



Kimberly-Clark

INDISPENSABLE

Partner's
report

**WINNING
THE SEASON**
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**KIMBERLY-CLARK
ON A ROLL**
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SPECIFIC
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MOMENTUM**
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Loblaws
COMPANIES LIMITED

SUSTAINABILITY

Overview

What is Sustainability?

“A business approach to create long-term shareholder value by embracing opportunities and managing risks deriving from economic, environmental and social developments.”
– Dow Jones Sustainability Index



Corporate Social Responsibility

As a company with the mission to enhance the health, hygiene and well-being of people every day, everywhere, we have an obligation to meet high standards of environmental and social responsibility.

Growing Responsibly In A World Of Finite Resources

K-C embraces sustainability through our commitments to...

The products we make...

- Listening to the Sustainability insights of our customers/shoppers/choosers/users to help drive innovations.
- Applying “Design for Environment” principles systematically to our product development and innovation processes.
- Being a global leader in the responsible use of primary and secondary fiber.

The way we do business...

- Reducing the environmental footprint of our global operations by working toward our aggressive Vision 2010 goals, including fresh water reduction, energy efficiency improvement and waste recycling.
- Encouraging our business partners to support our Sustainability efforts.

Our contributions to people's lives and our communities...

- Having a positive impact on local communities and countries wherever we live and do business.

Empowering our employees to think and act sustainably...

- Challenging employees to help K-C achieve success in its Sustainability efforts.
- Encouraging employees to make better choices for the environment on a daily basis.



PRODUCTS



OPERATIONS



COMMUNITIES



EMPLOYEES

Kimberly-Clark Awards



Kimberly-Clark Leads Personal Products Category for the Fourth Consecutive Year

For the fourth consecutive year, Kimberly-Clark Corporation (NYSE: KMB) ranks No. 1 in the personal products category of the Dow Jones Sustainability World Index (DJSI World). The DJSI World rankings are based on the long-term economic, environmental and social performance of leading global companies across 57 industries. Kimberly-Clark was ranked No. 1 among a global peer group of 16 personal products companies.

“We are proud of our rankings in the Dow Jones Sustainability World Index,” said Tom Falk, Chairman

and CEO. “We recognize that only companies that build sustainability into the way they do business will have enduring success, and to that end, we are advancing sustainability throughout Kimberly-Clark.”

Only the top 10 percent of the world's largest 2,500 companies qualify for this prestigious list, with companies selected according to a systematic sustainability assessment that identifies the leaders in each industry group.

SOURCE: <http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=104&STORY=/www/story/09-10-2008/0004882803&EDATE>



KIMBERLY-CLARK WINS AWARDS!

Kimberly-Clark Corporation ranks No. 9 on EPA's fortune 500 Green Power LIST

Kimberly-Clark Corporation announced for the first time it appears on the U.S. Environmental Protection Agency's (EPA's) National Top 50 List of the largest green power users.

Kimberly-Clark's Everett, Wash. facility uses an innovative process to utilize waste from the facility's pulp manufacturing process to generate over 220 million kilowatt hours (kWh) of renewable energy annually. This on-site generation of green power equals over 7 percent of Kimberly Clark's purchased electricity use in the United States.

“Inclusion on the EPA list of the nation's top green power users is a welcome recognition of Kimberly-Clark's strong environmental commitment and of our company's support for the development of renewable energy,” said Drew Barfoot, Kimberly-Clark's Vice President of Environment, Energy, Safety Quality and Sustainability. “Green power has proven to be a sound, sustainable business decision for Kimberly-Clark.”

Andrew Barfoot
VP ENV Energy Safety
Quality & Sustainability



Source: <http://www.csrwire.com/News/14428.html>

Kimberly-Clark has been named a 2009 Energy Star Partner of the Year by the U.S. Environmental Protection Agency (EPA).

The award recognizes K-C's ongoing efforts to increase energy efficiency and reduce greenhouse gas emissions across its operations. K-C's accomplishments will be recognized at an awards ceremony in Washington, D.C., on March 31.

“In these challenging economic times, our focus on energy efficiency is generating real cost savings for our businesses, while helping us improve sustainability, reduce our environmental impact and preserve resources for the future,” says Drew Barfoot, vice president of Environment, Energy, Safety, Quality and Sustainability. “This recognition as an EPA Energy Star Partner of the Year underscores our commitment to weaving sustainability through every aspect of our business.”



SUSTAINABILITY

GREENPEACE

Kimberly-Clark Sets the Bar Higher for Tissue Products with

Stronger Global Forest Policy

GREENPEACE ENDS ITS "KLEERCUT" CAMPAIGN

Greenpeace Ends Its "Kleercut" Campaign and Applauds the Company's Sustainability Efforts
Washington -- Aug. 5, 2009 -- Kimberly-Clark Corporation, the maker of Kleenex, Scott and Cottonelle brands, today announced stronger fiber sourcing standards that will increase conservation of forests globally and will make the company a leader for sustainably produced tissue products. Greenpeace, which worked with Kimberly-Clark on its revised standards, announced that it will end its "Kleercut" campaign, which focused on the company and its brands.

"We are committed to using environmentally responsible wood fiber and today's announcement enhances our industry-leading practices in this area," said Suhas Apte, Kimberly-Clark Vice President of Environment, Energy, Safety, Quality and Sustainability. "It is our belief that certified primary wood fiber and recycled fiber can both be used in an environmentally responsible way and can provide the product performance that customers and consumers expect from our well-known tissue brands. We commend

Greenpeace for helping us develop more sustainable standards."

Kimberly-Clark has set a goal of obtaining 100 percent of the company's wood fiber for tissue products, including the Kleenex brand, from environmentally responsible sources. The revised standards will enhance the protection of Endangered Forests and increase the use of both Forest Stewardship Council (FSC) certified fiber and recycled fiber. By the end of 2011, Kimberly-Clark will ensure that 40 percent of its North American tissue fiber - representing an estimated 600,000 tonnes - is either recycled or FSC certified, an increase of more than 70 percent over 2007 levels.

"Today, ancient forests like the Boreal Forest have won," said Richard Brooks, Greenpeace Canada Forest Campaign Coordinator. "This new relationship between Kimberly-Clark and Greenpeace will promote forest conservation, responsible forest management, and recycled fiber as far and wide as possible." Also by the end of 2011, Kimberly-Clark will eliminate the purchase of any fiber from the Canadian Boreal Forest that is not FSC certified. This

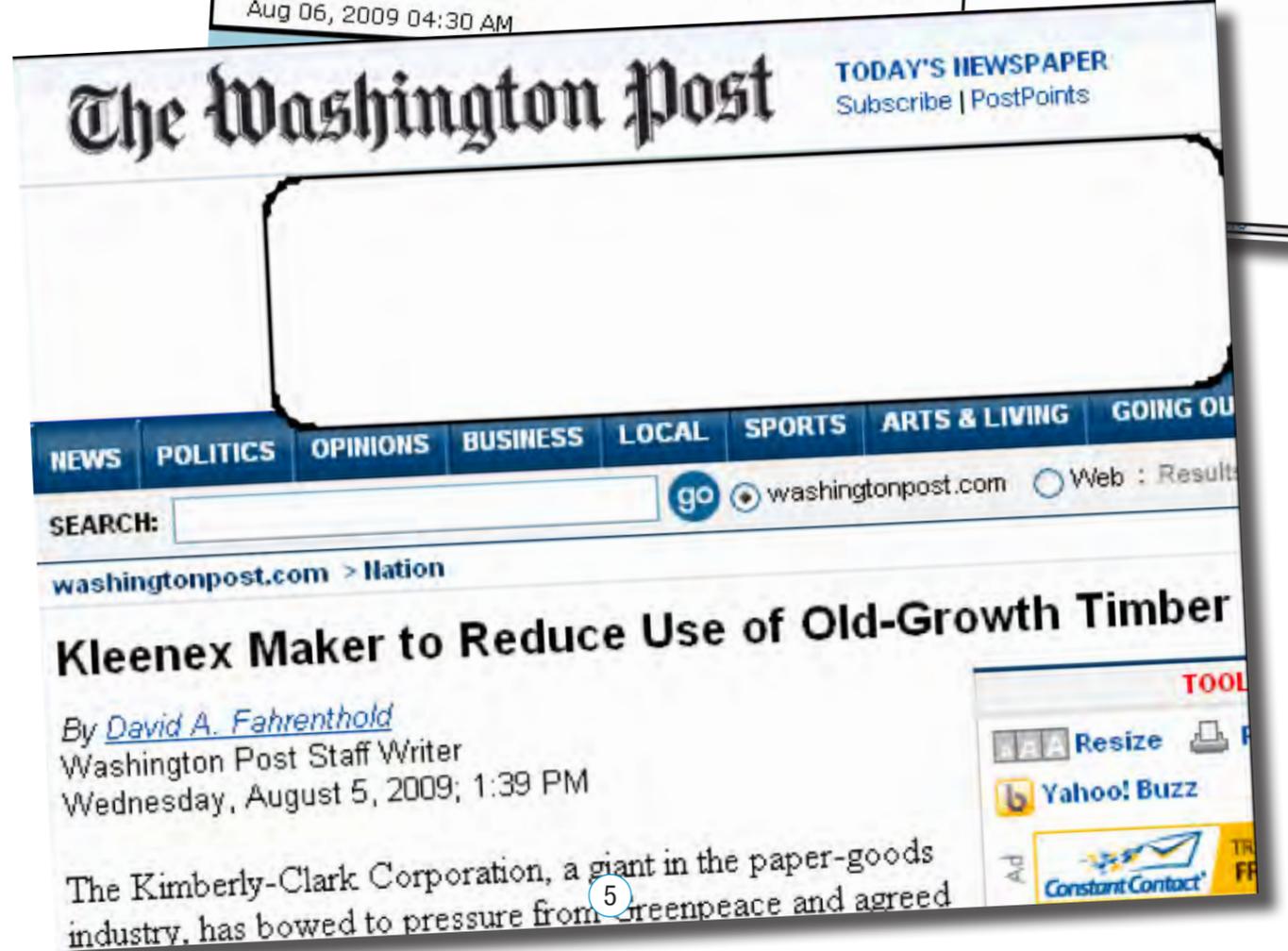
forest is North America's largest old growth forest, providing habitat for threatened wildlife such as woodland caribou and a sanctuary for more than one billion migratory birds. It is also the largest terrestrial storehouse of carbon on the planet, storing the equivalent of 27 years worth of global greenhouse gas emissions.

Furthermore, the revised standards reinforce Kimberly-Clark's longstanding ban on use of wood fiber from illegal sources; adds a preference for post-consumer recycled fiber; and supports expansion of recycling initiatives and the identification, mapping and protection of areas that have the potential to be designated as Endangered or High Conservation Value forests. "These revised standards are proof that when responsible companies and Greenpeace come together, the results can be good for business and great for the planet," said Scott Paul, Greenpeace USA Forest Campaign Director. "Kimberly-Clark's efforts are a challenge to its competitors. I hope other companies pay close attention."

Notes to the Editor:

1. The full text of Kimberly-Clark's Fiber Procurement Annex can be found at <http://www.kimberly-clark.com/pdfs/K-C%20policies.pdf>.
2. The Forest Stewardship Council third party certifies that forests are responsible managed. Certified products bear the FSC logo and can be traced back to specific forest areas. For more information, please visit www.fsc.org.
3. As a result of Kimberly-Clark's announcement, Greenpeace will end its "Kleercut" campaign and update its website to publicly recognize Kimberly-Clark's positive actions. More information can be found at www.greenpeace.org/kleercut.

Source: <http://investor.kimberly-clark.com/releaseDetail.cfm?ReleaseID=401321>



SUSTAINABILITY

Product Lines



HUGGIES® Pure & Natural

Strong Consumer Interest

- 50% of moms are interested in “natural” concepts!
- 91% purchase interest for moms who buy HUGGIES® Brand most often!
- 81% of moms are interested in purchasing Pure & Natural!
- Strong interest from new moms.

STUDY: CMR 15014



HUGGIES® Innovation! A natural touch!

- Organic Cotton
- Aloe & Vitamin E
- Liner features annually renewable materials
- Less ink vs. HUGGIES® Natural Fit Diapers
- 20% recycled materials in packaging
- Unbeatable leakage protection
- Fragrance Free
- Hypoallergenic

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Introducing SCOTT® Naturals.

“Mindful” Shoppers

- 80 percent of Canadians say they take the environmental impact of their choices into consideration when making purchasing decisions¹; however, “very few consumers...are willing to sacrifice for green”
- **Result:** only 4.3% of category dollars in Canada are spent on paper towels with recycled fiber¹
- **Opportunity:** there is a large segment of consumers who want recycled fiber products, but they demand branded quality at a fair price

1. Understanding The LOHAS Market Report, March 2008

Why aren't all environmentally conscious consumers using paper towels with recycled fiber?

- “Very few consumers... are willing to sacrifice for green”
- “Potential sacrifices for environmentally-friendly products include price, convenience (to buy or use), brand perception, style, product quality, and effectiveness”

Solution

- Consumers don't have to sacrifice!
- Right combination of branded quality with environmental benefits
- Responsible fiber mix ensures high quality expected of SCOTT®
- Minimum 60% post-consumer recycled fiber
- ECO-Friendly poly - at least 20% post consumer recycled plastic
- Canadian consumers asked for Mega Roll, Create-A-Size*
- 100% recycled fiber cases and cores
- Napkins – new packaging reflects new positioning (soft rollover 2/15/09)

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