

K-C Steps Up to the Plate

Kimberly-Clark Earns the 2012 DBMA Circle of Excellence Award for its Impressive Track Record and Comprehensive Sustainability 2015 Strategy

By Michael Schwartz



A 140-year-old multinational corporation employing more than 57,000 workers and earning north of \$20 billion annually might be forgiven for putting its resources solely into making all those numbers rise. Kimberly-Clark needs no such forgiveness, as its aggressive and comprehensive Sustainability 2015 strategy commits the firm to the

highest standard of environmental stewardship. Because of this resolute and responsible vision, the Distribution Business Management Association is proud to honor Kimberly-Clark with the 2012 Circle of Excellence Award.

Each year, DBMA's expert panel surveys the corporate landscape for member companies whose dedication to environmentally responsible operation and CSR demonstrates not just a desire to avoid EPA fines and NGO protests, but to foster a culture that recognizes that sustainability and profit must coexist for a company's long-term success. After all, if investors and customers fear that the air they breathe and the water they drink is unhealthy, then buying quality paper products becomes a decidedly minor priority.

"What Kimberly-Clark has done and what they have committed to do is really quite impressive," said DBMA Executive Director, Amy Thorn. "At DBM, we've always thought of the Circle of Excellence as a kind of a club whose members set a sustainability standard that all companies should aspire to. Companies like Kimberly-Clark understand that today companies have only one responsible choice. They must choose to meet the needs of this generation without compromising future generations, creating communities, policies and practices that continuously improve quality of life. Kimberly-Clark is a company that has chosen to encourage sustainable lifestyles instead of being content with business as usual."

The multi-faceted framework of Kimberly – Clark's Sustainability 2015 initiative illustrates their con-

tinued commitment to responsible business practices and policies and has earned them the title of this year's Circle of Excellence Award", Thorn said.

Kimberly-Clark's distilled mantra of "People, Planet and Products" refers to the broader set of sustainability commitments the company has made to improve its social, environmental and economic praxes. K-C says its approach will "sustain and build healthy working environments; develop programs to address United Nations Millennium Development goals; innovate products and business models to reach emerging customers; focus our social programs on global issues and K-C communities; and implement programs to reduce energy, greenhouse gas, water and waste."

"Sustainability is no longer only in the realm of operations, it has grown to include virtually every function, every brand and every business at K-C," said Suhas Apte, Vice President of Global Sustainability. "Sustainability 2015 is a new way of operating; we now have clear sustainability metrics that will measure our progress and hold us all accountable."

People

On the people front, K-C's focus involves attaining the following goals:

- Social programs in all K-C communities
- 100 percent of key suppliers participate in K-C's program to implement social standards
- Zero workplace fatalities

Employee health and wellness training, as well as robust safety programs form the keystone of K-C's goal of limiting workplace fatalities to an acceptable number: zero. The firm's focus on its workers doesn't end when the whistle blows, however. K-C has begun teaching a number of informal seminars that offer clear practical — and environmentally responsible — advice for reducing domestic energy use, creating backyard habitats for wildlife, and suggesting simple home improvements that can dramatically cut heating costs and energy consumption in winter.

Planet

Helping ensure that our children inherit a world healthy enough to sustain their own children and their children's children is a priority for K-C. Kimberly-Clark's Sustainability 2015 initiative introduces an array of eco-friendly measures, but with four goals of paramount importance:

- 25 percent reduction in manufacturing water use
- 100 percent wood fiber from certified suppliers
- 5 percent absolute reduction in greenhouse gases
- Zero waste to landfills

Kimberly-Clark acknowledges that reducing energy use and cost are two of its most difficult and complex problems, but the firm remains unwavering in its dedication to solving them. K-C has in place its Global Energy Services Team, made up of engineers and experts across a broad spectrum of disciplines and tasked with making the company as energy-efficient as possible.

The company is also a member of ENERGY STAR, a joint program of the Environmental Protection Agency and the U.S. Department of Energy that helps U.S. companies measure energy use, set goals, track savings and recognize

improvements. In 2008 and 2009, Kimberly-Clark earned the EPA's ENERGY STAR Partner of The Year award in recognition of the company's broad and thorough commitment to energy management. In addition, the EPA ranked K-C 12th in its most recent list of the top Fortune 500 Green Power Users in the United States.

Products

As with their Planet approach, Kimberly-Clark's Sustainability 2015 plan has a great many tactics, all of which help them toward achieving three key goals:

- 25 percent of sales from environmentally innovative products
- 20 percent reduction in packaging environmental impact
- 250 million new consumers

One elegant example of the interplay between People and Products and life-cycle thinking comes in the form of K-C's Smart Flush bag. According to the company, "The

Scott Naturals Smart Flush bag offers a safe and easy way to save water at home. When placed in the toilet tank, the material in the bag absorbs water and expands, reducing the amount of water consumed in each flush by up to one liter. A family of four could save 2,000 gallons of water per year by using the Smart Flush bag."

Past Circle of Excellence winners such as The Hershey Company and PepsiCo all exemplify the best combinations of corporate environmental and social responsibility, that powerful right stuff this year's winner has is abundance as well. As Kimberly-Clark themselves say, "We believe that the way we do our business is as important as the business we do. Simply stated, operating with integrity and with high ethical standards is the Kimberly-Clark way of doing business."

And awarding that integrity is simply the DBMA way of doing business. Congratulations, Kimberly-Clark.