KIMBERLY CLARK CORP
Form DEF 14A
March 11, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)
Filed by the Registrant þ Filed by a Party other than the Registrant ¨
Check the appropriate box:
¨ Preliminary Proxy Statement
¨ Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
¨ Definitive Additional Materials
¨ Soliciting Material Pursuant to §240.14a-12
Kimberly-Clark Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
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March 11, 2013
Thomas J. Falk
Chairman of the Board and
Chief Executive Officer

FELLOW STOCKHOLDERS:

It is my pleasure to invite you to the Annual Meeting of Stockholders of Kimberly-Clark Corporation. The meeting will be held on Thursday, May 2, 2013, at 9:00 a.m. at our World Headquarters which is located at 351 Phelps Drive, Irving, Texas.

At the Annual Meeting, stockholders will be asked to elect twelve directors for a one-year term, ratify the selection of Kimberly-Clark's independent auditors, and approve the compensation for our named executive officers. These matters are fully described in the accompanying Notice of Annual Meeting and proxy statement.

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

Sincerely,

KIMBERLY-CLARK CORPORATION

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD MAY 2, 2013

The Annual Meeting of Stockholders of Kimberly-Clark Corporation will be held at our World Headquarters which is located at 351 Phelps Drive, Irving, Texas, on Thursday, May 2, 2013, at 9:00 a.m. for the following purposes:

1. To elect as directors the twelve nominees named in the accompanying proxy statement;
2. To ratify the selection of Deloitte & Touche LLP as our independent auditors for 2013;
3. To approve the compensation for our named executive officers; and
4. To take action upon any other business that may properly come before the meeting or any adjournments of the meeting.

Stockholders of record at the close of business on March 4, 2013 are entitled to notice of and to vote at the meeting or any adjournments.

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

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

By Order of the Board of Directors.

John W. Wesley
Vice President – Deputy General Counsel and Corporate Secretary

P.O. Box 619100
Dallas, Texas 75261-9100
March 11, 2013

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PROXY STATEMENT
PART ONE
VOTING INFORMATION

On behalf of the Board of Directors of Kimberly-Clark Corporation, we are soliciting your proxy for use at the Annual Meeting of Stockholders and at any adjournment of the Annual Meeting. Important dates relating to the Annual Meeting are as follows:

- Record Date: March 4, 2013. Stockholders of record as of the close of business on this date are entitled to vote at the Annual Meeting.
- Mailing Date: March 14, 2013. This is the date on which we first began providing our stockholders with this proxy statement and form of proxy.
- Meeting Date: May 2, 2013. This is the date of our Annual Meeting, which will begin at 9:00 a.m. at our World Headquarters in Irving, Texas.

Notice of Electronic Availability of Proxy Statement and Annual Report

As permitted by rules of the Securities and Exchange Commission ("SEC"), we are making this proxy statement and our annual report available to our stockholders electronically via the Internet. This reduces printing and delivery costs and supports our sustainability efforts. The notice of electronic availability contains instructions on how to access this proxy statement and our annual report and how to vote online. If you received a notice by mail, you will not receive a printed copy of the proxy materials in the mail. Instead, the notice instructs you on how to access and review all of the important information contained in the proxy statement and annual report online. The notice also instructs you on how you may vote your proxy. If you received a notice by mail and would like to receive a printed copy of our proxy materials, you should follow the instructions contained in the notice for requesting these materials.

Who May Vote

Each stockholder of record at the close of business on the record date will be entitled to one vote for each share registered in the stockholder's name. On that date 386,809,182 shares of our common stock were outstanding.

How You May Vote

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

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

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

- FOR the election of directors named in this proxy statement
- FOR ratification of the selection of our independent auditors
- FOR approval of the compensation of our named executive officers

How You May Revoke or Change Your Vote

You may revoke or change your proxy in any of the following ways:

- By mailing a revised proxy form to the Corporate Secretary of Kimberly-Clark, which must be received prior to the start of the meeting
- By changing your vote on the Internet website
- By using the telephone voting procedures
- By voting in person at the meeting

Confidential Voting

Proxy forms are received by our independent proxy processing agent, and the vote is certified by independent Inspectors of Election. Proxy forms and ballots that identify the vote of stockholders and plan participants will be kept confidential, except as necessary to meet legal requirements, in cases where stockholders and participants request disclosure or write comments on their cards, or in a contested matter involving an opposing proxy solicitation. During the proxy solicitation period, we will receive regular tabulation reports from the independent proxy processing agent, but these reports provide only aggregate data. In addition, the agent may identify stockholders who fail to vote so that we may contact them and request they do so.

Costs of Solicitation

Kimberly-Clark will bear the cost of preparing, printing and delivering materials in connection with this solicitation of proxies, including the cost of the proxy solicitation and the expenses of brokers, fiduciaries and other nominees in forwarding proxy materials to beneficial owners. In addition to the use of mail and electronic delivery, solicitation may be made by telephone or otherwise by our employees. We have retained D. F. King & Co., Inc. to aid in the solicitation at a cost of approximately $19,000 plus reimbursement of out-of-pocket expenses.

Votes Required/Voting Procedures

A majority of the shares of our common stock, present in person or represented by proxy, will constitute a quorum for purposes of the Annual Meeting. The twelve nominees for director receiving a majority of the votes cast at the meeting in person or by proxy will be elected. If a nominee does not receive a majority of the votes cast, then the nominee will be subject to the Board’s existing policy regarding resignations by directors who do not receive a majority of “for” votes. For approval, all other matters require the affirmative vote of a majority of shares that are present at the Annual Meeting in person or by proxy and entitled to vote on that matter.

Abstentions

For matters other than the election of directors, abstentions will be counted:

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

For the election of directors, abstentions will not be counted:

- for the purpose of determining the number of votes cast in the election of directors; and
- as votes “for” or “against” a director nominee.

Broker Non-Votes

Routine Matters. If your shares are held in street name and you do not instruct your broker on how to vote your shares, your broker, in its discretion, may either leave your shares unvoted or vote your shares on routine matters. Proposal 2. Ratification of Auditors is the only routine matter for the Annual Meeting.

Non-Routine Matters. Without instruction, your broker cannot vote your shares on non-routine matters and will result in broker non-votes. Broker non-votes will not be:

- considered present or entitled to vote on non-routine matters; and
- counted for the purpose of determining the number of votes cast on these proposals.

Direct Stock Purchase and Dividend Reinvestment Plan

If a stockholder is a participant in our Direct Stock Purchase and Dividend Reinvestment Plan, the proxy form represents the number of full shares in the stockholder’s account in the plan, as well as shares registered in the stockholder’s name. Shares held in the plan may be voted in the same manner as other shares held by the stockholder.

Employee Benefit Plans

We also are sending or otherwise making this proxy statement and voting materials available to participants in various Kimberly-Clark employee benefit and stock purchase plans. The trustee of each plan, as the stockholder of record of the shares of our common stock held in the plans, will vote whole shares of stock attributable to each participant’s interest in the plans in accordance with the directions the participant gives or, if no directions are given by the participant, in accordance with the directions of the respective plan committee.

Attending the Annual Meeting

Stockholders as of the record date, March 4, 2013, or their duly appointed proxies, may attend the Annual Meeting. If you plan to attend the meeting, please check your proxy form in the space provided or so indicate electronically or by telephone. This will assist us with meeting preparations and will help us to expedite your admittance. If your shares are not registered in your own name and you would like to attend the meeting, please ask the broker, trust, bank or other nominee that holds your shares to provide you with evidence of your share ownership as of the record date, which will enable you to gain admission to the meeting.

To obtain directions to attend the meeting and vote in person, please contact Stockholder Services by telephone at (972) 281-1522 or by e-mail at stockholders@kcc.com.

Householding Information

Some stockholders as of the record date who have the same address and last name and have not previously requested electronic delivery of proxy materials will receive a single proxy package containing one annual report, one proxy statement and multiple proxy cards for each stockholder, or one envelope containing a Notice of Internet Availability of Proxy Materials for each stockholder. This procedure helps us reduce printing and postage costs associated with providing our proxy materials and is consistent with our sustainability efforts.

If you reside in the same household with another stockholder with the same last name and in the future wish to receive a separate envelope with a proxy statement and annual report or Notice of Internet Availability of Proxy Materials, please contact Stockholder Services by mail at P.O. Box 612606, Dallas, Texas 75261-2606, by telephone at (972) 281-1522 or by e-mail at stockholders@kcc.com.

Beneficial stockholders can request information about householding from their banks, brokers or other such holders of record.

PART TWO

CORPORATE GOVERNANCE INFORMATION

Board of Directors and Board Committees

The Board of Directors met six times in 2012. All of the directors attended in excess of 75 percent of the total number of meetings of the Board and committees of the Board on which they served.

Although we do not have a formal policy with respect to director attendance at annual meetings, since 1997 all directors standing for election have attended the annual meetings. All of our directors attended the 2012 Annual Meeting, with the exception of Mr. Sullivan, who retired from the Board just prior to the 2012 Annual Meeting.

The standing committees of the Board include the Audit Committee, Management Development and Compensation Committee, Nominating and Corporate Governance Committee and Executive Committee. In compliance with applicable New York Stock Exchange ("NYSE") corporate governance listing standards, the Board has adopted charters for the Audit, Management Development and Compensation, and Nominating and Corporate Governance Committees.

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

Audit Committee

John R. Alm is the Chairman of our Audit Committee. The other members of this Committee are John F. Bergstrom, Robert W. Decherd, Nancy J. Karch and Linda Johnson Rice. The Committee met eight times in 2012. In addition, the Chairman of the Committee participated in three conference calls to preview earnings press releases during 2012.

Each member of the Audit Committee is an Independent Director under the independence standards set forth in our Corporate Governance Policies. See "Director Independence" for additional information on Independent Directors.

Each member of the Audit Committee satisfies the financial literacy requirements of the NYSE, and the Board has determined that Mr. Alm is an "audit committee financial expert" under SEC rules and regulations.

The principal functions of the Audit Committee, as specified in its charter, include the following:

- Overseeing:
  - the quality and integrity of our financial statements,
  - our compliance programs,
  - our hedging strategies and policies,
  - the independence, qualification and performance of our independent auditors, and
  - the performance of our internal auditors.
- Subject to stockholder ratification, selecting and engaging our independent auditors.
- Reviewing the scope of the audits and audit findings, including any comments or recommendations of our independent auditors.
- Establishing policy in connection with internal audit programs.
- Pre-approving all audit and non-audit services provided by our independent auditors.
- Providing oversight of our risk management program and receiving periodic reports from management on risk assessments, the risk management process and issues related to the risks of managing our business.

For additional information about the Audit Committee's oversight activities in 2012, see "Part Three — Proposals to be Voted on at the 2013 Annual Meeting — Ratification of Auditors — Audit Committee Report."

No member of the Audit Committee simultaneously serves on the audit committees of more than three public companies. If a member were to simultaneously serve on more than three public company audit committees, information regarding the Board's determination of whether this simultaneous service impairs the ability of the member to effectively serve on the Audit Committee would be available in the Investors section of our website at www.kimberly-clark.com.

Management Development and Compensation Committee

Abelardo E. Bru is the Chairman of our Management Development and Compensation Committee. In addition to Mr. Bru, the current members of this Committee are Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro. The Committee met five times in 2012. Each member of this Committee is an Independent Director.

The principal functions of the Management Development and Compensation Committee, as specified in its charter, include the following:

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

Compensation Processes and Procedures

On an annual basis, the Committee reviews and sets the compensation of our elected officers, including all of our executive officers. The Committee's charter does not permit the Committee to delegate to anyone the authority to establish any compensation policies or programs for elected officers, including our executive officers. Our Chief Executive Officer has the authority to establish compensation programs for non-elected officers. Additionally, as discussed in "Part Four — Other Important Information — Executive Compensation — Compensation Discussion and Analysis," our Chairman of the Board and Chief Executive Officer has been delegated authority to approve equity grants to employees who are not elected officers of Kimberly-Clark. The Chairman of the Board and Chief Executive Officer is not permitted to make any grants to any of our elected officers, including our executive officers.

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

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

Use of Compensation Consultants

The Committee's charter provides that the Committee has the authority to retain advisors, including compensation consultants, to assist the Committee in its work. The Committee believes that compensation consultants can provide important market information and perspectives that can help the Committee determine compensation programs that best meet the objectives of our compensation policies. Pursuant to its charter, prior to selecting a compensation consultant the Committee considers factors relevant to the independence of the individual advisors, as well as the independence of the advisor's organization.

Kimberly-Clark Consultant. To assist management and the Committee in assessing and determining appropriate, competitive compensation for our executive officers, we annually engage an outside compensation consultant. In 2012, Mercer Human Resource Consulting ("Mercer") was retained for this purpose. Mercer has provided consulting services to Kimberly-Clark on a wide variety of human resources and compensation matters, both at the officer and non-officer levels. In 2012, Mercer was retained by Kimberly-Clark to provide advice and counsel regarding executive and director remuneration matters on an ongoing basis, including the following services in connection with our executive compensation program:

- Assessing market compensation levels for executive officer positions and other selected positions, within our peer group.
- Reviewing historic and projected performance for peer group companies for metrics used by Kimberly-Clark in our annual and long-term incentive plans.
- Assisting in incentive plan design and modifications, as requested.
- Providing market research on various issues as requested by management.
- Preparing for and participating in Committee meetings, as requested.
- Reviewing the Compensation Discussion and Analysis and other disclosures, as requested.
- Consulting with management on compensation matters.

Independent Committee Consultant. The Committee has also retained The Delves Group as its independent executive compensation consultant. The Committee has adopted a written policy stating that the independent Committee consultant provides services only to the Committee and not to Kimberly-Clark. The Delves Group has no other business relationship with Kimberly-Clark and receives no payments from us other than fees for services to the Committee. The Delves Group reports directly to the Committee, and the Committee may replace The Delves Group or hire additional consultants at any time. A representative of The Delves Group attends Committee meetings and communicates with the Chairman of the Committee between meetings from time to time.

The Committee instructed The Delves Group to provide an independent review of the data and recommendations provided by management and Mercer. The scope of The Delves Group's engagement in 2012 included:

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

During 2012, at the request of the Committee, Don Delves, the President of The Delves Group, attended all Committee meetings.

Committee Assessment of Consultant Conflicts of Interest. The Committee has reviewed whether the work provided by Mercer and The Delves Group raises a conflict of interest. Factors considered by the Committee include: (1) other services provided to Kimberly-Clark by the consultant; (2) fees paid by Kimberly-Clark as a percentage of the consultant's total revenue; (3) policies or procedures maintained by the consultant that are designed to prevent a conflict of interest; (4) any business or personal relationships between the individual consultants of the consultant involved in the engagement and a member of the Committee; (5) any shares of Kimberly-Clark stock owned by the individual consultants involved in the engagement; and (6) any business or personal relationships between our executive officers and the consultant or the individual consultants involved in the engagement. Based on its review, the Committee concluded that it does not believe either Mercer or The Delves Group has a conflict of interest with respect to the work performed for Kimberly-Clark or the Committee.

Committee Report

The Committee has reviewed the "Compensation Discussion and Analysis" section of this proxy statement and has recommended that it be included in this proxy statement. The Committee's report is located at "Part Four — Other Important Information — Executive Compensation — Management Development and Compensation Committee Report."

Nominating and Corporate Governance Committee

Ian C. Read is the Chairman of our Nominating and Corporate Governance Committee. In addition to Mr. Read, the current members of this Committee are Fabian T. Garcia, Mae C. Jemison, M.D. and Marc J. Shapiro. The Committee met four times in 2012. Each member of this Committee is an Independent Director.

The principal functions of the Nominating and Corporate Governance Committee, as specified in its charter, include the following:

- Overseeing the process by which individuals are nominated to become Board members.
- Overseeing matters of corporate governance, including developing and recommending to the Board changes to our Corporate Governance Policies.
- Advising the Board on:
  - Board organization, membership, function, performance and compensation,
  - committee structure and membership, and
  - policies and positions regarding significant stockholder relations issues.
- Reviewing director independence standards and making recommendations to the Board with respect to the determination of the independence of directors.
- Monitoring and recommending improvements to the practices and procedures of the Board.
- Reviewing stockholder proposals and considering responses or actions regarding these proposals.

The Nominating and Corporate Governance Committee, in accordance with its charter and our Certificate of Incorporation, has established criteria and processes for director nominees, including nominations proposed by stockholders. Those criteria and processes are described in "Director Nominee Criteria and Process" and "Stockholder Nominations for Directors."

Executive Committee

James M. Jenness is the Chairman of our Executive Committee. In addition to Mr. Jenness, the current members of this Committee are John R. Alm, Abelardo E. Bru, Thomas J. Falk and Ian C. Read. The Committee met once in 2012.

The principal function of the Executive Committee is to exercise the powers of the Board to direct our business and affairs between meetings of the Board.

Compensation Committee Interlocks and Insider Participation

None of the members of the Management Development and Compensation Committee is a current or former officer or employee of Kimberly-Clark. No interlocking relationship exists between the members of our Board of Directors or the Management Development and Compensation Committee and the board of directors or compensation committee of any other company.

Director Independence

Since 1996, our By-Laws have provided that a majority of our directors be independent directors (“Independent Directors”). In addition, our Corporate Governance Policies adopted by the Board provide independence standards consistent with the rules and regulations of the SEC and the listing standards of the NYSE. Our Corporate Governance Policies are available in the Investors section of our website at www.kimberly-clark.com, and the independence standards are set forth in Section 17 of our Corporate Governance Policies.

The nominees for director are such that immediately after the election of the nominees to the Board, eleven of the twelve directors holding office will be Independent Directors. Our independent Board helps ensure good corporate governance and strong internal controls. We are in compliance with all corporate governance requirements of the NYSE, the SEC, the Sarbanes-Oxley Act of 2002 and the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”) that have become effective as of the filing of this proxy statement.

The Board has determined that all directors and nominees, except for Thomas J. Falk, are Independent Directors and meet the independence standards set forth in our Corporate Governance Policies. The Board also determined that G. Craig Sullivan was an Independent Director and met these independence standards during the period in 2012 in which he served as a director. When making these determinations, the Board considered the following:

- We made charitable contributions of $60,000 in 2010, $101,000 in 2011 and $132,000 in 2012, and paid approximately $68,000 in 2012 for venue rental to the Fox Cities Performing Arts Center in Appleton, Wisconsin, where Mr. Bergstrom is a director. We have significant operations and a significant number of employees in the Fox Cities area of Wisconsin.
- Companies majority-owned by Mr. Bergstrom paid us approximately $50,000 in each of 2010, 2011 and 2012 to lease excess hangar space at an airport near Appleton, Wisconsin and approximately $170,000 in 2010, $174,000 in 2011 and $185,000 in 2012 for pilot services pursuant to a pilot sharing contract. In addition, these companies paid us approximately $191,000 in 2010, $198,000 in 2011 and $194,000 in 2012 for scheduling and aircraft services for their airplane.
- We paid approximately $77,300 in 2010, $66,200 in 2011 and $1,000 in 2012 for automobiles and related services to car dealerships in the Neenah, Wisconsin area that are majority-owned by Mr. Bergstrom.
- We made a charitable contribution of $50,000 in each of 2010 and 2011 and $1,000 in 2012 to the Education is Freedom Foundation, where Mr. Bru is a director.
- We paid approximately $65,000 in 2012 for cooperative product advertising and customer development to Colgate-Palmolive Company, where Mr. Garcia is Chief Operating Officer, Global Innovation and Growth, Europe & Hill’s Pet Nutrition.
- Pfizer, Inc., for which Mr. Read serves as Chairman and Chief Executive Officer, paid us approximately $17,000 in 2011 and $22,000 in 2012 for products.
- We made charitable contributions of $25,000 in each of 2010 and 2011 and $27,000 in 2012 to the United Negro College Fund, where Ms. Johnson Rice is a director.

- We purchased advertising totaling $160,000 in 2010, $315,000 in 2011 and $211,000 in 2012 from entities owned directly or indirectly by Johnson Publishing Company, Inc., where Ms. Johnson Rice is Chairman. These amounts constituted less than five percent of the gross revenues of Johnson Publishing Company, Inc., for 2010, 2011 and 2012, respectively.
- We paid approximately $531,000 in 2010, $557,000 in 2011 and $550,000 in 2012 to JPMorgan Chase & Co. ("JPMC") for investment banking services. Mr. Shapiro serves as a consultant to JPMC and as non-executive Chairman of its Texas operations. We do not believe his relationship with JPMC gives him a direct or indirect material interest in our transactions with JPMC.

The amount involved in each of these items is less than the amounts established by the NYSE and our Corporate Governance Policies as potentially affecting a director's independence.

Director Nominee Criteria and Process

The Board of Directors is responsible for approving candidates for Board membership. The Board has delegated the screening and recruitment process to the Nominating and Corporate Governance Committee, in consultation with the Chairman of the Board and Chief Executive Officer and the Lead Director. The Nominating and Corporate Governance Committee believes that the criteria for director nominees should ensure effective corporate governance, support our strategies and businesses, include consideration of diversity, account for individual director attributes and the effect of the overall mix of those attributes on the Board's effectiveness and support the successful recruitment of qualified candidates for the Board.

Qualified candidates for director are those who, in the judgment of the Nominating and Corporate Governance Committee, possess all of the personal attributes and a sufficient mix of the experience attributes listed below to ensure effective service on the Board.

Personal Attributes	Experience Attributes
Leadership: lead in personal and professional lives	Financial acumen: have good knowledge of business finance and financial statements
Ethical character: possess high standards for ethical behavior	General business experience: possess experience that will aid in judgments concerning business issues
Collaborative: actively participate in Board and committee matters	Industry knowledge: possess reasonable knowledge about our industries
Independence: for non-management directors, are independent of management and Kimberly-Clark	Diversity of background and viewpoint: bring to the Board an appropriate level of diversity
Ability to communicate: possess good interpersonal skills	Special business experience: possess global management experience and experience with branded consumer packaged goods
Effectiveness: bring a proactive and solution-oriented approach	Other attributes: provide special attributes identified as needed or as may be required

The Nominating and Corporate Governance Committee may receive recommendations for Board candidates from various sources, including our directors, management and stockholders. In addition, the Nominating and Corporate Governance Committee periodically retains a search firm to assist it in identifying and recruiting director candidates meeting the criteria specified by the Committee.

The Nominating and Corporate Governance Committee recommends nominees to the Board to fill any vacancies. As provided in our Certificate of Incorporation, the Board elects a new director when a vacancy occurs between annual meetings of stockholders. The Nominating and Corporate Governance Committee also recommends to the Board any new appointments and nominees for election as directors

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at our annual meeting of stockholders, as well as assesses the performance of each director at least once every three years in accordance with our Corporate Governance Policies.

Committee Review of Attributes of Current Directors

The Nominating and Corporate Governance Committee has reviewed the background of each of our current directors and their service on the Board in light of the personal and experience attributes described above. The Committee has determined that each director possesses all of the personal attributes, as well as a sufficient mix of the experience attributes. For the experience attributes, the Committee considered the following:

Financial acumen:
Satisfies the financial literacy requirements of the NYSE
Qualifies as an audit committee financial expert under the rules and regulations of the SEC
Has an accounting, finance or banking background
Industry knowledge:
Possesses knowledge about our industries
Special business experience:
Has international experience
Has branded consumer packaged goods experience
Has health care experience

General business experience:
Has leadership experience as a chief or senior executive officer
Diversity of background and viewpoint:
Brings a diverse viewpoint that is representative of our customer, consumer, employee and stockholder base
Provides a different perspective (stemming, for example, from an academic background or experience from outside the consumer packaged goods or health care industries)
Other attributes:
Has marketing experience
Has experience setting compensation
Has governance/public company board experience

The Committee has identified specific experience attributes for each director, based on the list above. See “Certain Information Regarding Directors and Nominees” for information regarding these specific attributes.

Diversity of Directors

As noted above, the Nominating and Corporate Governance Committee believes that diversity of backgrounds and viewpoints is a key attribute for directors. As a result, the Committee seeks to have a diverse Board that is representative of our customer, consumer, employee and stockholder base. While the Committee carefully considers this diversity when considering nominees for director, the Committee has not established a formal policy regarding diversity in identifying director nominees.

Stockholder Nominations for Directors

The Nominating and Corporate Governance Committee considers nominees recommended by stockholders as candidates for election to the Board of Directors. A stockholder wishing to nominate a candidate for election to the Board at an annual meeting of stockholders is required to give written notice to the Corporate Secretary of Kimberly-Clark their intention to make a nomination in accordance with our Certificate of Incorporation and By-Laws. The notice of nomination must be received by us not less than 75 days nor more than 100 days prior to the stockholders’ meeting, or if we give less than 75 days’ notice of the meeting date, the notice of nomination must be received within 10 days after the meeting date is announced. The notice of nomination is required to contain information, as set forth in our Certificate of Incorporation and By-Laws, about both the nominee and the stockholder making the nomination, including information sufficient to allow the Nominating and Corporate Governance Committee to determine if the candidate meets the director nominee criteria described above. The notice must also contain information about certain stock holdings of the nominee and the stockholder making the nomination, including derivative holdings, dividend rights that are separated from or separable from the underlying shares and certain performance-related fees, as well as information that would be required to be disclosed in connection with a proxy solicitation (and whether a proxy solicitation will be conducted). The notice is also required to contain information about certain related person transactions, contact and related information regarding the nominee, understandings regarding the nomination of the nominee and the nominee's consent to be nominated. We may require that the proposed nominee furnish other information to determine that person's eligibility to serve as a director. A nomination that does not comply with the requirements set forth in our Certificate of Incorporation and By-Laws will not be considered for presentation at the annual meeting, but will be considered by the Nominating and Corporate Governance Committee for any vacancies arising on the Board between annual meetings in accordance with the process described in "Director Nominee Criteria and Process."

Communications to Directors

The Board has established a process by which stockholders and other interested parties may communicate with the Board, including the Lead Director. That process can be found in the Investors section of our website at www.kimberly-clark.com.

Board Leadership Structure

The Board has established a leadership structure in which responsibilities are allocated between the Chairman of the Board and Chief Executive Officer and the Lead Director. The Board believes this allocation of responsibilities provides for dynamic Board leadership while maintaining strong independence and is therefore an effective and appropriate leadership structure.

Chairman of the Board and Chief Executive Officer Positions. Mr. Falk serves as Chairman of the Board and Chief Executive Officer. As noted in our Corporate Governance Policies, the Board believes that it is appropriate for a single person to serve in both positions. The Board has the discretion to separate the roles in the future if it deems it advisable and in the best interest of Kimberly-Clark to do so. The Board believes that Mr. Falk's familiarity with the priorities and day-to-day operation of the enterprise facilitates communications and understanding between management and the Board and helps ensure that the Board receives the management support that it needs to effectively provide direction.

Lead Director. Mr. Jenness became Lead Director effective immediately following the 2012 Annual Meeting, succeeding Mr. Shapiro, who was our Lead Director for approximately four years and rotated from this position consistent with our Corporate Governance Policies. The Lead Director serves as Chairman of the Executive Committee. Our Corporate Governance Policies outline the role and responsibilities of the Lead Director, which include coordinating the activities of the Independent Directors, providing input with regard to agendas and schedules for Board meetings, leading (with the Chairman of the Nominating and Corporate Governance Committee) the annual Board evaluation discussion, leading (with the Chairman of the Management Development and Compensation Committee) the Board's review and discussion of the Chief Executive Officer's performance, providing feedback to individual directors following their periodic evaluations, speaking on behalf of the Board and chairing Board meetings when the Chairman of the Board is unable to do so and acting as a direct conduit to the Board for stockholders, employees and others pursuant to policies adopted by the Board. The Lead Director also chairs executive session meetings of non-management directors. The non-management directors meet in executive session without the presence of management at least quarterly. Under the current circumstances, it is the view of the Board that a combined Chairman and CEO coupled with a predominantly independent board and a proactive, independent Lead Director promotes candid discourse and effective corporate governance.

Other Corporate Governance Matters

Corporate Governance Policies. The Board of Directors adopted Corporate Governance Policies in 1994, which have been amended from time to time in accordance with changes in rules and regulations and developing governance practices. These policies guide Kimberly-Clark and the Board on matters of corporate governance, including director responsibilities, Board committees and their charters, director independence, director compensation and performance assessments, director orientation and education, director access to management, Board access to outside financial, business and legal advisors, and management development and succession planning. These policies, which include our director

independence standards, are available in the Investors section of our website at www.kimberly-clark.com.

Code of Conduct. Kimberly-Clark has a Code of Conduct that applies to all of our directors, executive officers and employees, including our Chief Executive Officer, Chief Financial Officer and Vice President and Controller. Our Code of Conduct is available in the Investors section of our website at www.kimberly-clark.com. Any amendments to or waivers of our Code of Conduct applicable to our Chief Executive Officer, Chief Financial Officer or Vice President and Controller will be posted at that location.

Board and Management Roles in Risk Oversight. The Board is responsible for providing risk oversight with respect to our operations. In connection with this oversight, the Board particularly focuses on our strategic and operating risks, as well as related risk mitigation. In addition, the Board reviews and oversees management's response to key risks facing Kimberly-Clark. The Board's committees review particular risk areas to assist the Board in its overall risk oversight of Kimberly-Clark:

- The Audit Committee oversees our risk management program, and has a particular focus on our internal controls, compliance programs, financial statement integrity and fraud risks, and related risk mitigation. In connection with this oversight, the Audit Committee receives regular reports from management on risk assessments, the risk management process and issues related to the risks of managing our business. The Audit Committee also receives an annual enterprise risk management update, which discusses our key financial, strategic, operational and compliance risks.
- The Management Development and Compensation Committee reviews the risk profile of our compensation policies and practices. This process includes a review of an assessment of our compensation programs, as described in "Executive Compensation — Analysis of Risks Arising from Design of Compensation Programs."
- The Nominating and Corporate Governance Committee monitors risks relating to governance matters and recommends appropriate actions in response to those risks.

Complementing the Board's overall risk oversight, our senior executive team identifies and monitors key enterprise-wide and business unit risks, providing the basis for the Board's risk review and oversight process. Our Global Risk Oversight Committee, consisting of management members from key business units, finance, treasury, information technology, global risk management and legal, identifies key risks for review and updates our policies in risk management areas such as hedging, foreign currency and country risks, product liability, property and casualty risks, and supplier and customer risks.

The Board believes these respective roles complement the Board's leadership structure described above, including the combination of the Chairman of the Board and Chief Executive Officer positions.

Committee Authority to Retain Independent Advisors. Each of the Audit, Management Development and Compensation and Nominating and Corporate Governance Committees has the authority to retain independent advisors and consultants, with all fees and expenses to be paid by Kimberly-Clark.

Whistleblower Procedures. The Audit Committee has established procedures for the receipt, retention and treatment of complaints we receive regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by our employees and others of concerns regarding questionable accounting or auditing matters. We also maintain a toll-free Code of Conduct telephone line and an Internet website that allow our employees and others to voice their concerns anonymously. The whistleblower procedures and information on how to access our Code of Conduct telephone line and website are available in the Investors section of our website at www.kimberly-clark.com.

Chief Compliance Officer. Thomas J. Mielke is the Senior Vice President — General Counsel and Chief Compliance Officer and oversees our compliance programs. He reports to the Audit Committee on the programs' effectiveness, provides periodic reports to the Board and works closely with our various compliance functions to provide coordination and sharing of best practices across the compliance groups. Mr. Mielke is also a member of our Global Risk Oversight Committee.

Management Succession Planning. In conjunction with the Board, the Management Development and Compensation Committee is responsible for periodically reviewing the long-term management development plans and succession plans for the Chief Executive Officer and other key officers as well as the emergency succession plan for the Chief Executive Officer and other key officers to ensure business continuity in the event an individual in such a role becomes unexpectedly unable to perform their duties.

Disclosure Committee. We have established a Disclosure Committee composed of members of management and chaired by our Vice President and Controller to assist in fulfilling our obligations to maintain disclosure controls and procedures and to coordinate and oversee the process of preparing our periodic securities filings with the SEC.

No Executive Loans. We do not extend loans to our executive officers or directors and therefore do not have any such loans outstanding.

Board Policy on Stockholder Rights Plans. We do not have a "poison pill" or stockholder rights plan. If we were to adopt a stockholder rights plan, the Board would seek prior stockholder approval of the plan unless, due to timing constraints or other reasons, a majority of Independent Directors of the Board determines that it would be in the best interests of stockholders to adopt a plan before obtaining stockholder approval. If a stockholder rights plan is adopted without prior stockholder approval, the plan must either be ratified by stockholders or must expire, without being renewed or replaced, within one year. The Nominating and Corporate Governance Committee reviews this policy statement periodically and reports to the Board on any recommendations it may have concerning the policy.

Annual Election of Directors. Our Certificate of Incorporation provides that directors are elected on an annual basis. Our Certificate of Incorporation is available in the Investors section of our website at www.kimberly-clark.com.

Majority Voting for Election of Directors. Our By-Laws provide that, in uncontested elections, directors will be elected by a majority of votes cast rather than by a plurality. If an incumbent director does not receive a majority of votes, the director is required to tender his or her resignation for consideration by the Board. Our By-Laws are available in the Investors section of our website at www.kimberly-clark.com.

Simple Majority Voting Provisions. Our Certificate of Incorporation does not include supermajority voting provisions.

Special Stockholder Meetings. Our Certificate of Incorporation allows the holders of not less than 25 percent of our issued and outstanding shares of capital stock to request that a special meeting of stockholders be called, subject to procedures and other requirements set forth in our By-Laws.

Charitable Contributions. The Nominating and Corporate Governance Committee has adopted guidelines for review and approval of charitable contributions by us and any foundation we control to organizations or entities with which a member of the Board of Directors or an executive officer is or may be affiliated. Any contributions made by us to any tax-exempt organization in which any Independent Director serves as an executive officer will be disclosed in the Investors section of our website at www.kimberly-clark.com, if within the preceding three years contributions in any single year from us to the organization exceeded the greater of $1 million or 2 percent of the tax-exempt organization's consolidated gross revenues.

PART THREE

PROPOSALS TO BE VOTED ON AT THE 2013 ANNUAL MEETING

PROPOSAL 1. ELECTION OF DIRECTORS

General Information

As of the date of this proxy statement, the Board of Directors consists of twelve members. Each director's term expires at this year's Annual Meeting.

All the nominees for director set forth on the following pages are proposed to be elected at this year's Annual Meeting to serve for a term to expire at the 2014 Annual Meeting of Stockholders and until their successors have been duly elected and qualified. Should any nominee become unable to serve, proxies may be voted for another person designated by the Board. All nominees have advised us that they will serve if elected.

Certain Information Regarding Nominees for Director

The names of the nominees, their ages as of the date of the Annual Meeting, the year they first became directors, their principal occupations during at least the past five years, other public company directorships held by them as of February 21, 2013, public company boards they have served on since January 1, 2008, information regarding director attributes the Nominating and Corporate Governance Committee determined qualify them to serve as directors and certain other biographical information are set forth below. See "Committee Review of Attributes of Current Directors" for a discussion of director attributes considered by the Nominating and Corporate Governance Committee.

John R. Alm, 67, Director since 2006

Retired President and Chief Executive Officer, Coca-Cola Enterprises Inc.

Mr. Alm retired as President and Chief Executive Officer of Coca-Cola Enterprises Inc., a beverage company, in 2005. He had been Chief Executive Officer since 2004 and President and Chief Operating Officer since 2000. Mr. Alm joined Coca-Cola Enterprises Inc. in 1992 and held the position of Chief Financial Officer until 2000.

Experience attributes: Mr. Alm has been determined to be an "audit committee financial expert" under the SEC's rules and regulations, has leadership experience as a chief executive officer and as a chief financial officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

John F. Bergstrom, 66, Director since 1987

Chairman and Chief Executive Officer, Bergstrom Corporation

Mr. Bergstrom has served as Chairman and Chief Executive Officer of Bergstrom Corporation, Neenah, Wisconsin, for more than the past five years. Bergstrom Corporation owns and operates automobile sales and leasing businesses and a credit life insurance company based in Wisconsin.

Public company boards served on since 2008: Advance Auto Parts, Inc. (since May 2008), Associated Banc-Corp (since December 2010), Wisconsin Energy Corporation and Wisconsin Electric Power Company.

Experience attributes: Mr. Bergstrom satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.

Abelardo E. Bru, 64, Director since 2005

Retired Vice Chairman, PepsiCo, Inc.

Mr. Bru retired as Vice Chairman of PepsiCo, a food and beverage company, in 2005. He joined PepsiCo in 1976. Mr. Bru served from 1999 to 2003 as President and Chief Executive Officer and in 2003 to 2004 as Chief Executive Officer and Chairman of Frito-Lay Inc., a division of PepsiCo. Prior to leading Frito-Lay, Mr. Bru led PepsiCo's largest international business, Sabritas Mexico, as President and General Manager from 1992 to 1999. Mr. Bru is a member of the board of directors of the Education is Freedom Foundation.

Public company boards served on since 2008: Office Depot, Inc. (through December 2008) and Kraft Foods Group, Inc. (since October 2012).

Experience attributes: Mr. Bru satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, provides diversity of background and viewpoint, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

Robert W. Decherd, 62, Director since 1996

Chairman of the Board, President and Chief Executive Officer, A. H. Belo Corporation

Mr. Decherd has served as Chairman of the Board, President and Chief Executive Officer of A. H. Belo Corporation, a newspaper publishing and Internet company, since it was spun off from Belo Corp. in February 2008. Prior to February 2008, Mr. Decherd was Chief Executive Officer of Belo Corp., a broadcasting and newspaper publishing company, for 21 years. Mr. Decherd is a member of the Advisory Council for the Harvard University Center for Ethics and the Board of Visitors of the Columbia Graduate School of Journalism. During the past decade, he has held appointments to Presidential and Federal Communications Commissions concerned with public policy matters related to the media industry.

Public company boards served on since 2008: A. H. Belo Corporation (since February 2008) and Belo Corp.

Experience attributes: Mr. Decherd satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has marketing, compensation, governance and public company board experience.

Thomas J. Falk, 54, Director since 1999

Chairman of the Board and Chief Executive Officer

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

Public company boards served on since 2008: Centex Corporation (through August 2009) and Lockheed Martin Corporation (since June 2010).

Experience attributes: Mr. Falk satisfies the financial literacy requirements of the NYSE and has a background in accounting, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

Fabian T. Garcia, 53, Director since 2011

Chief Operating Officer, Global Innovation and Growth, Europe & Hill’s Pet Nutrition, Colgate-Palmolive Company

Mr. Garcia has served as Chief Operating Officer, Global Marketing, Customer Development, Supply Chain and Technology, Europe and Hills Pet Nutrition (added responsibility in 2012), of Colgate-Palmolive Company, a household, health care and personal products company, since 2010. From 2007 to 2010, he served as Executive Vice President and President, Colgate – Latin America and Global Sustainability. He joined Colgate-Palmolive in 2003 as President, Colgate Greater Asia.

Experience attributes: Mr. Garcia satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief operating officer, provides diversity of background and viewpoint, has

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knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation and governance experience.

Mae C. Jemison, M.D., 56, Director since 2002
President, BioSentient Corporation
Dr. Jemison is founder and President of The Jemison Group, Inc., a technology consulting company, and BioSentient Corporation, a medical devices company. She founded and chairs the Dorothy Jemison Foundation for Excellence and developed The Earth We Share international science camp. Dr. Jemison served as a professor of Environmental Studies at Dartmouth College from 1995 to 2002 and is currently an Adjunct Professor of Dartmouth Medical College. From 1987 to 1993, she served as a National Aeronautics and Space Administration (NASA) astronaut.
Dr. Jemison is a member of the National Academy of Sciences' Institute of Medicine, the Greater Houston partnership Board of Directors, and the Board of Trustees of Morehouse College. She chaired the State of Texas Product Development and Small Business Incubator Board, and was a member of the National Advisory Council for Biomedical Imaging and Bioengineering.
Public company boards served on since 2008: Scholastic Corporation and Valspar Corporation.
Experience attributes: Dr. Jemison satisfies the financial literacy requirements of the NYSE, has knowledge about our industries, has international experience and leadership experience of entrepreneurial start-up enterprises and non-profit organizations, provides diversity of background and viewpoint, has experience in the health care field, and has compensation, governance and public company board experience.

James M. Jenness, 66, Director since 2007
Chairman of the Board, Kellogg Company
Mr. Jenness was elected Chairman of the Board of Kellogg Company, a producer of cereal and convenience foods, in 2005. He also served as Chief Executive Officer of Kellogg from 2004 through 2006. Mr. Jenness was Chief Executive Officer of Integrated Merchandising Systems LLC, a market leader in outsource management for retail promotion and branded merchandising, from 1997 to 2004. He served in various positions of increasing responsibility at Leo Burnett Company, Kellogg's major advertising agency partner, from 1974 to 1997, including as Vice Chairman, Chief Operating Officer and Director. He is a senior director of Children's Memorial Hospital and a director of Mercy Home for Boys and Girls. He also serves on the DePaul University College of Commerce Advisory Council, is Chairman of DePaul's Board of Trustees and is co-trustee of the W. K. Kellogg Foundation Trust.
Public company boards served on since 2008: Kellogg Company.
Experience attributes: Mr. Jenness satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience with branded consumer packaged goods, and has marketing, compensation, governance and public company board experience.

Nancy J. Karch, 65, Director since 2010
Retired Director, McKinsey & Co.
Ms. Karch served as a Director (senior partner) of McKinsey & Co., an independent consulting firm, from 1988 until her retirement in 2000. She had served in various executive capacities at McKinsey since 1974. Ms. Karch is Director Emeritus of McKinsey's Stamford, Connecticut office, and serves on the board and the executive committee of the Westchester Land Trust and on the board of Northern Westchester Hospital.
Public company boards served on since 2008: CEB (The Corporate Executive Board Company), Genworth Financial, Inc., Fifth & Pacific Companies, Inc. and Mastercard Incorporated.

Experience attributes: Ms. Karch satisfies the financial literacy requirements of the NYSE and has a background in finance, has leadership experience as a senior executive officer, provides diversity of background and viewpoint, has knowledge about our industries, has experience with branded consumer packaged goods, and has compensation, governance and public company board experience.

Ian C. Read, 59, Director since 2007

Chairman of the Board and Chief Executive Officer, Pfizer, Inc.

Mr. Read was elected Chairman of the Board and Chief Executive Officer in December 2011 and President and Chief Executive Officer in December 2010, of Pfizer, Inc., a drug manufacturer. Mr. Read joined Pfizer in 1978 in its financial organization. He worked in Latin America through 1995, holding positions of increasing responsibility, and was appointed President of the Pfizer International Pharmaceuticals Group, Latin America/Canada in 1996. In 2000, Mr. Read was named Executive Vice President of Europe/Canada and was named a corporate Vice President in 2001. In 2006, he was named Senior Vice President of Pfizer, as well as Group President of its Worldwide Biopharmaceutical Businesses.

Public company boards served on since 2008: Pfizer, Inc. (since December 2010).

Experience attributes: Mr. Read satisfies the financial literacy requirements of the NYSE and has a background in finance, has leadership experience as a chief executive officer, has knowledge about our industries, has international experience and experience in the health care field, and has marketing, compensation, governance and public company board experience.

Linda Johnson Rice, 55, Director since 1995

Chairman, Johnson Publishing Company, Inc.

Ms. Johnson Rice has served as Chairman of Johnson Publishing Company, Inc., a multi-media company, since 2010. She also served as Chief Executive Officer from 2008 to 2010. She joined Johnson Publishing Company in 1980, became Vice President in 1985, and served as President and Chief Operating Officer from 1987 to 2008.

Public company boards served on since 2008: MoneyGram International, Inc. (through March 2008) and Omnicom Group, Inc.

Experience attributes: Ms. Johnson Rice satisfies the financial literacy requirements of the NYSE, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, has international experience, and has marketing, compensation, governance and public company board experience.

Marc J. Shapiro, 65, Director since 2001

Retired Vice Chairman, JPMorgan Chase & Co.

Mr. Shapiro retired in 2003 as Vice Chairman of JPMorgan Chase & Co., a financial services company. Before becoming Vice Chairman of JPMorgan Chase & Co. in 1997, Mr. Shapiro was Chairman, President and Chief Executive Officer of Chase Bank of Texas, a wholly-owned subsidiary of JPMorgan Chase & Co., from 1989 until 1997. He now serves as a consultant to JPMorgan Chase & Co. as a non-executive Chairman of its Texas operations. Mr. Shapiro serves as Chairman of the Board of Baylor College of Medicine and on the boards of M.D. Anderson Cancer Center, the Baker Institute, Texas Medical Center, Menninger Clinic and BioHouston.

Public company boards served on since 2008: Burlington Northern Santa Fe Corporation (through February 2010), The Mexico Fund and Weingarten Realty Trust.

Experience attributes: Mr. Shapiro satisfies the financial literacy requirements of the NYSE and has a banking and finance background, has leadership experience as a chief executive officer, provides diversity of background and viewpoint, and has compensation, governance and public company board experience.

Compensation of Directors

Directors who are not officers or employees of Kimberly-Clark or any of our subsidiaries, affiliates or equity companies are “Outside Directors” for compensation purposes. Outside Directors are compensated for their services under our 2011 Outside Directors’ Compensation Plan. Our objectives for Outside Director compensation are to remain competitive with the median compensation paid to outside directors of comparable companies, to keep pace with changes in practices in director compensation, to attract qualified candidates for Board service and to reinforce our practice of encouraging stock ownership by our directors.

In 2010, the Nominating and Corporate Governance Committee assessed the Corporation’s Outside Director compensation. Based on this review, the Committee at that time recommended no change in Outside Director compensation for 2011 and 2012, and the Board agreed with the Committee’s recommendation.

Accordingly, in 2012, each Outside Director received:

- An annual cash retainer of $85,000 payable quarterly in advance, and
- An annual grant of restricted share units with a value of $140,000, effective the first business day of the year.

Outside Directors who were also chairmen of the Audit, Management Development and Compensation and Nominating and Corporate Governance Committees each received an additional grant of restricted share units with a value of $20,000, and the Lead Director received an additional grant of restricted share units with a value of $30,000. In addition, we reimbursed Outside Directors for expenses incurred as a result of attending Board or committee meetings.

Outside Directors who join the Board during a calendar year receive the full quarterly amount of the annual retainer for the quarter in which they join the Board and each quarter thereafter, and a pro-rated grant of restricted share units.

Restricted share units are not shares of our common stock. Rather, restricted share units represent the right to receive an amount, payable in shares of our common stock, equal to the value of a specified number of shares of our common stock within 90 days following the restricted period. The restricted period for the restricted share units begins on the date of grant and expires on the date the Outside Director retires from or otherwise terminates service on the Board. During the restricted period, restricted share units may not be sold, assigned, transferred or otherwise disposed of, or mortgaged, pledged or otherwise encumbered. Outside Directors also receive additional restricted share units equivalent in value to the dividends that would have been paid to them if the restricted share units granted to them were shares of our common stock.

2012 Outside Director Compensation

The following table sets forth the compensation paid to each Outside Director in 2012 for his or her service as a director:

Name	Fees Earned or Paid in Cash($)	Stock Awards ($)(1)(2)(3)	All Other Compen-sation ($)(4)	Total($)(5)
John R. Alm	85,000	160,000	10,000	255,000
John F. Bergstrom	85,000	140,000	10,000	235,000
Abelardo E. Bru	85,000	140,000	7,000	232,000
Robert W. Decherd	85,000	140,000	10,000	235,000
Fabian T. Garcia	85,000	140,000	—	225,000
Mae C. Jemison, M.D.	85,000	140,000	14,500	239,500
James M. Jenness	85,000	160,000	5,000	250,000
Nancy J. Karch	85,000	140,000	9,250	234,250
Ian C. Read	85,000	140,000	10,000	235,000
Linda Johnson Rice	85,000	140,000	—	225,000
Marc J. Shapiro	85,000	170,000	—	255,000
G. Craig Sullivan(6)	42,500	160,000	20,000	222,500

(1) Amounts shown reflect the grant date fair value of those grants, determined in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718 — Stock Compensation ("ASC Topic 718") for restricted share unit awards granted pursuant to our 2011 Outside Directors' Compensation Plan. See Note 9 to our audited consolidated financial statements included in our Annual Report on Form 10-K for 2012 for the assumptions used in valuing these restricted share units.

(2) Restricted share unit awards were granted on January 3, 2012. The number of restricted share units granted is set forth below:

Name	Restricted Share Units Grants in 2012(#)
John R. Alm	2,185
John F. Bergstrom	1,912
Abelardo E. Bru	1,912
Robert W. Decherd	1,912
Fabian T. Garcia	1,912
Mae C. Jemison, M.D.	1,912
James M. Jenness	2,185
Nancy J. Karch	1,912
Ian C. Read	1,912
Linda Johnson Rice	1,912
Marc J. Shapiro	2,322
G. Craig Sullivan	2,185

(3) As of December 31, 2012, Outside Directors had the following stock awards outstanding:

Name	Restricted Stock(#)	Restricted Share Units(#)
John R. Alm	—	17,137
John F. Bergstrom	3,000	23,870
Abelardo E. Bru	—	17,943
Robert W. Decherd	3,000	26,668
Fabian T. Garcia	—	2,676
Mae C. Jemison, M.D.	—	23,870
James M. Jenness	—	15,655
Nancy J. Karch	—	5,776
Ian C. Read	—	12,984
Linda Johnson Rice	3,000	25,409
Marc J. Shapiro	—	27,478
G. Craig Sullivan	—	18,151

(4) Reflects charitable matching gifts paid in 2012 under the Kimberly-Clark Foundation's Matching Gifts Program to a charity designated by the director. This program is available to all our employees and directors. Under this program, the Kimberly-Clark Foundation matches employees' and directors' financial contributions to qualified educational and charitable organizations in the United States on a dollar-for-dollar basis, up to $10,000 per person per calendar year. Amounts paid in 2012 in connection with matching gifts for Dr. Jemison reflect donations made in 2010 and 2011. Amounts paid in 2012 in connection with matching gifts for Mr. Sullivan reflect donations made in 2011 and 2012. Not included in this column is a $5,000 charitable contribution in honor of Dr. Jemison. This contribution was made directly by Kimberly-Clark and was not made in the name or at the direction of Dr. Jemison. Dr. Jemison did not receive any personal benefit from this contribution and accordingly, the amount of the contribution has been excluded from the Director Compensation table. Also not included in this column is the value of retirement gifts to Mr. Sullivan in recognition of his many years of dedicated service to the Board. Those gifts had a value of less than $1,000. In addition, continuing Kimberly-Clark's tradition of making a charitable contribution in honor of a retiring director, we made a charitable contribution of $50,000 in honor of Mr. Sullivan. This contribution was made directly by Kimberly-Clark to a charitable organization selected by Kimberly-Clark and was not made in the name or at the direction of Mr. Sullivan. Mr. Sullivan did not receive any personal benefit from this contribution and accordingly, the amount of the contribution has been excluded from the Director Compensation table.

(5) During 2012, Outside Directors received credit for cash dividends on restricted stock held by them. These dividends are credited to interest bearing accounts maintained by us on behalf of those Outside Directors with restricted stock. Earnings on those accounts are not included in the Outside Director Compensation Table because the earnings were not above market or preferential. Also in 2012, Outside Directors received additional restricted share units with a value equal to the dividends paid during the year on our common stock on the restricted share units held by them. Because we factor the value of the right to receive dividends into the grant date fair value of the restricted stock and restricted share units awards, the dividends and dividend equivalents received by Outside Directors are not included in the Outside Director Compensation table. The dividends and other

amounts credited on restricted stock and additional restricted share units credited in 2012 were as follows:

Name	Dividends Credited on Restricted Stock($)	Number of Restricted Share Units Credited in 2012(#)	Grant Date Fair Value of Restricted Share Units Credited($)
John R. Alm	—	597.43	47,429
John F. Bergstrom	8,760	842.89	66,846
Abelardo E. Bru	—	629.09	49,919
Robert W. Decherd	8,760	943.83	74,838
Fabian T. Garcia	—	78.37	6,317
Mae C. Jemison, M.D.	—	842.89	66,846
James M. Jenness	—	543.98	43,196
Nancy J. Karch	—	190.19	15,170
Ian C. Read	—	450.20	35,756
Linda Johnson Rice	8,760	898.42	71,242
Marc J. Shapiro	—	969.15	76,867
G. Craig Sullivan	—	370.69	27,347

(6) Mr. Sullivan served as a director until his retirement, effective May 3, 2012, and as such, received fees for two quarters in 2012 for his service as a director.

Other than the cash retainer, grants of restricted share units and the other compensation previously described, no Outside Director received any compensation or perquisites from Kimberly-Clark for services as a director in 2012.

A director who is not an Outside Director does not receive any compensation for services as a member of the Board or any committee, but is reimbursed for expenses incurred as a result of the services.

2013 Compensation. In 2012, the Nominating and Corporate Governance Committee, with the assistance of Mercer, revisited the Corporation's Outside Director compensation to assess whether it still met our objectives for Outside Director compensation as described above. In its assessment, the Committee compared aggregate Outside Director cash and equity compensation to the median compensation of the outside directors of our peer group, as well as the structure of our compensation programs of our peer group. For information regarding our peer group, – see "Part Four – Other Important Information – Executive Compensation – Compensation Discussion and Analysis" below. Based on this review, the Committee determined that the aggregate compensation for our Outside Directors would be below the median of our peer group in 2013. The Committee then recommended to the Board, and the Board approved, changes to our Outside Directors aggregate compensation to more closely align with the median aggregate compensation of our peer group.

Accordingly, beginning in 2013:

- The annual cash retainer is increased from $85,000 to $90,000, and
- The value of the annual grant of restricted share units is increased from $140,000 to $155,000.

There was no change to the amount of the additional annual grant of restricted share units paid to committee chairs or to the Lead Director.

The Board of Directors unanimously recommends a vote FOR the election of the twelve nominees for director.

PROPOSAL 2. RATIFICATION OF AUDITORS

The Audit Committee of the Board of Directors is directly responsible for the appointment, compensation, retention and oversight of our independent auditors. The Audit Committee is also responsible for the audit fee negotiations associated with retaining our independent auditors. In order to assure continuing auditor independence, the Audit Committee periodically considers whether our independent audit work should be performed by a different audit firm. In conjunction with the mandated rotation of the independent auditor's lead engagement partner, the Audit Committee and its chairman are directly involved in the selection of the new lead engagement partner.

For 2013, the Audit Committee has selected Deloitte & Touche LLP (along with its member firms and affiliates, "Deloitte") as the independent registered public accounting firm to audit our financial statements. In engaging Deloitte for 2013, the Audit Committee utilized a review and selection process, which included the following:

- a review of management's assessment of the services Deloitte provided in 2012 and a comparison of this assessment to prior years' reviews,
- discussions with the Chief Financial Officer and the Chief Accounting Officer in executive session regarding their viewpoints on the selection of the 2013 independent auditors, as well as Deloitte's performance,
- discussions with representatives of Deloitte in executive session regarding their possible engagement,
- Audit Committee discussions in executive session regarding the selection of the 2013 independent auditors,
- a review and approval of Deloitte's proposed estimated fees for 2013,
- a review and assessment of Deloitte's independence, and
- the Audit Committee's consideration of Deloitte's service as our independent auditors since 1928 and its belief that this service does not impact Deloitte's independence.

The Audit Committee and the Board believe that the continued retention of Deloitte to serve as our independent auditor is in the best interests of Kimberly-Clark and stockholders and recommend that stockholders ratify this selection. If the stockholders do not ratify the selection of Deloitte, the selection of other independent auditors will be considered by the Audit Committee.

Representatives of Deloitte are expected to be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

Principal Accounting Firm Fees

Our aggregate fees (excluding value added taxes) with respect to the fiscal years ended December 31, 2012 and 2011 to our principal accounting firm, Deloitte, were as follows:

	2012($)	2011($)
Audit Fees(1)	10,901,000	10,424,000
Audit-Related Fees(2)	554,000	437,000
Tax Fees(3)	2,265,000	1,905,000
All Other Fees	—	—

(1) These amounts represent fees billed or expected to be billed for professional services rendered by Deloitte for the audit of Kimberly-Clark's annual financial statements for each of the fiscal years ended December 31, 2012 and December 31, 2011, and the reviews of the financial statements included in Kimberly-Clark's Forms 10-Q and for services that are normally provided by the independent registered public accounting firm in connection with statutory or regulatory filings or

engagements for each of those fiscal years. These amounts include fees for consolidated financial audits, statutory audits, comfort letters, attest services, consents, assistance with and review of SEC filings and other related matters. These amounts also include an audit of internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act of 2002.

(2) These amounts represent aggregate fees billed or expected to be billed by Deloitte for assurance and related services reasonably related to the performance of the audit or review of our financial statements for the fiscal years ended December 31, 2012 and 2011, that are not included in the audit fees listed above. These services comprise engagements related to employee benefit plans, due diligence assistance and other matters.

(3) These amounts represent Deloitte's aggregate fees for tax compliance, tax advice and tax planning for each of the fiscal years ended December 31, 2012 and 2011. For the fiscal year ended December 31, 2012, approximately $340,000 was related to tax compliance/preparation fees.

Audit Committee Approval of Audit and Non-Audit Services

All audit and non-audit services provided by Deloitte to Kimberly-Clark are pre-approved by the Audit Committee using the following procedures. At the first meeting of the Audit Committee each year, our Chief Financial Officer presents a proposal, together with the related fees, to engage Deloitte for audit services. In addition, on or before the first meeting of the year, our Vice President and Controller prepares a detailed memorandum regarding non-audit services to be provided by Deloitte during the year. This memorandum includes the services to be provided, the estimated cost of these services, and why it is appropriate to have Deloitte provide these services, along with why the requested service is not inconsistent with applicable auditor independence rules. Before each subsequent meeting of the Audit Committee, our Vice President and Controller prepares an additional memorandum that includes updated information regarding approved services and highlights any new audit and non-audit services to be provided by Deloitte. All new non-audit services to be provided are described in individual requests for services. The Audit Committee reviews these memoranda and the individual requests for non-audit services and approves the services if acceptable to the Committee.

To ensure prompt handling of unexpected matters, the Audit Committee has delegated to the Chairman of the Audit Committee the authority to amend or modify the list of audit and non-audit services and fees between meetings, as long as the additional or amended services do not affect Deloitte's independence under applicable rules. Actions taken are reported to the Audit Committee at its next Committee meeting.

All Deloitte services and fees in 2012 and 2011 were pre-approved by the Audit Committee or the Audit Committee Chairman.

The Board of Directors unanimously recommends a vote FOR ratification of this selection.

Audit Committee Report

In accordance with its written charter adopted by the Board of Directors, the Audit Committee assists the Board in fulfilling its responsibility for oversight of the quality and integrity of Kimberly-Clark's accounting, auditing and financial reporting practices.

In discharging its oversight responsibility as to the audit process, the Audit Committee obtained from the independent registered public accounting firm (the "auditors") a formal written statement describing all relationships between the auditors and Kimberly-Clark that might bear on the auditors' independence, as required by Public Company Accounting Oversight Board ("PCAOB") Rule 3526, Communication with Audit Committees Concerning Independence, discussed with the auditors any relationships that may impact their objectivity and independence and satisfied itself as to the auditors' independence. The Audit Committee also discussed with management, the internal auditors, and the auditors, the quality and adequacy of Kimberly-Clark's internal controls and the internal audit function's organization, responsibilities, budget and staffing. The Audit Committee reviewed with both the auditors and the internal auditors their audit plans, audit scope and identification of audit risks.

The Audit Committee discussed and reviewed with the auditors all communications required by the auditing standards of the PCAOB, including those required by PCAOB AU 380, “Communication with Audit Committees,” and, with and without management present, discussed and reviewed the results of the auditors’ examination of the financial statements and Kimberly-Clark’s internal control over financial reporting. The Committee also discussed the results of internal audit examinations.

The Audit Committee discussed and reviewed Kimberly-Clark’s audited financial statements as of and for the fiscal year ended December 31, 2012, with management and the auditors. The Audit Committee also reviewed management’s assessment of the effectiveness of internal controls as of December 31, 2012 and discussed the auditors’ examination of the effectiveness of Kimberly-Clark’s internal control over financial reporting. Management has the responsibility for preparing Kimberly-Clark’s financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and for establishing and maintaining Kimberly-Clark’s internal control over financial reporting. The auditors have the responsibility for performing an independent audit of Kimberly-Clark’s financial statements and internal control over financial reporting, and expressing opinions on the conformity of Kimberly-Clark’s financial statements with GAAP and the effectiveness of internal control over financial reporting.

Based on the above-mentioned review and discussions with management and the auditors, the Audit Committee recommended to the Board that Kimberly-Clark’s audited financial statements be included in Kimberly-Clark’s Annual Report on Form 10-K for the fiscal year ended December 31, 2012, for filing with the SEC. The Audit Committee also has selected and recommended to stockholders for ratification the reappointment of Deloitte as the independent registered public accounting firm for 2013.

AUDIT COMMITTEE OF THE
BOARD OF DIRECTORS

John R. Alm, Chairman
John F. Bergstrom
Robert W. Decherd
Nancy J. Karch
Linda Johnson Rice

PROPOSAL 3. ADVISORY VOTE TO APPROVE NAMED EXECUTIVE OFFICER COMPENSATION

In Part Four of this proxy statement, we describe in detail our executive compensation program, including its objectives, policies and components. See “Executive Compensation — Compensation Discussion and Analysis.” As discussed in that section, our executive compensation program seeks to align the compensation of our executives with the objectives of our Global Business Plan. To this end, the Management Development and Compensation Committee (the “Committee”) has adopted executive compensation policies that are designed to achieve the following objectives:

- Quality of Talent. Attract and retain executives whose abilities are considered essential to our long-term success.
- Pay-for-Performance. Support a performance-oriented environment that rewards achievement of our financial and non-financial goals.
- Focus on Long-Term Success. Reward executives for long-term strategic management and stockholder value enhancement.
- Stockholder Alignment. Align the financial interest of our executives with those of our stockholders.

For a more detailed discussion of how our executive compensation program reflects the objectives and policies, including information about the fiscal year 2012 compensation of our named executive officers, see “Executive Compensation — Compensation Discussion and Analysis.”

We are asking our stockholders to indicate their support for our executive compensation as described in this proxy statement. This proposal, commonly known as a “say-on-pay” proposal, gives our stockholders the opportunity to express their views on our executive compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our executives and the objectives, policies and practices described in this proxy statement. Accordingly, we will ask our stockholders to vote on the following resolution at the Annual Meeting:

RESOLVED, that the compensation paid to the Corporation's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby approved by the Corporation's stockholders on an advisory basis.

The say-on-pay vote is advisory and is therefore not binding on Kimberly-Clark, the Committee or our Board. The Committee and our Board value the opinions of our stockholders and, to the extent there is any significant vote against the executive compensation as disclosed in this proxy statement, will consider our stockholders' concerns, and the Committee will evaluate whether any actions are necessary to address those concerns.

At our 2011 Annual Meeting, stockholders voted overwhelmingly to adopt the recommendation of our Board to vote on the say-on-pay proposal every year at our annual meeting. As a result, we will continue to submit our say-on-pay proposal to our stockholders at each annual meeting. We expect to ask our stockholders in 2017 to vote on a proposal regarding the frequency of the vote on the say-on-pay proposal, as required by the Dodd-Frank Act.

The Board of Directors unanimously recommends a vote FOR the approval of named executive officer compensation, as disclosed in this proxy statement pursuant to the SEC's compensation disclosure rules.

PART FOUR

OTHER IMPORTANT INFORMATION

SECURITY OWNERSHIP OF MANAGEMENT AND CERTAIN BENEFICIAL OWNERS

The following table sets forth information as of December 31, 2012 regarding the number of shares of our common stock beneficially owned by each director and nominee, by each executive officer named in "Executive Compensation" (collectively, the "named executive officers") and by all directors, nominees and executive officers as a group.

Name	Amount and Nature of Beneficial Ownership(1)(2)(3)(4)		Percent of Class
Robert E. Abernathy	194,889	(5)	*
John R. Alm	17,138		*
John F. Bergstrom	39,870	(6)	*
Robert A. Black	20,203	(7)	*
Abelardo E. Bru	17,943		*
Christian A. Brickman	49,924		*
Mark A. Buthman	155,123	(5)	*
Robert W. Decherd	64,613	(8)	*
Thomas J. Falk	743,591	(5)(9)	*
Fabian T. Garcia	2,676		*
Mae C. Jemison, M.D.	24,000		*
James M. Jenness	15,656		*
Nancy J. Karch			