1,494	1,499	-0.3 %	2,990	3,073	-2.7 %
K-C Professional	806	822	-1.9 %	1,569	1,617	-3.0 %
Corporate & Other	9	16	N.M.	19	30	N.M.
TOTAL NET SALES	\$ 4,588	\$ 4,643	-1.2 %	\$ 9,064	\$ 9,334	-2.9 %
OPERATING PROFIT						
Personal Care	\$ 455	\$ 473	-3.8 %	\$ 904	\$ 928	-2.6 %
Consumer Tissue	275	260	+5.8 %	555	551	+0.7 %
K-C Professional	150	145	+3.4 %	300	279	+7.5 %
Corporate & Other	(63)	(90)	N.M.	(128)	(160)	N.M.
Other (income) and expense, net ^(a)	(21)	1,332	N.M.	(11)	1,394	N.M.
TOTAL OPERATING PROFIT (LOSS)	\$ 838	\$ (544)	N.M.	\$ 1,642	\$ 204	N.M.

N.M. - Not Meaningful

(a) Other (income) and expense, net includes charges related to pension settlements of \$1,322 and \$1,331 for the three and six months ended June 30, 2015, respectively. See Note 4 for additional information.

Note 9 . Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

(Summary of Inventories by Major Class)	June 30, 2016			December 31, 2015		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Raw materials	\$ 94	\$ 265	\$ 359	\$ 100	\$ 297	\$ 397
Work in process	106	97	203	110	93	203
Finished goods	472	659	1,131	525	689	1,214
Supplies and other	—	281	281	—	278	278
	672	1,302	1,974	735	1,357	2,092
Excess of FIFO or weighted-average cost over LIFO cost	(167)	—	(167)	(183)	—	(183)
Total	\$ 505	\$ 1,302	\$ 1,807	\$ 552	\$ 1,357	\$ 1,909

Inventories are valued at the lower of cost and net realizable value, determined on the FIFO or weighted-average cost methods, and at the lower of cost or market, determined on the LIFO cost method.

The following schedule presents a summary of property, plant and equipment, net:

	June 30, 2016	December 31, 2015
Land	\$ 166	\$ 164
Buildings	2,609	2,537
Machinery and equipment	13,621	13,393
Construction in progress	393	453
	<u>16,789</u>	<u>16,547</u>
Less accumulated depreciation	(9,601)	(9,443)
Total	<u>\$ 7,188</u>	<u>\$ 7,104</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

This management's discussion and analysis of financial condition and results of operations is intended to provide investors with an understanding of our recent performance, financial condition and prospects. The following will be discussed and analyzed:

- Overview of Second Quarter 2016 Results
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Legal Matters
- Business Outlook

We describe our business outside North America in two groups – Developing and Emerging Markets ("D&E") and Developed Markets. D&E markets comprise Eastern Europe, the Middle East and Africa, Latin America and Asia-Pacific, excluding Australia and South Korea. Developed Markets consist of Western and Central Europe, Australia and South Korea.

Throughout this MD&A, we refer to financial measures that have not been calculated in accordance with accounting principles generally accepted in the U.S., or GAAP, and are therefore referred to as non-GAAP financial measures. These measures include adjusted operating profit, adjusted net income, adjusted earnings per share, adjusted other (income) and expense, net, and adjusted effective tax rate. We believe these measures provide our investors with additional information about our underlying results and trends, as well as insight to some of the financial measures used to evaluate management.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP measures, and they should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. There are limitations to these non-GAAP financial measures because they are not prepared in accordance with GAAP and may not be comparable to similarly titled measures of other companies due to potential differences in methods of calculation and items being excluded. We compensate for these limitations by using these non-GAAP financial measures as a supplement to the GAAP measures and by providing reconciliations of the non-GAAP and comparable GAAP financial measures.

The non-GAAP financial measures exclude the following items for the relevant time periods as indicated in the reconciliations included later in this MD&A:

- 2014 Organization Restructuring - In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. Results in both 2016 and 2015 include charges related to this initiative. See additional information in Note 2 of the consolidated financial statements.
- Adjustments related to Venezuelan Operations - In 2016 and 2015, we recorded adjustments related to our Venezuelan operations. See additional information in Note 1 of the consolidated financial statements.
- Pension settlement charges - In 2015, we recorded settlement-related charges from certain actions taken for our U.S. pension plan. See additional information in Note 4 of the consolidated financial statements.

Overview of Second Quarter 2016 Results

- Net sales of \$4.6 billion decreased 1 percent compared to the prior year, as changes in foreign currency exchange rates reduced net sales by 4 percent. Organic sales increased 3 percent, including a 7 percent volume increase in North American personal care and consumer tissue and a 5 percent increase in organic sales in developing and emerging markets.
- Operating profit of \$838 improved compared to an operating loss of \$544 in 2015. Net income attributable to Kimberly-Clark Corporation was \$566 in 2016 compared to a loss of \$305 in the prior year. Diluted earnings per share were \$1.56 in 2016 versus the prior year \$0.83 loss. Results in 2015 included \$1,322 of pretax pension settlement-related charges.

Results of Operations and Related Information

This section presents a discussion and analysis of our second quarter 2016 net sales, operating profit and other information relevant to an understanding of the results of operations. Our analysis of the results for the three month and six month periods ended June 30, 2016 reflects comparison to the same three and six month periods ended June 30, 2015. In addition, we provide commentary regarding organic sales growth, which describes the impact of changes in volume, product mix and net selling price on net sales. Changes in foreign currency rates also impact the year-over-year change in net sales.

Consolidated

Selected Financial Results

	Three Months Ended June 30			Six Months Ended June 30		
	2016	2015	Percent Change	2016	2015	Percent Change
Net Sales	\$ 4,588	\$ 4,643	-1.2 %	\$ 9,064	\$ 9,334	-2.9 %
Other (income) and expense, net	(21)	1,332	N.M.	(11)	1,394	N.M.
Operating Profit (Loss)	838	(544)	N.M.	1,642	204	N.M.
Provision for income taxes	(217)	281	N.M.	(424)	51	N.M.
Share of net income of equity companies	35	39	-10.3 %	70	75	-6.7 %
Net Income (Loss)	578	(293)	N.M.	1,138	193	N.M.
Net Income (Loss) Attributable to Kimberly-Clark Corporation	566	(305)	N.M.	1,111	163	N.M.
Diluted Earnings (Loss) per Share	1.56	(0.83)	N.M.	3.06	0.44	N.M.

Operating Profit (Loss) Reconciliation of GAAP to Non-GAAP

Operating Profit (Loss) includes the following adjusting items:

	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Operating Profit (Loss), GAAP	\$ 838	\$ (544)	\$ 1,642	\$ 204
Plus adjustments for:				
2014 Organization Restructuring	1	12	15	25
Pension Settlements	—	1,322	—	1,331
Adjustments Related to Venezuelan Operations	(11)	—	(11)	45
Adjusted Operating Profit	\$ 828	\$ 790	\$ 1,646	\$ 1,605

Analysis of Consolidated Net Sales and Operating Profit

Net Sales	Percent Change		Adjusted Operating Profit	Percent Change	
	Three Months Ended June 30	Six Months Ended June 30		Three Months Ended June 30	Six Months Ended June 30
Volume	4	3	Volume	11	8
Net Price	—	—	Net Price	(2)	—
Mix/Other ^(a)	(1)	(1)	Input Costs	3	3
Currency	(4)	(5)	Cost Savings	12	12
Total	(1.2)	(2.9)	Currency Translation	(3)	(5)
			Other ^(b)	(16)	(15)
			Total	4.8	2.6

^(a) Includes rounding

^(b) Includes the impact of changes in marketing, research, and general expenses, foreign currency transaction effects and other manufacturing costs

Net sales of \$4.6 billion in the second quarter of 2016 decreased 1 percent compared to prior year. Changes in foreign currency exchange rates reduced net sales 4 percent. Organic sales increased 3 percent, as sales volumes increased 4 percent, while changes in product mix/other decreased net sales by 1 percent.

Second quarter operating profit was \$838 in 2016 and a loss of \$544 in 2015. Results in 2015 included \$1,322 of pension settlement-related charges. Adjusted operating profit of \$828 in the second quarter of 2016 increased 5 percent compared to \$790 in the prior year. The increase included benefits from organic sales growth, \$95 in cost savings from the company's FORCE (Focused On Reducing Costs Everywhere) program and \$15 of savings from the 2014 Organization Restructuring. Input costs decreased \$20, mostly due to lower fiber costs. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$25 and transaction effects also negatively impacted the comparison.

Net sales for the first six months of 2016 of \$9.1 billion decreased 3 percent compared to prior year, as changes in foreign currency exchange rates reduced net sales by more than 5 percent. Organic sales increased approximately 3 percent due to higher sales volumes.

Year-to-date operating profit was \$1,642 in 2016 compared to \$204 in 2015. Results in 2015 included \$1,331 of pension settlement-related charges. Adjusted operating profit of \$1,646 in 2016 increased 3 percent compared to \$1,605 in 2015. Results in 2016 included \$190 of FORCE cost savings and \$30 of savings from the 2014 Organization Restructuring. In addition, input costs were \$50 lower. Translation effects due to changes in foreign currency exchange rates lowered operating profit by \$75 and transaction effects also negatively impacted results.

Other (Income) and Expense, Net Reconciliation of GAAP to Non-GAAP

Other (income) and expense, net includes the following adjusting items:

	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Other (income) and expense, net, GAAP	\$ (21)	\$ 1,332	\$ (11)	\$ 1,394
Less adjustments for:				
Pension Settlements	—	1,322	—	1,331
Adjustments Related to Venezuelan Operations	(11)	—	(11)	40
Adjusted other (income) and expense, net	\$ (10)	\$ 10	\$ —	\$ 23

Adjusted other (income) and expense, net was impacted in all periods by foreign currency transaction gains and losses.

Provision for Income Taxes Reconciliation of GAAP to Non-GAAP

Provision for income taxes includes the following adjusting items:

	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Effective Tax Rate, GAAP	28.6%	45.8%	28.4%	N.M.
(Provision) Benefit for income taxes, GAAP	\$ (217)	\$ 281	\$ (424)	\$ 51
Plus adjustments for:				
2014 Organization Restructuring	—	4	4	12
Pension Settlements	—	509	—	512
Adjusted (Provision) Benefit for income taxes	\$ (217)	\$ (232)	\$ (428)	\$ (473)
Adjusted Effective Tax Rate	28.9%	32.2%	28.6%	32.2%

The decrease in the adjusted effective tax rate for the three and six month periods ended June 30, 2016 is due to resolution of certain tax matters. In addition, the adjusted effective tax rate for the six month period ended June 30, 2016 included benefits from certain tax planning initiatives.

Share of Net Income of Equity Companies

Our share of net income of equity companies was \$35 and \$39 for the three months ended June 30, 2016 and 2015, respectively, and \$70 and \$75 for the six months ended June 30, 2016 and 2015, respectively. Kimberly-Clark de Mexico, S.A.B. de C.V. results were impacted by a weaker Mexican peso, mostly offset by benefits from organic sales growth, lower input costs and cost savings.

Net Income (Loss) Attributable to Kimberly-Clark and Diluted Earnings Per Share

Reconciliations of GAAP to Non-GAAP

Net Income (Loss) Attributable to Kimberly-Clark and Diluted Earnings Per Share include the following adjusting items:

	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Net Income (Loss) Attributable to Kimberly-Clark, GAAP	\$ 566	\$ (305)	\$ 1,111	\$ 163
Plus adjustments (net of tax) for:				
2014 Organization Restructuring	1	8	11	13
Pension Settlements	—	813	—	819
Adjustments Related to Venezuelan Operations	(11)	—	(11)	45
Adjusted Net Income Attributable to Kimberly-Clark	\$ 556	\$ 516	\$ 1,111	\$ 1,040
	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
Diluted Earnings (Loss) Per Share, GAAP	\$ 1.56	\$ (0.83)	\$ 3.06	\$ 0.44
Plus adjustments for:				
2014 Organization Restructuring	—	0.02	0.03	0.04
Pension Settlements	—	2.22	—	2.23
Adjustments Related to Venezuelan Operations	(0.03)	—	(0.03)	0.12
Adjusted Earnings Per Share	\$ 1.53	\$ 1.41	\$ 3.06	\$ 2.83

The increase in adjusted earnings per share for the three and six months ended June 30, 2016 is primarily due to benefits from organic sales growth, cost savings and a lower effective tax rate.

Results By Geography

	Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015
NET SALES				
North America	\$ 2,410	\$ 2,359	\$ 4,783	\$ 4,719
Outside North America	2,254	2,370	4,429	4,788
Intergeographic sales	(76)	(86)	(148)	(173)
TOTAL NET SALES	\$ 4,588	\$ 4,643	\$ 9,064	\$ 9,334
OPERATING PROFIT (LOSS)				
North America	\$ 589	\$ 532	\$ 1,159	\$ 1,060
Outside North America	291	346	600	698
Corporate & Other	(63)	(90)	(128)	(160)
Other (income) and expense, net ^(a)	(21)	1,332	(11)	1,394
TOTAL OPERATING PROFIT (LOSS)	\$ 838	\$ (544)	\$ 1,642	\$ 204

^(a) Corporate & Other and Other (income) and expense, net include expenses not associated with the business segments, including charges as indicated in the Non-GAAP Reconciliations.

Results by Business Segments

Personal Care

	Three Months Ended June 30		Six Months Ended June 30			Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015		2016	2015	2016	2015
Net Sales	\$ 2,279	\$ 2,306	\$ 4,486	\$ 4,614	Operating Profit	\$ 455	\$ 473	\$ 904	\$ 928
Net Sales	Percent Change		Percent Change		Operating Profit	Percent Change		Percent Change	
Volume	6		5		Volume	15		11	
Net Price	(1)		(1)		Net Price	(7)		(4)	
Mix/Other ^(a)	—		—		Input Costs	2		4	
Currency	(6)		(7)		Cost Savings	12		13	
Total	<u>(1.2)</u>		<u>(2.8)</u>		Currency Translation	(4)		(6)	
					Other ^(b)	(22)		(21)	
					Total	<u>(3.8)</u>		<u>(2.6)</u>	

^(a) Includes rounding

^(b) Includes the impact of changes in marketing, research, and general expenses, foreign currency transaction effects and other manufacturing costs

Second quarter net sales of \$2.3 billion decreased 1 percent compared to prior year. Unfavorable currency rates reduced net sales 6 percent. Sales volumes increased 6 percent while changes in net selling prices decreased net sales by 1 percent. Second quarter operating profit of \$455 decreased 4 percent. The comparison was impacted by unfavorable currency effects and increased marketing, research and general spending on a local currency basis, partially offset by organic sales growth and cost savings.

Net sales in North America increased 4 percent. Sales volumes increased 8 percent. Changes in net selling prices decreased net sales by 3 percent, including increased promotion activity to support product innovations, and changes in product mix decreased net sales by 1 percent. Adult care, child care and feminine care volumes each increased approximately 10 percent and diaper volumes increased mid-single digits. Overall volumes benefited from innovations, market share improvements and promotion activity, along with category growth in adult care.

Net sales in developing and emerging markets decreased 7 percent, including a 13 percent impact from unfavorable currency rates. Sales volumes increased 6 percent and changes in net selling prices increased net sales by 1 percent, while changes in product mix decreased net sales by 1 percent. The sales volume growth included gains in Brazil, China, Eastern Europe and South Africa. The higher net selling prices were driven by Latin America in response to weaker currency rates and local cost inflation, mostly offset by declines in China due to increased promotion activity.

Net sales in developed markets outside North America decreased 2 percent, including a 4 percent unfavorable impact from currency rates. Sales volumes increased 4 percent, driven by Australia, while changes in net selling prices decreased net sales by 2 percent.

Consumer Tissue

	Three Months Ended June 30		Six Months Ended June 30			Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015		2016	2015	2016	2015
Net Sales	\$ 1,494	\$ 1,499	\$ 2,990	\$ 3,073	Operating Profit	\$ 275	\$ 260	\$ 555	\$ 551
Net Sales	Percent Change		Percent Change		Operating Profit	Percent Change		Percent Change	
Volume	3		1		Volume	9		4	
Net Price	—		—		Net Price	2		3	
Mix/Other ^(a)	(1)		—		Input Costs	4		2	
Currency	(2)		(4)		Cost Savings	7		6	
Total	<u>(0.3)</u>		<u>(2.7)</u>		Currency Translation	(1)		(2)	
					Other ^(b)	(15)		(12)	
					Total	<u>5.8</u>		<u>0.7</u>	

^(a) Includes rounding

^(b) Includes the impact of changes in marketing, research, and general expenses, foreign currency transaction effects and other manufacturing costs

Second quarter net sales of \$1.5 billion were essentially even with the prior year. Sales volumes increased 3 percent, while currency had an unfavorable impact of 2 percent and changes in product mix decreased net sales by 1 percent. Second quarter operating profit of \$275 increased 6 percent. The comparison benefited from organic sales growth, cost savings and input cost deflation, partially offset by unfavorable currencies.

Net sales in North America increased 4 percent. Sales volumes increased 6 percent, with mid-to-high single-digit increases in all product categories, led by facial tissue. Changes in product mix decreased net sales by 2 percent.

Net sales in developing and emerging markets decreased 8 percent, including a 9 percent impact from unfavorable currency rates. Changes in net selling prices increased net sales by 3 percent and changes in product mix increased net sales by 1 percent, while sales volumes decreased about 4 percent. The changes in net selling prices and volumes mostly occurred in Latin America.

Net sales in developed markets outside North America decreased 2 percent. Currency rates were unfavorable 2 percent. The combined impact of changes in net selling prices and product mix reduced net sales approximately 2 percent, while volumes improved 1 percent.

K-C Professional

	Three Months Ended June 30		Six Months Ended June 30			Three Months Ended June 30		Six Months Ended June 30	
	2016	2015	2016	2015		2016	2015	2016	2015
Net Sales	\$ 806	\$ 822	\$ 1,569	\$ 1,617	Operating Profit	\$ 150	\$ 145	\$ 300	\$ 279
Net Sales	Percent Change		Percent Change		Operating Profit	Percent Change		Percent Change	
Volume	(1)	—	—	—	Volume	(1)	3	3	3
Net Price	1	1	1	1	Net Price	8	6	6	6
Mix/Other ^(a)	—	—	—	—	Input Costs	1	1	1	1
Currency	(2)	(4)	(4)	(4)	Cost Savings	13	11	11	11
Total	<u>(1.9)</u>	<u>(3.0)</u>	<u>(3.0)</u>	<u>(3.0)</u>	Currency Translation	(2)	(3)	(3)	(3)
					Other ^(b)	(16)	(10)	(10)	(10)
					Total	<u>3.4</u>	<u>7.5</u>	<u>7.5</u>	<u>7.5</u>

^(a) Includes rounding

^(b) Includes the impact of changes in marketing, research, and general expenses, foreign currency transaction effects and other manufacturing costs

Second quarter net sales of \$0.8 billion decreased 2 percent. Unfavorable changes in currency rates reduced net sales 2 percent. Changes in net selling prices increased net sales by 1 percent, while sales volumes decreased 1 percent. Changes in product mix/other was even year-on-year despite an approximate 1 percent impact from lower sales of nonwovens to Halyard Health, Inc. Second quarter operating profit of \$150 increased 3 percent. The comparison benefited from cost savings, mostly offset by unfavorable currency effects.

Net sales in North America increased 1 percent. The combined impact of changes in net selling prices and product mix increased net sales 2 percent, while volumes decreased 1 percent.

Net sales in developing and emerging markets decreased 4 percent, including a 10 percent impact from unfavorable currency rates. Changes in net selling prices and product mix increased net sales by 5 percent and 1 percent, respectively.

Net sales in developed markets outside North America decreased 2 percent. Changes in currency rates reduced net sales 1 percent and the combined impact of changes in net selling prices and product mix lowered net sales by 1 percent.

2014 Organization Restructuring

In 2014, we initiated a restructuring plan in order to improve organization efficiency and offset the impact of stranded overhead costs resulting from the spin-off of our health care business. The restructuring is intended to improve underlying profitability and increase our flexibility to invest in targeted growth initiatives, brand building and other capabilities critical to delivering future growth. The plan is expected to be completed by the end of 2016, with total costs, primarily severance, anticipated to be toward the high end of the range of \$130 to \$160 after tax (\$190 to \$230 pretax). Cash costs are projected to be approximately 80 percent of the total charges. Cumulative pretax savings from the restructuring are expected to be toward the high end of the range of \$120 to \$140 by the end of 2017, and were \$100 through June 30, 2016 . The restructuring is expected to impact all of our business segments and our organizations in all major geographies. Total pretax charges were \$1 (\$1 after tax) and \$12 (\$8 after tax) for the three months ended June 30, 2016 and 2015 , respectively. Total pretax charges were \$15 (\$11 after tax) and \$25 (\$13 after tax) for the six months ended June 30, 2016 and 2015 , respectively.

Defined Benefit Pension Plan Changes

Effective January 2015, the U.S. pension plan was amended to include a lump-sum pension benefit payout option for certain plan participants. In addition, in April 2015, the U.S. pension plan completed the purchase of group annuity contracts that transferred to two insurance companies the pension benefit obligations totaling \$2.5 billion for approximately 21,000 Kimberly-Clark retirees in the United States. As a result of these changes, we recognized pension settlement-related charges of \$0.8 billion after tax (\$1.4 billion pretax in other (income) and expense, net) during 2015, mostly in the second quarter.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was \$1.4 billion for the first six months of 2016 , compared to \$0.8 billion in the prior year. The increase included benefits from higher cash earnings, improved working capital and lower pension contributions. For the six months ended June 30, 2016 and 2015 defined benefit pension plan contributions were \$30 and \$435, respectively.

Investing

During the first six months of 2016 , our capital spending was \$397 compared to \$527 in the prior year. We anticipate that full-year 2016 capital spending will be between \$950 and \$1,050.

Financing

On February 22, 2016, we issued \$400 aggregate principal amount of 1.40% notes due February 15, 2019 and \$400 aggregate principal amount of 2.75% notes due February 15, 2026. Proceeds from the offering were used for general corporate purposes, including repayment of a portion of our outstanding commercial paper indebtedness.

Our short-term debt, which consists of U.S. commercial paper with original maturities up to 90 days and/or other similar short-term debt issued by non-U.S. subsidiaries, was \$758 as of June 30, 2016 (included in debt payable within one year on the Consolidated Balance Sheet). The average month-end balance of short-term debt for the second quarter of 2016 was \$692 . These short-term borrowings provide supplemental funding for supporting our operations. The level of short-term debt generally fluctuates depending upon the amount of operating cash flows and the timing of customer receipts and payments for items such as pension contributions, dividends and income taxes.

At June 30, 2016 , total debt was \$7.7 billion compared to \$7.8 billion at December 31, 2015 .

We maintain a \$2.0 billion revolving credit facility which expires in 2019. This facility, currently unused, supports our commercial paper program, and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first six months of 2016 , we repurchased 2.3 million shares of our common stock at a cost of \$300 through a broker in the open market. We are targeting full-year 2016 share repurchases of \$700 to \$800, subject to market conditions.

Business Outlook

In 2016, we plan to continue to execute our Global Business Plan strategies, which include a focus on targeted growth initiatives, innovation and brand building, cost savings programs and shareholder-friendly capital allocation. In 2016, we expect diluted earnings per share in a range of \$5.92 to \$6.15 and adjusted earnings per share in a range of \$5.95 to \$6.15. The adjusted earnings per share excludes expected 2014 Organization Restructuring charges equivalent to \$0.03 to \$0.06 and the positive impact of an

adjustment related to Venezuela recorded in the second quarter equivalent to \$0.03. Our adjusted earnings per share guidance is based on the assumptions described below:

- Growth in organic sales is expected to be at the low end of the previously assumed range of 3 to 5 percent range. This reflects lower expected benefits from selling price increases, primarily due to an improved currency outlook.
- We expect negative foreign currency translation effects on net sales and operating profit to be 4 to 5 percent (prior assumption toward the low end of the 5 to 6 percent range). Currency transaction effects are also anticipated to negatively impact operating profit.
- We anticipate the net impact of changes in commodity costs to be between \$25 and \$125 of deflation year-on-year.
- We plan to achieve cost savings of \$350 to \$400 from our FORCE program (previous assumption at least \$350), and at least \$50 from the 2014 Organization Restructuring.
- We anticipate that advertising spending will be similar to, or up slightly, as a percentage of net sales to support targeted growth initiatives, brand building and innovation activities.
- We expect the full-year 2016 effective tax rate and adjusted effective tax rate to be in the lower half of the 30.5 to 32.5 percent target range.
- Our share of net income from equity companies is expected to be similar to, or down somewhat, compared to 2015.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including the anticipated costs, scope, timing and financial and other effects of the 2014 Organization Restructuring, the anticipated cost savings from the company's FORCE program, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, cost savings and reductions, net sales, anticipated currency rates and exchange risks, raw material, energy and other input costs, contingencies and anticipated transactions of Kimberly-Clark, including dividends, share repurchases and pension contributions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and are based upon management's expectations and beliefs concerning future events impacting Kimberly-Clark. There can be no assurance that these future events will occur as anticipated or that our 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.

The assumptions used as a basis for the forward-looking statements include many estimates that, among other things, depend on the achievement of future cost savings and projected volume increases. In addition, many factors outside our control, including fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, potential competitive pressures on selling prices for our products, energy costs and retail trade customer actions, 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.

For a description of certain factors that could cause our future results to differ from those expressed in these forward-looking statements, see Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2015 entitled "Risk Factors." Other factors not presently known to us or that we presently consider immaterial could also affect our business operations and financial results.

Item 4. Controls and Procedures

As of June 30, 2016, an evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, management, including the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of June 30, 2016. There were no changes in our internal control over financial reporting during the quarter covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. All our share repurchases during the second quarter of 2016 were made through a broker in the open market.

The following table contains information for shares repurchased during the second quarter of 2016 . None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2016)	Total Number of Shares Purchased ^(a)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares That May Yet Be Purchased Under the Plans or Programs
April 1 to April 30	375,000	\$132.93	5,251,811	34,748,189
May 1 to May 31	380,000	127.61	5,631,811	34,368,189
June 1 to June 30	392,000	131.48	6,023,811	33,976,189
Total	<u>1,147,000</u>			

(a) Share repurchases were made pursuant to a share repurchase program authorized by our Board of Directors on November 13, 2014. This program allows for the repurchase of 40 million shares in an amount not to exceed \$5 billion.

Item 6. Exhibits

(a) Exhibits

Exhibit No. (3)a. Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.

Exhibit No. (3)b. By-Laws, as amended December 14, 2015, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated December 14, 2015.

Exhibit No. (4). Copies of instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission on request.

Exhibit No. (10)l. 2011 Outside Directors' Compensation Plan, as amended and restated, effective May 4, 2016, filed herewith.

Exhibit No. (10)n. Form of Award Agreements under 2011 Equity Participation Plan for Nonqualified Stock Options filed herewith.

Exhibit No. (10)r. Form of Award Agreement under 2011 Equity Participation Plan for Time-Vested Restricted Stock Units, filed herewith.

Exhibit No. (31)a. Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), filed herewith.

Exhibit No. (31)b. Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.

Exhibit No. (32)a. Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (32)b. Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.

Exhibit No. (101).INS XBRL Instance Document

Exhibit No. (101).SCH XBRL Taxonomy Extension Schema Document

Exhibit No. (101).CAL XBRL Taxonomy Extension Calculation Linkbase Document

Exhibit No. (101).DEF XBRL Taxonomy Extension Definition Linkbase Document

Exhibit No. (101).LAB XBRL Taxonomy Extension Label Linkbase Document

Exhibit No. (101).PRE XBRL Taxonomy Extension Presentation Linkbase Document

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KIMBERLY-CLARK CORPORATION
(Registrant)

By: /s/ Maria Henry

Maria Henry
Senior Vice President and
Chief Financial Officer
(principal financial officer)

By: /s/ Michael T. Azbell

Michael T. Azbell
Vice President and Controller
(principal accounting officer)

July 25, 2016

EXHIBIT INDEX

Exhibit No.	Description
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(31)b.	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act, filed herewith.
(32)a.	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(32)b.	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code, furnished herewith.
(101).INS	XBRL Instance Document
(101).SCH	XBRL Taxonomy Extension Schema Document
(101).CAL	XBRL Taxonomy Extension Calculation Linkbase Document
(101).DEF	XBRL Taxonomy Extension Definition Linkbase Document
(101).LAB	XBRL Taxonomy Extension Label Linkbase Document
(101).PRE	XBRL Taxonomy Extension Presentation Linkbase Document

KIMBERLY-CLARK CORPORATION
2011 OUTSIDE DIRECTORS' COMPENSATION PLAN
(Amended and restated effective May 4, 2016)

1. INTRODUCTION

The Kimberly-Clark Corporation Outside Directors' Compensation Plan (the "Plan") is intended to promote the interests of Kimberly-Clark Corporation (the "Corporation") and its stockholders by enhancing the Corporation's ability to attract, motivate and retain as Outside Directors persons of training, experience and ability, and to encourage the highest level of Outside Director performance. The Plan is intended to permit the Corporation maximum flexibility in implementing a compensation policy including aligning the Outside Directors' economic interests closely with those of the Corporation's stockholders by use of equity based compensation awards.

2. DEFINITIONS

Unless otherwise defined in the text of the Plan, capitalized terms herein shall have the meanings set forth in this Section 2.

"Affiliate" means any Corporation in which the Corporation owns 20 percent or more of the equity interest (collectively, the "Affiliates").

"Award" has the meaning set forth in Section 3 of the Plan.

"Board" means the Board of Directors of the Corporation.

"Change of Control" means an event deemed to have taken place if: (i) a third person, including a "group" as defined for purposes of Code Section 409A, acquires shares of the Corporation having 30 percent or more of the total number of votes that may be cast for the election of Directors of the Corporation; or (ii) as the result of any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions (a "Transaction"), the persons who were Directors of the Corporation before the Transaction shall cease to constitute a majority of the Board of Directors of the Corporation or any successor to the Corporation.

"Code" means the Internal Revenue Code of 1986 and the regulations thereunder, as amended from time to time.

"Committee Rules" means the Committee Rules for the Kimberly-Clark Corporation 2001 Equity Participation Plan or any successor plan.

"Director" means a member of the Board.

"Effective Date" means May 4, 2016 for the amended and restated Plan, upon approval by the stockholders of the Corporation at its 2016 annual meeting. The Plan was originally adopted effective January 1, 2001.

"Exchange Act" means the Securities Exchange Act of 1934 and the rules and regulations thereunder, as amended from time to time.

"Fair Market Value" means the reported closing price of the Stock, on the relevant date as reported on the composite list used by The Wall Street Journal for reporting stock prices or, if no such sale shall has been made on that day, on the last preceding day on which there was such a sale.

“Management Development and Compensation Committee” means the Management Development and Compensation Committee of the Board.

“Nominating and Corporate Governance Committee” means the Nominating and Corporate Governance Committee of the Board.

“Option” means a right to purchase a specified number of shares of Stock at a fixed Option price equal to no less than the Fair Market Value of the Stock on the date the Option is granted. For purposes of this Plan, Options shall be issued either as “Annual Options,” as described in subsection 8(a)(iii), or “Additional Options,” as described in subsection 8(b).

“Outside Director” means a Director who is not on the date of grant of an Award pursuant to the Plan, or within one year prior to the date of such grant, an employee of the Corporation or any of its Affiliates.

“Restricted Period” shall mean the period of time during which the Transferability Restrictions applicable to Awards will be in force.

“Restricted Share” shall mean a share of Stock which may not be traded or sold, until the date the Transferability Restrictions expire.

“Restricted Share Unit” means the right, as described in Section 10, to receive an amount, payable in either cash or shares of Stock, equal to the value of a specified number of shares of Stock. No certificates shall be issued with respect to such Restricted Share Unit, except as provided in subsection 10(d), and the Corporation shall maintain a bookkeeping account in the name of the Outside Director to which the Restricted Share Unit shall relate.

“Retainer” means the annual retainer payable to an Outside Director for services rendered as a Director. As of the Effective Date, the amount of the cash portion of such Retainer shall be \$100,000 per year, payable in quarterly installments in advance. The Board may, from time to time, establish a different retainer amount and/or the method of paying the retainer.

“Rule 16b-3” means Rule 16b-3 under the Securities Exchange Act of 1934, as amended.

“Retirement” and “Retires” means the separation from service as a Director on or after the date the Director has attained age 55.

“Stock” means the shares of the Corporation’s common stock, par value \$1.25 per share.

“Stock Appreciation Right (SAR)” has the meaning set forth in subsection 8(l)(i) of this Plan.

“Transferability Restrictions” means the restrictions on transferability imposed on Awards of Restricted Shares or Restricted Share Units.

3. COMPENSATION

The Outside Directors will be entitled to receive compensation for their services as a member of the Board, and any of its committees, as may be determined from time to time by the Board following a review of, and recommendation on, Outside Director compensation made by the Nominating and Corporate Governance Committee. The compensation paid to each Outside Director is referred to herein as an “Award”, and may be paid in cash, Stock, Options, SARs, Restricted Shares, Restricted Share Units, other forms of equity or any combination thereof as is determined by the Board.

4. PARTICIPATION AND FORM OF GRANT

Participation in the Plan is limited to Outside Directors. It is intended that all Outside Directors will be participants in the Plan.

All Awards under the Plan shall be made in the form of Options, SARs, Stock, cash, Restricted Shares, Restricted Share Units, other forms of equity or any combination thereof. Notwithstanding anything in this Plan to the contrary, any Awards shall contain restrictions on assignability to the extent required under Rule 16b-3 of the Exchange Act.

5. ADMINISTRATION OF THE PLAN

The Plan shall be administered by the Board, which shall have sole and complete discretion and authority with respect thereto, except as expressly limited by the Plan. All action taken by the Board in the administration and interpretation of the Plan shall be final and binding on all matters relating to the Plan. All questions of interpretation, administration and application of the Plan shall be determined by a majority of the members of the Board, except that the Board may authorize any Directors, officers or employees of the Corporation to assist the Board in the administration of the Plan and to execute documents on behalf of the Board. The Board also may delegate to a committee of the Board, or such other Directors, officers or employees, as the Board determines, such other ministerial and discretionary duties as it sees fit.

The Corporation or the Board may employ such legal counsel, consultants and agents as it may deem desirable for the administration of the Plan, and may rely upon any advice or opinion received from any such counsel or consultant and any computation received from any such consultant or agent. No member of the Board shall be liable for any act done or omitted to be done by such member, or by any other member of the Board, in connection with the Plan, except for such member's own willful misconduct or as otherwise expressly provided by statute.

The Board shall have the power to promulgate rules and other guidelines in connection with the performance of its obligations, powers and duties under the Plan, including its duty to administer and construe the Plan and the Awards.

All expenses of administering the Plan shall be paid by the Corporation.

6. TERM OF PLAN

The Plan as amended and restated shall become effective as of the Effective Date. The Plan shall remain in effect until April 20, 2021, unless the Plan is terminated prior thereto by the Board. No Awards may be granted after the termination date of the Plan, but Awards theretofore granted shall continue in force beyond that date pursuant to their terms.

7. SHARES SUBJECT TO THE PLAN; ADJUSTMENTS; INDIVIDUAL LIMIT

(a) Shares Subject to the Plan. The aggregate maximum number of shares of Stock available for grant under the Plan shall be 1,000,000 shares, subject to the adjustment provision set forth in subsection 7(b) below. Shares of Stock subject to the Plan will be shares that were once issued and subsequently reacquired by the Corporation in the form of treasury stock. Shares subject to Awards which become ineligible for purchase, and Restricted Shares forfeited, will be available for Awards under the Plan to the extent permitted by Section 16 of the Exchange Act (or the rules and regulations promulgated thereunder) and to the extent determined to be appropriate by the Board. Notwithstanding anything in this Plan to the contrary, each grant of Awards under this Plan shall be subject to the availability of shares of Stock under this subsection 7(a).

(b) Adjustments. In the event there are any changes in the Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Board, to the extent necessary to preserve the benefit to the Outside Director contemplated hereby, to reflect such changes in (i) the aggregate number of shares of Stock subject to the Plan, (ii) the number of shares and the Award price per share of all shares of Stock subject to outstanding Awards, and (iii) such other provisions of the Plan as may be necessary and equitable to carry out the foregoing purposes, provided, however, that no such adjustment or change may be made to the extent that such adjustment or change will result in the dilution or enlargement of any rights of any Outside Director.

(c) Individual Limit. Notwithstanding anything in this Plan to the contrary, the aggregate dollar value of equity-based (based on the grant date fair value of equity-based Awards as determined for financial reporting purposes) and cash compensation granted under this Plan or otherwise during any calendar year to any individual Outside Director shall not exceed one million dollars (\$1,000,000); provided, however, that in the calendar year in which an Outside Director is first designated as Chairman of the Board of Directors or Lead Director, the maximum aggregate dollar value of equity-based and cash compensation to the Outside Director may be up to two hundred percent (200%) of the foregoing limit.

8. STOCK OPTIONS

(a) Annual Grant of Options. Except to the extent that the Board determines otherwise, Options may be granted to Outside Directors under the Plan as follows:

(i) The Board, by resolution, may provide that each Outside Director in office on January 1 of the calendar year may be automatically granted an Option to purchase a number of shares of Stock to be determined by the Board. The Board, by resolution, also may provide that each Outside Director who is first elected or appointed to the Board after January 1 of the calendar year, may be automatically granted a pro rata number of Options hereunder, without further action by the Board or the stockholders of the Corporation, on the earlier of the date of the first regular meeting during the calendar year of the Board or the Management Development and Compensation Committee after the date such Outside Director first becomes eligible for the grant of Options under this subsection 8(a). The Options to be pro rated will be the amount that would have been paid during the calendar year.

(ii) In addition, the Board, by resolution, may provide that each Outside Director who during the calendar year is designated to serve as the Chair of any one or more of the Audit, Management Development and Compensation, or Nominating and Corporate Governance Committees of the Board, or such other committee as may be determined by the Board, may be granted an Option to purchase an additional number of shares of Stock for each Chair to be determined by the Board.

(iii) A grant of Options as payment of either the annual Retainer or for each applicable Chair of a Committee is referred to herein as “Annual Options.”

(iv) Except as otherwise determined by the Board, Annual Options that may be granted to each Outside Director, and each Chair of the Audit, Management Development and Compensation, or Nominating and Corporate

Governance Committees, as of January 1 of the calendar year, shall be automatically granted, without further action by the Board or the stockholders of the Corporation, on the date of the regular February meeting of the Management Development and Compensation Committee.

(b) Election of Additional Option. To the extent determined by the Board, each Outside Director may elect to receive the cash portion of his or her annual Retainer in the form of an additional Option (hereinafter referred to as an “Additional Option”), in increments of 50 percent of such cash portion of the Retainer. Except as otherwise provided below, such election must be made prior to the date that services are rendered in the calendar year in which such Retainer otherwise would be paid and shall be irrevocable thereafter for such calendar year; provided, however, that an election by an Outside Director pursuant to this subsection for a calendar year (or portion thereof) shall be valid and effective for all purposes for all succeeding calendar years, unless and until such election is revoked or modified by such Outside Director prior to the date that services are rendered in such succeeding calendar year(s); and, provided further, that no such election, revocation or modification may be made within six months of another such election, revocation or modification if the exemption afforded by Rule 16b-3 would not be available as a result thereof.

Notwithstanding the preceding, an individual who is first elected to the Board as an Outside Director during a calendar year may, to the extent determined by the Board, be permitted to make an election to receive the cash portion of his or her annual Retainer in the form of an Additional Option, in increments of 50 percent of such cash portion of the Retainer, during the thirty day period following his or her election date. An election under this paragraph shall be subject to the terms and conditions of this Section.

The number of shares of Stock subject to this Additional Option shall be based on 85 percent of the Black-Scholes-Merton valuation of the cash portion of the Retainer elected to be received as an Additional Option as of the date of grant. To the extent Additional Options are authorized by the Board, each Outside Director as of January 1 of the calendar year, shall be automatically granted the Additional Options elected hereunder, without further action by the Board or the stockholders of the Corporation, on the date of the February Management Development and Compensation Committee meeting. To the extent Additional Options are authorized by the Board, each Outside Director who first becomes eligible for a grant after January 1 of the calendar year, shall be automatically granted the Additional Options elected hereunder, without further action by the Board or the stockholders of the Corporation, on the earlier of the date of the first regular meeting during the calendar year of either the Board or the Management Development and Compensation Committee after the date such Outside Director first becomes eligible and elects the grant of Additional Options under this subsection 8(b).

(c) Form of Additional Option Election. An election by an Outside Director to receive some or all of the cash portion of his or her Retainer as an Additional Option shall (i) be in writing, (ii) be delivered to the Secretary of the Corporation, and (iii) be irrevocable in all respects with respect to the calendar year(s) to which the election relates. If no election has ever been made by the Outside Director pursuant to subsection 8(b) above, he or she shall be deemed to have made an election to receive the entire cash portion of the Retainer in cash.

(d) Period of Option. The period of each Option shall be 10 years from the date it is granted.

(e) Option Price. The exercise price of an Option shall be the Fair Market Value of the Stock at the time the Option is granted.

(f) Limitations on Exercise. Each Option shall not be exercisable until at least one year has expired after the granting of the Option, during which time the Outside Director shall have been in the continuous service as a Director of the Corporation;

provided, however, that the provisions of this subsection 8(f) shall not apply and all Options outstanding under the Plan shall be exercisable in full if the Outside Director separates from service as a Director within the two (2) year period following the date a Change of Control of the Corporation occurs. Commencing one year after the date the Option was granted, the Outside Director may purchase the total number of shares of Stock covered by the Option; provided, however, that if the Director separates from service as a Director for any reason other than death, Retirement, a voluntary decision by the Outside Director not to stand for reelection to the Board or total and permanent disability, the Option shall be exercisable only for the number of shares of Stock which were exercisable on the date of such separation from service. In no event, however, may an Option be exercised more than 10 years after the date of its grant.

(g) Exercise; Notice Thereof. Options shall be exercised by delivering to the Corporation, as directed by the office of the Treasurer at the World Headquarters, written notice of the number of shares of Stock with respect to which Option rights are being exercised and by paying in full the Option Price of the shares at the time being acquired. Payment may be made in cash, a check payable to the Corporation or in shares of Stock transferable to the Corporation and having a Fair Market Value on the transfer date equal to the amount payable to the Corporation. The date of exercise shall be deemed to be the date the Corporation receives the written notice and payment for the shares being purchased. An Outside Director shall have none of the rights of a stockholder with respect to shares covered by an Option until the Outside Director becomes the record holder of such shares.

(h) Exercise after Death, Retirement, Disability or Voluntary Separation of Service. If a Director dies, retires, becomes totally and permanently disabled, or separates from service on the Board by reason of a voluntary decision by the Outside Director not to stand for reelection to the Board, without having exercised an Option in full, the remaining portion of such Option may be exercised, without regard to the limitations in subsection 8(f), within the remaining period of the Option. Upon an Outside Director's death, the Option may be exercised by the person or persons to whom such Outside Director's rights under the Option shall pass by will or the laws of descent and distribution or, if no such person has such rights, by his executor or administrator.

(i) Non-transferability. During the Outside Director's lifetime, Options shall be exercisable only by such Outside Director. Options shall not be transferable other than by will or the laws of descent and distribution upon the Outside Director's death. Notwithstanding anything in this subsection 8(i) to the contrary, Outside Directors shall have the right to transfer Options, to the extent allowed under Rule 16b-3 of the Exchange Act, subject to the same terms and conditions applicable to Options granted to the Chief Executive Officer of the Corporation under Committee Rules.

(j) Purchase for Investment. It is contemplated that the Corporation will register shares sold to Directors pursuant to the Plan under the Securities Act of 1933. In the absence of an effective registration, however, an Outside Director exercising an Option hereunder may be required to give a representation that he/she is acquiring such shares as an investment and not with a view to distribution thereof.

(k) Options for Nonresident Aliens. In the case of any Option awarded to an Outside Director who is not a resident of the United States, the Board may (i) waive or alter the conditions set forth in subsections 8(a) through 8(j) to the extent that such action is necessary to conform such Option to applicable foreign law, or (ii) take any action, either before or after the award of such Option, which it deems advisable to obtain approval of such Option by an appropriate governmental entity; provided, however, that no action may be taken hereunder if such action would (1) increase any benefits accruing to any Outside Directors under the Plan, (2) increase the number of securities which may be issued under the Plan, (3) modify the requirements for eligibility to participate in the Plan, or (4) result in a failure to comply with applicable provisions of the Securities Act of 1933, the Exchange Act or the Code.

(l) Election to Receive Cash Rather than Stock.

(i) At the same time as Options are granted the Board may also grant to designated Outside Directors the right to convert a specified number of shares of Stock covered by such Options to cash, subject to the terms and conditions of this subsection 8(l). For each such Option so converted, the Outside Director shall be entitled to receive cash equal to the difference between the Outside Director's Option Price and the Fair Market Value of the Stock on the date of conversion. Such a right shall be referred to herein as a Stock Appreciation Right ("SAR"). Outside Directors to whom a SAR has been granted shall be notified of such grant and of the Options to which such SAR pertains. A SAR may be revoked by the Board, in its sole discretion, at any time, provided, however, that no such revocation may be taken hereunder if such action would result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

(ii) An Outside Director who has been granted a SAR may exercise such SAR during such periods as provided for in the rules promulgated under Section 16 of the Exchange Act. The SAR shall expire when the period of the subject Option expires.

(iii) At the time an Outside Director converts one or more shares of Stock covered by an Option to cash pursuant to a SAR, such Outside Director must exercise one or more Options, which were granted at the same time as the Option subject to such SAR, for an equal number of shares of Stock. In the event that the number of shares and the Option Price per share of all shares of Stock subject to outstanding Options is adjusted as provided in the Plan, the above SARs shall automatically be adjusted in the same ratio which reflects the adjustment to the number of shares and the Option Price per share of all shares of Stock subject to outstanding Options.

(m) No Repricings. No Option or SAR may be re-priced, replaced, re-granted through cancellation, or modified without stockholder approval (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 7 hereof) if the effect would be to reduce the exercise price for the shares underlying such Option or SAR. In addition, no Option or SAR may be repurchased or otherwise cancelled in exchange for cash (except in connection with a change in the Common Stock or the capitalization of the Corporation as provided in Section 7 hereof) if the Option Price or Grant Price of the SAR is equal to or less than the Fair Market Value of the Common Stock at the time of such repurchase or exchange. Notwithstanding anything herein to the contrary, the Committee may take any such action set forth in this subsection 8(m) subject to the approval of the stockholders.

9. RESTRICTED SHARES

The Board may from time to time designate those Outside Directors who shall receive Restricted Share Awards. Each grant of Restricted Shares under the Plan shall be evidenced by a notice from the Board to the Outside Director. The notice shall contain such terms and conditions, not inconsistent with the Plan, as shall be determined by the Board and shall indicate the number of Restricted Shares awarded and the following terms and conditions of the award.

(a) Grant of Restricted Shares. The Board shall determine the number of Restricted Shares to be included in the grant and the period or periods during which the Transferability Restrictions applicable to the Restricted Shares will be in force (the "Restricted Period"). The Restricted Period may be the same for all Restricted Shares granted at a particular time to any one Outside Director or may be different with respect to different Outside Directors or with respect to various of the Restricted Shares granted to the same Outside Director, all as determined by the Board at the time of grant.

(b) Transferability Restrictions. During the Restricted Period, Restricted Shares may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, an Outside Director's right, if any, to receive Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. In order to enforce the limitations imposed upon the Restricted Shares the Board may (i) cause a legend or legends to be placed on any such certificates, and/or (ii) issue "stop transfer" instructions as it deems necessary or appropriate. Holders of Restricted Shares limited as to sale under this subsection 9(b) shall have rights as a shareholder with respect to such shares to receive dividends in cash or other property or other distribution or rights in respect of such shares, and to vote such shares as the record owner thereof. With respect to each grant of Restricted Shares, the Board shall determine the Transferability Restrictions which will apply to the Restricted Shares for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Board may provide (i) that the Outside Director will not be entitled to receive any shares of Stock unless he or she still serves as a Director of the Corporation at the end of the Restricted Period, (ii) that the Outside Director will become vested in Restricted Shares according to a schedule determined by the Board, or under other terms and conditions determined by the Board, and (iii) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Outside Director's death or total and permanent disability.

(c) Manner of Holding and Delivering Restricted Shares. Each certificate issued for Restricted Shares shall be registered in the name of the Outside Director and deposited with the Corporation or its designee. These certificates shall remain in the possession of the Corporation or its designee until the end of the applicable Restricted Period or, if the Board has provided for earlier termination of the Transferability Restrictions following an Outside Director's death, total and permanent disability or earlier vesting of the shares of Stock, such earlier termination of the Transferability Restrictions. At whichever time is applicable, certificates representing the number of shares of Stock to which the Outside Director is then entitled shall be delivered to the Outside Director free and clear of the Transferability Restrictions; provided that in the case of an Outside Director who is not entitled to receive the full number of Restricted Shares evidenced by the certificates then being released from escrow because of the application of the Transferability Restrictions, those certificates shall be returned to the Corporation and canceled and a new certificate representing the shares of Stock, if any, to which the Outside Director is entitled pursuant to the Transferability Restrictions shall be issued and delivered to the Outside Director, free and clear of the Transferability Restrictions.

10. RESTRICTED SHARE UNITS

The Board shall from time to time designate those Outside Directors who shall receive Restricted Share Unit Awards. The Board shall advise such Outside Directors of their Awards by a letter indicating the number of Restricted Share Units awarded and the following terms and conditions of the award.

(a) Restricted Share Units may be granted to Outside Directors as of the first day of a Restricted Period. The number of Restricted Share Units to be granted to each Outside Director and the Restricted Period shall be determined by the Board in its sole discretion.

(b) Transferability Restrictions. During the Restricted Period, Restricted Share Units may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Furthermore, an Outside Director's right, if any, to receive cash or Stock upon termination of the Restricted Period may not be assigned or transferred except by will or by the laws of descent and distribution. With respect to each grant of Restricted Share Units, the Board shall determine the Transferability Restrictions which will apply to the Restricted Share Units for all or part of the Restricted Period. By way of illustration but not by way of limitation, the Board may provide (i) that the Outside Director will forfeit any Restricted Share Units

unless he or she still serves as a Director of the Corporation at the end of the Restricted Period, (ii) that the Outside Director will become vested in Restricted Share Units according to a schedule determined by the Board or under other terms and conditions determined by the Board, and (iii) how any Transferability Restrictions will be applied, modified or accelerated in the case of the Outside Director's death or total and permanent disability.

(c) Dividends. During the Restricted Period, Outside Directors will be credited with dividends, equivalent in value to those declared and paid on shares of Stock, on all Restricted Share Units granted to them. These dividends will be regarded as having been reinvested in Restricted Share Units on the date of the Stock dividend payments based on the then Fair Market Value of the Stock thereby increasing the number of Restricted Share Units held by an Outside Director. Holders of Restricted Share Units under this subsection 10(c) shall have none of the rights of a shareholder with respect to such shares. Holders of Restricted Share Units are not entitled to receive dividends in cash or other property, nor other distribution of rights in respect of such shares, nor to vote such shares as the record owner thereof.

(d) Payment of Restricted Share Units. The payment of Restricted Share Units shall be made in shares of Stock unless the Board determines at the time of grant that payment will be made in cash or a combination of both cash and shares of Stock. The payment of Restricted Share Units shall be made within 90 days following the end of the Restricted Period.

11. NOTICES; DELIVERY OF STOCK CERTIFICATES

Any notice required or permitted to be given by the Corporation or the Board pursuant to the Plan shall be deemed given when personally delivered or deposited in the United States mail, registered or certified, postage prepaid, addressed to the Outside Director at the last address shown for the Outside Director on the records of the Corporation.

12. AMENDMENT AND TERMINATION

The Board may at any time amend, suspend, or discontinue the Plan or alter or amend any or all Awards under the Plan to the extent (i) permitted by law, (ii) permitted by the rules of any stock exchange on which the Stock or any other security of the Corporation is listed, and (iii) permitted under applicable provisions of the Securities Act of 1933, as amended, the Exchange Act (including Rule 16b-3 thereof); provided, however, that if any of the foregoing requires the approval by the stockholders of any such amendment, suspension or discontinuance, then the Board may take such action subject to the approval of the stockholders. Except as provided in subsection 7(b), no such amendment, suspension or termination of the Plan shall, without the consent of the Director, adversely alter or change any of the rights or obligations under any Award granted to the Director. The Board may in its sole and absolute discretion, by written notice to a Director, (i) limit the period in which an Award may be exercised to a period ending at least three months following the date of such notice, and/or (ii) limit or eliminate the number of shares of Stock subject to Award after a period ending at least three months following the date of such notice. Except as provided in subsection 8(k) and this Section 12, no such amendment, suspension, or termination of the Plan shall, without the consent of the Director, adversely alter or change any of the rights or obligations under any Options or other rights previously granted the Director under the Plan.

13. TAXES

The Corporation shall require the withholding of all taxes as required by law. An Outside Director may elect, to the extent allowed by law, to have any portion of the federal, state or local income tax withholding required with respect to an Award satisfied

by tendering Stock to the Corporation, which, in the absence of such an election, would have been issued to the Director in connection with the Award.

14. GOVERNING LAW

The terms of the Plan shall be governed, construed, administered and regulated in accordance with the laws of the state of Delaware and applicable federal law. In the event any provision of the Plan shall be determined to be illegal or invalid for any reason, the other provisions of the Plan shall continue in full force and effect as if such illegal or invalid provision had never been included herein.

15. DIRECTOR'S SERVICE

Nothing contained in the Plan, or with respect to any grant hereunder, shall interfere with or limit in any way the right of stockholders of the Corporation to remove any Director from the Board, nor confer upon any Director any right to continue to serve on the Board as a Director.

**KIMBERLY-CLARK CORPORATION
NONQUALIFIED STOCK OPTION
AWARD AGREEMENT**

This Award, granted on May 3, 2016 (the "Grant Date"), by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), to _____ (the "Participant") is subject to the terms and conditions of the 2011 Equity Participation Plan (the "Plan") and this Award Agreement, including any country-specific terms and conditions contained in Appendix A to this Award Agreement.

W I T N E S S E T H:

WHEREAS, the Corporation has adopted the 2011 Equity Participation Plan (the "Plan") to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's and its Affiliates' long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Shares Optioned; Option Price. The Corporation grants to the Participant the right and option to purchase in his own name, on the terms and conditions hereinafter set forth, all or any part of an aggregate of _____ shares of the \$1.25 par value Common Stock of the Corporation, and at the purchase price of \$_____ per share, as granted on the date set forth above. This option shall not be an incentive stock option within the meaning of Section 422 of the U.S. Internal Revenue Code of 1986, as amended (the "Code").
2. Exercise of Option.
 - (a) Limitations on Exercise. This option shall be subject to forfeiture until the Participant becomes vested in such Awards according to the schedule set forth below. This option shall not be exercisable until at least one year has expired after the granting of this option, during which time the Participant shall have been in the continuous employ of the Corporation or an Affiliate; provided, however, that the option shall become exercisable immediately in the event of a Qualified Termination of Employment of the Participant, without regard to the limitations set forth below in this subsection. At any time during the period of this option after the end of the first year, the Participant may purchase up to 30 percent of the shares covered by this option; after the end of the second year, an additional 30 percent; and after the end of the third year, the remaining 40 percent of the total number of shares covered by the option, so that, upon the expiration of the third year, the Participant will have become entitled to purchase all shares subject to this option; provided, however, that if the Participant's employment is terminated for any reason other than death, Retirement, or Total and Permanent Disability, this option shall only be exercisable for three months following such termination and only for the number of shares which were exercisable on the date of such termination. In no event, however, may this option be exercised more than ten (10) years after the date of its grant.

The above provisions of Section 2(a) notwithstanding, to the extent provided by rules of the Committee referred to in the Plan (hereinafter referred to as the "Committee"), this option is not exercisable during any period during which the Participant's right to make deposits to the Kimberly-Clark Corporation 401(k) and Profit Sharing Plan is suspended pursuant to a provision of such plan or rules adopted thereunder to comply with regulations regarding hardship withdrawals promulgated by the U.S. Internal Revenue Service.

A termination of employment shall not be deemed to have occurred while a Participant is on military leave or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing

sentence, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for purposes of the Plan. A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan.

- (b) Exercise after Death, Retirement, or Disability. If the Participant dies, Retires or becomes Totally and Permanently Disabled without having exercised this option in full, the remaining portion of this option, determined without regard to the limitations in subsection 2(a), may be exercised within the earlier of (i) three years from the date of death or Total and Permanent Disability or five years from the date of Retirement, as the case may be, or (ii) the remaining period of this option. In the case of a Participant who dies, this option may be exercised by the person or persons to whom the Participant's rights under this option shall pass by will or by applicable law or, if no such person has such rights, by his executor or administrator.

Notwithstanding the above, if the Corporation receives an opinion of counsel that there has been a legal judgment and/or legal development in the Participant's jurisdiction that likely would result in the favorable Retirement treatment that applies to this option pursuant to this subsection (b) being deemed unlawful and/or discriminatory, then the Corporation will not apply the favorable Retirement treatment at the time of termination and this option will be treated as it would under the rules that apply if the Participant's employment is terminated for reasons other than Retirement.

- (c) Method of Exercise. This option shall be exercised by delivering to Merrill Lynch, or other authorized agent of the Corporation, as set forth in their terms and conditions of exercise, written notice of the number of shares with respect to which option rights are being exercised and by paying in full the option price of the shares at the time being acquired. Payment may be made in cash or, for U.S. Participants only, in shares of the Corporation's Common Stock as set forth in the terms and conditions of exercise. The date of exercise shall be deemed to be the date of receipt of the written notice and payment for the shares being purchased. The Participant shall have none of the rights of a stockholder with respect to shares covered by such options until the Participant becomes record holder of such shares.
- (d) Payment of Withholding Taxes. No shares of Common Stock may be purchased under this option, unless prior to or simultaneously with such purchase, (i) the Participant or (ii) in the event of his death, the person succeeding to his rights hereunder, pay to the Corporation or an Affiliate, as applicable, such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities in relation to this option. Unless otherwise determined by the Committee, payment of required withholding taxes may be made with shares of the Corporation's Common Stock which otherwise would be distributable upon exercise of the option, pursuant to the rules of the Committee.

3. Nontransferability. Except as may otherwise be provided by the Committee, this option shall be transferable only by will or by the laws of descent and distribution, and during the Participant's lifetime shall be exercisable only by him or her.

4. Compliance with Law. No shares of Common Stock may be purchased under this option, unless prior to the purchase thereof, the Corporation shall have received an opinion of counsel to the effect that the issuance and sale of such shares by the Corporation to the Participant will not constitute a violation of the U.S. Securities Act of 1933, as amended. As a condition of exercise, the Participant shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares of Common Stock purchased upon exercise of this option will be purchased for investment and not with a view to the distribution thereof within the meaning of the U.S. Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares of Common Stock purchased hereunder to be appropriately legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The option granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the option or the delivery or

purchase of shares thereunder, such option may not be exercised in whole or in part unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

5. No Right of Continued Employment. The granting of this option does not confer upon the Participant any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Participant whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Participant under this option.
6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this option shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.
7. Amendments. The Committee may at any time alter or amend this option to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, (3) permitted under applicable provisions of the U.S. Securities Act of 1933, as amended, the U.S. Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof), and (4) that such action would not result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section (including the rules and regulations promulgated thereunder). Notwithstanding anything to the contrary contained herein, the Committee may not take any action that would result in any amount payable under this option qualifying as "applicable employee remuneration" as so defined for purposes of Section 162(m) of the Code.
8. Inalienability of Benefits and Interest. This option and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Participant.
9. Governing Law and Forum. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this option shall be determined in accordance with the laws of the State of Delaware. For purposes of litigating any dispute that arises under this grant or Award Agreement, the parties agree that such litigation shall be conducted exclusively in the federal courts for the United States for the Northern District of Texas, and no other courts, where this grant is made and/or to be performed; and waive, to the fullest extent permitted by law, any objection that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in any such court is improper or that such proceedings have been brought in an inconvenient forum.
10. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this option. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock of the Corporation purchased for satisfying the requirements of this option.
11. Notices. Any notice to be given to the Corporation under this option shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Participant under the terms of this option may be addressed to him at his address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government or any equivalent non-U.S. postal service.
12. Changes in Capitalization. In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and

changes shall be made by the Committee in (a) the number of shares and the option price per share of stock subject to this option, and (b) such other provisions of this option as may be necessary and equitable to carry out the foregoing purposes, provided, however that no such adjustment or change may be made to the extent that such adjustment or change will result in the disallowance of a deduction to the Corporation under Section 162(m) of the Code or any successor section.

13. Effect on Other Plans. All benefits under this option shall constitute special incentives and shall not affect the level of benefits provided to or received by the Participant (or the Participant's estate or heirs) as part of any employee benefit plan of the Corporation or an Affiliate. This option shall not be construed to affect in any way the Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.
14. Successors. This Award Agreement, including but not limited to the non-competition obligations described in Section 16 below, shall be binding upon and inure to the benefit of any successor or successors of the Corporation.
15. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.
16. Non-Competition Provisions For U.S. Employees Only.
 - (a) During the term of the Participant's employment and for a period of two (2) years following the termination of employment, regardless of the reason for or the manner of termination, the Participant shall not, without the written consent of the Corporation, anywhere in the United States of America, either directly or indirectly, perform duties or undertake responsibilities for a Competitor that are the same or substantially similar to those duties or responsibilities that the Participant performed or undertook for the Corporation or an Affiliate, during the two (2) year period prior to the end of the Participant's employment with the Corporation or an Affiliate. As used herein, "Competitor" means any person or entity whose business engages in the same or substantially the same business as the Business of the Corporation. As used herein, "Business of the Corporation" is the development, production, sales and/or marketing of health and hygiene products. The foregoing restriction shall not apply if the Participant resides and/or primarily works in the State of California.
 - (b) During the period of two (2) years following termination of Participant's employment with the Corporation or an Affiliate, the Participant agrees to notify the Corporation in writing prior to accepting new employment, or engaging in any other activity which may violate this Agreement, and the Participant agrees to provide in such notice information concerning the anticipated new employment or activity, including, but not limited to: name of employer; address of employer; name of new team leader; job title; and scope and responsibilities of the new position. The Participant recognizes that such duty of notification is absolute and is not affected by the Participant's belief that such employment may perhaps not violate this Agreement or otherwise be unfairly competitive with the Corporation. The Participant's written notice should be addressed to General Counsel, Attention: Noncompetition and Confidentiality Agreement, Kimberly-Clark Corporation, 351 Phelps Drive, Irving, TX 75038. Provided, however, the foregoing notice requirement shall not apply if the Participant resides and/or primarily works in the State of California.
 - (c) During the period of two (2) years following termination of the Participant with the Corporation or an Affiliate, the Participant shall provide a copy of this Section 16 of this Agreement to each new employer before starting in any new employment. The Participant agrees that the Corporation may notify any third party about the Participant's obligations under Section 16 of this Agreement until such obligations are fulfilled.
 - (d) If any provision of this Section 16 is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such provision shall be deemed to be severed from the Agreement and such invalidity, illegality or unenforceability will not affect any other provision of the Agreement, all of which shall remain valid and enforceable. Notwithstanding the foregoing, if a court of competent jurisdiction determines that the covenants contained in this Section 16 are unenforceable because they are overbroad in some respect, to the full extent permitted by applicable law, the court should revise or reform any aspect of this Section 16 so as to make the scope of such Section 16 as broad as can be enforced under applicable law.
 - (e) In the event of an anticipated or actual breach by the Participant of this Section 16, the Participant acknowledges and agrees that damages would not be an adequate remedy to compensate the Corporation for the harm to the business of the Corporation and, in such event, agrees that the Corporation shall be entitled to

a temporary restraining order and to temporary injunctive relief to prevent or terminate such anticipated or actual breach, provided, however, that nothing in this Agreement shall be construed to limit any permanent relief to which the Corporation may be entitled or the damages otherwise recoverable by the Corporation in any such event.

(f) If the Participant violates any aspect of this Section 16, or any duty of loyalty or confidentiality imposed by law, in addition to any damages that the Participant may be required to pay, the Participant understands and agrees that the Participant shall be required to reimburse the Corporation for all its costs incurred to enforce this Agreement, including but not limited to, all attorneys' fees.

17. Acceptance of Option Terms and Conditions. A Participant has until the end of the one hundred twenty (120) day period beginning from the Grant Date of this option to accept this Award Agreement. If the Participant does not accept this Award Agreement on or before the end of such one hundred twenty (120) day period, then the grant of the right and option to purchase the shares of Common Stock of the Corporation, as set forth in Section 1, shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

Acknowledgment of Conditions

I understand, acknowledge and agree to the following conditions with respect to the Award granted to me under the Plan:

- The Plan is discretionary in nature and the Corporation may modify, amend, suspend, cancel or terminate it at any time, to the extent permitted by the Plan. The grant of an option is an exceptional, voluntary and occasional benefit and does not create any contractual or other right to receive a grant of options or benefits in lieu of options in the future, even if options have been granted in the past. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of option shares, vesting provisions and the exercise price.
- My participation in the Plan is voluntary. Participation in the Plan will not create a right to further employment with my actual employer (the "Employer") and shall not interfere with the ability of the Employer to terminate my employment relationship at any time. Further, the Award and my participation in the Plan will not be interpreted to form an employment contract or relationship with the Corporation or any Affiliate.
- The value of this option and the shares of Common Stock covered by this option, and the income and value of same, are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Corporation or, if different, the Employer, and which are outside the scope of my employment contract, if any, and are not intended to replace any pension rights or compensation. As such, the option and the shares of Common Stock covered by this option, and the income and value of same, are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension, retirement or welfare benefits or similar payments and in no event shall be considered as compensation for, or relating in any way to, past services for the Corporation, the Employer or any other Affiliate.
- Vesting of any option shares ceases upon termination of active employment for any reason (whether or not in breach of local labor laws and except as may otherwise be explicitly provided in the Plan document or this Award Agreement), and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed for purposes of this option (including whether I may still be considered employed while on a leave of absence).
- No claim or entitlement to compensation or damages shall arise from forfeiture of this option or diminution in value of this option resulting from termination of my employment by the Corporation or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and, in consideration of the grant to which I am otherwise not entitled, I agree not to institute any claim against the Corporation, the Employer or any other Affiliate.
- Unless otherwise agreed with the Corporation, the option and shares of Common Stock covered by the option, and the income and value of same, are not granted as consideration for, or in connection with, any service I may provide as a director of any Affiliate.
- The future value of the underlying shares is unknown, indeterminable, and cannot be predicted with certainty. If the underlying shares do not increase in value, the option will have no value. If I exercise this option and obtain shares, the value of those shares acquired upon exercise may increase or decrease in value, even below the option price.

- Neither the Corporation, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between my local currency and the United States Dollar that may affect the value of this option or of any amounts due to me pursuant to the exercise of this option or the subsequent sale of any shares of Common Stock acquired upon exercise.
- Regardless of any action the Corporation or the Employer takes with respect to any or all income tax (including federal, state and local taxes), fringe benefit tax, social insurance, payroll tax, payment on account or other tax-related items related to my participation in the Plan and legally applicable to me ("Tax-Related Items"), I acknowledge that the ultimate liability for all Tax-Related Items is and remains my responsibility and may exceed the amount actually withheld by the Corporation or the Employer. I further acknowledge that the Corporation and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of this option, including, but not limited to, the grant, vesting or exercise of this option, the subsequent sale of shares acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this option to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Furthermore, if I have become subject to Tax-Related Items in more than one jurisdiction, I acknowledge that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- Prior to the relevant taxable or tax withholding event, as applicable, I shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employer to satisfy any applicable withholding obligations for Tax-Related Items. In this regard, I authorize the Corporation or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations with regard to all Tax-Related Items by one or a combination of the following:
 - (1) withholding from my wages or other cash compensation paid to me by the Corporation and/or the Employer; or
 - (2) withholding from the proceeds of the sale of shares acquired pursuant to the exercise of this option, either through a voluntary sale or through a mandatory sale arranged by the Corporation (on my behalf, pursuant to this authorization); or
 - (3) withholding shares to be issued upon exercise of this option.
- Depending on the withholding method, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case I may receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares, I am deemed, for tax purposes, to have been issued the full number of shares subject to the portion of this option that is exercised, notwithstanding that a number of shares is held back solely for the purpose of paying Tax-Related Items due as a result of any aspect of my participation in the Plan.
- I shall pay to the Corporation or to the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of my participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to honor the exercise or deliver shares to me if I fail to comply with my obligation in connection with the Tax-Related Items as described herein.
- The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding my participation in the Plan, or my acquisition or sale of the underlying shares. I am hereby advised to consult with my own personal tax, legal and financial advisors regarding my participation in the Plan before taking any action related to the Plan.
- ***Data Privacy. I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement and any other this option grant materials by and among, as applicable, the Employer and the Corporation for the exclusive purpose of implementing, administering and managing my participation in the Plan.***

I understand that the Corporation and the Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, email address, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in my favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me options or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

- My option may not be assigned, sold, encumbered, or in any way transferred or alienated.
- I am solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses or notices, which may be necessary for me to exercise my option, acquire the shares or to hold or sell the shares subject to the option or restricted share unit award. Neither the Corporation nor its Affiliates will be responsible for obtaining such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties I may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.
- The provisions of this Award Agreement are severable and if one or more of the provisions of this Award Agreement shall be held invalid, illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nonetheless be binding and enforceable. To the extent that any provisions of this Award Agreement are held to be invalid or otherwise unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Award Agreement to be construed so as to foster the intent of this Award Agreement and the Plan.
- If I have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
- Notwithstanding any provisions in this Award Agreement, this option shall be subject to any special terms and conditions set forth in Appendix A to this Award Agreement for my country. Moreover, if I relocate to one of the countries included in Appendix A, the special terms and conditions for such country will apply to me, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Award Agreement.
- For U.S. Participants only: I acknowledge that the grant of an Award is expressly conditioned on the non-competition provisions set forth in Section 16.
- The Corporation reserves the right to impose other requirements on my participation in the Plan, on this option and on any shares acquired under the Plan, to the extent that the Corporation determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
- The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. I hereby consent to receive such documents by on-line delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third party designated by the Corporation.

- A waiver by the Corporation of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by me or any other employee.
- I may be subject to insider trading restrictions and/or market abuse laws, which may affect my ability to acquire or sell shares of Common Stock or rights to shares of Common Stock (e.g., options) under the Plan during such times as I am considered to have "inside information" regarding the Corporation (as defined by the laws in my country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. I am responsible for ensuring my compliance with any applicable restrictions and am advised to speak with my personal legal advisor on this matter.
- My country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect my ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares acquired under the Plan) in a brokerage or bank account outside my country. I may be required to report such accounts, assets or transactions to the tax or other authorities in my country. I also may be required to repatriate sale proceeds or other funds received as a result of my participation in the Plan to my country through a designated bank or broker within a certain time after receipt. I acknowledge that it is my responsibility to be compliant with such regulations, and that I am advised to consult my personal legal advisor for any details.
- I acknowledge that I have reviewed the Corporation's Code of Conduct. I further acknowledge that I understand and will comply with the terms and standards contained in that Code of Conduct, including but not limited to the prohibition against retaliation, and specifically acknowledge that I have an obligation to report suspected violations of the Code of Conduct pursuant to the Corporation's Escalation Policy.

Conclusion and Acceptance

I accept this grant via electronic signature by clicking the "Accept" icon and certify that I have read, understand and agree to the terms and conditions of the 2011 Equity Participation Plan (the "Plan"), the provisions of the applicable agreements and all other applicable documents (including any country-specific terms for my country). I hereby authorize my employer to furnish the Corporation (and any agent administering the Plan or providing recordkeeping services) with such information and data as it shall request in order to facilitate the grant of options and enable administration of the Plan and I understand that such information shall be used only as long and to the extent necessary to administer my participation in the Plan. I agree that my participation in the Plan and the awards granted to me under the Plan will be governed solely by provisions of U.S. law.

**KIMBERLY-CLARK CORPORATION
NONQUALIFIED STOCK OPTION
AWARD AGREEMENT**

APPENDIX A

Certain capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or the Award Agreement.

This Appendix A includes additional terms and conditions that govern this option granted to the Participant under the Plan if the Participant resides and/or works in one of the countries listed below.

This Appendix A also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of March 2016. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information noted herein as the only source of information relating to the consequences of the Participant's participation in the Plan because the information be out of date at exercise of this option or the subsequent sale of shares acquired under the Plan or receipt of any dividends.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in the Participant is currently residing and/or working, transferred or transfers employment and/or residency after the Grant Date or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant. The Corporation shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to the Participant in such circumstances.

ARGENTINA

Securities Law Information

Neither this option nor the shares of Common Stock covered by this option are publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to the supervision of any Argentine governmental authority.

Foreign Asset/Account Reporting Information

Argentine residents must report any shares of Common Stock acquired under the Plan and held on December 31st of each year on their annual tax return for the year.

Exchange Control Information

Following the sale of shares of Common Stock and/or the receipt of dividends, Argentine residents may be subject to certain restrictions in bringing such funds back into Argentina. The Argentine bank handling the transaction may request certain documentation in connection with the request to transfer proceeds into Argentina (e.g. , evidence of the sale, proof of the source of the funds used to purchase such shares, etc.). The Participant must comply with any and all Argentine currency exchange restrictions, approvals and reporting requirements in connection with the exercise of the option, the subsequent sale of any shares of Common Stock acquired upon exercise and the receipt of any dividends paid on such shares.

Please note that exchange control regulations in Argentina are subject to frequent change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations the Participant may have in connection with the Participant's participation in the Plan.

AUSTRALIA

Exercise of Option

Notwithstanding Section 2(b) of the Award Agreement, this option shall only be exercisable for three months following termination of employment, regardless of the reason of such termination.

Securities Law Information

If the Participant acquires shares of the Corporation's Common Stock covered by this option and the Participant offers his or her shares of the Corporation's Common Stock for sale to a person or entity resident in Australia, the offer may be subject to disclosure requirements under Australian law. *The Participant should obtain legal advice on his or her disclosure obligations prior to making any such offer.*

Compliance with Laws

Notwithstanding anything else in the Plan or the Award Agreement, the Participant will not be entitled to and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth.) (the "Act"), any other provision of the Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Employer is under no obligation to seek or obtain the approval of its shareholders in a general meeting for the purpose of overcoming any such limitation or restriction.

Exchange Control Information

Exchange control reporting is required for cash transactions exceeding AUD10,000 and for international fund transfers. If an Australian bank is assisting with the transaction, the bank will file the report on the Participant's behalf.

BAHRAIN

There are no country-specific provisions.

BELGIUM

Tax Considerations

This option must be accepted more than 60 days after the offer.

Foreign Asset/Account Reporting Information

Belgian residents are required to report any securities (*e.g.* , shares of Common Stock) or bank accounts opened and maintained outside Belgium on their annual tax returns. Belgian residents are also required to complete a separate report providing the National Bank of Belgium with details regarding any such account, including the account number, the name of the bank in which such account is held and the country in which such account is located. The forms to complete this report are available on the website of the National Bank of Belgium. Belgian residents should consult with their personal tax advisors to determine their personal reporting obligations.

BOLIVIA

There are no country-specific provisions.

BRAZIL

Compliance with Law

By accepting this option, the Participant acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable taxes associated with the exercise of this option, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

Labor Law Acknowledgement

By accepting the Award, the Participant agrees that (i) the Participant is making an investment decision; (ii) the shares of Common Stock will be issued to Participant only if the vesting and/or performance conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease in value over the Restricted Period without compensation to the Participant.

Exchange Control Information

If the Participant is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares of Common Stock.

Tax on Financial Transaction (IOF)

Payments to foreign countries and repatriation of funds into Brazil (including payment of the exercise price and proceeds from the sale) and the conversion of USD into BRL associated with such fund transfers may be subject to the Tax on Financial Transactions. It is the Participant's responsibility to comply with any applicable Tax on Financial Transactions arising from participation in the Plan.

CANADA

Form of Payment

Due to regulatory considerations in Canada, the Participant is prohibited from surrendering shares of Common Stock that he or she already owns or attesting to the ownership of shares to pay the option price or any Tax-Related Items in connection with this option.

Securities Law Information

The Participant is permitted to sell shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed. The Corporation's shares are currently listed on New York Stock Exchange.

Acknowledgment of Conditions

The following provision supplements the Acknowledgement of Conditions section of the Award Agreement:

Except as may otherwise be explicitly provided in the Plan or this Award Agreement, my right to vest in this option will terminate and the period remaining to exercise the option will be measured effective as of the date that is the earlier of: (1) the date my employment is terminated, (2) the date I receive notice of termination of employment or service from the Employer, or (3) the date I am no longer actively employed or providing services, regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law, and/or common law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed or providing services for purpose of this option (including whether I may still be considered employed while on a leave of absence).

Foreign Asset/Account Reporting Information

Foreign property (including shares of Common Stock) held by Canadian residents must be reported annually on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign property exceeds C\$100,000 at any time during the year. Foreign property includes shares of Common Stock acquired under the Plan and may include options. The options must be reported - generally at a nil cost - if the \$100,000 cost threshold is exceeded because of other foreign property the Participant holds. If shares are acquired, their cost generally is the adjusted cost base ("ACB") of the shares. The ACB would normally equal the Fair Market Value of the shares at exercise, but if the Participant owns other shares, this ACB may have to be averaged with the ACB of the other shares. If due, the Form must be filed by April 30 of the following year. The Participant should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

The following provisions apply if the Participant is a resident of Quebec:

Language Consent

The parties acknowledge that it is their express wish that the Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information

The Participant hereby authorizes the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Corporation, any Affiliate and the plan administrators to disclose and discuss the Plan with their advisors. The Participant further authorizes the Corporation and any Affiliate to record such information and to keep such information in the Participant's employee file.

CHILE

Securities Law Information

This option is granted on May 3, 2016 and is made subject to general ruling n° 336 of the Chilean Superintendence of Securities and Insurance ("SVS"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the SVS, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

La oferta privada de este option se inicia en el día 3 de Mayo de 2016 y se acoge a las disposiciones de la norma de carácter general n° 336 de la Superintendencia de Valores y Seguros de Chile ("SVS"). Esta oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la SVS, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos en Chile, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de los mismos. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el registro de valores correspondiente.

Exchange Control Information

It is the Participant's responsibility to make sure that he or she complies with exchange control requirements in Chile when the value of his or her option exercise transaction is in excess of US\$10,000, regardless of whether the Participant exercises his or her option through a cash exercise or cashless method of exercise.

If the Participant uses the cash exercise method to exercise this option and the Participant remits funds in excess of US\$10,000 out of Chile, the remittance must be made through the Formal Exchange Market (*i.e.*, a commercial bank or registered foreign exchange office). In such case, the Participant must provide to the bank or registered foreign exchange office certain information regarding the remittance of funds (*e.g.*, destination, currency, amount, parties involved, etc.).

If the Participant exercises this option using a cashless exercise method and the aggregate value of the option price exceeds US\$10,000, the Participant must sign Annex 1 of the Manual of Chapter XII of the Foreign Exchange Regulations and file it directly with the Central Bank within the first 10 days of the month immediately following the exercise date.

The Participant is not required to repatriate funds obtained from the sale of shares or the receipt of any dividends. However, if the Participant decides to repatriate such funds, the Participant must do so through the Formal Exchange Market if the amount of the funds exceeds US\$10,000. In such case, the Participant must report the payment to a commercial bank or registered foreign exchange office receiving the funds. If the Participant does not repatriate the funds and uses such funds for the payment of other obligations contemplated under a different Chapter of the Foreign Exchange Regulations, the Participant must sign Annex 1 of the Manual of Chapter XII of the Foreign Exchange Regulations and file it directly with the Central Bank within the first 10 days of the month immediately following the transaction.

If the Participant's aggregate investments held outside of Chile meets or exceeds US\$5,000,000 (including the investments made under the Plan), the Participant may need to report the investments annually to the Central Bank. Annex 3.1 of Chapter XII of the Foreign Exchange Regulations must be used to file this report.

Please note that exchange control regulations in Chile are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to exercising this option or receiving proceeds from the sale of shares of Common Stock acquired under the Plan.

Annual Tax Reporting Obligation

The Chilean Internal Revenue Service ("CIRS") requires all taxpayers to provide information annually regarding: (i) the taxes paid abroad, which the taxpayer will use as a credit against Chilean income taxes, and (ii) the results of foreign investments. These annual reporting obligations must be complied with by submitting a sworn statement setting forth this information before March 15 of each year. The forms to be used to submit the sworn statement are Tax Form 1853 "Annual Sworn Statement Regarding Credits for Taxes Paid Abroad" and Tax Form 1851 "Annual Sworn Statement Regarding Investments Held Abroad." If the Participant is not a Chilean citizen and has been a resident in Chile for less than three years, the Participant is exempt from the requirement to file Tax Form 1853. These statements must be submitted electronically through the CIRS website: www.sii.cl.

COLOMBIA

Securities Law Information

The Plan is offered in Colombia on the basis that offer of the options and/or the sale of any shares of common stock under the Plan will not constitute a "public offering of securities" under Law 964 of 2005. In the event that the Corporation, in its sole discretion, determines that the offer of the options in Colombia may constitute a "public offer of securities" under Law 964 of 2005, the Participant understands and agrees that the Corporation may, in its sole discretion, cease to offer participation in the Plan in Colombia. In the event that the Corporation exercises its discretion to cease offering the Plan in Colombia, the Participant will no longer be permitted to participate in the Plan as of the date established by the Corporation.

Exchange Control Information

Investments in assets located abroad (including shares of Common Stock) are subject to registration with the Bank of the Republic if the Participant's aggregate investments held abroad (as of December 31 of the applicable calendar year) equal or exceed US\$500,000.

If funds are remitted from Colombia through an authorized local financial institution, the authorized financial institution will automatically register the investment.

If the Participant does not remit funds through an authorized financial institution when exercising this option because a partial cashless exercise method is used (selling only enough shares of Stock to cover the grant price and any brokerage fees), then the Participant must register the investment himself or herself if the accumulated financial investments the Participant holds abroad at the year-end are equal to or exceed the equivalent of US\$500,000. The Participant must register by filing a Form No. 11 and submitting it to Señores, Banco de la República, Attn: Jefe Sección Inversiones, Departamento de Cambios Internacionales, Carrera 7 No. 14 - 18, Bogotá, Colombia by June 30 of the following year.

If the Participant uses the cashless sell-all method of exercise, then no registration is required because no funds are remitted from Colombia and no shares are held abroad.

Acknowledgment of Conditions

The following provision supplements the Acknowledgment of Conditions section of the Award Agreement:

I acknowledge that pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of my "salary" for any legal purpose.

COSTA RICA

There are no country-specific provisions.

CZECH REPUBLIC

Exchange Control Information

The Czech National Bank may require the Participant to fulfill certain notification duties in relation to the acquisition of shares of Common Stock and the opening and maintenance of a foreign account. Even in the absence of a request from the CNB the Participant may need to report foreign direct investments with a value of CZK 2,500,000 or more in the aggregate and/or other foreign financial assets with a value of CZK 200,000,000 or more. However, because exchange control regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor prior to the exercise of this option and the sale of Common Stock to ensure compliance with current regulations. It is the Participant's responsibility to comply with any applicable Czech exchange control laws.

DOMINICAN REPUBLIC

There are no country-specific provisions.

ECUADOR

There are no country-specific provisions.

EL SALVADOR

There are no country-specific provisions.

FRANCE

Option Not Tax-Qualified

The Participant understands that this option is not intended to be French tax-qualified.

Consent to Receive Information in English

By accepting the Award Agreement providing for the terms and conditions of the Participant's grant, the Participant confirms having read and understood the documents relating to this grant (the Plan and the Award Agreement), which were provided in the English language. The Participant accepts the terms of those documents accordingly.

En acceptant le Contrat d'Attribution décrivant les termes et conditions de l'attribution d'options, l'employé confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan U.S. et ce Contrat d'Attribution) qui ont été communiqués en langue anglaise. L'employé accepte les termes en connaissance de cause.

Foreign Asset/Account Reporting Information

French residents holding shares of Common Stock outside of France or maintaining a foreign bank account are required to report such to the French tax authorities when filing their annual tax returns. Further, failure to comply could trigger significant penalties.

GERMANY

Exchange Control Information

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. No report is required for payments less than €12,500. In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock), the report must be made by the 5th day of the month following the month in which the payment was received. Effective from September 2013, the report must be filed electronically. The form of report ("Allgemeine Meldeportal Statistik") can be accessed via the Bundesbank's website (www.bundesbank.de) and is available in both German and English. The Participant is responsible for satisfying the reporting obligation.

GUATEMALA

Language Waiver

By participating in the Plan, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the Plan, the Award Agreement and this Appendix A.

HONDURAS

There are no country-specific provisions.

HONG KONG

Securities Law Warning

The offer of this option and the shares of Common Stock covered by this option do not constitute a public offering of securities under Hong Kong law and are available only to Participants of the Corporation or its Affiliates participating in the Plan. The Participant should be aware that the Plan, the Plan prospectus and the contents of this Award Agreement (i) have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the personal use of each Participant and may not be distributed to any other person. The Participant is advised to exercise caution in relation to the offer. If the Participant is in any doubt about any of the contents of the Agreement, including this Appendix A, or the Plan, the Participant should obtain independent professional advice.

Sale of Shares

In the event that any portion of this option vests within six months of the Grant Date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares acquired prior to the six-month anniversary of the Grant Date. Any shares of Common Stock acquired under the Plan are accepted as a personal investment.

Occupational Retirement Schemes Ordinance Alert

The Corporation specifically intends that neither this option nor the Plan will be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO").

INDONESIA

Exchange Control Information

If the Participant remits funds into or out of Indonesia, the Indonesian bank through which the transaction is made will submit a report on the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a description of the transaction must be included in the report. Although the bank through which the transaction is made is required to make the report, the Participant must complete a "Transfer Report Form." The Transfer Report Form will be provided to the Participant by the bank through which the transaction is to be made.

ISRAEL

Securities Law Information

The offer of this option does not constitute a public offering under the Securities Law, 1968.

Method of Exercise

Notwithstanding anything to the contrary in the Award Agreement, the Participant must exercise this option using the cashless sell-all exercise method. To complete a sell-all cashless exercise, the Participant should notify a licensed securities broker acceptable to the Corporation to: (i) sell all of the shares upon exercise; (ii) use the proceeds to pay the option price, brokerage fees and any applicable Tax-Related Items; and (iii) remit the balance in cash to the Participant. If the Participant does not complete this procedure, the Corporation may refuse to allow the Participant to exercise this option. The Corporation reserves the right to provide the Participant with additional methods of exercise depending on local developments.

ITALY

Method of Exercise

Notwithstanding anything to the contrary in the Award Agreement, the Participant must exercise this option using the cashless sell-all exercise method. To complete a cashless sell-all exercise, the Participant should notify a licensed securities broker acceptable to the Corporation to: (i) sell all of the shares upon exercise; (ii) use the proceeds to pay the option price, brokerage fees and any applicable Tax-Related Items; and (iii) remit the balance in cash to the Participant. If the Participant does not complete this procedure, the Corporation may refuse to allow the Participant to exercise this option. The Corporation reserves the right to provide the Participant with additional methods of exercise depending on local developments.

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgements of Conditions section of the Award Agreement:

I understand that the Employer, the Corporation and any other Affiliate may hold certain personal information about me, including, but not limited to, my name, home address, email address and telephone number, date of birth, social insurance, passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation or any Affiliate, details of all options, or any other entitlement to shares of Common Stock awarded, cancelled, exercised, vested, unvested or outstanding in the my favor ("Data"), for the exclusive purpose of implementing, managing and administering the Plan. I am aware that providing the Corporation with Data is necessary for the performance of the Plan and that my refusal to provide such Data would make it impossible for the Corporation to perform its contractual obligations and may affect my ability to participate in the Plan.

The Controller of personal data processing is Kimberly-Clark Corporation with registered offices at 351 Phelps Drive, Irving, Texas 75038, United States of America, and, pursuant to Legislative Decree no. 196/2003, its representative in Italy is Kimberly-Clark s.r.l. at Via Della Rocca, 49, Torino, Italy.

I understand that Data may be transferred to the Corporation or any of its Affiliates, or to any third parties assisting in the implementation, management and administration of the Plan, including any transfer required to Merrill Lynch or other third party with whom shares of Common Stock acquired under the Plan or cash from the sale of such shares may be deposited. Furthermore, I understand the recipients that may receive, possess, use, retain, and transfer such Data may be located in Italy or elsewhere, including outside the European Union, and the recipients' country (e.g., the United States) may have different data privacy laws and protections than Italy.

I understand that the processing activity, including transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require my consent thereto as the processing is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan. I understand that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

I understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage my participation in the Plan. I understand that, pursuant to Section 7 of the Legislative Decree no. 196/2003, I have the right to, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the Data processing. Furthermore, I am aware that Data will not be used for direct marketing purposes. In addition, I understand that Data provided can be reviewed and questions or complaints can be addressed by contacting my local human resources representative.

Plan Document Acknowledgment

In accepting the grant of this option, the Participant acknowledges that he or she has received a copy of the Plan and the Award Agreement and has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A.

The Participant acknowledges that he or she has read and specifically and expressly approves the following sections of the Award Agreement: Section 2(d) on Payment of Withholding Taxes; Section 5 on No Right of Continued Employment; Section

9 on Delaware Law to Govern; the section on Acknowledgment of Conditions; and the Data Privacy Notice section included in this Appendix A.

Foreign Asset/Account Reporting Information

Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and shares of Common Stock) which may generate income taxable in Italy are required to report these assets on their annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions.

JAPAN

Exchange Control Information

If the Participant acquires shares of Common Stock valued at more than ¥100,000,000 in a single transaction, the Participant must file a Securities Acquisition Report with the Ministry of Finance through the Bank of Japan within 20 days of the acquisition of the shares.

In addition, if the Participant pays more than ¥30,000,000 in a single transaction for the purchase of shares when the Participant exercises this option, the Participant must file a Payment Report with the Ministry of Finance through the Bank of Japan by the 20th day of the month following the month in which the payment was made. The precise reporting requirements vary depending on whether or not the relevant payment is made through a bank in Japan.

A Payment Report is required independently from a Securities Acquisition Report. Therefore, if the total amount that the Participant pays upon a one-time transaction for exercising this option and purchasing shares of Common Stock exceeds ¥100,000,000, then the Participant must file both a Payment Report and a Securities Acquisition Report.

Foreign Asset/Account Reporting Information

Japanese residents will be required to report details of any assets (including any shares of Common Stock acquired under the Plan) held outside of Japan as of December 31st of each year, to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th of the following year. The Participant should consult with his or her personal tax advisor as to whether the reporting obligation applies to the Participant and whether the Participant will be required to report details of any outstanding options or shares of Common Stock held by the Participant in the report.

KAZAKHSTAN

Securities Law Notification

This offer is addressed only to certain eligible employees in the form of the shares of Common Stock to be issued by the Corporation. Neither the Plan nor the Award Agreement has been approved, nor do they need to be approved, by the National Bank of Kazakhstan. This offer is intended only for the original recipient and is not for general circulation in the Republic of Kazakhstan.

Exchange Control Information

Residents of Kazakhstan may be required to notify the National Bank of Kazakhstan when they acquire shares of Common Stock under the Plan if the value of such shares of Common Stock exceeds US\$100,000.

Please note that the exchange control regulations in Kazakhstan are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to exercising the option or receiving proceeds from the sale of shares of Common Stock acquired under the Plan. The Participant is responsible for ensuring compliance with all exchange control laws in Kazakhstan.

KENYA

There are no country-specific provisions.

MALAYSIA

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgment of Conditions section of the Award Agreement.

I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement and any other this option grant materials by and among, as applicable, the Employer, the Corporation and its other Affiliates for the exclusive purpose of implementing, administering and managing my participation in the Plan.

I understand that the Corporation and the Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Corporation, details of all options or any other entitlement to shares of Common Stock awarded, canceled, exercised, vested, unvested or outstanding in my favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative Iris.Chiang@kcc.com at telephone number 603 78068268. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me options or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

Malaysian Translation

Saya dengan ini secara eksplisit dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadi saya seperti yang diterangkan dalam Perjanjian Penganugerahan dan apa-apa bahan geran opsyen lain oleh dan di antara, seperti mana yang terpakai, Majikan, Syarikat dan Anak-Anak Syarikat Sekutunya untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan.

Saya memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang saya, termasuk, tetapi tidak terhad kepada, nama saya, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang di Syarikat, butir-butir semua opsyen atau apa-apa hak lain atas syer dalam saham biasa yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah saya ("Data"), untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan.

Saya memahami bahawa Data akan dipindahkan kepada Merrill Lynch, atau pembekal perkhidmatan pelan saham yang mungkin ditetapkan oleh Syarikat pada masa depan yang membantu Syarikat dengan pelaksanaan, pentadbiran dan pengurusan Pelan. Saya memahami bahawa penerima-penerima Data mungkin berada di Amerika Syarikat atau mana-mana tempat lain dan bahawa negara penerima-penerima (contohnya di Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara saya. Saya memahami bahawa saya boleh meminta satu senarai yang mengandungi nama dan alamat penerima-penerima Data yang berpotensi dengan menghubungi wakil sumber manusia tempatan saya ris.Chiang@kcc.com, T: 603 78068268. Saya memberi kuasa kepada Syarikat, Merill Lynch dan mana-mana penerima-penerima lain yang mungkin membantu Syarikat (pada masa sekarang atau pada masa depan) dengan

melaksanakan, mentadbir dan menguruskan Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa Data hanya akan disimpan untuk tempoh yang perlu bagi melaksanakan, mentadbir, dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa saya boleh, pada bila-bila masa, melihat Data, meminta maklumat tambahan mengenai penyimpanan dan pemrosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatan saya. Saya selanjutnya memahami bahawa saya memberi persetujuan ini secara sukarela. Sekiranya saya tidak bersetuju, atau kemudian membatalkan persetujuan saya, status pekerjaan atau perkhidmatan dan kerjaya saya dengan Majikan tidak akan terjejas; satunya akibat jika saya tidak bersetuju atau menarik balik persetujuan saya adalah bahawa Syarikat tidak akan dapat menganugerahkan kepada saya opsyen atau anugerah ekuiti lain atau mentadbir atau mengekalkan anugerah tersebut. Oleh itu, saya memahami bahawa keengganan atau penarikan balik persetujuan saya boleh menjejaskan keupayaan saya untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan saya untuk memberikan keizinan atau penarikan balik keizinan, saya memahami bahawa saya boleh menghubungi wakil sumber manusia tempatan saya.

Director Notification Obligation

If the Participant is a director of the Corporation's Malaysian Affiliate, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Affiliate in writing when the Participant receives or disposes of an interest (e.g. , an option or shares of Common Stock) in the Corporation or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Corporation or any related company.

MEXICO

Modification

By accepting this option, the Participant understands and agrees that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Acknowledgment of Grant

In accepting this option, the Participant acknowledges that the Participant has received a copy of the Plan and the Award Agreement, including this Appendix A, has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A. The Participant further acknowledges that the Participant has read and specifically and expressly approves the Acknowledgment of Conditions section of the Award Agreement, in which the following is clearly described and established:

- (1) The Participant's participation in the Plan does not constitute an acquired right.
- (2) The Plan and the Participant's participation in the Plan are offered by the Corporation on a wholly discretionary basis.
- (3) The Participant's participation in the Plan is voluntary.
- (4) Neither the Corporation nor any Affiliate is responsible for any decrease in the value of this option and/or shares of Common Stock acquired under the Plan.

Labor Law Acknowledgment and Policy Statement

In accepting the grant of this option, the Participant expressly recognizes that Kimberly-Clark Corporation, with registered offices at 351 Phelps Drive, Irving, Texas 75038, U.S.A., is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between the Participant and the Corporation since the Participant is participating in the Plan on a wholly commercial basis and his or her sole Employer is Kimberly-Clark de Mexico, S.A. de C.V. ("KCC-Mexico"). Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that he or she may derive from participating in the Plan do not establish any rights between the Participant and the Employer, KCC-Mexico and do not form part of the employment conditions and/or benefits provided by KCC-Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that his or her participation in the Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, the Corporation reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that he or she does not reserve to himself or herself any action or right to bring any claim against Kimberly-Clark Corporation for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Corporation, its shareholders, officers, agents, or legal representatives or Affiliates with respect to any claim that may arise.

Spanish Translation

Modificación

Al aceptar el otorgamiento de la opción de Compra de Acciones, el Empleado entiende y acuerda que cualquier modificación al Plan o al Acuerdo o su terminación, no cambiará o disminuirá los términos y condiciones de empleo.

Reconocimiento del Otorgamiento

Al aceptar el otorgamiento de la opción de Compra de Acciones, el Empleado está de acuerdo en haber recibido una copia del Plan, del Acuerdo incluyendo el presente Anexo "A" y ha revisado el Plan y el Acuerdo, incluyendo este Anexo "A" en su totalidad y comprende y acepta todas las disposiciones previstas en el Plan, en el Acuerdo, incluyendo el presente Anexo "A". Asimismo, el Empleado reconoce que ha leído y manifiesta su específica y expresa conformidad con los términos y condiciones establecidos del Acuerdo, en el cual claramente se describe y establece lo siguiente:

- (1) La participación del Empleado en el Plan no constituye un derecho adquirido.*
- (2) El Plan y la participación del Empleado en el Plan se ofrecen por la Compañía de forma completamente discrecional.*
- (3) La participación del Empleado en el Plan es voluntaria.*
- (4) Ni la Compañía ni sus Afiliadas son responsables por la reducción del valor de la opción de Compra de Acciones emitida bajo el Plan.*

Reconocimiento de la Legislación Laboral y Declaración de la Política

Al aceptar el otorgamiento de la opción de Compra de Acciones, el Empleado expresamente reconoce que Kimberly-Clark Corporation con oficinas registradas en 351 Phelps Drive, Irving, Texas 75038, U.S.A., es la única responsable por la administración del Plan y que la participación del Empleado en el Plan y en su caso la adquisición de las Opciones de Compra de Acciones o Acciones no constituyen ni podrán interpretarse como una relación de trabajo entre el Empleado y Kimberly-Clark Corporation, ya que el Empleado participa en el Plan en un marco totalmente comercial y su único Patrón lo es Kimberly-Clark de Mexico, S.A. de C.V. con domicilio en Kimberly-Clark de Mexico, S.A. de C.V. Mexico. Derivado de lo anterior, el Empleado expresamente reconoce que el Plan y los beneficios que pudieran derivar de la participación en el Plan no establecen derecho alguno entre el Empleado y el Patrón, Kimberly-Clark de Mexico, S.A. de C.V. y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por Kimberly-Clark de Mexico, S.A. de C.V. y que cualquier modificación al Plan o su terminación no constituye un cambio o impedimento de los términos y condiciones de la relación de trabajo del Empleado.

Asimismo, el Empleado reconoce que su participación en el Plan es resultado de una decisión unilateral y discrecional de Kimberly-Clark Corporation por lo tanto, Kimberly-Clark Corporation se reserva el absoluto derecho de modificar y/o terminar la participación del Empleado en cualquier momento y sin responsabilidad alguna frente al Empleado.

Finalmente, el Empleado por este medio declara que no se reserva derecho o acción alguna que ejercitar en contra de Kimberly-Clark Corporation por cualquier compensación o daño en relación con las disposiciones del Plan o de los beneficios derivados del Plan y por lo tanto, el Empleado otorga el más amplio finiquito que en derecho proceda a Kimberly-Clark Corporation, sus afiliadas, subsidiarias, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales en relación con cualquier demanda que pudiera surgir.

NETHERLANDS

There are no country-specific provisions.

NEW ZEALAND

Type of Shares

Notwithstanding any information to the contrary in the Plan or the Award Agreement, the Corporation will issue only treasury shares to satisfy share obligations at the time the Participant exercises options under the Plan.

NICARAGUA

There are no country-specific provisions.

NIGERIA

There are no country-specific provisions.

PANAMA

Securities Law Information

Neither this option nor any shares that the Participant may acquire at exercise of this option constitute a public offering of securities, as they are available only to Participants of the Corporation and its Affiliates.

PARAGUAY

There are no country-specific provisions.

PERU

Securities Law Information

The offer of this option is considered a private offering in Peru; therefore, it is not subject to registration in Peru.

PHILIPPINES

Fringe Benefit Tax Obligation

By accepting the Award, the Participant consents and agrees to assume any and all liability for fringe benefit tax that may be payable by the Corporation and/or the Employer (as determined by the Corporation or the Employer in their discretion) in connection with the Award and any awards previously granted by the Corporation which remain outstanding. Further, by accepting the Award, the Participant agrees that the Corporation and/or the Employer may collect the fringe benefit tax from the Participant by any of the means set forth in the Acknowledgement of Conditions section of the Award Agreement, or any other reasonable method established by the Corporation. The Participant agrees to execute other consents or elections to accomplish the foregoing, promptly upon request by the Corporation or the Employer.

PUERTO RICO

There are no country specific provisions.

SINGAPORE

Securities Law Information

This option is being granted pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that this option is subject to section 257 of the SFA and the Participant will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock in Singapore, unless such sale or offer is made (a) after six months of the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Chief Executive Officer and Director Notification Obligation

If the Participant is the Chief Executive Officer ("CEO") or a director, associate director or shadow director of the Corporation's Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Corporation's Singapore Affiliate in writing when the Participant receives an interest (e.g. , an option or shares) in the Corporation or any Affiliate. In addition, the Participant must notify the Corporation's Singapore Affiliate when he or she sells shares of the Corporation or of any Affiliate (including when the Participant sells shares acquired upon exercise of this option). These notifications must be made within two business days of (i) acquiring or disposing of any interest in the Corporation or any Affiliate, or (ii) any change in a previously-disclosed interest (e.g. , upon exercise of the options or when shares of Common Stock acquired under the Plan are subsequently sold). In addition, a notification of the Participant's interests in the Corporation or any Affiliate must be made within two business days of becoming the CEO or a director, associate director or shadow director.

SLOVAK REPUBLIC

Foreign Asset/Account Reporting Information

If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, *podnikateľ*), the Participant will be obligated to report his or her foreign assets (including any foreign securities) to the National Bank of Slovakia (provided that the value of the foreign assets exceeds an amount of €2,000,000). These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

SLOVENIA

There are no country-specific provisions.

SOUTH AFRICA

Tax Acknowledgment

By accepting this option, the Participant agrees to notify the Employer of the amount of any gain realized upon exercise of this option. If the Participant fails to advise the Employer of the gain realized upon exercise, the Participant may be liable for a fine. The Participant will be responsible for paying any difference between the actual tax liability and the amount withheld.

If the Participant uses cash to exercise this option and purchase shares, rather than a cashless exercise method, the Participant must first obtain a "Tax Clearance Certificate (in Respect of Foreign Investment)" from the South African Reserve Service ("SARS"). The Participant must renew this Tax Clearance Certificate every twelve months, or such other period as may be required by SARS. The Participant must also complete a transfer of funds application form to transfer the funds. The Tax Clearance Certificate should be presented to a dealer of the Exchange Control Department of the South Africa Reserve Bank (it is likely that the Participant's bank will qualify as such a dealer), together with a completed application form to transfer funds. No transfer of funds may be completed unless the original Tax Clearance Certificate bears the official stamp and signature of the Office of Receiver of Revenue of SARS.

Exchange Control Information

To participate in the Plan, the Participant must comply with exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa.

Upon application, the Participant is subject to an overall offshore investment allowance of ZAR11,000,000. The first ZAR1,000,000 of the annual investment allowance requires no Tax Clearance Certificate to be issued to the employee. The next ZAR10,000,000 requires a Tax Clearance Certificate. This limit does not apply to non-resident employees. This is a cumulative allowance, and Participant's ability to remit funds for the purchase of shares will be reduced if Participant's foreign investment limit is utilized to make an investment offshore that is unrelated to the Plan. If the ZAR11,000,000 limit is exceeded, the Participant may still apply to transfer funds for the exercise of this option; however, should approval be given, typically the shares obtained from the exercise must be sold immediately and the proceeds exceeding ZAR11,000,000 repatriated to South Africa.

If the Participant exercises this option using either the cashless sell-all exercise method or the cashless sell-to-cover method, it is not necessary to obtain a Tax Clearance Certificate (as described above) or a transfer of funds application form. In addition, under a cashless sell-to-cover method, the Participant may acquire and hold shares up to any amount, even in excess of ZAR11,000,000. The value of the shares acquired using a cashless sell-to-cover exercise method will not be counted against the ZAR11,000,000 limit. The sale proceeds of such shares may be held offshore and will not count against the investment limit.

Because the Exchange Control Regulations change frequently and without notice, the Participant understands that he or she should consult a legal advisor prior to the purchase or sale of shares under the Plan to ensure compliance with current regulations. The Participant understands that it is his or her responsibility to comply with South African exchange control laws, and neither the Corporation nor the Employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

Securities Law Information

In compliance with South African securities law, Participant acknowledges that the documents listed below are available for review at the addresses listed below:

- a) The Corporation's most recent annual financial statements: [http://investor.kimberly-clark.com/sec.cfm?DocType=Annual&Year =](http://investor.kimberly-clark.com/sec.cfm?DocType=Annual&Year=)

The Corporation's most recent Plan prospectus may be accessed online through Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, at www.benefits.ml.com in the Document Library.

A copy of the above documents will be sent free of charge upon written request to Stock Plan Administrator, P.O. Box 619100, Dallas, Texas 75261-9100. In addition, the Participant should contact his or her tax advisor for specific information concerning his or her personal tax situation with regard to Plan participation.

SPAIN

Securities Law Information

No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the grant of this option. The Award Agreement (including this Appendix A) has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Termination of Employment

For purposes of this option, a termination of employment includes a termination that is deemed an "unfair dismissal" or a "constructive dismissal."

Labor Law Acknowledgment

By accepting this option, the Participant acknowledges that he or she understands and agrees to participation in the Plan and that he or she has received a copy of the Plan.

The Participant understands that the Corporation has unilaterally, gratuitously and discretionally decided to grant Options under the Plan to individuals who may be employees of the Corporation or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Corporation or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Corporation or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant since the future value of this option and the underlying shares is unknown and unpredictable. In addition, the Participant understands that this grant would not be made but for the assumptions and conditions referred to above; thus, the Participant understands, acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then this option shall be null and void.

Further, the Participant understands that this option is a conditional right. The Participant shall forfeit any unvested portion of this option upon termination of employment unless such termination is due to a Qualified Termination of Employment. In addition, if the Participant's employment is terminated for any reason other than death, Retirement, or Total and Permanent Disability, this option shall be exercisable only to the extent provided in Section 2(a) of the Award Agreement. The terms of this paragraph apply even if (1) the Participant is considered to be unfairly dismissed without good cause (i.e., subject to a "despido improcedente"); (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates his or her employment or service relationship due to a change of work location, duties or any other employment or contractual condition; and (4) the Participant terminates his or her employment or service relationship due to a unilateral breach of contract by the Corporation or an Affiliate. Consequently, upon termination of the Participant's employment or service relationship for any of the above reasons, the Participant may automatically lose any rights to the options that were not vested on the date of termination of the Participant's employment or service relationship, as described in the Plan and the Award Agreement.

Exchange Control Information

The acquisition, ownership and sale of shares of Common Stock under the Plan must be declared to the Spanish *Dirección General de Comercio e Inversiones* (the "DGCI"), which is a department of the Ministry of Economy and Competitiveness. The Participant must also declare ownership of any shares of Common Stock by filing a Form D-6 with the Directorate of Foreign Transactions each January while the shares of Common Stock are owned. In addition, the sale of shares of Common Stock must also be declared on Form D-6 filed with the DGCI in January, unless the sale proceeds exceed the applicable threshold (currently €1,502,530) (or the Participant holds 10% or more of the share capital of the Corporation or such other amount that would entitle the Participant to join the Corporation's Board of Directors), in which case, the filing is due within one month after the sale.

When receiving foreign currency payments derived from the ownership of shares of Common Stock (e.g. , sale proceeds) exceeding €50,000, the Participant must inform the financial institution receiving the payment of the basis upon which such payment is made. The Participant will need to provide the institution with the following information: (i) the Participant's name, address, and tax identification number; (ii) the name and corporate domicile of the Corporation; (iii) the amount of the payment; the currency used; (iv) the country of origin; (v) the reasons for the payment; and (vi) further information that may be required.

Spanish residents are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including any shares of Common Stock acquired under the Plan) and any transactions with non-Spanish residents (including any payments of shares of Common Stock made to the Participant by the Corporation or through a U.S. brokerage account) if the value of the transactions for all such accounts during the prior year or the balances in such accounts as of December 31 of the prior year exceeds €1,000,000. If neither the total balances nor total transactions with non-residents during the relevant period exceed €50,000,000, a summarized form declaration may be used. More frequent reporting is required if such transaction value or account balance exceeds €100,000,000.

Foreign Asset/Account Reporting Information

If the Participant holds rights or assets (e.g. , shares of Common Stock or cash held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset (e.g. , shares of Common Stock, cash, etc.) as of December 31 each year, the Participant is required to report certain information regarding such rights and assets on tax form 720. After such rights and/or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000. The reporting must be completed by the following March 31.

SWITZERLAND

Securities Law Information

The options offered by the Corporation are considered a private offering in Switzerland; therefore, such offer is not subject to registration in Switzerland. Neither this document nor any other materials relating to the option constitute a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the option may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing material relating to the options have been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Supervisory Authority (FINMA)).

TAIWAN

Securities Law Information

The offer of participation in the Plan is available only for employees of the Corporation and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information

Taiwanese residents may acquire and remit foreign currency (including proceeds from the sale of shares of Common Stock or the receipt of dividends) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.

If the transaction amount is US\$500,000 or more in a single transaction, the Participant may be required to provide additional supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

THAILAND

Exchange Control Information

If the proceeds from the sale of shares of Common Stock or the receipt of dividends paid or such shares are equal to or greater than US\$50,000 in a single transaction, Thai residents must repatriate all cash proceeds to Thailand immediately following the receipt of the cash proceeds and then either convert such proceeds to Thai Baht or deposit the proceeds into a foreign currency account opened with a commercial bank in Thailand within 360 days of repatriation. In addition, Thai residents must specifically report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. If the Participant fails to comply with these obligations, the Participant may be subject to penalties assessed by the Bank of Thailand.

The Participant should consult his or her personal advisor prior to taking any action with respect to remittance of cash proceeds into Thailand. The Participant is responsible for ensuring compliance with all exchange control laws in Thailand.

TRINIDAD & TOBAGO

There are no country-specific provisions.

TURKEY

Securities Law Information

Turkish residents are not permitted to sell shares of Common Stock acquired under the Plan in Turkey. Turkish residents must sell the shares of Common Stock acquired under the Plan outside of Turkey. The Shares are currently traded on the New York Stock Exchange in the U.S. under the ticker symbol "KMB" and shares of Common Stock may be sold on this exchange.

Exchange Control Information

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, the Participant may be required to appoint a Turkish broker to assist him or her with the exercise of the option or the sale of the shares of Common Stock acquired under the Plan. *The Participant should consult his or her personal legal advisor before selling any shares of Common Stock acquired under the Plan to confirm the applicability of this requirement to the Participant.*

UNITED ARAB EMIRATES

Securities Law Information

The offer of options is available only for select employees of the Corporation and its Affiliates and is in the nature of providing employee incentives in the United Arab Emirates. The Plan and the Award Agreement are intended for distribution only to such

employees and must not be delivered to, or relied on, by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the Plan and the Award Agreement, or any other incidental communication materials distributed in connection with this option. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the Plan and the Award Agreement should obtain independent professional advice.

UNITED KINGDOM

Tax Acknowledgment

The following information supplements the information regarding Tax-Related Items in the Acknowledgment of Conditions section of the Award Agreement:

If payment or withholding of the income tax due is not made within 90 days after the end of the U.K. tax year in which the event giving rise to the Tax-Related Items occurs or such other period specified in section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax shall constitute a loan owed by the Participant to the Employer, effective on the Due Date. The Participant agrees that the loan will bear interest at the then-current Her Majesty's Revenue and Customs ("HMRC") official rate, it will be immediately due and repayable, and the Corporation and/or Employer may recover it at any time thereafter by any of the means referred to in the Acknowledgment of Conditions section of the Award Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of this provision will not apply to the Participant. In the event that the Participant is an officer or director, as defined above, and income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance Contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Corporation or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Corporation and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in the Acknowledgment of Conditions section of the Award Agreement.

URUGUAY

There are no country-specific provisions.

VENEZUELA

Investment Representation

As a condition of the grant of the option, the Participant acknowledges and agrees that any shares of Common Stock the Participant may acquire upon exercise of the option are acquired as and intended to be an investment rather than for the resale of the shares of Common Stock and conversion of shares into foreign currency.

Securities Law Information

The option granted under the Plan and the shares of Common Stock issued under the Plan are offered as a personal, private, exclusive transaction and are not subject to Venezuelan government securities regulations.

Exchange Control Information

Exchange control restrictions may limit the ability to remit funds out of Venezuela to exercise the option or to remit funds into Venezuela following the sale of shares of Common Stock acquired upon exercise of the option under the Plan. The Corporation reserves the right to further restrict the exercise of the option or to amend or cancel the option at any time in order to comply with the applicable exchange control laws in Venezuela. However, ultimately, the Participant is responsible for complying with exchange control laws in Venezuela and neither the Corporation, the Employer nor any other Affiliate will be liable for any

finances or penalties resulting from the Participant's failure to comply with applicable laws. Because exchange control laws and regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor before accepting this option to ensure compliance with current regulations.

**KIMBERLY-CLARK CORPORATION
TIME-VESTED RESTRICTED STOCK UNIT
AWARD AGREEMENT**

This Award, granted on _____ (the "Grant Date"), by Kimberly-Clark Corporation, a Delaware corporation (hereinafter called the "Corporation"), to _____ (the "Participant") is subject to the terms and conditions of the 2011 Equity Participation Plan (the "Plan") and this Award Agreement, including any country-specific terms and conditions contained in Appendix A to this Award Agreement.

W I T N E S S E T H :

WHEREAS, the Corporation has adopted the Plan to encourage those employees who materially contribute, by managerial, scientific or other innovative means, to the success of the Corporation or of an Affiliate, to acquire an ownership interest in the Corporation, thereby increasing their motivation for and interest in the Corporation's and its Affiliates' long-term success;

NOW, THEREFORE, it is agreed as follows:

1. Number of Share Units Granted. The Corporation hereby grants to the Participant the right to receive all or any part of _____ Time-Vested Restricted Stock Units ("RSUs") of the \$1.25 par value Common Stock of the Corporation, subject to the terms, conditions and restrictions set forth herein and in the Plan.

2. Transferability Restrictions.

- (a) Restricted Period. During the Restricted Period, the Participant may not sell, assign, transfer, or otherwise dispose of, or mortgage, pledge or otherwise encumber the Award, and any such attempted sale, assignment, transfer, pledge or disposal shall be void. Except as provided in this Section 2, the RSUs, including any accrued dividend equivalents, shall be subject to forfeiture until the Participant becomes vested in such Awards on the date that was approved on the Grant Date and as reflected on the Merrill Lynch Benefits OnLine site, or any successor system, via the Grant Summary screen as the Future Vesting table.

The Restricted Period shall begin on the date of the granting of this Award, and shall end upon the vesting of the Award. Holders of Awards shall have none of the rights of a shareholder with respect to such shares including, but not limited to, any right to receive dividends in cash or other property or other distribution or rights in respect of such shares except as otherwise provided in this Award Agreement, nor to vote such shares as the record owner thereof.

During each year in the Restricted Period, the Participant will not be paid dividend equivalents on the unvested RSUs but the Participant will receive a credit equal to dividends declared on the Corporation's Common Stock which will be reinvested in additional RSUs at the then fair market value of the Corporation's Common Stock on the date dividends are paid, and the additional RSUs will be accumulated and paid if and when the RSUs vest, based on the actual number of RSUs that vest. In the case of dividends paid in property other than cash, the amount of the dividend shall be deemed to be the fair market value of the property at the time of the payment of the dividend, as determined in good faith by the Corporation. The Corporation shall not be required to segregate any cash or other property of the Corporation.

- (b) Termination of Employment. Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon termination of employment unless such termination is (i) due to a Qualified Termination of Employment, or (ii) due to death, Total and Permanent Disability, or the shutdown or divestiture of a business unit. An authorized leave of absence shall not be deemed to be a termination of employment if the period of such leave does not exceed six months, or if longer, so long as the Participant retains a right to reemployment with the Corporation or an Affiliate under an applicable statute or by contract. For purposes of this subparagraph, a leave of absence constitutes a bona fide leave of absence only if there is a reasonable expectation that the Participant will return to perform services for the Corporation or an Affiliate. If the period of leave exceeds six months and the Participant does not retain a right to reemployment under an

applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Participant to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence is substituted for such six-month period in determining whether a termination of employment shall be deemed to have occurred. A termination of employment with the Corporation or an Affiliate to accept immediate reemployment with the Corporation or an Affiliate likewise shall not be deemed to be a termination of employment for the purposes of the Plan if the level of bona fide services the Participant would perform after such date would permanently decrease to no more than 20 percent of the average level of bona fide services performed over the immediately preceding 36-month period (or the full period of services to the Corporation or an Affiliate if the Participant has been providing such services less than 36 months). A Participant who is classified as an intermittent employee shall be deemed to have a termination of employment for purposes of the Plan if the level of bona fide services the Participant would perform after such date would permanently decrease to less than 50 percent of the average level of bona fide services performed over the immediately preceding 36-month period (or the full period of services to the Corporation or an Affiliate if the Participant has been providing such services less than 36 months).

- (c) Death or Total and Permanent Disability. If the Participant's termination of employment is due to death or Total and Permanent Disability, it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be prorated for the number of full months of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid 70 days following the Participant's termination of employment.
 - (d) Shutdown or Divestiture. In the event that after the Grant Date the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined at the end of the Restricted Period, prorated for the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 70 days following the end of the Restricted Period. Any fractional share of the Corporation resulting from such a prorated Award shall be rounded to the nearest whole share.
 - (e) Qualified Termination of Employment. In the event of a Qualified Termination of Employment all restrictions will lapse and the shares will become fully vested and shall be paid within 10 days following the last day of employment of the Participant with the Corporation or an Affiliate.
 - (f) Payment of Awards. The payment of the Award shall be made in shares of Common Stock. The payment of an Award shall be made within 70 days following the end of the Restricted Period.
 - (g) Payment of Withholding Taxes. No shares of Common Stock, nor any cash payment, may be delivered under this Award, unless prior to or simultaneously with such issuance, the Participant or, in the event of his death, the person succeeding to his rights hereunder, shall pay to the Corporation or an Affiliate, as applicable, such amount as the Corporation advises is required under applicable federal, state or local laws to withhold and pay over to governmental taxing authorities in relation to this Award. The Corporation may, in its discretion, withhold payment of required withholding taxes with cash or shares of Common Stock which otherwise would be delivered following the date of vesting of the Award under this Section 2.
3. Nontransferability. Neither the Award nor the Participant's right to receive payment for vested Awards may be assigned or transferred except upon the death of the Participant (i) by will or (ii) by the laws of descent and distribution.
4. Compliance with Law. No payment may be made under this Award, unless prior to the issuance thereof, the Corporation shall have received an opinion of counsel to the effect that this Award by the Corporation to the Participant will not constitute a violation of the U.S. Securities Act of 1933, as amended. As a condition of this Award, the Participant shall, if requested by the Corporation, submit a written statement in form satisfactory to counsel for the Corporation, to the effect that any shares received under this Award shall be for investment and not with a view to the distribution thereof within the meaning of the U.S. Securities Act of 1933, as amended, and the Corporation shall have the right, in its discretion, to cause the certificates representing shares hereunder to be appropriately

legended to refer to such undertaking or to any legal restrictions imposed upon the transferability thereof by reason of such undertaking.

The Award granted hereby is subject to the condition that if the listing, registration or qualification of the shares subject hereto on any securities exchange or under any state or federal law, or if the consent or approval of any regulatory body shall be necessary as a condition of, or in connection with, the granting of the Award or the delivery of shares thereunder, such shares may not be delivered unless and until such listing, registration, qualification, consent or approval shall have been effected or obtained. The Corporation agrees to use its best efforts to obtain any such requisite listing, registration, qualification, consent or approval.

The Participant is solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses, or notices, which may be necessary for the Participant to hold the Award, or to receive any payment of cash or shares or to hold or sell the shares subject to the Award, if any. Neither the Corporation nor its Affiliates will be responsible for obtaining any such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties the Participant may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.

5. No Right of Continued Employment. The granting of this Award does not confer upon the Participant any legal right to be continued in the employ of the Corporation or its Affiliates, and the Corporation and its Affiliates reserve the right to discharge the Participant whenever the interest of the Corporation or its Affiliates may so require without liability to the Corporation or its Affiliates, the Board of Directors of the Corporation or its Affiliates, or the Committee, except as to any rights which may be expressly conferred on the Participant under this Award.
6. Discretion of the Corporation, Board of Directors and the Committee. Any decision made or action taken by the Corporation or by the Board of Directors of the Corporation or by the Committee arising out of or in connection with the construction, administration, interpretation and effect of this Award shall be within the absolute discretion of the Corporation, the Board of Directors of the Corporation or the Committee, as the case may be, and shall be conclusive and binding upon all persons.
7. Inalienability of Benefits and Interest. This Award and the rights and privileges conferred hereby shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any such attempted action shall be void and no such benefit or interest shall be in any manner liable for or subject to debts, contracts, liabilities, engagements, or torts of the Participant.
8. Governing Law and Forum. The Plan is governed by and subject to the laws of the United States of America. All questions pertaining to the construction, interpretation, regulation, validity and effect of the provisions of this Award and any rights under the Plan shall be determined in accordance with the laws of the State of Delaware. For purposes of litigating any dispute that arises under this Award or Award Agreement, the parties agree that such litigation shall be conducted exclusively in the federal courts for the United States for the Northern District of Texas, and no other courts, where this Award is made and/or to be performed; and waive, to the fullest extent permitted by law, any objection that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in any such court is improper or that such proceedings have been brought in an inconvenient forum.
9. Purchase of Common Stock. The Corporation and its Affiliates may, but shall not be required to, purchase shares of Common Stock of the Corporation for purposes of satisfying the requirements of this Award. The Corporation and its Affiliates shall have no obligation to retain and shall have the unlimited right to sell or otherwise deal with for their own account, any shares of Common Stock of the Corporation purchased for satisfying the requirements of this Award.
10. Notices. Any notice to be given to the Corporation under this Award shall be addressed to the Corporation in care of its Director of Compensation located at the World Headquarters, and any notice to be given to the Participant under the terms of this Award may be addressed to him or her at the address as it appears on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be deemed to have been duly given if and when enclosed in a properly sealed envelope or wrapper addressed as aforesaid, registered and deposited, postage and registry fee prepaid, in a post office or branch post office regularly maintained by the United States Government or any equivalent non-U.S. postal service.

11. Changes in Capitalization. In the event there are any changes in the Common Stock or the capitalization of the Corporation through a corporate transaction, such as any merger, any acquisition through the issuance of capital stock of the Corporation, any consolidation, any separation of the Corporation (including a spin-off or other distribution of stock of the Corporation), any reorganization of the Corporation (whether or not such reorganization comes within the definition of such term in Section 368 of the Code), or any partial or complete liquidation by the Corporation, recapitalization, stock dividend, stock split or other change in the corporate structure, appropriate adjustments and changes shall be made by the Committee in (a) the number of shares subject to this Award, and (b) such other provisions of this Award as may be necessary and equitable to carry out the foregoing purposes.
12. Effect on Other Plans. All benefits under this Award shall constitute special incentives and shall not affect the level of benefits provided to or received by the Participant (or the Participant's estate or beneficiaries) as part of any employee benefit plan of the Corporation or an Affiliate. This Award shall not be construed to affect in any way the Participant's rights and obligations under any other plan maintained by the Corporation or an Affiliate on behalf of employees.
13. Discretionary Nature of Award. The grant of an Award is a one-time benefit and does not create any contractual or other right to receive a grant of Awards or benefits in lieu of Awards in the future. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of RSUs and vesting provisions. The value of the Award is an extraordinary item outside the scope of the Participant's employment contract, if any. As such, the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.
14. Data Privacy Notice and Consent. The Participant hereby authorizes their employer to furnish the Corporation (and any agent of the Corporation administering the Plan or providing Plan recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and administration of the Plan and the Participant waives any data privacy rights such Participant might otherwise have with respect to such information.
15. Conflict with Plan. This Award is awarded pursuant to and subject to the Plan. This Agreement is intended to supplement and carry out the terms of the Plan. It is subject to all terms and provisions of the Plan and, in the event of a conflict, the Plan shall prevail.
16. Successors. This Award Agreement, including but not limited to the non-competition obligations described in Section 19 below, shall be binding upon and inure to the benefit of any successor or successors of the Corporation.
17. Amendments. The Committee may at any time alter or amend this Award to the extent (1) permitted by law, (2) permitted by the rules of any stock exchange on which the Common Stock or any other security of the Corporation is listed, and (3) permitted under applicable provisions of the U.S. Securities Act of 1933, as amended, the U.S. Securities Exchange Act of 1934, as amended (including rule 16b-3 thereof).
18. Defined Terms. Terms which are capitalized are defined herein or in the Plan and have the same meaning set forth in the Plan, unless the context indicates otherwise.
19. Non-Competition Provisions For U.S. Participants Only.
 - (a) During the term of the Participant's employment and for a period of two (2) years following the termination of employment, regardless of the reason for or the manner of termination, the Participant shall not, without the written consent of the Corporation, anywhere in the United States of America, either directly or indirectly, perform duties or undertake responsibilities for a Competitor that are the same or substantially similar to those duties or responsibilities that the Participant performed or undertook for the Corporation or an Affiliate during the two (2) year period prior to the end of the Participant's employment with the Corporation or an Affiliate. As used herein, "Competitor" means any person or entity whose business engages in the same or substantially the same business as the Business of the Corporation. As used herein, "Business of the Corporation" is the development, production, sales and/or marketing of health and hygiene products. The foregoing restriction shall not apply if the Participant resides and/or primarily works in the State of California.
 - (b) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant agrees to notify the Corporation in writing prior to accepting new employment, or engaging in any other activity which may violate this Agreement, and the Participant agrees

to provide in such notice information concerning the anticipated new employment or activity, including, but not limited to: name of employer; address of employer; name of new team leader; job title; and scope and responsibilities of the new position. The Participant recognizes that such duty of notification is absolute and is not affected by the Participant's belief that such employment may perhaps not violate this Agreement or otherwise be unfairly competitive with the Corporation. The Participant's written notice should be addressed to General Counsel, Attention: Noncompetition and Confidentiality Agreement, Kimberly-Clark Corporation, 351 Phelps Drive, Irving, TX 75038. Provided, however, the foregoing notice requirement shall not apply if the Participant resides and/or primarily works in the State of California.

(c) During the period of two (2) years following termination of the Participant's employment with the Corporation or an Affiliate, the Participant shall provide a copy of Section 19 of this Agreement to each new employer before starting in any new employment. The Participant agrees that the Corporation may notify any third party about the Participant's obligations under Section 19 of this Award Agreement until such obligations are fulfilled.

(d) If any provision of this Section 19 is held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such provision shall be deemed to be severed from the Agreement and such invalidity, illegality or unenforceability will not affect any other provision of the Agreement, all of which shall remain valid and enforceable. Notwithstanding the foregoing, if a court of competent jurisdiction determines that the covenants contained in this Section 19 are unenforceable because they are overbroad in some respect, to the full extent permitted by applicable law, the court should revise or reform any aspect of this Section 19 so as to make the scope of such Section 19 as broad as can be enforced under applicable law.

(e) In the event of an anticipated or actual breach by the Participant of this provision, the Participant acknowledges and agrees that damages would not be an adequate remedy to compensate the Corporation for the harm to the business of the Corporation and, in such event, agrees that the Corporation shall be entitled to a temporary restraining order and to temporary injunctive relief to prevent or terminate such anticipated or actual breach, provided, however, that nothing in this Agreement shall be construed to limit any permanent relief to which the Corporation may be entitled or the damages otherwise recoverable by the Corporation in any such event.

(f) If the Participant violates any aspect of this provision, or any duty of loyalty or confidentiality imposed by law, in addition to any damages that the Participant may be required to pay, the Participant understands and agrees that the Participant shall be required to reimburse the Corporation for all its costs incurred to enforce this Agreement, including but not limited to, all attorneys' fees.

20. Acceptance of Award Terms and Conditions. A Participant has until the end of the one hundred twenty (120) day period beginning from the Grant Date of this Award to accept this Award Agreement. If the Participant does not accept this Award Agreement on or before the end of such one hundred twenty (120) day period then the grant of the Award, as set forth in Section 1, shall not be binding on and shall be voidable by the Corporation, in which case it shall have no further force or effect.

Acknowledgment of Conditions

I understand, acknowledge and agree to the following conditions with respect to the Award granted to me under the Plan:

- The Plan is established voluntarily by the Corporation, is discretionary in nature and may be modified, amended, suspended, cancelled or terminated at any time, to the extent permitted by the Plan. The grant of an Award is an exceptional, voluntary and occasional benefit and does not create any contractual or other right to receive an Award or benefits in lieu of an Award in the future, even if the Awards have been granted in the past. Future grants, if any, will be at the sole discretion of the Corporation, including, but not limited to, the timing of any grant, the number of shares subject to an Award and vesting provisions.
- My participation in the Plan is voluntary. Participation in the Plan will not create a right to further employment with my actual employer (the "Employer") and shall not interfere with the ability of the Employer to terminate my employment relationship at any time. Further, the Award and my participation in the Plan will not be interpreted to form an employment contract or relationship with the Corporation or any Affiliate.

- The Award and the shares of Common Stock subject to the Award, and the income and value of same, are extraordinary items that do not constitute compensation of any kind for services of any kind rendered to the Corporation or, if different, the Employer, and which are outside the scope of my employment contract, if any, and are not intended to replace any pension rights or compensation. As such, the Award, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension, retirement or welfare benefits or similar payments and in no event shall be considered as compensation for, or relating in any way to, past services for the Corporation, the Employer or any other Affiliate.
- Unless otherwise agreed with the Corporation, the Award and shares of Common Stock subject to the Award, and the income and value of same, are not granted as consideration for, or in connection with, any service I may provide as a director of any Affiliate.
- The future value of the underlying shares of Common Stock is unknown, indeterminable, and cannot be predicted with certainty.
- No claim or entitlement to compensation or damages shall arise from forfeiture of the Award resulting from termination of my employment by the Corporation or the Employer (for any reason whatsoever and whether or not in breach of local labor laws) and, in consideration of the Award to which I am otherwise not entitled, I agree not to institute any claim against the Corporation, the Employer or any other Affiliate.
- In the event of termination of my employment (whether or not in breach of local labor laws and except as otherwise explicitly provided in the Award Agreement or the Plan), my right to receive RSUs and vest in the Award under the Plan, if any, will terminate effective as of the date that I am no longer actively employed and will not be extended by any notice period mandated under local law (*e.g.* , active employment would not include a period of "garden leave" or similar period pursuant to local law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed for purposes of the Award (including whether I may still be considered employed while on a leave of absence).
- The Corporation is not providing any tax, legal or financial advice, nor is the Corporation making any recommendations regarding participation in the Plan, or my acquisition or sale of the underlying shares of Common Stock. Further, I understand and agree that I should consult with my own advisors regarding participation in the Plan before taking any action related to the Plan.
- Neither the Corporation, the Employer nor any other Affiliate shall be liable for any foreign exchange rate fluctuation between my local currency and the United States Dollar that may affect the value of the RSUs or of any amounts due to me pursuant to the settlement of the RSUs or the subsequent sale of any shares of Common Stock acquired upon settlement.
- Regardless of any action the Corporation or the Employer takes with respect to any or all income tax (including federal, state and local taxes), social insurance, fringe benefit tax, payroll tax, payment on account or other tax-related items related to my participation in the Plan and legally applicable to me ("Tax-Related Items"), I acknowledge that the ultimate liability for all Tax-Related Items is and remains my responsibility and may exceed the amount actually withheld by the Corporation or the Employer. I further acknowledge that the Corporation and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Award, including the grant of the RSUs, the vesting of RSUs, the conversion of the RSUs into shares or the receipt of an equivalent cash payment, the subsequent sale of any shares acquired at vesting and the receipt of any dividends or dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Award to reduce or eliminate the my liability for Tax-Related Items or achieve any particular tax result. Further, if I have become subject to Tax-Related Items in more than one jurisdiction, I acknowledge that the Corporation and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.
- Prior to the relevant taxable or tax withholding event, as applicable, I shall pay or make adequate arrangements satisfactory to the Corporation and/or the Employer to satisfy any applicable withholding obligations for Tax-Related Items. In this regard, I authorize the Corporation or the Employer, or their respective agents, at their discretion, to satisfy their withholding obligations with regard to all Tax-Related Items by one or a combination of the following:
 - (1) withholding from my wages or other cash compensation paid to me by the Corporation and/or the Employer; or

- (2) withholding from the proceeds of the sale of shares acquired upon vesting of the Award either through a voluntary sale or through a mandatory sale arranged by the Corporation (on my behalf, pursuant to this authorization); or
- (3) withholding shares to be issued upon vesting of the Award.
- Depending on the withholding method, the Corporation may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case I may receive a refund of any over-withheld amount in cash and will have no entitlement to the common stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in shares, for tax purposes, I am deemed to have been issued the full number of shares subject to the Award, notwithstanding that a number of shares are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of my participation in the Plan.
 - I shall pay to the Corporation or to the Employer any amount of Tax-Related Items that the Corporation or the Employer may be required to withhold or account for as a result of my participation in the Plan that cannot be satisfied by the means previously described. The Corporation may refuse to deliver shares or the proceeds of the sale of shares to me if I fail to comply with my obligations in connection with the Tax-Related Items.
 - *I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement by and among, as applicable, the Employer and the Corporation, for the exclusive purpose of implementing, administering and managing my participation in the Plan.*
 - *I understand that the Corporation and my Employer may hold certain personal information about me, including, but not limited to, my name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in my favor ("Data"), for the purpose of implementing, administering and managing the Plan.*
 - *I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service with the Employer will not be affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me RSUs or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.*
 - I understand that I am solely responsible for obtaining/providing whatever exchange control approvals, permits, licenses or notices, which may be necessary for my Award, to acquire the shares or to hold or sell the shares subject to the Award. Neither the Corporation nor its Affiliates will be responsible for obtaining such approvals, licenses or permits, or for making any such notices, nor will the Corporation or its Affiliates be liable for any fines or penalties I may incur for failure to obtain any required approvals, permits or licenses or to make any required notices.
 - The provisions of this Award Agreement are severable and if one or more of the provisions of this Award Agreement shall be held invalid, illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nonetheless be binding and enforceable. To the extent that any provisions of this Award Agreement are held to be invalid or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby and the invalid, illegal or unenforceable provisions shall be deemed null and void; however, to the extent

permissible by law, any provisions which could be deemed null and void shall first be construed, interpreted or revised retroactively to permit this Award Agreement to be construed so as to foster the intent of this Award Agreement and the Plan.

- If I have received this Award Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.
- Notwithstanding any provisions in this Award Agreement, the Award shall be subject to any special terms and conditions set forth in Appendix A to this Award Agreement for my country. Moreover, if I relocate to one of the countries included in Appendix A, the special terms and conditions for such country will apply to me, to the extent the Corporation determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. Appendix A constitutes part of this Award Agreement.
- For U.S. Participants only: I acknowledge that the grant of an Award is expressly conditioned on the non-competition provisions set forth in Section 19.
- The Corporation reserves the right to impose other requirements on my participation in the Plan, on the Award and on any shares acquired under the Plan, to the extent the Corporation determines it is necessary or advisable for legal or administrative reasons, and to require me to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
- The Corporation may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. I hereby consent to receive such documents by on-line delivery and agree to participate in the Plan through an on-line or electronic system established and maintained by the Corporation or a third-party designated by the Corporation.
- A waiver by the Corporation of breach of any provision of this Award Agreement shall not operate or be construed as a waiver of any other provision of this Award Agreement, or of any subsequent breach by me or any other participant.
- I may be subject to insider trading restrictions and/or market abuse laws, which may affect my ability to acquire or sell shares of Common Stock or rights to shares of Common Stock (*e.g.* , RSUs) under the Plan during such times as I am considered to have "inside information" regarding the Corporation (as defined by the laws in my country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Corporation insider trading policy. I am responsible for ensuring my compliance with any applicable restrictions and am advised to speak with my personal legal advisor on this matter.
- My country may have certain foreign asset and/or foreign account reporting requirements and exchange controls which may affect my ability to acquire or hold shares of Common Stock acquired under the Plan or cash received from participating in the Plan (including from any dividends paid on shares acquired under the Plan) in a brokerage or bank account outside my country. I may be required to report such accounts, assets or transactions to the tax or other authorities in my country. I also may be required to repatriate sale proceeds or other funds received as a result of my participation in the Plan to my country through a designated bank or broker within a certain time after receipt. I acknowledge that it is my responsibility to be compliant with such regulations, and that I am advised to consult my personal legal advisor for any details.
- I acknowledge that I have reviewed the Corporation's Code of Conduct. I further acknowledge that I understand and will comply with the terms and standards contained in that Code of Conduct, including but not limited to the prohibition against retaliation, and specifically acknowledge that I have an obligation to report suspected violations of the Code of Conduct pursuant to the Corporation's Escalation Policy.

Conclusion and Acceptance

I accept this grant via electronic signature by clicking the "Accept" icon and certify that I have read, understand and agree to the terms and conditions of the 2011 Equity Participation Plan (the "Plan"), the provisions of the applicable Award Agreement and all other applicable documents (including any country-specific terms applicable to my grant). I hereby authorize the Employer to furnish the Corporation (and any agent administering the Plan or providing recordkeeping services) with such information and data as it shall request in order to facilitate the grant of Awards and enable administration of the Plan and I understand that such information shall be used only as long and to the extent necessary to administer my participation in the

Plan. I agree that my participation in the Plan and the Awards granted to me under the Plan will be governed solely by provisions of U.S. law.

**KIMBERLY-CLARK CORPORATION
TIME-VESTED RESTRICTED STOCK UNIT
AWARD AGREEMENT**

APPENDIX A

Certain capitalized terms used but not defined in this Appendix A have the meanings set forth in the Plan and/or the Award Agreement.

This Appendix A includes additional terms and conditions that govern the Award granted to the Participant under the Plan if the Participant resides and/or works in one of the countries listed below.

This Appendix A also includes information regarding exchange controls and certain other issues of which the Participant should be aware with respect to the Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of March 2016. Such laws are often complex and change frequently. As a result, the Corporation strongly recommends that the Participant not rely on the information noted herein as the only source of information relating to the consequences of the Participant's participation in the Plan because the information may be out of date at vesting of the Award or the subsequent sale of the shares or receipt of any dividends or dividend equivalents.

In addition, the information is general in nature and may not apply to the Participant's particular situation, and the Corporation is not in a position to assure the Participant of any particular result. Accordingly, the Participant is advised to seek appropriate professional advice as to how the relevant laws in the Participant's country may apply to the Participant's situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which the Participant is currently residing and/or working, transferred or transfers employment and or residency after the Award is granted or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant. The Corporation shall, in its sole discretion, determine to what extent the terms and conditions included herein will apply to the Participant in such circumstances.

ARGENTINA

Securities Law Information

Neither the RSUs nor the shares of Common Stock subject to the RSUs are publicly offered or listed on any stock exchange in Argentina. The offer is private and not subject to the supervision of any Argentine governmental authority.

Foreign Asset/Account Reporting Information

Argentine residents must report any shares of Common Stock acquired under the Plan and held on December 31st of each year on their annual tax return for the year.

Exchange Control Information

Following the sale of shares of Common Stock and/or the receipt of dividends, Argentine residents may be subject to certain restrictions in bringing such funds back into Argentina. The Argentine bank handling the transaction may request certain documentation in connection with the request to transfer sale proceeds into Argentina (e.g. , evidence of the sale, proof of the source of the funds used to purchase such shares, etc.). The Participant must comply with any and all Argentine currency exchange restrictions, approvals and reporting requirements in connection with the vesting of the RSUs, the subsequent sale of any shares acquired at vesting and the receipt of any dividends paid on such shares.

Please note that exchange control regulations in Argentina are subject to frequent change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations the Participant may have in connection with the Participant's participation in the Plan.

AUSTRALIA

Australian Offer Document

The Participant acknowledges that he or she received an Australian offer document which sets out additional information regarding the grant of the award to Australian resident employees.

Shutdown or Divestiture

The following provision replaces Section 2(d) of the Award Agreement.

In the event that, after the Grant Date, the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro-rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined by prorating the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 70 days following the Participant's termination of employment. Any fractional share of the Corporation resulting from such a prorated Award shall be rounded to the nearest whole share.

Compliance with Laws

Notwithstanding anything else in the Plan or the Award Agreement, the Participant will not be entitled to and shall not claim any benefit under the Plan if the provision of such benefit would give rise to a breach of Part 2D.2 of the Corporations Act 2001 (Cth.) (the "Act"), any other provision of the Act, or any other applicable statute, rule or regulation which limits or restricts the giving of such benefits. Further, the Employer is under no obligation to seek or obtain the approval of its shareholders in a general meeting for the purpose of overcoming any such limitation or restriction.

Exchange Control Information

Exchange control reporting is required for cash transactions exceeding AUD\$10,000 and for international fund transfers. If an Australian bank is assisting with the transaction, the bank will file the report on the Participant's behalf. If there is no Australian bank involved in the transaction, the Participant will be required to file the report him or herself.

BAHRAIN

There are no country-specific provisions.

BELGIUM

Foreign Asset/Account Reporting Information

Belgian residents are required to report any securities (e.g. , shares acquired under the Plan) or bank accounts opened and maintained outside Belgium on their annual tax returns. Belgian residents are also required to complete a separate report providing the National Bank of Belgium with details regarding any such account, including the account number, the name of the bank in which such account is held and the country in which such account is located. The forms to complete this report are available on the website of the National Bank of Belgium. Belgian residents should consult with their personal tax advisors to determine their personal reporting obligations.

BOLIVIA

There are no country-specific provisions.

BRAZIL

Compliance with Law

By accepting the Award, the Participant acknowledges that he or she agrees to comply with applicable Brazilian laws and pay any and all applicable Tax-Related Items associated with the vesting of the RSUs, the conversion of the RSUs into shares or the receipt of an equivalent cash payment, the receipt of any dividends, and the sale of shares of Common Stock acquired under the Plan.

Labor Law Acknowledgement

By accepting the Award, the Participant agrees that (i) Participant is making an investment decision; (ii) the shares of Common Stock will be issued to Participant only if the vesting and/or performance conditions are met, and (iii) the value of the underlying shares of Common Stock is not fixed and may increase or decrease in value over the vesting period without compensation to the Participant.

Exchange Control Information

If the Participant is resident or domiciled in Brazil, he or she will be required to submit annually a declaration of assets and rights held outside of Brazil to the Central Bank of Brazil if the aggregate value of such assets and rights is equal to or greater than US\$100,000. Assets and rights that must be reported include shares of Common Stock.

Tax on Financial Transaction (IOF).

Payments to foreign countries and repatriation of funds into Brazil (including proceeds from the sale) and the conversion of USD into BRL associated with such fund transfers may be subject to the Tax on Financial Transactions. It is the Participant's responsibility to comply with any applicable Tax on Financial Transactions arising from the Participant's participation in the Plan. The Participant should consult with his or her personal tax advisor for additional details.

CANADA

Award Payable Only in Shares

Awards granted to Participants in Canada shall be paid in shares of the Corporation's Common Stock only and do not provide any right for Participant to receive a cash payment.

Securities Law Information

The Participant is permitted to sell shares acquired through the Plan through the designated broker appointed under the Plan, if any, provided the resale of shares acquired under the Plan takes place outside of Canada through the facilities of a stock exchange on which the shares are listed. The Corporation's shares are currently listed on New York Stock Exchange.

Acknowledgment of Conditions

The following provision supplements the Acknowledgement of Conditions section of the Award Agreement:

Except as may otherwise be explicitly provided in the Plan or this Award Agreement, for the purposes of this Award Agreement, my termination of employment will be measured effective as of the date that is the earlier of: (1) the date my employment is terminated, (2) the date I receive notice of termination of employment or service from the Employer, or (3) the date I am no longer actively employed or providing services, regardless of any notice period or period of pay in lieu of such notice required under local law (including, but not limited to, statutory law, regulatory law, and/or common law); the Committee shall have the exclusive discretion to determine when I am no longer actively employed or providing services for purposes of the RSUs (including whether I may still be considered employed while on a leave of absence).

Foreign Asset/Account Reporting Information

Foreign property (including shares of Common Stock) held by Canadian residents must be reported annually on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign property exceeds C\$100,000 at any time during the year. Foreign property includes shares of Common Stock acquired under the Plan and may include the RSUs. The RSUs must be reported - generally at a nil cost - if the \$100,000 cost threshold is exceeded because of other foreign property the Participant holds. If shares of Common Stock are acquired, their cost generally is the adjusted cost base ("ACB") of the shares. The ACB would normally equal the Fair Market Value of the shares at vesting, but if the Participant owns other shares, this ACB may have to be averaged with the ACB of the other shares. If due, the Form must be filed by April 30 of the following year. The Participant should speak with a personal tax advisor to determine the scope of foreign property that must be considered for purposes of this requirement.

The following provisions apply if the Participant is a resident of Quebec:

Language Consent

The parties acknowledge that it is their express wish that the Award Agreement, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be drawn up in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de la convention, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, relativement à ou suite à la présente convention.

Authorization to Release and Transfer Necessary Personal Information

The Participant hereby authorizes the Corporation and the Corporation's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Corporation, any Affiliate and the plan administrators to disclose and discuss the Plan with their advisors. The Participant further authorizes the Corporation and any Affiliate to record such information and to keep such information in the Participant's employee file.

CHILE

Securities Law Information

The RSUs are granted on May 3, 2016 and are made subject to general ruling n° 336 of the Chilean Superintendence of Securities and Insurance ("SVS"). This offer refers to securities not registered at the securities registry or at the foreign securities registry of the SVS, and therefore such securities are not subject to its oversight. Given that these securities are not registered in Chile, there is no obligation from the issuer to provide public information on them in Chile. These securities cannot be subject to public offering in Chile while they are not registered at the corresponding securities registry in Chile.

La oferta privada de estos RSUs se inicia en el día 3 de Mayo de 2016 y se acoge a las disposiciones de la norma de carácter general n° 336 de la Superintendencia de Valores y Seguros de Chile ("SVS"). Esta oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la SVS, por lo que tales valores no están sujetos a la fiscalización de ésta. Por tratarse de valores no inscritos en Chile, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de los mismos. Estos valores no podrán ser objeto de oferta pública en Chile mientras no sean inscritos en el registro de valores correspondiente.

Exchange Control Information

The Participant is not required to repatriate funds obtained from the sale of shares or the receipt of any dividends. However, if the Participant decides to repatriate such funds, the Participant must do so through the Formal Exchange Market if the amount of the funds exceeds US\$10,000. In such case, the Participant must report the payment to a commercial bank or registered foreign exchange office receiving the funds. If the Participant does not repatriate the funds and uses such funds for the payment of other obligations contemplated under a different Chapter of the Foreign Exchange Regulations, the Participant must sign Annex 1 of the Manual of Chapter XII of the Foreign Exchange Regulations and file it directly with the Central Bank within the first 10 days of the month immediately following the transaction.

If the Participant's aggregate investments held outside of Chile meets or exceeds US\$5,000,000 (including the investments made under the Plan), the Participant may need to report the investments annually to the Central Bank. Annex 3.1 of Chapter XII of the Foreign Exchange Regulations must be used to file this report.

Please note that exchange control regulations in Chile are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to receiving proceeds from the sale of shares of Common Stock acquired under the Plan.

Annual Tax Reporting Obligation

The Chilean Internal Revenue Service ("CIRS") requires all taxpayers to provide information annually regarding: (i) the taxes paid abroad, which they will use as a credit against Chilean income taxes, and (ii) the results of foreign investments. These annual reporting obligations must be complied with by submitting a sworn statement setting forth this information before March 15 of each year. The forms to be used to submit the sworn statement are Tax Form 1853 "Annual Sworn Statement"

Regarding Credits for Taxes Paid Abroad" and Tax Form 1851 "Annual Sworn Statement Regarding Investments Held Abroad." If the Participant is not a Chilean citizen and has been a resident in Chile for less than three years, the Participant is exempt from the requirement to file Tax Form 1853. These statements must be submitted electronically through the CIRS website: www.sii.cl.

CHINA

The following provisions apply only to Employees who are subject to exchange control restrictions imposed by the State Administration of Foreign Exchange ("SAFE"), as determined by the Corporation in its sole discretion:

Vesting of RSUs

The RSUs will vest only if and as long as the registration of the Plan with SAFE (as completed by the Corporation) remains effective. If the Corporation is unable to maintain the registration, vesting of the RSUs will be suspended.

Shutdown or Divestiture

The following provision replaces Section 2(d) of the Award Agreement.

In the event that, more than six months after the Grant Date, the Participant's termination of employment is due to the shutdown or divestiture of the Corporation's or its Affiliate's business, it shall result in pro-rata vesting, as determined by the Committee, and the number of shares that are considered to vest shall be determined based on the Target Level of Awards (including any accrued dividend equivalents accumulated pursuant to Section 2(a)) and by prorating the number of full years of employment during the Restricted Period prior to the Participant's termination of employment, and shall be paid within 70 days following the Participant's termination of employment. Any fractional share of the Corporation resulting from such a prorated Award shall be rounded to the nearest whole share.

Termination of Employment

Except for a termination of employment due to the shutdown or divestiture of a business unit, as described above, and notwithstanding any other provision in the Award Agreement, the Participant shall forfeit any unvested Award, including any accrued dividend equivalents, upon any termination of employment including, but not limited to, any termination that is due to a Qualified Termination of Employment, death, Retirement or Total and Permanent Disability.

The Employee acknowledges and agrees that he or she must sell any shares of Common Stock issued to him or her upon vesting of the RSUs as soon as practicable following the Participant's termination of employment and in no event later than three months following the Employee's termination of employment. The Employee agrees that if he or she continues to hold any of such shares of Common Stock after this time, the shares of Common Stock will be sold by the Corporation's designated broker on the Employee's behalf at the instruction of the Corporation. Therefore, by accepting the RSUs, the Employee understands and agrees that the Corporation is authorized to, and may in its sole discretion, instruct its designated broker to assist with the mandatory sale of shares of Common Stock (on the Employee's behalf pursuant to this authorization) and that the Employee expressly authorizes the Corporation's designated broker to complete the sale of such shares of Common Stock. The Employee acknowledges that the Corporation's designated broker is under no obligation to arrange for the sale of the shares of Common Stock at any particular price. Upon the sale of the shares of Common Stock, the proceeds, less any Tax-Related Items and brokerage fees or commissions will be remitted to the Employee pursuant to the procedures described in the "Exchange Control Information" section below.

Exchange Control Information

Shares of Common Stock issued to the Employee under the Plan must be maintained in an account with Merrill Lynch or such other broker as may be designated by the Corporation until the shares of Common Stock are sold through that broker.

The Employee understands and agrees that, to facilitate compliance with exchange control requirements, the Employee will be required to immediately repatriate to China the cash proceeds from the sale of shares of Common Stock acquired upon vesting of the RSUs or from any dividends or dividend equivalents paid on the shares of Common Stock. The Employee further understands that, under local law, such repatriation of the cash proceeds will be effectuated through a special exchange control account established by the Corporation or one of its Affiliates in China, and the Employee hereby consents and agrees that the cash proceeds related to the Participant's participation in the Plan may be transferred to such special account prior to being delivered to the Employee. The Corporation may deliver the proceeds to the Employee in U.S. dollars or local currency at the Corporation's discretion. If the proceeds are paid in U.S. dollars, the Employee understands that he or she will be required to

set up a U.S. dollar bank account in China so that the proceeds may be deposited into this account. If the proceeds are converted to local currency, there may be delays in delivering the proceeds to the Employee. The Employee agrees to bear the risk of any currency fluctuation between the time the shares of Common Stock are sold, either through voluntary sale or through a mandatory sale arranged by the Corporation, or proceeds are otherwise realized under the Plan and the time such proceeds are distributed to the Employee through the special exchange control account.

The Employee further agrees to comply with any other requirements that may be imposed by the Corporation in the future to facilitate compliance with exchange control requirements in China.

COLOMBIA

Securities Law Information

The Plan is offered in Colombia on the basis that offer of the Awards and/or the sale of any shares of Common Stock under the Plan will not constitute a "public offering of securities" under Law 964 of 2005. In the event that the Corporation, in its sole discretion, determines that the offer of the Awards in Colombia may constitute a "public offer of securities" under Law 964 of 2005, the Participant understands and agrees that the Corporation may, in its sole discretion, cease to offer participation in the Plan in Colombia. In the event that the Corporation exercises its discretion to cease offering the Plan in Colombia, the Participant will no longer be permitted to participate in the Plan as of the date established by the Corporation.

Acknowledgment of Conditions

The following provision supplements the Acknowledgement of Conditions section of the Award Agreement:

I acknowledge that pursuant to Article 128 of the Colombian Labor Code, the Plan and related benefits do not constitute a component of my "salary" for any legal purpose.

COSTA RICA

There are no country-specific provisions.

CZECH REPUBLIC

Exchange Control Information

The Czech National Bank may require the Participant to fulfill certain notification duties in relation to the acquisition of shares of Common Stock and the opening and maintenance of a foreign account. Even in the absence of a request from the CNB the Participant may need to report foreign direct investments with a value of CZK 2,500,000 or more in the aggregate and/or other foreign financial assets with a value of CZK 200,000,000 or more. However, because exchange control regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor prior to the vesting of the RSUs and the sale of Common Stock to ensure compliance with current regulations. It is the Participant's responsibility to comply with any applicable Czech exchange control laws.

DOMINICAN REPUBLIC

There are no country-specific provisions.

ECUADOR

There are no country-specific provisions.

EL SALVADOR

There are no country-specific provisions.

FRANCE

RSUs Not Tax-Qualified

The Participant understands that this Award is not intended to be French tax-qualified.

Consent to Receive Information in English

By accepting the Award Agreement providing for the terms and conditions of the Participant's grant, the Participant confirms having read and understood the documents relating to this grant (the Plan and this Award Agreement) which were provided in English language. The Participant accepts the terms of those documents accordingly.

En acceptant le Contrat d'Attribution décrivant les termes et conditions de l'attribution, le participant confirme ainsi avoir lu et compris les documents relatifs à cette attribution (le Plan U.S. et ce Contrat d'Attribution) qui ont été communiqués en langue anglaise. Le participant accepte les termes en connaissance de cause.

Foreign Asset/Account Reporting Information

French residents holding shares of Common Stock outside of France or maintaining a foreign bank account are required to report such to the French tax authorities when filing their annual tax returns. Further, failure to comply could trigger significant penalties.

GERMANY

Exchange Control Information

Cross-border payments in excess of €12,500 must be reported monthly to the German Federal Bank. No report is required for payments less than €12,500. In case of payments in connection with securities (including proceeds realized upon the sale of shares of Common Stock), the report must be made by the 5th day of the month following the month in which the payment was received. Effective from September 2013, the report must be filed electronically. The form of report ("Allgemeine Meldeportal Statistik") can be accessed via the Bundesbank's website (www.bundesbank.de) and is available in both German and English. The Participant is responsible for satisfying the reporting obligation.

GUATEMALA

Language Waiver

By participating in the Plan, the Participant acknowledges that he or she is proficient in reading and understanding English and fully understands the terms of the Plan, the Award Agreement and this Appendix A.

HONDURAS

There are no country-specific provisions.

HONG KONG

Securities Law Warning

The offer of this Award and the shares of Common Stock subject to this Award do not constitute a public offering of securities under Hong Kong law and are available only to employees of the Corporation or its Affiliates participating in the Plan. The Participant should be aware that the Plan, the Plan prospectus and the contents of this Award Agreement (i) have not been prepared in accordance with and are not intended to constitute a "prospectus" for a public offering of securities under the applicable securities legislation in Hong Kong, (ii) have not been reviewed by any regulatory authority in Hong Kong, and (iii) are intended only for the personal use of each Participant and may not be distributed to any other person. The Participant is advised to exercise caution in relation to the offer. If the Participant is in any doubt about any of the contents of the Agreement, including this Appendix A, or the Plan, the Participant should obtain independent professional advice.

Award Payable Only in Shares

Awards granted to Participants in Hong Kong shall be paid in shares of Common Stock only and do not provide any right for the Participant to receive a cash payment.

Sale of Shares

In the event the Award vests within six months of the Grant Date, the Participant agrees that he or she will not offer to the public or otherwise dispose of the shares acquired prior to the six-month anniversary of the Grant Date. Any shares of Common Stock acquired under the Plan are accepted as a personal investment.

Occupational Retirement Schemes Ordinance Alert

The Corporation specifically intends that neither the Award nor the Plan will be an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO").

INDIA

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in India do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant.

INDONESIA

Exchange Control Information

If the Participant remits funds into Indonesia, the Indonesian bank through which the transaction is made will submit a report on the transaction to the Bank of Indonesia for statistical reporting purposes. For transactions of US\$10,000 or more, a description of the transaction must be included in the report. Although the bank through which the transaction is made is required to make the report, the Participant must complete a "Transfer Report Form." The Transfer Report Form will be provided to the Participant by the bank through which the transaction is to be made.

ISRAEL

Securities Law Information

The offer of this Award does not constitute a public offering under Securities Law, 1968.

Immediate Sale Requirement

The Participant understands and agrees that, upon vesting of the Award, the shares of Common Stock acquired at vesting of the Award will be sold immediately. The Participant further agrees that the Corporation is authorized to instruct its designated broker to assist with any mandatory sale of such shares (on the Participant's behalf pursuant to this authorization) and expressly authorizes the Corporation's designated broker to complete the sale of such shares. Upon any such sale of shares, the sale proceeds, less any Tax-Related Items and broker's fees or commissions, will be remitted to the Participant in accordance with any applicable exchange control laws and regulations.

ITALY

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgement of Conditions section of the Award Agreement:

I understand that the Employer, the Corporation and any other Affiliate may hold certain personal information about me, including, but not limited to, my name, home address, email address and telephone number, date of birth, social insurance,

passport or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation or any Affiliate, details of all Awards, or any other entitlement to shares of Common Stock awarded, cancelled, exercised, vested, unvested or outstanding in the my favor ("Data"), for the exclusive purpose of implementing, managing and administering the Plan. I am aware that providing the Corporation with Data is necessary for the performance of the Plan and that my refusal to provide such Data would make it impossible for the Corporation to perform its contractual obligations and may affect the my ability to participate in the Plan.

The Controller of personal data processing is Kimberly-Clark Corporation with registered offices at 351 Phelps Drive, Irving, Texas 75038, United States of America, and, pursuant to Legislative Decree no. 196/2003, its representative in Italy is Kimberly-Clark s.r.l. at Via Della Rocca, 49, Torino, Italy.

I understand that Data may be transferred to the Corporation or any of its Affiliates, or to any third parties assisting in the implementation, management and administration of the Plan including any transfer required to Merrill Lynch or other third party with whom shares acquired pursuant to the vesting of the Award or cash from the sale of such shares may be deposited. Furthermore, I understand the recipients that may receive, possess, use, retain, and transfer such Data may be located in Italy or elsewhere, including outside the European Union, and that recipients' country (e.g., the United States) may have different data privacy laws and protections than Italy.

I understand that the processing activity, including transfer of Data abroad, including outside of the European Economic Area, as herein specified and pursuant to applicable laws and regulations, does not require my consent thereto as the processing is necessary to performance of contractual obligations related to implementation, administration, and management of the Plan. I understand that Data processing related to the purposes specified above shall take place under automated or non-automated conditions, anonymously when possible, that comply with the purposes for which Data is collected and with confidentiality and security provisions as set forth by applicable laws and regulations, with specific reference to Legislative Decree no. 196/2003.

I understand that Data will be held only as long as is required by law or as necessary to implement, administer and manage my participation in the Plan. I understand that, pursuant to Section 7 of the Legislative Decree no. 196/2003, I have the right to, including but not limited to, access, delete, update, correct, or terminate, for legitimate reason, the Data processing. Furthermore, I am aware that Data will not be used for direct marketing purposes. In addition, I understand that Data provided can be reviewed and questions or complaints can be addressed by contacting my local human resources representative.

Plan Document Acknowledgment

In accepting the grant of this Award, the Participant acknowledges that he or she has received a copy of the Plan and the Award Agreement and has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A.

The Participant acknowledges that he or she has read and specifically and expressly approves the following sections of the Award Agreement: Section 2(g) on Payment of Withholding Taxes; Section 5 on No Right of Continued Employment; Section 8 on Delaware Law to Govern; the section on Acknowledgment of Conditions; and the Data Privacy Notice section included in this Appendix A.

Foreign Asset/Account Reporting Information

Italian residents who, at any time during the fiscal year, hold foreign financial assets (including cash and shares of Common Stock) which may generate income taxable in Italy are required to report these assets on their annual tax returns (UNICO Form, RW Schedule) for the year during which the assets are held, or on a special form if no tax return is due. These reporting obligations will also apply to Italian residents who are the beneficial owners of foreign financial assets under Italian money laundering provisions.

JAPAN

Foreign Asset/Account Reporting Information

Japanese residents will be required to report details of any assets (including any shares of Common Stock acquired under the Plan) held outside of Japan as of December 31st of each year, to the extent such assets have a total net fair market value exceeding ¥50 million. Such report will be due by March 15th of the following year. The Participant should consult with his or

her personal tax advisor as to whether the reporting obligation applies to the Participant and whether the Participant will be required to report details of any outstanding RSUs or shares of Common Stock held by the Participant in the report.

KAZAKHSTAN

Securities Law Notification

This offer is addressed only to certain eligible employees in the form of the shares of Common Stock to be issued by the Corporation. Neither the Plan nor the Award Agreement has been approved, nor do they need to be approved, by the National Bank of Kazakhstan. This offer is intended only for the original recipient and is not for general circulation in the Republic of Kazakhstan.

Exchange Control Information

Residents of Kazakhstan may be required to notify the National Bank of Kazakhstan when they acquire shares of Common Stock under the Plan if the value of such shares of Common Stock exceeds US\$100,000.

Please note that the exchange control regulations in Kazakhstan are subject to change. The Participant should consult with his or her personal legal advisor regarding any exchange control obligations that the Participant may have prior to vesting or receiving proceeds from the sale of shares of Common Stock acquired under the Plan. The Participant is responsible for ensuring compliance with all exchange control laws in Kazakhstan.

KENYA

There are no country-specific provisions.

KOREA

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Korea do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant.

MALAYSIA

Data Privacy Notice

This provision replaces in its entirety the data privacy section in the Acknowledgment of Conditions section of the Award Agreement:

I hereby explicitly and unambiguously consent to the collection, use and transfer, in electronic or other form, of my personal data as described in this Award Agreement by and among, as applicable, my Employer, the Corporation, and its other Affiliates for the exclusive purpose of implementing, administering and managing my participation in the Plan.

I understand that the Corporation and my Employer may hold certain personal information about me, including, but not limited to, my name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of Common Stock or directorships held in the Corporation, details of all Awards or any other entitlement to shares awarded, canceled, vested, unvested or outstanding in my favor ("Data"), for the purpose of implementing, administering and managing the Plan.

I understand that Data will be transferred to Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, which is assisting the Corporation with the implementation, administration and management of the Plan. I understand that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country (e.g., the United States) may have different data privacy laws and protections than my country. I understand that I may request a list with the names and addresses of any potential recipients of the Data by contacting my local human resources representative Iris.Chiang@kcc.com at telephone number 603 78068268. I authorize the Corporation, Merrill Lynch and any other possible recipients which may assist the Corporation (presently or in the future)

with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing my participation in the Plan. I understand that Data will be held only as long as is necessary to implement, administer and manage my participation in the Plan. I understand that I may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing my local human resources representative. Further, I understand that I am providing the consents herein on a purely voluntary basis. If I do not consent, or if I later seek to revoke my consent, my employment status or service and career with the Employer will not be affected; the only consequence of refusing or withdrawing my consent is that the Corporation would not be able to grant me RSUs or other equity awards or administer or maintain such awards. Therefore, I understand that refusing or withdrawing my consent may affect my ability to participate in the Plan. For more information on the consequences of my refusal to consent or withdrawal of consent, I understand that I may contact my local human resources representative.

Malaysian Translation:

Saya dengan ini secara eksplisit dan tanpa sebarang keraguan mengizinkan pengumpulan, penggunaan dan pemindahan, dalam bentuk elektronik atau lain-lain, data peribadi saya seperti yang diterangkan dalam Perjanjian Penganugerahan dan apa-apa bahan geran opsyen lain oleh dan di antara, seperti mana yang terpakai, Majikan, Syarikat dan Anak-Anak Syarikat Sekutunya untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan.

Saya memahami bahawa Syarikat dan Majikan mungkin memegang maklumat peribadi tertentu tentang saya, termasuk, tetapi tidak terhad kepada, nama saya, alamat rumah dan nombor telefon, tarikh lahir, nombor insurans sosial atau nombor pengenalan lain, gaji, kewarganegaraan, jawatan, apa-apa syer dalam saham atau jawatan pengarah yang dipegang di Syarikat, butir-butir semua opsyen atau apa-apa hak lain atas syer dalam saham biasa yang dianugerahkan, dibatalkan, dilaksanakan, terletak hak, tidak diletak hak ataupun yang belum dijelaskan bagi faedah saya ("Data"), untuk tujuan eksklusif bagi melaksanakan, mentadbir dan menguruskan Pelan.

Saya memahami bahawa Data akan dipindahkan kepada Merrill Lynch, atau pembekal perkhidmatan pelan saham yang mungkin ditetapkan oleh Syarikat pada masa depan yang membantu Syarikat dengan pelaksanaan, pentadbiran dan pengurusan Pelan. Saya memahami bahawa penerima-penerima Data mungkin berada di Amerika Syarikat atau mana-mana tempat lain dan bahawa negara penerima-penerima (contohnya di Amerika Syarikat) mungkin mempunyai undang-undang privasi data dan perlindungan yang berbeza daripada negara saya. Saya memahami bahawa saya boleh meminta satu senarai yang mengandungi nama dan alamat penerima-penerima Data yang berpotensi dengan menghubungi wakil sumber manusia tempatan saya Iris.Chiang@kcc.com, T: 603 78068268. Saya memberi kuasa kepada Syarikat, Merill Lynch dan mana-mana penerima-penerima lain yang mungkin membantu Syarikat (pada masa sekarang atau pada masa depan) dengan melaksanakan, mentadbir dan menguruskan Pelan untuk menerima, memiliki, menggunakan, mengekalkan dan memindahkan Data, dalam bentuk elektronik atau lain-lain, semata-mata dengan tujuan untuk melaksanakan, mentadbir dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa Data hanya akan disimpan untuk tempoh yang perlu bagi melaksanakan, mentadbir, dan menguruskan penyertaan saya dalam Pelan. Saya memahami bahawa saya boleh, pada bila-bila masa, melihat Data, meminta maklumat tambahan mengenai penyimpanan dan pemrosesan Data, meminta bahawa pindaan-pindaan dilaksanakan ke atas Data atau menolak atau menarik balik persetujuan dalam ini, dalam mana-mana kes, tanpa kos, dengan menghubungi secara bertulis wakil sumber manusia tempatan saya. Saya selanjutnya memahami bahawa saya memberi persetujuan ini secara sukarela. Sekiranya saya tidak bersetuju, atau kemudian membatalkan persetujuan saya, status pekerjaan atau perkhidmatan dan kerjaya saya dengan Majikan tidak akan terjejas; satunya akibat jika saya tidak bersetuju atau menarik balik persetujuan saya adalah bahawa Syarikat tidak akan dapat menganugerahkan kepada saya RSUs atau anugerah ekuiti lain atau mentadbir atau mengekalkan anugerah tersebut. Oleh itu, saya memahami bahawa keengganan atau penarikan balik persetujuan saya boleh menjejaskan keupayaan saya untuk mengambil bahagian dalam Pelan. Untuk maklumat lanjut mengenai akibat keengganan saya untuk memberikan keizinan atau penarikan balik keizinan, saya memahami bahawa saya boleh menghubungi wakil sumber manusia tempatan saya.

Director Notification Obligation

If the Participant is a director of the Corporation's Malaysian Affiliate, the Participant is subject to certain notification requirements under the Malaysian Companies Act. Among these requirements is an obligation to notify the Malaysian Affiliate in writing when the Participant receives or disposes of an interest (e.g., an Award or shares) in the Corporation or any related company. Such notifications must be made within 14 days of receiving or disposing of any interest in the Corporation or any related company.

MEXICO

Modification

By accepting the Award, the Participant understands and agrees that any modification of the Plan or the Award Agreement or its termination shall not constitute a change or impairment of the terms and conditions of employment.

Acknowledgment of the Grant

In accepting the Award, the Participant acknowledges that the Participant has received a copy of the Plan and the Award Agreement, including this Appendix A, has reviewed the Plan and the Award Agreement, including this Appendix A, in their entirety and fully understands and accepts all provisions of the Plan and the Award Agreement, including this Appendix A. The Participant further acknowledges that the Participant has read and specifically and expressly approves the Acknowledgement of Conditions section of the Award Agreement, in which the following is clearly described and established:

- (1) The Participant's participation in the Plan does not constitute an acquired right.
- (2) The Plan and the Participant's participation in the Plan are offered by the Corporation on a wholly discretionary basis.
- (3) The Participant's participation in the Plan is voluntary.
- (4) Neither the Corporation nor any Affiliates are responsible for any decrease in the value of the Award granted and/or shares of Common Stock issued under the Plan.

Labor Acknowledgment and Policy Statement

In accepting the grant of this Award, the Participant expressly recognizes that the Corporation, with registered offices at 351 Phelps Drive, Irving, Texas 75038, U.S.A., is solely responsible for the administration of the Plan and that the Participant's participation in the Plan and acquisition of shares of Common Stock do not constitute an employment relationship between the Participant and the Corporation since the Participant is participating in the Plan on a wholly commercial basis and his or her sole Employer is Kimberly-Clark de Mexico, S.A. de C.V. ("KCC-Mexico"). Based on the foregoing, the Participant expressly recognizes that the Plan and the benefits that he or she may derive from participating in the Plan do not establish any rights between the Participant and the Employer, KCC-Mexico and do not form part of the employment conditions and/or benefits provided by KCC-Mexico, and any modification of the Plan or its termination shall not constitute a change or impairment of the terms and conditions of the Participant's employment.

The Participant further understands that his or her participation in the Plan is as a result of a unilateral and discretionary decision of the Corporation; therefore, the Corporation reserves the absolute right to amend and/or discontinue the Participant's participation at any time without any liability to the Participant.

Finally, the Participant hereby declares that he or she does not reserve to him- or herself any action or right to bring any claim against the Corporation for any compensation or damages regarding any provision of the Plan or the benefits derived under the Plan, and the Participant therefore grants a full and broad release to the Corporation, its Affiliates, branches, representation offices, its shareholders, officers, agents, or legal representatives with respect to any claim that may arise.

Spanish Translation

Modificación

Al aceptar el Premio, el Participante entiende y acuerda que cualquier modificación al Plan o al Acuerdo o su terminación, no cambiará o disminuirá los términos y condiciones de empleo.

Reconocimiento del Otorgamiento

Al aceptar el Premio, el Participante está de acuerdo en haber recibido una copia del Plan, del Acuerdo incluyendo el presente Anexo "A" y ha revisado el Plan y el Acuerdo, incluyendo este Anexo "A" en su totalidad y comprende y acepta todas las disposiciones previstas en el Plan, en el Acuerdo, incluyendo el presente Anexo "A". Asimismo, el Participante reconoce que ha leído y manifiesta su específica y expresa conformidad con los términos y condiciones establecidos del Acuerdo, en el cual claramente se describe y establece lo siguiente:

- (1) *La participación del Participante en el Plan no constituye un derecho adquirido.*

- (2) *El Plan y la participación del Participante en el Plan se ofrecen por la Compañía de forma completamente discrecional.*
- (3) *La participación del Participante en el Plan es voluntaria.*
- (4) *Ni la Compañía ni sus Afiliadas son responsables por la reducción del valor del Premio y/o Acciones Ordinarias emitidas bajo el Plan.*

Reconocimiento de la Legislación Laboral y Declaración de la Política

Al aceptar el otorgamiento de este Premio, el Participante expresamente reconoce que Kimberly-Clark Corporación con oficinas registradas en 351 Phelps Drive, Irving, Texas 75038, EE.UU., es la única responsable por la administración del Plan y que la participación del Participante en el Plan y en su caso la adquisición de las Opciones de Compra de Acciones o Acciones no constituyen ni podrán interpretarse como una relación de trabajo entre el Participante y Kimberly-Clark Corporación, ya que el Participante participa en el Plan en un marco totalmente comercial y su único Patrón lo es Kimberly-Clark de México, S.A. de C.V., con domicilio en Kimberly-Clark de México, S.A. de C.V. México. Derivado de lo anterior, el Participante expresamente reconoce que el Plan y los beneficios que pudieran derivar de la participación en el Plan no establecen derecho alguno entre el Participante y el Patrón, Kimberly-Clark de México, S.A. de C.V. y no forma parte de las condiciones de trabajo y/o las prestaciones otorgadas por Kimberly-Clark de México, S.A. de C.V. y que cualquier modificación al Plan o su terminación no constituye un cambio o impedimento de los términos y condiciones de la relación de trabajo del Participante.

Asimismo, el Participante reconoce que su participación en el Plan es resultado de una decisión unilateral y discrecional de Kimberly-Clark Corporación por lo tanto, Kimberly-Clark Corporación se reserva el absoluto derecho de modificar y/o terminar la participación del Participante en cualquier momento y sin responsabilidad alguna frente el Participante.

Finalmente, el Participante por este medio declara que no se reserva derecho o acción alguna que ejercitar en contra de Kimberly-Clark Corporación por cualquier compensación o daño en relación con las disposiciones del Plan o de los beneficios derivados del Plan y por lo tanto, el Participante otorga el más amplio finiquito que en derecho proceda a Kimberly-Clark Corporación, sus afiliadas, subsidiarias, oficinas de representación, sus accionistas, funcionarios, agentes o representantes legales en relación con cualquier demanda que pudiera surgir.

NETHERLANDS

There are no country-specific provisions

NEW ZEALAND

There are no country-specific provisions.

NICARAGUA

There are no country-specific provisions.

NIGERIA

There are no country-specific provisions.

PANAMA

Securities Law Information

Neither this Award nor any shares of Common Stock that the Participant may acquire at vesting of this Award constitute a public offering of securities, as they are available only to eligible employees of the Corporation and its Affiliates.

PARAGUAY

There are no country-specific provisions.

PERU

Securities Law Information

The offer of this Award is considered a private offering in Peru; therefore, it is not subject to registration in Peru.

PHILIPPINES

Fringe Benefit Tax Obligation

By accepting the Award, the Participant consents and agrees to assume any and all liability for fringe benefit tax that may be payable by the Corporation and/or the Employer (as determined by the Corporation or the Employer in their discretion) in connection with the Award and any awards previously granted by the Corporation. Further, by accepting the Award, the Participant agrees that the Corporation and/or the Employer may collect the fringe benefit tax from the Participant by any of the means set forth in the Acknowledgment of Conditions section of the Award Agreement, or any other reasonable method established by the Corporation. The Participant agrees to execute other consents or elections to accomplish the foregoing, promptly upon request by the Corporation or the Employer.

PUERTO RICO

There are no country specific provisions.

RUSSIA

Securities Law Information

This Award Agreement, the Plan and all other materials the Participant may receive regarding participation in the Plan do not constitute advertising or an offering of securities in Russia. Absent any requirement under local law, the issuance of shares of Common Stock under the Plan has not and will not be registered in Russia and hence the shares described in any Plan-related documents may not be offered or placed in public circulation in Russia. In no event will shares of Common Stock issued to the Participant under the Plan be delivered to the Participant in Russia.

Please note that, under the Russian law, the Participant is not permitted to sell the Corporation's shares directly to other Russian individuals and the Participant is not permitted to bring share certificates into Russia.

Exchange Control Information

Under current exchange control regulations, the Participant must repatriate the cash proceeds resulting from sale of the shares of Common Stock to Russia. Such proceeds must be initially credited to the Participant through a foreign currency account opened in the Participant's name at an authorized bank in Russia. After the funds are initially received in Russia, they may be further remitted to a foreign bank in accordance with Russian exchange control laws. However, dividends (but not dividend equivalents) can be held in a foreign currency account at a foreign individual bank account opened in certain countries (including the United States).

The Participant is strongly advised to contact his or her personal advisor regarding the Participant's obligations resulting from participation in the Plan as significant penalties may apply in the case of non-compliance with exchange control requirement and because such exchange control requirements may change.

Foreign Asset/Account Reporting Information

Russian residents will be required to notify the Russian tax authorities within one month of opening or closing a foreign bank account or of changing any account details. Russian residents are also required to file with the Russian tax authorities reports of the transactions in their foreign bank accounts. The Participant should consult with his or her personal tax advisor for additional information about these reporting obligations.

Data Privacy Notice

This provision supplements the Data Privacy section in the Acknowledgement and Conditions section of the Award Agreement:

The Participant understands and agrees that he or she must complete and return a Consent to Processing of Personal Data (the "Consent") form to the Corporation if requested. Further, the Participant understands and agrees that if the Participant does not complete and return a Consent form to the Corporation if requested, the Corporation will not be able to grant RSUs to the Participant or other awards or administer or maintain such awards. Therefore, the Participant understands that refusing to complete a Consent form or withdrawing his or her consent may affect the Participant's ability to participate in the Plan.

Anti-Corruption Information

Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (e.g., shares of foreign companies such as the Company). Accordingly, the Participant should inform the Corporation if he or she is covered by these laws because the Participant should not hold shares of common stock acquired under the Plan.

Labor Law Information

If the Participant continues to hold shares of Common Stock acquired at vesting of the RSUs after an involuntary termination of employment, he or she may not be eligible to receive unemployment benefits in Russia.

SINGAPORE

Securities Law Information

The Award is being made pursuant to the "Qualifying Person" exemption under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. The Participant should note that the Award is subject to section 257 of the SFA and the Participant will not be able to make (i) any subsequent sale of the shares of Common Stock in Singapore or (ii) any offer of such subsequent sale of the shares of Common Stock subject to the Award in Singapore, unless such sale or offer is made (a) after six months of the Grant Date or (b) pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA.

Chief Executive Officer and Director Notification Obligation

If the Participant is the Chief Executive Officer ("CEO") or a director, associate director or shadow director of the Corporation's Singapore Affiliate, the Participant is subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Corporation's Singapore Affiliate in writing when the Participant receives an interest (e.g., an Award or shares) in the Corporation or any Affiliate. In addition, the Participant must notify the Corporation's Singapore Affiliate when he or she sells shares of the Corporation or of any Affiliate (including when the Participant sells shares issued upon vesting and settlement of the Award). These notifications must be made within two business days of (i) acquiring or disposing of any interest in the Corporation or any Affiliate, or (ii) any change in a previously-disclosed interest (e.g., upon vesting of the RSUs or when shares of Common Stock acquired under the Plan are subsequently sold). In addition, a notification of the Participant's interests in the Corporation or any Affiliate must be made within two business days of becoming the CEO or a director, associate director or shadow director.

SLOVAK REPUBLIC

Foreign Asset/Account Reporting Information

If the Participant permanently resides in the Slovak Republic and, apart from being employed, carries on business activities as an independent entrepreneur (in Slovakian, *podnikateľ*), the Participant will be obligated to report his or her foreign assets (including any foreign securities) to the National Bank of Slovakia (provided that the value of the foreign assets exceeds an amount of €2,000,000). These reports must be submitted on a monthly basis by the 15th day of the respective calendar month, as well as on a quarterly basis by the 15th day of the calendar month following the respective calendar quarter, using notification form DEV (NBS) 1-12, which may be found at the National Bank of Slovakia's website at www.nbs.sk.

SLOVENIA

There are no country-specific provisions.

SOUTH AFRICA

Tax Acknowledgment

By accepting the Award, the Participant agrees to notify the Employer of the amount of any gain realized upon vesting of the Award. If the Participant fails to advise the Employer of the gain realized upon vesting, the Participant may be liable for a fine. The Participant will be responsible for paying any difference between the actual tax liability and the amount withheld.

Exchange Control Information

To participate in the Plan, the Participant must comply with exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa.

Because the Exchange Control Regulations change frequently and without notice, the Participant understands that he or she should consult a legal advisor prior to the acquisition or sale of shares under the Plan to ensure compliance with current regulations. The Participant understands that it is his or her responsibility to comply with South African exchange control laws, and neither the Corporation nor the Employer will be liable for any fines or penalties resulting from failure to comply with applicable laws.

Securities Law Information

In compliance with South African securities law, Employee acknowledges that the documents listed below are available for review at the addresses listed below:

- a) The Corporation's most recent annual financial statements: <http://investor.kimberly-clark.com/sec.cfm?DocType=Annual&Year=>
- b) The Corporation's most recent Plan prospectus may be accessed online through Merrill Lynch, or such other stock plan service provider as may be selected by the Corporation in the future, at www.benefits.ml.com in the Document Library.

A copy of the above documents will be sent free of charge upon written request to Stock Plan Administrator, P.O. Box 619100, Dallas, Texas 75261-9100. In addition, the Employee should contact his or her tax advisor for specific information concerning his or her personal tax situation with regard to Plan participation.

SPAIN

Securities Law Information

No "offer of securities to the public," as defined under Spanish law, has taken place or will take place in the Spanish territory in connection with the grant of the Award. The Award Agreement (including this Appendix A) has not been, nor will it be, registered with the *Comisión Nacional del Mercado de Valores*, and does not constitute a public offering prospectus.

Termination of Employment

For purposes of this Award, a termination of employment includes a termination that is deemed an "unfair dismissal" or a "constructive dismissal."

Labor Law Acknowledgment

By accepting the Award, the Participant acknowledges that he or she understands and agrees to participation in the Plan and that he or she has received a copy of the Plan.

The Participant understands that the Corporation has unilaterally, gratuitously and discretionally decided to grant Awards under the Plan to individuals who may be employees of the Corporation or its Affiliates throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Corporation or any of its Affiliates on an ongoing basis. Consequently, the Participant understands that any grant is given on the assumption and condition that it shall not become a part of any employment contract (either with the Corporation or any of its Affiliates) and shall not be considered a mandatory benefit, salary for any purposes (including

severance compensation) or any other right whatsoever. Further, the Participant understands and freely accepts that there is no guarantee that any benefit whatsoever shall arise from any gratuitous and discretionary grant since the future value of the Award and the underlying shares is unknown and unpredictable. In addition, the Participant understands that this grant would not be made but for the assumptions and conditions referred to above; thus, the Participant understands, acknowledges and freely accepts that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, then the Award shall be null and void.

Further, the Participant understands that the Award is a conditional right. Participant shall forfeit any unvested Award upon termination of employment unless such termination is (i) due to a Qualified Termination of Employment, or (ii) due to death, Total and Permanent Disability, or the shutdown or divestiture of a business unit. Vesting will cease, for example, regardless of whether (1) the Participant is considered to be unfairly dismissed without good cause (i.e., subject to a "despido improcedente"); (2) the Participant is dismissed for disciplinary or objective reasons or due to a collective dismissal; (3) the Participant terminates his or her employment or service relationship due to a change of work location, duties or any other employment or contractual condition; and (4) the Participant terminates his or her employment or service relationship due to a unilateral breach of contract by the Corporation or an Affiliate. Consequently, upon termination of the Participant's employment or service relationship for any of the above reasons, the Participant may automatically lose any rights to the RSUs that were not vested on the date of termination of the Participant's employment or service relationship, as described in the Plan and the Award Agreement.

Exchange Control Information

The acquisition, ownership and sale of shares of Common Stock under the Plan must be declared to the Spanish Dirección General de Comercio e Inversiones (the "DGCI"), which is a department of the Ministry of Economy and Competitiveness. The Participant must also declare ownership of any shares of Common Stock by filing a Form D-6 with the Directorate of Foreign Transactions each January while the shares of Common Stock are owned. In addition, the sale of shares of Common Stock must also be declared on Form D-6 filed with the DGCI in January, unless the sale proceeds exceed the applicable threshold (currently €1,502,530) (or the Participant holds 10% or more of the share capital of the Corporation or such other amount that would entitle the Participant to join the Corporation's Board of Directors), in which case, the filing is due within one month after the sale.

When receiving foreign currency payments derived from the ownership of shares of Common Stock (e.g., sale proceeds) exceeding €50,000, the Participant must inform the financial institution receiving the payment of the basis upon which such payment is made. The Participant will need to provide the institution with the following information: (i) the Participant's name, address, and tax identification number; (ii) the name and corporate domicile of the Corporation; (iii) the amount of the payment; the currency used; (iv) the country of origin; (v) the reasons for the payment; and (vi) further information that may be required.

Spanish residents are required to declare electronically to the Bank of Spain any foreign accounts (including brokerage accounts held abroad), any foreign instruments (including any shares of Common Stock acquired under the Plan) and any transactions with non-Spanish residents (including any payments of shares of Common Stock made to the Participant by the Corporation or through a U.S. brokerage account) if the value of the transactions for all such accounts during the prior year or the balances in such accounts as of December 31 of the prior year exceeds €1,000,000. If neither the total balances nor total transactions with non-residents during the relevant period exceed €50,000,000, a summarized form declaration may be used. More frequent reporting is required if such transaction value or account balance exceeds €100,000,000.

Foreign Asset/Account Reporting Information

If the Participant holds rights or assets (e.g., shares of Common Stock or cash held in a bank or brokerage account) outside of Spain with a value in excess of €50,000 per type of right or asset (e.g., shares of Common Stock, cash, etc.) as of December 31 each year, the Participant is required to report certain information regarding such rights and assets on tax form 720. After such rights and/or assets are initially reported, the reporting obligation will only apply for subsequent years if the value of any previously-reported rights or assets increases by more than €20,000. The reporting must be completed by the following March 31.

SWITZERLAND

Securities Law Information

The Awards offered by the Corporation are considered a private offering in Switzerland; therefore, such offer is not subject to registration in Switzerland. Neither this document nor any other materials relating to the Awards constitute a prospectus as such term is understood pursuant to article 652a of the Swiss Code of Obligations, and neither this document nor any other materials relating to the Awards may be publicly distributed nor otherwise made publicly available in Switzerland. Neither this document nor any other offering or marketing material relating to the RSUs has been or will be filed with, approved or supervised by any Swiss regulatory authority (in particular, the Swiss Financial Supervisory Authority (FINMA)).

TAIWAN

Securities Law Information

The offer of participation in the Plan is available only for employees of the Corporation and its Affiliates. The offer of participation in the Plan is not a public offer of securities by a Taiwanese company.

Exchange Control Information

Taiwanese residents may acquire and remit foreign currency (including proceeds from the sale of shares of Common Stock or the receipt of dividends) into and out of Taiwan up to US\$5,000,000 per year. If the transaction amount is TWD500,000 or more in a single transaction, the Participant must submit a foreign exchange transaction form and also provide supporting documentation to the satisfaction of the remitting bank.

If the transaction amount is US\$500,000 or more in a single transaction, the Participant may be required to provide additional supporting documentation to the satisfaction of the remitting bank. The Participant should consult his or her personal advisor to ensure compliance with applicable exchange control laws in Taiwan.

THAILAND

Exchange Control Information

If the proceeds from the sale of shares of Common Stock or the receipt of dividends paid on such shares are equal to or greater than US\$50,000 in a single transaction, Thai residents must repatriate all cash proceeds to Thailand immediately following the receipt of the cash proceeds and then either convert such proceeds to Thai Baht or deposit the proceeds into a foreign currency account opened with a commercial bank in Thailand within 360 days of repatriation. In addition, Thai residents must specifically report the inward remittance to the Bank of Thailand on a foreign exchange transaction form. If the Participant fails to comply with these obligations, the Participant may be subject to penalties assessed by the Bank of Thailand.

The Participant should consult his or her personal advisor prior to taking any action with respect to remittance of cash proceeds into Thailand. The Participant is responsible for ensuring compliance with all exchange control laws in Thailand.

TRINIDAD & TOBAGO

There are no country-specific provisions.

TURKEY

Securities Law Information

Turkish residents are not permitted to sell shares of Common Stock acquired under the Plan in Turkey. Turkish residents must sell the shares of Common Stock acquired under the Plan outside of Turkey. The Shares are currently traded on the New York Stock Exchange in the U.S. under the ticker symbol "KMB" and shares of Common Stock may be sold on this exchange.

Exchange Control Information

Under Turkish law, Turkish residents are permitted to purchase and sell securities or derivatives traded on exchanges abroad only through a financial intermediary licensed in Turkey. Therefore, the Participant may be required to appoint a Turkish

broker to assist him or her with the sale of the shares of Common Stock acquired under the Plan. *The Participant should consult his or her personal legal advisor before selling any shares of Common Stock acquired under the Plan to confirm the applicability of this requirement to the Participant.*

UKRAINE

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Ukraine do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to Participant through local payroll.

UNITED ARAB EMIRATES

Securities Law Information

The offer of the Award is available only for select employees of the Corporation and its Affiliates and is in the nature of providing employee incentives in the United Arab Emirates. The Plan and the Award Agreement are intended for distribution only to such employees and must not be delivered to, or relied on, by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the Plan and the Award Agreement, or any other incidental communication materials distributed in connection with the Award. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the Plan and the Award Agreement should obtain independent professional advice.

UNITED KINGDOM

Tax Acknowledgment

The following information supplements the information regarding Tax-Related Items in the Acknowledgment of Conditions section of the Award Agreement:

If payment or withholding of the income tax due is not made within 90 days after the end of the U.K. tax year in which the event giving rise to the Tax-Related Items occurs or such other period specified in section 222(1)(c) of the U.K. Income Tax (Earnings and Pensions) Act 2003 (the "Due Date"), the amount of any uncollected income tax may constitute a loan owed by the Participant to the Employer, effective on the Due Date. The Participant agrees that the loan will bear interest at the then-current Her Majesty's Revenue and Customs ("HMRC") official rate and it will be immediately due and repayable, and the Corporation and/or Employer may recover it at any time thereafter by any of the means referred to in the Acknowledgement of Conditions section of the Award Agreement.

Notwithstanding the foregoing, if the Participant is an executive officer or director (as within the meaning of Section 13(k) of the U.S. Securities and Exchange Act of 1934, as amended), the terms of this provision will not apply to the Participant. In the event that the Participant is an officer or director, as defined above, and income tax is not collected from or paid by the Participant by the Due Date, the amount of any uncollected income tax may constitute a benefit to the Participant on which additional income tax and National Insurance Contributions may be payable. The Participant acknowledges that the Participant ultimately will be responsible for reporting and paying any income tax due on this additional benefit directly to HMRC under the self-assessment regime and for reimbursing the Corporation or the Employer (as applicable) for the value of any employee NICs due on this additional benefit, which the Corporation and/or the Employer may recover from the Participant at any time thereafter by any of the means referred to in the Acknowledgement of Conditions section of the Award Agreement.

URUGUAY

There are no country-specific provisions.

VENEZUELA

Investment Representation

As a condition of the grant of the Award, the Participant acknowledges and agrees that any shares of Common Stock the Participant may acquire upon the settlement of the Award are acquired as and intended to be an investment rather than for the resale of the shares of Common Stock and conversion of shares into foreign currency.

Securities Law Information

The Award granted under the Plan and the shares of Common Stock issued under the Plan are offered as a personal, private, exclusive transaction and are not subject to Venezuelan government securities regulations.

Exchange Control Information

Exchange control restrictions may limit the ability to vest in the Award or to remit funds into Venezuela following the sale of shares of Common Stock acquired upon settlement of the Award under the Plan. The Corporation reserves the right to further restrict the settlement of the Award or to amend or cancel the Award at any time in order to comply with the applicable exchange control laws in Venezuela. However, ultimately, the Participant is responsible for complying with exchange control laws in Venezuela and neither the Corporation, the Employer nor any other Affiliate will be liable for any fines or penalties resulting from the Participant's failure to comply with applicable laws. Because exchange control laws and regulations change frequently and without notice, the Participant should consult with his or her personal legal advisor before accepting the Award to ensure compliance with current regulations.

VIETNAM

Awards Payable in Cash Only

Notwithstanding anything in the Award Agreement, Awards granted to Participants in Vietnam do not provide any right for the Participant to receive shares of Common Stock and shall be paid only in cash through local payroll in an amount equal to the value of the shares at vesting less any Tax-Related Items. The Participant agrees to bear any currency fluctuation risk between the time the Awards vest and the time the cash payment is distributed to the Participant through local payroll.

CERTIFICATIONS

I, Thomas J. Falk, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

July 25, 2016

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

CERTIFICATIONS

I, Maria Henry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kimberly-Clark Corporation (the “registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

July 25, 2016

/s/ Maria Henry

Maria Henry

Chief Financial Officer

Certification of Chief Executive Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Thomas J. Falk, Chief Executive Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q , filed with the Securities and Exchange Commission on July 25, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Thomas J. Falk

Thomas J. Falk
Chief Executive Officer

July 25, 2016

Certification of Chief Financial Officer
Pursuant to Section 1350 of Chapter 63 of Title 18 of the United States Code

I, Maria Henry, Chief Financial Officer of Kimberly-Clark Corporation, certify that, to my knowledge:

- (1) the Form 10-Q , filed with the Securities and Exchange Commission on July 25, 2016 (“accompanied report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the accompanied report fairly presents, in all material respects, the financial condition and results of operations of Kimberly-Clark Corporation.

/s/ Maria Henry

Maria Henry
Chief Financial Officer

July 25, 2016

EXHIBIT V KIMBERLY-CLARK SHAREPLUS PLAN, FILED WITH THE SEC ON 18
SEPTEMBER 2009 AS EXHIBIT 4.3.1 OF FORM S-8

KIMBERLY CLARK CORP

FORM S-8

(Securities Registration: Employee Benefit Plan)

Filed 09/18/09

Address	351 PHELPS DRIVE IRVING, TX 75038
Telephone	9722811200
CIK	0000055785
Symbol	KMB
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Industry	Paper & Paper Products
Sector	Basic Materials
Fiscal Year	04/30

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Table of Contents

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Form S-8

Registration Statement Under The Securities Act of 1933

Kimberly-Clark Corporation

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation or Organization)

39-0394230
(I.R.S. Employer
Identification Number)

P.O. Box 619100
Dallas, Texas
(Address of Principal Executive Offices)

75261-9100
(Zip Code)

**Kimberly-Clark Shareplus
Trust Deed and Rules of Kimberly-Clark Shareplus UK
Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey)
Trust Deed of the Kimberly-Clark Employee Share Trust (UK)**
(Full Title of the Plans)

THOMAS J. MIELKE
**Senior Vice President — Law and Government Affairs
and Chief Compliance Officer**
P.O. Box 619100
Dallas, Texas 75261-9100
(972) 281-1200

(Name, Address and Telephone Number, Including Area Code, of Agent for Service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, \$1.25 par value	500,000 shares	\$58.18(1)	\$29,090,000(1)	\$1,623.22

(1) Estimated solely for the purpose of calculating the registration fee required by Section 6(b) of the Securities Act of 1933, as amended, pursuant to Rule 457(c) thereunder, based on \$58.18, the average of the high and low prices of the Common Stock on September 14, 2009, as reported in the consolidated reporting system.

TABLE OF CONTENTS

PART II

Item 3. Incorporation of Documents by Reference

Item 6. Indemnification of Directors and Officers

Item 8. Exhibits

Item 9. Undertakings

SIGNATURES

EXHIBIT INDEX

EX-4.3.1

EX-4.3.2

EX-4.3.3

EX-4.3.4

EX-23

EX-24

PART II
INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Item 3. Incorporation of Documents by Reference.

The following documents previously filed by the Registrant with the Securities and Exchange Commission ("SEC") are incorporated herein by reference:

1. Annual Report on Form 10-K for the year ended December 31, 2008;
2. Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2009 and June 30, 2009;
3. Current Reports on Form 8-K filed on March 4, 2009, April 22, 2009, May 1, 2009, May 29, 2009 and September 2, 2009 (in each case only to the extent filed and not furnished);
4. Description of the Registrant's Common Stock contained in the Prospectus constituting a part of the Registrant's Registration Statement on Form S-3 (Registration No. 333-144828) filed on July 24, 2007.

All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), subsequent to the date hereof and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be incorporated by reference herein and to be a part hereof from the dates of filing of such reports and documents. Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

Item 6. Indemnification of Directors and Officers.

The Registrant's By-laws (the "By-Laws") provide, among other things, that the Registrant shall (i) indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is a party or witness, or is threatened to be made a party or witness, or is otherwise involved in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Registrant) by reason of the fact that he, or a person for whom he is the legal representative, is or was a director or officer of the Registrant, or is or was serving at the request of the Registrant as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans), against all liability, loss suffered and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Registrant, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, and (ii) indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is a party or witness, or is threatened to be made a party or witness, or is otherwise involved in, any threatened, pending or completed action or suit by or in the right of the Registrant to procure a judgment in its favor by reason of the fact that he is or was a director or officer of the Registrant, or is or was serving at the request of the Registrant as a director or officer of another corporation, partnership, joint venture, trust or other enterprise (including service with respect to employee benefit plans) against all liability, loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Registrant and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Registrant unless and only to the extent that the Court of Chancery or the court in which such action, suit or proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper. Notwithstanding

Table of Contents

the foregoing, the Registrant is not required to indemnify any director or officer of the Registrant in connection with an action, suit or proceeding (or part thereof) initiated by such director or officer against the Registrant or any directors, officers or employees thereof unless (i) the initiation of such proceeding (or portion thereof) was authorized by the Board of Directors of the Registrant or (ii) notwithstanding the lack of such authorization, the person seeking indemnification is successful on the merits.

The By-Laws further provide that (i) expenses (including attorneys' fees) incurred by any current or former officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Registrant, to the fullest extent permitted by applicable law, in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Registrant and (ii) the indemnification and advancement of expenses provided therein shall not be deemed exclusive of any other rights to which those seeking indemnification shall be entitled, or may thereafter acquire, under any statute, provision of the Registrant's Certificate of Incorporation, the By-Laws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

The By-Laws further provide that any repeal or modification of the indemnification provisions of the By-Laws will not adversely affect any right or protection thereunder of a director or officer of the Registrant in respect of any action, suit or proceeding (regardless of when such proceeding is first threatened, commenced or completed) arising out of or relating to any acts or omissions occurring prior to such repeal or modification, and the rights to indemnification and advancement of expenses pursuant to the indemnification provisions of the By-Laws will vest at the time any such person becomes a director or officer of the Registrant.

Section 145 of the General Corporation Law of the State of Delaware authorizes indemnification by the Registrant of directors and officers under the circumstances provided in the provisions of the By-Laws described above, and requires such indemnification for expenses actually and reasonably incurred to the extent a director or officer is successful in the defense of any action, or any claim, issue or matter therein.

The Registrant has purchased insurance which purports to insure the Registrant against certain costs of indemnification which may be incurred by it pursuant to the By-Laws and to insure the officers and directors of the Registrant, and of its subsidiary companies, against certain liabilities incurred by them in the discharge of their functions as such officers and directors except for liabilities resulting from their own malfeasance.

Item 8. Exhibits.

See the Exhibit Index, which is incorporated herein by reference. The Registrant agrees to furnish supplementally a copy of any omitted schedule to the SEC upon request.

Item 9. Undertakings.

(a) The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with

Table of Contents

the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the Registration Statement; provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the Registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the Registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irving, State of Texas, on September 18, 2009.

KIMBERLY-CLARK CORPORATION

By: /s/ Thomas J. Falk

Thomas J. Falk
Chairman of the Board and
Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed below by the following persons in the capacities and on the dates indicated.

<u>/s/ Thomas J. Falk</u> Thomas J. Falk	Chairman of the Board and Chief Executive Officer and Director (principal executive officer)	September 18, 2009
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<u>/s/ Mark A. Buthman</u> Mark A. Buthman	Senior Vice President and Chief Financial Officer (principal financial officer)	September 18, 2009
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<u>/s/ Randy J. Vest</u> Randy J. Vest	Vice President and Controller (principal accounting officer)	September 18, 2009
---	--	--------------------

Directors

John R. Alm
Dennis R. Beresford
John F. Bergstrom
Abelardo E. Bru
Robert W. Dechard
Mae C. Jemison

James M. Jenness
Ian C. Read
Linda Johnson Rice
Marc J. Shapiro
G. Craig Sullivan

By: /s/ Thomas J. Mielke
Thomas J. Mielke, Attorney-in-Fact

September 18, 2009

Table of Contents

EXHIBIT INDEX

The following is a list of Exhibits included as part of this Registration Statement. Items marked with an asterisk are filed herewith.

- 4.1 Amended and Restated Certificate of Incorporation, dated April 30, 2009, incorporated by reference to Exhibit No. (3)a of the Corporation's Current Report on Form 8-K dated May 1, 2009.
- 4.2 By-Laws, as amended April 30, 2009, incorporated by reference to Exhibit No. (3)b of the Corporation's Current Report on Form 8-K dated May 1, 2009.
- 4.3.1* Kimberly-Clark Shareplus.
- 4.3.2* Trust Deed and Rules of Kimberly-Clark Shareplus UK.
- 4.3.3* Trust Deed of the Kimberly-Clark Employee Share Trust (Jersey).
- 4.3.4* Trust Deed of the Kimberly-Clark Employee Share Trust (UK).
- 23* Consent of Deloitte & Touche LLP.
- 24* Powers of Attorney.

EXHIBIT 4.3.1

KIMBERLY-CLARK

KIMBERLY-CLARK

SHAREPLUS

**BACON & WOODROW
ACTUARIES & CONSULTANTS**

KIMBERLY-CLARK

SHAREPLUS

CONTENTS

1 DEFINITIONS.....3

2 INVITATIONS TO ACQUIRE PARTNERSHIP SHARES.....7

3 ACQUISITION OF PARTNERSHIP SHARES.....9

4 CESSATION OF EMPLOYMENT.....10

5 AWARD OF MATCHING SHARES.....11

6 TRANSFER OF MATCHING SHARES.....12

7 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF MATCHING SHARES FROM THE PLAN.....12

8 REINVESTMENT OF DIVIDENDS.....13

9 TRANSFER OF DIVIDEND SHARES.....13

10 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF DIVIDEND SHARES FROM THE PLAN.....13

11 ACQUISITION OF SHARES FOR AWARD.....14

12 ISSUE OF SHARES AND DIVIDENDS.....14

13 TAKEOVERS.....15

14 TAX AND SOCIAL SECURITY.....15

15 STAMP DUTY.....15

16 DISPUTES.....16

17 RIGHTS ON TERMINATION OF EMPLOYMENT.....16

18 ADMINISTRATION AND ALTERATIONS.....16

19 ERRORS AND OMISSIONS.....17

20 NOTICES.....17

21 GENERAL.....18

22 GOVERNING LAW.....18

SCHEDULE - BELGIUM.....19

SCHEDULE - ITALY.....20

SCHEDULE - UK TOP-UP.....21

KIMBERLY-CLARK SHAREPLUS

This Plan entitled 'Kimberly-Clark Shareplus' is designed for operation in European countries and is amended by a schedule attached to the Plan making the variations which apply in particular European countries. Where no schedule is attached for a particular country, the Rules of the Plan apply without amendments.

1 DEFINITIONS

In these Rules the following words and expressions shall, where the context so permits, have the meanings set forth below:

"ACQUISITION DATE"	the date on which Partnership Shares are acquired on behalf of Participants in accordance with Rule 3 of the Plan;
"AWARD DATE"	(1) in relation to Matching Shares, the date on which Matching Shares are awarded to Participants in accordance with Rule 5 of the Plan; and (2) in relation to Dividend Shares, the date on which the Dividend Shares are awarded to Participants in accordance with Rule 8 of the Plan;
"CALCULATION DATE"	the date, being either 1 July or 1 January (or such other date as may be determined by the Directors) following the successive monthly acquisitions of Partnership Shares by the Trustee on behalf of Participants using Partnership Share Money;
"CHANGE OF CONTROL"	means an event deemed to have taken place if: (i) a third person, including a "group" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, acquire Shares of the Corporation having 20% or more of the total number of votes that may be cast for the

election of Directors of the Company; or (ii) as the result of any cash tender or exchange offer, merger or other business combination, sale of assets or contested election, or any combination of the foregoing transactions (a "Transaction"), the persons who were directors of the Company before the Transaction shall cease to constitute a majority of the Board of Directors of the Company or any successor to the Company;

"THE COMPANY" Kimberly-Clark Corporation registered in the State of Delaware U.S.A;

"CONTROL" in relation to a corporate body, the power of a person to secure by the holding of shares or the possession of voting power that the affairs of that corporate body are conducted in accordance with the wishes of that person;

"DEALING DAY" a day on which the New York Stock Exchange is open for the transaction of business;

"THE DIRECTORS" the Shareplus Management Committee including the European HR Policy Council;

"DIVIDEND SHARES" Shares which are awarded to Participants under Rule 8.1 and held by the Trustee upon the terms of the Plan;

"ELIGIBLE EMPLOYEE" any person who is a full-time or part-time employee of a Participating Company including persons who have been temporarily transferred to work in another country but continue to be paid by the Participating Company;

"GROUP" the Participating Company by which the Participant is employed and any other Participating Company;

"HOLDING PERIOD"	in relation to Partnership Shares, the period of twelve months commencing on the appropriate Calculation Date;
"JOINTLY OWNED COMPANY"	a company of which 50% of the issued share capital is owned by the Company and 50% is owned by another company and which is not under the Control of either company; this expression includes a company which is controlled by a Jointly Owned Company;
"MARKET VALUE"	in relation to a Share on any date, if and so long as the Shares are listed on the New York Stock Exchange, its middle market quotation on the immediately preceding Dealing Day;
"MATCHING SHARES"	Shares which are awarded to an Eligible Employee under Rule 5 and held by the Trustee upon the terms of the Plan;
"MINIMUM MONTHLY SUBSCRIPTION"	in relation to any invitation, the local currency equivalent of \$15 (calculated at the closing exchange rate quoted in the Financial Times on the date of deduction) or such other amount as the Directors may determine in the event of a significant change in exchange rates;
"NOTICE OF AWARD"	a notice of award of Partnership, Matching or Dividend Shares in such form as determined by the Trustee.
"PARTICIPANT"	an Eligible Employee who has entered into a Partnership Share Agreement to participate in the Plan;

"PARTICIPATING COMPANY" any Subsidiary or Jointly Owned Company which has been designated by the Directors as a Participating Company;

"PARTNERSHIP SHARES" Shares which are acquired by or on behalf of Eligible Employees under Rule 3 and held by the Trustee on the terms of the Plan;

"PARTNERSHIP SHARE AGREEMENT" An agreement included in the application form as determined by the Directors from time to time;

"PARTNERSHIP SHARE MONEY" the deduction made from a Participant's Salary in accordance with the Partnership Share Agreement before it is used to acquire Partnership Shares on his behalf;

"PLAN" Kimberly-Clark Shareplus in its present form, or as from time to time altered in accordance with its Rules;

"PLAN SHARES" Shares held by the Trustees upon the terms of the Plan on behalf of the Participants comprising Partnership, Matching and Dividend Shares;

"RULES" the rules of the Plan (and "Rule" shall be construed accordingly) including the Schedules;

"SALARY" basic pay as defined in the country in which the Eligible Employee is employed, but excluding bonuses and employee benefits;

"SHARE" a share (including for the avoidance of doubt a fraction of a share) of common stock in the Company;

"SUBSIDIARY"	a company which is under the Control of the Company;
"TRUST"	the Kimberly-Clark Employee Share Trust (Jersey) or the Kimberly-Clark Employee Share Trust (UK) as determined by the Directors;
"TRUSTEE"	the Trustees of the Kimberly-Clark Employee Share Trust (Jersey) or the Trustees of the Kimberly-Clark Employee Share Trust (UK) as the case may be;

References to any statutory provision are to that provision as amended or re-enacted from time to time and, unless the context otherwise requires, words in the singular include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

PART ONE - PARTNERSHIP SHARES

2 INVITATIONS TO ACQUIRE PARTNERSHIP SHARES

2.1 When the Directors have decided to operate the Plan by inviting Eligible Employees to acquire Partnership Shares, an invitation shall be issued to each Eligible Employee inviting him to enter into an agreement with the Company by signing and returning as directed the accompanying Partnership Share Agreement duly completed and signed.

An employee who starts employment with a Participating Company will be given an invitation as soon as administratively possible after the date of commencement of his employment.

The invitation shall specify:

- 2.1.1 whether the Directors have determined to offer Matching Shares to Eligible Employees who enter into a Partnership Share Agreement; and

2.1.2 the basis on which such Matching Shares will be awarded;

2.2 The Company may specify the maximum number of Shares to be included in an offer of Partnership Shares.

2.2.1 The Partnership Share Agreement shall contain an undertaking by the Company to notify each Eligible Employee of any restriction on the number of Shares to be included in an offer. This notification shall be given before the deduction of the Partnership Share Money relating to the offer.

2.3 A Partnership Share Agreement entered into in accordance with this Rule 2 shall form the binding agreement between the Eligible Employee and the Company:

2.3.1 to permit the Company to deduct from his net Salary (i.e. after deduction of tax and social security contributions) each month an amount which is not less than the Minimum Monthly Subscription nor more than 4% of his gross Salary;

PROVIDED THAT if the Minimum Monthly Subscription is more than 4% of the gross salary of the Eligible Employee, the deduction from his Salary will be the amount of the Minimum Monthly Subscription.

2.3.2 to permit the Company to transfer to the Trustee the sum deducted under rule 2.3.1.

2.3.3 to permit the Trustee to use the sum in rule 2.3.1 to acquire Partnership Shares on behalf of the Eligible Employee and to hold them in accordance with the Rules.

2.4 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to stop the deductions from his Salary with effect from a date specified in the notice. Following such a notice, the Participant may direct the Company to re-start the deductions from his

Salary, provided that the deductions that have been missed in the interim period may not be made up.

2.5 A Partnership Share Agreement may provide for Participants to vary the amount deducted from Salary.

2.6 A maximum of two events under rules 2.4 and 2.5 (stopping, restarting and varying contributions) is permitted in each calendar year, unless the Company in its absolute discretion decides to permit additional applications of rules 2.4 or 2.5.

3 ACQUISITION OF PARTNERSHIP SHARES

3.1 All Partnership Share Money deducted by the Company in accordance with the Partnership Share Agreement entered into under Rule 2.1 shall be transferred directly to the Trustees. Within 30 days after the Partnership Share Money was deducted from Participants' Salaries the Trustees shall use it in the purchase of, allocation or subscription for Partnership Shares on behalf of Participants. The Trustees will send at least once in every calendar year a Notice of Award to each Participant showing the number of Shares acquired for him.

3.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined in accordance with the Market Value of the Partnership Shares on the Acquisition Date.

3.3 If any Partnership Share Money remains after the acquisition, it may be retained by the Trustees to the Participant's account and added to the next amount of Partnership Share Money deducted from his Salary.

3.4 If the Trustees deposit the Partnership Share Money in an interest-bearing account, any interest earned will not become the entitlement of the Participant but will be used to defray the expenses of the Trust.

3.5 A Participant may withdraw any or all of his Partnership Shares from the Plan at any time. He may direct the Trustees to transfer to him the legal ownership

of the Partnership Shares; he may also direct the Trustees to transfer to him any Partnership Share Money held on his behalf. If before the end of the Holding Period he sells or withdraws from the Plan the Partnership Shares, he will lose any entitlement to receive any corresponding Matching Shares unless Rule 4.3 or 4.4 applies.

4 CESSATION OF EMPLOYMENT

4.1 In the event of a Participant ceasing to be employed by the Group in any circumstances the Directors shall ensure that his Partnership Shares and any Partnership Share Money held by the Trustee on his behalf are transferred to him by the Trustee as soon as practicable after such cessation; or he may ask the Trustee to sell his Shares and send him the cash proceeds after deducting the expenses of sale.

4.2 Unless Rule 4.3 or 4.4 applies, in the event of a Participant ceasing to be employed in the Group before the end of the Holding Period he will lose any entitlement to receive any corresponding Matching Shares. In the event of a Participant ceasing to be employed in the Group for any reason before the Calculation Date, he will lose any entitlement to receive any corresponding Matching Shares.

4.3 In the event of a Participant ceasing to be employed by the Group during the Holding Period by reason of:

- 4.3.1 injury or disability, (in each case as defined in the country in which the Participant is employed); or
- 4.3.2 redundancy or its equivalent in accordance with the laws and practices of the country in which the Participant is employed, and as determined by the Company
- 4.3.3 a change of Control or other circumstances resulting in the Participating Company ceasing to be a member of the Group; or
- 4.3.4 the sale of a business or part of a business of a Participating Company in such circumstances that employees retain their existing employment

rights in accordance with the legislation in their country of residence; or

4.3.5 retirement in accordance with the laws and practices of the country in which the Participant is employed; or

4.3.6 death

the Holding Period will come to an end on the date of cessation and he will receive the corresponding Matching Shares on that date in accordance with Rule 5.2.

4.4 In the event of a Participant ceasing to be employed by a Participating Company in such circumstances that he then commences employment with the Company or a Subsidiary in another country, the Holding Period will come to an end on the date of cessation and at the discretion of the Directors he will receive the corresponding Matching Shares on that date in accordance with Rule 5.2.

4.5 When a Participant receives Matching Shares in the circumstances set out in Rules 4.3 or 4.4, he must immediately remove them from the Plan.

PART TWO - MATCHING SHARES

5 AWARD OF MATCHING SHARES

5.1 When the Directors have decided to operate the Plan by awarding Matching Shares on the same terms to Eligible Employees who enter into a Partnership Share Agreement under Rule 2, the invitation issued to each Eligible Employee under Rule 2 shall contain information about such decision, including the number of Matching Shares that will be appropriated for each Partnership Share.

5.2 On the day following the end of the Holding Period, the Directors will award to Participants on whose behalf the Trustees hold Partnership Shares,

Matching Shares on the basis set out in the invitation. The Matching Shares awarded will then form part of the Plan Shares.

5.3 Where Matching Shares are awarded under this Rule 5 the Trustees will send at least once in every calendar year a Notice of Award to each Participant to whom such Shares have been awarded.

6 TRANSFER OF MATCHING SHARES

6.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2, a Participant may direct the Trustee to transfer the legal ownership of his Matching Shares to him at any date after the end of the Holding Period.

6.2 The Participating Company will be entitled to withhold and the Participant will be obligated to pay, the amount of tax or any social security contributions or other regulatory payments which may be payable by or on behalf of such Participant in connection with the transfer of Plan Shares. The Trustees may establish appropriate procedures to provide for any such payment including, in lieu of transferring some or all of the Shares to which a Participant is entitled, the sale of such proportion thereof as shall equate to the amount of the liability, the payment of such amount to the relevant authority and the transfer of the resulting number of Shares to the Participant.

6.3 Any direction given by a Participant under Rule 6.1 must be in the form as notified by the Trustee, adapted as appropriate. The Trustee will transfer the relevant Matching Shares as soon as practicable after the receipt of the direction.

7 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF MATCHING SHARES FROM THE PLAN

7.1 In the event of a Participant ceasing to be employed by the Group in any circumstances, he must either (a) ask the Trustee to forward to him the Share Certificate in respect of his Matching Shares; or (b) he may ask the Trustee to sell his Matching Shares and send him the cash proceeds after deducting the expenses of sale.

PART THREE - DIVIDEND SHARES

8 REINVESTMENT OF DIVIDENDS

8.1 All dividends payable in respect of Plan Shares shall be paid by the Company directly to the Trustee. The Trustee shall, within 30 days of their receipt of such dividends net of any taxes which may be due under U.S. law on the dividends, use them to acquire further Shares for awarding to Participants as Dividend Shares.

8.2 For the purposes of Rule 8.1 'acquire' shall mean subscribe for, allocate or purchase.

8.3 Where Dividend Shares have been acquired under Rule 8.1 the Trustee will send a Notice of Award to each Participant to whom such Dividend Shares have been awarded at least once in every calendar year.

9 TRANSFER OF DIVIDEND SHARES

9.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2.1 a Participant may direct the Trustee to transfer the legal ownership of his Dividend Shares to him at any time.

9.2 Any direction given by a Participant under Rule 9.1 must be in the form as notified by the Trustee, adapted as appropriate. The Trustee will transfer the relevant Dividend Shares as soon as practicable after receipt of the direction.

10 CESSATION OF EMPLOYMENT AND WITHDRAWAL OF DIVIDEND SHARES FROM THE PLAN

10.1 In the event of a Participant ceasing to be employed by a Participating Company in any circumstances, he must either (a) ask the Trustees to forward to him the Share Certificate in respect of his Shares; or (b) ask the Trustees to sell his Dividend Shares and send him the cash proceeds after deducting the expenses of sale.

PART FOUR - GENERAL

11 ACQUISITION OF SHARES FOR AWARD

11.1 The Trustee may upon the direction of the Directors, purchase Shares on the Acquisition Date or from time to time until the Dealing Day preceding the relevant Award Date. Such Shares may be purchased on the New York Stock Exchange.

11.2 The Trustee, at the direction of the Directors, may subscribe for Shares for awarding to Eligible Employees under the Plan on the relevant Award Date and the price per Share at which the Trustees shall subscribe for such Shares shall be the Market Value of a Share on the date of subscription.

11.3 Contributions to be made by the Company and each Participating Company to the Trustee to support any purchase of or subscription for Shares to be made by the Trustee for award on any Award Date shall be paid not later than the Dealing Day immediately prior to the relevant Award Date.

11.4 Certificates shall be issued by the Company in respect of Plan Shares and shall be delivered to or to the order of the Trustee.

12 ISSUE OF SHARES AND DIVIDENDS

12.1 All Shares issued under the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank equally in all respects with the Shares then in issue.

12.2 The Participant will receive all rights as to voting, dividend transfer and other rights in respect of Partnership Shares from the Acquisition Date and in respect of Matching Shares and Dividend Shares on the respective Award Date.

12.3 If the Trustees receive any foreign cash dividend in respect of Plan Shares, they shall give the Participant notice of the amount of any foreign tax already deducted.

13 TAKEOVERS

13.1 In the event of a Change of Control of the Company, the Directors will give notice to all participants as soon as practicable.

13.2 A Participant may then direct the Trustees to accept an offer of shares for any of his Plan Shares to the intent that, if the offer is accepted, the new holding of shares in the acquiring company equates to the original holding of Plan Shares.

14 TAX AND SOCIAL SECURITY

If

(a) the receipt of Matched Shares and/or Dividend Shares or

(b) the sale of Plan Shares

results in a liability to income tax, capital gains tax or social security contributions (or the local equivalent of these) in the Participant's country of employment and the legislation in that country requires tax or social security contributions to be withheld, the Participating Company will make the appropriate deductions. If there is no such requirement in that country it is the responsibility of the Participant to settle these liabilities with the appropriate authorities.

15 STAMP DUTY

Any stamp duty or other expenses involved in any transfer of Shares by the Trustee shall be payable by the Participant concerned or the purchaser from the Participant concerned.

16 DISPUTES

The decision of the Directors in any dispute or question affecting any Eligible Employee or Participant under the Plan shall be final and conclusive.

17 RIGHTS ON TERMINATION OF EMPLOYMENT

In no circumstances shall any person who has ceased to be an employee of the Company or any Subsidiary or any member of the Group by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim as against any Participating Company or Subsidiary or the Group or the Trustee any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan.

18 ADMINISTRATION AND ALTERATIONS

18.1 The Directors shall have power from time to time to make and vary such regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan as it thinks fit.

18.2 The Directors shall have power from time to time exercisable by resolution to agree that any Subsidiary and any Jointly Owned Company shall become a Participating Company for the purposes of the Plan. Any such member of the Group shall cease to be a Participating Company as from such date as the Directors may by resolution determine and shall be deemed not to be a Participating Company as from the date on which it ceases to be a Subsidiary or Jointly Owned Company.

18.3 In the event of any dispute as to whether a person is or is not an Eligible Employee or as to any rights or obligations of any person hereunder or any question concerning the construction or effect hereto or any other question in connection with the Plan, the Directors shall determine the same (other than in the case of a matter to be certified by the auditors in accordance with these Rules) and such determination shall be final and binding on all persons.

18.4 The Directors may resolve to alter the Rules as may be necessary or desirable to take account of relevant overseas legislation to acquire or maintain beneficial tax treatment.

18.5 The Rules of the Plan may be altered by resolution of the Directors provided that:

18.5.1 no alteration which would adversely affect the rights of any Participant in respect of Plan Shares already awarded to him or acquired on his behalf shall be effective; and

18.5.2 no alteration may be made which would alter the fundamental purpose of the Plan.

18.6 The cost of the preparation and operation of the Plan shall be borne by the Company.

19 ERRORS AND OMISSIONS

19.1 The Company, the relevant Participating Company and where appropriate the Trustee may do all such acts and things as they may agree to rectify any error or omission, including any error or omission as a result of which any Eligible Employee is not accounted for on the award of Plan Shares notwithstanding that such action may fall outside the time limits or otherwise conflict with the provisions of the Rules provided always that the limits set out in Rule 1 would not thereby be exceeded.

20 NOTICES

20.1 Save as otherwise provided herein, any notice or communication to be given by the Company or the Trustee to any Eligible Employee or Participant may be given by personal delivery or by sending the same by ordinary post to his last known address and where a notice or communication is sent by post it shall be deemed to have been received 72 hours after the same was put into the post properly addressed and stamped. All notifications, documents, option or

share certificates and other communications sent by post as aforesaid will be sent at the risk of the Eligible Employee or Participant concerned and the Company, its Subsidiaries, any Jointly Owned Company, any other employing company and the Trustee shall have no liability whatsoever to any Eligible Employee or Participant in respect of any notification, document, option or share certificate or other communication so given, sent or made and nor shall the Company, any of its Subsidiaries any other employing company or the Trustee be concerned to see that any Eligible Employee or Participant actually receives it.

20.2 Save as otherwise provided herein, any notice or communication given by an Eligible Employee or a Participant to the Company or the Trustee shall be delivered or sent to the Company or the Trustee at its registered office (or at such other place or places as the Directors or the Trustee may from time to time determine and notify to Eligible Employees and Participants) and be effective upon receipt.

21 GENERAL

21.1 The Directors may decide from time to time to suspend or cease operation of the Plan. Benefits awarded under the Plan do not constitute remuneration or an entitlement to future participation in the Plan.

21.2 The Plan shall continue for a period of ten years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors.

22 GOVERNING LAW

The Plan is governed by and shall be construed in accordance with the laws of England.

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - BELGIUM

The Plan shall be modified in respect of Matching Shares awarded to or to be awarded to a person resident for tax purposes in Belgium as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 6.1, delete the wording and replace with:

"6.1 "In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 2, the Participant agrees that the Trustees will hold his Matching Shares until the expiration of two years following the date on which the Matching Shares were awarded to him."

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - ITALY

The Plan shall be modified in respect of Rule 21.2 and the definition of "Market Value" in respect of Matching Shares awarded to or to be awarded to a person resident for tax purposes in Italy as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 1, the definition of "Market Value" shall be varied as follows:

Delete "its middle market quotation on the immediately preceding Dealing Day" and replace with "the average price of the immediately preceding thirty Dealing Days".

Rules 21.2 shall be renumbered Rule 21.3 and a new Rule 21.2 shall be inserted as follows:

"21.2 "The number of Matching Shares awarded to participants under the Plan has been calculated taking into consideration the influence of the said amount over the employment economic figures provided by their employment and, in particular, the severance payments including the end-of service allowance (TFR). Participants will not be entitled to claim any additional payments or a different calculation of the above-mentioned figures."

KIMBERLY-CLARK SHAREPLUS ("THE PLAN")

SCHEDULE - UK TOP-UP

The Plan shall be modified in respect of the definition of "Eligible Employee" in respect of a person resident for tax purposes in the UK, as provided for in this Schedule.

Words and phrases in the Plan shall bear the same meaning in this Schedule except as otherwise provided.

In Rule 1, the definition of "Eligible Employee" shall be varied as follows:

Delete the wording in shareplus and replace with:

- | | |
|-------|--|
| " (a) | any person who is a full-time or part-time employee of a Participating Company including persons who have been temporarily transferred to work in another country but continue to be paid by the Participating Company; or |
| (b) | has participated or has agreed to participate in shareplus UK by saving the maximum amount permitted under that Plan as defined in its Rules under "Partnership Share Limit". |

In Rule 4.3.5 delete the wording and replace with:

"retirement on or after reaching age 50".

EXHIBIT VI TRUST DEED AND RULES OF KIMBERLY-CLARK SHAREPLUS UK

DATED 15 MAY 2002

- (1) KIMBERLY-CLARK HOLDING LIMITED
(2) MOURANT ECS TRUSTEES LTD (NOW EES TRUSTEES LIMITED)

TRUST DEED AND RULES

OF

KIMBERLY-CLARK SHAREPLUS UK

Adopted by the Board of Directors of the Company

On 9 May 2002

and approved by HMRC

under the Finance Act 2000

on 16 May 2002 under reference A1513

CONTENTS

Clause	Page
1. DEFINITIONS	2
2. TRUSTS OF THE PLAN	2
3. DIVIDENDS AND OTHER DISTRIBUTIONS	5
4. GROUP COMPANIES	5
5. ACQUISITION OF SHARES	5
6. ISSUE OF SHARES	6
7. RETENTION OF SHARES	6
8. VOTING RIGHTS	7
9. NOTICES AND CIRCULARS	7
10. RIGHTS ISSUES	7
11. CAPITALISATION ISSUES	8
12. RECONSTRUCTIONS AND TAKE-OVERS	8
13. ENTITLEMENTS	8
14. INFORMATION AND ACCOUNTING FOR INCOME TAX	9
15. TRUSTEES' POWERS OF DELEGATION	9
16. ADMINISTRATION	10
17. PROVISIONS RELATING TO THE TRUSTEES	10
18. APPOINTMENT REMOVAL AND RETIREMENT OF TRUSTEES	11
19. RESIDENCE AND NUMBER OF TRUSTEES	12
20. ALTERATIONS	12
21. TERMINATION	12
22. GENERAL	12
Schedule 1	14
Schedule 2	42
Schedule 3	46
Schedule 4	49
Schedule 5	54
Schedule 6	55
Schedule 7	57
Schedule 8	58
Schedule 9	60
Schedule 10	61

THIS DEED is made the 15th day of May 2002

BETWEEN:

- (1) KIMBERLY-CLARK HOLDING LIMITED whose registered office is at 1 Tower View, Kings Hill, West Malling, Kent ME19 4HA (hereinafter called "**the Company**"); and
- (2) MOURANT ECS TRUSTEES LTD whose registered office is at 4th Floor 35 New Bridge Street, London EC2V 6BW (later re-named EES TRUSTEES LIMITED whose registered office is at The Pavilion, Bridgwater Road, Bristol BS13 8AE ("**the Trustees**").

RECITALS:

- (A) The Company was incorporated on 20 November 1985 with limited liability under the Companies Act 1985 under registration number 1961889.
- (B) The Company wishes to establish a share incentive plan to be approved in accordance with the provisions of the Schedule and constituting an employees' share scheme as defined in Section 1166 of the Companies Act 2006 (hereinafter called "the Plan") for the purposes of providing funds to the Trustees to enable Shares in the capital of the Parent to be acquired by the Trustees and to be appropriated to employees of the Participating Companies (as hereinafter defined) and to enable the Trustees to acquire further Shares in the capital of the Parent on behalf of Participants using Partnership Share Money (as defined in Schedule One) and dividends in accordance with the rules of the Plan.
- (C) The Board of Directors of the Company resolved to adopt the Plan on 9 May 2002.
- (D) The Trustees have agreed to be the first Trustees of the Plan.

THIS DEED PROVIDES as follows:

1. DEFINITIONS

- 1.1 Unless the context otherwise requires words and expressions defined in Schedule One shall have the same meaning in the other parts of this Deed and references to "Clauses" shall mean clauses of this Deed and references to "Rules" in this Deed and in Schedule One shall mean the rules set out in Schedule One.
- 1.2 References to the Plan shall mean the Plan constituted by this Deed and Schedule One.
- 1.3 References to any statutory provision are to that provision as amended or re-enacted from time to time and unless the context otherwise requires words in the singular shall include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

2. TRUSTS OF THE PLAN

- 2.1 The Company hereby covenants with the Trustees to pay and to procure that each Participating Company pays to the Trustees in accordance with and subject to the provisions of the Plan the amounts due from it or them for the purposes of the subscription for or purchase of Shares by the Trustees to be appropriated under the Plan as Free Shares and/or Matching Shares to prospective Participants employed by it or them (as appropriate) together with any other amounts required to cover any costs charges and expenses incurred in such subscription or purchase and any other expenses and charges incurred by the Trustees in the establishment operation and determination of the Plan.
- 2.2 The Company hereby covenants with the Trustees to pay and procure that each Participating Company pays to the Trustees as soon as practicable in accordance with and subject to the provisions of the Plan the amounts due from Participants under deduction from salary for the purposes of the subscription for or purchase of Shares by the Trustees to be acquired under the Plan as Partnership Shares for Participants employed by it or them (as appropriate).
- 2.3 The Trustees shall keep any Partnership Share Money in an account with:
- (a) an institution authorised under the Banking Act 1987;
 - (b) a building society; or
 - (c) a relevant European institution.

The Trustees shall be under no obligation to place monies in an interest bearing account, but if Partnership Share Money is held in an interest bearing account the Trustees must account to the Participants for it.

- 2.4 The Company hereby covenants with the Trustees to pay and procure that each Participating Company pays to the Trustees in accordance with and subject to the provisions of the Plan any cash dividends in respect of Plan Shares held on behalf of Participants for the purposes of the subscription for or purchase of further Shares by the Trustees as Dividend Shares for Participants in accordance with Rule 12.1.

- 2.5 Subject as hereinafter provided the Trustees hereby covenant with the Company, each Participating Company and each Participant to apply the monies received pursuant to Clauses 2.1, 2.2 and 2.4 in the subscription for or purchase of Shares and to hold the same once appropriated and all other trust property deriving therefrom UPON TRUST for the Participants respectively entitled thereto subject to the Rules of the Plan and shall appropriate the Shares so acquired to the Participants in accordance with the Rules of the Plan.
- 2.6 The Trustees shall be entitled to rely on information supplied by the Company and each Participating Company in respect of the eligibility of any person to become or remain a Participant in the Plan.
- 2.7 The Trustees shall, as soon as practicable after the first award of Shares and thereafter on at least one occasion in a calendar year notify each Participant of the following:
- 2.7.1 where Shares are purchased or subscribed for in accordance with Clauses 2.1 and 2.4:
- the number and description of Shares appropriated;
 - the Market Value of those Shares on the Appropriation Day;
 - the Holding Period in respect of those Shares;
 - in relation to Clause 2.4, the amount carried forward under the provisions of paragraph 68 of the Schedule; and
 - details of any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject.
- 2.7.2 where Shares are purchased or subscribed for in accordance with Clause 2.2:
- the number and description of Shares so acquired;
 - the amount of the contributions made by the Participant in acquiring the Shares and the basis on which the number of Shares was determined;
 - the Market Value in accordance with which the number of Shares acquired on behalf of a Participant was determined; and
 - details of any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject.
- except that where the Directors have decided that an Accumulation Period shall apply, such notice need be given on only one occasion in a Year of Assessment following the appropriation of Shares
- 2.8 If prior to the appropriation of any Shares under the Plan the Trustees become entitled in respect of those Shares to any rights to be allotted or to subscribe for further securities (other than an issue of bonus shares of the same class as Shares then held by

the Trustees pending any such appropriation which bonus shares shall be retained by the Trustees and shall form part of the Shares to be appropriated among the Participants on the relevant Appropriation Day) the Trustees may exercise those rights or sell those rights for the best consideration in money reasonably obtainable at the time.

2.9 The Trustees shall hold:

2.9.1 the net proceeds of any sale made pursuant to Clause 2.12;

2.9.2 any income therefrom; and

2.9.3 any Capital Receipt of less than £3 otherwise distributable to a particular Participant;

UPON TRUST to apply the same in or towards any reasonable expenses of administering and determining the Plan (including any provision for taxation for which the Trustees are liable) and the Trustees shall notify the Company on request of the amounts so held by them and the Trustees shall not be under any duty to invest any monies of which they stand possessed under this Clause

2.10 The Trustees may, with the agreement of the Participant, carry forward any surplus Partnership Share Money remaining after the acquisition of Shares pursuant to Clause 2.2 for the Participant but in any other case must pay the surplus Partnership Share Money to the Participant. However, where a Participant withdraws from a Partnership Share Agreement, any Partnership Share Money held on his behalf shall be paid over to him in accordance with Rule 7.

2.11 Every Free Share Agreement and Partnership Share Agreement shall provide that if the Participant:

- (a) ceases to hold Relevant Employment (otherwise than in any of the circumstances mentioned in Rules 4.1, or 11.1);
- (b) withdraws the Free or Matching Shares from the Plan; or
- (c) in the case of Matching Shares, withdraws the corresponding Partnership Shares from the Plan;

at any time within a period not exceeding one year beginning with an Appropriation Date, he shall thereupon forfeit his beneficial interest in:

- (a) such Free or Matching Shares, as the case may be, appropriated to him on that Appropriation Date; and
- (b) all other shares or other securities except Dividend Shares acquired by such Participant for no consideration by virtue or in consequence of his holding of such Free and Matching Shares.

2.12 Upon the termination of the Plan for whatever reason the Trustees shall sell all unappropriated Shares and thereupon account (so far as practicable) to the Company and to any Participating Companies for any monies held by them so far as practicable

in the same proportions as they were provided or as may otherwise be appropriate and shall pay any cash balances held under Clause 2.10 to which a Participant may be entitled to him as soon as practicable and in any event within 60 days of termination of the Plan (subject to Clause 14).

3. DIVIDENDS AND OTHER DISTRIBUTIONS

As soon as practicable following their receipt of any dividends or other distributions in respect of Plan Shares the Trustees shall deal with them in accordance with the Rules of the Plan.

4. GROUP COMPANIES

4.1 The Plan may with the consent of the Directors be extended to any Subsidiary not a party to this Deed by the adherence of such Subsidiary to the provisions of the Plan by a deed supplemental hereto in the form of Schedule Eight amended as may be thought necessary by the Company and the Trustees and thereupon the provisions of the Plan and of this Deed shall apply to such Subsidiary as though it were a party to this Deed.

4.2 The Plan shall cease to apply to any Participating Company other than the Company at any time when:

4.2.1 such company ceases to be a Subsidiary; or

4.2.2 a notice is served by the Company upon the Trustees that the Plan shall cease to apply to such company provided that the conditions specified in paragraphs 26-29 of the Schedule continue to be satisfied.

4.3 If and so long as the Plan applies to any Subsidiary such Subsidiary shall provide the Trustees with all information required from it for the purposes of the administration and determination of the Plan and shall do so in such form as the Trustees shall reasonably require and the Trustees shall in good faith rely on such information without further enquiry.

4.4 If and so long as the Plan applies to any Subsidiary the powers and discretions exercisable by such Subsidiary in relation to the Plan shall be exercisable by resolution of its board of directors or a duly appointed committee of such board and a minute of any resolution of such board signed by the secretary or a director of such Subsidiary shall be sufficient authority for the Trustees to act.

5. ACQUISITION OF SHARES

5.1 Shares to be used pursuant to the Plan may be acquired by the Trustees by way of:

5.1.1 subscription; or

5.1.2 purchase (including from Participants and any other trust); or

5.1.3 a rights or capitalisation issue in respect of Shares which have been acquired by the Trustees and have not been appropriated under the Plan; or

5.1.4 forfeiture under the provisions of Clause 2.11;

and any Shares acquired in accordance with Clauses 5.1.1 and 5.1.2 above may also be acquired for an amount which is below the market value as defined in Part VIII of the Taxation of Chargeable Gains Act 1992.

- 5.2 The Trustees shall have the power to borrow funds to acquire Shares for the purposes of the Plan so long as the Shares are readily convertible assets within the meaning of Section 702 of the Act.
- 5.3 Any sums paid by a Participating Company to the Trustees pursuant to Clause 2.1 shall if not applied for the purposes of the Plan within nine months from the date of such payment be used to cover the Trustees' incidental costs and expenses or be repaid promptly to that company.

6. **ISSUE OF SHARES**

- 6.1 All Shares subscribed for by the Trustees pursuant to the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank pari passu with the Shares then in issue except that they will not rank for any dividend or other rights declared by reference to a record date preceding the date of such subscription.
- 6.2 If and so long as the Shares which are to be issued are of the same class as shares which are listed on the New York Stock Exchange the Company shall use its best endeavours to procure that as soon as practicable after the allotment of any shares to the Trustees pursuant to the Plan application shall be made to the New York Stock Exchange for admission of the shares to the Exchange.

7. **RETENTION OF SHARES**

- 7.1 The Trustees shall not dispose of any Plan Shares held on behalf of a Participant during the applicable Holding Period except:
- 7.1.1 in accordance with a direction of such Participant (or his personal representatives) in the event of a Reconstruction or Take-over affecting such Shares;
 - 7.1.2 to raise funds to subscribe for rights issues (subject to Clause 10);
 - 7.1.3 to dispose of Shares to meet PAYE obligations under paragraph 79 of the Schedule.
- 7.2 After the applicable Holding Period nothing shall prevent a Participant from instructing the Trustees to sell his beneficial interest in his Plan Shares, including a sale to the Trustees for the same consideration as would be required to be obtained on a sale of such Shares to a third party.
- 7.3 Subject to Rule 21, when a Participant ceases to be in Relevant Employment the Trustees must within 90 days remove any Shares of his from the Trust by:
- 7.3.1 transferring the Plan Shares to the Participant or to another person at his direction; or

- 7.3.2 disposing of the Plan Shares and accounting (or holding themselves ready to account) for the proceeds to the Participant or to another person at his direction.

Where the Participant has died the references in Clauses 7.3.1 and 7.3.2 to the Participant shall be read as references to his personal representatives.

8. VOTING RIGHTS

- 8.1 In respect of any Plan Shares the Trustees shall upon any matter in relation to which at a general meeting of the Relevant Company or at any class meeting they are entitled to exercise any voting rights attaching thereto invite the relevant Participants to direct them as to such exercise. The Trustees shall not be entitled in respect of any Plan Shares to vote on a show of hands unless all directions received from the Participants concerned in respect of the particular resolution are identical and shall not in any circumstances be under an obligation to call for a poll. In the event of any poll the Trustees shall vote only in accordance with the directions of Participants who have given such directions. The Trustees shall not exercise any voting rights in respect of any unappropriated Shares acquired by them pursuant to the Plan.
- 8.2 The Trustees shall not be bound to act upon any instructions given by a Participant in respect of Plan Shares unless such instructions are received by the Trustees in writing signed by the Participant.

9. NOTICES AND CIRCULARS

- 9.1 Notices or documents which the Trustees are required or may desire to give to any Eligible Employee or Participant shall be delivered to him by hand or electronically or sent to him by first-class post pre-paid at his last known home or business address according to information provided by him to the relevant Participating Company. Notices sent by first class post shall be deemed to have been given on the day following the date of posting.
- 9.2 The Parent shall send or make available to Participants copies of all circulars and documents sent by it to the holders of its Shares and if and for so long as the Parent is not the Relevant Company shall use all reasonable endeavours to procure that all circulars and documents sent by the Relevant Company to its ordinary shareholders shall be sent or made available to Participants.

10. RIGHTS ISSUES

- 10.1 Whenever any rights to acquire shares or other securities or other rights of any nature are granted by the Relevant Company in respect of Plan Shares each Participant shall be notified by the Trustees of the rights (determined in accordance with Clause 13) attaching to his Plan Shares and he may instruct the Trustees:
- 10.1.1 (subject to the provision by him of funds) to take up the rights; or
- 10.1.2 to sell the rights (in whole or in part); or
- 10.1.3 to allow the rights to lapse.

- 10.2 The Trustees shall act upon such instructions received by them not less than five Dealing Days before the expiry of the period allowed for the exercise of any such rights. If any Participant has not prior to five Dealing Days before the expiry of the period allowed for the exercise of any such rights given instructions to the Trustees with regard thereto and provided any funds necessary for the purpose the Trustees shall allow such rights to lapse. The Trustees shall deal with any payment received in consequence of allowing any rights to lapse in respect of any Plan Shares as a Capital Receipt (provided that any Capital Receipt of less than £3 otherwise distributable to a particular Participant may be retained by the Trustees).
- 10.3 Any Plan Shares (within the meaning of paragraph 99(1) of the Schedule) taken up by the Trustees on behalf of any Participant under this Clause shall, subject to Clause 13, form part of the Participant's Plan Shares and shall be deemed to have been acquired or appropriated at the same time as the Plan Shares to which they relate.
- 10.4 Nothing in this Clause shall require the Trustees to act in any manner whereby they would be involved in any liability unless indemnified to their satisfaction by the Participant in question against such liability. In the exercise of any discretion conferred upon them the Trustees shall not be liable for any loss to any Participant arising by reason of any matter or thing other than wilful fraud or wrongdoing or in the case of Trustees engaged in the business of providing a trustee service for a fee negligence on the part of the relevant trustee sought to be made liable.

11. CAPITALISATION ISSUES

Where the Relevant Company allots any new shares (within the meaning of paragraph 87(7) of the Schedule) by way of capitalisation to the Trustees in respect of any Plan Shares held by them such new shares shall subject to and in accordance with Clause 13 form part of such Plan Shares and shall be deemed to have been acquired or appropriated at the same time as the Plan Shares in respect of which they are allotted.

12. RECONSTRUCTIONS AND TAKE-OVERS

- 12.1 Participants shall be notified of any Reconstruction or Take-over and any Participant may give notice in writing to the Trustees instructing them in respect of any of his Plan Shares (and where appropriate exercising any right to elect to receive any particular form of consideration available thereunder).
- 12.2 To the extent the consideration received by virtue of any Reconstruction or Take-over consists of cash it shall be treated as the proceeds of a disposal under Clause 7.1 and so far as it consists of new shares (within the meaning of paragraph 87(7) of the Schedule) it shall be held by the Trustees as Plan Shares subject to the terms of this Deed and the Rules mutatis mutandis as if the same were the Plan Shares in respect of which they are issued or which they otherwise represent.

13. ENTITLEMENTS

- 13.1 Where in respect of Shares of the same class as the Plan Shares an offer or invitation is made conferring rights to acquire against payment additional securities in the Relevant Company or where new securities by way of capitalisation are to be allotted by such company the Trustees shall allocate such rights or securities amongst the

Participants concerned on a proportionate basis and the Trustees shall use their best endeavours to sell any rights or securities which are not allocated and distribute the net proceeds of sale (after deducting therefrom any expenses of sale and any taxation which may be payable by the Trustees in respect thereof) among the Participants whose allocation was rounded down. Such proceeds which derive from Plan Shares will be treated as a Capital Receipt in accordance with section 502(2) of the Act provided that any sum of less than £3 otherwise distributable to a particular Participant may be retained by the Trustees.

- 13.2 In any circumstances in which the Trustees receive new securities which are deemed to form part of a holding of Plan Shares the Trustees shall allocate the securities to the Participant by reference to the relevant dates of appropriation of the Plan Shares to which they relate.

14. INFORMATION AND ACCOUNTING FOR INCOME TAX

- 14.1 The Trustees and each Participating Company must maintain such records as may be necessary for the purposes of:

14.1.1 informing Participants of their PAYE and National Insurance liabilities under the Plan; and

14.1.2 enabling the Participating Company to make and account for a PAYE (and National Insurance Contributions) deduction in respect of any asset transferred to a Participant when a liability to employment income tax arises and the asset is a readily convertible asset within the meaning of Section 702 of the Act.

- 14.2 If the Trustees are obliged to operate PAYE in accordance with the provisions of sections 510 and 511 of the Act, they may dispose of the asset or part thereof on behalf of the Participating Company and account to HMRC for so much of the proceeds of disposal as would be required if there had in fact been a payment of assessable income, and to the Participant for the balance or they may allow the Participant to pay to the Trustee a sum equal to the amount required to discharge the obligation.

15. TRUSTEES' POWERS OF DELEGATION

- 15.1 In the exercise of their discretions and the performance of their duties hereunder the Trustees may employ and pay a registrar solicitor broker actuary accountant banker or other adviser and may appoint any such person as their agent to transact all or any business and may act on the advice or opinion of any such solicitor, broker, actuary, accountant, banker or other adviser and shall not be responsible for anything done or omitted to be done or suffered in good faith in reliance on such advice or opinion.

- 15.2 Except as otherwise provided by Part 9 of the Schedule the Trustees may delegate any of their powers and duties hereunder or any business including the exercise of any discretion to any person or company including the Company or any Subsidiary.

- 15.3 The Trustees may at any time and shall if so directed by the Company revoke any delegation or arrangement made under this Clause and require any trust property held by another person to be returned to the Trustees.

- 15.4 The Trustees may execute or sign and (if and so long as there is more than one Trustee) may authorise the execution or signature by any one of their number as their agent (and any corporate trustee may similarly authorise any of its directors officers or employees on its behalf) to effect the execution or signature of any deeds documents cheques or other instruments by the impression of any signature on behalf of or as witness of any sealing by the Trustees in writing printing lithography photocopying or any other mode of representing or reproducing words in a visible form. Any such signature or sealing shall be as valid as if given by all the Trustees.
- 15.5 The Trustees may at any time cause any part of the trust property to be deposited for safekeeping with any Trustee or any other person on behalf of the Trustees and may pay any expenses in connection therewith.

16. **ADMINISTRATION**

- 16.1 Subject to and in accordance with the provisions of this Deed including Schedule One the Trustees may make such regulations as they consider appropriate relating to the administration of the Plan.
- 16.2 If and so long as there is more than one Trustee the Trustees shall meet together as may be necessary for the administration of the trusts hereof and all decisions taken by a majority (or as a result of the casting vote of any chairman appointed by the Trustees present at the meeting) of the Trustees present at any meeting of the Trustees of which notice has been given to all of them present in the United Kingdom (provided at least two Trustees shall be present) shall be as effective for all purposes as if such decisions had been unanimous decisions of all the Trustees. A written resolution signed by all the Trustees arrived at without any meeting shall be effective for all purposes. Nothing herein shall preclude a sole corporate trustee from acting on its own.
- 16.3 The Trustees shall arrange for the relevant Participating Companies to account to HMRC or other authority concerned for any amounts deducted from payments made pursuant to the Plan in respect of PAYE or any other deductions required in accordance with paragraph 79 of the Schedule.

17. **PROVISIONS RELATING TO THE TRUSTEES**

- 17.1 The Company shall pay to or reimburse the Trustees upon demand for all charges and expenses reasonably incurred by them in the course of the administration and determination of the trusts of this Deed and of the Plan and shall keep their estates and effects fully indemnified and saved harmless against all actions, claims, losses, demands, proceedings, charges, expenses, costs, damages, taxes, duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and discretions vested in them by this Deed and the Plan or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of the Plan but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful default or in the case of Trustees engaged in the business of providing a trustee service for a fee negligence on his part and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925.

- 17.2 A person shall not be disqualified from acting as a Trustee hereof or exercising any power vested in the Trustees by reason of the fact that he is or has been a director or employee of any Participating Company or any Subsidiary or is participating in or has participated in the Plan or for any remuneration or other benefit received thereby or in connection therewith.
- 17.3 Any bank which is banker to the Company or any Subsidiary may act as Trustee without being required to account for any profit resulting therefrom.
- 17.4 Any person acting as a Trustee in the course of any profession or business carried on by him may charge and be paid such reasonable remuneration charges or disbursements whether in connection with the Plan or otherwise as shall from time to time be agreed between him and the Company.
- 17.5 No Trustee (and no director or officer of a body corporate or a trust corporation acting as a Trustee) shall on his own account be precluded from acquiring, holding or dealing with any debentures, debenture stock shares or securities whatsoever of the Company or any Subsidiary or any other company in the shares of which the Company or any Subsidiary may be interested or from entering into any contract or other transaction with the Company or any Subsidiary or any such other company or from being interested in any such contract or transaction and nor shall he be in any way liable to account to the Company or any Subsidiary or any Participant in the Plan for any profits made, fees, commissions, shares of brokerage discounts allowed or advantages obtained by him from or in connection with such acquisition, holding, dealing contract or transaction whether or not in connection with his duties hereunder.
- 17.6 The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information supplied to them by the Company for the purposes of the Plan and shall also be entitled to rely in the absence of manifest error on any direction notice or document purporting to be given or executed by or with the authority of the Company or by any Participant in the Plan as having been so given or executed.

18. **APPOINTMENT REMOVAL AND RETIREMENT OF TRUSTEES**

- 18.1 The Company may at any time by writing under the hand of a person duly authorised by a resolution of the Directors:
- 18.1.1 appoint a new Trustee including a corporate Trustee; and
- 18.1.2 remove a Trustee from office (but not so as to leave in office less than two Trustees unless a corporate Trustee) without assigning any reason therefore and shall give one month's notice after which such removal shall (in the absence of any other date specified in the notice) take place forthwith.
- 18.2 All powers of appointment and removal shall be vested in the Trustees in the event that the Company ceases to exist otherwise than in consequence of a reconstruction or amalgamation.
- 18.3 A Trustee may retire by giving to the Company written notice of his desire to retire and such notice shall take effect at the expiry of three months (or such other period as may be agreed with the Company) from the date of such notice. The Trustee shall not

be obliged to pay and shall not be responsible for any costs occasioned by such retirement but shall execute all such documents and do all such things as may be necessary to give proper effect to such retirement.

- 18.4 Forthwith upon his removal or retirement a Trustee shall transfer all trust property held by him and deliver all documents in his possession relating to the Plan to the remaining Trustees (if any) or otherwise as the Company may direct.
- 18.5 The provisions of Sections 37 and 39 of the Trustee Act 1925 shall apply hereto as if any references therein to a trust corporation were references to any corporation.

19. **RESIDENCE AND NUMBER OF TRUSTEES**

The number of Trustees should be not less than two persons unless a company is appointed as sole Trustee. The Trustees shall at all times be resident in the United Kingdom for United Kingdom tax purposes. If there is only one Trustee it shall be a body corporate (which in accordance with Clause 18.5 above need not be a trust corporation) at all times resident in the United Kingdom for United Kingdom tax purposes.

20. **ALTERATIONS**

The Company may at any time (with the concurrence of the Trustees) by deed supplemental hereto alter any of the provisions of this Deed (including the Schedules hereto) subject to the provisions of Rule 22.

21. **TERMINATION**

The trusts established by this Trust Deed shall (subject to the power of the Directors to terminate the Plan under Rule 23.1) continue for a period of eighty years commencing on the date of this Trust Deed and shall thereupon be wound up in accordance with Rule 23.3.

22. **GENERAL**

- 22.1 This Deed shall be governed by and construed in accordance with the laws of England.
- 22.2 Schedule One shall have effect as part of this Deed.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written:

THE COMMON SEAL OF)
KIMBERLY-CLARK HOLDING LIMITED)
was hereunto affixed)
in the presence of)

Director RODNEY S. OLSEN

Secretary MARK MAURICE-JONES

SIGNED AS A DEED)
MOURANT ECS TRUSTEES LIMITED)
was hereunto affixed)
in the presence of)

Director DOMINIC JONES

Authorised Signatory ADRIAN GIBBS

SCHEDULE 1

Rules of Kimberly-Clark Shareplus UK

1. Definitions

In these Rules the following words and expressions shall, where the context so permits, have the meanings set forth below:

"Accumulation Period"	such period as the Directors shall determine under Rule 5.1.4 which shall begin no later than the date on which the first deduction of Partnership Share Money is made from a Participant's salary and end no later than twelve months after it began and which shall be the same for all Participants in the Plan;
"the Act"	the Income Tax (Earnings and Pensions) Act 2003;
"Acquisition Date"	the date on which Partnership Shares are acquired on behalf of Participants in accordance with Rule 6 of the Plan;
"Appropriation Date"	(1) in relation to Free Shares, a date determined by the Directors (and agreed in advance with the Trustees) as the date on which Free Shares are to be appropriated to Participants in accordance with Rule 2 of the Plan; and (2) in relation to Matching Shares, the date on which Matching Shares are to be appropriated to Participants in accordance with Rule 9 of the Plan; and (3) in relation to Dividend Shares, the date on which the Dividend Shares are appropriated to Participants in accordance with Rule 12 of the Plan;
"Associated Company"	has the meaning in paragraph 94 of the Schedule;
"the Auditors"	the auditors for the time being of the Company acting as experts and not as arbitrators;

"Capital Receipt"	in relation to Plan Shares held on behalf of a Participant, any money or money's worth which the Trustees or the Participant become entitled to receive, save to the extent that it is disregarded pursuant to the provisions of section 502(4) of the Act;
"the Company"	KIMBERLY-CLARK HOLDING LIMITED registered in England under number 1961889;
"Connected Company"	has the same meaning as in paragraph 18 (3) of the Schedule;
"Continuous Employment"	the meaning ascribed by Chapter I of Part XIV of the Employment Rights Act 1996;
"Control"	the meaning ascribed by Section 719 of the Act;
"Dealing Day"	a day on which the New York Stock Exchange is open for the transaction of business;
"the Deed"	the Trust Deed constituting, inter alia, the Plan as amended from time to time;
"the Directors"	the Shareplus Management Committee including the European HR Policy Council;
"Dividend Shares"	Shares which satisfy the requirements of paragraph 62 of the Schedule and are appropriated to Participants under Rule 12 and held by the Trustees upon the terms of the Plan;
"Eligible Employee"	<p>any person who on the applicable Appropriation Date or the date of the deduction of Partnership Share Money relating to the award or where an Accumulation Period applies the date of the first deduction of Partnership Share Money relating to the award is an employee of the Company (or any Participating Company); and</p> <ol style="list-style-type: none"> (1) is chargeable to tax in respect of his employment as employment income; and (2) any other employee who the Directors in their absolute discretion may

permit to participate in the Plan

PROVIDED THAT

- (1) a person who is ineligible to participate by virtue of paragraph 19 of the Schedule shall not be treated as an Eligible Employee; and
- (2) a person shall not be eligible to receive an appropriation of Free Shares in a Year of Assessment if in that Year of Assessment:
 - (a) shares have been appropriated to him under a profit sharing scheme established by the Company or a Connected Company and which meets the requirements of Schedule 9 of the Income and Corporation Taxes Act 1988; or
 - (b) he has participated or is to participate or would have participated but for his failure to obtain an appropriation based on a performance related formula in another share incentive plan established by the Company or a Connected Company and which meets the requirements of the Schedule;

and

- (3) a person shall not be eligible to participate in an award of Partnership Shares or Matching Shares in a Year of Assessment if in that Year of Assessment he has participated or is to participate in an award of shares under another employee share incentive plan established by the Company or a Connected Company and which meets the requirements of the Schedule;

"Forfeiture Period"

in relation to Free Shares and Matching Shares the period beginning on the applicable

	Appropriation Date and ending on such date as the Directors shall determine being no later than the third anniversary of such Appropriation Date which shall apply to all Free Shares and Matching Shares in the same appropriation;
"Free Shares"	Shares which are appropriated to an Eligible Employee under Rule 2 and held by the Trustees upon the terms of the Plan;
"Free Share Agreement"	An agreement in the form (or substantially in the form) of Schedule Three, adapted as appropriate;
"Free Share Limit"	a US dollar equivalent of £3,600 or such other amount as may be specified in paragraph 35 of the Schedule from time to time;
"Group"	the Company, any Subsidiary and any Associated Company of the Company from time to time;
"Holding Period"	<p>in relation to Free Shares, Matching Shares and Dividend Shares the period beginning on the applicable Appropriation Date and ending on:</p> <ol style="list-style-type: none"> (1) in the case of Free Shares and Matching Shares such date as the Directors shall determine being no earlier than the third anniversary nor later than the fifth anniversary of such date; and (2) in the case of Dividend Shares the third anniversary of such date; <p>and which period shall not be increased in respect of Free Shares, Matching Shares and Dividend Shares already awarded under the Plan;</p>
"HMRC"	H.M. Revenue & Customs;
"Initial Market Value"	<p>in relation to a Share on any date:</p> <ol style="list-style-type: none"> (1) save as mentioned in (2) below, its Market Value on the Appropriation

Date, Acquisition Date or where the Directors have determined that an Accumulation Period applies the first day of the Accumulation Period or the Acquisition Date in accordance with Rule 6.2 (as appropriate); or

- (2) if and so long as the Shares are listed on the New York Stock Exchange, its Market Value on the Appropriation Date, Acquisition Date or where the Directors have determined that an Accumulation Period applies the first day of the Accumulation Period or the Acquisition Date in accordance with Rule 6.2;

"Key Feature"

a feature of the Plan which is a provision which is necessary in order to meet the requirements of the Schedule;

"Jointly Owned Company"

a company which satisfies the provisions of paragraph 91 of the Schedule;

"Letter of Offer"

a letter in the form (or substantially in the form) of Schedule Two, adapted as appropriate;

"Market Value"

in relation to a Share on any date:

- (1) save as mentioned in (2) below, its market value as determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992 and agreed in advance with HMRC; or
- (2) if and so long as the Shares are listed on the New York Stock Exchange;
 - (a) if, and only if, all the Shares acquired for allocation to Participants on an Acquisition Date or an Appropriation Date are purchased and allocated to all Participants on the same day, the average of the prices paid by the Trustees for those shares;

or

(b) if all the Shares acquired for Participants are not purchased and awarded to all Participants on the same day, its average quoted price on the New York Stock Exchange on the immediately preceding Dealing Day; and

(3) is to be determined as if any restriction (as defined in paragraph 99(4) of the Schedule) to which the Shares are subject does not apply.

"Matching Shares"

Shares which satisfy the requirements of paragraph 59 of the Schedule and are appropriated to an Eligible Employee under Rule 9 and held by the Trustees upon the terms of the Plan;

"Parent"

Kimberly-Clark Corporation, a corporation registered in the State of Delaware U.S.A.;

"Participant"

an Eligible Employee who has entered into a Free Share Agreement or Partnership Share Agreement to participate in the Plan;

"Participating Company"

the Company and any Jointly Owned Company, and any Subsidiary which is under the Control of the Company, designated by the Directors as a Participating Company which has executed a suitable deed of adherence;

"Partnership Shares"

Shares which are acquired by or on behalf of Eligible Employees under Rule 6 and held by the Trustees upon the terms of the Plan;

"Partnership Share Agreement"

An agreement in the form (or substantially in the form) of Schedule Four, adapted as appropriate;

"Partnership Share Limit"

the lower of £125 per month and 4% of an Eligible Employee's Salary (or such other amounts as may be determined by the Directors from time to time which do not exceed the amounts specified in paragraph 46 of the Schedule);

"Partnership Share Money"

if the Directors determine that an Accumulation Period will apply the aggregate amount of all deductions, otherwise the deduction made from a Participant's Salary in accordance with the Partnership Share Agreement before it is used to acquire Partnership Shares on his behalf;

"Plan"

Kimberly-Clark Shareplus UK in its present form, or as from time to time altered in accordance with its Rules;

"Plan Shares"

Shares held by the Trustees upon the terms of the Plan on behalf of the Participants comprising Free, Partnership, Matching and Dividend Shares and shares in relation to which paragraph 87 of the Schedule applies;

"Reconstruction or Take-over"

a transaction affecting any Plan Shares which:

- (1) is an offer for those Plan Shares which, if accepted, would result in a new holding of shares being equated with such Plan Shares for the purposes of capital gains tax; or
- (2) is a transaction mentioned in Chapter II of Part V of the Taxation of Chargeable Gains Act 1992 which would result in a new holding being equated with such Plan Shares for the purposes of capital gains tax were it not for the fact that what would be the new holding consists of or includes a qualifying corporate bond (within the meaning of Section 117 of the Taxation of Chargeable Gains Act 1992); or
- (3) is entered into pursuant to a scheme of arrangement or a compromise applicable to or affecting:
 - (a) all the issued ordinary share capital of the Relevant Company or, as the case may be, all of it that is of the class in question; or

- (b) all the shares, or shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in an employee share incentive plan which meets the requirements of the Schedule;

or

- (4) is an offer of cash (with or without other assets) where the offer forms part of a general offer which is made to the holders of shares of the same class in the Relevant Company and which is made in the first instance on a condition such that if it is satisfied the offeror will have Control of the Relevant Company;

"the Release Date"

- (1) in relation to Free Shares, Matching Shares and Dividend Shares, the day following the last day of the applicable Holding Period;
- (2) in relation to Partnership Shares, the period beginning on the applicable Acquisition Date and ending on the third anniversary of such date;

"Relevant Company"

the Parent or any other company whose shares are, as a result of a Reconstruction or Take-over, Plan Shares;

"Relevant Employment"

employment by the Company, a Participating Company or any Associated Company of the Company;

"Rules"

the rules of the Plan (and "Rule" shall be construed accordingly);

"Salary"

the meaning ascribed by paragraph 43(4) of the Schedule;

"the Schedule"

Schedule 2 to the Income Tax (Earnings and Pensions) Act 2003;

"Share"

a share (including for the avoidance of doubt a fraction of a share) of common stock in the

	Parent satisfying paragraphs 60 to 67 inclusive of the Schedule;
"Subsidiary"	the meaning ascribed by Section 1159 of the Companies Act 2006;
"Tax Free Date"	(1) In relation to Free Shares, Partnership Shares and Matching Shares, the fifth anniversary of their Appropriation Date or Acquisition Date (as appropriate); and (2) in relation to Dividend Shares, the third anniversary of their Appropriation Date;
"Termination Period"	the period of three months commencing on the day on which a plan termination notice is sent out under Rule 23.2;
"Trustees"	the Trustees referred to in the Deed, or such other person or persons who is or are the trustee or trustees from time to time of the Plan;
"T.U.P.E transfer"	a transfer to which the Transfer of Undertakings (Protection of Employment) Regulations 2006 applies;
"US dollar equivalent of"	means in relation to a pounds sterling amount on any date the equivalent of that amount expressed in US dollars calculated by reference to the selling rate for UK sterling against US dollars as quoted by HSBC Bank or such other bank as may be selected by the Board at the relevant date; and
"Year of Assessment"	a year beginning on any 6 April and ending on the following 5 April.

References to any statutory provision are to that provision as amended or re-enacted from time to time and, unless the context otherwise requires, words in the singular include the plural (and vice versa) and words importing the masculine shall include the feminine (and vice versa).

PART ONE - FREE SHARES

2. Appropriation of Free Shares

2.1 When the Directors have determined to operate the Plan by offering Free Shares on the same terms to Eligible Employees, a Letter of Offer shall be issued to each Eligible Employee asking him to consent to the appropriation of Free Shares on the

proposed Appropriation Date by signing and returning as directed the accompanying Free Share Agreement duly completed and signed . The Letter of Offer shall specify the Holding Period which the Directors have determined will apply to the Free Shares appropriated on the Appropriation Date and any Forfeiture Period that will apply to the Free Shares.

2.2 A Free Share Agreement entered into in accordance with this Rule 2 shall bind the relevant Eligible Employee in contract with the Company:

2.2.1 to permit the Free Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and

2.2.2 not to assign, charge or otherwise dispose of his beneficial interest in those Free Shares during the applicable Holding Period; and

2.2.3 if the Company in accordance with Rule 4.2 directs the Trustees to transfer the legal ownership of any Free Shares to the Eligible Employee at any time before the applicable Release Date, to pay to the Trustees before such transfer takes place, or to allow the Trustees to sell some or all of his Free Shares in order to raise, a sum equal to income tax at the appropriate rate on the Market Value of such Free Shares at the time of such transfer together with any Primary Class I National Insurance liability which may arise; and

2.2.4 if he or the Company in accordance with Rule 4.2 directs the Trustees to transfer the legal ownership of any Free Shares to the Eligible Employee at any time after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Free Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of the Free Shares; and

(b) the Market Value of the Free Shares at the time of such transfer

together with any Primary Class I National Insurance liability which may arise.

2.3 Free Shares shall be appropriated on an Appropriation Date amongst Eligible Employees who have entered into a Free Share Agreement in accordance with such one or more of the methods set out in Rules 2.3.1, 2.3.2, 2.3.3, 2.3.4 or 2.3.5 as the Directors shall determine. Every Eligible Employee who does participate must do so on the same terms.

2.3.1 Eligible Employees shall receive Free Shares having an Initial Market Value equal to such percentage of their annual Salary as the Directors shall determine; and/or

2.3.2 Eligible Employees shall receive a number of Free Shares per year of Continuous Employment with one or more Participating Companies and/or Subsidiaries; and/or

- 2.3.3 Eligible Employees shall receive a number of Free Shares according to the number of hours worked per week with their employing company; and/or
- 2.3.4 Eligible Employees shall receive a fixed number of Shares or a number of Shares with a Market Value equal to a fixed sum; and/or
- 2.3.5 such other formula relating to the performance of the Eligible Employee, the Company or the Eligible Employee's business unit to be determined by the Directors (the "Performance Related Formula") PROVIDED THAT if a Performance Related Formula is selected, either 2.3.5.1 or 2.3.5.2 will apply;

2.3.5.1

- (a) at least 20% of the Free Shares appropriated on the Appropriation Date must be appropriated in accordance with Rules 2.3.1, 2.3.2, 2.3.3 and/or 2.3.4 without reference to the Performance Related Formula; and
- (b) the appropriation of Free Shares with the highest Initial Market Value to any Eligible Employee on any Appropriation Date under the Performance Related Formula may not exceed four times the highest Initial Market Value of Free Shares appropriated to any Eligible Employee under any of the formulae set out under Rules 2.3.1, 2.3.2, 2.3.3 and 2.3.4; or

2.3.5.2

- (a) some or all of the Free Shares must be appropriated according to a Performance Related Formula which must be comparable in terms of the likelihood of being met by each of the performance units to which it applies; and
- (b) Free Shares appropriated to members of the same performance unit must satisfy Rules 2.3.1, 2.3.2, 2.3.3 or 2.3.4.

2.4 Where a Performance Related Formula is selected:

- 2.4.1 the same method as set out in either Rule 2.3.5.1 or Rule 2.3.5.2 shall be used for all Eligible Employees who take part in an appropriation;
- 2.4.2 the Letter of Offer issued to Eligible Employees under Rule 2.1 shall include notification of the Performance Related Formula as it applies to each Eligible Employee; and
- 2.4.3 a notice describing the Performance Related Formula in general terms must be [put on display for all employees of the Group] [sent to all employees in the Group] before the beginning of the period to which the Performance Related Formula will relate.

2.5 Where Free Shares have been appropriated under this Rule 2 the Trustees will send a Notice of Appropriation to each Participant to whom such Shares have been appropriated in accordance with Clause 2.7 of the Deed.

2.6 The aggregate of the Market Value of all Free Shares which may be appropriated to any Participant in any Year of Assessment shall not exceed the Free Share Limit.

3. **Transfer of Free Shares**

3.1 In accordance with the Free Share Agreement entered into between a Participant and the Company under Rule 2, a Participant may direct the Trustees to transfer the legal ownership of his Free Shares to him at any time on or after the Release Date that applies to them.

3.2 Any direction given by a Participant under Rule 3.1 must be in the form (or substantially in the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Free Shares as soon as practicable after receipt of the direction.

4. **Cessation of Employment and withdrawal of Free Shares from the Plan**

4.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:

4.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or

4.1.2 a T.U.P.E transfer; or

4.1.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or

4.1.4 retirement; or

4.1.5 death,

the Directors shall procure that his Free Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

4.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 4.1 or otherwise instructs the Trustees to transfer his Free Shares to him:

4.2.1 on or after the applicable Release Date but before the applicable Tax Free Date, the Directors shall procure that his Free Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of such Free Shares; and

(b) the Market Value of such Free Shares on the date of his cessation of employment;

together with any Primary Class I National Insurance liability that may arise in accordance with the Free Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation; or

4.2.2 in relation to cessation of employment only, after the Forfeiture Period and before the applicable Release Date, the Directors shall procure that his Free Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the Market Value of such Free Shares together with any Primary Class I National Insurance liability that may arise, in accordance with the Free Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation.

4.3 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 4.1 before the end of the applicable Forfeiture Period he will forfeit his Free Shares and thereafter have no further entitlement to them.

4.4 **Takeovers**

4.4.1 A Participant may during the Holding Period direct the Trustees:

4.4.1.1 to accept an offer for any of his Free Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or

4.4.1.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Free Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or

4.4.1.3 to accept an offer of cash, with or without other assets, for his Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or

4.4.1.4 to agree to a transaction affecting his Free Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:

(a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or

(b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to

their employment or their participation in a plan which meets the requirements of the Schedule.

PART TWO - PARTNERSHIP SHARES

5. Invitations to acquire Partnership Shares

5.1 When the Directors have determined to operate the Plan by inviting Eligible Employees to acquire Partnership Shares on the same terms, a Letter of Offer shall be issued to each Eligible Employee inviting him to enter into an agreement with the Company by signing and returning as directed the accompanying Partnership Share Agreement duly completed and signed by such date at least 14 days after the date of the Letter of Offer as shall be specified in the Letter of Offer. The Letter of Offer shall specify:

5.1.1 whether the Directors have determined to offer Matching Shares to Eligible Employees who enter into a Partnership Share Agreement; and

5.1.2 the basis on which such Matching Shares will be appropriated; and

5.1.3 any Forfeiture Period that will apply to the Matching Shares; and

5.1.4 the starting date and length of the Accumulation Period (as determined by the Directors).

5.2 The Company may specify the maximum number of Shares to be included in an offer of Partnership Shares.

5.2.1 The Partnership Share Agreement shall contain an undertaking by the Company to notify each Eligible Employee of any restriction on the number of Shares to be included in an offer.

5.2.2 The notification in Rule 5.2.1 shall be given:

(a) If there is no Accumulation Period, before the deduction of the Partnership Share Money relating to the offer; and

(b) If there is an Accumulation Period, before the beginning of the Accumulation Period relating to the offer.

5.3 A Partnership Share Agreement entered into in accordance with this Rule 5 shall bind the relevant Eligible Employee in contract with the Company:

5.3.1 to permit the Company to deduct from his Salary each month an amount neither less than £10 nor exceeding the Partnership Share Limit; and

5.3.2 to permit the Company to use the amount deducted under Rule 5.3.1 above to acquire (or to arrange the acquisition of) Partnership Shares on behalf of the Eligible Employee and to hold them in accordance with the Rules of the Plan; and

- 5.3.3 if he directs the Trustees to transfer the legal ownership of any Partnership Shares to him at any time before the applicable Release Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Partnership Shares in order to raise a sum equal to income tax at the appropriate rate on the Market Value of such Partnership Shares at the time of such transfer together with any Primary Class I National Insurance liability that may arise; and
- 5.3.4 if he directs the Trustees to transfer the legal ownership of any Partnership Shares to him at any time on or after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Partnership Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:
- (a) the Partnership Share Money used to acquire the Partnership Shares; and
 - (b) the Market Value of the relevant Partnership Shares at the time of such transfer,
- together with any Primary Class I National Insurance liability that may arise.

5.4 A Partnership Share Agreement entered into under Rule 5.1 above will not be valid unless it contains a notice as prescribed by paragraph 48 of the Schedule.

5.5 Where Partnership Shares have been acquired on behalf of Participants the Trustees will send a Notice of Acquisition to each Participant on whose behalf such Shares have been acquired in accordance with the provisions of Clause 2.7 of the Deed.

5.6 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to stop the deductions from his Salary with effect from a date specified in the notice. Following such a notice, the Participant may, by further notice in writing, direct the Company to re-start the deductions from his Salary, provided that the deductions that have been missed in the interim period may not be made up.

5.7 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to elect to change the level of deductions from Salary on two occasions in each calendar year.

5.8 A Partnership Share Agreement shall include a provision allowing the Participant, by written notice to the Company, to withdraw from the Partnership Share Agreement at any time.

6. **Acquisition of Partnership Shares**

The Directors shall determine whether an Accumulation Period shall apply.

6.1 Where the Directors have determined that an Accumulation Period shall not apply to an offer of Partnership Shares:

- 6.1.1 All Partnership Share Money deducted by the Company in accordance with the Partnership Share Agreement entered into under Rule 5.1 shall be transferred directly to the Trustees. Within 30 days after the Partnership Share Money was deducted from Participants' Salaries the Trustees shall use it in the acquisition of Partnership Shares on behalf of Participants. For the purpose of this Rule 6.1 'acquisition' shall mean subscription for, purchase of or allocation of Shares already held by the Trustees which are not Free Shares, Partnership Shares, Matching Shares or Dividend Shares.
- 6.1.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined in accordance with the Market Value of the Partnership Shares on the Acquisition Date.
- 6.2 Where the Directors have determined that an Accumulation Period shall apply:
- 6.2.1 All Partnership Share Money deducted by the Company during the Accumulation Period shall be transferred to the Trustees within 30 days of its deduction from Participants' Salaries. The Trustees will then hold the Partnership Share Money until the end of the Accumulation Period. Within 30 days after the end of the Accumulation Period the Trustees shall use the Partnership Share Money in the acquisition of Partnership Shares on behalf of Participants.
- 6.2.2 The number of Partnership Shares to be acquired on behalf of each Participant shall be determined by reference to:
- (a) the Market Value of Shares on the first day of the Accumulation Period; or
 - (b) the Market Value of Shares on the Acquisition Date; or
 - (c) the lower of the two Market Values referred to in Rules 6.2.2(a) and 6.2.2(b) above.
- 6.3 The Partnership Share Agreement shall state whether the number of Shares to be acquired will be determined in accordance with Rule 6.2.2(a), 6.2.2(b) or 6.2.2(c).
- 6.4 Any amount deducted in excess of that allowed by rule 6.1.1 or 6.2.1 shall be paid over to the employee subject to the deduction of income tax under PAYE and in addition any liability to Primary National Insurance Contributions which may arise.
- 6.5 If the account opened under Clause 2.3 of the Deed earns interest, the Trustees must pay any interest earned to the Participant.
- 6.6 If the Company receives applications for Partnership Shares exceeding the maximum determined by the Directors on that occasion then the following steps shall be taken in sequence until the excess is eliminated:
- 6.6.1 the excess of the monthly deduction chosen by each application over £10 shall be reduced pro rata;
 - 6.6.2 all monthly deductions shall be reduced to £10;

6.6.3 applications shall be selected by lot, each based on a monthly deduction of £10.

Each application shall be deemed to have been modified or withdrawn in accordance with the foregoing provisions, and each Eligible Employee who has applied for Partnership Shares shall be notified of the change.

7. Transfer of Partnership Shares

7.1 In accordance with a Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may withdraw from the Partnership Share Agreement at any time by notice in writing to the Company, which notice shall take effect 30 days after its receipt, or on such later date as may be specified in the notice. The Participant may then:

- (a) direct the Trustees to transfer to him any Partnership Share Money held on his behalf at any time; and/or
- (b) direct the Trustees to transfer the legal ownership of his Partnership Shares at any time.

7.2 A Participant may withdraw any or all of his Partnership Shares from the Plan at any time.

7.3 The transfer of any Partnership Share Money and/or Partnership Shares shall be subject to the withholding of the amount necessary to pay income tax at the appropriate rate together with any Primary Class I National Insurance liability that may arise in accordance with the Partnership Share Agreement relating to them. The Trustees will transfer the relevant Partnership Share Money and/or Partnership Shares to the Participant as soon as practicable after receipt of the direction and in any event within 30 days thereof.

7.4 If Matching Shares have been appropriated to a Participant in relation to Partnership Shares that have been acquired on his behalf in accordance with a Partnership Share Agreement, any request to the Trustees to transfer those Partnership Shares to him under Rule 7.1 or any transfer of those Partnership Shares to him under Rule 8 before the end of the Forfeiture Period for the Matching Shares will cause him to forfeit the corresponding Matching Shares and he will thereafter have no further entitlement to them.

7.5 Where an Accumulation Period applies, in accordance with a Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may by notice in writing to the Company (which notice shall take effect 30 days after its receipt unless a later date is specified in the notice) direct the Company to stop making deductions from his Salary under the terms of the Partnership Share Agreement. Where such notice is given by a Participant he may at a later date during the Accumulation Period by notice in writing to the Company, which notice shall take effect within 30 days after its receipt (unless a later date is specified in the notice) direct the Company to resume making deductions from his Salary under the terms of the Partnership Share Agreement until the end of the Accumulation Period.

8. Cessation of Employment

- 8.1 In the event of a Participant ceasing to be employed by the Group in any circumstances the Directors shall, subject to Rule 8.2, procure that his Partnership Shares and any Partnership Share Money held by the Trustees on his behalf are transferred to him by the Trustees as soon as practicable after such cessation.
- 8.2 Unless Rule 8.3 applies, if the cessation of the Participant's employment occurs before the Tax Free Date applicable to his Partnership Shares or while Partnership Share Money is held on his behalf, the transfer of those Partnership Shares and that Partnership Share Money to him by the Trustees shall be subject both to the withholding of the amount necessary to pay income tax at the appropriate rate in accordance with the provisions of Rules 5.3.3 and/or 5.3.4 and to the withholding of the amount necessary to pay income tax at the appropriate rate on such Partnership Share Money, in each case in accordance with the Partnership Share Agreement that relates to them and together with any Primary Class I National Insurance liability that may arise.
- 8.3 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
- 8.3.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or
 - 8.3.2 a T.U.P.E transfer; or
 - 8.3.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or
 - 8.3.4 retirement; or
 - 8.3.5 death,

the Directors shall procure that his Partnership Shares and Partnership Share Money are transferred to him or his personal representatives as soon as practicable after such cessation.

PART THREE - MATCHING SHARES

9. Appropriation of Matching Shares

- 9.1 When the Directors have determined to operate the Plan by appropriating Matching Shares on the same terms to Eligible Employees who enter into a Partnership Share Agreement under Rule 5, the Letter of Offer issued to each Eligible Employee under Rule 5 shall contain information about such determination, including the number of Matching Shares that will be appropriated for each Partnership Share (being not more than two for one).
- 9.2 Where the Directors have determined to appropriate Matching Shares to Eligible Employees who enter into a Partnership Share Agreement under Rule 5, the Partnership Share Agreement will bind the relevant Eligible Employee in contract with the Company:

- 9.2.1 to permit the Matching Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and
 - 9.2.2 not to assign, charge or otherwise dispose of his beneficial interest in those Matching Shares during the applicable Holding Period; and
 - 9.2.3 if the Company in accordance with Rule 11.2 directs the Trustees to transfer the legal ownership of any Matching Shares to the Participant before the applicable Release Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Matching Shares in order to raise a sum equal to income tax at the appropriate rate on the Market Value of such Matching Shares at the time of such transfer together with any Primary Class I National Insurance liability that may arise; and
 - 9.2.4 if he or the Company in accordance with Rule 11.2 directs the Trustees to transfer the legal ownership of any Matching Shares to him at any time on or after the applicable Release Date but before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Matching Shares in order to raise a sum equal to income tax at the appropriate rate on the lesser of:
 - (a) the Initial Market Value of the Matching Shares; and
 - (b) the Market Value of the Matching Shares at the time of such transfer,
 together with any Primary Class I National Insurance liability that may arise.
- 9.3 Where Matching Shares are appropriated under this Rule 9 the Trustees will send a Notice of Acquisition/Appropriation to each Participant to whom such Shares have been appropriated in accordance with the provisions of Clause 2.7 of the Deed.

10. **Transfer of Matching Shares**

- 10.1 In accordance with the Partnership Share Agreement entered into between a Participant and the Company under Rule 5, a Participant may direct the Trustees to transfer the legal ownership of his Matching Shares to him at any date on or after the Release Date that applies to them.
- 10.2 Any direction given by a Participant under Rule 10.1 must be in the form (or substantially the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Matching Shares as soon as practicable after the receipt of the direction.

11. **Cessation of Employment and withdrawal of Matching Shares from the Plan**

- 11.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
 - 11.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or
 - 11.1.2 a T.U.P.E. transfer or;

11.1.3 a change of Control or other circumstances ending the Associated Company status of the company by which he is employed; or

11.1.4 retirement; or

11.1.5 death,

the Directors shall procure that his Matching Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

11.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 11.1 or otherwise instructing the Trustees to transfer his Matching Shares to him:

11.2.1 on or after the applicable Release Date but before the applicable Tax Free Date the Directors shall procure that his Matching Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Matching Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the lesser of:

(a) the Initial Market Value of such Matching Shares; and

(b) the Market Value of such Matching Shares on the date of his cessation of employment,

together with any Primary Class I National Insurance liability that may arise in accordance with the Partnership Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation; or

11.2.2 In relation to cessation of employment only, after the Forfeiture Period and before the applicable Release Date the Directors shall procure that his Matching Shares are transferred to him by the Trustees, subject to the disposal by the Trustees of sufficient Matching Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the Market Value of such Matching Shares together with any Primary Class I National Insurance liability that may arise, in accordance with the Partnership Share Agreement that relates to them.

11.2.3 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 11.1 before the end of the Forfeiture Period he will forfeit his Matching Shares and thereafter have no further entitlement to them.

11.3 **Takeovers:**

11.3.1 A Participant may during the Holding Period direct the Trustees:

11.3.1.1 to accept an offer for any of his Matching Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or

- 11.3.1.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Matching Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or
- 11.3.1.3 to accept an offer of cash, with or without other assets, for his Matching Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or
- 11.3.1.4 to agree to a transaction affecting his Matching Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
- (a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or
 - (b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to their employment or their participation in a plan which meets the requirements of the Schedule.

PART FOUR – DIVIDEND SHARES

12. Reinvestment of Dividends

- 12.1 The Directors may direct that some or all of any cash dividend in respect of Plan Shares held on behalf of Participants may be applied in acquiring further Plan Shares on their behalf.
- 12.2 The Directors may decide to:
- 12.2.1 apply all Participants' dividends (either in whole or in part) to acquire dividend Shares;
 - 12.2.2 to pay all or some dividends in cash to all Participants; or
 - 12.2.3 to offer Participants the choice of either 12.2.1 or 12.2.2.
- 12.3 The Trustees shall, within 30 days of their receipt of such dividends, use them to acquire further Shares for appropriation to Participants as Dividend Shares. In exercising their powers to acquire Dividend Shares the Trustees must treat Participants fairly and equally.
- 12.4 For the purposes of Rule 12.1 'acquire' shall mean subscribe for purchase or allocate Shares already held by the Trustees which are not Free Shares, Partnership Shares, Matching Shares or Dividend Shares.

- 12.5 The number of Dividend Shares to be appropriated to each Participant shall be determined in accordance with the Market Value of the Shares on the Appropriation Date.
- 12.6 Any direction given by the Directors to the Trustees regarding the reinvestment of cash dividends in respect of Plan Shares held on behalf of the Participants shall set out the amount of the cash dividends to be so reinvested or how that amount is to be determined.
- 12.7 The Free Share Agreement and/or Partnership Share Agreement entered into by each Participant in accordance with Rules 2 and/or 5 shall bind the relevant Participant in contract with the Company:
- 12.7.1 to permit the Dividend Shares appropriated to him to remain in the hands of the Trustees throughout the applicable Holding Period; and
 - 12.7.2 not to assign, charge or otherwise dispose of his beneficial interest in the Dividend Shares during the applicable Holding Period; and
 - 12.7.3 if the Company in accordance with Rule 14.2 directs the Trustees to transfer the legal ownership of any Dividend Shares to the Eligible Employee at any time before the applicable Tax Free Date, to pay to the Trustees before such transfer takes place or to allow the Trustees to sell some or all of his Dividend shares in order to raise a sum equal to income tax at the appropriate rate on the cash amount of the dividend used to acquire those Dividend Shares less the aggregate amount of tax paid on any Capital Receipt in respect of those Dividend Shares that has already been subject to income tax.
- 12.8 Where Dividend Shares have been appropriated under Rule 12.1 the Trustees will send a Notice of Appropriation to each Participant to whom such Dividend Shares have been appropriated as soon as practicable after the Appropriation Date (and in any event within 30 days of the applicable Appropriation Date).

13. Transfer of Dividend Shares

- 13.1 In accordance with the Free Share Agreement and/or Partnership Share Agreement entered into between a Participant and the Company under Rules 2 and/or 5 a Participant may direct the Trustees to transfer the legal ownership of his Dividend Shares to him at any time on or after the Release Date that applies to them.
- 13.2 Any direction given by a Participant under Rule 13.1 must be in the form (or substantially in the form) of Schedule Six, adapted as appropriate. The Trustees will transfer the relevant Dividend Shares as soon as practicable after receipt of the direction.

14. Cessation of Employment

- 14.1 In the event of a Participant ceasing to be employed by the Group at any time by reason of:
- 14.1.1 injury, disability, redundancy (within the meaning of the Employment Rights Act 1996); or

- 14.1.2 a T.U.P.E transfer; or
- 14.1.3 a change of control or other circumstances ending the Associated Company status of the company by which he is employed; or
- 14.1.4 retirement; or
- 14.1.5 death,

the Directors shall procure that his Dividend Shares are transferred to him or his personal representatives by the Trustees as soon as practicable after such cessation.

- 14.2 In the event of a Participant ceasing to be employed by the Group in any circumstances other than those set out in Rule 14.1 before the applicable Tax Free Date the Directors shall procure that his Dividend Shares are transferred to him by the Trustees, subject to the disposal by the trustees of sufficient Free Shares to enable them to meet their PAYE liabilities or payment to the Trustees by the Participant of a sum equal to income tax at the appropriate rate on the cash amount of the dividends used to acquire those Dividend Shares less the aggregate amount of any tax paid on any Capital Receipt in respect of those Dividend Shares that has already been subject to income tax, in accordance with the Free Share Agreement and/or Partnership Share Agreement that relates to them, as soon as practicable (and in any event within 30 days) after such cessation.

14.3 **Takeovers**

A Participant may during the Holding Period direct the Trustees:

- 14.3.1 to accept an offer for any of his Dividend Shares if the acceptance or agreement will result in a new holding being equated with those Shares for the purposes of capital gains tax; or
- 14.3.2 to accept an offer of a qualifying corporate bond (whether alone or with other assets or cash or both) for his Dividend Shares if the offer forms part of such a general offer as is mentioned in paragraph 37(4) of the Schedule; or
- 14.3.3 to accept an offer of cash, with or without other assets, for his Free Shares if the offer forms part of a general offer which is made to holders of shares of the same class as his Shares, or to holders of shares in the same company and which is made in the first instance on a condition such that if it is satisfied the person making the offer shall have control of that company, within the meaning of section 416 of the Act; or
- 14.3.4 to agree to a transaction affecting their Dividend Shares or such of them as are of a particular class, if the transaction would be entered into pursuant to a compromise, arrangement or scheme applicable to or affecting:
 - (a) all of the ordinary share capital of the Parent or, as the case may be, all the shares of the class in question; or
 - (b) all the shares, or all the shares of the class in question, which are held by a class of shareholders identified otherwise than by reference to

their employment or their participation in a plan which meets the requirements of the Schedule.

PART FIVE – GENERAL

15. Acquisition of Shares for appropriation

- 15.1 The Trustees may upon the direction of the Directors, purchase Shares from time to time until the Dealing Day preceding the relevant Appropriation Date/Acquisition Date. Such Shares may be purchased on the New York Stock Exchange or privately (provided that any such private purchase made at the time when the Shares are listed is made at a price which is equivalent to the middle market quotation for such Shares on the New York Stock Exchange for the Dealing Day preceding the day in question).
- 15.2 The Trustees, at the direction of the Directors, may subscribe for Shares for appropriation/acquisition on behalf of Eligible Employees under the Plan on the relevant Appropriation Date or Acquisition Date as appropriate, and the price per Share at which the Trustees subscribe for such Shares shall be the greater of:
- 15.2.1 the nominal value of a Share on the date of subscription; and
 - 15.2.2 the Market Value of a Share.
- 15.3 Contributions to be made by the Company and each Participating Company to the Trustees to support any purchase of or subscription for Shares to be made by the Trustees for appropriation on any Appropriation Date shall be paid not later than the Dealing Day immediately prior to the relevant Appropriation Date.
- 15.4 Where the Trustees on an Appropriation Date/Acquisition Date appropriate/acquire on behalf of Eligible Employees Shares a proportion of which rank for any dividend or other rights by reference to a record date preceding the relevant Appropriation Date/Acquisition Date and a proportion of which do not, then the Shares to be appropriated to each Eligible Employee/acquired on behalf of each Eligible Employee shall as far as practicable be in the same proportions thereto.

16. Issue of Shares and Dividends

- 16.1 All Shares issued under the Plan shall as to voting, dividend, transfer and other rights (including those arising on a liquidation) rank pari passu in all respects with the Shares then in issue.
- 16.2 If and so long as the Shares are listed on the New York Stock Exchange the Company shall use its best endeavours to procure that as soon as practicable after the allotment or any Shares pursuant to the Plan application shall be made to the New York Stock Exchange for admission to the Exchange.
- 16.3 Any cash dividends which are not directed by the Directors to be reinvested under the Plan in respect of Plan Shares held on behalf of a Participant in accordance with Rule 12.1 shall be paid in cash by the Company to the Trustees who will then distribute such dividends to each Participant as soon as practicable, according to the number of Plan Shares held by the Trustees on his behalf.

16.4 If the Trustees receive any foreign cash dividend in respect of Plan Shares, they shall give the Participant notice of the amount of any foreign tax already deducted.

17. Disposals and payment

17.1 The Trustees shall not dispose of any Plan Shares which have been appropriated to a Participant (whether to the Participant concerned or otherwise) except in accordance with Clause 7 of the Deed.

17.2 Upon receipt of a sum of money being (or being part of) the proceeds of any disposal or Capital Receipt in respect of any Plan Shares, the Trustees shall (subject to compliance with the provisions of the Act) account to the Participant for any balance remaining in their hands and relating to such Plan Shares, provided that any Capital Receipt of less than £3 distributable to a particular Participant may be retained by the Trustees.

17.3 Upon receipt of any money or money's worth in respect of or by reference to any Plan Shares, the Trustees shall pay it over to the Participant as soon as possible.

18. Stamp Duty

18.1 No stamp duty on any transfer of Shares by the Trustees shall be payable in the case of a transfer into the name of the Participant.

18.2 In the case of any other transfer, stamp duty shall be payable by the Participant or the purchaser from the Participant.

19. Disputes

The decision of the Directors in any dispute or question affecting any Eligible Employee or Participant under the Plan shall be final and conclusive subject to the concurrence of the Auditors whenever required under the provisions hereof.

20. Rights on termination of employment

In no circumstances shall any person who has ceased to be an employee of the Company or any Subsidiary by reason of dismissal or otherwise howsoever or who is under notice of termination of his employment be entitled to claim as against any Participating Company or Subsidiary or the Trustees any compensation for or in respect of any consequential loss he may suffer by reason of the operation of the terms of the Plan or of the provisions of the Act, including in respect of any liability to Income Tax or National Insurance Contributions.

21. Duty to account for PAYE etc

21.1 Where the Trustees receive a sum of money which constitutes (or forms part of):

21.1.1 the proceeds of a disposal of Shares; or

21.1.2 a Capital Receipt;

then, if required by and in accordance with the provisions of sections 510, 511, 512, 513 and 514 of the Act they shall pay to the relevant Participating Company out of that sum of money an amount equal to that on which income tax is payable and the relevant Participating Company shall then pay over that amount to the Participant in question but in so doing shall make a PAYE deduction unless such Participant shall have ceased to be employed by the Participating Company when the Trustees receive such sum as referred to in Rule 18.2, in which case the Trustees shall pay over the amount to the Participant but in so doing shall deduct United Kingdom income tax at the appropriate rate for the time being in force on an amount equal to that on which income tax is payable together with a deduction of any Primary Class I National Insurance liability which may arise.

- 21.2 Where the Trustees receive from a Participant who has directed them to transfer the ownership of his Plan Shares to him at any time before the Tax Free Date the sum calculated in accordance with either Rule 2.2 or Rule 6.2 or Rule 9.2 that sum shall be treated as a PAYE deduction by the Trustees as well as a deduction of any Primary Class I National Insurance liability required.
- 21.3 The Trustees shall maintain such records as may be necessary to enable them to carry out their obligations under sections 510, 511, 512, 513 and 514 of the Act, including records of all payments to the Company and all sums deducted by the Trustees falling within Rule 21.1 and all sums received from Participants falling within Rule 21.2.
- 21.4 The Trustees shall inform each Participant in writing of any facts relevant to determining the liability (if any) of that Participant to income tax under Schedule E or F or Case V of Schedule D or to Primary Class I National Insurance by reason of an occurrence of an event under the Plan in relation to his Plan Shares.

22. **Alterations**

Subject to the concurrence of the Trustees evidenced in a deed supplemental hereto, the Rules of the Plan may be altered in accordance with the following provisions of this Rule PROVIDED that no purported alteration shall be effective if, as a result, the Plan would cease to be an employees' share scheme. Any such alterations shall be binding on all Participating Companies.

- 22.1 The Directors may, prior to the approval of the Plan under the provisions of the Schedule by HMRC, alter the Rules of the Plan as may be necessary in order to obtain such approval.
- 22.2 Following approval of the Plan by HMRC, the Directors may at any time alter the Rules of the Plan.
- 22.3 Where any alteration under Rule 22.2 is to the advantage of Participants (present or future), it will not be effective unless either:
- 22.3.1 it is made with the prior sanction of an ordinary resolution of the Company in general meeting; or
- 22.3.2 it is a minor amendment which the Directors consider necessary or desirable in order to benefit the administration of the Plan; or

- 22.3.3 it is an amendment which the Directors consider necessary or desirable to take account or advantage of a change in the Act, the Schedule or any other legislation or to obtain or maintain favourable tax, exchange control, or regulatory treatment for Participants (present or future) or any Participating Company.
- 22.4 No alteration which purports to enlarge the obligations or restrict the rights of any Participant in respect of Plan Shares already appropriated to him or acquired on his behalf shall be effective.
23. **General**
- 23.1 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply.
- 23.2 In the event of the termination of the Plan by resolution of the Directors in accordance with Rule 23.1 the Directors shall ensure that a plan termination notice is sent without delay to:
- 23.2.1 the Trustees; and
- 23.2.2 each Participant,
- and the date on which such plan termination notice is sent shall be the first day of the Termination Period.
- 23.3 If the circumstances set out in paragraph 56 of the Schedule apply, any Partnership Share Money held on behalf of Eligible Employees shall be repaid to them as soon as practicable after the relevant day subject to deduction of income tax under PAYE and National Insurance Contributions.
- 23.4 Once the Termination Period has begun;
- 23.4.1 no further shares may be awarded to Eligible Employees;
- 23.4.2 the Trustees must (as soon as is practicable after the later of the end of the Termination Period or the first date on which the shares may be removed from the Plan without giving rise to a charge to Income Tax on the Participant on whose behalf they are held) either transfer all Plan Shares held by them to the Participant on whose behalf they are held (or, at his direction, to another person or, if appropriate to his personal representatives) or dispose of such Plan Shares and account to each such Participant (or, at his direction, to another person or, if appropriate to his personal representatives) for the proceeds;
- 23.4.3 the Trustees must, as soon as practicable, ensure that any Partnership Share Money (or other money) held on behalf of a Participant is paid to him; and
- 23.4.4 the Trustees must ensure that any cash dividend that has not been reinvested pursuant to Clause 2.4 of the Trust Deed is paid over to each Participant.

24. **Governing Law**

The Plan is governed by and shall be construed in accordance with the laws of England.

SCHEDULE 2

KIMBERLY-CLARK shareplus UK

Letter of Offer

[Date]

Dear []

KIMBERLY-CLARK shareplus UK

("the Plan")

The Directors of the Company would like to offer you the opportunity to participate in the Plan. The basis of your participation on this occasion is as follows:

- [1] You are entitled to be appropriated Free Shares in the Parent with a value of [£] in accordance with the terms set out in Part A of the appendix to this letter[; and]
- [1] You are entitled to be appropriated Free Shares in the Parent in accordance with the terms set out in Part A of the appendix to this letter. The value of the Free Shares that will be appropriated to you depends on the satisfaction of the Performance Related Formula. This formula applies to you as part of the [] division/team] and is as follows [*insert formula applicable to participant*].
- [2] You are also entitled to acquire Partnership Shares in the Parent up to the value of [£125 per month] but not more than 4% of your salary [which will be matched by the Company on a [] basis as described in Part C of the appendix to this letter] in accordance with Part B of the appendix to this letter.]

In order to consent to being included in this appropriation you must complete the Agreement which is enclosed and return it to [] no later than [*date: dependent on type of shares being offered. See Rules 2.1 and 5.1*].

Yours faithfully

Appendix to Letter of Offer

PART A

This offer is the offer of Free Shares to Eligible Employees in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of []];
2. An Eligible Employee must have returned the completed Free Share Agreement as directed by [];
3. The terms upon which the Free Shares are held will be as follows:
 - (a) Free Shares will be registered in the name of the Trustees;
 - (b) the Trustees shall not dispose of any Free Shares (except in accordance with the terms of the Plan);
 - (c) the Holding Period applicable to the Free Shares is [] years from [Appropriation Date]. After being held by the Trustees until the Release Date, [], the Trustees shall, if the Participant so requests, transfer the Free Shares to him or any other person of whom they have received notice in writing that the beneficial ownership of the Free Shares is vested. If no such request is made the Free Shares shall remain held by the Trustees until the Participant ceases to be employed [by the Company];
 - (d) if the Participant ceases to be employed by [the Group] the Free Shares will be dealt with according to Rule [4] of the Plan.

[PART B

This offer is the offer to Eligible Employees to purchase Partnership Shares in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of [];
2. An Eligible Employee may apply to purchase Partnership Shares by returning the completed Agreement as directed by []:
3. Eligible Employees may purchase Partnership Shares up to a maximum of [£] [but not more than 4% of their salary] and a minimum value of [£] by authorising the Company to make deductions from their salary each [week/month];
4. The terms upon which the Partnership Shares are held will be as follows:
 - (a) Partnership Shares will be purchased using the deductions from Eligible Employees' salaries; [*timing of purchase; accumulation period*]
 - (b) Partnership Shares will be registered in the name of the Trustees;
 - (c) the Trustees shall not dispose of any Partnership Shares (except in accordance with the terms of the Plan);
 - (d) the Trustees shall, if the Participant so requests at any time transfer the Partnership Shares to him or any other person of whom they have received notice in writing that the beneficial ownership of the Partnership Shares is vested;
 - (e) [if the Participant requests the Trustees to transfer his Partnership Shares to him or any other person before the Release Date, [], the Matching Shares appropriated to the Participant that relate to those Partnership Shares shall be forfeited in accordance with the Rules of the Plan.]

[PART C

This offer is the offer of Matching Shares to Eligible Employees in accordance with the Rules of the Plan. The terms of the offer are as follows:

1. The offer is made to all employees of [the Company] [the Participating Companies] [who had been so employed on [] for a period of []];
2. Eligible Employees must have applied to purchase Partnership Shares by returning the completed Partnership Share Agreement as directed by [];
3. The Trustees will appropriate to each such Eligible Employee/Participant [two] Matching Shares for each Partnership Share purchased by the Eligible Employee;
4. The terms upon which the Matching Shares are held will be as follows:
 - (a) Matching Shares will be registered in the name of the Trustees;
 - (b) the Trustees shall not dispose of any Matching Shares (except in accordance with the terms of the Plan);
 - (c) the Holding Period applicable to the Matching Shares is [] years from [Appropriation Date]. After being held by the Trustees until the Release Date, [], the Trustees shall, if the Participant so requests, transfer the Matching Shares to him or any other person of which they have received notice in writing that the beneficial ownership of the Matching Shares is vested. If no such request is made the Matching Shares shall remain held by the Trustees until the Participant ceases to be employed by [the Company];
 - (d) if the Participant ceases to be employed by [the Group] the Matching Shares will be dealt with according to the Rule [10] of the Plan;
 - (e) [if the Participant requests the Trustees to transfer his Partnership Shares to him or to any other person before [] he will forfeit his Matching Shares in accordance with the Rules of the Plan:]]

NOTE: Defined Terms have the same meanings as in the Trust Deed and Rules relating to the Plan.

SCHEDULE 3

KIMBERLY-CLARK *shareplus* UK

Free Share Agreement

PLEASE USE BLOCK CAPITALS AND READ THE WHOLE OF THE AGREEMENT
BEFORE SIGNING BELOW

This Free Share Agreement is between:

Participant ("the Participant")	Company ("the Company")
Name:	Name:
Home Address:	Registered Address:
Payroll Number:	Registered Number:

This Free Share Agreement sets out the terms on which the Participant agrees to take part in Kimberly-Clark *shareplus* UK (the "Plan") and is subject to the Rules of the Plan. The definitions in the Plan Rules apply to this Free Share Agreement:

PARTICIPANT

1. I confirm that I am eligible to participate in the Plan.
2. I agree to accept the Free Shares in Kimberly-Clark Corporation appropriated to me under the Plan.
3. I agree to leave the Free Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period, which will end on [*insert date*].
4. I have read this Free Share Agreement and agree to be bound by it and by the Rules of the Plan
5. [I agree that all dividends paid on my Free Shares will be used by the Trustees to buy more shares in Kimberly-Clark Corporation ("Dividend Shares") for me in accordance with the Rules of the Plan.]

6. I agree to leave the Dividend Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the Dividend Shares for the whole of the Holding Period of 3 years.

COMPANY

7. The Company agrees to arrange for shares in Kimberly-Clark Corporation to be appropriated to me, according to the Rules of the Plan.
8. The Company has decided that the value of Free Shares appropriated to each Eligible Employee will be based on [*Insert the method chosen from Rule 2.3 for determining the value of Free Shares to be appropriated and, if applicable, either an explanation of the Performance Related Formula or a cross reference to it*].

Rights and Obligations

1. I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
2. I can at any time withdraw from this agreement, by writing to my employer.
3. I agree that withdrawal from this agreement will not affect the terms on which I agreed to accept any shares that have already been appropriated to me under the Rules of the Plan.
4. I may ask the Trustees for my Free Shares [and Dividend Shares] at any time after the end of the Holding Period, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
5. I agree to allow the Trustees to sell some or all of my Free Shares [and Dividend Shares] to pay any income tax and National Insurance Contributions in respect of my Free Shares [and Dividend Shares] ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
6. [I understand that I will lose my Free Shares if I cease to be in Relevant Employment before the end of the Forfeiture Period of [] years unless the employment ceased for one of the following reasons:
 - (a) injury or disability
 - (b) redundancy
 - (c) transfer of employment to which the Transfer of Undertaking Protection of Employment) Regulations 2006 apply
 - (d) retirement
 - (e) death
 - (f) change of control or other circumstances ending the Associated Company status of my employing company.]

7. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attached to my shares in the Plan, in order to fund the exercise of the rights attached to other shares held by me in the Plan.

[Dividend Reinvestment

8. Cash dividends will be used to buy more shares ("Dividend Shares") for me.]

Signature: _____ Date ____/____/____

SCHEDULE 4

KIMBERLY-CLARK *shareplus* UK

Partnership Share Agreement

PLEASE USE BLOCK CAPITALS AND READ THE WHOLE OF THE AGREEMENT
BEFORE SIGNING BELOW

This Partnership Share Agreement is between:

Participant ("the Participant")	Company ("the Company")	Trustees ("the Trustees")
Name:	Name:	Name:
Home Address:	Registered Address:	Registered Address [if any]
Payroll Number	Registered Number:	

This Partnership Share Agreement sets out the terms on which the Participant agrees to buy shares under the Kimberly-Clark *shareplus* UK (the "Plan") and is subject to the Rules of the Plan. The definitions in the Plan Rules apply to this Partnership Share Agreement.

NOTICE TO PARTICIPANT ABOUT POSSIBLE EFFECT ON BENEFITS

Deductions from your pay to buy Partnership Shares under this agreement may affect your entitlement to, or the level of, some contributory social security benefits, statutory maternity pay and statutory sick pay. They may also have a similar effect in respect of some contributory social security benefits paid to your wife or husband. With this agreement you should have been given information on the effect of deductions from your pay to buy Partnership Shares on entitlement to social security benefits, statutory sick pay and statutory maternity pay. The effect is particularly significant if your earnings are brought below the lower earnings limit for National Insurance purposes, and is explained in the information: it is therefore important that you read it. If you have not been given a copy, ask your employer for it. Otherwise a copy may be obtained from any office of HMRC, the Department of

Social Security, or, in Northern Ireland, the Department for Social Development. You should take the information you have been given into account in deciding whether to buy Partnership Shares.

PARTICIPANT

1. I confirm that I am eligible to participate in the Plan.
2. I agree to allow my employer to deduct the following amount per [week/month] from my Salary:

£	insert amount between [£10] and £125 [per month] and not more than 4% of Salary
---	---

3. [I agree that these deductions will be used to buy Partnership Shares in Kimberly-Clark Corporation for me] *OR*

[I agree that the Trustees will accumulate my deductions from [*Company to specify beginning and end of Accumulation Period*] and buy Partnership Shares in Kimberly-Clark Corporation for me after the end of the Accumulation Period.]
4. I understand that shares may fall in value as well as rise.
5. I have read this Partnership Share Agreement and agree to be bound by it and by the Rules of the Plan.
6. [I agree that all dividends paid on my shares will be used by the Trustees to buy more shares in Kimberly-Clark Corporation ("Dividend Shares") for me in accordance with the Rules of the Plan. I agree to accept the Dividend Shares bought for me and leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the whole of the Holding Period of 3 years.
7. [I agree to accept Matching Shares in Kimberly-Clark Corporation appropriated to me under the Plan and leave them in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the shares for the whole of the Holding Period applicable to them.]

COMPANY

8. The Company agrees to arrange for shares in Kimberly-Clark Corporation to be bought for me, according to the Rules of the Plan.
9. The Company agrees to provide [*insert number*] Matching Share(s) for every [*insert number*] Partnership Share(s) bought for me.
10. The Company undertakes to notify me of any restriction on the number of Partnership Shares available.

TRUSTEES

11. The Trustees agree to keep my Salary deductions in [*insert name of bank/building society*] until they are used to buy shares in Kimberly-Clark Corporation for me.

Signature_____

Date:___/___/_____

Rights and Obligations

1. I agree that taking part in the Plan does not affect my rights, entitlements and obligations under my contract of employment, and does not give me any rights or additional rights to compensation or damages if my employment ceases.
2. I may stop the deductions at any time, or begin them again, by writing to my employer, but I may not make up any amounts missed when deductions were stopped.
3. I agree that the deductions from my salary, or the number of shares that I receive may be scaled down if the limit on the number of shares set by the Company available is exceeded.
4. I can at any time withdraw from this agreement by writing to my employer. Any unused deductions will be returned to me after the deduction of any necessary income tax or National Insurance Contributions.
5. I agree that withdrawal from this agreement will not affect the terms on which I agreed to buy shares already held for me under the Plan.
6. I may ask the Trustees for my Partnership Shares at any time, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
7. I agree to allow the Trustees to sell some or all of my shares to pay any income tax and National Insurance Contributions in respect of my shares ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
8. I agree that any deductions not used to buy shares will at the discretion of the Trustees be repaid to me after the deduction of any necessary income tax or National Insurance Contributions, or will be carried forward and added to the next deduction or Accumulation Period.
9. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attaching to my shares in the Plan, in order to fund the exercise of the rights attached to other shares held by me in the Plan.

[Accumulation Period

10. The Accumulation Period shall come to an end when [*specify nature of event(s)*], but this agreement shall continue until terminated by any party giving notice to the others.
11. I may only restart deductions once in every [*insert number*] months.]

[Matching Shares[and Dividend Shares]]

12. The ratio of Matching Shares to Partnership Shares is [*insert ratio – not more than 2:1*] and may be varied by the Company. The circumstances and manner in which the ratio may be varied are [*company to specify details here*].
13. If the ratio varies, the Company will notify me before the Partnership Shares are bought for me.

14. I agree to leave the Matching Shares in the hands of the Trustees, and not to assign, charge or otherwise dispose of my beneficial interest in the Matching Shares for the whole of the Holding Period applicable to them.
15. I may ask the Trustees for my Matching Shares [and Dividend Shares] at any time after the end of the Holding Period, but I may have to pay income tax and National Insurance Contributions when they are taken out of the Plan.
16. I agree to allow the Trustees to sell some or all of my Matching Shares [and Dividend Shares] to pay any income tax and National Insurance Contributions in respect of my Matching Shares [and Dividend Shares] ceasing to be subject to the Plan, unless I provide them in advance with sufficient funds to pay these amounts.
17. If there is a rights issue, I agree to allow the Trustees to sell some of the rights attached to my shares in the Plan to exercise the rights attached to other shares held by me in the Plan.

[I will lose my Matching Shares if I withdraw the Partnership Shares in respect of which the Matching Shares were appropriated before the end of the Forfeiture Period of [] years applicable to the Matching Shares.]

[I will lose my Matching Shares if I cease to be in Relevant Employment before the end of the Forfeiture Period of [] years, unless the employment ceased for one of the following reasons:

- (a) injury or disability
- (b) redundancy
- (c) transfer of employment to which the Transfer of Undertaking (Protection of Employment) Regulations 2006 apply
- (d) retirement
- (e) death
- (f) change of control or other circumstances ending the Associated Company status of my employing company.]

Partnership Share Money held by Trustees

18. The Trustees are under no obligation to keep the deductions in an interest-bearing account, but if they do, they will pay the interest to me.

[Dividend Reinvestment

19. Cash dividends will be used to buy more shares ("Dividend Shares") for me.]

SCHEDULE 5

KIMBERLY-CLARK *shareplus* UK

Notice of Appropriation

To: [Name] Appropriation Date:

[Address]

From: The Trustees of the Kimberly-Clark *shareplus* UK

The Trustees of the Plan have today made an appropriation to you of [] [ordinary] shares of []p each in Kimberly-Clark under the Plan (Free Shares).

Their Market Value on the Appropriation Date is [] per share.

The Holding Period in respect of these shares is [] years.

Yours faithfully

for and on behalf of

[]

SCHEDULE 6

KIMBERLY-CLARK *shareplus* UK

Direction to transfer Shares

To: The Trustees of Kimberly-Clark *shareplus* UK

A **Free Shares**

This notice applies to the Free Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Free Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on my behalf on the appropriate value of the Free Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

B **Partnership Shares**

This notice applies to the Partnership Shares that were acquired by you on my behalf on [Acquisition Date]. The Release Date applicable to them is [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Partnership Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the appropriate value of the Partnership Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

[I understand that if the Release Date has not yet been reached the Matching Shares that were appropriated to me on [Appropriation Date] will be forfeited by this direction and that I shall have no further entitlement to them.]

C **Matching Shares**

This notice applies to the Matching Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Matching Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the appropriate value of the Matching Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the Agreement that relates to them.

D Dividend Shares

This notice applies to the Dividend Shares that were appropriated to me on [Appropriation Date]. The Release Date applicable to those shares was [Release Date] and the Tax Free Date applicable to them is [Tax Free Date].

I hereby direct you to transfer the legal ownership of [] Dividend Shares to [me][other] as soon as practicable, in accordance with the Rules of the Plan.

I understand that if the Tax Free Date has not yet been reached you will withhold the amount necessary to pay income tax on the Market Value of the Dividend Shares as well as any amount necessary to satisfy any Primary Class I National Insurance liability that may arise, in accordance with the terms of the agreement that relates to them.

Signed:

Date:

.....

.....

SCHEDULE 7

KIMBERLY-CLARK *shareplus* UK

Notice of Acquisition[/Appropriation]

To: [Name] Acquisition[/Appropriation] Date:
[Address]

From: The Trustees of Kimberly-Clark *shareplus* UK

The Trustees of the Plan have today acquired on your behalf [] [ordinary] shares of []p each in Kimberly-Clark Corporation under the Plan (Partnership Shares). In their acquisition of the above shares the Trustees used [] of your Partnership Share Money, leaving [] .

The Market Value of the Partnership Shares on the Acquisition Date is [] per share. There is no Holding Period in respect of these shares.

[In addition, the Trustees have today made an appropriation to you of [] [ordinary] shares of []p each in Kimberly-Clark Corporation under the Plan (Matching Shares). Their Market Value on the Appropriation Date is [] per share.] The Holding Period in respect of these shares is [] years.

Yours faithfully

for and on behalf of

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

THE COMMON SEAL OF)
KIMBERLY-CLARK HOLDING LTD)
was hereunto affixed in)
the presence of:)

Director

Secretary

SIGNED as a DEED)
by [])
Limited)
ACTING by)

Director

Secretary

THE COMMON SEAL OF)
[the New Participating)
Company] was)
hereunto affixed in the)
presence of:)

Director

Secretary

SCHEDULE 9

KIMBERLY-CLARK *shareplus* UK

Notice of Performance Related Formula

For the attention of ALL employees of Kimberly-Clark

SCHEDULE 10

KIMBERLY-CLARK *shareplus* UK

Notice of Appropriation – Dividend Shares

To: [Name] Appropriation Date:

[Address]

From: The Trustees of the Kimberly-Clark Share Incentive Plan

The Trustees of the Plan have today acquired on your behalf [] [ordinary] shares of []p in Kimberly-Clark Corporation under the Plan (Dividend Shares). Their Market Value on the Appropriation Date is [] per share. The Holding Period in respect of these shares is [] years.

The amount of the cash dividend which is insufficient to acquire a share is £..... This sum is held by the Trustees and carried forward to your account.

Yours faithfully

For and on behalf of

[]

EXHIBIT VII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST
(JERSEY), FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.3
OF FORM S-8

11 June 2002

DATED

Kimberly-Clark Corporation
-and-
Mourant & Co Trustees Limited

TRUST DEED
of the
KIMBERLY-CLARK
EMPLOYEE SHARE TRUST (JERSEY)

BACON & WOODROW
Actuaries & Consultants
St Olaf House
London Bridge City
London SE1 2PE

Contents

<u>Section</u>	<u>Page</u>
1. DEFINITIONS	3
2. TRUST FOR SALE	6
3. ADDITIONS TO THE TRUST FUND	6
4. DUTY OF CARE	6
5. DISCRETIONARY TRUST	7
6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD	7
7. PURCHASE OF SHARES AND FUNDING	8
8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING	10
9. POWERS OF TRUSTEES	10
10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES	17
11. TRUSTEE CHARGING CLAUSE	18
12. GOVERNING LAW	19
13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD	19
14. PROTECTION OF THE TRUSTEES	21
15. PERSONAL INTERESTS OF THE TRUSTEES	22
16. ALTERATIONS TO THIS DEED	23
17. NOTICE	24
18. CONTRIBUTIONS BY PARTICIPATING COMPANIES	25
19. DEED TO BE EXECUTED IN COUNTERPARTS	26

THIS DEED of TRUST is made the day of 2002.

BETWEEN

- (1) Kimberly-Clark Corporation registered in the State of Delaware U.S.A. whose registered office is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A. ("the Company") and
- (2) Mourant Trustees Ltd whose registered office is situated at 22 Grenville Street, St. Helier, Jersey JE4 8PX, Channel Islands ("the Trustees" which expression shall where the context so permits include the trustee or trustees for the time being of this Trust)

RECITALS

- (A) THE Company and the Relevant Subsidiaries (as hereinafter defined) have established or intend to establish certain employees' share schemes (within the meaning of Section 743 of the Companies Act 1985) for encouraging or facilitating the holding of shares in the capital of the Company by or for the benefit of the Beneficiaries.
- (B) THE Company has paid or is about to pay the Trustees the sum of Five Hundred Pounds (by way of gift) and it is envisaged that further monies may hereafter be provided to the Trustees (whether by way of gift or otherwise) by the Company and the Relevant Subsidiaries to be held on trust under the terms of this Deed.
- (C) The Trust is established as a trust for the benefit of employees within the meaning of section 86 of the Inheritance Tax Act 1984

THIS DEED WITNESSES as follows:

1. DEFINITIONS

1.1. Specific Terms

In this Deed the following expressions shall where the context permits have the following meanings:

“Beneficiaries”	the <i>bona fide</i> Employees and Former Employees from time to time of the Company or any Relevant Subsidiary and the wives husbands widows widowers and children and stepchildren under the age of eighteen of such Employees or Former Employees save that any person resident in Jersey shall not be a Beneficiary
“Employee”	any person employed by the Company or any Relevant Subsidiary and “Former Employee” shall be construed accordingly
“Relevant Subsidiary”	any Subsidiary which has any employees or former employees participating in any of the Share Schemes
“Shares”	shares of common stock in the capital of the Company or such other shares as may be appropriate for the purposes of the Share Schemes from time to time as the result of any take-over reconstruction amalgamation or other event affecting the Company and its shares

“Share Schemes”	the employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) which have been or will be established and operated by the Company and/or any of the Relevant Subsidiaries as altered by the Company and/or any of the Relevant Subsidiaries from time to time
“Subsidiary”	any subsidiary from time to time of the Company within the meaning of Section 736 of the Companies Act 1985 (as amended)
“Trust”	the Kimberley-Clark Employee Share Trust (Jersey), as constituted by this Deed (as amended from time to time)
“Trust Fund”	the said sum of Five Hundred Pounds and all property at any time added to it by way of further settlement accumulation capital accretion or otherwise by the Company or any Relevant Subsidiary or otherwise and all property from time to time representing the same held by or on behalf of the Trustees on trust under the terms of this Deed
“Trust Period”	the period of eighty years beginning with the date of this Deed (which period shall be the perpetuity period applicable) or such shorter period commencing on the date of this Deed

and ending on such date as the Trustees may by deed determine

1.2. General

In this Deed

- (a) references to any statutory provision are to that provision or any part of it as amended and re-enacted from time to time and
- (b) references to any deed agreement document or instrument (including this Deed) shall be construed as a reference to such deed agreement document or instrument as from time to time amended supplemented or varied and
- (c) where the context permits words of the masculine gender shall include the feminine and *vice versa* and words in the singular shall include the plural and *vice versa* and
- (d) Clause headings in this Deed are included for reference purposes only and do not affect its interpretation

2. TRUST FOR SALE

Subject to Clause 7 the Trustees shall during the Trust Period hold the Trust Fund upon trust as to investments or property other than money in their absolute discretion to sell call in and convert the same into money with power to postpone such sale calling in and conversion and to permit the same to remain as invested and upon trust as to money in their absolute discretion to invest the same in their names or under their control in any of the investments authorized by this Deed or by law in their absolute discretion from time to time to vary or transpose any such investments for others so authorised

3. ADDITIONS TO THE TRUST FUND

The Trustees may at any time receive any money or other property from any person or company to be held by them as an addition to the Trust Fund and any such additions which shall be accepted and received by the Trustees shall (in the absence of any contradictory direction) be held by the Trustees upon trust on the terms of this Deed

4. DUTY OF CARE

In the exercise of their powers under clauses 9.1, 9.4, 9.5, 9.8 and 9.13, the Trustees much show such skill and care as is reasonable in the circumstances making allowance for his or her special knowledge, experience or professional status

5. DISCRETIONARY TRUST

5.1. Power of Appointment

During the Trust Period (and subject to the rule against perpetuities) the Trustees shall hold the Trust Fund and its income upon such trusts in favour or for the benefit of any one or more of the Beneficiaries at such ages or times in such shares and manner as the Trustees shall during the Trust Period appoint

5.2. Requirement to Notify the Company

Notification of any proposed appointment made by the Trustees under Clause 5.1 shall be given by the Trustees to the Company in writing not less than seven days before that appointment, unless the Company agrees in any particular case to a shorter period or waives its right to notice under this Clause

5.3. Power to Accumulate Income

Pending the exercise of their power of appointment under Clause 5.1 the Trustees may accumulate all or any of the income of the Trust Fund and add it to the Trust Fund

6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD

Subject to the provisions of Clause 5 the Trustees shall hold the capital and income of the Trust Fund at the expiry of the Trust Period UPON TRUST for such of the Beneficiaries as shall then be living and if more than one Beneficiary is still living in equal shares absolutely or if there are no such Beneficiaries then living then UPON TRUST for such Charity or Charities as the Trustees shall in their absolute discretion determine

7. PURCHASE OF SHARES AND FUNDING

7.1. Provisions of Funds by the Company and Relevant Subsidiaries

The Company hereby covenants with the Trustees

- 7.1.1.** to pay or procure to be paid to the Trustees and the Trustees hereby covenant to accept from the Company and from Relevant Subsidiaries such amounts (whether by way of loan or gift or loan procured (and guaranteed if appropriate) by the Company or any Relevant Subsidiary) as the Company or a Relevant Subsidiary (as the case may be) so provides and
- 7.1.2.** to grant options to the Trustees and the Trustees hereby covenant to accept any options that may be granted from time to time ((subject to Clause 7.4 for the purpose (in particular but without limitation) of the subscription for or purchase of Shares by the Trustees to be held on trust under the terms of this Deed together with any costs charges and expenses incurred, including the payment of interest on loans made to the Trustees

7.2. Loans to Trustee

Any loan made by the Company or any Relevant Subsidiary to the Trustees shall be on such terms as the Company or such Relevant Subsidiary and the Trustees may agree

7.3. Notification of Amendments

The Company shall ensure that the Trustees are notified as soon as any changes are made to the terms of any of the Share Schemes pursuant to which any Shares are or may be held by the Trustees including the

adoption by the Company or any Relevant Subsidiary (as the case may be) of any new Share Schemes

7.4. Constitution as Employees' Share Scheme

If and so long as the Trust Fund includes Shares or any portion to acquire Shares this Trust and the Share Schemes shall together constitute an employees' share scheme of the Company within the meaning of Section 743 of the Companies Act 1985 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust together with the Share Schemes to cease to be such an employees' share scheme

7.5. Constitution as a Trust for the Benefit of Employees

This Trust shall constitute a trust for the benefit of employees within the meaning of Section 86 of the Inheritance Tax Act of 1984 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust to cease to be such a trust for the benefit of employees

8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING

- 8.1.** The maximum number of Shares which may be held in the name of the Trustees subject to the trusts hereof at any time (excluding Shares which have been appointed to a Beneficiary or which are subject to any option granted under any of the Share Schemes) may not exceed five per cent of the issued Shares of the Company
- 8.2.** The Trustees shall subscribe for Shares pursuant to this Trust only if the terms of such subscription have received prior approval of the shareholders of the Company in general meeting

9. POWERS OF TRUSTEES

9.1. Power to invest

The Trustees shall have power:

- 9.1.1.** With the consent in writing of the Company to invest the whole or any part of the Trust fund in the acquisition (either by the Trustees alone or jointly with any other person) of any property whether or not involving liability or producing an income or upon such personal credit (with or without security) as the Trustees in their absolute discretion think fit
- 9.1.2.** To invest the whole or any part of the Trust Fund in Shares or rights to acquire Shares or securities convertible into Shares without being required to diversify or consider the diversification of investments

9.2. To enter into agreements

The Trustees shall have power to enter into any agreement with the Company or any associated company or any third party

9.3. To take up and grant options

The Trustees shall have power to take up any option on any real or personal property on such terms and conditions as they shall in their absolute discretion think fit and to grant any option for the purchase of any real or personal property for the time being subject to the terms of this Deed or the acquisition of any such property on such terms and conditions as they shall in their absolute discretion think fit provided this does not cause the Trust to constitute a collective investment scheme within the meaning of Section 75(i) of the Financial Services Act 1986

9.4. To borrow

The Trustees shall have power at any time to borrow or raise money on the security of the Trust Fund or any part of it or on personal security only for any purpose for which moneys may be applied under this Deed including the purpose of investment only and to mortgage charge or pledge any part of the Trust Fund as security for any moneys so raised and on such terms as to the payment of interest (if any) and as to repayment as the Trustees shall in their absolute discretion think fit PROVIDED THAT where the Trustees propose to borrow moneys they shall have regard to the terms of any loan offered by the Company or any Subsidiary to enable the Trustees to acquire Shares in the Company but shall not be bound to accept any such loan

9.5. To lend and give guarantees

The Trustees shall have power

- 9.5.1.** To lend money or property to any one or more of the Beneficiaries either free of interest or on such terms as to payment of interest and generally as the Trustees shall in their absolute discretion think fit PROVIDED THAT it shall be a condition of this power being exercised in favour of a Beneficiary on anything other than terms under which the Trustees receive full consideration in money or money's worth in return for any such loan that such Beneficiary is entitled to a beneficial interest in possession in the part of the Trust Fund from which the loan derives
- 9.5.2.** To guarantee the payment of money and the performance of obligations in respect of any existing or future borrowings by any one or more of the Beneficiaries from third parties or guarantees indemnities or other commitments of like nature given to third parties by any one or more of the Beneficiaries including (but without limitation) the power to pledge the whole or any part of the assets of the Trust Fund in support of any such guarantee PROVIDED THAT this power may only be exercised in favour of a Beneficiary who is entitled to a beneficial interest in possession in the part of the Trust Fund set aside to support such guarantee or indemnity

9.6. To Distribute or Accumulate Income

- 9.6.1.** During the Trust Period the Trustees may accumulate the whole or any part of the income of the Trust Fund either as an addition to the capital of the Trust Fund or as a separate fund

9.6.2. Alternatively the Trustees may pay or apply the income of the Trust Fund to or for the benefit of all or any one or more of the Beneficiaries in such manner and in such shares as the Trustees think fit

9.7. To Make Rules for the Administration of the Trust

Except as otherwise provided the Trustees may in their discretion make rules for the constitution and regulation of their meetings and the keeping of minutes and otherwise conduct their affairs in such a manner as they may deem appropriate and make such arrangements in relation to the administration of the Trust and of the Trust Fund as they may consider advisable in the interests of the Trust

9.8. To Vote and Employ Nominees and Custodians

In respect of any property comprised in the Trust Fund the Trustees shall have power

- 9.8.1.** To vote or not to vote at their discretion upon or in respect of any shares securities bonds notes or other evidence of interest in or obligation of any company trust association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase sale or lease of the assets of any such company trust association or concern
- 9.8.2.** To deposit any such shares securities or property in any voting trust or with any depository designated under such a voting trust
- 9.8.3.** To give proxies or powers of attorney with or without power of substitution for voting or acting on behalf of the Trustees as the owners of any such property

9.8.4. To hold any or all securities or other property in bearer form or in the names of the Trustees or any one or more of them or in the name of some other person or partnership or in the name or names of nominees without disclosing the fiduciary relationship created by this Deed and to deposit the said securities or any title deeds or other documents belonging or relating to the Trust Fund in any part of the world with any bank firm trust company or other company that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank firm trust company or other company or for any consequent loss

9.9. To appropriate

The Trustees shall have power (exercisable either expressly or by implication) to allot appropriate partition or apportion any property whatsoever which (or the future proceeds of sale of which) is for the time being subject to the terms of this Deed in or towards the satisfaction of any share or interest in the Trust Fund or in the income of it in such manner as the Trustees shall in their absolute discretion consider just according to the prospective rights of the Beneficiaries concerned and in the exercise of such power to register Shares in their own name or the name of the Beneficiaries concerned as they shall determine

9.10. Transfers

The Trustees shall with the consent of the Company have power

9.10.1. To transfer (without transgressing the rules against perpetuities) the Trust Fund or any part of it to the trustees of a new trust or settlement constituted under the law of any state or country which is for the benefit of some or all of the Beneficiaries to be held freed and discharged from this Trust but so that the powers of such new

trust or settlement shall not differ (unless acceptable under Clause 9.10.2 below) from the trusts and powers declared in this Deed previously applicable to the Trust Fund or part transferred

9.10.2. To transfer cash or other assets of the Trust Fund to Beneficiaries in any part of the world at the sole discretion of the Trustees subject to not breaching any relevant requirements of the Companies Act 1985 and Income and Corporation Taxes Act 1988 or any equivalent legislation in the relevant jurisdiction in any part of the world outside the United Kingdom

9.11. To pay tax

The Trustees shall have power to pay any duties or taxes or fiscal impositions (together with any related interest or penalties or other surcharges) in connection with this Trust for which the Trustees may become liable in any part of the world notwithstanding that such liability may not be enforceable through the courts of the place where this Trust is for the time being administered and to have complete discretion as to the time and manner in which such duties taxes and fiscal impositions shall be paid and no person interested under this Trust shall be entitled to make any claim whatsoever against the Trustees by reason of making such payment

9.12. To deduct tax

The Trustees shall have power to deduct or withhold from the Trust Fund or from or in respect of amounts paid or property transferred by the Trustees to any of the Beneficiaries any amounts for which the Trustees may as trustees be accountable to any third party or any amounts for which any Beneficiary the Company or any Relevant Subsidiary may be accountable in connection any transfer of property

9.13. To delegate

The Trustees shall have power:

- 9.13.1.** To delegate in the exercise of their discretion and the performance of their duties under this Deed the administrative and management functions and powers (excluding investment powers) to any professional adviser and appoint any such person as their agent to transact all or any business and to act on the advice or opinion (including advice in relation to investments) of any professional adviser so that the Trustees shall not be responsible for anything done or omitted to be done or suffered to be done in good faith in reliance on such advice or opinion
- 9.13.2.** To delegate any of their powers (including fiduciary powers) and duties under this Deed including the exercise of any discretion to any person or company
- 9.13.3.** To revoke any delegation made under this Clause 9.13

9.14. Payments to Beneficiaries

The Trustees shall have power to make any payment to any Beneficiary in such manner as they shall determine including payment into such Beneficiary's bank account and the Trustees shall be discharged from obtaining a receipt or seeing to the application of such payment

9.15. Exclusion of apportionment rules

The statutory and equitable rules of apportionment shall not apply to this Trust and the Trustees shall be permitted to treat all dividends and other

payments in the nature of income received by them as income at the date of receipt irrespective of the period for which the dividend or other income is payable

10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES

10.1. Statutory Power to Appoint Trustees Vested in Company

The statutory power of appointing new and additional trustees shall be vested in the Company

10.2. Trustee Resident Outside United Kingdom

A person or trust corporation may be appointed as a trustee hereof notwithstanding that such person or trust corporation is not resident in the United Kingdom and remaining out of the United Kingdom for more than twelve months shall not be a ground for the removal of the trustee

10.3. Removal and Retirement of Trustees

The Company may at any time by deed remove any trustee and any trustee may at any time by giving not less than thirty days notice in writing to the Company retire as trustee and so that after such removal or retirement a sole trustee (whether or not a trust corporation) may continue to act as a trustee in all respects but so that if after such removal or retirement there shall be no continuing trustee the Company shall forthwith appoint a new trustee in place of such removed or retired trustee

10.4. Trust Corporation

The provisions of Section 37 and 39 of the Trustee Act 1925 shall apply to this Deed as if all references to a trust corporation were references to any corporation

11. TRUSTEE CHARGING CLAUSE

11.1. Corporate Trustee

Any trustee which is a trust corporation or company authorised to undertake trust business shall be entitled in addition to reimbursement of its proper expenses to remuneration for its services in accordance with such terms and conditions as may from time to time be agreed between such trustee and Company and in the absence of an agreement in accordance with its published terms and conditions for trust business in force from time to time

11.2. Professional Trustee

Any trustee who is a solicitor or other person engaged in a profession or business shall be entitled to charge and be paid all normal professional or other charges for business transacted services rendered or time spent personally or by such trustee's firm in the administration of these trusts including acts which a trustee not engaged in any profession or business could have done personally

11.3. Trustee Expenses

Any expenses incurred by a trustee custodian nominee or other person to whom administration has been properly delegated by the Trustees in the execution of their duties shall be reimbursed and may be charged to the Trust Fund

12. GOVERNING LAW

The proper law of this Deed shall be that of England and Wales and all rights under it and the construction and effect of this Deed shall be subject to the jurisdiction of and construed according to the laws of England and Wales provided that the Trustees may at any time during the Trust Period declare by deed that the trusts powers and provisions of this Deed shall from the date of such declaration take effect (with such modifications as shall be specified in such deed) in accordance with the law of such other territory as shall be specified in this Deed

13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD

13.1. No rights against trustees

No Beneficiary shall have

- 13.1.1. any claim right or entitlement whatever to any part of the Trust Fund or the income of it except as expressly provided or as the same may arise by virtue of the exercise of any power of appointment contained in this Deed or
- 13.1.2. any claim right or entitlement during the Trust Period to call for accounts (whether audited or otherwise) from the Trustees in relation to the Trust Fund and the income of it or to obtain any information of any nature from the Trustees in relation to the Trust Fund and the income of it and in relation to the trusts and powers of this Deed

13.2. No contractual rights

The benefits which may from time to time be provided under this Trust shall not form part of any contract of employment between the Company or any Relevant Subsidiary and any of their respective employees and shall not confer on any employee any legal or equitable rights against his employer either directly or indirectly nor give rise to any cause of action in law against the Company or any Relevant Subsidiary

13.3. No right to compensation

Any employee whose employment with the Company or with any Relevant Subsidiary terminates shall not be entitled to any compensation for or by reference to any loss or curtailment of any right or benefit or prospective right or benefit under this Trust which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for unfair dismissal or for loss of office or otherwise

14. PROTECTION OF THE TRUSTEES

14.1. Loss or damage

No individual or corporate trustee shall be liable for any loss or damage which may occur to the Trust Fund or the income of it arising from any purchase of Shares or waiver of dividends attributable to such Shares or from any proper investment waiver or purchase made by him in good faith and without negligence or for the negligence or fraud of any agent employed by him or by any other trustee even if his employment was not strictly necessary or expedient or by reason of any mistake or omission made in good faith by any trustee

14.2. Payment of Expenses

The Company and where appropriate the Relevant Subsidiaries shall pay to or reimburse the Trustees upon demand all charges and expenses reasonably incurred by them in the course of the administration operation and termination of this Trust and shall keep the Trustees fully indemnified and saved harmless against all actions claims losses expenses costs damages taxes duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and trusts vested in them by this Deed or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of this Trust but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful misconduct or negligence on his part or (in the case of a corporate Trustee) negligence and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925

15. PERSONAL INTERESTS OF THE TRUSTEES

15.1. Personal interests ignored

Subject to Clause 15.2 no decision of or exercise of a power by the Trustees shall be invalidated or questioned on the grounds that the Trustees or any director or other officer of a corporate Trustee had a direct or personal interest in the result of any decision or in the exercising of any power and any such person may vote and be taken into account for the purposes of a quorum notwithstanding his interest

15.2. Requirement to declare interest

If the interest of the Trustee or other person concerned for the purposes of Clause 15.1 is such that

15.2.1. it arises otherwise than solely because the Trustee or other person concerned is a Beneficiary or a director or other officer or shareholder of the Company or any Subsidiaries and

15.2.2. it is material and

15.2.3. the other Trustees (or if a corporation is the sole Trustee the other directors of the sole Trustee) are not aware of the interest

then the nature of the interest must (unless the other Trustees agree otherwise) be declared at the meeting of the Trustees (or if a corporation is the sole Trustee at the meeting of the board of directors of the sole Trustee) at which the item of business to which the interest relates is discussed or if the Trustee or other person concerned is not present at such meeting at the next meeting of the Trustees (or next meeting of the

board of directors of the corporation being the sole Trustee as appropriate) at which he is present

15.3. No requirement to account for benefits

A Trustee (or director or other officer of a corporate Trustee) who is or becomes a Beneficiary may retain all benefits to which he becomes entitled under this Trust or any of the Share Schemes and shall not be liable to account for any such benefit

16. ALTERATIONS TO THIS DEED

The Company and the Trustees may at any time by deed alter or add to all or any of the provisions of this Deed in any respect provided that no such alteration or addition to any of the provisions of this Deed shall be effective if as a result:

- 16.1.** This Trust would cease to be a trust which satisfies the conditions set out in Section 86 of the Inheritance Tax Act 1984 (trusts for the benefit of employees) or if and so long as any of the Trust Fund includes Shares or options over Shares would cease to be an employees' share scheme within the meaning of Section 743 of the Companies Act 1985 or breach any requirement of the Companies Act 1985 or would constitute a collective investment scheme within the meaning of Section 75(1) of the Financial Services Act 1986
- 16.2.** The Trust Period would extend beyond the perpetuity period specified in this Deed
- 16.3.** The rights of any Beneficiary accrued before the date of such alteration or addition would be adversely altered or affected (unless the Beneficiary has previously consented in writing)

16.4. Any prior payment or application of either the capital or income of the Trust Fund shall be invalidated or any part of the Trust Fund to which any person has previously become absolutely and indefeasibly entitled would be affected

16.5. Any of the restrictions contained in this Clause would thereby be removed or amended

17. NOTICE

17.1. Recommendations by the Company

In the exercise of the powers and discretions conferred by this Deed or by law on them the Trustees may consider any written recommendations made to them by the Company but the Company shall have no power to direct the Trustees to comply with such recommendations

17.2. Notices to the Trustees and the Company

Any notice required to be given hereunder may be served at the registered office of the Company or Trustees (as appropriate) or at such other address as may from time to time be notified in writing to the Trustees by the Company (or vice versa)

17.3. Information Provided by the Company

The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information and advice necessary to enable them to fulfil their duties and obligations under this Deed and to exercise their rights in connection with the implementation and operation of the Trust supplied to them by the Company or any of the Relevant Subsidiaries for the purposes of this Deed including (but without

limitation) information as to whether any individual is or is not a Beneficiary and the Trustees shall also be entitled to rely in the absence of manifest error on any direction notice consent or document purporting to be given or executed by or with the authority of the Company or any Relevant Subsidiary or Beneficiary as having been so given or executed

18. CONTRIBUTIONS BY PARTICIPATING COMPANIES

18.1. Notwithstanding any other provision of this Trust express or implied

18.1.1. the capital and income of any part of the Trust Fund representing or deriving from a contribution or contributions made by the Company or a particular Subsidiary shall be applicable only for the benefit of any Beneficiary who derives his interest in the Trust Fund from the Company or such Subsidiary in relation to a part of the Trust Fund and

18.1.2. any part of the Trust Fund which is contributed otherwise than by the Company or a Subsidiary shall be deemed for the purposes of this Trust to have been contributed by the Company and the Subsidiaries which shall previously have made a contribution or contributions and if more than one in equal shares

18.2. Notwithstanding any other provision of this Trust express or implied no part of the Trust Fund shall be paid or applied to or for the benefit of the Company or any Subsidiary in any circumstances

19. DEED TO BE EXECUTED IN COUNTERPARTS

This Deed may be executed in counterparts.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

SIGNED AS A DEED BY)
KIMBERLY-CLARK)
CORPORATION)
)

acting by

Authorised signatory

/s/ Rob van der Merwe

Authorised signatory

/s/ Rodney G. Olsen

SIGNED AS A DEED BY)
MOURANT TRUSTEES LTD)
)

acting by

Director

/s/ Heidi Wilson

Authorised signatory

/s/ Julie Harris

EXHIBIT VIII TRUST DEED OF THE KIMBERLY-CLARK EMPLOYEE SHARE TRUST (UK),
FILED WITH THE SEC ON 18 SEPTEMBER 2009 AS EXHIBIT 4.3.4 OF FORM S-
8

11 June 2002

DATED

Kimberly-Clark Corporation
-and-
Mourant ECS Trustees Limited

TRUST DEED
of the
KIMBERLY-CLARK
EMPLOYEE SHARE TRUST (UK)

BACON & WOODROW
Actuaries & Consultants
St Olaf House
London Bridge City
London SE1 2PE

Contents

<u>Section</u>	<u>Page</u>
1. DEFINITIONS	3
2. TRUST FOR SALE	6
3. ADDITIONS TO THE TRUST FUND	6
4. DUTY OF CARE	6
5. DISCRETIONARY TRUST	7
6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD	7
7. PURCHASE OF SHARES AND FUNDING	8
8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING	10
9. POWERS OF TRUSTEES	10
10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES	17
11. TRUSTEE CHARGING CLAUSE	18
12. GOVERNING LAW	19
13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD	20
14. PROTECTION OF THE TRUSTEES	21
15. PERSONAL INTERESTS OF THE TRUSTEES	22
16. ALTERATIONS TO THIS DEED	23
17. NOTICE	24
18. CONTRIBUTIONS BY PARTICIPATING COMPANIES	25
19. DEED TO BE EXECUTED IN COUNTERPARTS	26

THIS DEED of TRUST is made the day of 2002.

BETWEEN

- (1) Kimberly-Clark Corporation registered in the State of Delaware U.S.A. whose registered office is situated at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, U.S.A. (“the Company”) and
- (2) Mourant ECS Trustees Limited whose registered office is situated at 4th Floor, 35 New Bridge Street, London EC2V 6BW (“the Trustees” which expression shall where the context so permits include the trustee or trustees for the time being of this Trust)

RECITALS

- (A) THE Company and the Relevant Subsidiaries (as hereinafter defined) have established or intend to establish certain employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) for encouraging or facilitating the holding of shares in the capital of the Company by or for the benefit of the Beneficiaries.
- (B) THE Company has paid or is about to pay the Trustees the sum of Five Hundred Pounds (by way of gift) and it is envisaged that further monies may hereafter be provided to the Trustees (whether by way of gift or otherwise) by the Company and the Relevant Subsidiaries to be held on trust under the terms of this Deed.
- (C) The Trust is established as a trust for the benefit of employees within the meaning of section 86 of the Inheritance Tax Act 1984

THIS DEED WITNESSES as follows:

1. **DEFINITIONS**

1.1. **Specific Terms**

In this Deed the following expressions shall where the context permits have the following meanings:

“Beneficiaries”	the <i>bona fide</i> Employees and Former Employees from time to time of the Company or any Relevant Subsidiary and the wives husbands widows widowers and children and stepchildren under the age of eighteen of such Employees or Former Employees
“Employee”	any person employed by the Company or any Relevant Subsidiary and “Former Employee” shall be construed accordingly
“Relevant Subsidiary”	any Subsidiary which has any employees or former employees participating in any of the Share Schemes
“Shares”	fully-paid ordinary shares in the capital of the Company or such other shares as may be appropriate for the purposes of the Share Schemes from time to time as the result of any take-over reconstruction amalgamation or other event affecting the Company and its shares

“Share Schemes”	the employees’ share schemes (within the meaning of Section 743 of the Companies Act 1985) which have been or will be established and operated by the Company and/or any of the Relevant Subsidiaries as altered by the Company and/or any of the Relevant Subsidiaries from time to time
“Subsidiary”	any subsidiary from time to time of the Company within the meaning of Section 736 of the Companies Act 1985 (as amended)
“Trust”	the Kimberly-Clark Employee Share Trust (UK), as constituted by this Deed (as amended from time to time)
“Trust Fund”	the said sum of Five Hundred Pounds and all property at any time added to it by way of further settlement accumulation capital accretion or otherwise by the Company or any Relevant Subsidiary or otherwise and all property from time to time representing the same held by or on behalf of the Trustees on trust under the terms of this Deed

“Trust Period”

the period of eighty years beginning with the date of this Deed (which period shall be the perpetuity period applicable) or such shorter period commencing on the date of this Deed and ending on such date as the Trustees may by deed determine

1.2. General

In this Deed

- (a) references to any statutory provision are to that provision or any part of it as amended and re-enacted from time to time and
- (b) references to any deed agreement document or instrument (including this Deed) shall be construed as a reference to such deed agreement document or instrument as from time to time amended supplemented or varied and
- (c) where the context permits words of the masculine gender shall include the feminine and *vice versa* and words in the singular shall include the plural and *vice versa* and
- (d) Clause headings in this Deed are included for reference purposes only and do not affect its interpretation

2. TRUST FOR SALE

Subject to Clause 7 the Trustees shall during the Trust Period hold the Trust Fund upon trust as to investments or property other than money in their absolute discretion to sell call in and convert the same into money with power to postpone such sale calling in and conversion and to permit the same to remain as invested and upon trust as to money in their absolute discretion to invest the same in their names or under their control in any of the investments authorized by this Deed or by law in their absolute discretion from time to time to vary or transpose any such investments for others so authorised

3. ADDITIONS TO THE TRUST FUND

The Trustees may at any time receive any money or other property from any person or company to be held by them as an addition to the Trust Fund and any such additions which shall be accepted and received by the Trustees shall (in the absence of any contradictory direction) be held by the Trustees upon trust on the terms of this Deed

4. DUTY OF CARE

In the exercise of their powers under clauses 9.1, 9.4, 9.5, 9.8 and 9.13, the Trustees much show such skill and care as is reasonable in the circumstances making allowance for his or her special knowledge, experience or professional status

5. DISCRETIONARY TRUST

5.1. Power of Appointment

During the Trust Period (and subject to the rule against perpetuities) the Trustees shall hold the Trust Fund and its income upon such trusts in favour or for the benefit of any one or more of the Beneficiaries at such ages or times in such shares and manner as the Trustees shall during the Trust Period appoint

5.2. Requirement to Notify the Company

Notification of any proposed appointment made by the Trustees under Clause 5.1 shall be given by the Trustees to the Company in writing not less than seven days before that appointment, unless the Company agrees in any particular case to a shorter period or waives its right to notice under this Clause

5.3. Power to Accumulate Income

Pending the exercise of their power of appointment under Clause 5.1 the Trustees may accumulate all or any of the income of the Trust Fund and add it to the Trust Fund

6. TRUSTS AT THE EXPIRY OF THE TRUST PERIOD

Subject to the provisions of Clause 5 (**Discretionary Trust**) the Trustees shall hold the capital and income of the Trust Fund at the expiry of the Trust Period UPON TRUST for such of the Beneficiaries as shall then be living and if more than one Beneficiary is still living in equal shares absolutely or if there are no such Beneficiaries then living then UPON TRUST for such Charity or Charities as the Trustees shall in their absolute discretion determine

7. PURCHASE OF SHARES AND FUNDING

7.1. Provisions of Funds by the Company and Relevant Subsidiaries

The Company hereby covenants with the Trustees

- 7.1.1.** to pay or procure to be paid to the Trustees and the Trustees hereby covenant to accept from the Company and from Relevant Subsidiaries such amounts (whether by way of loan or gift or loan procured (and guaranteed if appropriate) by the Company or any Relevant Subsidiary) as the Company or a Relevant Subsidiary (as the case may be) so provides and
- 7.1.2.** to grant options to the Trustees and the Trustees hereby covenant to accept any options that may be granted from time to time ((subject to Clause 7.4 for the purpose (in particular but without limitation) of the subscription for or purchase of Shares by the Trustees to be held on trust under the terms of this Deed together with any costs charges and expenses incurred, including the payment of interest on loans made to the Trustees

7.2. Loans to Trustee

Any loan made by the Company or any Relevant Subsidiary to the Trustees shall be on such terms as the Company or such Relevant Subsidiary and the Trustees may agree

7.3. Notification of Amendments

The Company shall ensure that the Trustees are notified as soon as any changes are made to the terms of any of the Share Schemes pursuant to which any Shares are or may be held by the Trustees including the

adoption by the Company or any Relevant Subsidiary (as the case may be) of any new Share Schemes

7.4. Constitution as Employees' Share Scheme

If and so long as the Trust Fund includes Shares or any portion to acquire Shares this Trust and the Share Schemes shall together constitute an employees' share scheme of the Company within the meaning of Section 743 of the Companies Act 1985 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust together with the Share Schemes to cease to be such an employees' share scheme

7.5. Constitution as a Trust for the Benefit of Employees

This Trust shall constitute a trust for the benefit of employees within the meaning of Section 86 of the Inheritance Tax Act of 1984 and neither the Trustees nor the Company nor any Relevant Subsidiary (as the case may be) shall take any action which would cause the Trust to cease to be such a trust for the benefit of employees

8. LIMITATIONS: MAXIMUM PERCENTAGE SHAREHOLDING

- 8.1.** The maximum number of Shares which may be held in the name of the Trustees subject to the trusts hereof at any time (excluding Shares which have been appointed to a Beneficiary or which are subject to any option granted under any of the Share Schemes) may not exceed five per cent of the issued Shares of the Company
- 8.2.** The Trustees shall subscribe for Shares pursuant to this Trust only if the terms of such subscription have received prior approval of the shareholders of the Company in general meeting

9. POWERS OF TRUSTEES

9.1. Power to invest

The Trustees shall have power:

- 9.1.1.** With the consent in writing of the Company to invest the whole or any part of the Trust fund in the acquisition (either by the Trustees alone or jointly with any other person) of any property whether or not involving liability or producing an income or upon such personal credit (with or without security) as the Trustees in their absolute discretion think fit
 - 9.1.2.** To invest the whole or any part of the Trust Fund in Shares or rights to acquire Shares or securities convertible into Shares without being required to diversify or consider the diversification of investments
-

9.2. To enter into agreements

The Trustees shall have power to enter into any agreement with the Company or any associated company or any third party

9.3. To take up and grant options

The Trustees shall have power to take up any option on any real or personal property on such terms and conditions as they shall in their absolute discretion think fit and to grant any option for the purchase of any real or personal property for the time being subject to the terms of this Deed or the acquisition of any such property on such terms and conditions as they shall in their absolute discretion think fit provided this does not cause the Trust to constitute a collective investment scheme within the meaning of Section 75(i) of the Financial Services Act 1986

9.4. To borrow

The Trustees shall have power at any time to borrow or raise money on the security of the Trust Fund or any part of it or on personal security only for any purpose for which moneys may be applied under this Deed including the purpose of investment only and to mortgage charge or pledge any part of the Trust Fund as security for any moneys so raised and on such terms as to the payment of interest (if any) and as to repayment as the Trustees shall in their absolute discretion think fit PROVIDED THAT where the Trustees propose to borrow moneys they shall have regard to the terms of any loan offered by the Company or any Subsidiary to enable the Trustees to acquire Shares in the Company but shall not be bound to accept any such loan

9.5. To lend and give guarantees

The Trustees shall have power

- 9.5.1.** To lend money or property to any one or more of the Beneficiaries either free of interest or on such terms as to payment of interest and generally as the Trustees shall in their absolute discretion think fit PROVIDED THAT it shall be a condition of this power being exercised in favour of a Beneficiary on anything other than terms under which the Trustees receive full consideration in money or money's worth in return for any such loan that such Beneficiary is entitled to a beneficial interest in possession in the part of the Trust Fund from which the loan derives
- 9.5.2.** To guarantee the payment of money and the performance of obligations in respect of any existing or future borrowings by any one or more of the Beneficiaries from third parties or guarantees indemnities or other commitments of like nature given to third parties by any one or more of the Beneficiaries including (but without limitation) the power to pledge the whole or any part of the assets of the Trust Fund in support of any such guarantee PROVIDED THAT this power may only be exercised in favour of a Beneficiary who is entitled to a beneficial interest in possession in the part of the Trust Fund set aside to support such guarantee or indemnity

9.6. To Distribute or Accumulate Income

- 9.6.1.** During the Trust Period the Trustees may accumulate the whole or any part of the income of the Trust Fund either as an addition to the capital of the Trust Fund or as a separate fund

9.6.2. Alternatively the Trustees may pay or apply the income of the Trust Fund to or for the benefit of all or any one or more of the Beneficiaries in such manner and in such shares as the Trustees think fit

9.7. To Make Rules for the Administration of the Trust

Except as otherwise provided the Trustees may in their discretion make rules for the constitution and regulation of their meetings and the keeping of minutes and otherwise conduct their affairs in such a manner as they may deem appropriate and make such arrangements in relation to the administration of the Trust and of the Trust Fund as they may consider advisable in the interests of the Trust

9.8. To Vote and Employ Nominees and Custodians

In respect of any property comprised in the Trust Fund the Trustees shall have power

- 9.8.1.** To vote or not to vote at their discretion upon or in respect of any shares securities bonds notes or other evidence of interest in or obligation of any company trust association or concern whether or not affecting the security or the apparent security of the Trust Fund or the purchase sale or lease of the assets of any such company trust association or concern
- 9.8.2.** To deposit any such shares securities or property in any voting trust or with any depository designated under such a voting trust
- 9.8.3.** To give proxies or powers of attorney with or without power of substitution for voting or acting on behalf of the Trustees as the owners of any such property

9.8.4. To hold any or all securities or other property in bearer form or in the names of the Trustees or any one or more of them or in the name of some other person or partnership or in the name or names of nominees without disclosing the fiduciary relationship created by this Deed and to deposit the said securities or any title deeds or other documents belonging or relating to the Trust Fund in any part of the world with any bank firm trust company or other company that undertakes the safe custody of securities as part of its business without being responsible for the default of such bank firm trust company or other company or for any consequent loss

9.9. To appropriate

The Trustees shall have power (exercisable either expressly or by implication) to allot appropriate partition or apportion any property whatsoever which (or the future proceeds of sale of which) is for the time being subject to the terms of this Deed in or towards the satisfaction of any share or interest in the Trust Fund or in the income of it in such manner as the Trustees shall in their absolute discretion consider just according to the prospective rights of the Beneficiaries concerned and in the exercise of such power to register Shares in their own name or the name of the Beneficiaries concerned as they shall determine

9.10. Transfers

The Trustees shall with the consent of the Company have power

9.10.1. To transfer (without transgressing the rules against perpetuities) the Trust Fund or any part of it to the trustees of a new trust or settlement constituted under the law of any state or country which is for the benefit of some or all of the Beneficiaries to be held freed and discharged from this Trust but so that the powers of such new

trust or settlement shall not differ (unless acceptable under Clause 9.10.2 below) from the trusts and powers declared in this Deed previously applicable to the Trust Fund or part transferred

9.10.2. To transfer cash or other assets of the Trust Fund to Beneficiaries in any part of the world at the sole discretion of the Trustees subject to not breaching any relevant requirements of the Companies Act 1985 and Income and Corporation Taxes Act 1988 or any equivalent legislation in the relevant jurisdiction in any part of the world outside the United Kingdom

9.11. To pay tax

The Trustees shall have power to pay any duties or taxes or fiscal impositions (together with any related interest or penalties or other surcharges) in connection with this Trust for which the Trustees may become liable in any part of the world notwithstanding that such liability may not be enforceable through the courts of the place where this Trust is for the time being administered and to have complete discretion as to the time and manner in which such duties taxes and fiscal impositions shall be paid and no person interested under this Trust shall be entitled to make any claim whatsoever against the Trustees by reason of making such payment

9.12. To deduct tax

The Trustees shall have power to deduct or withhold from the Trust Fund or from or in respect of amounts paid or property transferred by the Trustees to any of the Beneficiaries any amounts for which the Trustees may as trustees be accountable to any third party or any amounts for which any Beneficiary the Company or any Relevant Subsidiary may be accountable in connection any transfer of property

9.13. To delegate

The Trustees shall have power:

- 9.13.1. To delegate in the exercise of their discretion and the performance of their duties under this Deed the administrative and management functions and powers (excluding investment powers) to any professional adviser and appoint any such person as their agent to transact all or any business and to act on the advice or opinion (including advice in relation to investments) of any professional adviser so that the Trustees shall not be responsible for anything done or omitted to be done or suffered to be done in good faith in reliance on such advice or opinion
- 9.13.2. To delegate any of their powers (including fiduciary powers) and duties under this Deed including the exercise of any discretion to any person or company
- 9.13.3. To revoke any delegation made under this Clause 9.13

9.14. Payments to Beneficiaries

The Trustees shall have power to make any payment to any Beneficiary in such manner as they shall determine including payment into such Beneficiary's bank account and the Trustees shall be discharged from obtaining a receipt or seeing to the application of such payment

9.15. Exclusion of apportionment rules

The statutory and equitable rules of apportionment shall not apply to this Trust and the Trustees shall be permitted to treat all dividends and other payments in the nature of income received by them as income at the date of receipt irrespective of the period for which the dividend or other income is payable

10. APPOINTMENT RETIREMENT AND REMOVAL OF TRUSTEES

10.1. Statutory Power to Appoint Trustees Vested in Company

The statutory power of appointing new and additional trustees shall be vested in the Company

10.2. Trustee Resident Outside United Kingdom

A person or trust corporation may be appointed as a trustee hereof notwithstanding that such person or trust corporation is not resident in the United Kingdom and remaining out of the United Kingdom for more than twelve months shall not be a ground for the removal of the trustee

10.3. Removal and Retirement of Trustees

The Company may at any time by deed remove any trustee and any trustee may at any time by giving not less than thirty days notice in writing to the Company retire as trustee and so that after such removal or retirement a sole trustee (whether or not a trust corporation) may continue to act as a trustee in all respects but so that if after such removal or retirement there shall be no continuing trustee the Company shall forthwith appoint a new trustee in place of such removed or retired trustee

10.4. Trust Corporation

The provisions of Section 37 and 39 of the Trustee Act 1925 shall apply to this Deed as if all references to a trust corporation were references to any corporation

11. TRUSTEE CHARGING CLAUSE

11.1. Corporate Trustee

Any trustee which is a trust corporation or company authorised to undertake trust business shall be entitled in addition to reimbursement of its proper expenses to remuneration for its services in accordance with such terms and conditions as may from time to time be agreed between such trustee and Company and in the absence of an agreement in accordance with its published terms and conditions for trust business in force from time to time

11.2. Professional Trustee

Any trustee who is a solicitor or other person engaged in a profession or business shall be entitled to charge and be paid all normal professional or other charges for business transacted services rendered or time spent personally or by such trustee's firm in the administration of these trusts including acts which a trustee not engaged in any profession or business could have done personally

11.3. Trustee Expenses

Any expenses incurred by a trustee custodian nominee or other person to whom administration has been properly delegated by the Trustees in the execution of their duties shall be reimbursed and may be charged to the Trust Fund

12. GOVERNING LAW

The proper law of this Deed shall be that of England and Wales and all rights under it and the construction and effect of this Deed shall be subject to the jurisdiction of and construed according to the laws of England and Wales provided that the Trustees may at any time during the Trust Period declare by deed that the trusts powers and provisions of this Deed shall from the date of such declaration take effect (with such modifications as shall be specified in such deed) in accordance with the law of such other territory as shall be specified in this Deed

13. RIGHTS OF BENEFICIARIES DURING THE TRUST PERIOD

13.1. No rights against trustees

No Beneficiary shall have

- 13.1.1. any claim right or entitlement whatever to any part of the Trust Fund or the income of it except as expressly provided or as the same may arise by virtue of the exercise of any power of appointment contained in this Deed or
- 13.1.2. any claim right or entitlement during the Trust Period to call for accounts (whether audited or otherwise) from the Trustees in relation to the Trust Fund and the income of it or to obtain any information of any nature from the Trustees in relation to the Trust Fund and the income of it and in relation to the trusts and powers of this Deed

13.2. No contractual rights

The benefits which may from time to time be provided under this Trust shall not form part of any contract of employment between the Company or any Relevant Subsidiary and any of their respective employees and shall not confer on any employee any legal or equitable rights against his employer either directly or indirectly nor give rise to any cause of action in law against the Company or any Relevant Subsidiary

13.3. No right to compensation

Any employee whose employment with the Company or with any Relevant Subsidiary terminates shall not be entitled to any compensation

for or by reference to any loss or curtailment of any right or benefit or prospective right or benefit under this Trust which he might otherwise have enjoyed whether such compensation is claimed by way of damages for wrongful dismissal or other breach of contract or by way of compensation for unfair dismissal or for loss of office or otherwise

14. PROTECTION OF THE TRUSTEES

14.1. Loss or damage

No individual or corporate trustee shall be liable for any loss or damage which may occur to the Trust Fund or the income of it arising from any purchase of Shares or waiver of dividends attributable to such Shares or from any proper investment waiver or purchase made by him in good faith and without negligence or for the negligence or fraud of any agent employed by him or by any other trustee even if his employment was not strictly necessary or expedient or by reason of any mistake or omission made in good faith by any trustee

14.2. Payment of Expenses

The Company and where appropriate the Relevant Subsidiaries shall pay to or reimburse the Trustees upon demand all charges and expenses reasonably incurred by them in the course of the administration operation and termination of this Trust and shall keep the Trustees fully indemnified and saved harmless against all actions claims losses expenses costs damages taxes duties and other liabilities arising out of anything done or caused to be done by them or suffered or incurred by them in the exercise or purported exercise of any of the powers and trusts vested in them by this Deed or otherwise howsoever arising out of or in connection with the preparation administration operation or termination of this Trust

but so that no Trustee shall be indemnified or exonerated in respect of any fraud or wilful misconduct or negligence on his part or (in the case of a corporate Trustee) negligence and in addition the Trustees shall have the benefit of all indemnities conferred upon trustees generally by law and by the Trustee Act 1925

15. PERSONAL INTERESTS OF THE TRUSTEES

15.1. Personal interests ignored

Subject to Clause 15.2 no decision of or exercise of a power by the Trustees shall be invalidated or questioned on the grounds that the Trustees or any director or other officer of a corporate Trustee had a direct or personal interest in the result of any decision or in the exercising of any power and any such person may vote and be taken into account for the purposes of a quorum notwithstanding his interest

15.2. Requirement to declare interest

If the interest of the Trustee or other person concerned for the purposes of Clause 15.1 is such that

15.2.1. it arises otherwise than solely because the Trustee or other person concerned is a Beneficiary or a director or other officer or shareholder of the Company or any Subsidiaries and

15.2.2. it is material and

15.2.3. the other Trustees (or if a corporation is the sole Trustee the other directors of the sole Trustee) are not aware of the interest

then the nature of the interest must (unless the other Trustees agree otherwise) be declared at the meeting of the Trustees (or if a corporation is the sole Trustee at the meeting of the board of directors of the sole Trustee) at which the item of business to which the interest relates is discussed or if the Trustee or other person concerned is not present at such meeting at the next meeting of the Trustees (or next meeting of the board of directors of the corporation being the sole Trustee as appropriate) at which he is present

15.3. No requirement to account for benefits

A Trustee (or director or other officer of a corporate Trustee) who is or becomes a Beneficiary may retain all benefits to which he becomes entitled under this Trust or any of the Share Schemes and shall not be liable to account for any such benefit

16. ALTERATIONS TO THIS DEED

The Company and the Trustees may at any time by deed alter or add to all or any of the provisions of this Deed in any respect provided that no such alteration or addition to any of the provisions of this Deed shall be effective if as a result:

- 16.1.** This Trust would cease to be a trust which satisfies the conditions set out in Section 86 of the Inheritance Tax Act 1984 (trusts for the benefit of employees) or if and so long as any of the Trust Fund includes Shares or options over Shares would cease to be an employees' share scheme within the meaning of Section 743 of the Companies Act 1985 or breach any requirement of the Companies Act 1985 or would constitute a collective investment scheme within the meaning of Section 75(1) of the Financial Services Act 1986

- 16.2.** The Trust Period would extend beyond the perpetuity period specified in this Deed
- 16.3.** The rights of any Beneficiary accrued before the date of such alteration or addition would be adversely altered or affected (unless the Beneficiary has previously consented in writing)
- 16.4.** Any prior payment or application of either the capital or income of the Trust Fund shall be invalidated or any part of the Trust Fund to which any person has previously become absolutely and indefeasibly entitled would be affected
- 16.5.** Any of the restrictions contained in this Clause would thereby be removed or amended

17. NOTICE

17.1. Recommendations by the Company

In the exercise of the powers and discretions conferred by this Deed or by law on them the Trustees may consider any written recommendations made to them by the Company but the Company shall have no power to direct the Trustees to comply with such recommendations

17.2. Notices to the Trustees and the Company

Any notice required to be given hereunder may be served at the registered office of the Company or Trustees (as appropriate) or at such other address as may from time to time be notified in writing to the Trustees by the Company (or vice versa)

17.3. Information Provided by the Company

The Trustees shall be entitled in the absence of manifest error to rely without further enquiry on information and advice necessary to enable them to fulfil their duties and obligations under this Deed and to exercise their rights in connection with the implementation and operation of the Trust supplied to them by the Company or any of the Relevant Subsidiaries for the purposes of this Deed including (but without limitation) information as to whether any individual is or is not a Beneficiary and the Trustees shall also be entitled to rely in the absence of manifest error on any direction notice consent or document purporting to be given or executed by or with the authority of the Company or any Relevant Subsidiary or Beneficiary as having been so given or executed

18. CONTRIBUTIONS BY PARTICIPATING COMPANIES

18.1. Notwithstanding any other provision of this Trust express or implied

18.1.1. the capital and income of any part of the Trust Fund representing or deriving from a contribution or contributions made by the Company or a particular Subsidiary shall be applicable only for the benefit of any Beneficiary who derives his interest in the Trust Fund from the Company or such Subsidiary in relation to a part of the Trust Fund and

18.1.2. any part of the Trust Fund which is contributed otherwise than by the Company or a Subsidiary shall be deemed for the purposes of this Trust to have been contributed by the Company and the Subsidiaries which shall previously have made a contribution or contributions and if more than one in equal shares

18.2. Notwithstanding any other provision of this Trust express or implied no part of the Trust Fund shall be paid or applied to or for the benefit of the Company or any Subsidiary in any circumstances

19. **DEED TO BE EXECUTED IN COUNTERPARTS**

This Deed may be executed in counterparts.

IN WITNESS whereof the parties hereto have caused this Deed to be executed the day and year first before written

SIGNED AS A DEED BY)
KIMBERLY-CLARK)
CORPORATION)
)

acting by

Authorised signatory */s/ Rob van der Merwe*

Authorised signatory */s/ Rodney G. Olsen*

SIGNED AS A DEED BY)
MOURANT ECS TRUSTEES)
LIMITED)
)

acting by

Director */s/ Dominic Jones*

Authorised signatory */s/ Adrian Gibbs*

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated February 26, 2009, relating to the consolidated financial statements and financial statement schedule of Kimberly-Clark Corporation and subsidiaries (the "Corporation") (which report expresses an unqualified opinion on those consolidated financial statements and the related financial statement schedule and includes an explanatory paragraph regarding the adoption of Statement of Financial Accounting Standards No. 157, *Fair Value Measurements*, on January 1, 2008, and the adoption of Financial Accounting Standards Board Interpretation No. 48, *Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement No. 109*, on January 1, 2007) and the effectiveness of the Corporation's internal control over financial reporting, appearing in the Annual Report on Form 10-K of the Corporation for the year ended December 31, 2008.

/s/ Deloitte & Touche LLP

Dallas, Texas

September 18, 2009

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, a Director and/or Officer of Kimberly-Clark Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Mark A. Buthman, Steve E. Voskuil, Thomas J. Mielke and Randy J. Vest, and each of them, with full power to act alone, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign on behalf of the undersigned a Registration Statement on Form S-8 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the registration under the Securities Act of shares of the Corporation's common stock, \$1.25 par value, to be granted under and in accordance with the Kimberly-Clark Shareplus, including the Kimberly-Clark Shareplus UK Plan, and to execute any and all amendments to such Registration Statement, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ John R. Alm

John R. Alm

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Dennis R. Beresford
Dennis R. Beresford

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ John F. Bergstrom
John F. Bergstrom

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Abelardo E. Bru
Abelardo E. Bru

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Robert W. Decherd
Robert W. Decherd

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Thomas J. Falk
Thomas J. Falk

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, a Director and/or Officer of Kimberly-Clark Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Mark A. Buthman, Steve E. Voskuil, Thomas J. Mielke and Randy J. Vest, and each of them, with full power to act alone, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign on behalf of the undersigned a Registration Statement on Form S-8 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the registration under the Securities Act of shares of the Corporation's common stock, \$1.25 par value, to be granted under and in accordance with the Kimberly-Clark Shareplus, including the Kimberly-Clark Shareplus UK Plan, and to execute any and all amendments to such Registration Statement, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Mae C. Jemison
Mae C. Jemison

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the undersigned, a Director and/or Officer of Kimberly-Clark Corporation, a Delaware corporation (the "Corporation"), does hereby constitute and appoint Mark A. Buthman, Steve E. Voskuil, Thomas J. Mielke and Randy J. Vest, and each of them, with full power to act alone, the undersigned's true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for the undersigned and in the undersigned's name, place and stead, in any and all capacities, to sign on behalf of the undersigned a Registration Statement on Form S-8 under the Securities Act of 1933, as amended (the "Securities Act"), with respect to the registration under the Securities Act of shares of the Corporation's common stock, \$1.25 par value, to be granted under and in accordance with the Kimberly-Clark Shareplus, including the Kimberly-Clark Shareplus UK Plan, and to execute any and all amendments to such Registration Statement, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully to all intents and purposes as the undersigned might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any one of them, or his substitute or their substitutes, lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ James M. Jenness
James M. Jenness

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Ian C. Read
Ian C. Read

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Linda Johnson Rice
Linda Johnson Rice

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ Marc J. Shapiro
Marc J. Shapiro

POWER OF ATTORNEY

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IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of September, 2009.

/s/ G. Craig Sullivan
G. Craig Sullivan

EXHIBIT IX RESOLUTION APPROVING AMENDMENTS TO THE RULES OF THE
KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK PLANS

KIMBERLY-CLARK CORPORATION
SHAREPLUS MANAGEMENT
COMMITTEE
OF
THE KIMBERLY-CLARK SHAREPLUS PLAN AND
THE KIMBERLY-CLARK SHAREPLUS UK PLAN

JULY 20, 2012

AGENDA ITEM

SUBJECT: APPROVE AMENDMENTS TO THE RULES OF THE
KIMBERLY-CLARK SHAREPLUS AND SHAREPLUS UK
PLANS

Summary

1. Approve the extension of the term of the Kimberly-Clark Shareplus Plan and the Kimberly-Clark Shareplus UK Plan

Proposed Resolutions

NOW, THEREFORE, BE IT

RESOLVED, that Rule 21.2 of the Rules of Kimberly-Clark Shareplus ("Shareplus") be, and it hereby is, amended and restated such that words and phrases in the Shareplus shall bear the same meaning except that in Rule 21.2, delete the wording and replace with:

"21.2 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors."

RESOLVED, that Rule 23.1 of the Rules of Kimberly-Clark Shareplus UK ("Shareplus UK") be, and it hereby is, amended and restated such that words and phrases in the Shareplus UK shall bear the same meaning except that in Rule 23.1, delete the wording and replace with:

"23.1 The Plan shall continue for a period of eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply."

RESOLVED, that the amendments to the Rules of Shareplus and Shareplus UK (collectively "the Plans") set forth above shall be deemed to be effective as of May 1, 2012.

RESOLVED, that the Committee hereby recommends that the Management Development and Compensation Committee of the Board of Directors of Kimberly-Clark ratify and approve the amendments to the Rules of the Plans.

RESOLVED FURTHER, that each of the Vice President-Compensation, Benefits and Health Services and the European Rewards Director, and any officer or employee authorized in writing by the European Rewards Director, be, and each of them hereby is, authorized and empowered to execute, deliver and cause to be filed such contracts, deeds, instruments, documents, agreements, notes, certificates and notices, and to take all such other actions, which any of them may deem necessary or desirable in connection with the amendments to the Rules of the Plans or to effect the intent and purposes of the foregoing resolutions.

Attachment

- Redlined draft of amendments

Exhibit A

REDLINED: Rule 21.2 of the Rules of Kimberly-Clark Shareplus:

21.2 The Plan shall continue for a period of ~~ten~~eighty years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors.

REDLINED: Rule 23.1 of the Rules of Kimberly-Clark Shareplus UK:

23.1 The Plan shall continue for a period of ~~eighty~~ten -years commencing on the date of the Trust Deed unless terminated earlier by resolution of the Directors, in which case Rule 23.2 shall apply.

EXHIBIT X TAX CONSEQUENCES OF PARTICIPATION IN THE PLAN

1. Belgium

The following summary is based on the income tax and social security laws in effect in Belgium as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Belgian tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased at their market value at the date of their acquisition, no income tax or social security contributions will be due.

(b) Taxation on the grant of Matching Shares

The award of the Matching Shares qualifies at the Vesting Date as a grant of a benefit in kind which is to be regarded as taxable income. The employee will be taxed on the market value of the Matching Shares at the date that he effectively owns them (i.e. the Vesting Date). The tax rate applicable depends on the aggregate level of income of each employee, and varies between 25 and 50% plus local surcharges.

The award of the Matching Shares is also considered as a benefit in kind for social security purposes and social security contributions will be due. The employee's social security contributions amount to 13.07% of the market value of the Matching Shares at the Vesting Date.

However, a part of the benefit, equal to 16.67% of the market value of the Matching Shares at the Vesting Date, can be exempted from income tax and social security contributions as: (i) the Matching Shares are listed on the New York Stock Exchange and (ii) the Matching Shares are provided to employees of a subsidiary and (iii) the Matching Shares are made unavailable for a period of 24 months as of the Vesting Date (i.e. at the latest at the moment of the allotment of the Matching Shares, the employee signs an undertaking not to sell, pledge or otherwise dispose of the Matching Shares before the above period of 24 months has elapsed, in accordance with the rules of the Plan).

On the basis of the above exemption, the employee shall thus only be subject to income tax and social security contributions on an amount equal to 83.33% of the market value of the Matching Shares at the Vesting Date.

(c) Taxation on the dividends

The employee will be taxed on any dividends relating to the Partnership Shares, Dividend Shares and Matching Shares as soon as these Shares are actually owned by the employee (i.e. as of the Vesting Date). This will hold true even if the dividends are reinvested in additional Shares. The employee will not be taxed on the dividends arising from the Matching Shares during the Holding Period (i.e. before the Vesting Date).

Since dividends relating to the Shares will be paid abroad, no Belgian withholding tax will be due. The employee will have to mention the dividends in his annual tax return

and will have to pay income tax - calculated on the amount of the dividends after deduction of the US withholding tax - at the rate of 27%.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased at their market value at the date of their acquisition, no income tax nor social security contributions will be due.

(e) Taxation on capital gains in case of further sale of the Shares

In principle, the employee will not be taxed on the capital gains realised on the sale of the Shares. However, the employee will be taxed on the capital gain at a rate of 33% if the tax authorities consider that the employee is acting outside the scope of the normal management of his private assets. In practice, this risk is remote. In both cases, no social security contributions will be due.

However, capital gains obtained on disposal of Shares will be subject to a 33% tax in Belgium if the Shares are sold within six months of the date of their acquisition.

(f) Other considerations

As of tax assessment year 2016, each individual tax payer is required to declare in his/her annual income tax return the existence of foreign account(s) held under his/her own name or his/her spouse's name (as well as his/her children's name whose income are combined with the parents' income), at any time during the taxable period, in any banking, foreign exchange, credit or savings institution established abroad.

If the Shares are held in a foreign securities account opened in the name of an external trustee, the employee will not be required to declare his/her foreign securities account in his/her annual income tax declaration. If the Shares are held in a foreign securities account opened by an external trustee in the employees' name, the employee will be required to declare his/her foreign securities account in his/her annual income tax declaration.

2. Czech Republic

The following summary is based on the income tax and social security laws in effect in the Czech Republic as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Czech tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary at full market value, there is no Czech income tax liability and there are no Czech social security and health insurance contributions due.

(b) Taxation on the grant of Matching Shares

The Matching Shares will be a benefit in kind and will be subject to income tax in the same way as ordinary salary. The taxable amount will be the market value of the shares at the date the shares are awarded. The tax rate is 15% of the total of the value of the benefit and the employer social security and health insurance contributions calculated from this benefit.

As the costs of the Matching Shares are recharged to the Czech employer by the Company, such recharged costs will be subject to the Czech social security and health insurance contributions as a benefit in kind. The rate of employee social security and health insurance contributions is 11%; the rate of employer social security and health insurance contributions is 34%. The total base of social security contributions for calendar year 2016 is capped at CZK 1,296,288 (approx. EUR 48,000). The total base of health insurance contributions for calendar year 2016 is not capped.

As the costs of the Matching Shares are recharged to the Czech employer by the Company, the Czech employer will be liable to withhold Czech personal income tax and employee social security and health insurance contributions on behalf of the employees.

(c) Taxation on the dividends

Employees will be taxed on dividends paid as well as on dividends reinvested by the Administrator in order to purchase additional shares on behalf of the employees.

Since dividends relating to the Shares acquired under the Plan will be paid from abroad, no Czech withholding tax will be due, but the Czech employees will have to state the dividends in their annual income tax return and to pay Czech income tax at the rate of 15%, unless the total taxable income of the employee (excluding tax exempt income or income subject to Czech withholding tax) is not higher than CZK 15,000 (approx. EUR 550) per calendar year. The US withholding tax paid on the dividends may be credited against the employee's Czech income tax.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their market value at the date of their acquisition, there is no liability for income tax or social security.

(e) Taxation on capital gains in case of further sale of the Shares

If the employees sell their Shares, they will have to state the capital gain in their annual income tax return and pay Czech income tax at the rate of 15%. The taxable basis will be the sales price of the Shares decreased by the acquisition price (in the case of the Partnership Shares and the Dividend Shares) or by the value of the benefit in kind which has already been taxed upon the grant (in the case of the Matching Shares). However, the capital gain will be exempt from the Czech income tax if:

- (i) the employee has owned the Shares for more than 3 years prior to the sale; or
- (ii) his/her annual aggregate capital gain from sale of securities does not exceed CZK 100,000 (approx. EUR 3,700). If this threshold is exceeded, the whole capital gain will constitute taxable income (i.e. not just the amount exceeding this threshold).

3. Germany

The following summary is based on the income tax and social security laws in effect in Germany as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are German tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased at their market value from the employee's net salary and are not acquired for a discount there is no income tax charge and there are no social security contributions to pay.

(b) Taxation on the grant of Matching Shares

The employees should be liable to income tax on the date upon which they receive the Matching Shares, i.e. at the end of the one-year holding period relating to their Partnership Shares (the Vesting Date).

Income tax will be calculated on the market value of the Matching Shares at the Vesting Date and the relevant employer will withhold any tax due under the wage tax system in the month in which the Vesting Date occurs.

There is a limited tax exemption available, which amounts to EUR 360 p.a., provided (i) the Shares have been granted voluntarily, (ii) the Shares are provided in addition to the cash salary and do not lower other employment income and (iii) the Shares are granted to all employees, who are employed for at least one year at the date of the offer to participate in the program.

Subject to statutory thresholds, social security contributions are payable on the vesting of Matching Shares. The amount subject to such contributions will be the market value of the Matching Shares on the Vesting Date and the employees' employer will withhold their contributions through the wage tax system together with any income tax due.

(c) Taxation on the dividends

The dividends received from the Company on an employee's Shares are subject to German withholding tax at a rate of 25% plus 5.5% solidarity surcharge thereon (resulting in a rate of 26.375%) plus church tax, if applicable, provided the Shares are held by the Administrator in a custodial account maintained with a German branch of a credit or financial services institution or with a German securities trading bank or a German securities trading business. This includes any dividends reinvested on the employee's behalf by the Administrator.

If no withholding tax has been levied (eg because the Shares are not held in a custodial account as described above) or if the employee is subject to church tax and no church tax has been levied, the employee is obliged to declare dividends and capital gains in its annual tax return. The income will then, as a rule, also be taxed at a rate of 26.375% plus church tax, if applicable. Even if withholding tax has been levied, the employee may nevertheless declare the income in its tax return in certain circumstance, eg in order to deduct lump-sum expenses (see next paragraph).

Dividends qualify as income from capital investments (*Einkünfte aus Kapitalvermögen*). With respect to such income, the deduction of actually accrued expenses is not possible. However, the employee is entitled to deduct from its total income from capital investments per annum, including dividends and capital gains, a lump-sum amount (so-called *Sparer-Pauschbetrag*) of EUR 801 for single persons and EUR 1,602 for married couples or registered civil partnerships filing their tax return jointly.

The employee should receive a credit for any tax paid in the US, but only up to the amount of German withholding tax actually paid. However, if the dividends are not taxed in Germany due to the abovementioned exemption, the employee will not receive a credit for tax paid in the US.

Dividends that accrue to the Matching Shares during the one-year holding period (i.e. before the Vesting Date) are not subject to tax as long as the employee does not own the Matching Shares respectively since such dividends will not be paid out to the employee.

(d) Taxation on the purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received, provided that the dividends have already been subject to taxation.

(e) Taxation on capital gains in case of further sale of the Shares

Capital gains realised upon sale of an employee's Shares are subject to German withholding tax at a rate of 25% plus 5.5% solidarity surcharge thereon (resulting in a rate of 26.375%) plus church tax, if applicable, provided the Shares are held by the Administrator in a custodial account maintained with a German branch of a credit or financial services institution or with a German securities trading bank or a German securities trading business. This includes any dividends reinvested on the employee's behalf by the Administrator.

If no withholding tax has been levied (eg because the Shares are not held in a custodial account as described above) or if the employee is subject to church tax and no church tax has been levied, the employee is obliged to declare dividends and capital gains in its annual tax return. The income will then, as a rule, also be taxed at a rate of 26.375% plus church tax, if applicable. Even if withholding tax has been levied, the employee may nevertheless declare the income in its tax return in certain circumstance, eg in order to deduct lump-sum expenses (see next paragraph).

Capital gains qualify as income from capital investments (*Einkünfte aus Kapitalvermögen*). With respect to such income, the deduction of actually accrued expenses is not possible. However, the employee is entitled to deduct from its total income from capital investments per annum, including capital gains and dividends, a lump-sum amount (so-called *Sparer-Pauschbetrag*) of EUR 801 for single persons and EUR 1,602 for married couples or registered civil partnerships filing their tax return jointly.

4. Italy

The following summary is based on the income tax and social security laws in effect in Italy as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Italian tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

No taxes and social security contributions should derive from the purchase of the Partnership Shares through the deduction made by the employer from the employee's net salary, via payroll, provided that the Partnership Shares are purchased at their fair market value for tax purposes¹ at the date of their acquisition.

(b) Taxation on the grant of Matching Shares

Subject to the Matching Shares not being disposed of by the employee for three years after the Vesting Date or, in any case, repurchased by the issuer or the employer, personal income tax (IRPEF), plus local surtaxes where applicable, and social security contributions shall be due only on the fair market value for tax purposes of the Matching Shares that exceeds EUR 2,065.83 every fiscal year.

Above such value (or on the entire fair market value for tax purposes if the three-year holding period is not satisfied or the Matching Shares are repurchased by the issuer or the employer) the Matching Shares shall be subject to personal income tax (IRPEF) in the hands of the relevant employee as employment income. Personal income tax (IRPEF) would be applicable at progressive rates between 23% up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for the fiscal year 2016). In addition, personal income tax IRPEF may be increased by (i) regional surtax (generally at a rate between 1.23% and 3.33%) depending on the region of domicile of the employees, possibly progressive), (ii) municipal surtax (where applicable at a rate of up to 0.9% depending on the municipality of domicile of the employee).

Such taxes are withheld at source by the Italian employer from the remuneration in cash due to the employee. However, if the remuneration in cash is not sufficient to pay income taxes due, the employee shall be required to provide the employer with the funds necessary to pay such taxes.

(c) Taxation on the dividends

Dividends would normally not be included in the aggregate taxable income of the relevant employee but rather be subject to a 26% substitute tax. The taxable basis would be the amount of the dividends net of any foreign withholding taxes, where the dividends are cashed through an Italian resident intermediary. No foreign tax credit will be granted.

However, should the Shares on which dividends are paid represent more than 2% of the voting rights or 5% of the capital of the Company, dividends would not be subject to

¹ The fair market value for Italian tax purposes is equal to the average closing price of the Partnership Shares during the last month of negotiation preceding their assignment.

substitute tax. Instead, 49.72% of the gross amount of the dividends would be included in the employee's income subject to personal income tax (IRPEF), plus local surtaxes where applicable, at progressive rates (up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for the fiscal year 2016)), although 49.72% of foreign withholding taxes (if any) applied to the dividends would be creditable under the foreign tax credit mechanism.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their fair market value for tax purposes at the date of their acquisition, no personal income tax applies. The amount of dividends used to purchase the Dividend Shares will be taxable, as set out above under (c).

(e) Taxation on capital gains in case of further sale of the Shares

Capital gains shall be equal to the consideration received for the Shares less the employee's tax basis in the Shares. The tax basis is represented by any expenses related to the acquisition of the Shares (other than interest expenses) increased by any amount that has been subject to tax as income from employment in the hands of the employee. Such capital gain will be subject to a 26% substitute tax and shall not be included in the employee's taxable income. If, however, the Shares disposed of in any 12-month period represent more than 2% of the voting rights or 5% of the capital of the Company, and provided that the amount of Shares that are being held has exceeded the above thresholds at least once in the 12-month period, the capital gain shall not be subject to the substitute tax. Instead 49.72% of the capital gain will be included in the employee's income subject to personal income tax (IRPEF) at progressive rates (between 23% up to 43% (increased to 46% with reference to the portion of income exceeding EUR 300,000 for fiscal year 2016)), although 49.72% of foreign taxes (if any) applied on the capital gain would be creditable under the foreign tax credit mechanism. In addition, the previously mentioned regional surtax and municipal surtax apply.

5. Netherlands

The following summary is based on the income tax and social security laws in effect in the Netherlands as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Dutch tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are bought at full market value, there is no income tax liability. There are no social security contributions due on the Partnership Shares either.

(b) Taxation on the grant of Matching Shares

The Matching Shares are taxable on the date that the Matching Shares have been awarded to employee i.e. on the Vesting Date. The taxable amount is the market value of the employee's Matching Shares on the Vesting Date. The employer shall deduct it from the employee's pay. The employee and his employer also have to pay social security contributions on the Matching Shares (to the extent that the employee's annual salary is less than EUR 53,204.85 for 2016). The employee's employer will deduct and pay the contributions automatically through the payroll.

(c) Taxation on the dividends

Taxation is not dependent on the actual dividend received. Instead, the value of the Shares (including the Matching Shares) will be included in the employee's total net-worth ("Box III") and the employee will be subject to tax at a fixed rate of 30% on an amount equal to a deemed return of 4²% of his total net-worth (valued on 1 January of each year) in each given year.

There is a general exemption for net-worth assets up to (in 2016) EUR 24,437 (for singles) and EUR 48,874 (for couples), which applies to the average market value of the employee's total net-worth prior to the calculation of the 4% deemed return.

Some tax is automatically withheld in the US and this can be set off against any tax payable in Box III.

(d) Taxation on purchase of Dividend Shares

The Dividend Shares are bought at full market value, so there is no further tax to pay. The employee does not have to pay any social security contributions on them either.

² As per 1 January 2017 the rate of 4% will be replaced by variable progressive rates. For the year 2017 the rates are set from 2.9 to 5.5%. The applicable rates will be updated annually on the basis of historic market yields.

(e) Taxation on capital gains in case of further sale of the Shares

The capital gain generated by such sale is in principle not taxable. Exceptions include gains made through insider trading and holding a substantial interest in a company (generally, 5% or more).

6. Spain

The following summary is based on the income tax and social security laws in effect in Spain as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are Spanish tax residents. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary at full market value, there is no income tax liability and there are no social security contributions due.

(b) Taxation on the grant of Matching Shares

The Matching Shares would be considered as remuneration in kind subject to Personal Income Tax and social contributions of the employee, which would be taxable as of the date that the employee effectively receives them. Therefore no taxation is due on the day of the grant, but instead taxation is due on the Vesting Date. The taxable amount will be the market value of the Shares on the Vesting Date. The Spanish Personal Income Tax rates applicable in year 2016 range from 19% to 45%³.

However, there is an exemption for up to EUR 12,000 per year on the above taxable income, subject to the fulfilment of the following requirements:

- (i) The offer is made to active employees.
- (ii) The Shares offered are issued by the employing company or a company belonging to the same group of companies within the meaning of article 42 of the Spanish Commercial Code (i.e. the issuing company holds directly or indirectly the majority of the Participating Company's voting rights, or has the power to appoint or dismiss the majority of the members of the board, or holds, by virtue of agreements with other shareholder partners, the majority of the voting rights, or has appointed, exclusively through its voting rights, the majority of the members of the board, or has the same directors for at least 50%).
- (iii) The offer must be made to all employees of the relevant Participating Company which employs the Participating Employee.
- (iv) The employee, together with his/her spouse or immediate relatives, does not hold a beneficial interest of more than 5% in any company of the group.
- (v) The employee must hold the Shares for at least three years as from the Vesting Date.

If the Matching Shares are transferred within 3 years, the exempt amount must be declared by the employee as taxable income by submitting the relevant Personal Income

³ Please note that the specific applicable tax rates may vary depending on the region where the taxpayer is resident.

Tax return corresponding to the tax year in which the Shares were received being taxed at the relevant standard rates, plus interest for late payment.

(c) Taxation on the dividends

The gross amount of the dividends arising from both Partnership Shares and Matching Shares will be fully taxable and subject to the Personal Income Tax of the employee at a flat rate of 19% for the first EUR 6,000, at 21% for the income obtained between EUR 6,000 and EUR 50,000 and at 23% for any excess. It should be noted that the increased rates of 21% and 23% would be applicable to any amount exceeding EUR 6,000 and EUR 50,000, respectively, considering the whole savings income (dividends, capital gains, etc.) obtained by the employee within the same year.

The employee may be entitled to apply a tax credit for the withholding tax levied in the U.S.

(d) Taxation on purchase of Dividend Shares

As the Dividend Shares are purchased on behalf of the employee at their market value at the date of their acquisition, there is no income tax liability.

(e) Taxation on capital gains in case of further sale of the Shares

The sale of the Shares would give rise to a capital gain or loss depending on the sale price.

The amount of the capital gain would be determined as the difference between the sale price and the tax value of the Shares:

- In the case of a sale of Partnership Shares, the tax value will be the acquisition price of the Shares paid plus any related costs borne by the employee.
- In the case of a sale of Matching Shares, the tax value would be equal to the market value of the Shares on the Vesting Date. This applies even if the value of the Shares has not been subject to Personal Income Tax upon acquisition due to the abovementioned EUR 12,000 exemption.

Following the above, the capital gain will be taxable at a flat rate of 19% for the first EUR 6,000, at 21% for the income obtained between EUR 6,000 and EUR 50,000 and at 23% for any excess. It should be noted that the increased rates of 21% and 23% would be applicable to any amount exceeding EUR 6,000 and EUR 50,000, respectively, considering the whole savings income (dividends, capital gains, etc.) obtained by the employee within the same year.

7. **United Kingdom**

The following summary is based on the income tax and social security laws in effect in the United Kingdom as of the date of this prospectus. Tax laws are complex and can change frequently. As a result, the information below may be out of date at the time the participating employee is offered the opportunity to acquire Shares, purchases or acquires Shares, sells Shares or receives dividends in respect of Shares.

The following applies only to participating employees who are resident for tax purposes in the United Kingdom. If the participant is a citizen or resident of another country for local law purposes, the income tax and social security information below may not be applicable. Furthermore, this information is general in nature and does not cover all of the various laws, rules and regulations that may apply. It may not apply to each participant's particular tax or financial situation, and Kimberly-Clark is not in a position to assure participants of any particular tax result.

Participants are strongly advised to consult a tax advisor as to how the tax or other laws in their country apply to their specific situation.

Shareplus-UK (SIP)

(a) Taxation on the purchase of Partnership Shares

The employee will not be subject to income tax or employee national insurance contributions when Partnership Shares are acquired on his/her behalf.

(b) Taxation on the grant of Matching Shares

The employee will not be subject to income tax or employee national insurance contributions when Matching Shares are granted to him/her.

(c) Taxation on the dividends

Any dividends will be subject to U.S. withholding tax. No further tax is due if the dividends are fully reinvested in the Plan.

(d) Taxation on purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received.

(e) Taxation on withdrawal of Shares from the SIP

The tax treatment relating to Shares withdrawn from the SIP depends on the type of Shares withdrawn and the length of time the Shares were held in the SIP. The table below summarizes the various scenarios.

Partnership Shares	Matching Shares	Dividend Shares
<i>1. Withdrawal of Shares from Shareplus-UK after 5 years</i>		
No tax or national insurance is due on the value of the Shares.	No tax is due on the value of the Shares.	
<i>2. Termination of employment within 5 years of buying Shares for certain reasons (retirement, injury or disability, redundancy, transfer of business, change of control of the (Participating) Company, death)</i>		
No tax or national insurance is due on the value of the Shares.	No tax is due on the value of the Shares.	

3. Termination of employment within 3 years of buying Shares on a voluntary basis or for other reasons than those given above		
Income tax and national insurance contributions are due on the market value of the Shares at the time that they are taken out of Shareplus-UK.		The original dividends received are taxable in the U.S. The employee must declare those dividends on his tax return (although employees who pay tax at the basic rate should not have any further tax to pay).
4. Termination of employment between 3 and 5 years of buying Shares on a voluntary basis or for other reasons than those given above		
Income tax and national insurance contributions are due on the lower of (i) the pay that the employee used to buy the Shares and (ii) the market value of the Shares at the time that they are taken out of Shareplus-UK.	Income tax and national insurance contributions are due on the lower of (i) the market value of the Shares when the employee received them and (ii) their market value at the time that they are taken out of Shareplus-UK.	No tax is due on the value of the Shares.

(f) Taxation of capital gains on a sale of the Shares

If the Shares are sold immediately after they have been withdrawn from Shareplus-UK, the employee does not have to pay any capital gains tax.

However, if the employee sells the Shares after they have been transferred from Shareplus-UK, the employee may also have to pay capital gains tax.

The "gain" is (i) the proceeds of sale of the Shares, less (ii) the market value of the Shares when they are taken out of Shareplus-UK and less (iii) the cost of selling the Shares. The gain is added to other gains of the employee during the year. Each employee has a yearly allowance (the annual exemption limit) which for the tax year 2016/2017 is GBP 11,100. Gains up to this limit are not taxed. Any gains over this limit are taxed at 10% for employees who pay income tax at the basic rate and at 20% for employees who pay income tax at above the basic rate.

Shareplus-UK top-up

(a) Taxation on the purchase of Partnership Shares

As the Partnership Shares are purchased from the employee's net salary there is no income tax charge and there are no national insurance contributions on them either.

(b) Taxation on the grant of Matching Shares

The employees will be liable to income tax on their Matching Shares on the Vesting Date. The taxable amount is the market value of their shares on Vesting Date.

The employees will also pay national insurance contributions on the Matching Shares.

(c) Taxation on the dividends

Employees will be taxed on dividends from Shares, including Matching Shares that they own. Some tax is automatically withheld in the US and this will be taken into account if the employee pays income tax at above the basic rate. Employees who pay income tax at

the basic rate should not have any further tax to pay. No UK tax will be due on the first £5,000 of dividends received in a tax year.

(d) Taxation on purchase of Dividend Shares

No further tax is due when Dividend Shares are purchased with dividends received.

(e) Taxation on capital gains in case of further sale of the Shares

Employees will be subject to capital gains tax if gains from all sales of investments are more than their yearly allowance (GBP 11,100 for the tax year 2016/2017). Any gains over this limit are taxed at 10% for employees who pay income tax at the basic rate and at 20% for employees who pay income tax at above the basic rate.

The "gain" in this case is (i) the proceeds of the sale of the Shares, less (ii) the market value of the Shares when they were acquired by a Participating Employee and less (iii) the cost of selling the Shares. The gain is added to other gains of the employee during the year.