Government Hydrogen Boost To Help Power Kimberly-Clark Towards 100% Green Energy Target

LONDON, April 6, 2023 – Three green hydrogen projects that Kimberly-Clark is developing with energy industry partners have won places on the UK Government's Hydrogen Business Model Strategy (HBMS) shortlist.

The scheme will kickstart the UK's low carbon hydrogen economy by funding a first-round allocation of 250MW of electrolytic hydrogen projects across England, Scotland and Wales.

Kimberly-Clark, the parent company of leading household brands including Andrex[®], Kleenex[®], Huggies[®], WypAll[®] and Scott[®], expects to reduce its natural gas consumption in the UK by 61% when these three projects are operational at the end of 2025, subject to final government contract.

The three hydrogen projects selected by The Department for Energy Security and Net Zero (DESNZ) include a green hydrogen hub in Barrow-in-Furness. Being developed in partnership with Carlton Power, the Barrow Green Hydrogen hub will power Kimberly-Clark's Cumbria manufacturing facility.

The other two projects are being developed in partnership with HYRO, a joint venture between Octopus Energy Generation and renewable energy company RES, and will see green hydrogen supplied to Kimberly-Clark's manufacturing facilities in Flint, North Wales, and Northfleet in Kent. In total, the three schemes are expected to provide a total of 50MW of green hydrogen.

The shortlisting of all three green hydrogen projects submitted by Kimberly-Clark's partners coincides with the switch-on this week of a new purpose-built onshore wind farm expected to generate around 80% of Kimberly-Clark's UK electrical power needs.

Located in Cumberhead in South Lanarkshire, Scotland, the 12-turbine wind farm has taken just 18 months to build. It's the result of a power purchase agreement (PPA) between Kimberly-Clark and Octopus Renewables Infrastructure Trust (ORIT), a company managed by Octopus Energy Generation. It is also the first wind farm to supply Kimberly-Clark outside of North America. Furthermore, RES was recently awarded the full-scope asset management contract for the wind farm which will see it provide technical, commercial and financial asset management for the site.

Kimberly-Clark will take 160,000 megawatt hours from the wind farm every year, the equivalent of taking 37,000 vehicles off the road. The power will be used at Kimberly-Clark's manufacturing facilities at Barrow-in-Furness, Flint, and Northfleet, as well as its distribution centres in Chorley and Northfleet.

These renewable energy initiatives combined will enable Kimberly-Clark to achieve a total reduction of its greenhouse gas emissions in the UK & Ireland by 86% by the end of 2025 (vs 2015 baseline).

Dan Howell, Kimberly-Clark's UK and Ireland MD said: "These developments represent a significant stepping stone towards our big ambition to move solely to renewable energy to manufacture Andrex, Kleenex, Huggies, WypAll and Scott in the UK by 2030. We can only reach our decarbonization goals via innovative partnerships and cutting-edge technology.

These green hydrogen schemes and our spectacular new wind farm in Cumberhead are perfect examples of what our consumers, retail partners, stakeholders and employees expect us to do. A lot of hard work has gone into developing the green hydrogen projects and it's fantastic to see the UK government selecting them for the funding shortlist."

DESNZ expects projects on the HBMS shortlist to generate up to 250MW - with the three schemes submitted by Kimberly-Clark's partners accounting for just over 20% of that total. Contracts are expected to be awarded by the end of this year, with first projects aiming to be operational in 2025.

The Cumberhead wind farm is operational from April 2023, with Kimberly-Clark and ORIT working on an official opening event later this year.

About Kimberly-Clark

Kimberly-Clark (NYSE: KMB) and its trusted brands are an indispensable part of life for people in more than 175 countries. Fueled by ingenuity, creativity, and an understanding of people's most essential needs, we're committed to our purpose of Better Care for a Better World. Our portfolio of brands, including Huggies, Kleenex, Scott, Kotex, Cottonelle, Poise, Depend, Andrex, Pull-Ups, GoodNites, Intimus, Neve, Plenitud, Sweety, Softex, Viva and WypAll, holds No. 1 or No. 2 share position in approximately 80 countries. We use sustainable practices that support a healthy planet, build strong communities, and ensure our business thrives for decades to come. To keep up with the latest news and to learn more about the company's 150-year history of innovation, visit kimberly-clark.com.

About Carlton Power (www.barrowgreenhydrogen.co.uk / www.carltonpower.co.uk)

Carlton Power, headquartered in Stokesley, North Yorkshire, has 25 years of development experience in the UK including bringing forward over 3.5GW of gas fired generation and 8MW of solar, with c2.5GW of energy storage at various stages of development. In addition to Barrow, it is developing similar green hydrogen schemes at Trafford in Greater Manchester and Langage (Plymouth) in Devon. It is a member of Hydrogen UK and the North West Hydrogen Alliance.

About Octopus Energy Group

Octopus Energy Group is a global energy tech pioneer, launched in 2016 to use technology to unlock a customer focused and affordable green energy revolution. With operations in 14 countries, Octopus Energy Group has a truly global reach.

Octopus's domestic energy arm already serves 5.3 million customers with cheaper greener power, through Octopus Energy, Bulb, Affect Energy, Ebico, London Power and Co-op Energy. Octopus Electric Vehicles is helping make clean transport cheaper and easier, and Octopus Energy Services is bringing smart products to thousands of homes. Octopus Energy Generation is one of Europe's largest investors in renewable energy, managing a nearly £6 billion portfolio of renewable energy assets across the globe.

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