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 September 30, 2022

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	**39-0394230**
(State or other jurisdiction of incorporation)	**(I.R.S. Employer Identification No.)**

P.O. Box 619100
Dallas, TX
75261-9100
(Address of principal executive offices)
(Zip code)

(972) 281-1200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	KMB	New York Stock Exchange
0.625% Notes due 2024	KMB24	New York Stock Exchange

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 x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted 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 such files). Yes x No o

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

Large accelerated filer	x	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of October 18, 2022, there were 337,492,094 shares of the Corporation's common stock outstanding.

Table of Contents

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
(Unaudited)

(Millions of dollars, except per share amounts)	Three Months Ended September 30 2022	Three Months Ended September 30 2021	Nine Months Ended September 30 2022	Nine Months Ended September 30 2021
Net Sales	**$ 5,053**	$ 5,010	**$ 15,211**	$ 14,475
Cost of products sold	**3,510**	3,527	**10,619**	9,923
Gross Profit	**1,543**	1,483	**4,592**	4,552
Marketing, research and general expenses	**873**	819	**2,665**	2,488
Other (income) and expense, net	**15**	7	**(42)**	24
Operating Profit	**655**	657	**1,969**	2,040
Nonoperating expense	**(18)**	(10)	**(49)**	(71)
Interest income	**4**	1	**7**	4
Interest expense	**(73)**	(64)	**(206)**	(192)
Income Before Income Taxes and Equity Interests	**568**	584	**1,721**	1,781
Provision for income taxes	**(127)**	(126)	**(356)**	(386)
Income Before Equity Interests	**441**	458	**1,365**	1,395
Share of net income of equity companies	**29**	21	**81**	88
Net Income	**470**	479	**1,446**	1,483
Net income attributable to noncontrolling interests	**(3)**	(10)	**(19)**	(26)
Net Income Attributable to Kimberly-Clark Corporation	**$ 467**	$ 469	**$ 1,427**	$ 1,457
Per Share Basis				
Net Income Attributable to Kimberly-Clark Corporation				
Basic	**$ 1.38**	$ 1.39	**$ 4.23**	$ 4.32
Diluted	**$ 1.38**	$ 1.39	**$ 4.22**	$ 4.31

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited)

(Millions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2022	**2021**	**2022**	**2021**
Net Income	**$ 470**	$ 479	**$ 1,446**	$ 1,483
Other Comprehensive Income (Loss), Net of Tax				
Unrealized currency translation adjustments	**(316)**	(151)	**(530)**	(288)
Employee postretirement benefits	**20**	16	**36**	45
Other	**45**	35	**79**	93
Total Other Comprehensive Income (Loss), Net of Tax	**(251)**	(100)	**(415)**	(150)
Comprehensive Income	**219**	379	**1,031**	1,333
Comprehensive (income) loss attributable to noncontrolling interests	**9**	1	**7**	(8)
Comprehensive Income Attributable to Kimberly-Clark Corporation	**$ 228**	$ 380	**$ 1,038**	$ 1,325

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(2022 Data is Unaudited)

(Millions of dollars)	September 30, 2022	December 31, 2021
ASSETS		
Current Assets		
Cash and cash equivalents	$ **362**	$ 270
Accounts receivable, net	**2,333**	2,207
Inventories	**2,281**	2,239
Other current assets	**649**	849
Total Current Assets	**5,625**	5,565
Property, Plant and Equipment, Net	**7,737**	8,097
Investments in Equity Companies	**266**	290
Goodwill	**2,043**	1,840
Other Intangible Assets, Net	**866**	810
Other Assets	**1,299**	1,235
TOTAL ASSETS	$ **17,836**	$ 17,837
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Debt payable within one year	$ **959**	$ 433
Trade accounts payable	**3,660**	3,840
Accrued expenses and other current liabilities	**2,190**	2,096
Dividends payable	**388**	380
Total Current Liabilities	**7,197**	6,749
Long-Term Debt	**7,628**	8,141
Noncurrent Employee Benefits	**837**	809
Deferred Income Taxes	**636**	694
Other Liabilities	**695**	681
Redeemable Common and Preferred Securities of Subsidiaries	**260**	26
Stockholders' Equity		
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 million shares at September 30, 2022 and December 31, 2021	**473**	473
Additional paid-in capital	**633**	605
Common stock held in treasury, at cost - 41.1 and 41.8 million shares at September 30, 2022 and December 31, 2021, respectively	**(5,126)**	(5,183)
Retained earnings	**8,086**	7,858
Accumulated other comprehensive income (loss)	**(3,629)**	(3,239)
Total Kimberly-Clark Corporation Stockholders' Equity	**437**	514
Noncontrolling Interests	**146**	223
Total Stockholders' Equity	**583**	737
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ **17,836**	$ 17,837

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Three Months Ended September 30, 2022								
	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
(Millions of dollars, shares in thousands, except per share amounts)	**Shares**	**Amount**		**Shares**	**Amount**				
Balance at June 30, 2022	**378,597**	**$ 473**	**$ 598**	**40,962**	**$ (5,111)**	**$ 8,022**	**$ (3,389)**	**$ 149**	**$ 742**
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	467	—	9	476
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	(239)	(13)	(252)
Stock-based awards exercised or vested	—	—	(2)	(84)	9	—	—	—	7
Shares repurchased	—	—	—	191	(25)	—	—	—	(25)
Recognition of stock-based compensation	—	—	31	—	—	—	—	—	31
Dividends declared ($1.16 per share)	—	—	—	—	—	(391)	—	(1)	(392)
Other	—	—	6	—	1	(12)	(1)	2	(4)
Balance at September 30, 2022	**378,597**	**$ 473**	**$ 633**	**41,069**	**$ (5,126)**	**$ 8,086**	**$ (3,629)**	**$ 146**	**$ 583**

	Nine Months Ended September 30, 2022								
	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
(Millions of dollars, shares in thousands, except per share amounts)	**Shares**	**Amount**		**Shares**	**Amount**				
Balance at December 31, 2021	**378,597**	**$ 473**	**$ 605**	**41,762**	**$ (5,183)**	**$ 7,858**	**$ (3,239)**	**$ 223**	**$ 737**
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	1,427	—	30	1,457
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	(389)	(26)	(415)
Stock-based awards exercised or vested	—	—	(81)	(1,272)	131	—	—	—	50
Shares repurchased	—	—	—	579	(75)	—	—	—	(75)
Recognition of stock-based compensation	—	—	98	—	—	—	—	—	98
Dividends declared ($3.48 per share)	—	—	—	—	—	(1,174)	—	(82)	(1,256)
Other	—	—	11	—	1	(25)	(1)	1	(13)
Balance at September 30, 2022	**378,597**	**$ 473**	**$ 633**	**41,069**	**$ (5,126)**	**$ 8,086**	**$ (3,629)**	**$ 146**	**$ 583**

See notes to the unaudited interim consolidated financial statements.

	Three Months Ended September 30, 2021								
(Millions of dollars, shares in thousands, except per share amounts)	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount		Shares	Amount				
Balance at June 30, 2021	378,597	$ 473	$ 627	41,661	$ (5,159)	$ 7,798	$ (3,215)	$ 234	$ 758
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	469	—	10	479
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	(89)	(11)	(100)
Stock-based awards exercised or vested	—	—	(1)	(237)	26	—	—	—	25
Shares repurchased	—	—	—	429	(58)	—	—	—	(58)
Recognition of stock-based compensation	—	—	(13)	—	—	—	—	—	(13)
Dividends declared ($1.14 per share)	—	—	—	—	—	(384)	—	—	(384)
Other	—	—	1	—	—	—	(1)	—	—
Balance at September 30, 2021	378,597	$ 473	$ 614	41,853	$ (5,191)	$ 7,883	$ (3,305)	$ 233	$ 707

	Nine Months Ended September 30, 2021								
(Millions of dollars, shares in thousands, except per share amounts)	Common Stock Issued		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount		Shares	Amount				
Balance at December 31, 2020	378,597	$ 473	$ 657	39,873	$ (4,899)	$ 7,567	$ (3,172)	$ 243	$ 869
Net income in stockholders' equity, excludes redeemable interests' share	—	—	—	—	—	1,457	—	25	1,482
Other comprehensive income, net of tax, excludes redeemable interests' share	—	—	—	—	—	—	(132)	(18)	(150)
Stock-based awards exercised or vested	—	—	(78)	(1,189)	130	—	—	—	52
Shares repurchased	—	—	—	3,169	(422)	—	—	—	(422)
Recognition of stock-based compensation	—	—	28	—	—	—	—	—	28
Dividends declared ($3.42 per share)	—	—	—	—	—	(1,154)	—	(17)	(1,171)
Other	—	—	7	—	—	13	(1)	—	19
Balance at September 30, 2021	378,597	$ 473	$ 614	41,853	$ (5,191)	$ 7,883	$ (3,305)	$ 233	$ 707

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS
(Unaudited)

(Millions of dollars)	Nine Months Ended September 30 2022	Nine Months Ended September 30 2021
Operating Activities		
Net income	**$ 1,446**	$ 1,483
Depreciation and amortization	**568**	572
Asset impairments	**—**	3
Gain on previously held equity investment in Thinx	**(85)**	—
Stock-based compensation	**101**	30
Deferred income taxes	**(131)**	(42)
Net (gains) losses on asset dispositions	**14**	34
Equity companies' earnings (in excess of) less than dividends paid	**(21)**	(25)
Operating working capital	**(166)**	(432)
Postretirement benefits	**6**	39
Other	**10**	6
Cash Provided by Operations	**1,742**	1,668
Investing Activities		
Capital spending	**(679)**	(734)
Acquisition of business, net of cash acquired	**(46)**	—
Proceeds from dispositions of property	**7**	31
Investments in time deposits	**(411)**	(632)
Maturities of time deposits	**632**	598
Other	**(20)**	1
Cash Used for Investing	**(517)**	(736)
Financing Activities		
Cash dividends paid	**(1,167)**	(1,133)
Change in short-term debt	**487**	854
Debt proceeds	**—**	5
Debt repayments	**(312)**	(269)
Proceeds from exercise of stock options	**84**	52
Acquisitions of common stock for the treasury	**(74)**	(393)
Cash dividends paid to noncontrolling interests	**(82)**	(17)
Other	**(45)**	(40)
Cash Used for Financing	**(1,109)**	(941)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	**(24)**	(8)
Change in Cash and Cash Equivalents	**92**	(17)
Cash and Cash Equivalents - Beginning of Period	**270**	303
Cash and Cash Equivalents - End of Period	**$ 362**	$ 286

See notes to the unaudited interim consolidated financial statements.

KIMBERLY-CLARK CORPORATION AND SUBSIDIARIES
NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Accounting Policies

Basis of Presentation

The accompanying unaudited interim 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 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, 2021. The terms "Corporation," "Kimberly-Clark," "K-C," "we," "our" and "us" refer to Kimberly-Clark Corporation and its consolidated subsidiaries.

Highly Inflationary Accounting

GAAP guidance requires the use of highly inflationary accounting for countries whose cumulative three-year inflation exceeds 100 percent. Under highly inflationary accounting, the countries' functional currency becomes the U.S. dollar, and its income statement and balance sheet are measured in U.S. dollars using both current and historical rates of exchange. In the second quarter of 2018, published inflation indices indicated that the three-year cumulative inflation in Argentina exceeded 100 percent, and as of July 1, 2018, we elected to adopt highly inflationary accounting for our subsidiaries in Argentina ("K-C Argentina"). The effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in Other (income) and expense, net and was not material. As of September 30, 2022, K-C Argentina had a small net peso monetary position. Net sales of K-C Argentina were approximately 1 percent of our consolidated net sales for the nine months ended September 30, 2022 and 2021.

In the first quarter of 2022, published inflation indices indicated that the three-year cumulative inflation in Turkey exceeded 100 percent, and as of April 1, 2022, we elected to adopt highly inflationary accounting for our subsidiary in Turkey ("K-C Turkey"). The effect of changes in exchange rates on lira-denominated monetary assets and liabilities has been reflected in earnings in Other (income) and expense, net and was not material. As of September 30, 2022, K-C Turkey had a small net lira monetary position. Net sales of K-C Turkey were less than 1 percent of our consolidated net sales for the nine months ended September 30, 2022.

Recently Issued Accounting Standard

In September 2022, the Financial Accounting Standards Board issued Accounting Standard Update ("ASU") No. 2022-04, *Liabilities – Supplier Finance Programs (Subtopic 405-50)*. The new guidance requires that a buyer in a supplier finance program disclose sufficient information about the program to allow a user of the financial statements to understand the program's nature, activity during the period, changes from period to period, and potential magnitude. This ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, except for the provision on roll forward information, which is effective for fiscal years beginning after December 15, 2023. As the guidance requires only additional disclosures, the effects of this standard on our financial position, results of operations and cash flows are not expected to be material.

Note 2. 2022 Acquisition

On February 24, 2022, we completed our acquisition of a majority and controlling share of Thinx Inc. ("Thinx"), an industry leader in the reusable period and incontinence underwear category, for total consideration of $181 consisting of cash of $53, the fair value of our previously held equity investment of $127, and certain share-based award costs of $1.

We previously accounted for our ownership interest in Thinx as an equity method investment, but upon increasing our ownership to 58%, we began consolidating the operations of Thinx into our financial statements at the end of the first quarter of 2022. The consolidated results of operations for Thinx are reported in our Personal Care business segment on a one-month lag. The share of Thinx net income and equity attributable to the third-party minority owner of Thinx is classified in our consolidated income statement within Net income attributable to noncontrolling interests and in our consolidated balance sheet within Redeemable Common and Preferred Securities of Subsidiaries. This noncontrolling equity interest is measured at the estimated redemption value, which approximates fair value.

We have substantially completed an initial purchase price allocation in which we utilized several generally accepted valuation methodologies to estimate the fair value of certain acquired assets. The primary valuation methods included two forms of the Income Approach (i.e., the multi-period excess earnings method [distributor method] and the relief-from-royalty method). These valuation methodologies are commonly used to value similar identifiable intangible assets in the Consumer Packaged Goods industry. All of the selected valuation methodologies incorporate unobservable inputs, or Level 3 inputs, as defined by the fair value hierarchy in Accounting Standard Codification 820, *Fair Value Measurements*. In connection with these valuation methodologies, we are required to make estimates and assumptions regarding market comparable companies, revenue growth rates, operating margins, distributor and customer attrition rates, royalty rates, distributor margins, discount rates, etc., which are primarily based on cash flow forecasts, business plans, economic projections and other information available to market participants.

The total purchase price consideration was allocated to the net assets acquired based upon their respective estimated fair values as follows:

Current Assets	$	28
Property, Plant and Equipment, Net		2
Goodwill		297
Other Intangible Assets, Net		123
Other Assets		4
Current Liabilities		(17)
Deferred Income Taxes		(18)
Other Liabilities		(4)
Fair value of net assets acquired		415
Less fair value of non-controlling interest		(234)
Total purchase price consideration	$	181

Other Intangible Assets, Net includes brands and customer relationships which have estimated useful lives of 4 to 15 years, primarily 15 years. Based on the carrying value of these finite-lived assets as of September 30, 2022, amortization expense per year for each of the next five years is estimated to be approximately $8.

Goodwill of $297 was allocated to the Personal Care business segment. The goodwill is primarily attributable to future growth opportunities and any intangible assets that did not qualify for separate recognition. For tax purposes, the acquisition of additional Thinx shares was treated as a stock acquisition, and the goodwill acquired is not tax deductible.

The preliminary estimates of the fair value of identifiable assets acquired and liabilities assumed are subject to revisions, which may result in adjustments to the preliminary values discussed above. We continue to evaluate potential contingencies that may have existed as of the acquisition date and expect to finalize the purchase price allocation no later than the first quarter of 2023.

As a result of this transaction during the quarter ended March 31, 2022, an $85 non-recurring, non-cash gain was recognized in Other (income) expense, net as a result of the remeasurement of the carrying value of our previously held equity investment to fair value, and related transaction and integration costs of $21 were recorded in Marketing, research and general expenses. This recognition resulted in a net benefit of $64 pre-tax ($68 after tax) being included in our consolidated income statement for the quarter ended March 31, 2022. In addition, we removed the non-cash gain impact from Operating Activities in our consolidated cash flow statements for the nine months ended September 30, 2022.

Pro forma results of operations have not been presented as the impact on our consolidated financial statements is not material.

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 nine months ended September 30, 2022 and for the full year 2021, there were no significant transfers to or from level 3 fair value determinations.

Derivative assets and liabilities are measured on a recurring basis at fair value. At September 30, 2022 and December 31, 2021, derivative assets were $283 and $65, respectively, and derivative liabilities were $131 and $41, 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 commodity price quotations, respectively. The fair values of hedging instruments used to manage foreign currency risk are 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 6.

Redeemable common and preferred securities of subsidiaries are measured on a recurring basis at their estimated redemption values, which approximate fair value. As of September 30, 2022 and December 31, 2021, the securities were valued at $260 and $26, respectively. No redeemable common securities were outstanding at December 31, 2021. The securities are not traded in active markets, and their measurement is considered a level 3 measurement.

Company-owned life insurance ("COLI") assets are measured on a recurring basis at fair value. COLI assets were $63 and $72 at September 30, 2022 and December 31, 2021, respectively. The COLI policies are a source of funding primarily for our nonqualified employee benefits and are included in Other Assets. The COLI policies are measured at fair value using the net asset value per share practical expedient, and therefore, are not classified in the fair value hierarchy.

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
		September 30, 2022		December 31, 2021	
Assets					
Cash and cash equivalents[(a)]	1	**$ 362**	**$ 362**	$ 270	$ 270
Time deposits[(b)]	1	**168**	**168**	416	416
Liabilities					
Short-term debt[(c)]	2	**599**	**599**	118	118
Long-term debt[(d)]	2	**7,988**	**7,269**	8,456	9,492

(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. Time deposits 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. Earnings Per Share ("EPS")

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

	Three Months Ended September 30		Nine Months Ended September 30	
(Millions of shares)	**2022**	**2021**	**2022**	**2021**
Basic	**337.6**	336.8	**337.3**	337.4
Dilutive effect of stock options and restricted share unit awards	**0.7**	0.7	**1.0**	1.0
Diluted	**338.3**	337.5	**338.3**	338.4

The impact of 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 was insignificant. The number of common shares outstanding as of September 30, 2022 and 2021 was 337.5 million and 336.7 million, respectively.

Note 5. Stockholders' Equity

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 adjustments are 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 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.

The change in net unrealized currency translation for the nine months ended September 30, 2022 was primarily due to the weakening of certain foreign currencies versus the U.S. 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, 2020	$ (2,157)	$ (912)	$ (40)	$ (63)
Other comprehensive income (loss) before reclassifications	(266)	5	(12)	56
(Income) loss reclassified from AOCI	—	52 (a)	(3) (a)	35
Net current period other comprehensive income (loss)	(266)	57	(15)	91
Balance as of September 30, 2021	$ (2,423)	$ (855)	$ (55)	$ 28
Balance as of December 31, 2021	$ (2,422)	$ (803)	$ (34)	$ 20
Other comprehensive income (loss) before reclassifications	**(501)**	**(6)**	**(2)**	**101**
(Income) loss reclassified from AOCI	**—**	**44** (a)	**—** (a)	**(26)**
Net current period other comprehensive income (loss)	**(501)**	**38**	**(2)**	**75**
Balance as of September 30, 2022	**$ (2,923)**	**$ (765)**	**$ (36)**	**$ 95**

(a) Included in computation of net periodic benefit costs.

Note 6. 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.

At September 30, 2022 and December 31, 2021, derivative assets were $283 and $65, respectively, and derivative liabilities were $131 and $41, respectively, primarily comprised of foreign currency exchange contracts. Derivative assets are recorded in

Other current assets or Other Assets, as appropriate, and derivative liabilities are recorded in Accrued expenses and other current liabilities or Other Liabilities, as appropriate.

Foreign Currency Exchange Rate Risk

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 borrowings. A portion of our balance sheet translation exposure for certain affiliates, which results from changes in translation rates between the affiliates' functional currencies and the U.S. dollar, is hedged with cross-currency swap contracts and certain foreign denominated debt which are designated as net investment 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.

Derivative instruments are entered into 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 as cash flow hedges.

Interest Rate Risk

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 as fair value hedges. From time to time, we also hedge the anticipated issuance of fixed-rate debt, and these contracts are designated as cash flow hedges.

Commodity Price Risk

We use derivative instruments, such as forward 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. In addition, we utilize negotiated contracts of varying durations along with strategic pricing mechanisms to manage volatility for a portion of our commodity costs.

Fair Value Hedges

Derivative instruments that are designated and qualify as fair value hedges are predominantly used to manage interest rate risk. The fair values of these interest rate derivative instruments are recorded as an asset or liability, as appropriate, with the offset recorded in Interest expense. The offset to the change in fair values of the related debt is also recorded in Interest expense. 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. As of September 30, 2022, the aggregate notional values and carrying values of debt subject to outstanding interest rate contracts designated as fair value hedges were $525 and $465, respectively. For the nine months ended September 30, 2022 and 2021, gains or losses recognized in Interest expense for interest rate swaps were not significant.

Cash Flow Hedges

For derivative instruments that are designated and qualify as cash flow hedges, 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 income statement line and period that the hedged exposure affects earnings. As of September 30, 2022, 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 2022 and future periods. During 2022, we increased the notional level of our foreign currency designated cash flow hedges to help mitigate the impacts of significantly increased macroeconomic foreign currency rate fluctuations, and as of September 30, 2022, the aggregate notional value of outstanding foreign exchange derivative contracts designated as cash flow hedges was $2,106. For the nine months ended September 30, 2022 and 2021, no significant gains or losses were reclassified into Interest expense, Cost of products sold or Other (income) and expense, net as a result of the discontinuance of cash flow hedges due to the original forecasted transaction no longer being probable of occurring. At September 30, 2022, amounts to be reclassified from AOCI into Interest expense, Cost of products sold or Other (income) and expense, net during the next twelve months are not expected to be material. The maximum maturity of cash flow hedges in place at September 30, 2022 is September 2025.

Net Investment Hedges

For derivative instruments that are designated and qualify as net investment hedges, the aggregate notional value was $1.3 billion at September 30, 2022. We exclude the interest accruals on cross-currency swap contracts and the forward points on foreign exchange forward contracts from the assessment and measurement of hedge effectiveness. We recognize the interest accruals on cross-currency swap contracts in earnings within Interest expense. We amortize the forward points on foreign exchange contracts into earnings within Interest expense over the life of the hedging relationship. Changes in fair value of net investment hedges are recorded in AOCI and offset the change in the value of the net investment being hedged. For the nine months ended September 30, 2022, unrealized gains of $176 related to net investment hedge fair value changes were recorded in AOCI and no significant amounts were reclassified from AOCI to Interest expense.

No significant amounts were excluded from the assessment of net investment, fair value or cash flow hedge effectiveness as of September 30, 2022.

Undesignated Hedging Instruments

Gains or losses on undesignated foreign exchange hedging instruments are immediately recognized in Other (income) and expense, net. Losses of $13 and $2 were recorded in the three months ended September 30, 2022 and 2021, respectively. Losses of $48 and $8 were recorded in the nine months ended September 30, 2022 and 2021, 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 September 30, 2022, the notional value of these undesignated derivative instruments was approximately $2.1 billion.

Note 7. 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 chief operating decision maker and 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 ongoing operations of the business segments, including the costs of corporate decisions related to the 2018 Global Restructuring Program which was completed in 2021.

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, reusable underwear and other related products. Products in this segment are sold under the Huggies, Pull-Ups, Little Swimmers, GoodNites, DryNites, Sweety, Kotex, U by Kotex, Intimus, Thinx, Depend, Plenitud, Softex, Poise and other brand names.
- *Consumer Tissue* offers a wide variety of innovative solutions and trusted brands that responsibly improve everyday living for families around the world. 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 KleenGuard are well known for quality and trusted to help people around the world work better.

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

	Three Months Ended September 30		Change	Nine Months Ended September 30		Change
	2022	2021		2022	2021	
NET SALES						
Personal Care	**$ 2,628**	$ 2,656	-1 %	**$ 8,067**	$ 7,635	+6 %
Consumer Tissue	**1,578**	1,541	+2 %	**4,683**	4,475	+5 %
K-C Professional	**836**	797	+5 %	**2,418**	2,314	+4 %
Corporate & Other	**11**	16	N.M.	**43**	51	N.M.
TOTAL NET SALES	**$ 5,053**	$ 5,010	+1 %	**$ 15,211**	$ 14,475	+5 %
OPERATING PROFIT						
Personal Care	**$ 423**	$ 496	-15 %	**$ 1,364**	$ 1,431	-5 %
Consumer Tissue	**218**	222	-2 %	**567**	687	-17 %
K-C Professional	**119**	96	+24 %	**294**	332	-11 %
Corporate & Other[(a)]	**(90)**	(150)	N.M.	**(298)**	(386)	N.M.
Other (income) and expense, net[(a)]	**15**	7	+114 %	**(42)**	24	N.M.
TOTAL OPERATING PROFIT	**$ 655**	$ 657	—	**$ 1,969**	$ 2,040	-3 %

(a) Corporate & Other and Other (income) and expense, net include income and expense not associated with the business segments, including the non-cash, non-recurring gain and transaction and integration costs related to the acquisition of a controlling interest in Thinx in 2022 and charges related to the 2018 Global Restructuring Program in 2021. Restructuring charges related to the Personal Care, Consumer Tissue and K-C Professional for the three months ended September 30, 2021 were, $32, $42, and $10, respectively and for the nine months ended September 30, 2021 were $71, $84 and $19, respectively.

N.M. - Not Meaningful

Sales of Principal Products:

(Billions of dollars)	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Baby and child care products	**$ 1.7**	$ 1.8	**$ 5.5**	$ 5.3
Consumer tissue products	**1.6**	1.5	**4.7**	4.5
Away-from-home professional products	**0.8**	0.8	**2.4**	2.3
All other	**1.0**	0.9	**2.6**	2.4
Consolidated	**$ 5.1**	$ 5.0	**$ 15.2**	$ 14.5

Note 8. Supplemental Balance Sheet Data

The following schedule presents a summary of inventories by major class:

	September 30, 2022			December 31, 2021		
	LIFO	Non-LIFO	Total	LIFO	Non-LIFO	Total
Raw materials	**$ 167**	**$ 382**	**$ 549**	$ 141	$ 352	$ 493
Work in process	**148**	**105**	**253**	153	89	242
Finished goods	**613**	**815**	**1,428**	607	835	1,442
Supplies and other	**—**	**292**	**292**	—	280	280
	928	**1,594**	**2,522**	901	1,556	2,457
Excess of FIFO or weighted-average cost over LIFO cost	**(241)**	**—**	**(241)**	(218)	—	(218)
Total	**$ 687**	**$ 1,594**	**$ 2,281**	$ 683	$ 1,556	$ 2,239

Inventories are valued at the lower of cost or 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:

	September 30, 2022	December 31, 2021
Land	**$ 153**	$ 169
Buildings	**2,972**	2,993
Machinery and equipment	**14,372**	14,606
Construction in progress	**647**	760
	18,144	18,528
Less accumulated depreciation	**(10,407)**	(10,431)
Total	**$ 7,737**	$ 8,097

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

This management's discussion and analysis ("MD&A") of financial condition and results of operations 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 Third Quarter 2022 Results
- Results of Operations and Related Information
- Liquidity and Capital Resources
- Information Concerning Forward-Looking Statements

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. We have three reportable business segments: Personal Care, Consumer Tissue and K-C Professional. These business segments are described in greater detail in Note 7 to the unaudited interim consolidated financial statements.

On February 24, 2022, we completed our acquisition of a majority and controlling share of Thinx Inc. ("Thinx"), an industry leader in the reusable period and incontinence underwear category, for total consideration of $181 consisting of cash of $53, the fair value of our previously held equity investment of $127, and certain share-based award costs of $1.

This section presents a discussion and analysis of our third quarter 2022 net sales, operating profit and other information relevant to an understanding of the results of operations. In addition, we provide commentary regarding organic sales growth, which describes the impact of changes in volume, net selling prices and product mix on net sales. Change in foreign currency exchange rates, acquisitions and exited businesses also impact the year-over-year change in net sales. Our analysis compares the three and nine months ended September 30, 2022 results to the same periods in 2021.

In March 2022, we implemented significant adjustments to our business in Russia and suspended substantially all media, advertising and promotional activity as well as capital investments in our sole manufacturing facility. Consistent with the humanitarian nature of our products, we are manufacturing and selling only essential items, such as baby diapers and feminine pads, which are critical to the health and hygiene of women, girls and babies, but our ability to manufacture these items may change as the situation evolves. Our Russia business has historically represented approximately 1 to 2 percent of our net sales, operating profit and total assets. We are actively monitoring the situation, and as the business, geopolitical and regulatory environment concerning Russia evolves, our assets may be partially or fully impaired. We are also monitoring the increased risk of cyber-based attacks as a result of the Russian invasion of Ukraine and have implemented heightened cyber-security monitoring of our systems designed to address the evolving threat landscape. We are experiencing increased input costs as a result of inflation and supply chain complexities related to the Russian invasion that are having a negative impact on our operations. For a more complete discussion of the risks we encounter in our business, please refer to Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2021.

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 gross and operating profit, adjusted net income, adjusted earnings per share 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 into 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 unaudited interim 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 settlements - In 2022, pension settlement charges were recognized related to lump-sum distributions from pension plan assets exceeding the total of annual service and interest costs resulting in a recognition of deferred actuarial losses.
- Acquisition of controlling interest in Thinx – In the first quarter of 2022, we increased our investment in Thinx. As a result of this transaction, a net benefit was recognized primarily due to the non-recurring, non-cash gain recognized related to the remeasurement of the carrying value of our previously held equity investment to fair value partially offset by transaction and integration costs. See Item 1, Note 2 to the unaudited interim consolidated financial statements for details.

The non-GAAP financial measures also exclude charges in 2021 for the 2018 Global Restructuring Program as indicated in the reconciliations included later in this MD&A. In 2018, we initiated this restructuring in order to reduce our structural cost base by streamlining and simplifying our manufacturing supply chain and overhead organization. As a result, we recognized restructuring charges in 2018, 2019, 2020 and 2021 for this program. Restructuring actions were completed in 2021.

Overview of Third Quarter 2022 Results

- Net sales of $5.1 billion increased 1 percent compared to the year-ago period, including organic sales growth of 5 percent.
- Operating profit was $655 in 2022 and $657 in 2021. Net Income Attributable to Kimberly-Clark Corporation was $467 in 2022 compared to $469 in 2021, and diluted earnings per share were $1.38 in 2022 compared to $1.39 in 2021. Results in 2022 include pension settlement charges, compared to 2021 results, which include charges related to the 2018 Global Restructuring Program.

Results of Operations and Related Information

This section presents a discussion and analysis of our third quarter 2022 net sales, operating profit and other information relevant to an understanding of the results of operations.

Consolidated

Selected Financial Results	**Three Months Ended September 30**			**Nine Months Ended September 30**		
	2022	**2021**	**Percent Change**	**2022**	**2021**	**Percent Change**
Net Sales:						
North America	**$ 2,682**	$ 2,692	—	**$ 7,953**	$ 7,436	+7 %
Outside North America	**2,446**	2,399	+2 %	**7,471**	7,274	+3 %
Intergeographic sales	**(75)**	(81)	-7 %	**(213)**	(235)	-9 %
Total Net Sales	**5,053**	5,010	+1 %	**15,211**	14,475	+5 %
Operating Profit:						
North America	**519**	564	-8 %	**1,475**	1,561	-6 %
Outside North America	**241**	250	-4 %	**750**	889	-16 %
Corporate & Other[(a)]	**(90)**	(150)	N.M.	**(298)**	(386)	N.M.
Other (income) and expense, net[(a)]	**15**	7	+114 %	**(42)**	24	N.M.
Total Operating Profit	**655**	657	—	**1,969**	2,040	-3 %
Share of net income of equity companies	**29**	21	+38 %	**81**	88	-8 %
Net Income Attributable to Kimberly-Clark Corporation	**467**	469	—	**1,427**	1,457	-2 %
Diluted Earnings per Share	**1.38**	1.39	-1 %	**4.22**	4.31	-2 %

(a) Corporate & Other and Other (income) and expense, net include income and expense not associated with the business segments, including adjustments as indicated in the Non-GAAP Reconciliations.

N.M. - Not Meaningful

GAAP to Non-GAAP Reconciliations of Selected Financial Results

	Three Months Ended September 30, 2022		
	As Reported	**Pension Settlements**	**As Adjusted Non-GAAP**
Nonoperating expense	**$ (18)**	**$ (10)**	**$ (8)**
Provision for income taxes	**(127)**	**2**	**(129)**
Effective tax rate	**22.4 %**	**—**	**22.3 %**
Net Income Attributable to Kimberly-Clark Corporation	**467**	**(8)**	**475**
Diluted Earnings per Share[(a)]	**1.38**	**(0.02)**	**1.40**

	Three Months Ended September 30, 2021		
	As Reported	**2018 Global Restructuring Program**	**As Adjusted Non-GAAP**
Cost of products sold	$ 3,527	$ 48	$ 3,479
Gross Profit	1,483	(48)	1,531
Marketing, research and general expenses	819	39	780
Other (income) and expense, net	7	1	6
Operating Profit	657	(88)	745
Nonoperating expense	(10)	(9)	(1)
Provision for income taxes	(126)	16	(142)
Effective tax rate	21.6 %	—	20.9 %
Net income attributable to noncontrolling interests	(10)	2	(12)
Net Income Attributable to Kimberly-Clark Corporation	469	(79)	548
Diluted Earnings per Share[(a)]	1.39	(0.23)	1.62

	Nine Months Ended September 30, 2022			
	As Reported	**Acquisition of Controlling Interest in Thinx**	**Pension Settlements**	**As Adjusted Non-GAAP**
Marketing, research and general expenses	**$ 2,665**	**$ 21**	**$ —**	**$ 2,644**
Other (income) and expense, net	**(42)**	**(85)**	**—**	**43**
Operating Profit	**1,969**	**64**	**—**	**1,905**
Nonoperating expense	**(49)**	**—**	**(34)**	**(15)**
Provision for income taxes	**(356)**	**4**	**8**	**(368)**
Effective tax rate	**20.7 %**	**—**	**—**	**21.8 %**
Net Income Attributable to Kimberly-Clark Corporation	**1,427**	**68**	**(26)**	**1,385**
Diluted Earnings per Share[(a)]	**4.22**	**0.20**	**(0.08)**	**4.09**

	Nine Months Ended September 30, 2021		
	As Reported	2018 Global Restructuring Program	As Adjusted Non-GAAP
Cost of products sold	$ 9,923	$ 98	$ 9,825
Gross Profit	4,552	(98)	4,650
Marketing, research and general expenses	2,488	78	2,410
Other (income) and expense, net	24	9	15
Operating Profit	2,040	(185)	2,225
Nonoperating expense	(71)	(65)	(6)
Provision for income taxes	(386)	48	(434)
Effective tax rate	21.7 %	—	21.4 %
Net income attributable to noncontrolling interests	(26)	3	(29)
Net Income Attributable to Kimberly-Clark Corporation	1,457	(199)	1,656
Diluted Earnings per Share[(a)]	4.31	(0.59)	4.89

(a) "As Adjusted Non-GAAP" may not equal "As Reported" plus "Adjustments" as a result of rounding.

Analysis of Consolidated Results

Net Sales	Percent Change	
	Three Months Ended September 30	Nine Months Ended September 30
Volume	**(5)**	**(1)**
Net Price	**9**	**8**
Mix/Other	**1**	**1**
Currency	**(4)**	**(3)**
Total[(a)]	**1**	**5**
Organic[(b)]	**5**	**8**

Adjusted Operating Profit	Percent Change	
	Three Months Ended September 30	Nine Months Ended September 30
Volume	**(13)**	**(7)**
Net Price	**63**	**52**
Input Costs	**(48)**	**(55)**
Cost Savings[(c)]	**11**	**8**
Currency Translation	**(2)**	**(2)**
Other[(d)]	**(23)**	**(10)**
Total	**(12)**	**(14)**

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Benefits of the FORCE (Focused On Reducing Costs Everywhere) program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Net sales in the third quarter of $5.1 billion increased 1 percent compared to the year-ago period. Organic sales increased 5 percent as changes in net selling prices and product mix increased sales by 9 percent and 1 percent, respectively, while volumes declined 5 percent. Changes in foreign currency exchange rates reduced sales by 4 percent.

In North America, organic sales decreased 2 percent in consumer products and increased 5 percent in K-C Professional. Outside North America, organic sales rose 11 percent in both D&E and developed markets.

Operating profit in the third quarter was $655 in 2022 and $657 in 2021. Excluding the charges related to the 2018 Global Restructuring Program, 2021 adjusted operating profit was $745. Results were impacted by $360 of higher input costs, lower volumes, higher marketing, research and general expense as well as unfavorable foreign currency effects. Results benefited from higher net selling prices and $80 of cost savings from our FORCE program.

The third quarter effective tax rate was 22.4 percent in 2022 and 21.6 percent in 2021. The third quarter adjusted effective tax was 22.3 percent in 2022 and 20.9 percent in 2021.

Our share of net income of equity companies in the third quarter was $29 in 2022 and $21 in 2021.

Diluted net income per share for the third quarter was $1.38 in 2022 and $1.39 in 2021. Third quarter adjusted earnings per share were $1.40 in 2022, a decrease of 14 percent compared to $1.62 in 2021.

Year-to-date net sales of $15.2 billion increased 5 percent compared to the year ago period. Organic sales increased 8 percent, as changes in net selling prices and product mix increased sales by 8 percent and 1 percent, respectively, and volumes declined 1 percent. Changes in foreign currency exchange rates decreased sales by 3 percent. Year-to-date operating profit was $1,969 in 2022 and $2,040 in 2021. Results in 2022 include the net benefit of the acquisition of a controlling interest of Thinx, and results in 2021 include charges related to the 2018 Global Restructuring Program. Year-to-date adjusted operating profit was $1,905 in 2022 and $2,225 in 2021. Results were impacted by over $1.2 billion of higher input costs, higher marketing, research and general spending and unfavorable foreign currency effects. Results benefited from organic sales growth, $175 of FORCE savings and lower other manufacturing costs.

Through nine months, diluted net income per share was $4.22 in 2022 and $4.31 in 2021. Year-to-date adjusted earnings per share were $4.09 in 2022, a decrease of 16 percent compared to $4.89 in 2021.

Results by Business Segments

Personal Care

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	**2021**	**2022**	**2021**
Net Sales	**$ 2,628**	$ 2,656	**$ 8,067**	$ 7,635

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	**2021**	**2022**	**2021**
Operating Profit	**$ 423**	$ 496	**$ 1,364**	$ 1,431

Net Sales	**Percent Change**	**Percent Change**
Volume	**(7)**	**(2)**
Net Price	**8**	**8**
Mix/Other	**1**	**2**
Acquisition/Exited Businesses[e]	**1**	**—**
Currency	**(4)**	**(3)**
Total[a]	**(1)**	**6**
Organic[b]	**2**	**8**

Operating Profit	**Percent Change**	**Percent Change**
Volume	**(14)**	**(5)**
Net Price	**44**	**45**
Input Costs	**(29)**	**(37)**
Cost Savings[c]	**7**	**6**
Currency Translation	**(2)**	**(3)**
Other[d]	**(21)**	**(11)**
Total	**(15)**	**(5)**

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Benefits of the FORCE program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

(e) Combined impact of the acquisition of Thinx Inc. and exited businesses in conjunction with the 2018 Global Restructuring Program.

Third quarter net sales in North America decreased 5 percent. Volumes declined 10 percent, while changes in net selling prices increased sales by 4 percent and the Thinx acquisition increased sales by approximately 2 percent. The volume comparison reflects elevated shipments in the year ago period to restore retailer inventory levels following supply disruptions. The planned exit of a private label contract earlier this year as well as some reductions in retailer inventory levels late in the quarter also impacted the comparison.

Net sales in D&E markets increased 5 percent. Changes in net selling prices and product mix increased sales by 15 percent and 3 percent, respectively, while volumes declined 6 percent. Changes in foreign currency exchange rates decreased sales by 6 percent. Organic sales growth was strong across Latin America and the Asia Pacific region.

Net sales in developed markets outside North America decreased 4 percent. Changes in foreign currency exchange rates reduced sales by 12 percent. Changes in net selling prices increased sales by 5 percent and volumes grew 3 percent.

Operating profit of $423 decreased 15 percent. The comparison was impacted by input cost inflation, lower volumes and associated fixed cost under absorption, higher marketing, research and general spending as well as unfavorable foreign currency effects. Results benefited from higher net selling prices and cost savings.

Consumer Tissue

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Net Sales	$ 1,578	$ 1,541	$ 4,683	$ 4,475

Net Sales	Percent Change	Percent Change
Volume	(3)	1
Net Price	9	7
Mix/Other	—	—
Currency	(4)	(3)
Total[(a)]	2	5
Organic[(b)]	7	8

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Operating Profit	$ 218	$ 222	$ 567	$ 687

Operating Profit	Percent Change	Percent Change
Volume	(7)	(3)
Net Price	63	46
Input Costs	(62)	(69)
Cost Savings[(c)]	11	8
Currency Translation	(1)	(1)
Other[(d)]	(6)	2
Total	(2)	(17)

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Benefits of the FORCE program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Third quarter net sales in North America increased 5 percent. Changes in net selling prices increased sales by 7 percent, while volumes declined 2 percent. Higher net selling prices were achieved across all sub-segments while volume decline was primarily in bathroom tissue.

Net sales in D&E markets increased 3 percent. Changes in net selling prices and product mix increased sales by 12 percent and 1 percent, respectively, while volumes declined 6 percent. Changes in foreign currency exchange rates decreased sales by 5 percent.

Net sales in developed markets outside North America decreased 2 percent. Changes in foreign currency exchange rates decreased sales by 13 percent. Changes in net selling prices increased sales by approximately 12 percent, while volumes declined 1 percent.

Operating profit of $218 decreased 2 percent. The comparison was impacted by input cost inflation, higher marketing, research and general spending, and unfavorable foreign currency effects. Results benefited from organic sales growth, cost savings and lower other manufacturing costs.

K-C Professional

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Net Sales	$ 836	$ 797	$ 2,418	$ 2,314

Net Sales	Percent Change	Percent Change
Volume	(5)	(3)
Net Price	14	9
Mix/Other	1	1
Currency	(4)	(3)
Total[(a)]	5	4
Organic[(b)]	9	7

	Three Months Ended September 30		Nine Months Ended September 30	
	2022	2021	2022	2021
Operating Profit	$ 119	$ 96	$ 294	$ 332

Operating Profit	Percent Change	Percent Change
Volume	(14)	(16)
Net Price	113	63
Input Costs	(77)	(68)
Cost Savings[(c)]	21	11
Currency Translation	(5)	(2)
Other[(d)]	(14)	1
Total	24	(11)

(a) Total may not equal the sum of volume, net price, mix/other and currency due to rounding.

(b) Combined impact of changes in volume, net price and mix/other.

(c) Benefits of the FORCE program.

(d) Includes impact of changes in product mix, marketing, research and general expenses, foreign currency transaction effects and other manufacturing costs.

Third quarter net sales in North America increased 5 percent. Changes in net selling prices and product mix increased sales by 14 percent and approximately 1 percent, respectively, while volumes declined 9 percent. Washroom products sales were up double-digits while sales of safety products decreased versus a strong year-ago.

Net sales in D&E markets increased 7 percent. Changes in net selling prices increased sales by 8 percent, volumes grew 2 percent, and changes in product mix increased sales by approximately 2 percent. Changes in foreign currency exchange rates decreased sales by 6 percent.

Net sales in developed markets outside North America increased 5 percent. Changes in net selling prices and product mix increased sales by 19 percent and 1 percent, respectively. Changes in foreign currency exchange rates decreased sales by 15 percent.

Operating profit of $119 increased 24 percent. Results benefited from higher net selling prices and cost savings. The comparison was impacted by input cost inflation, lower volumes and unfavorable foreign currency effects.

Liquidity and Capital Resources

Cash Provided by Operations

Cash provided by operations was $1.7 billion for the first nine months of 2022, consistent with the prior year.

Investing

During the nine months ended September 30, 2022, our capital spending was $679 compared to $734 in the prior year. We now anticipate that full year capital spending will be $0.9 billion to $1.0 billion. Acquisition of business, net of cash acquired of $46 in the first nine months of 2022 reflected the acquisition of a controlling interest of Thinx.

Financing

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 $0.6 billion as of September 30, 2022 (included in Debt payable within one year on the consolidated balance sheet). The average month-end balance of short-term debt for the third quarter of 2022 was $0.7 billion. These short-term borrowings provide supplemental funding to support 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 dividends and income taxes.

At September 30, 2022 and December 31, 2021, total debt was $8.6 billion.

We maintain a $2.0 billion revolving credit facility which expires in June 2026 and a $775 revolving credit facility which expires in June 2023. These facilities, currently unused, support our commercial paper program and would provide liquidity in the event our access to the commercial paper markets is unavailable for any reason.

The United Kingdom’s Financial Conduct Authority, which regulates the London Interbank Offered Rate (“LIBOR”), is in the process of phasing out LIBOR with completion of the phase out expected by June 30, 2023. We have evaluated the potential effect of the elimination of LIBOR and do not expect the effect to be material. Accounting guidance has been issued to ease the transition to alternative reference rates from a financial reporting perspective.

We repurchase shares of Kimberly-Clark common stock from time to time pursuant to publicly announced share repurchase programs. During the first nine months of 2022, we repurchased 579 thousand shares of our common stock at a cost of $75 through a broker in the open market. We are targeting full-year 2022 share repurchases of approximately $100, subject to market conditions.

We believe 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, pension contributions, dividends and other needs for the foreseeable future. Further, 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 business, liquidity, financial condition or results of operations for the foreseeable future.

Information Concerning Forward-Looking Statements

Certain matters contained in this report concerning the business outlook, including raw material, energy and other input costs, the anticipated cost savings from our FORCE program, cash flow and uses of cash, growth initiatives, innovations, marketing and other spending, net sales, anticipated currency rates and exchange risks, including the impact in Argentina and Turkey, effective tax rate, 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 the war in Ukraine (including the related responses of consumers, customers, and suppliers and sanctions issued by the U.S., the European Union, Russia or other countries), pandemics (including the ongoing COVID-19 outbreak and the related responses of governments, consumers, customers, suppliers and employees), epidemics, fluctuations in foreign currency exchange rates, the prices and availability of our raw materials, supply chain disruptions, changes in customer preferences, severe weather conditions, government trade or similar regulatory actions, potential competitive pressures on selling prices for our products, energy costs, general economic and political conditions globally and in the markets in which we do business, as well as our ability to maintain key customer relationships, 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, 2021 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 September 30, 2022, 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 September 30, 2022. 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 third quarter of 2022 were made through a broker in the open market.

The following table contains information for shares repurchased during the third quarter of 2022. None of the shares in this table were repurchased directly from any of our officers or directors.

Period (2022)	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[(b)]
July 1 to July 31	46,500	$ 133.97	38,743,681	41,256,319
August 1 to August 31	69,300	134.05	38,812,981	41,187,019
September 1 to September 30	76,200	122.16	38,889,181	41,110,819
Total	192,000			

(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 (the "2014 Program").

(b) Includes shares under the 2014 Program, as well as available shares under a share repurchase program authorized by our Board of Directors on January 22, 2021 that allows for the repurchase of 40 million shares in an amount not to exceed $5 billion.

Item 6. Exhibits

(a) Exhibits

Exhibit No. (10)d. Kimberly-Clark Corporation Voluntary Deferred Compensation Plan, incorporated by reference to Exhibit (10)d of the Corporation's Current Report on Form 8-K dated September 15, 2022.

Exhibit No. (10)g. Summary of Kimberly-Clark Corporation Executive Long-Term Disability Plan, filed herewith.

Exhibit No. (10)p. Severance Pay Plan, amended and restated, September 1, 2022, 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 Securities Exchange Act of 1934, as amended (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 - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL 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

Exhibit No. 104 The cover page from this Current Report on Form 10-Q formatted as Inline XBRL

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/ Andrew S. Drexler
Andrew S. Drexler
Vice President and Controller
(principal accounting officer)

October 25, 2022

Exhibit No. 10(g)

Summary of the
Kimberly-Clark Corporation
Executive Long-Term Disability Plan

The Kimberly-Clark Corporation Executive Long-Term Disability Plan (the "Executive LTD Plan") is an insured disability plan funded by an individual disability income ("IDI") insurance policy issued to each plan participant. The Executive LTD Plan provides participants with an enhanced level of long-term disability ("LTD") insurance coverage over that provided under the Kimberly-Clark Corporation Group Long-Term Disability Plan (the "LTD Plan"), effective as of January 1, 2023.

Eligibility

Participation is limited to officers that are elected by the Board of Directors of Kimberly-Clark Corporation and other employees on U.S. payroll with compensation above a specified threshold which causes them to receive less than the maximum income replacement percentage permitted under the LTD Plan. Eligible employees are automatically enrolled in the Executive LTD Plan.

Executive LTD Plan Coverage

Generally, the LTD Plan provides a monthly disability benefit of 60% of base salary, which can be increased to 70% if optional LTD coverage is elected by an eligible plan participant, for a maximum monthly disability benefit of up to $20,000. The Executive LTD Plan provides a monthly disability benefit of 70% of eligible compensation capped at $20,000 per month; however, this amount is reduced by the amount paid by the LTD Plan. Therefore, the LTD Plan and the Executive LTD Plan together provide a combined maximum monthly disability benefit of 70% of eligible compensation up to a maximum of $40,000 per month. Under the Executive LTD Plan, eligible compensation includes base salary and certain eligible bonuses

Determination of Benefits

Benefits under the Executive LTD Plan will be determined pursuant to the terms of the IDI insurance policy issued by the insurance company and in accordance with the coverage rules described above.

Insurance Policy

Coverage under the Executive LTD Plan is provided through an IDI insurance policy issued directly to the plan participant by the insurance company. Premiums for the IDI insurance policy are paid by Kimberly-Clark Corporation.

Exhibit (10)p

KIMBERLY-CLARK CORPORATION
SEVERANCE PAY PLAN

Amended and Restated as of September 1, 2022

TABLE OF CONTENTS

ARTICLE I

NAME, PURPOSE AND EFFECTIVE DATE OF PLAN

1.1 Name of the Plan. Kimberly-Clark Corporation (the “Corporation”) hereby establishes a severance pay plan for its Employees, to be known as the Kimberly-Clark Corporation Severance Pay Plan (the “Plan”) as set forth in this document. The Plan is intended to qualify as an employee welfare benefit plan within the meaning of Section 3(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”).

1.2 Purpose of the Plan. The purpose of the Plan is to provide Eligible Employees a severance benefit in the event of involuntary termination of employment. The Plan is not intended as a replacement or substitution for any confidentiality or noncompete agreement between an Employee and Employer executed prior or subsequent to the effective date of the Plan.

1.3 Effective Date. The Plan is effective as of January 1, 1998 and is amended and restated to apply to involuntary Separations from Service after September 1, 2022.

ARTICLE II

DEFINITIONS AND CONSTRUCTION

2.1 Definitions. When the following words and phrases appear in this Plan, they shall have the respective meanings set forth below unless the context clearly indicates otherwise:

(a) AIP: The Annual Incentive Program or any successor plan.

(b) Board: The Board of Directors of the Corporation.

(c) Cause: Any termination of employment which is classified by the Employer as for cause, including but not limited to: (i) unsatisfactory performance of duties or inability to meet the requirements of the position, unless classified by the Employer as a Performance Termination; (ii) any habitual neglect of duty or misconduct of the Employee in discharging any of his duties and responsibilities; (iii) excessive unexcused, or statutorily unprotected absenteeism or inattention to duties; (iv) failure or refusal to comply with the provisions of the Employer's personnel manual or any other rule or policy of the Employer; (v) misconduct, including but not limited to, engaging in conduct which the Committee reasonably determines to be detrimental to the Employer; (vi) disloyal, dishonest or illegal conduct by the Employee; (vii) theft, fraud, embezzlement or other criminal activity involving the Employee's relationship with the Employer; (viii) violation of any applicable statute, regulation, or rule, or provision of any applicable code of professional ethics; (ix) suspension, revocation, or other restriction of the Participant's professional license, if applicable; or (x) the Employer's inability to confirm, to its sole satisfaction, the references and/or credentials which the Participant provided with respect to any professional license, educational background and employment history.

(d) COBRA: Medical continuation coverage elected under the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985. Participants shall be eligible to receive medical continuation coverage under COBRA for the number of months provided under Article IV without payment of the applicable premium if the Participant is otherwise eligible for, and timely elects, COBRA medical continuation coverage. The Participant shall be responsible for any additional months of COBRA coverage elected beyond the months of COBRA provided by the Corporation under this Plan. The Participant may also enroll in other applicable COBRA coverage (e.g. dental and/or the health care spending accounts); however, the Participant shall be responsible for and must pay the COBRA premium for such coverage.

(e) Code: The Internal Revenue Code of 1986, as amended from time to time, and as construed and interpreted by valid regulations or rulings issued thereunder.

(f) Committee: The Benefits Administration Committee is appointed to administer and regulate the Plan as provided in Article V.

(g) Comparable Position: A position offered to an employee will be considered a Comparable Position under this Plan unless the Committee determines in its sole discretion that any of the following apply (i) there is a material diminution in the Employee's Earnings on the date of such offer, (ii) a material change in the geographic location at which the Employee must perform the services, (iii) the position offered to the Employee is a material diminution of the Employee's authority, duties or responsibilities. The Employee 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 offer of the non-Comparable Position to the employee, upon the notice of which the Corporation must be provided a period of at least 30 days during which it may remedy the offer and not be required to pay the severance amount. The determination whether a position offered will be considered a Comparable Position under this Plan shall be in the Committee's sole discretion and the Committee shall have the power to promulgate Committee Rules and other guidelines in connection with this determination. Any such determination by the Committee whether a Participant is offered a Comparable Position shall be final and conclusive as to all Eligible Employees and other persons claiming rights under the Plan.

(h) Earnings: The base salary of an Eligible Employee at his or her current stated hourly, weekly, monthly or annual rate on his Termination Date. If Eligible Employee is a full-time Employee, Earnings are the hourly pay rate (excluding shift differential) times 40 (hours). If Eligible Employee is an Employee who works less than 40 hours per week, Earnings are the hourly pay rate (excluding shift differential) times the Employee's regularly scheduled hours per week. Earnings do not include overtime pay, MAAP, bonus or other remuneration for all Eligible Employees. The calculation of a week of Earnings shall be made subject to any applicable Committee rule.

(i) Effective Date: January 1, 1998, or with respect to a particular Subsidiary, such later date as of which the Committee deems such Subsidiary to be an Employer, or as set forth in Appendix A. The Plan is amended and restated to apply to involuntary Separations from Service after January 1, 2022.

(j) Eligible Employee: An hourly Employee not covered by a collective bargaining unit, or salaried Employee, on the regular payroll of an Employer. For purposes of this subsection, "on the regular payroll of an Employer" shall mean paid through the payroll department of such Employer and shall exclude employees classified by an Employer as intermittent or temporary, and persons classified by an Employer as independent contractors, regardless of how such employees may be classified by any federal, state, or local, domestic or foreign, governmental agency or instrumentality thereof, or court.

(k) Employee: A person employed by an Employer.

(l) Employer: The Corporation and each Subsidiary which the Committee shall from time to time designate as an Employer for purposes of the Plan. A list of Employers is set forth in Appendix A.

(m) ELT: The Executive Leadership Team ("ELT") consists of the Chief Executive Officer and other executive officers of the Corporation (within the meaning of Rule 3b-7 of the Securities Exchange Act of 1934 as amended from time to time).

(n) MAAP: The Management Achievement Award Program or any successor plan.

(o) MAAP Eligible: Eligible Employees who as of their date of termination of employment meet the eligibility requirements to participate under MAAP.

(p) Participant: An individual who has met the eligibility requirements to receive Severance Pay pursuant to Article III.

(q) Performance Termination: Any termination of employment with the Corporation or a Subsidiary which is classified by the Employer as for unsatisfactory performance of duties, or inability to meet the requirements of the position. The termination of employment will be classified as a Performance Termination if it is approved by the Employee's team leader, the supervisor of the team leader for the Employee and the applicable Human Resources Business Partner, and also meets one of the following criteria:

(i) the Employee failed to successfully improve his or her performance to an acceptable level following completion of a Performance Improvement Plan notwithstanding the Employee's previous or most recent performance rating; or

(ii) the Employee's team leader has offered the Employee a choice of either entering into a Performance Improvement Plan or a Performance Termination, and the Employee has elected a Performance Termination rather than entering into a Performance Improvement Plan.

(r) Plan Year: A twelve calendar month period beginning January 1 through December 31.

(s) Separation from Service. Termination of employment with the Corporation or a Subsidiary. A Separation from Service will be deemed to have occurred if the Employee's services with the Corporation or a Subsidiary is reduced to an annual rate that is 20 percent or less of the services rendered, on average, during the immediately preceding three years of employment (or if employed less than three years, such lesser period). The Committee shall have the power to promulgate Committee Rules and other guidelines in connection with the determination of a Separation from Service and any such determination by the Committee shall be final and conclusive as to all Eligible Employees and other persons claiming rights under the Plan.

(t) Severance Pay: Payment made to a Participant pursuant to Article IV hereof.

(u) SIP: The United States Consumer Sales Incentive Plan or any successor plan.

(v) Subsidiary: Any corporation, 50% or more of the voting shares of which are owned directly or indirectly by the Corporation, which is incorporated under the laws of one of the States of the United States.

(w) Target MAAP: The target bonus amount established for the Participant, if any, under the MAAP, or any successor or additional plan, for the year in which the Participant's Separation from Service occurs (or for the prior year if a target bonus amount has not yet been established for the year in which the Participant's Separation from Service occurs).

(x) Termination Date: The date of an Employee's Separation from Service.

(y) Years of Service: An Employee shall be credited with a Year of Service for each year of service commencing with the Employee's vacation eligibility date as maintained by the payroll department of such Employer until the Employee's Termination Date, rounded to the nearest whole Year of Service. Notwithstanding any provision in the Plan to the contrary, (i) an Employee's credited Years of Service shall be reduced to the extent such Years of Service have previously been used to calculate a prior severance payment to the Employee and (ii) any period during which the Employee is on notice of termination but is not actively working, including, without limitation, any notice period, period of pay in lieu of such notice or "garden leave" period required under applicable law shall not be counted towards the Employee's Years of Service unless expressly required by applicable legislation.

2.2 Construction: Where appearing in the Plan the masculine shall include the feminine and the plural shall include the singular, unless the context clearly indicates otherwise. The words "hereof," "herein," "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Plan and not to any particular Section or subsection.

ARTICLE III

ELIGIBILITY AND PARTICIPATION

3.1 Participation. An Eligible Employee shall become a Participant on the later of the Effective Date or the first day actively employed by an Employer.

3.2 Eligibility. Each Participant whose employment is involuntarily terminated shall receive Severance Pay; provided, however, that Severance Pay shall not be paid to any Participant who:

(a) is terminated for Cause;

(b) is terminated during a period in which such Participant is not actively at work (i.e., has been on leave) for more than 25 weeks, except to the extent otherwise required by law;

(c) voluntarily quits or retires;

(d) dies;

(e) is offered a Comparable Position as defined in Section 3.5 below.

3.3 Duration. A Participant remains a Participant under the Plan until the earliest of:

(a) the date the Participant is no longer an Eligible Employee;

(b) the Participant's Termination Date; or

(c) the date the Plan terminates.

3.4 Severance Agreement and Release. No Participant shall be entitled to receive Severance Pay hereunder unless such Participant executes a Separation Agreement and Full and Final Release of Claims (the "Agreement"), in the form required by the Corporation, within the period specified for such individual therein and such Participant does not revoke such Agreement in writing within the 7-day period following the date on which it is executed.

3.5 Comparable Position. Severance Pay shall not be paid to any Employee whose employment is involuntarily terminated related to

(a) any separation or reorganization of the Corporation including, but not limited to, a sale, spin-off or shutdown of a portion of the Corporation, including but not limited to a portion of a mill or other location, if such Employee is offered a Comparable Position with the successor entity,

(b) the outsourcing of an Employee to a company other than an Employer, in which such Employee is offered or continues in a Comparable Position, or

(c) any elimination of a job function, or transfer of an Employee's position to another location, in which such Employee is offered a Comparable Position with the Corporation or a Subsidiary.

ARTICLE IV

SEVERANCE BENEFITS

4.1 Severance Pay. Whether any Severance Pay is payable under this Plan, or any increase or decrease in the amount of Severance Pay, shall be in the sole discretion of the Committee and as authorized pursuant to subsection 5.7 below. Any such increase or decrease in the amount of Severance Pay shall be final and conclusive as to all Eligible Employees and other persons claiming rights under the Plan. Subject to the exercise of such discretion, a Participant's Severance Pay shall be determined as follows:

(a) Each individual who is eligible as provided in Article III above, shall receive, the Severance Pay, COBRA, outplacement assistance services and Employee Assistance Program services set forth below.

Provision	ELT	Grades 1-4	Other MAAP-Eligible	Salaried Exempt	Salaried Non-Exempt	Production Non-Union
Severance - Termination on or after 12 months employment	2 x the sum of annual Earnings plus Target MAAP	The sum of annual Earnings plus Target MAAP	2 weeks of Earnings per Year of Service (26 weeks Earnings minimum)	2 weeks of Earnings per Year of Service (12 weeks Earnings minimum)	1 week of Earnings per Year of Service (6 weeks Earnings minimum)	1 week of Earnings per Year of Service (6 weeks Earnings minimum)
Severance – Termination within first 12 months employment	3 months Earnings	3 months Earnings	3 months Earnings	3 months Earnings	6 weeks Earnings	6 weeks Earnings
Current Year MAAP or AIP	Target MAAP pro-rated based on days worked in the performance year, if Separation from Service is after March 31 of the performance year	Target MAAP pro-rated based on days worked in the performance year, if Separation from Service is after March 31 of the performance year	Target MAAP pro-rated based on days worked in the performance year, if Separation from Service is after March 31 of the performance year	AIP target award amount, pro-rated based on days worked in the performance year, if Separation from Service is after March 31 of the performance year		
COBRA	6 months	6 months	6 months	6 months	6 months	6 months
Outplacement	12 months	12 months	9 months	6 months	3 months	2 months (single termination) Workshop (group termination)
EAP	3 months	3 months	3 months	3 months	3 months	3 months

(b) Each individual who is eligible as provided in Article III above, and whose employment is classified by the Employer as a Performance Termination, shall receive, the Severance Pay, COBRA, outplacement assistance services and Employee Assistance Program services set forth below. Notwithstanding the foregoing, any Participant who is elected by the Board shall not be eligible to receive a benefit under this subsection 4.1(b). Unless otherwise eligible for payment under the terms of the applicable bonus plans, if the Participant's termination is classified as a Performance Termination, the Participant will not receive any pro-rated bonus payments for MAAP, AIP or SIP at termination under this Plan.

Provision	ELT	Grades 1-4	Other MAAP-Eligible	Salaried Exempt	Salaried Non-Exempt	Production Non-Union
Severance – Performance Termination	N/A	6 months Earnings	3 months Earnings	3 months Earnings	6 weeks Earnings	N/A
COBRA	N/A	6 months	6 months	6 months	6 months	N/A
Outplacement	N/A	12 months	9 months	6 months	3 months	N/A
EAP	N/A	3 months	3 months	3 months	3 months	N/A

(c) Severance Pay, including the payment of any prorated current year SIP, AIP or MAAP shall be paid as a lump sum cash payment no later than 60 days following the Participant's last date of employment, if the Agreement provides for a 21 day period to consider the release, and no later than 75 days following the Participant's last date of employment if the Agreement provides for a 45 day period to consider the release, provided, however, should any payments under this Plan be delayed no interest will be owed to the Participant with respect to such late payment. Notwithstanding the foregoing, if the Agreement provides for a 21 day period to consider the release and the last date of Employee's employment is on or after November 1, or if the Agreement provides for a 45 day period to consider the release and the last date of Employee's employment is after October 15, then the payment will always be made in the first applicable pay period in the following calendar year.

(d) The Severance Pay determined pursuant to subsection 4.1(a) and (b) above will be offset by any amount paid to a Participant (but not less than zero) pursuant to the Worker Adjustment and Retraining Notification Act ("WARN"), or any similar state or other law, in lieu of notice thereunder. The benefits provided under this Plan are intended to satisfy any and all statutory obligations that may arise out of an Eligible Employee's involuntary termination, and the Committee shall so construe and implement the terms of the Plan.

(e) If, at the time Severance Pay is to be made hereunder, a Participant is indebted or obligated to an Employer or any affiliate, including, but not limited to, any repayment under the Corporation's relocation program, then such Severance Pay shall be reduced by the amount of such indebtedness or obligation to the extent allowable under applicable federal or state law; provided that the Corporation may in its sole discretion elect not to reduce the Severance Pay by the amount of such indebtedness or obligation and provided that any such election by the Corporation shall not constitute a waiver of its claim of such indebtedness or obligation, in accordance with applicable law.

(f) Notwithstanding any provision in the Plan to the contrary, Severance Pay shall be reduced by the amount of any other severance payments, whether under any severance plan or offer letter or other individual agreement, made by an Employer.

(g) Severance Pay hereunder shall not be considered "compensation" for purposes of determining any benefits provided under any pension, savings, or other benefit plan maintained by an Employer.

(h) The Employer will comply with the requirements of American Rescue Plan Act of 2021 ("ARPA"), which requires employers to fully subsidize COBRA for certain Assistance Eligible Individuals for periods of coverage from April 1, 2021 through September 30, 2021. The COBRA subsidy provided by the Employer under the Plan shall be treated in accordance with ARPA as payment of the subsidy for purposes of ARPA and shall not be in addition to or extend the terms of COBRA subsidies provided under ARPA.

4.2 Withholding. A Participant shall be responsible for payment of any federal, Social Security, state, local or other taxes on Severance Pay under the Plan. The Employer shall deduct from Severance Pay any federal, Social Security, state, local or other taxes which are subject to withholding, as determined by the Employer.

4.3 Forfeiture, Recoupment and Recovery of Overpayments. If it is determined that any amount paid to an individual under this Plan should not have been paid or should have been paid in a lesser amount, written notice thereof shall be given and such individual shall promptly repay the amount of the overpayment to the Plan. Notwithstanding the foregoing, the Plan in all cases reserves the right to pursue collection of any remaining overpayments if the above recovery efforts under this paragraph have failed.

Without limiting the foregoing, if, following a Participant's Separation from Service for a reason other than the Participant's termination for Cause, the Corporation discovers facts that such Participant's Separation from Service could have been for Cause, such Participant's Separation from Service will be deemed to have been for Cause for all purposes, and as a result, (a) the Employer will cease payment of any benefit otherwise payable to the Participant under the Plan and (b) the Participant will be required to repay to the Corporation all cash amounts received under the Plan that would not have been payable to such Participant had such Separation from Service been for Cause under Section 3.2(a) above.

Further, all amounts to which a Participant is entitled under this Plan shall be subject to forfeiture and/or repayment to the Corporation to the extent and in the manner required (i) to comply with any requirements imposed under applicable laws, regulations, stock exchange listing rules or other rules; (ii) under the terms of the Kimberly-Clark Corporation Compensation Recoupment Policy, to the extent applicable to the Participant, or under any other policy or guideline adopted by the Corporation for purposes of fraud prevention, governance, avoidance of monetary or reputational damage to the Corporation and its affiliates or similar reasons, whether or not such policy or guideline was in place at the time the Participant becomes eligible to participate in this Plan (and such requirements shall be deemed incorporated into this Plan without the consent of the Participant).

ARTICLE V

PLAN ADMINISTRATION

BENEFITS ADMINISTRATION COMMITTEE

5.1 Membership. The Committee shall consist of at least three persons who shall be officers or directors of the Corporation or Eligible Employees. Members of the Committee shall be appointed from time to time by, and shall serve at the pleasure of, the Chief Human Resources Officer of the Corporation (the "CHRO"). The CHRO shall appoint one of the members of the Committee to serve as chairman. If the CHRO does not appoint a chairman, the Committee, in its discretion, may elect one of its members as chairman. The Committee shall appoint a Secretary who may be but need not be, a member of the Committee. The Committee shall not receive compensation for its services. Committee expenses shall be paid by the Corporation.

5.2 Powers. The Committee shall have all such powers as may be necessary to discharge its duties hereunder, including, but not by way of limitation, the power to construe or interpret the Plan, to determine all questions of eligibility hereunder, to adopt rules relating to coverage, and to perform such other duties as may from time to time be delegated to it by the Board. Any interpretations of this Plan by persons other than the Committee or individuals or organizations to whom the Committee has delegated administrative duties shall have no effect hereunder. The Committee may prescribe such forms and systems and adopt such rules and methods and tables as it deems advisable. It may employ such agents, attorneys, accountants, actuaries, medical advisors, or clerical assistants (none of whom need be members of the Committee) as it deems necessary for the effective exercise of its duties and may delegate to such agents any power and duties, both ministerial and discretionary, as it may deem necessary and appropriate. Notwithstanding the foregoing, any claim which arises under any other plan shall not be subject to review under this Plan, and the Committee's authority under this Article V shall not extend to any matter as to which an Administrator under such Program is empowered to make determinations under such plan. In administering the Plan, the Committee will be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions and reports which are furnished by, or in accordance with the instructions of, the Committee of each of the Programs, or by accountants, counsel or other experts employed or engaged by the Committee.

5.3 Procedures. The Committee may take any action upon a majority vote at any meeting at which all members are present and may take any action without a meeting upon the unanimous written consent of all members. All action by the Committee shall be evidenced by a certificate signed by the chairperson or by the secretary to the Committee. The Committee shall appoint a secretary to the Committee who need not be a member of the Committee, and all acts and determinations of the Committee shall be recorded by the secretary, or under his supervision. All such records, together with such other documents as may be necessary for the administration of the Plan, shall be preserved in the custody of the secretary.

5.4 Rules and Decisions. All rules and decisions of the Committee shall be uniformly and consistently applied to all Eligible Employees and Participants under this Plan in similar circumstances and shall be conclusive and binding upon all persons affected by them.

5.5 Books and Records. The records of the Employers shall be conclusive evidence as to all information contained therein with respect to the basis for participation in the Plan and for the calculation of Severance Pay.

5.6 Claim Procedure. The Committee procedure for handling all claims hereunder and review of denied claims shall be consistent with the provisions of ERISA. If a claim for Plan benefits is denied, the Committee shall provide a written notice within 90 days to the person claiming the benefits that contains the specific reasons for the denial, specific references to Plan provisions on which the Committee based its denial and a statement that the claimant may (a) request a review upon written application to the Committee within 60 days, (b) may review pertinent Plan documents and (c) may submit issues and comments in writing. If a claim is denied because of incomplete information, the notice shall also indicate what additional information is required. If additional time is required to make a decision on the claim, the Committee shall notify the claimant of the delay within the original 90 day period. This notice will also indicate the special circumstances requiring the extension and the date by which a decision is expected. This extension period may not exceed 90 days beyond the end of the first 90-day period.

The claimant may request a review of a denied claim by writing the Committee in care of the Plan Administrator. The appeal must, however, be made within 60 days after the claimant's receipt of notice of the denial of the claim. Pertinent documents may be reviewed in preparing an appeal, and issues and comments may be submitted in writing. An appeal shall be given a complete review by the Committee, and a written decision, including reasons, shall be provided within 60 days. If there are special circumstances requiring an extensive review, the Committee shall notify the claimant in a written notice within the original 60 day period of its receipt of the appeal and indicating that the decision will be delayed. A final decision on the appeal shall be made within 120 days of the Committee's receipt of the appeal.

The Committee shall have all of the authority with respect to all aspects of claims for benefits under the Plan, and it shall administer this authority in its sole discretion.

5.7 Committee Discretion.

(a) Any action on matters within the discretion of the Committee, including but not limited to, the amount of Severance Pay conferred upon a Participant, shall be final and conclusive as to all Eligible Employees and other persons claiming rights under the Plan. The Committee shall exercise all of the powers, duties and responsibilities set forth hereunder in its sole discretion. Notwithstanding anything in this Plan to the contrary, the Committee shall have the sole discretion to interpret the terms of the Plan included but not limited to, whether a termination is voluntarily or involuntary, whether a Participant’s termination is for Cause or whether a Participant could have been terminated for Cause, whether a Participant is offered a Comparable Position, and whether Severance Pay shall be payable to any Participant under this Plan.

(b) Any increase or decrease in the amount of Severance Pay for Eligible Employees who are not elected by the Board, different than the amount set forth in 4.1(a) and (b) above may be authorized in their sole discretion by (i) the Committee, (ii) a Group President or Senior Vice President of the Corporation with the endorsement of either the Senior Vice President Global Human Resources or the Vice President Compensation and Benefits or (iii) the Chief Executive Officer. Any such increase or decrease in the amount of Severance Pay shall be final and conclusive as to all such Eligible Employees and other persons claiming rights under the Plan.

(c) Any increase or decrease in the amount of Severance Pay for Eligible Employees who are elected by the Board, different than the amount set forth in 4.1(a) and (b) above may be authorized in their sole discretion by the Management Development and Compensation Committee of the Board. Any such increase or decrease in the amount of Severance Pay shall be final and conclusive as to all such Eligible Employees and other persons claiming rights under the Plan.

5.8 Plan Amendments. The Board may from time to time modify, alter, amend or terminate the Plan. Any action permitted to be taken by the Board under the foregoing provision may be taken by the CHRO if such action:

(a) is required by law, or

(b) is estimated not to increase the annual cost of the Plan by more than $5,000,000, or

(c) is estimated not to increase the annual cost of the Plan by more than $25,000,000 provided such action is approved and duly executed by the CEO.

Any action taken by the Board or CHRO shall be made by or pursuant to a resolution duly adopted by the Board or CHRO and shall be evidenced by such resolution or by a written instrument executed by such persons as the Board or CHRO shall authorize for that purpose.

The Board or CHRO also shall have the right to make any amendment retroactively which is necessary to bring the Plan into conformity with the Code or which is otherwise permitted by applicable law. Any such amendment will be binding and effective for the Employer.

Any action which is required or permitted to be taken by the Board under the provisions of this Plan may be taken by the Management, Development and Compensation Committee of the Board or any other duly authorized committee of the Board designated under the By-Laws of the Corporation.

The Board, the Management, Development and Compensation Committee or any duly authorized committee of the Board, the CEO or the CHRO may authorize persons to carry out its policies and directives subject to the limitations and guidelines set by it, and delegate its authority under the Plan.

5.9 Annual Reporting to the CEO. The CHRO shall report to the CEO before January 31 of each year all action taken by such position hereunder during the preceding calendar year.

5.10 Annual Reporting to the Board. The CEO shall report to the Board before January 31 of each year all action taken by such position hereunder during the preceding calendar year.

5.11 Delegation of Duties. This Plan is sponsored by Kimberly-Clark Corporation. The Committee reserves the right to delegate any and all administrative duties to one or more individuals or organizations. Any reference herein to any other entity or person, other than the Committee or any of its members, which is performing administrative services shall also include any other third party administrators. The responsibilities of any third party administrator may be governed, in part, by a separate administrative services contract.

5.12 Funding. Benefits shall be paid from the general assets of the Corporation.

ARTICLE VI

LIMITATIONS AND LIABILITIES

6.1 Non-Guarantee of Employment. Nothing contained in this Plan shall be construed as a contract of employment between an Employer and a Participant, or as a right of any Participant to be continued in the employment of his Employer, or as a limitation of the right of an Employer to discharge any Participant with or without Cause. Nor shall anything contained in this Plan affect the eligibility requirements under any other plans maintained by the Employer, nor give any person a right to coverage under any other Plan.

6.2 Non-Alienation. Except as otherwise provided herein, no right or interest of any Participant or Beneficiary in the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, attachment, garnishment, execution, levy, bankruptcy, or any other disposition of any kind, either voluntary or involuntary, prior to actual receipt of payment by the person entitled to such right or interest under the provisions hereof, and any such disposition or attempted disposition shall be void.

6.3 Applicable Law. This Plan is construed under, to the extent not preempted by federal law, enforced in accordance with and governed by the laws of the State of Wisconsin. If any provision of this Plan is found to be invalid, such provision shall be deemed modified to comply with applicable law and the remaining terms and provisions of this Plan will remain in full force and effect.

6.4 Notice. Any notice given hereunder is sufficient if given to the Employee by the Employer, or if mailed to the Employee to the last known address of the Employee as such address appears on the records of the Employer.

6.5 Service of Process. The Plan Administrator shall be the designated recipient of the services of process with respect to legal actions regarding the Plan.

6.6 No Guarantee of Tax Consequences. The Employer makes no commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant's gross income for federal, Social Security, or state income tax purposes, or that any other federal, Social Security, or state income tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under this Plan is excludable from the Participant's gross income for federal, Social Security, and state income tax purposes, and to notify the Plan Administrator if the Participant has reason to believe that any such payment is not so excludable. This Plan is intended to be compliant with Section 409A of the Code and the guidance promulgated thereunder. Notwithstanding any other provision of this Plan, the Corporation and the Committee shall administer and interpret the Plan, and exercise all authority and discretion under the Plan, to satisfy the requirements of Code Section 409A and the guidance promulgated thereunder, and any noncompliant provisions of this Plan will either be void or deemed amended to comply with Section 409A of the Code and the guidance promulgated thereunder.

6.7 Limitation of Liability. Neither the Employer, the Plan Administrator, nor the Committee shall be liable for any act or failure to act which is made in good faith pursuant to the provisions of the Plan, except to the extent required by applicable law. It is expressly understood and agreed by each Eligible Employee who becomes a Participant that, except for its or their willful misconduct or gross neglect, neither the Employer, the Plan Administrator nor the Committee shall be subject to any legal liability to any Participant, for any cause or reason whatsoever, in connection with this Plan, and each such Participant hereby releases the Employer, its officers and agents, and the Plan Administrator, and its agents, and the Committee, from any and all liability or obligation except as provided in this paragraph.

6.8 Indemnification of the Committee. The Employer shall indemnify the Committee and each of its members and hold them harmless from the consequences of their acts or conduct in their official capacity, including payment for all reasonable legal expenses and court costs, except to the extent that such consequences are the result of their own willful misconduct or breach of good faith.

APPENDIX A

EMPLOYERS COVERED BY THE KIMBERLY-CLARK CORPORATION
SEVERANCE PAY PLAN

Employers	Participating Units
Kimberly-Clark Corporation	All salaried and hourly non-organized employees*
Kimberly-Clark Financial Services, Inc.	All salaried and hourly non-organized employees*
Kimberly-Clark Global Sales, LLC	All salaried employees*
Kimberly-Clark International Services Corporation	All salaried and hourly non-organized employees except those who transfer to a 50% or less owned foreign subsidiary on a non-temporary basis*
Kimberly-Clark Services, Inc.	All salaried employees*
Kimberly-Clark Pennsylvania, LLC	All salaried employees*
Kimberly-Clark USA, LLC	All salaried and hourly non-organized employees*
Kimberly-Clark Worldwide, Inc.	All salaried and hourly non-organized employees*

*including those on temporary assignment at other employers or in other classifications, but excluding employees on temporary assignment from another Employer or classification.

APPENDIX G

2018 MOBILE FACILITY
VOLUNTARY INCENTIVE
SEPARATION PROGRAM

1. In General. Notwithstanding the requirement under Section 3.2 of the Plan that Severance Pay is only payable upon involuntary termination, an eligible Participant who voluntarily terminates employment shall receive Severance Pay under subsection 3(a) below if they otherwise qualify under the terms of the Plan and meet the requirements of Sections 2 and 3 below, except to the extent otherwise limited in accordance with the terms approved by the Corporation for the 2018 Mobile Facility Voluntary Incentive Separation Program (the "Program").

2. Voluntary Severance Election. A Participant qualifies under this Section 2 if such Participant is:

(a) an hourly organized Employee employed by the Corporation at its Mobile Facility as of May 21, 2018, and who is represented by United Steelworkers of America ("USW"), Local Unions 1421 or 1575, and who remains employed with the Corporation through the date selected by the Corporation as of the Participant's Termination Date which is November 15, 2018 (or a different date as designated by the Corporation in its sole discretion); and

(b) has submitted a valid election form (the "Election Form") to participate in the Program to the Mobile Facility's Human Resources Department within the election period beginning May 21, 2018 and ending at noon (Central Time) on June 11, 2018, and such election is accepted by the Corporation under the terms of the Program; and

(c) If more than 15 eligible employees elect the Program, the Corporation will accept elections in order of Mill seniority.

3. Severance Pay. Notwithstanding any provision in the Plan to the contrary, Severance Pay shall be reduced by the amount of any other severance payments, whether under any severance plan or offer letter or other individual agreement, made by an Employer.

(a) If a Participant is accepted into the Program and is employed by the Corporation as of the Termination Date, the Participant will be entitled to:

(1) a $30,000 lump sum severance payment under the Program, less ordinary tax withholding and all required deductions from the Corporation.

(2) payout of 2019 vacation allotment, provided the Participant has worked at least 1,040 hours in 2018 before the Termination Date.

(b) Severance Pay shall be paid as a lump sum cash payment no later than 75 days following the Participant's Termination Date, provided, however, should any payments under this Plan be delayed no interest will be owed to the Participant with respect to such late payment. Notwithstanding the foregoing, if the last date of Employee's employment is after October 15, then the payment will always be made in the first applicable pay period in the following calendar year.

4. Release Agreement. No Participant shall be entitled to receive any of the benefits provided under the Program hereunder unless such Participant returns an executed Separation Agreement and Full and Final Release of Claims, in the form required by the Corporation, to the Mobile Facilities Human Resources Department no later than the 45th day after the Participant received the Separation Agreement and Full and Final Release of Claims and such Participant does not revoke such Separation Agreement and Full and Final Release of Claims in writing within the 7-day period following the date on which it is executed. Once

an employee has elected to participate and is selected to participate in the Program, the election cannot be revoked, even if the employee decides not to sign and return the Separation Agreement and Full and Final Release of Claims.

5. Excluded Participants. Notwithstanding any provision in this 31st Amendment to the contrary, the following Participants, and each of the following groups of Participants are excluded from participation in this Program:

(a) salaried exempt Employees at the Mobile Facility;

(b) salaried and hourly non-exempt Employees at the Mobile Facility;

(c) hourly organized Employees at the Mobile Facility who are not represented by United Steelworkers of America ("USW"), Local Unions 1421 or 1575; and

(d) Employees who voluntarily or involuntarily terminate employment prior to the Termination Date prescribed for such individual by the Employer.

APPENDIX H

2019 FULLERTON MILL SEPARATION PROGRAM

1. In General. Notwithstanding any requirements in the Plan to the contrary, pursuant to the terms of the Plan and the Fullerton Mill Closing Agreement ("Agreement") dated July 24, 2018 between Kimberly-Clark Worldwide, Inc. (the "Corporation") and the Association of Western Pulp and Paper Workers, and its Local 672 ("Union"), for and on behalf of all bargaining unit employees at the Corporation's Fullerton Mill in Orange County, California, a Participant at the Fullerton Mill who meets the conditions in the Agreement shall receive Severance Pay, COBRA continuation coverage under his/her current medical plan, EAP coverage and the additional lump sum payments under the terms of the Agreement. No additional benefits shall be provided under the terms of the Plan. If any of the terms of the Agreement should conflict with the terms of the Plan, the terms of the Agreement shall control.

APPENDIX I

2020 KIMBERLY-CLARK PROFESSIONAL GROUP REDUCTION IN FORCE PROGRAMS

1. In General. Notwithstanding any provisions of Section 4.1(c) of the Plan, with respect to the 2020 Kimberly-Clark Professional Group Reduction-In Force Programs, Eligible Employees who are eligible for Severance Pay under Section 3.2 and whose last day of employment is on October 23, 2020, shall receive Severance Pay in accordance with the revised amended Section 4.1(c) below:

4.1(c) Severance Pay, including the payment of any prorated current year SIP, AIP or MAAP shall be paid as a lump sum cash payment no later than 60 days following the Participant's last date of employment, if the Agreement provides for a 21 day period to consider the release, and no later than 75 days following the Participant's last date of employment if the Agreement provides for a 45 day period to consider the release, provided, however, should any payments under this Plan be delayed no interest will be owed to the Participant with respect to such late payment. Notwithstanding the foregoing, if the Agreement provides for a 21 day period to consider the release and the last date of Employee's employment is on or after November 1, or if the Agreement provides for a 45 day period to consider the release and the last date of Employee's employment is after October 15, then the payment will be made in the first applicable pay period in the calendar year ending December 31, 2020. Notwithstanding the foregoing, any current year EOAAP, or MAAP that is payable to an officer of the Corporation elected by the Board, shall be paid at the same time as it was payable under the provisions of EOAAP or MAAP but no later than 60 days following the end of the calendar year of the Separation from Service.

APPENDIX J

2021 Positioning Kimberly-Clark North America for Growth Project

Section 3.2 of the Plan is hereby amended effective April 14, 2021, to add the following paragraph to read as follows:

> Notwithstanding the provisions of Section 3.2(e) of the Plan, if a Participant who is subject to the 2021 Positioning Kimberly-Clark North America for Growth Project (the "Project") is offered a Comparable Position of employment with the Corporation during the election period beginning April 14, 2021 and ending July 12, 2021 (the "Election Period"), the Participant shall continue to be eligible under the Severance Pay notwithstanding such offer, provided the Participant is otherwise eligible under the terms of the Plan. Any offer the Participant receives of a Comparable Position after such Election Period shall make the Participant ineligible for Severance Pay under the Plan relating to the Participant's involuntary termination in connection with the Project.

Exhibit (31)a

CERTIFICATIONS

I, Michael D. Hsu, 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.

/s/ Michael D. Hsu
Michael D. Hsu
Chief Executive Officer

October 25, 2022

Exhibit (31)b

CERTIFICATIONS

I, Nelson Urdaneta, 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.

/s/ Nelson Urdaneta
Nelson Urdaneta
Chief Financial Officer

October 25, 2022

Exhibit (32)a

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

I, Michael D. Hsu, 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 October 25, 2022 (“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/ Michael D. Hsu
Michael D. Hsu
Chief Executive Officer

October 25, 2022

Exhibit (32)b

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

I, Nelson Urdaneta, 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 October 25, 2022 (“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/ Nelson Urdaneta
Nelson Urdaneta
Chief Financial Officer

October 25, 2022