

2017 Clorox Analyst Day

October 5, 2017 in New York City





Welcome

Benno Dorer

Chairman and Chief Executive Officer



Key Messages

- 2020 Strategy continues to work
- Evolving our 2020 Strategy focus areas
- Confident in our ability to deliver long term shareholder value

Management Team in Attendance



Steve Austenfeld

VP – Investor Relations

Bill Bailey

SVP – Corporate Business Development

Jon Balousek

SVP and GM – Household and Lifestyle

Luc Bellet

VP – Internal Audit

Benno Dorer

Chairman and Chief Executive Officer

Denise Garner

SVP and Chief Innovation Officer

Matt Laszlo

SVP and Chief Customer Officer

Kirsten Marriner

SVP and Chief People Officer

Linda Rendle

SVP and GM – Cleaning

Eric Reynolds

SVP and Chief Marketing Officer

Steve Robb

EVP and Chief Financial Officer

Dawn Willoughby

EVP and Chief Operating Officer

Board Members in Attendance



Dr. Richard Carmona

Vice Chairman, Canyon Ranch, Former Surgeon General of the United States

Spencer Fleischer

Managing Partner, FFL Partners

Esther Lee

EVP & Global Chief Marketing Officer, MetLife, Inc.

Pamela Thomas-Graham

Independent Lead Director

Russell J. Weiner

President, Domino's USA

Chris Williams

Chairman, CEO and Founder, The Williams Capital Group L.P. and Williams Capital Management LLC

Safe Harbor



Except for historical information, matters discussed in this presentation, including statements about the success of the Company's future volume, sales, costs, cost savings, earnings, earnings per share, diluted earnings per share, margins, foreign currencies, foreign currency exchange rates, cash flows, plans, objectives, expectations, growth or profitability, are forward-looking statements based on management's estimates, assumptions and projections. Important factors that could affect performance and cause results to differ materially from management's expectations are described in the Company's most recent Form 10-K filed with the SEC, as updated from time to time in the Company's SEC filings. Those factors include, but are not limited to, risks related to competition in the Company's markets; volatility and increases in commodity, energy, transportation and other costs; the Company's ability to drive sales growth and increase market share; dependence on key customers; increase in sales of consumer products through alternative retail channels; information technology security breaches or cyber attacks; government regulations; political, legal and tax risks; risks relating to acquisitions, new ventures and divestitures; economic and financial market conditions; international operations and international trade, including price controls, foreign currency fluctuations, labor claims and labor unrest, and potential harm and liabilities from use, storage and transportation of chlorine in certain markets; the ability of the Company to innovate, to develop commercially successful products and to implement cost savings; the success of the Company's business strategies; the Company's business reputation; the venture agreement with P&G related to the Company's Glad® business; supply disruptions; product liability claims, labor claims and other legal proceedings; the Company's ability to attract and retain key personnel; environmental matters; the Company's ability to assert and defend its intellectual property rights; and the impacts of potential stockholder activism.

We Make Everyday Life Better, Every Day.



1913



2017

How We Create Value



Leading Brands

Over 80% of Global Sales from #1 or #2 Share Brands



	United States	Share Position
	Disinfecting Wipes	#1
	Bleach	#1
	Toilet Bowl Cleaner	#1
	Clean Up Spray	#1
	Dilutable Cleaners	#1
	Drain Care	#2
	Charcoal	#1
	Salad Dressing	#1
	Cat Litter	#2
	Premium Trash Bags	#1
	Food Wraps	#2
	Natural Lip Care	#1
	Water Filtration	#1



Probiotics – Natural Channel

#2

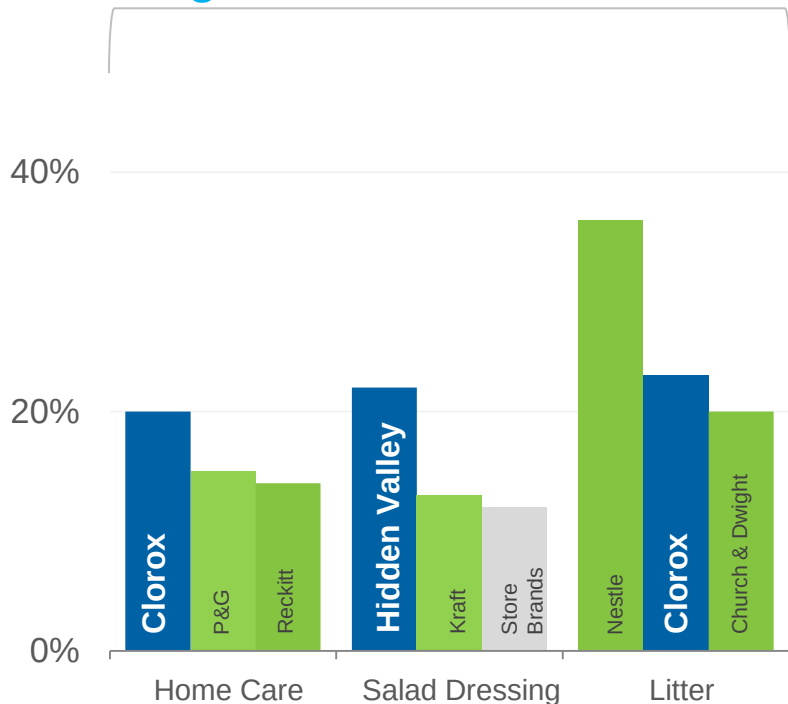
	International	Share Position
	Argentina	#1
	Saudi Arabia	#1
	Mexico	#2
	Peru	#1
	Colombia	#2
	Chile	#1
	Canada	#2
	Canada	#1
	Australia	#1
		
	Argentina	#1
	Chile	#1
	Canada Trash Bags	#1
	Canada Food Wraps	#1
	New Zealand Food Protection	#1
	Hong Kong Food Protection	#1
	Canada Lip Care	#2

US share position: dollar market share, IRI MULOP 52 weeks ending 06/18/17, International share position: dollar market share, Nielsen Retail Measurement for International geographies except; IRI for Australia

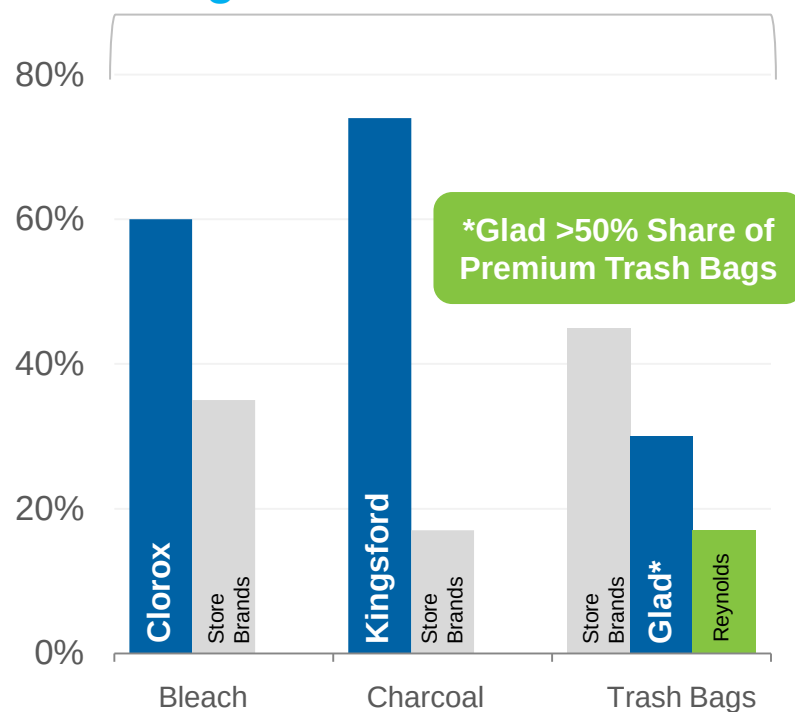
Competing Well with National & Store Brands



Categories with National Brands



Categories with Store Brands



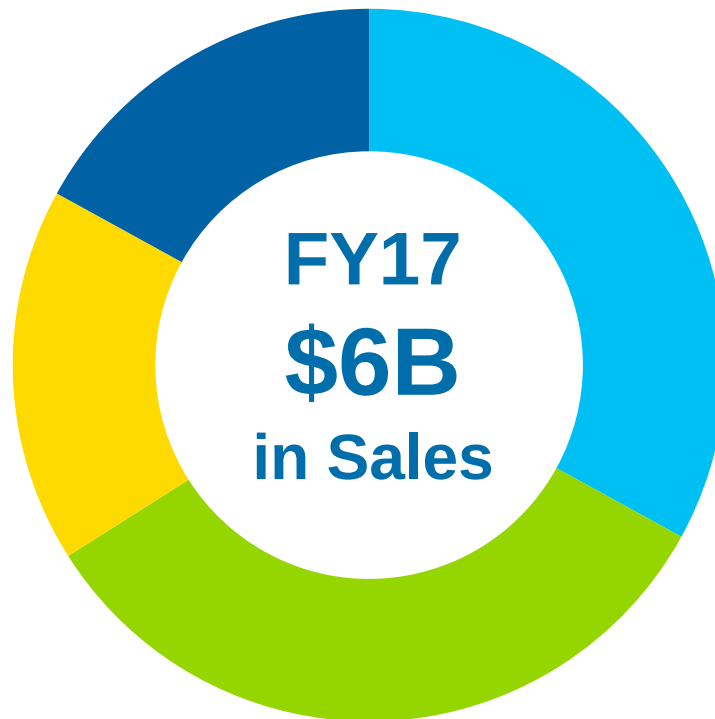
Mid-Sized Categories

International : 17%

Latin America	9%
Canada	3%
Australia / NZ	2%
Rest of World	3%

Lifestyle : 16%

	9%
	4%
	3%



Cleaning : 34%



Home Care 19%



Laundry 9%



Professional 6%

Household : 33%



14%



10%



7%



2%

Operational Excellence



*As of June 30th, 2017, Clorox's S&A/Sales was ~13.6% vs. peer average of 19% . This number does not include R&D or marketing expenses and excludes peers that do not disclose S&A separately from SG&A in their reported financial statements (Kimberly-Clark, Reckitt-Benckiser). Peer group consists of CHD, CL, PG, NWL, CPB, GIS, HSY, K, KHC, DPS, KO, PEP, COTY, EL, KMB, RB-GB.

Good Growth



Profitable, Sustainable, Responsible

2013: Introduced 2020 Strategy



Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Engage our people as business owners
- Increase brand investment behind superior value and more targeted 3D plans
- Keep the core healthy and grow into new categories and channels
- Reduce waste in work, products, and supply chain

2015: Introduced Strategy Accelerators



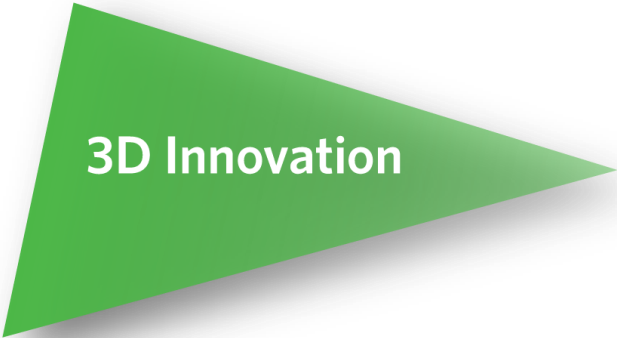
**3D Technology
Transformation**

3D Innovation

**Portfolio
Momentum**

Growth Culture

Strategy Accelerators Drove Strong Progress



3D Innovation

- Bigger and better platforms, faster
- Consistent +3% of incremental sales from innovation
- Significant increase in household penetration and consumer value perception

Strategy Accelerators Drove Strong Progress



3D Technology
Transformation

- Leading industry in digital marketing spend
- Strong eCommerce sales, well ahead of expectations

Strategy Accelerators Drove Strong Progress



Portfolio
Momentum

- Growth SBUs growing faster
- Fuel SBUs more profitable
- Renew Life acquisition on track
- Cost savings program on track

Strategy Accelerators Drove Strong Progress

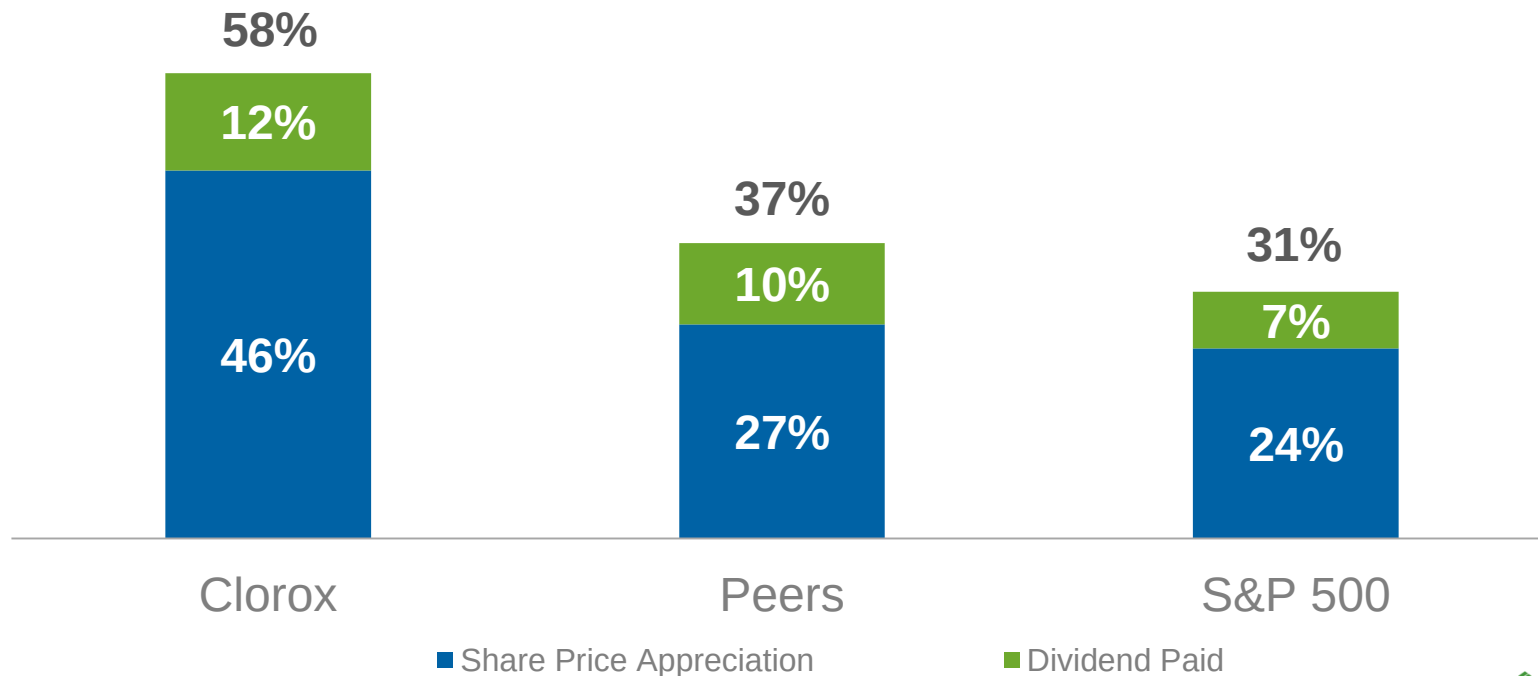


Growth Culture

- Record high employee engagement
- Commitment to inclusion and diversity
- Decisive, empowered, and accountable

Resulting in Strong Shareholder Return

Total Shareholder Return - 3 Years Ending 6/30/2017



Today: Evolved 2020 Strategy



Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Agenda



Strategy 1: Drive Superior Consumer Value

- Brands with Purpose
- Innovation
- Pricing
- Retail Execution
- Technology Transformation 2.0

Jon Balousek

Denise Garner

Matt Laszlo

Matt Laszlo

Eric Reynolds

Break

Strategy 2: Accelerate Portfolio Momentum

Linda Rendle

Agenda



Strategy 3: Fuel Growth by Reducing Waste

Dawn Willoughby

Financial Update

Steve Robb

Strategy 4: Engage Our People as Business Owners

Kirsten Marriner

Board Perspective

Pamela Thomas-Graham

Closing

Benno Dorer

Lunch and Q&A

2020 Strategy



Mission

- We make everyday life better, every day

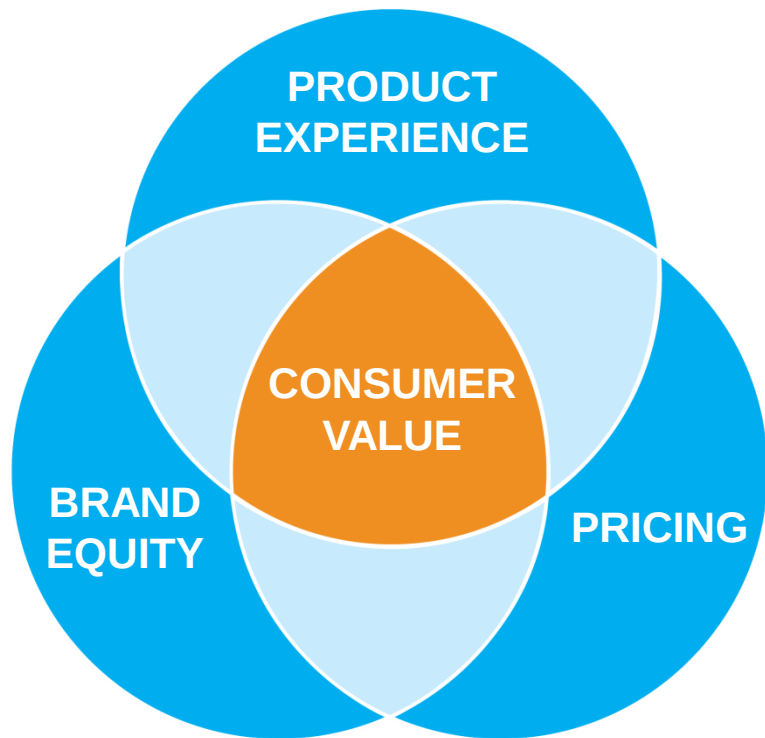
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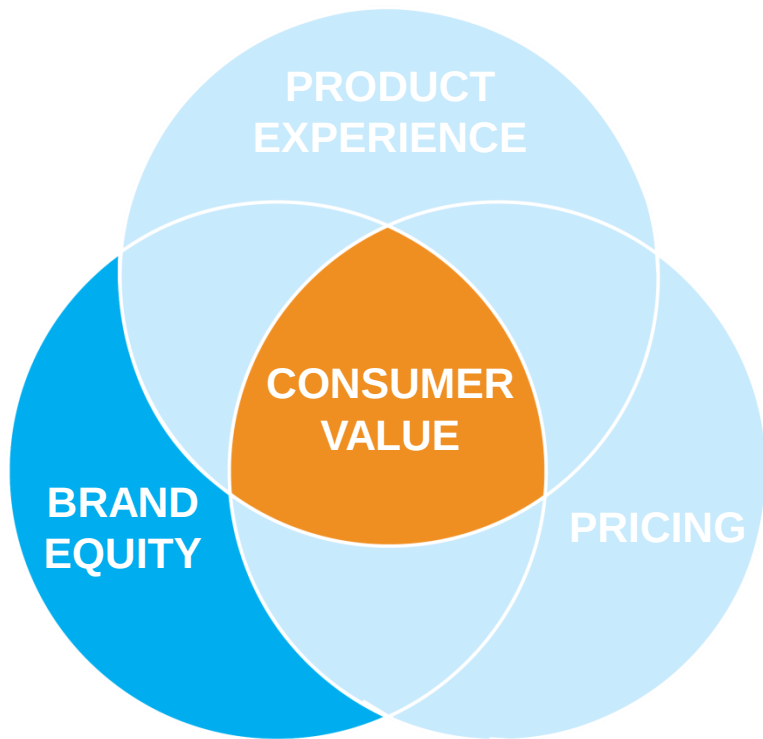
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- Engage our people as business owners

Driving Superior Consumer Value

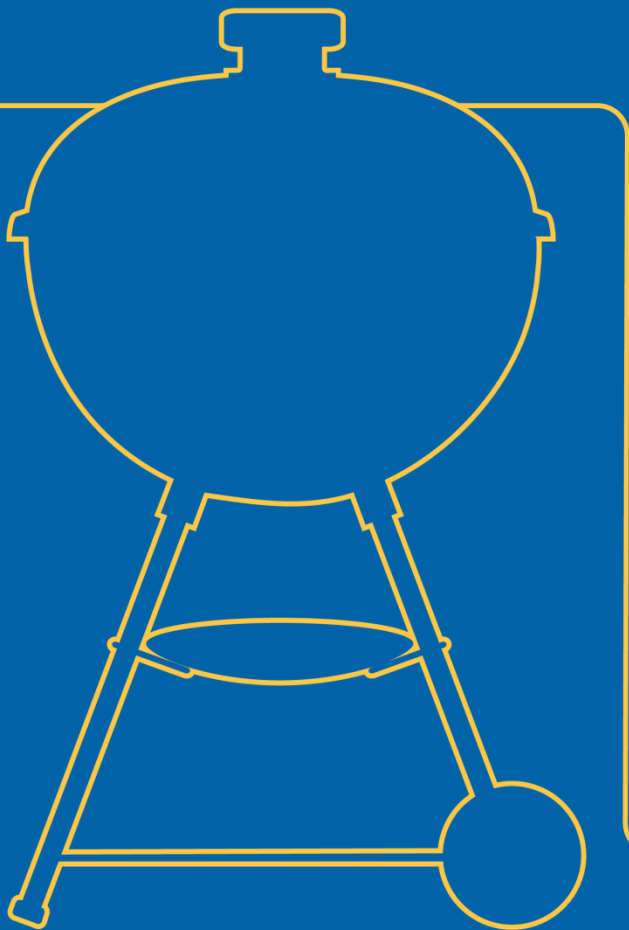


- Value is an outcome of:
 - Great brand equity
 - Differentiated products
 - The right pricing
- Executing with excellence by delivering seamless consumer experience in-store and online

Driving Superior Consumer Value



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Brands with Purpose

Jon Balousek

SVP and GM Household and Lifestyle

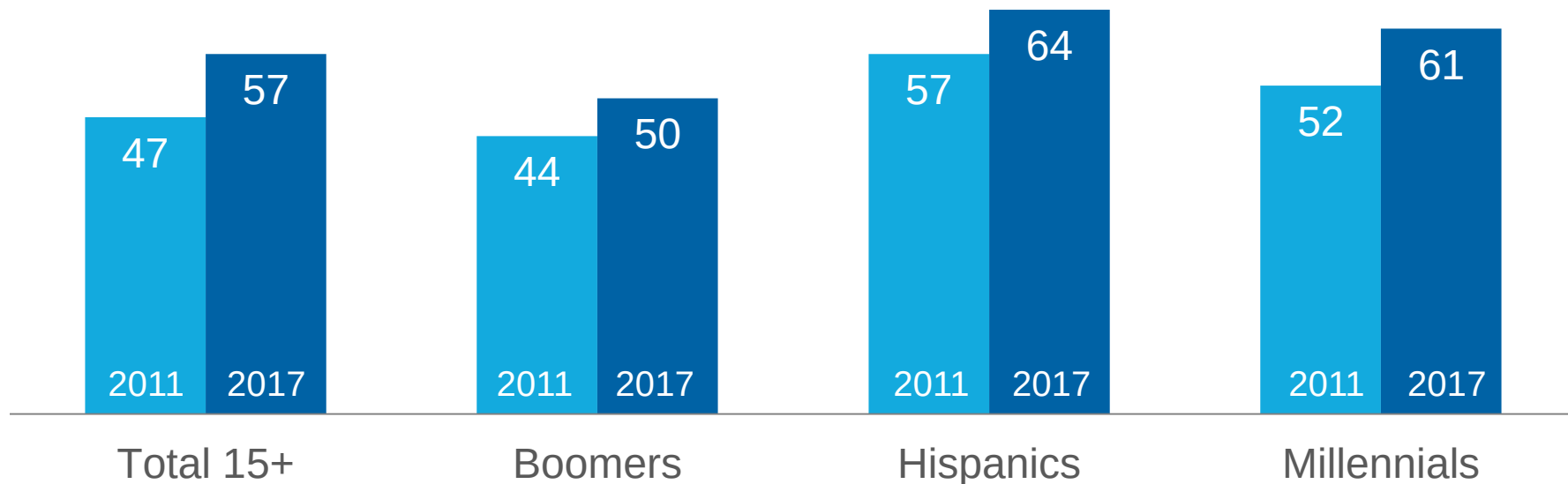


Key Messages

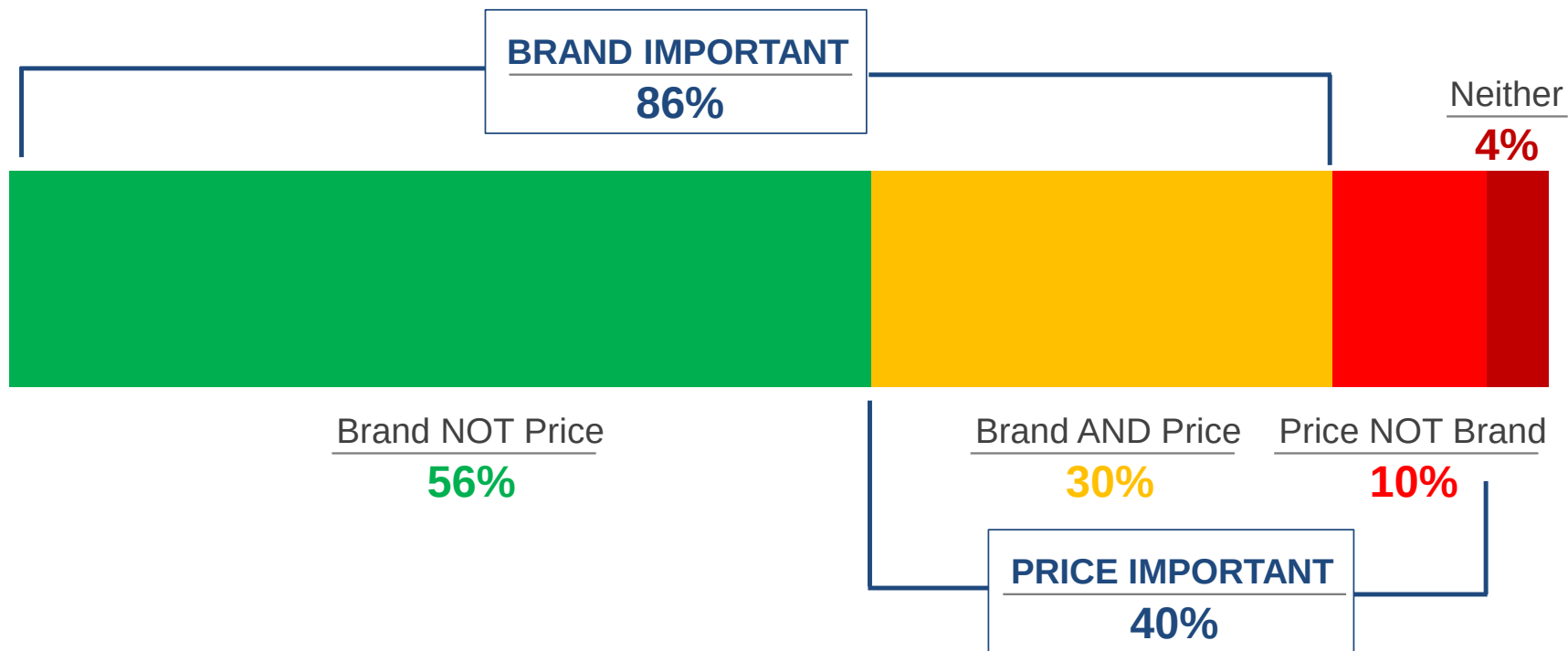
- Strong brands are a key driver of consumer value
- Clorox brands are strong and resonate with consumers
- Evolving to build brands with purpose

Brands Matter

57% of American consumers agree with statement, **“they only buy products or services from trusted brands”**



Brands Matter Even More Than Pricing

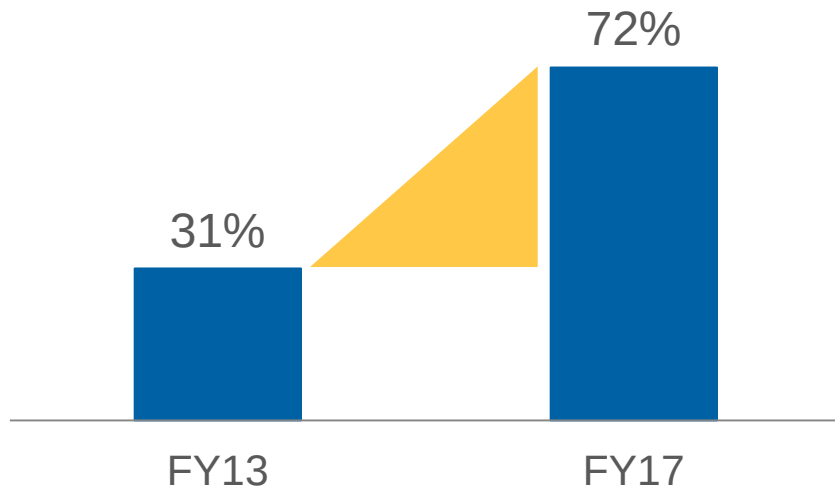


Clorox Brands Matter



Household Penetration is Growing

% Sales with Growing/
Stable Household Penetration

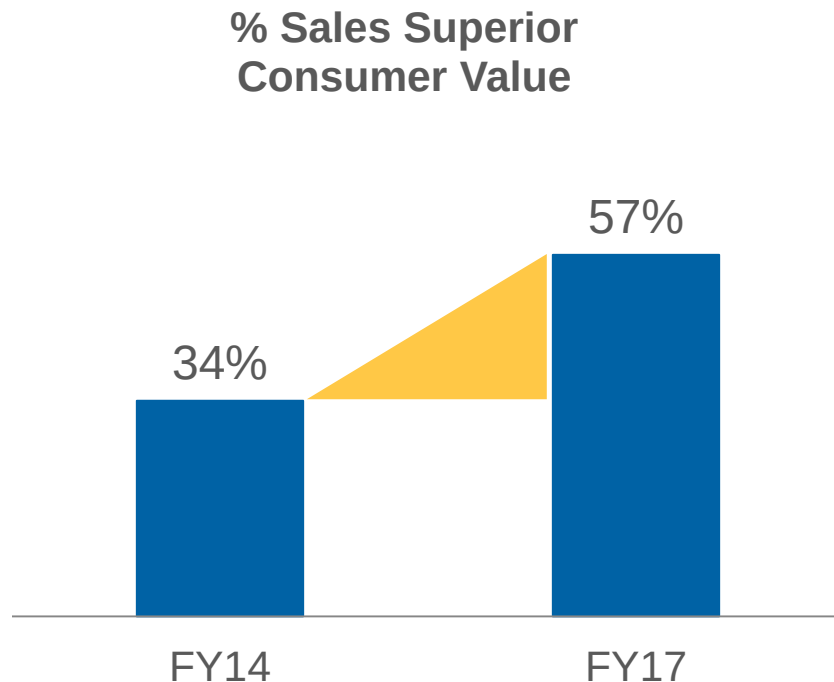


72%
of portfolio has
growing or stable
household penetration

A Majority of our Portfolio is Value Advantaged



57%
of portfolio has
superior consumer
value.



Evolving How We Build Brands



Brand
Studios

FCB

New Agency
Partners

mcgarrybowen

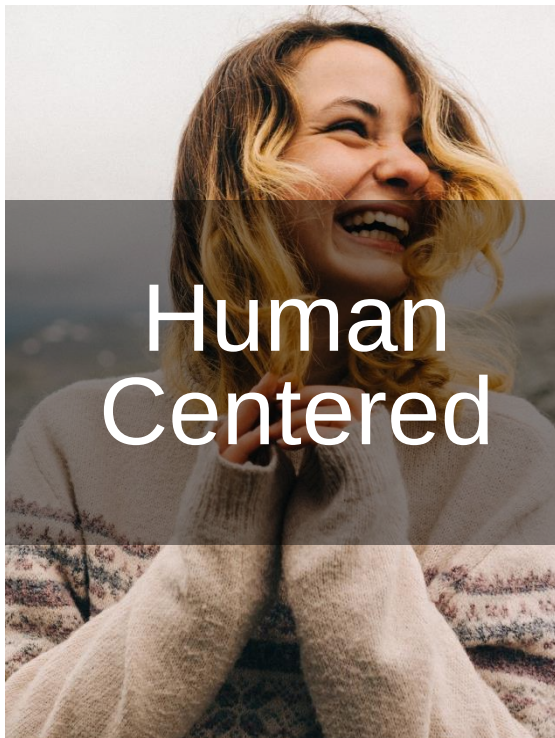
ALMA

HAVE SOUL



Marketing
Technology

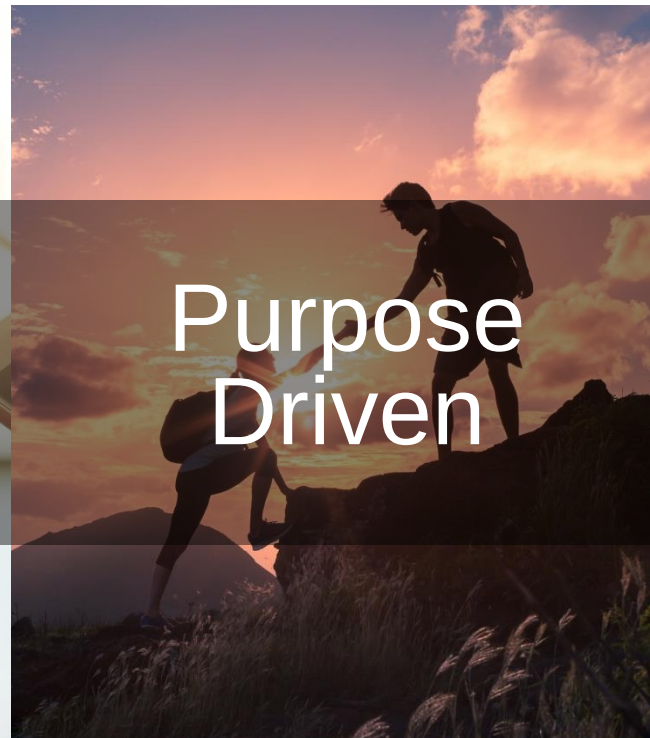
Building Brands with Purpose



Human
Centered



Technology
Enabled



Purpose
Driven

Clorox's Global Brand Purpose



Clorox champions a cleaner world
where people thrive

Today's Category Landscape is Task Driven





Clean is the beginning.
What comes next is everything.

A germ-free desk
is the beginning.



What comes next is
everything.



A healthy home
is the beginning.



What comes next is
everything.



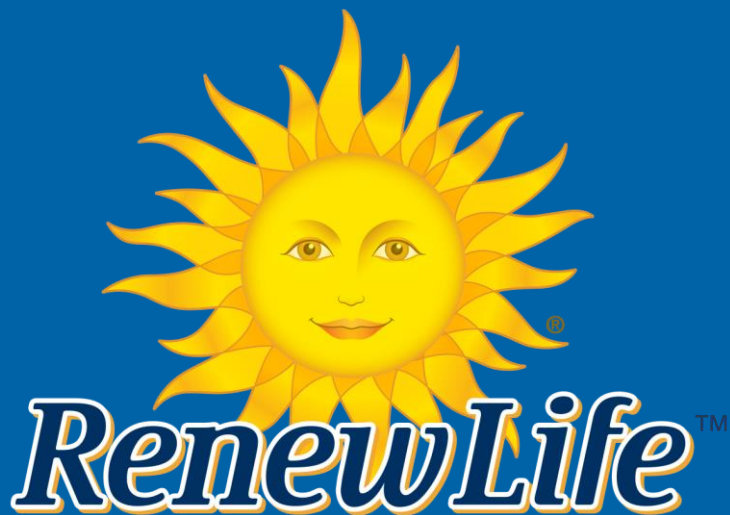
What Comes Next is Everything

- People don't love **cleaning**. But they love **clean**.
- Reframes category
 - From: **Dirty** to **Clean**
 - To: **Clean** to **Thriving**
- Affirms Clorox as the undisputed leader.



Cloroxisthebeginning.com

Our Newest Brand . . .





**GUT
WELLNESS
IS THE
CORE**



95%
OF YOUR BODY'S
SEROTONIN

IS MADE IN
THE GUT



50%
OF YOUR BODY'S
DOPAMINE

IS MADE IN
THE GUT

70%
OF THE
**IMMUNE
SYSTEM**

IS LOCATED IN
THE GUT



PURPOSE

**RENEW
THE CORE
OF
HUMAN
VITALITY**



BEING HUMAN TAKES GUTS

Being Human Takes Guts



- A healthy gut promotes energetic living
- Reframes category to a human-centered idea
 - From: **Problem/Solution**
 - To: **Daily regimen** for **living courageously**
- Assumes a leadership posture in a crowded category



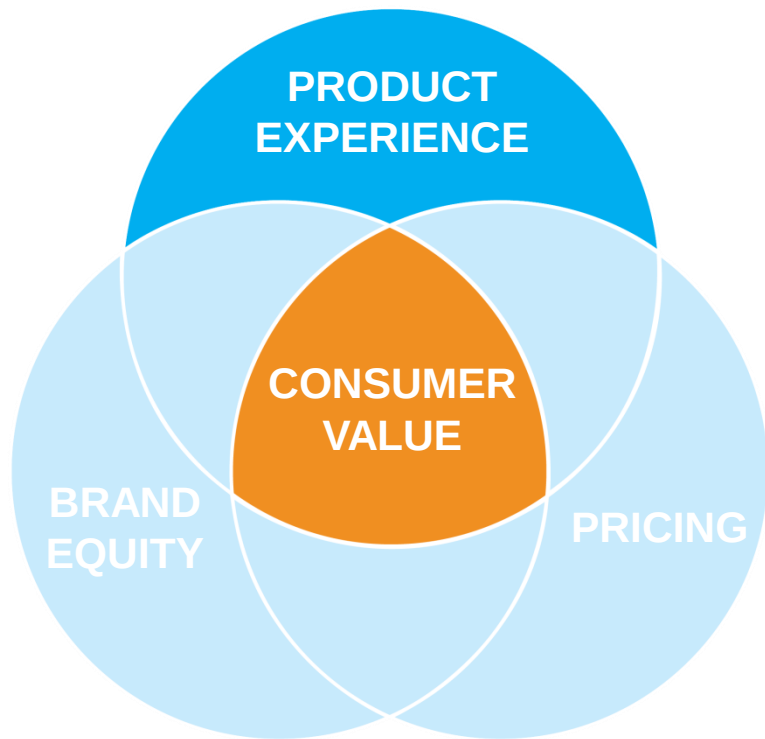
RenewLife[®]
PROBIOTICS



Key Messages

- Strong brands are a key driver of consumer value
- Clorox brands are strong and resonate with consumers
- Evolving to build brands with purpose

Driving Superior Consumer Value



- Value is an outcome of:
 - Great brand equity
 - **Differentiated products**
 - The right pricing
- Executing with excellence by delivering seamless consumer experience in-store and online



Innovation

Denise Garner

SVP and Chief Innovation Officer

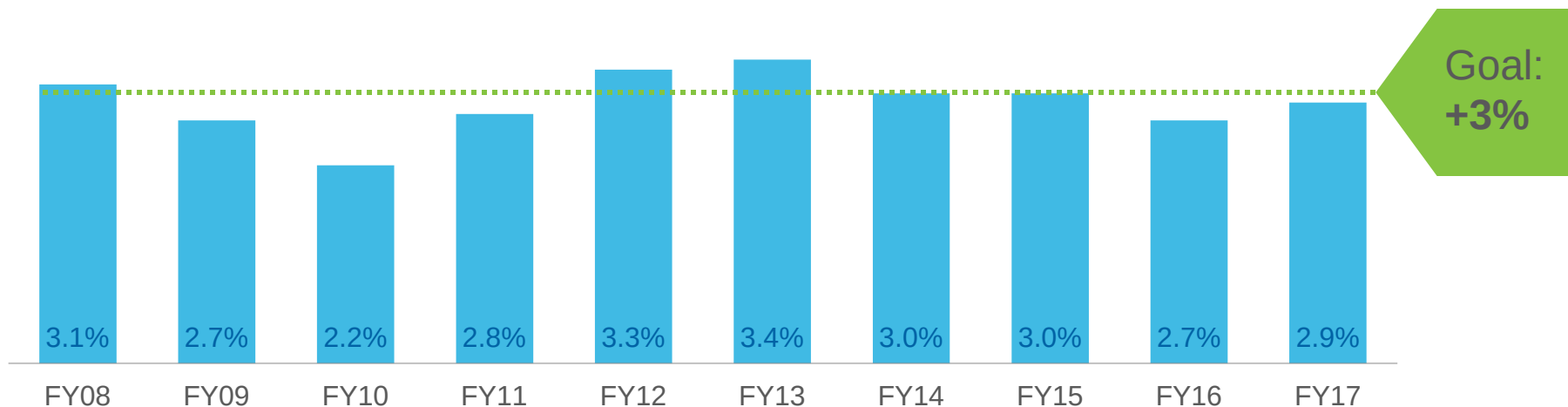


Key Messages

- Strong track record of innovation
- Solid innovation pipeline to continue the momentum
- Evolving our processes for bigger, better and faster innovation

Strong Track Record of Innovation

Incremental Sales Growth from Product Innovation (Last 12 months)



Strong Track Record of Innovation



Glad Odorshield with Gain



Clorox Power Gel



Scentiva Cleaning Platform



Fresh Step with Febreze



Clorox Splash-less Bleach



Long-Burning Charcoal



Brita Stream



Hidden Valley Ranch Withs



Clorox Fuzion Cleaner & Disinfectant



Burt's Bees Lipsticks

Broad-Based Approach to Innovation

KEEP THE CORE HEALTHY

Product &
Marketing

Product
Superiority

GROW MARKET SHARE

EXPAND MARGIN

Cost-o-
vation*

New
Product
Platforms
&
Adjacency
Expansion

ACCELERATE GROWTH

Broad-Based Approach to Innovation

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ACCELERATE GROWTH

Reinventing Clorox Liquid Bleach



- Patented technology
- Keeps clothes whiter longer
- A protective shield that repels stains to make cleaning quicker and easier

Broad-Based Approach to Innovation



KEEP THE CORE HEALTHY

GROW MARKET SHARE

Product &
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EXPAND MARGIN

ACCELERATE GROWTH

Reinventing Scent Experience in Home Care



Hawaiian Sunshine

Clorox® Scentiva™

- Kills 99.9% of Bacteria & Viruses
- Cleans, Disinfects and Deodorizes
- Two experiential custom blended scents from fine fragrance houses



Tuscan Lavender & Jasmine

Reinventing Scent Experience in Home Care



Clorox® Scentiva™

New scent: Pacific Breeze and Coconut

New product form



Broad-Based Approach to Innovation



KEEP THE CORE HEALTHY

GROW MARKET SHARE

Product &
Marketing

Product
Superiority

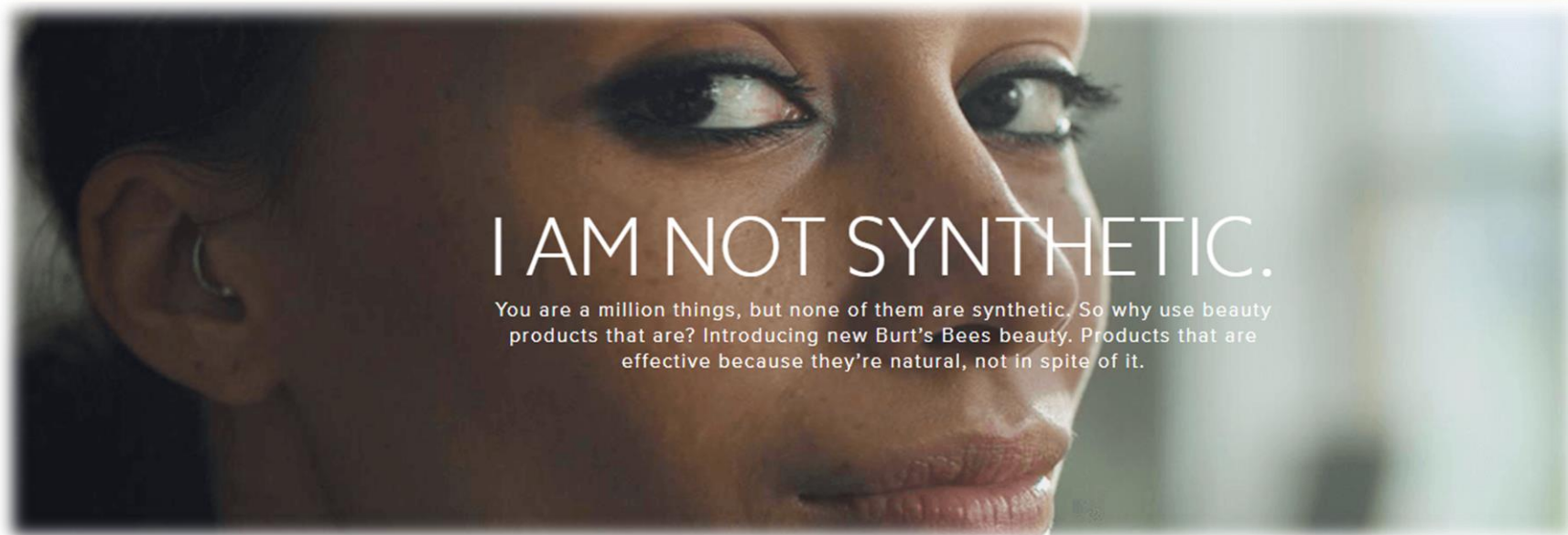
Cost-o-
vation*

New
Product
Platforms
&
Adjacency
Expansion

EXPAND MARGIN

ACCELERATE GROWTH

Introducing Burt's Bees Line of Cosmetics



I AM NOT SYNTHETIC.

You are a million things, but none of them are synthetic. So why use beauty products that are? Introducing new Burt's Bees beauty. Products that are effective because they're natural, not in spite of it.



Nourishing
Mascara



Eye Shadow
Trio



Nourishing
Eyeliner Pencil



Eyebrow Pencil



Goodness
Glows Liquid
Makeup



Mattifying
Powder
Foundation



Blush



Glossy Lipstick

Introducing Burt's Bees Line of Cosmetics



- 83% of Burt's Bees consumer target wants natural cosmetics
- Start of ship: August 2017
- Face color, eye color and lip color
- Allure magazine “best of beauty award”



BURT'S
BEES®



Solid Pipeline to Continue the Momentum

FY18
Front Half



Burt's Bees
Cosmetics



Clorox Performance
Bleach with Cloromax



Scentiva Cleaning Platform

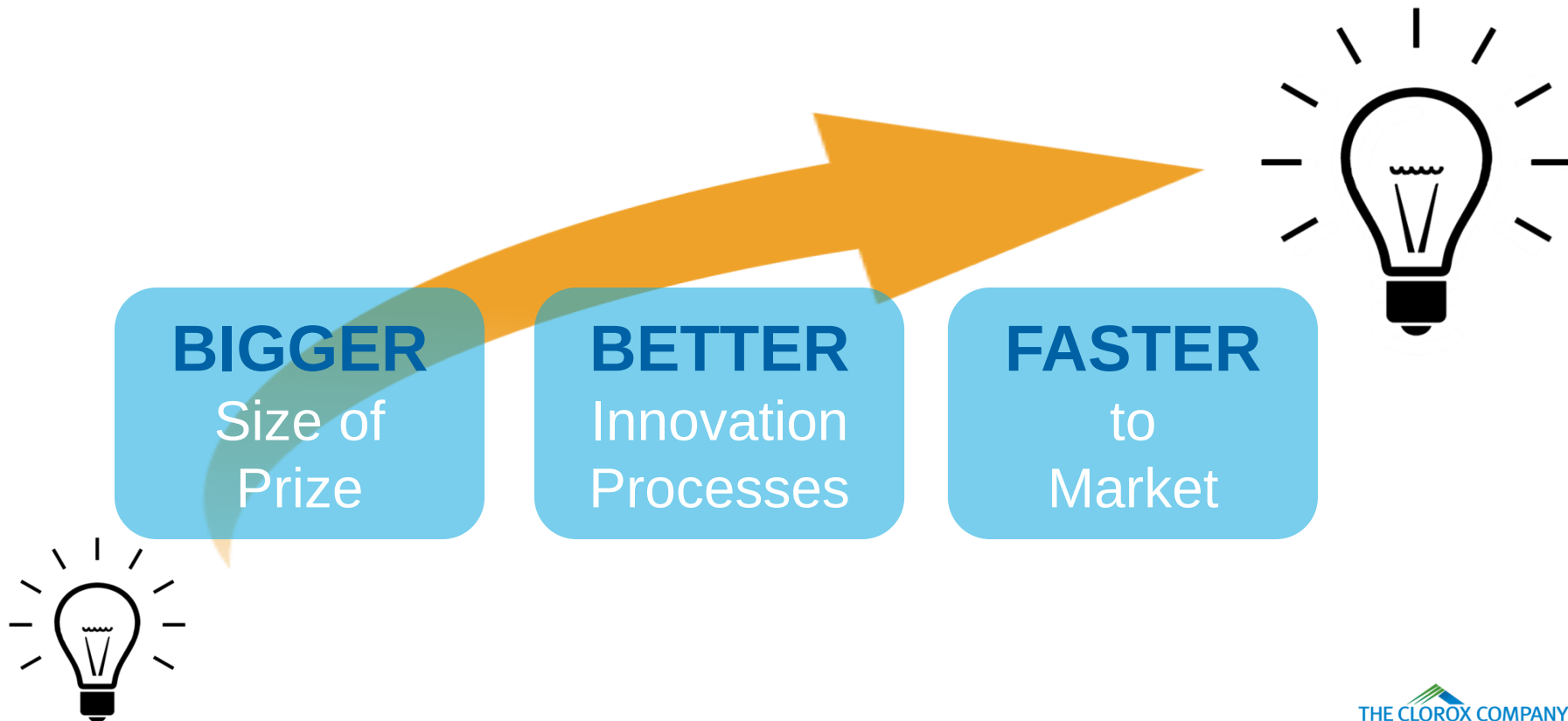
FY18
Back Half



It's about to get fresher...



Evolving our Processes



Bigger Size of Prize

Redesigned front-end innovation processes:

- Leverage consumer “Jobs” framework
- Embed external perspectives
- Harness the power of design

 **BRITA**
STREAM



Better Innovation Process – Powered by Design

Insights:

- Takes too long to get filtered water
- Too big and bulky
- Doesn't fit well in my fridge



Technology:

- Activated carbon felt sheets
- Improves taste
- Allows for “filter-as-you-pour”



Design Engagement:

- Design within constraints
- Create emotional experience



Consumer Feedback:

- Easy to set up
- Fits in my fridge
- Convenient to use
- High quality
- Easy to carry
- Filters Fast

Faster to Market

New product development process cuts average time to market by nearly **40%**:

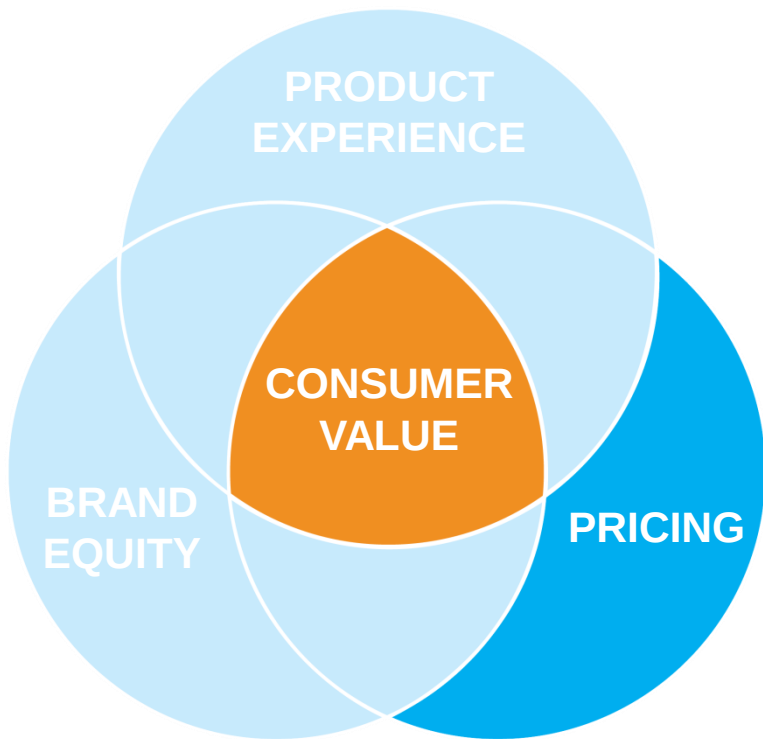
- Applies Agile principles
- R&D and marketing organizations redesigned for faster decision-making
- Leverages co-location benefits of innovation center



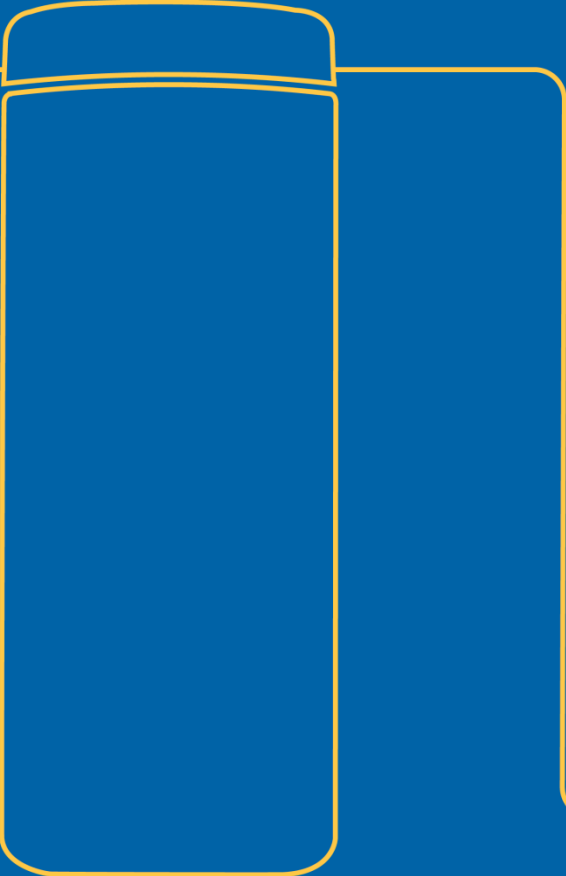
Key Messages

- Strong track record of innovation
- Solid innovation pipeline to continue the momentum
- Evolving our processes for bigger, better and faster innovation

Driving Superior Consumer Value



- Value is an outcome of:
 - Great brand equity
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- Executing with excellence by delivering seamless consumer experience in-store and online



Pricing

Matt Laszlo

SVP and Chief Customer Officer

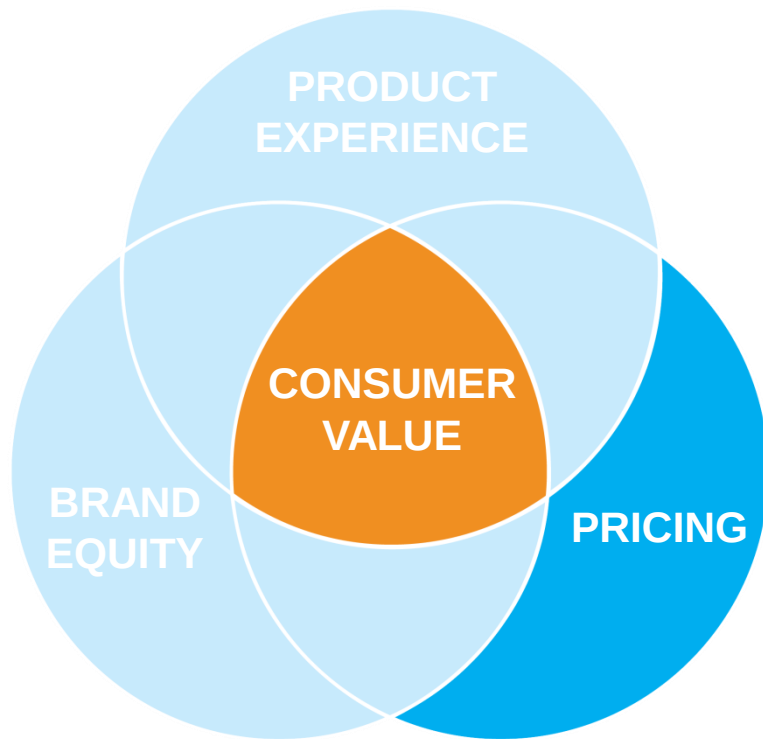


Key Messages

- Strategic approach to pricing guided by consumer value
- Leveraging pricing power: Clorox Disinfecting Wipes
- Addressing value gap: Glad Trash Bags

Strategic Approach to Pricing Guided by Consumer Value

- Price for value, considering all elements of consumer value
- Leverage value-added innovation as a pricing opportunity
- Strong track record of price increases over past 5 years



Leveraging Value Advantage



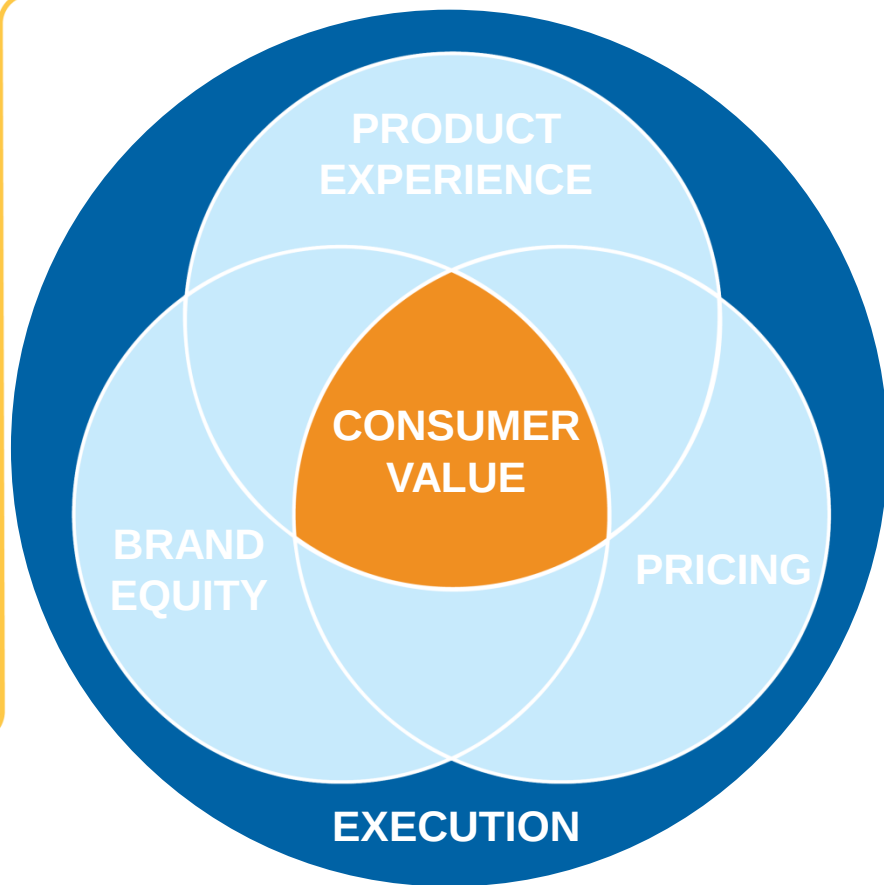
- Price increase effective November 2017
- Consumers highly value Clorox Wipes
- Creating fuel for continued investments

Selectively Addressing Value Gap

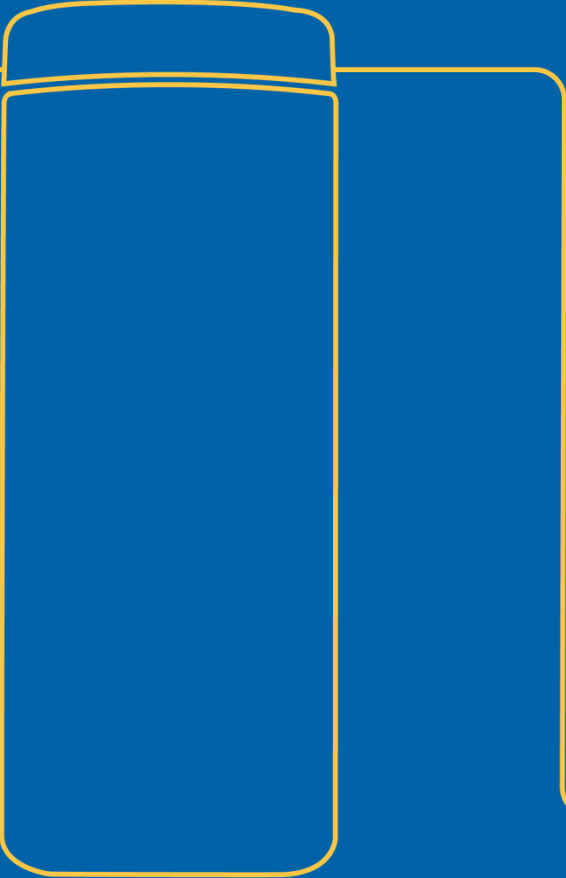
- Effective October 2017
- Widening price gap driving share loss
- Targeted decrease on high-counts only
- Re-leveling playing field to enable growth from strong innovation pipeline



Driving Superior Consumer Value



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- **Executing with excellence**
by delivering seamless
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in-store and online



Retail Execution

Key Messages

- Time of unprecedented change
- Clorox has a long history of retail success
- Evolving our capabilities to win in the new environment

Time of Unprecedented Change

eCommerce



Hard Discounters



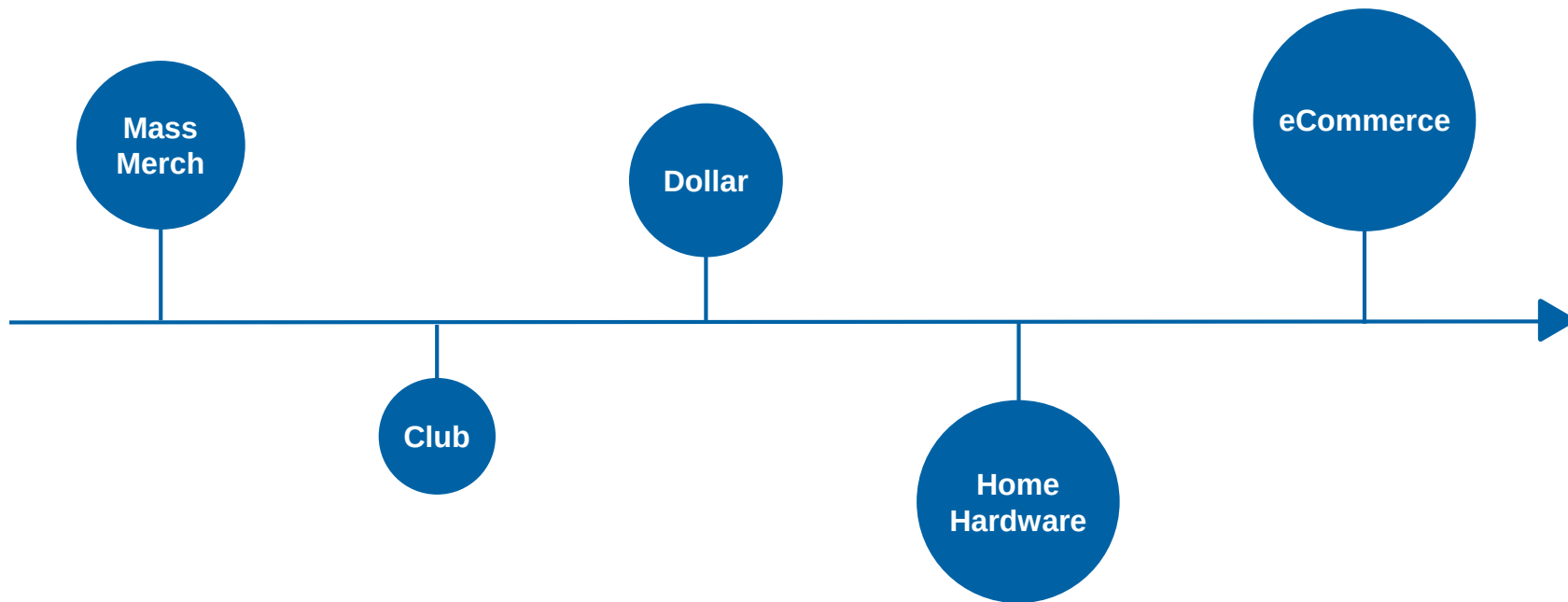
Store Brands



Consolidations



Clorox has a Long History of Retail Success



Clorox Capabilities are World Class and Adaptable

- Insights
- Category management
- Shopper marketing
- Retail operations
- Supply chain
- Omni-channel retailing



Continuing to Thrive with Core Customers

- Recognize importance of our brands and value
- Strategic influence across many initiatives
- Strong track record of growth together
- FY17 shipments grew +5%



Growing at Alternative Channels

- Strategic partner in driving consumables category growth
- Our brands are trip drivers
- FY17 shipments grew +6%



Continuing Strong Growth in Professional Channels

- Cleaning & Foodservice – recognizable brands and consumer-facing penetration
~10% Sales CAGR over last 3 years
- Healthcare – superior clinical knowledge and hospital penetration



Developing the Right to Win Wherever Consumers Shop



at home
The Home Décor Superstore

ORGILL
Worldwide Distribution & Retail Services



DSW
DESIGNER SHOE WAREHOUSE®

Accelerating Growth in eCommerce

- Early investment in eCommerce is paying off
- Adapting Clorox capabilities to a digital application
- Leveraging our strength in category management and shopper marketing



amazon

chewy

STAPLES

jet

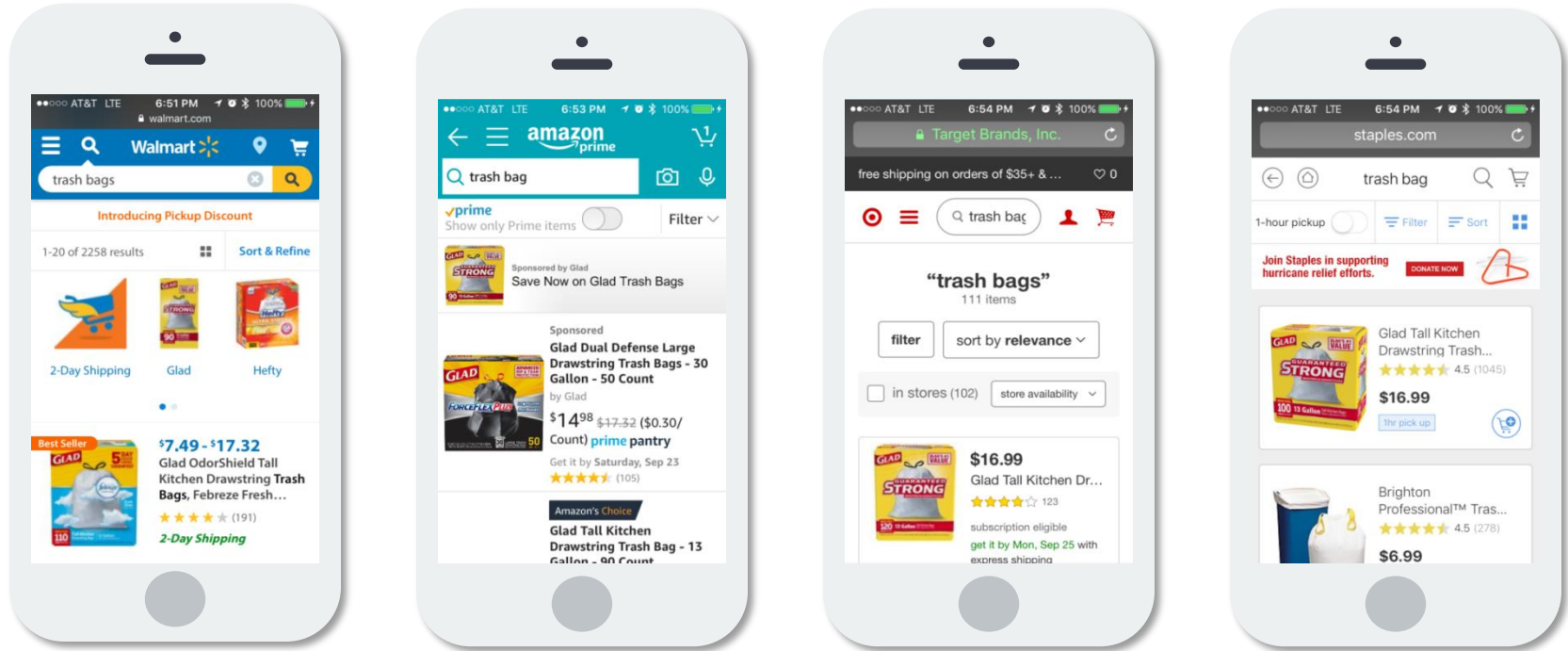
Walmart

Translating Category Management From Physical...



Winning with assortment and shelving in brick & mortar

To Category Management in a Digital World



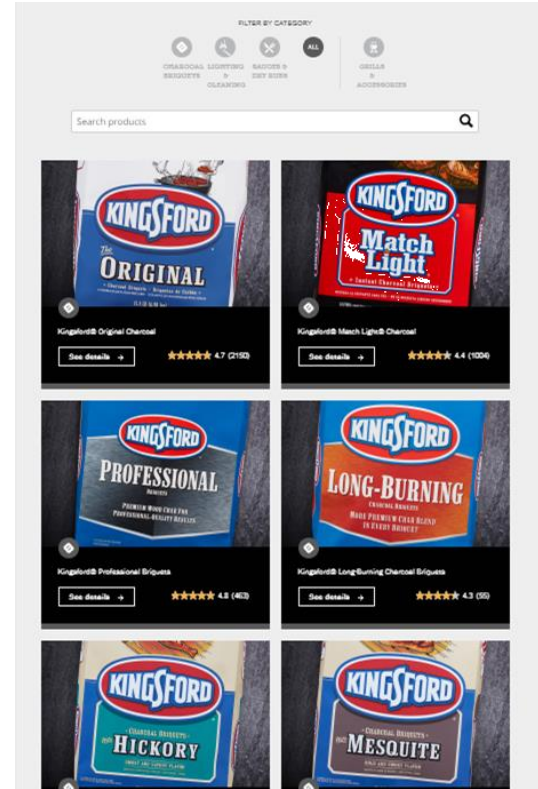
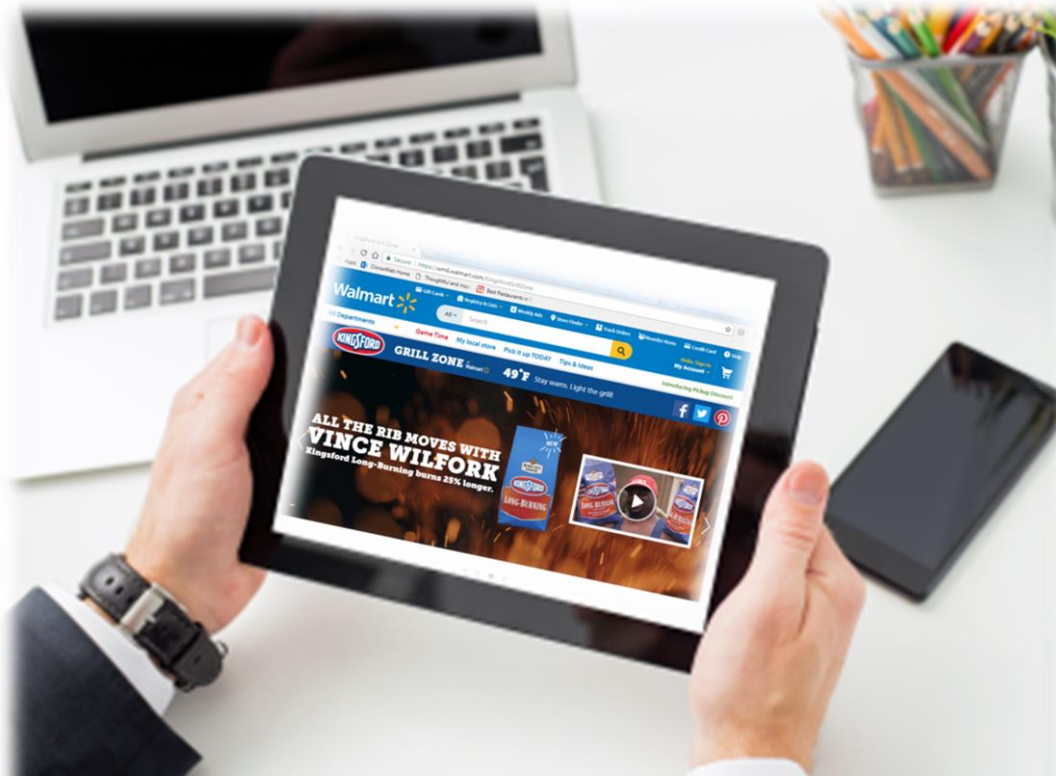
‘Top of the page’ is online equivalent of eye-level shelving

Translating Shopper Marketing From Physical...



Engaging shoppers in store with bundles and disruptive displays

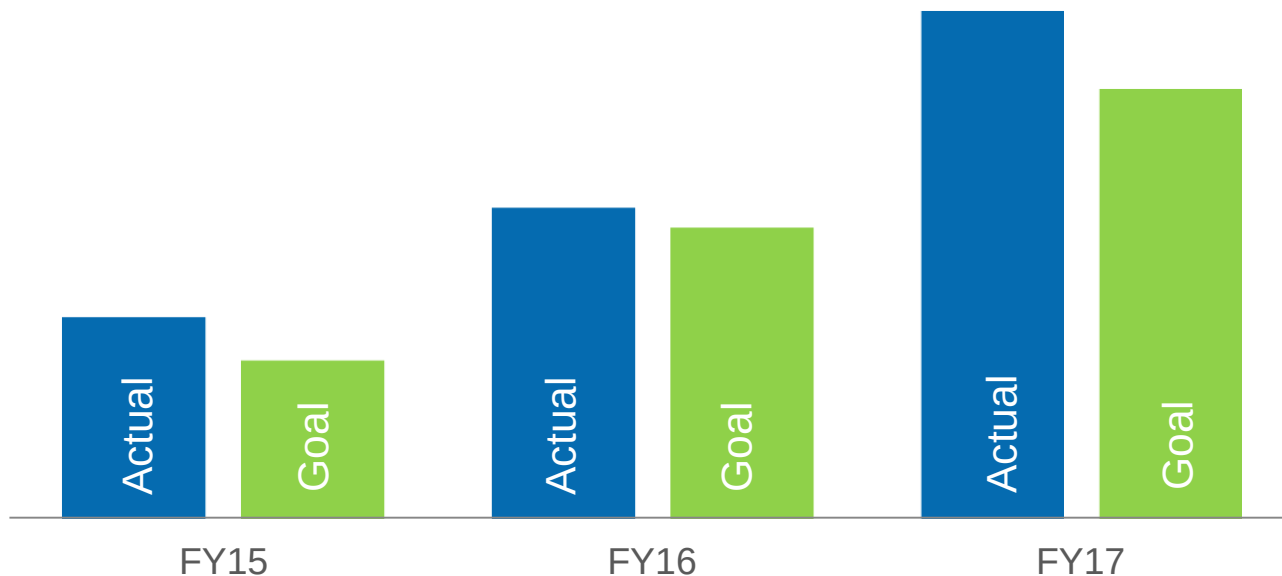
...To Shopper Marketing in the Digital World



Engaging shoppers online with relevant and customized content

eCommerce Sales Well Ahead of Goals

37% Sales CAGR
(FY15 to FY17)



Growth Brands Leading the Way in eCommerce

eCommerce % of Total Sales



8%



11%

BURT'S BEES®

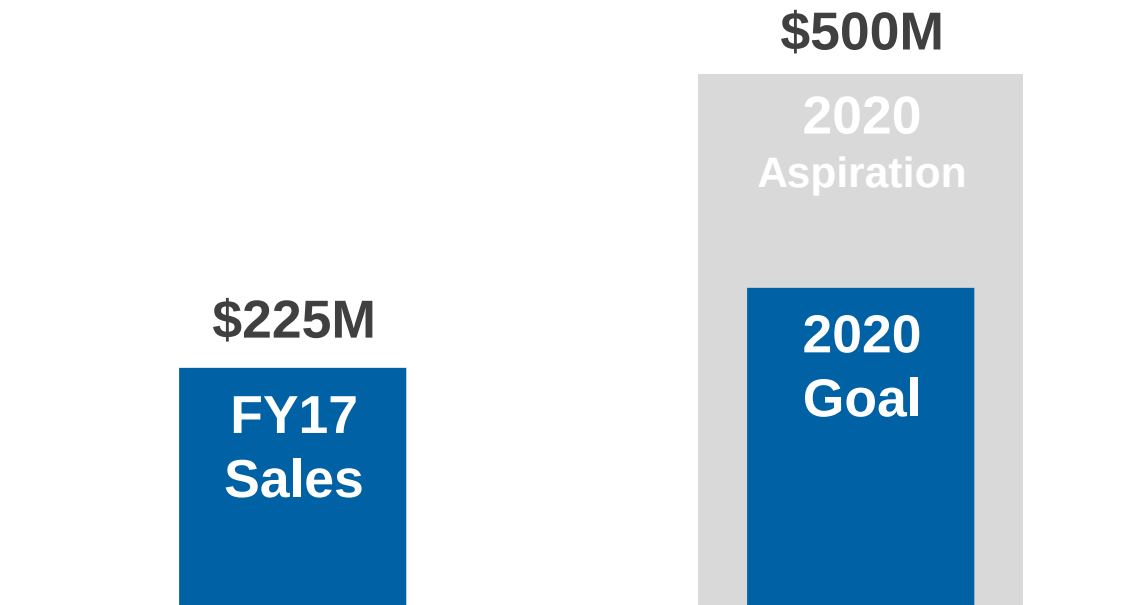
11%

Professional Products

21%

Closing in on 2020 \$500M Aspiration

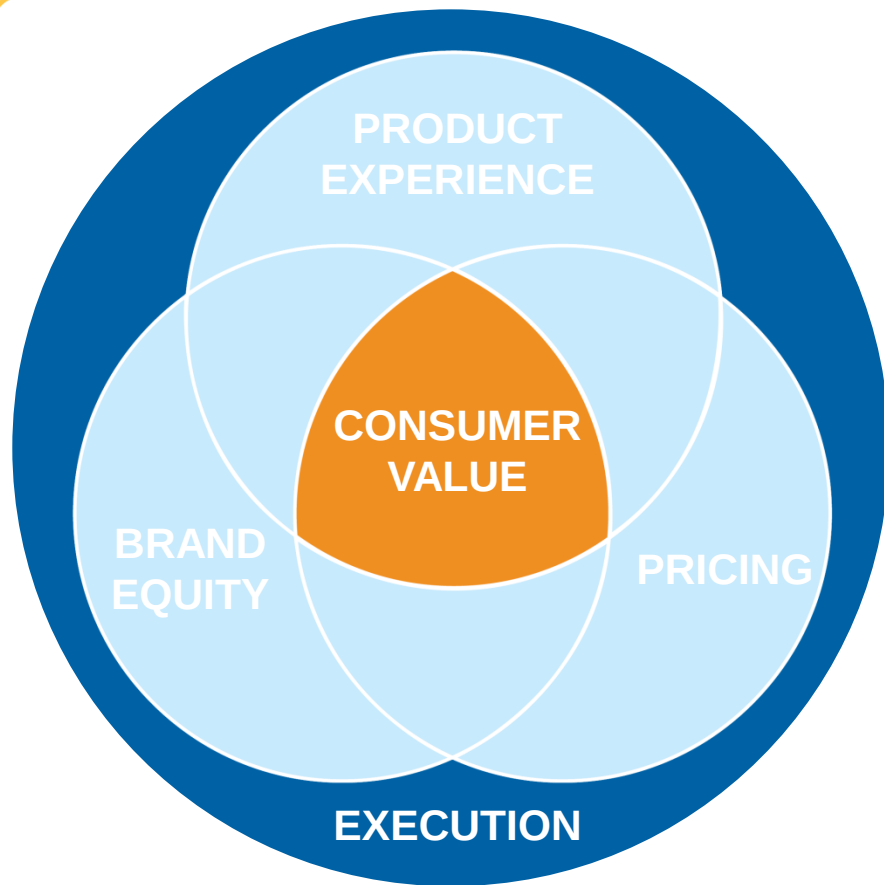
Clorox eCommerce Sales



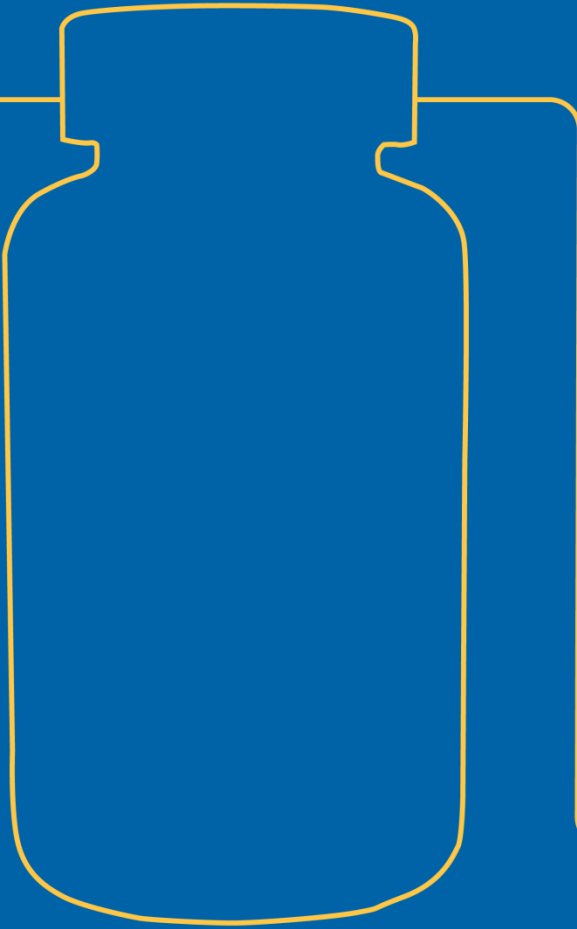
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Technology Transformation 2.0

Eric Reynolds

SVP and Chief Marketing Officer



Key Messages

- Strong progress on transforming marketing and selling through technology
- Embarking on Technology Transformation 2.0
 - From the 3Ds to Consumer Experience as the basis of integration
 - Next generation of digital engagement and commerce
 - Broadening to product development and supply

Strong Progress on our Tech Transformation

eCommerce

Integrate the Physical and Digital Retail Worlds to Meet Shopper Needs



Product & Packaging



Winning the Algorithm



Enhanced Content

Digital Marketing

Leverage Data, Technology and Analytics to Drive Consumer Engagement



More Targeted



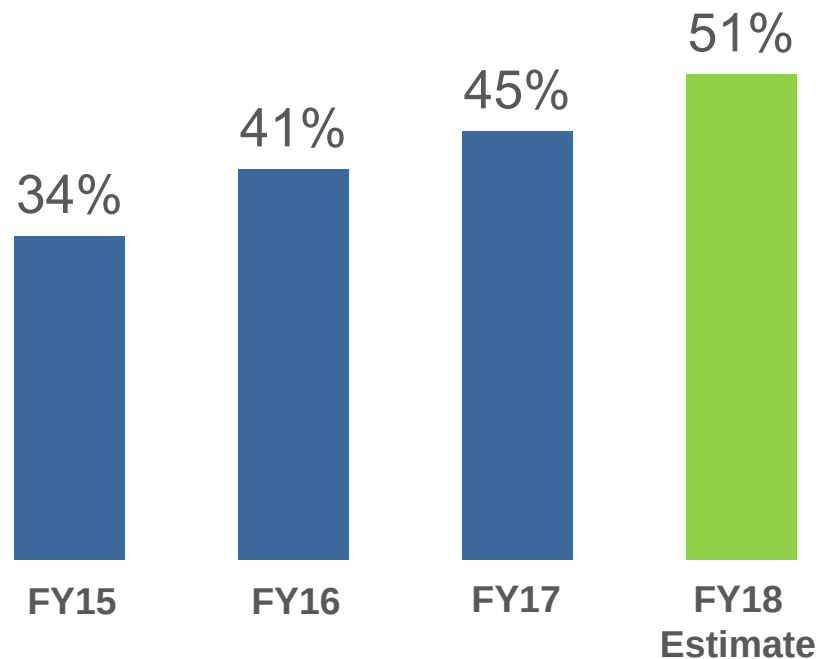
More Personalized



More Real-Time

We Continue to Lean Into Digital Engagement

Clorox invests **over 50%**
of our media in digital



Strong Operating Discipline in Digital



Right Level of Targeting



Effective Digital Levers



Digital Safety & Ad Fraud



Our Partners Help Build World-Class Digital

Select Partners:



Precision Targeting Drives Cleaning ROI



Pine-Sol

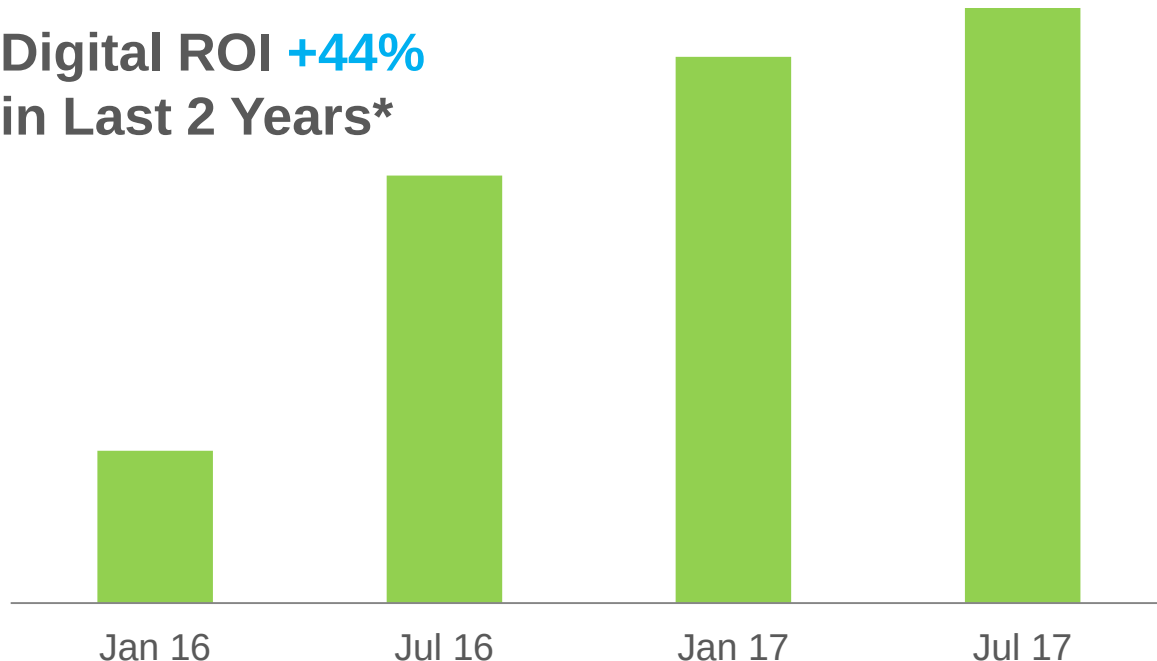
LIQUID-PLUMR

FORMULA 409

TILEX

green works

Digital ROI **+44%**
in Last 2 Years*



Targeting Male Millennials



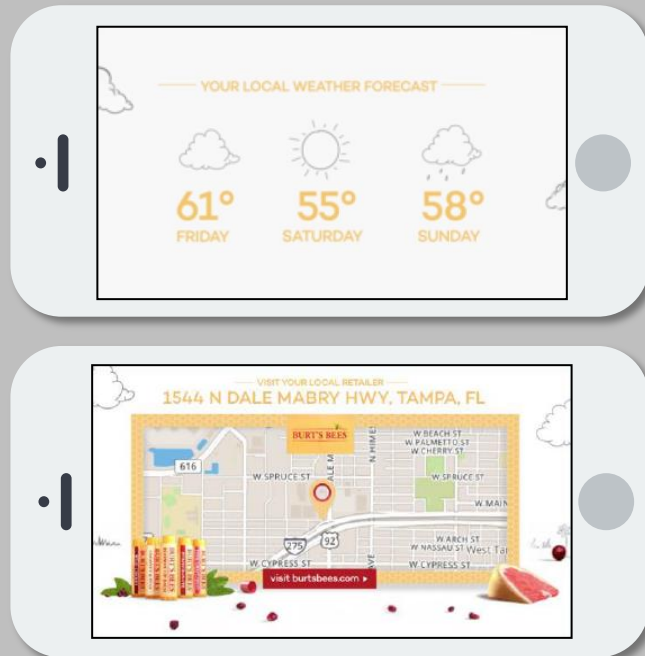
4.5X ROI

THE CLOROX COMPANY

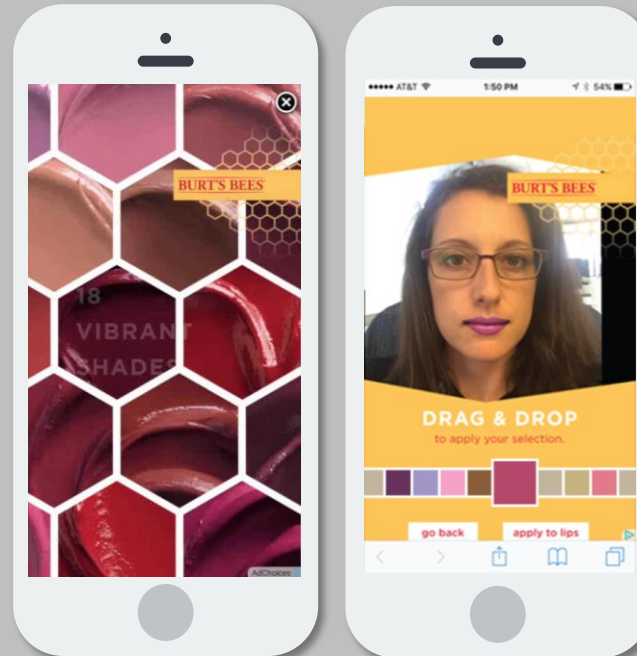
*Note: Total US Home Care and Laundry Digital Marketing Spend ROI

Burt's Bees Personalization Fuels Engagement

Weather Triggered Media

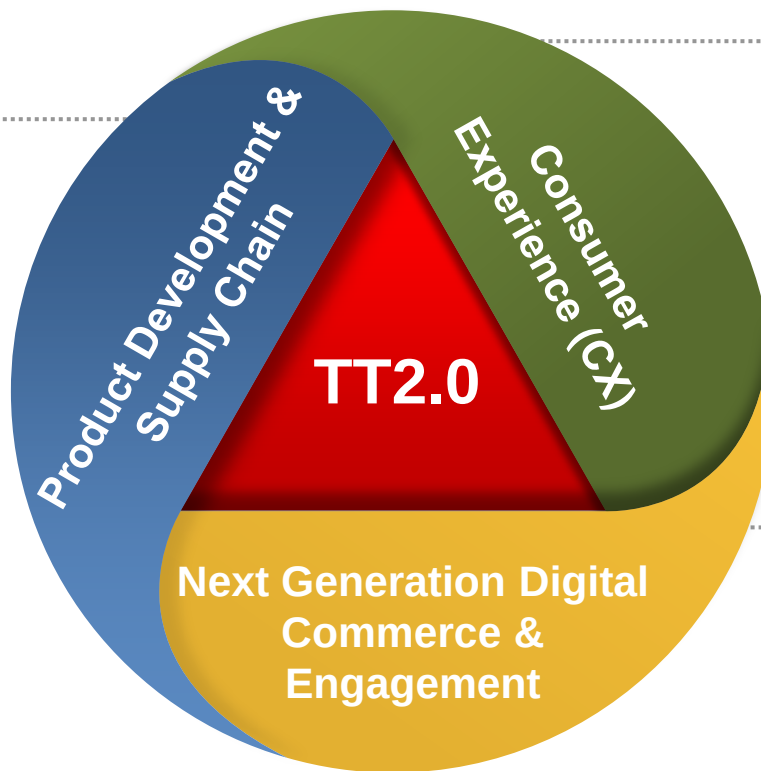


Personalized Content



Technology Transformation 2.0

**Broadens Digital
across the Value
Chain**



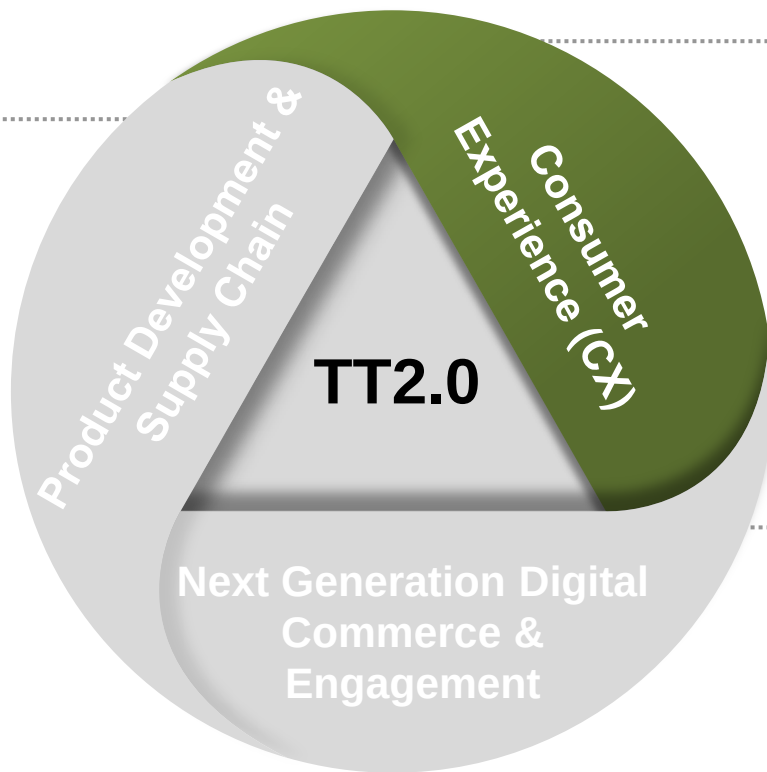
**Organizes Around
Consumers' Goals**

**Goes Deeper into
What's Working on
Demand**

Technology Transformation 2.0



Broadens Digital
across the Value
Chain



Organizes Around
Consumers' Goals

Goes Deeper into
What's Working on
Demand

2007: Introduced the 3Ds



The 3Ds

DESIRE
(MARKETING)

DECIDE
(SALES)

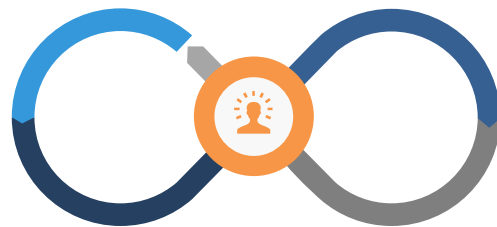
DELIGHT
(R&D)

2007: Evolving in a Digital World

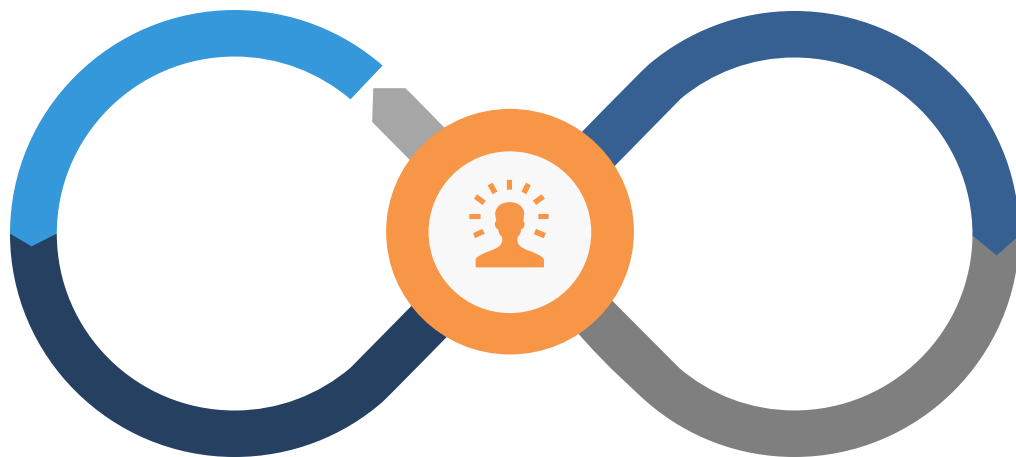
From: **3Ds**



To: Seamless **Consumer Experience (CX)**



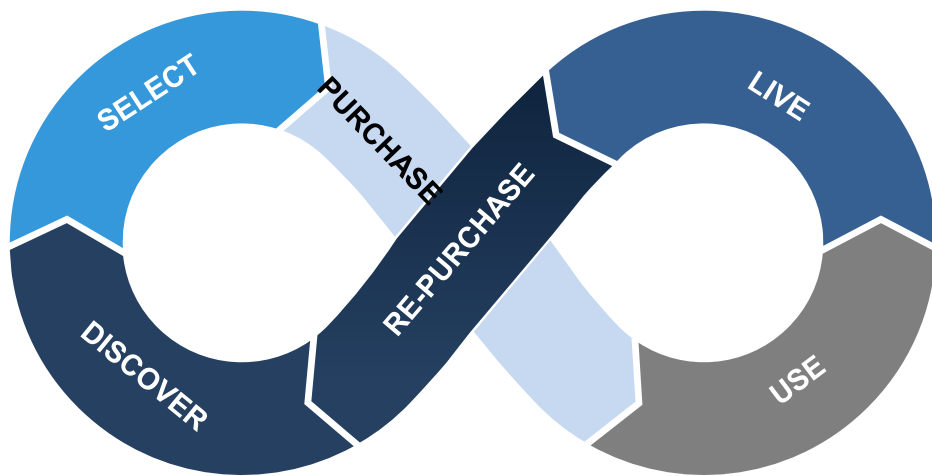
Consumer Experience (CX)



An organizing
capability
for creating **seamless,
integrated experiences**
that help consumers
meet **their goals**

CX Engages Entire Enterprise to Deliver Value

CONSUMER EXPERIENCE (CX)



Across the enterprise,
everyone focuses on
critical points of
consumer journeys
to cultivate and
enhance engagement

A Consumer's Journey to Wellness



Moments to Engage on Her Journey



Diagnosing:

“What’s the issue I should work on?”



Tracking:

“How do I track progress?”



Choosing:

“Which product addresses my needs?”



Supply on-hand:

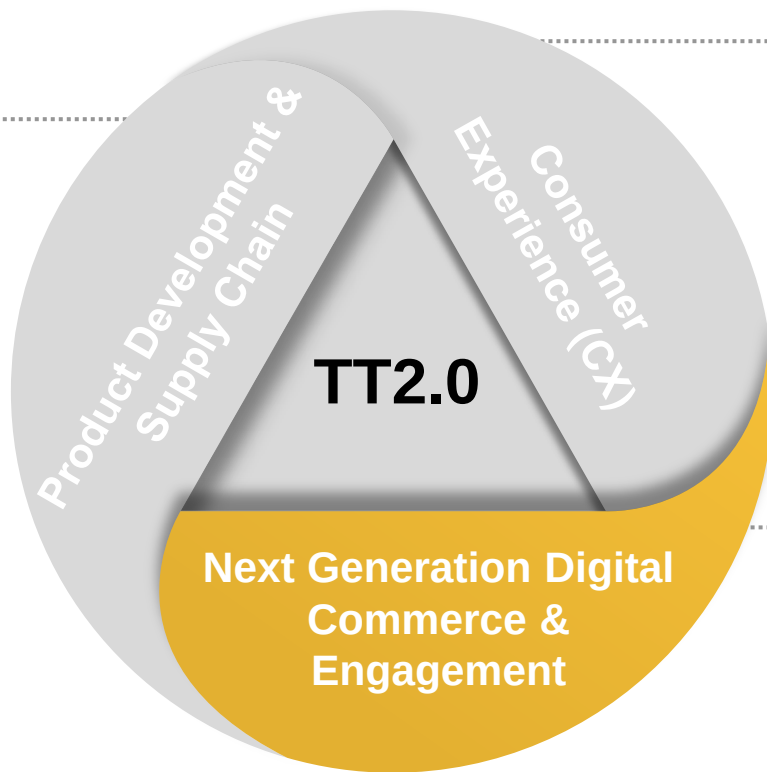
“How can I avoid running out?”



Technology Transformation 2.0



Broadens Digital
across the Value
Chain



Organizes Around
Consumers' Goals

Goes Deeper into
What's Working on
Demand

Next Gen Digital Commerce & Engagement



All in on eCommerce



Enhanced Digital Engagement



Personalized Experiences



Leveraging Game-Changing Technology



Today

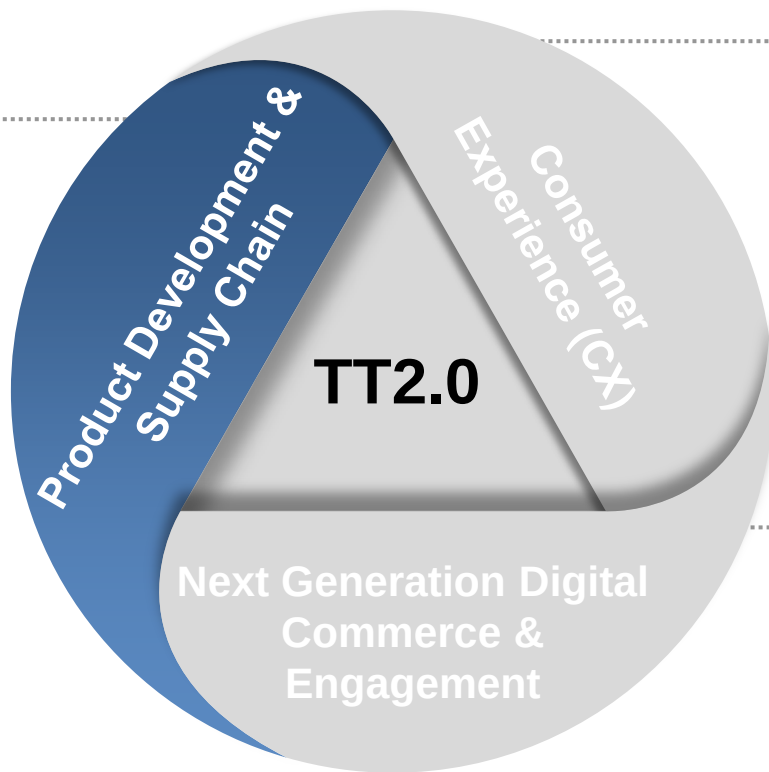
- Ubiquitous Connectivity/Mobile
- Big Data & Analytics
- Cloud Computing & Storage

Technology Transformation Focus

- Artificial Intelligence (AI)
- Voice Activated Technology
- Mixed Reality
- Dynamic Promotion Technology

Technology Transformation 2.0

**Broadens Digital
across the Value
Chain**



**Organizes Around
Consumers' Goals**

**Goes Deeper into
What's Working on
Demand**

Technology-Enabled Innovation



Digital Development Tools



Product Innovation for eCommerce



Connected Products & Services



Technology-Enabled Supply Chain



Digital End-to-End Supply Chain

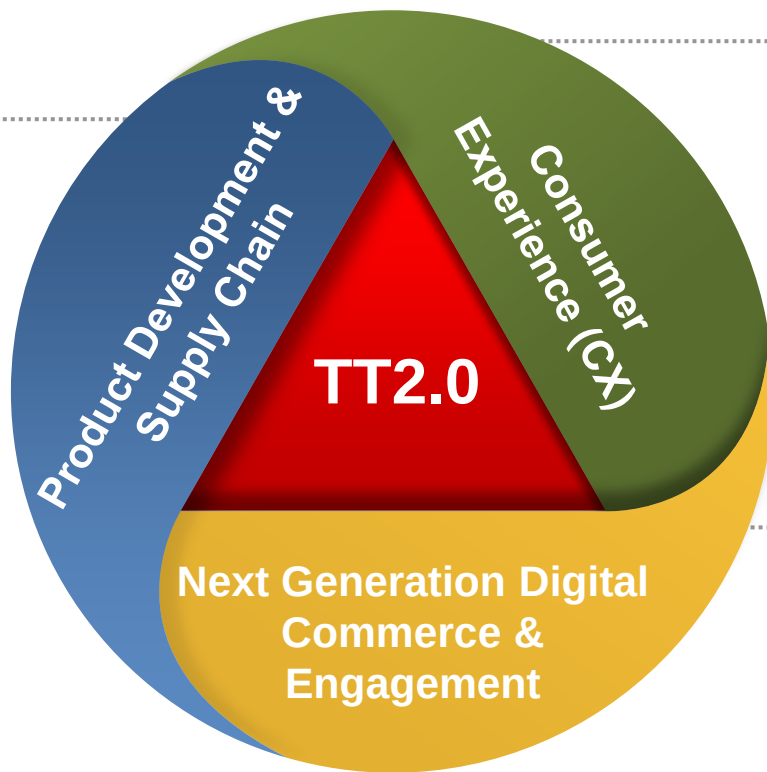


Technology-Enabled eCommerce



Technology Transformation 2.0

**Broadens Digital
across the Value
Chain**



**Organizes Around
Consumers' Goals**

**Goes Deeper into
What's Working on
Demand**

Key Messages

- Strong progress on transforming marketing and selling through technology
- Embarking on Technology Transformation 2.0
 - From the 3Ds to Consumer Experience as the basis of integration
 - Next generation of digital engagement and commerce
 - Broadening to product development and supply

2020 Strategy



Mission

- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

2020 Strategy



Mission

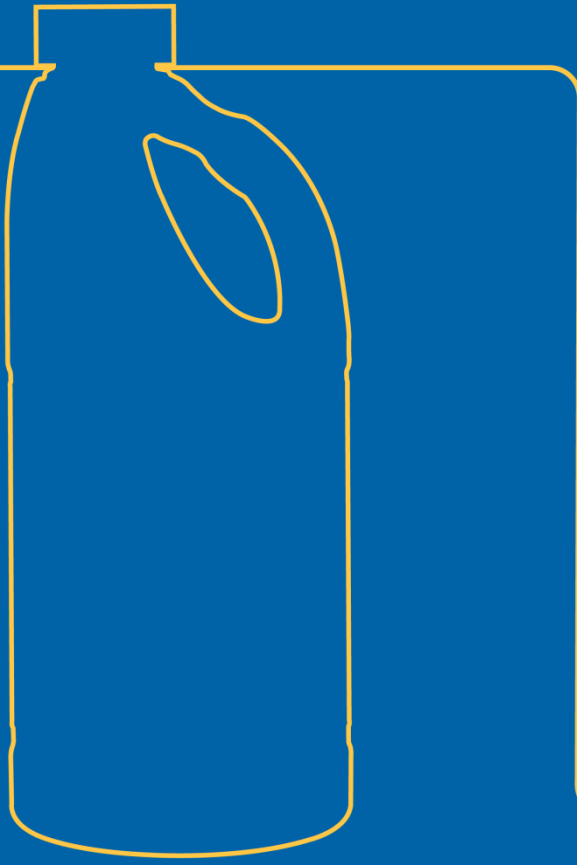
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Accelerating Portfolio Momentum

Linda Rendle

SVP and GM Cleaning



2020 Strategy



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Key Messages

- Investing disproportionately behind growth brands is working
- Gross margin focus creates fuel for profitable growth

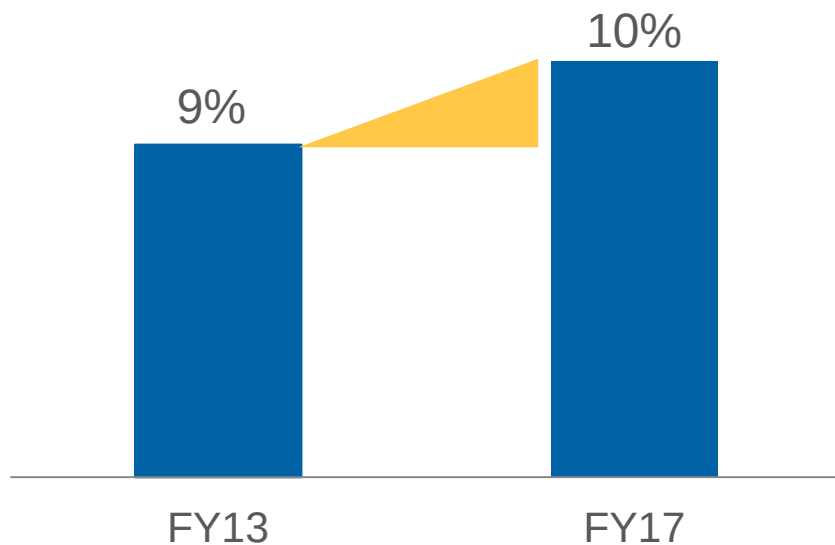
Portfolio Segmentation



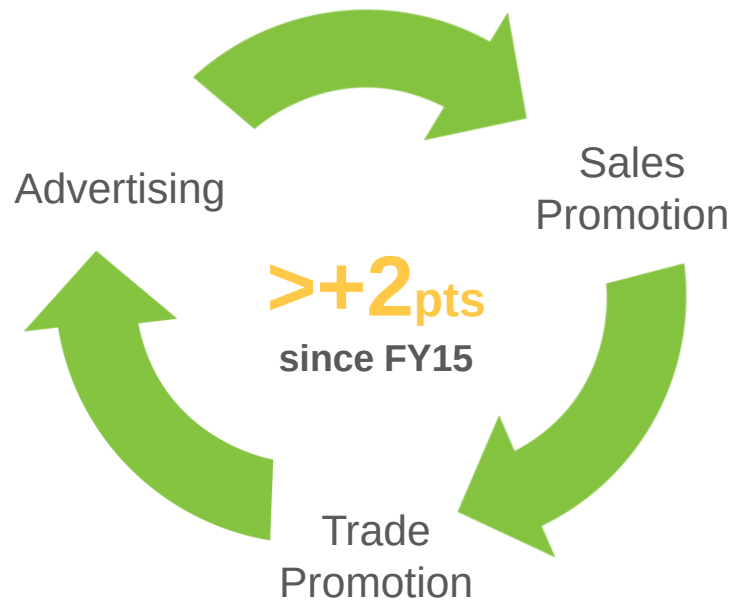
Fuel Brands Create Investment Dollars

Investing in A&SP . . .

. . . and across all demand spend

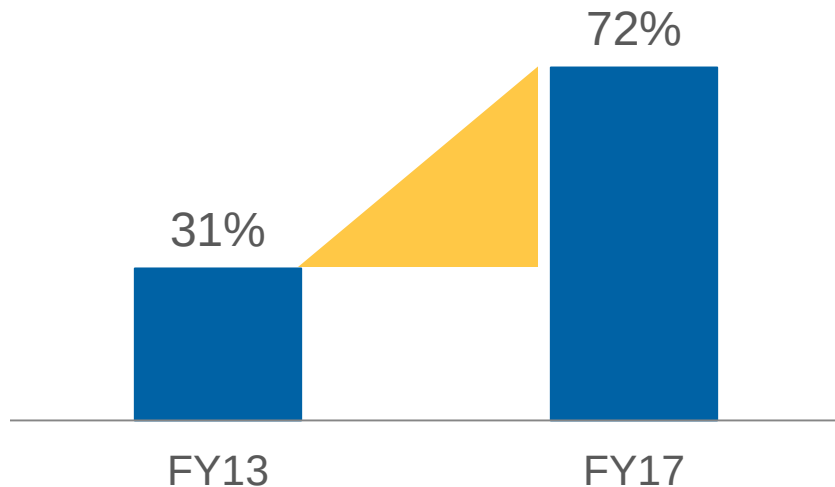


AS&P as a % of Sales



Investments Drive Household Penetration

% Sales with
Growing/Stable HH Pen



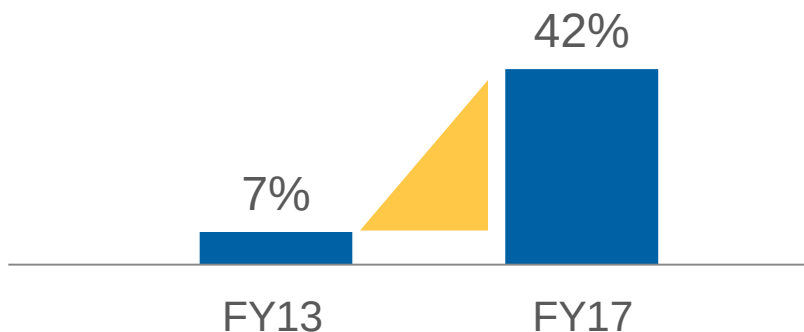
72%
of portfolio has
growing or stable
household penetration

Growing Households in Both Growth and Fuel

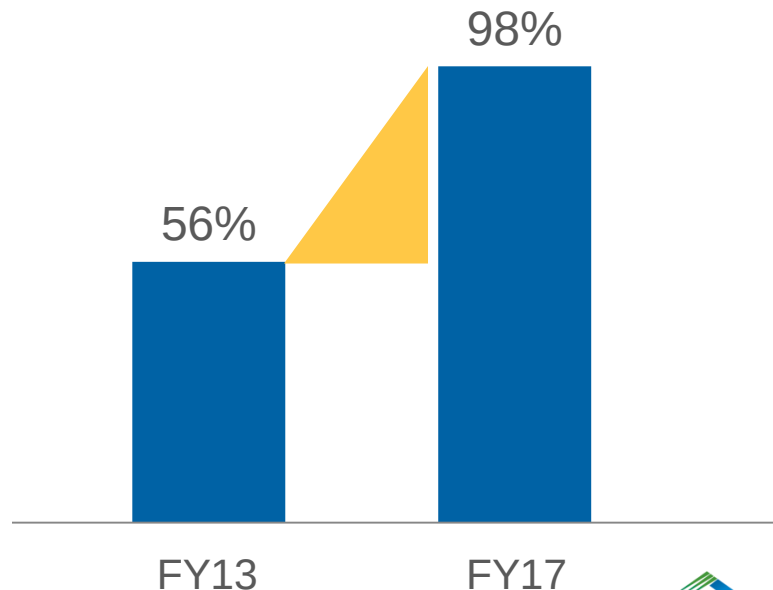


% of sales from brands that have expanding or stable household penetration:

Fuel Brands



Growth Brands



Focused on Long-Term Gross Margin Expansion



**Strong Cost Savings
Track Record**



**Pricing, Mix and
Demand Optimization**

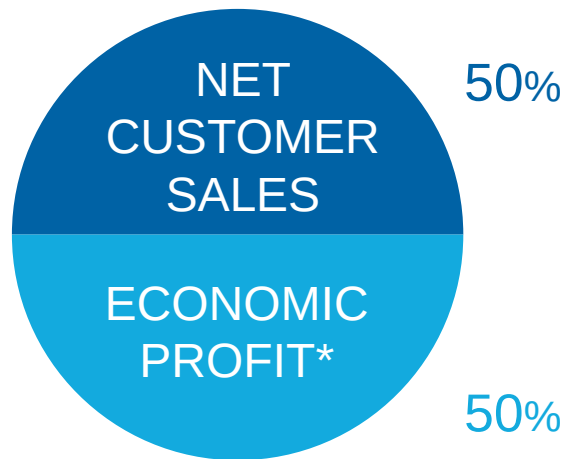


**Margin-Accretive
Innovation**

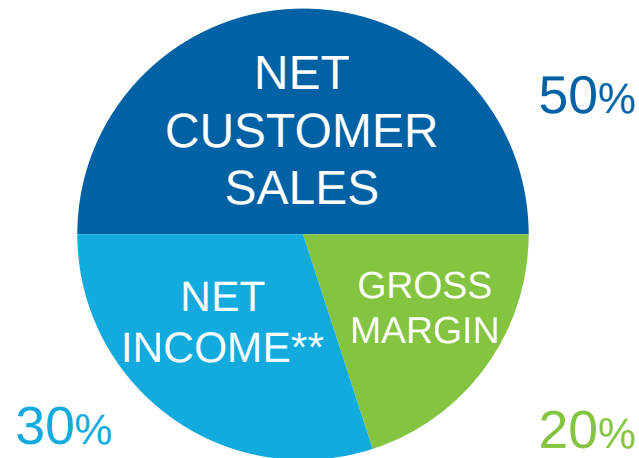
Adjusting Short-Term Incentive Target Metrics

- Short-Term Incentive Metrics:

From (before FY18):



To (starting in FY18):



- Long-Term Incentive Metric Unchanged: 100% Economic Profit



Growing the Clorox Equity . . .

Portfolio Segmentation

High

Profit Margin Potential

FUEL



GROWTH

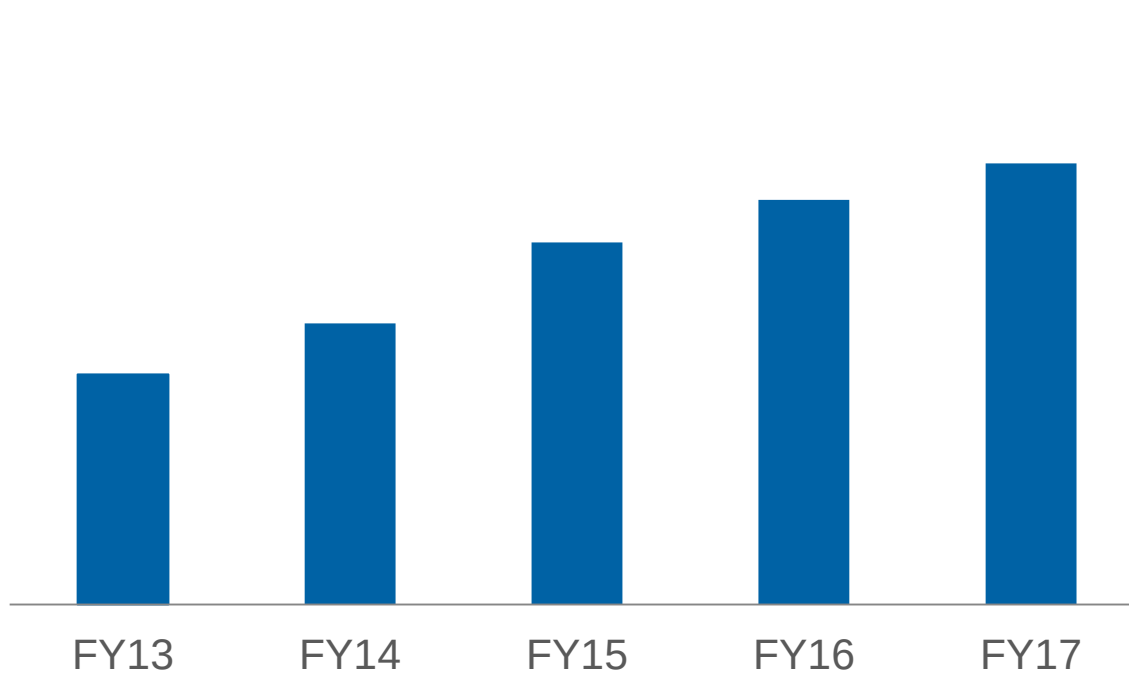


Low

Sales Growth Potential

High

Gross Margin Expansion on Clorox Liquid Bleach...



...Created Fuel to Invest in Clorox Advertising



What comes next is everything.

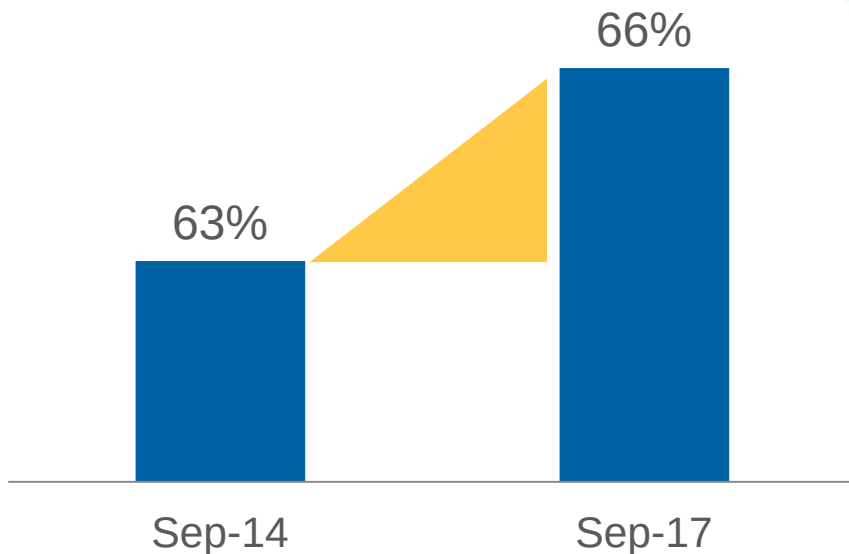
Cloroxisthebeginning.com

...Created Fuel to Invest in Clorox Innovation



Clorox Equity is Growing Household Penetration

US Household Penetration



+5M

households
in the last 3
years

Accelerating Sales Growth



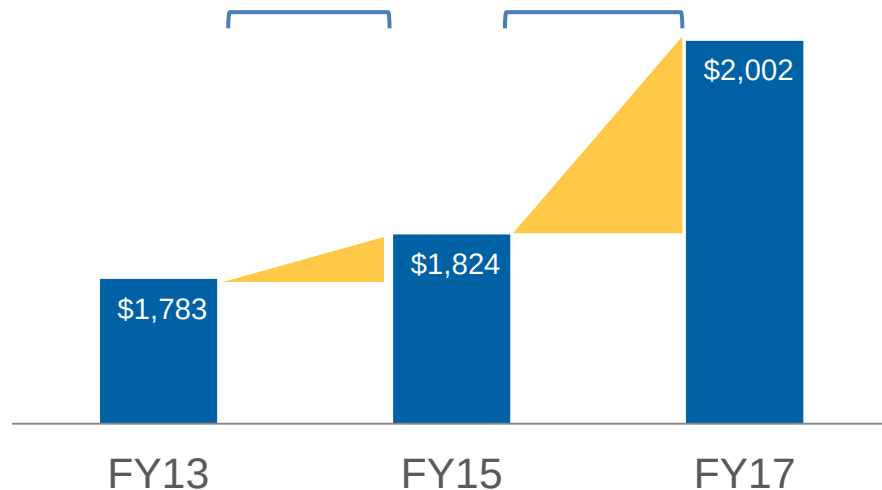
Cleaning Segment Sales Growth

\$ in Millions

2 Yr CAGR:

1%

5%



Accelerating Growth Rate

Delivering Profitable Growth

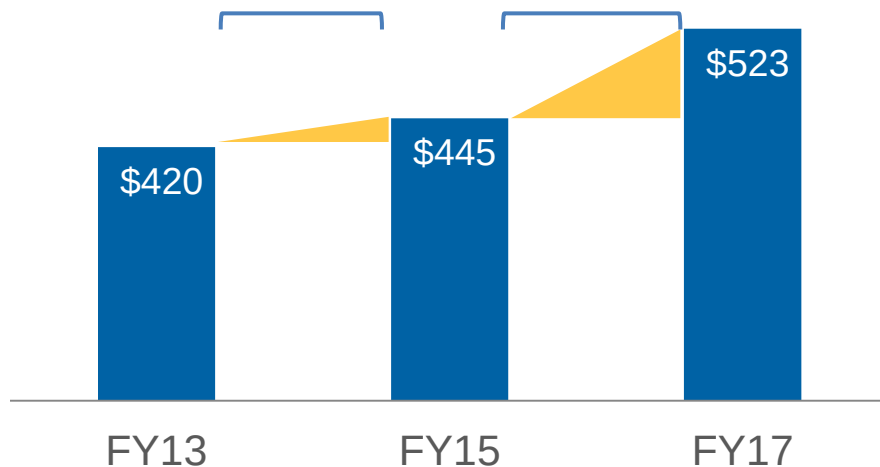
Cleaning Segment Pre-Tax Profit Growth

\$ in Millions

2 Yr CAGR:

3%

8%



**Growing
Profit Faster
than Sales**

Key Messages

- Investing disproportionately behind growth brands is working
- Gross margin focus creates fuel for profitable growth

2020 Strategy



Mission

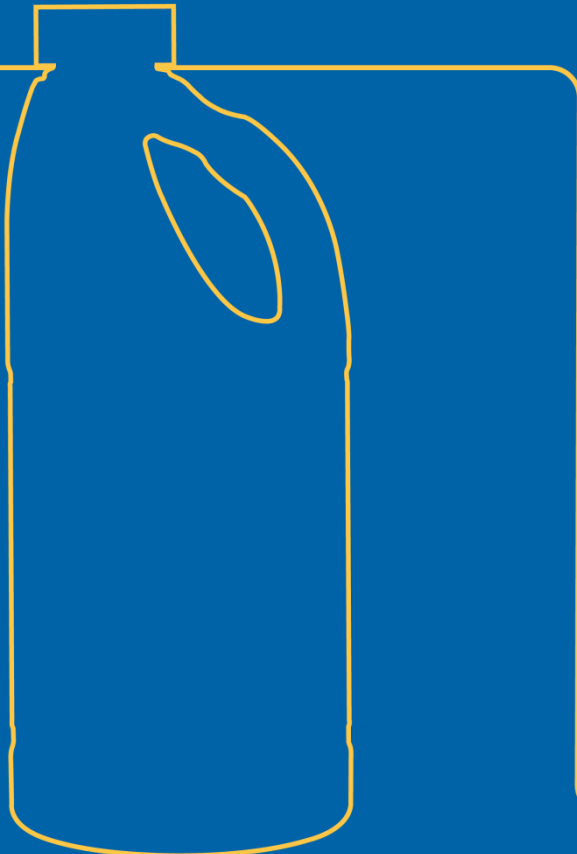
- We make everyday life better, every day

Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

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- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners



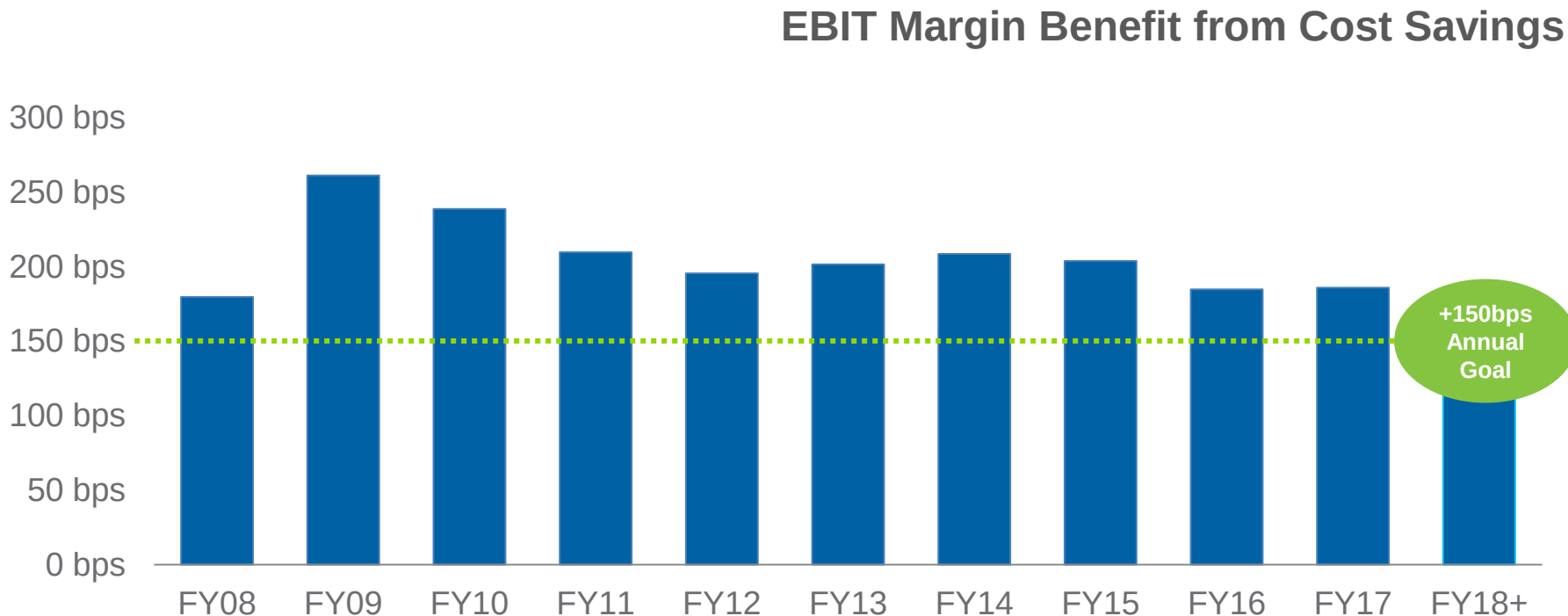
Fueling Growth

Dawn Willoughby
EVP and Chief Operating Officer

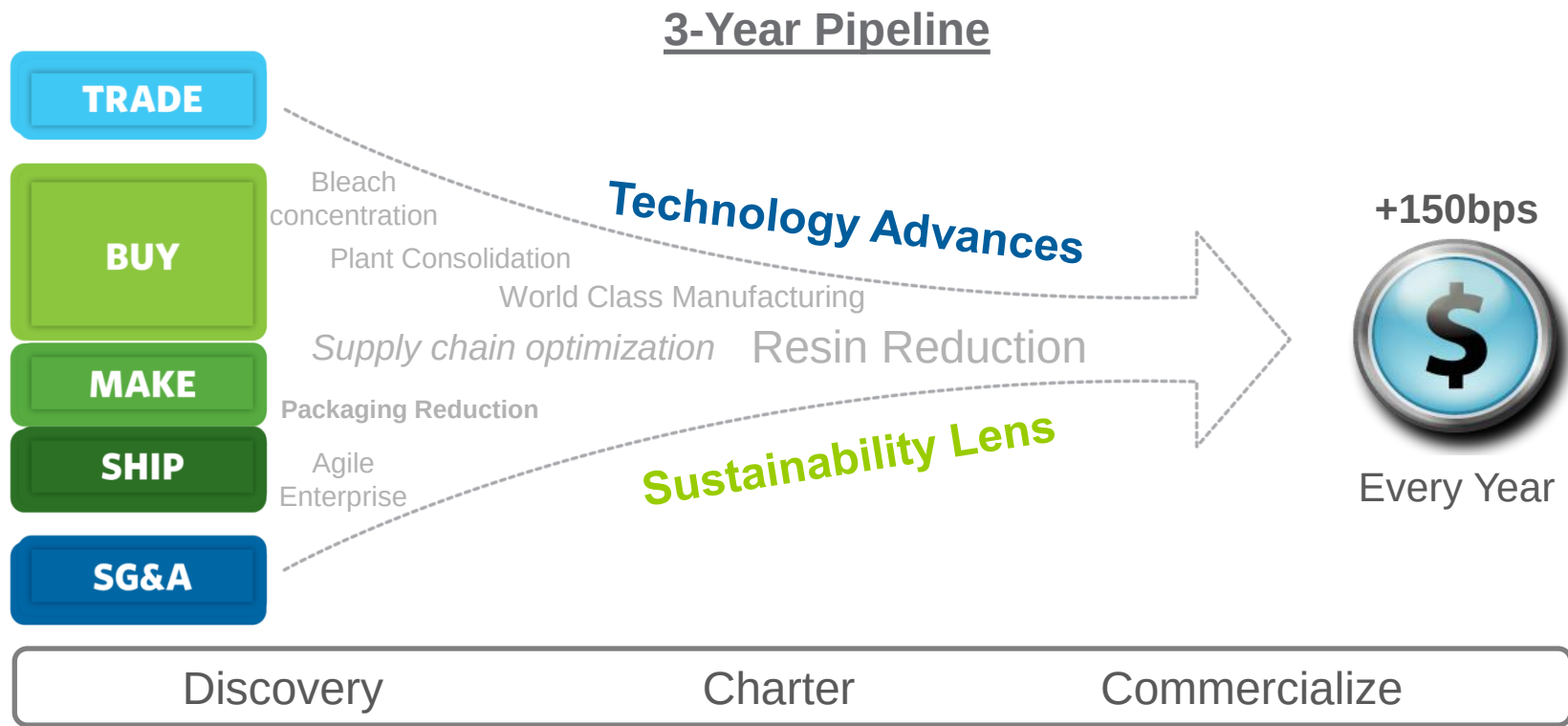
Key Messages

- Long-term track record of delivering strong cost savings
- Robust cost savings pipeline for the future
- International “Go Lean” strategy is working and enabling selective growth investments

Strong Track Record of Cost Savings



Cost Savings is in our DNA



Packaging Reduction



\$5M Savings

- Improved consumer experience
- More sustainable

Supply Chain Optimization

Before



After



\$2M Savings

- More sustainable
- Consistent Kingsford experience

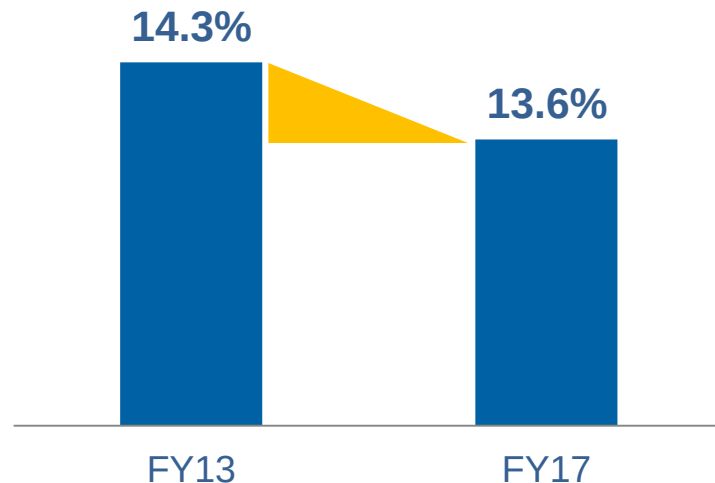
Agile Enterprise

Driving out waste in our work



Everyone Finding
a Better Way, Every Day

Enables SG&A efficiency
(SG&A as % of Sales)



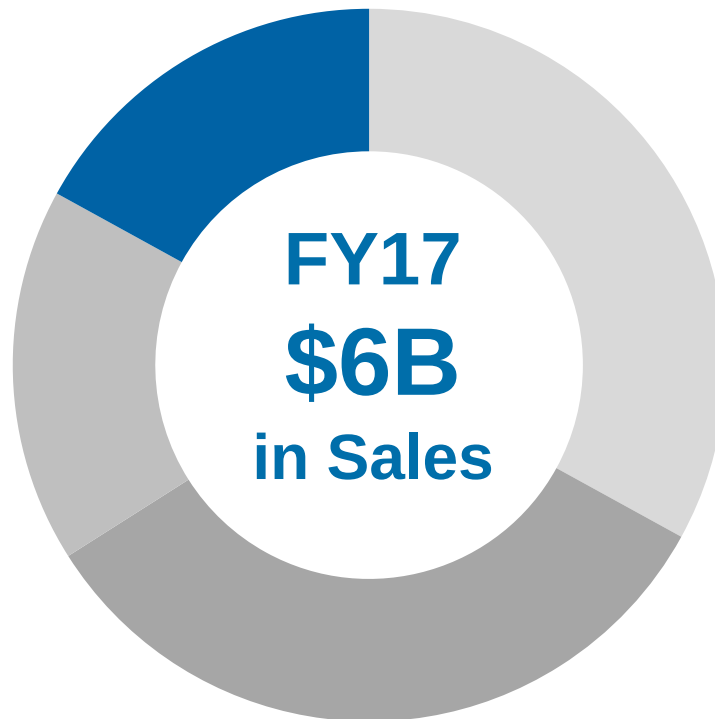
Fueling Growth in International

International : 17%

Latin America	9%
Canada	3%
Australia / NZ	2%
Rest of World	3%

Lifestyle : 16%

	9%
	4%
	3%



Cleaning : 34%

	Home Care	19%
	Laundry	9%
	Professional	6%

Household : 33%

	14%
	10%
	7%
	2%

International “Go Lean” Strategy is Working



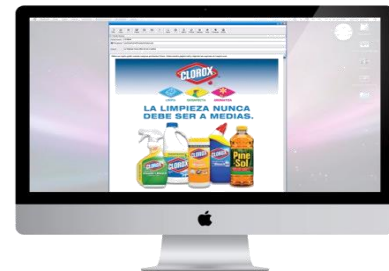
**Pricing
Maximization**



**Focus on
Cost Savings**



**Right-Size
Infrastructure**

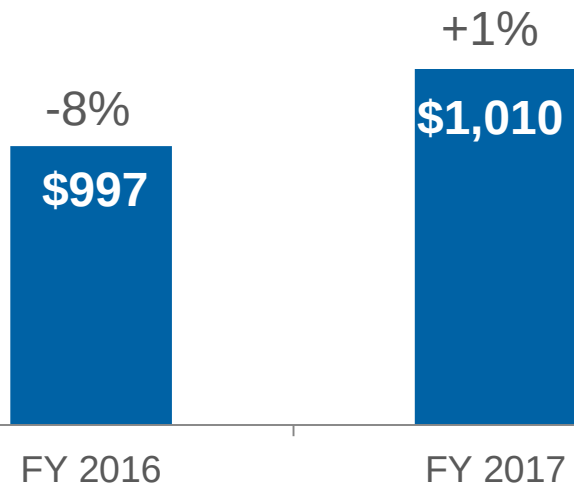


**Optimize Demand
Creation**

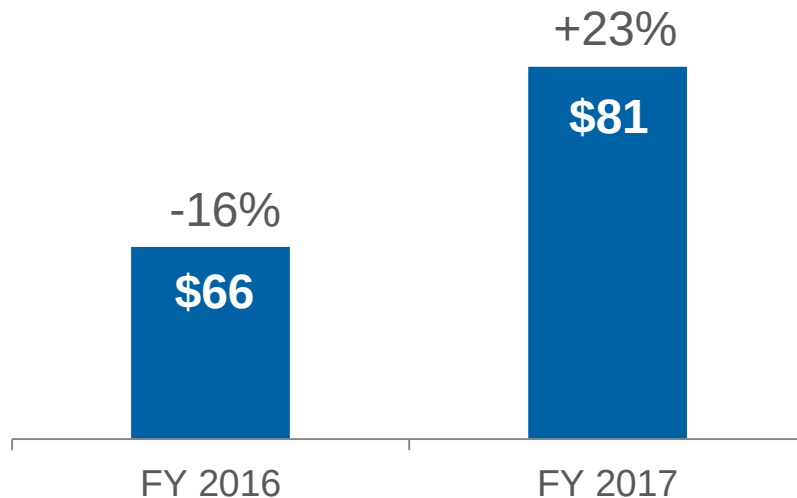
International “Go Lean” Strategy is Working

International has returned to profitable growth

Sales (\$M)



Pretax Profit (\$M)



“Go Lean” Enables Selective Growth Investments

Category
Tailwinds

Right to
Win

High
Margin

Quick
Return



Profitable Growth Opportunities: Burt's Bees



Australia:
+44%



Canada:
+22%



China
eCommerce:
Exceeding
plan



International
eCommerce:
+94%

Leading Brands



>80% of our brands in International are #1 or #2 in their market

	Country	Share Position
 	Argentina	#1
	Saudi Arabia	#1
	Mexico	#2
	Peru	#1
	Colombia	#2
	Chile	#1
	Canada	#2
	Canada	#1
	Australia	#1

	Country	Share Position
	Argentina	#1
	Chile	#1
	Canada Trash Bags	#1
	Canada Food Wraps	#1
	New Zealand Food Protection	#1
	Hong Kong Food Protection	#1
	Canada Lip Care	#2

Applying Strong Capabilities to International



Innovation



+3 pts Sales

Cost Savings



+\$20M

Digital



45% of Media

eCommerce



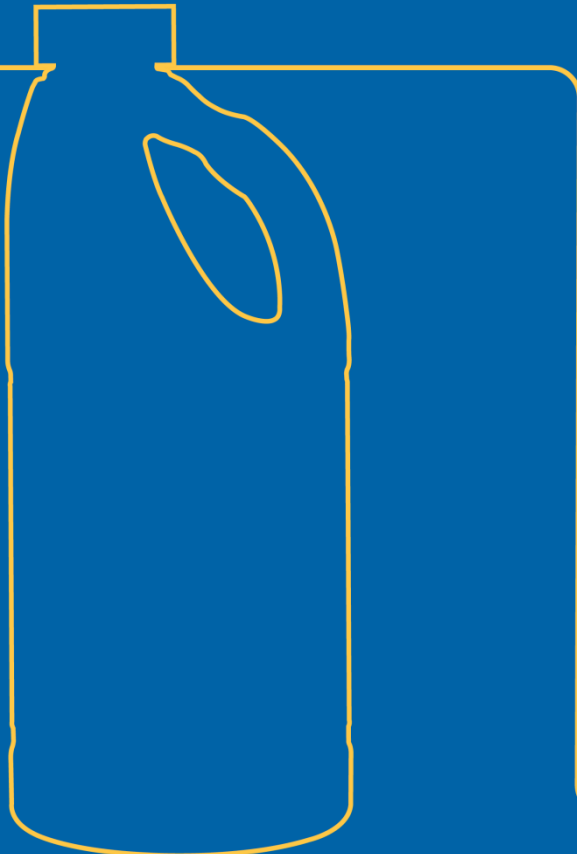
+79% Sales Growth

Optimistic about International

- “Go Lean” strategy is working
- “Go Lean” enables selective growth investments
- Leading brands
- Applying strong capabilities to International
- Expecting less unfavorable FX

Key Messages

- Long-term track record of delivering strong cost savings
- Robust cost savings pipeline for the future
- International “Go Lean” strategy is working and enabling selective growth investments



Financial Update

Steve Robb

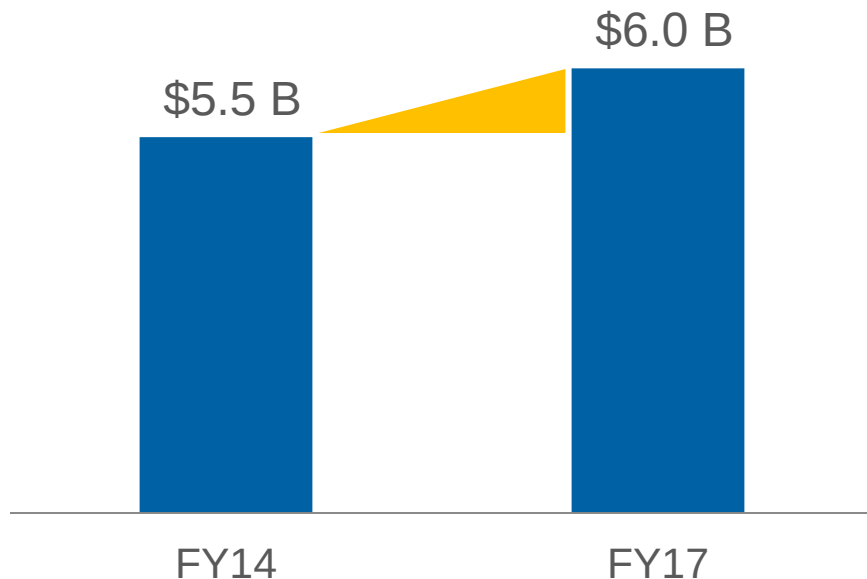
EVP and Chief Financial Officer

Key Messages

- Strategy 2020 continues to work
- Confidence in strategy in changing environment
- Long-term investment case remains solid

Growing Sales in a Tough Environment

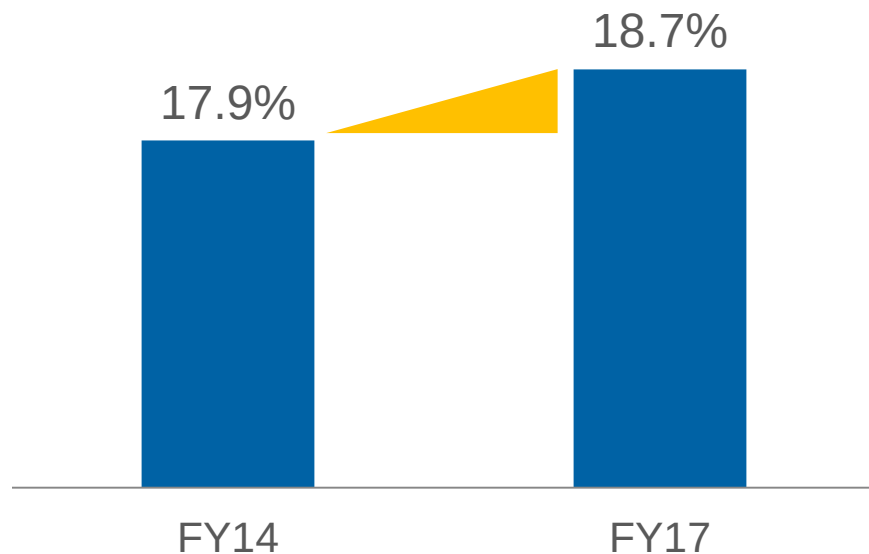
Net Customer Sales



Grew sales \$500M,
3% CAGR (3 year)

Solid Margin Expansion while Reinvesting

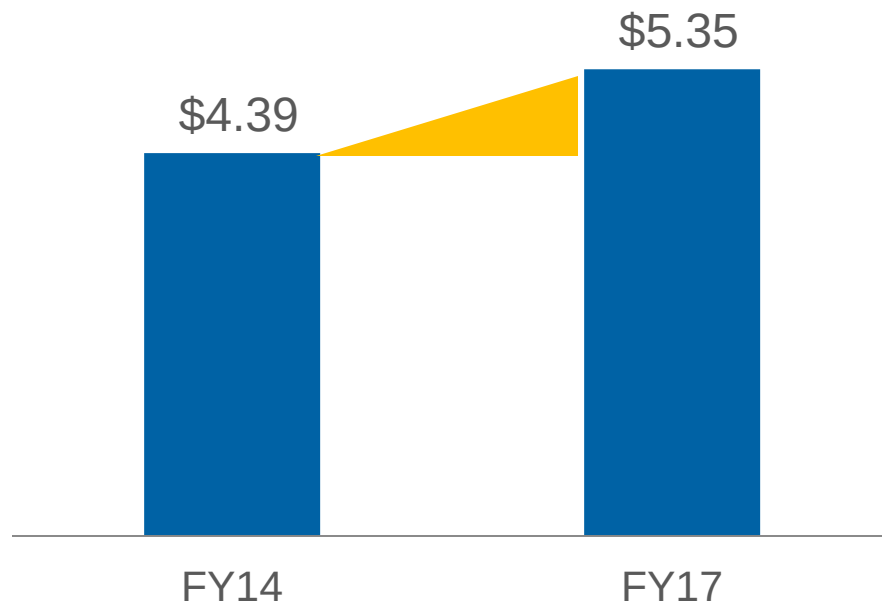
EBIT Margin



+80bps Margin
Expansion

Consistent Earnings Growth

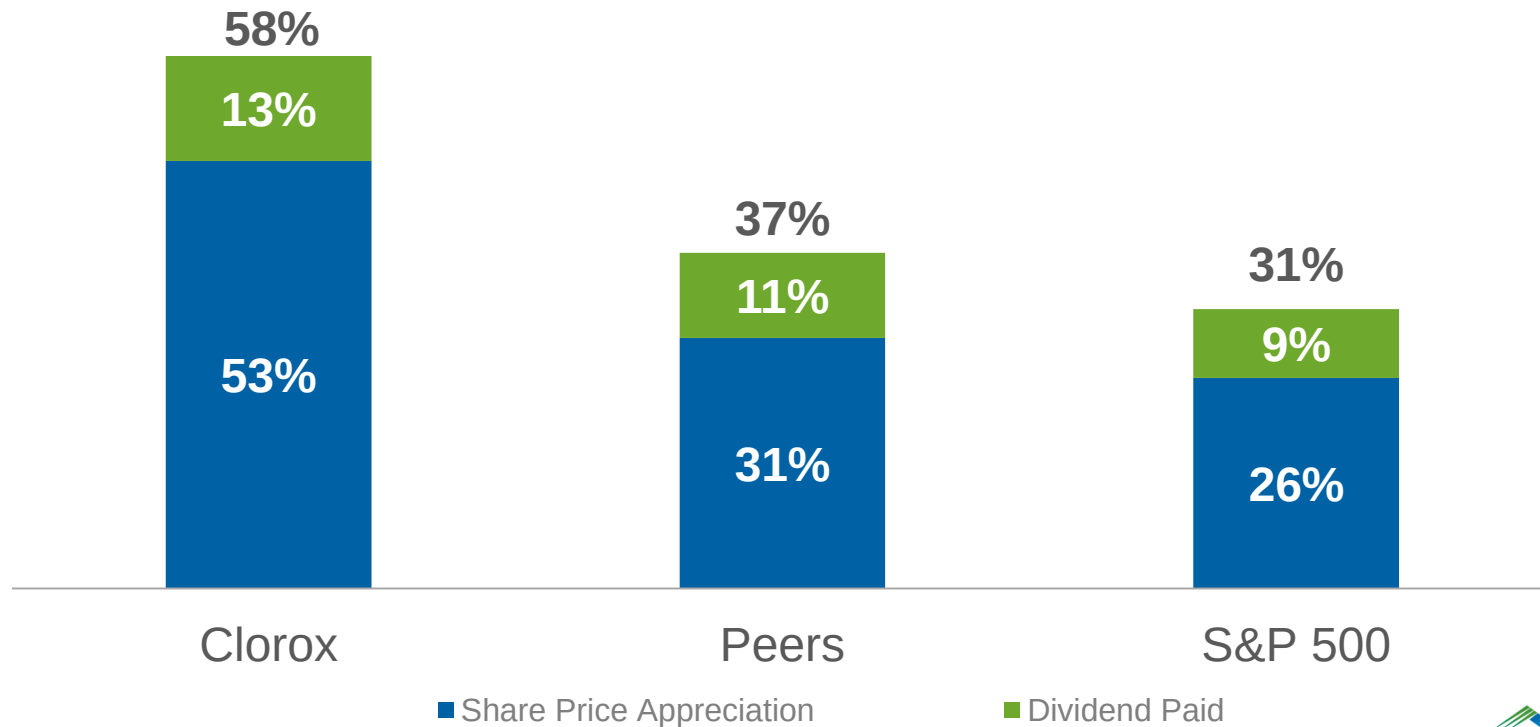
Earnings per Share*



+7% CAGR

Resulting in Strong Shareholder Return

Total Shareholder Return - 3 Years Ending 6/30/2017



FY18 Outlook

Based on August 3rd Earnings Call¹



Sales
+2% to +4%

Innovation: ~ +3pts

Pricing: ~ +1%

F/X: ~ -1pt

Diluted EPS
\$5.52 to \$5.72
(+3 to +7%)

Gross Margin: up slightly

Selling & Admin: <14% of Sales

EBIT Margin²: modest expansion

Tax rate: 32% to 33%

1. As previously communicated, outlook to be update at next earning call

2. EBIT (a non-GAAP measure) represents earnings from continuing operations before income taxes (a GAAP measure), excluding interest income & interest expense. EBIT margin is a measure of EBIT as a percentage of sales.

Long-Term Growth Algorithm

U.S. Domestic

~80% of Clorox Sales
+2-4% annual growth

1.5 - 3.0 pts
company growth

International

~20% of Clorox Sales
+5-7% annual growth

1.0 - 1.5 pts
company growth

Total Company

annual growth
= +3 to 5pts

Annual EBIT Margin Improvement:
Annual Free Cash Flow:

+25 to +50 bps
10% to 12% of Sales

Long-Term Margin Expansion



**Strong Cost Savings
Track Record**

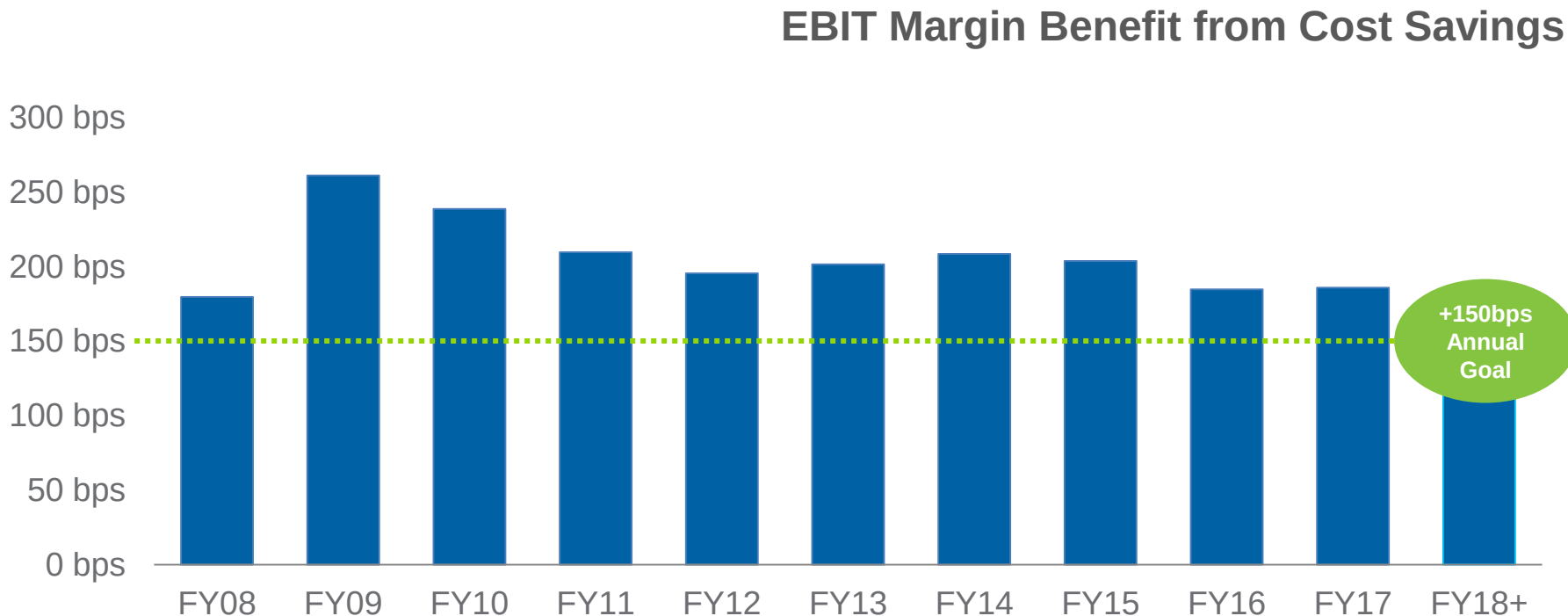


**Focus on International
Profitability**



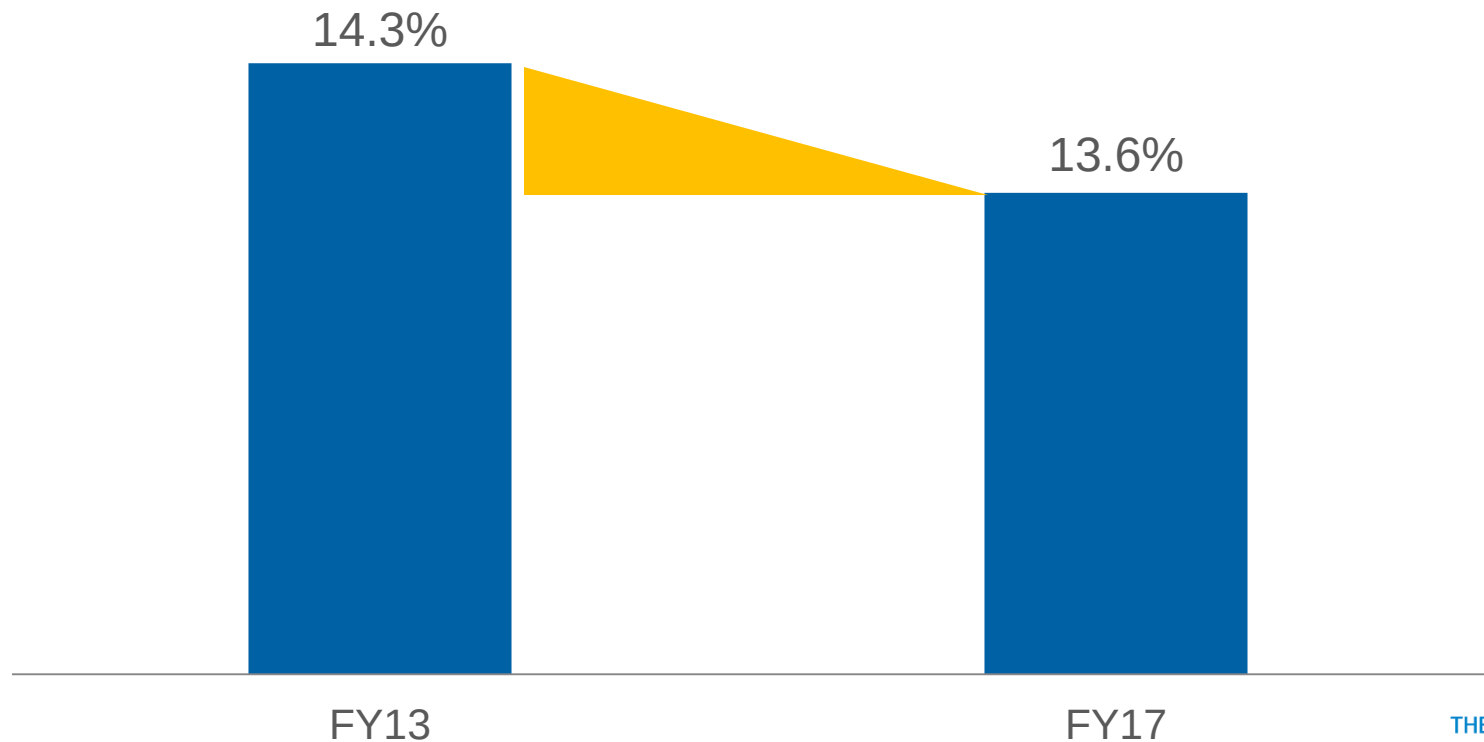
**Margin Accretive
Innovation & Pricing**

Strong Track Record of Cost Savings



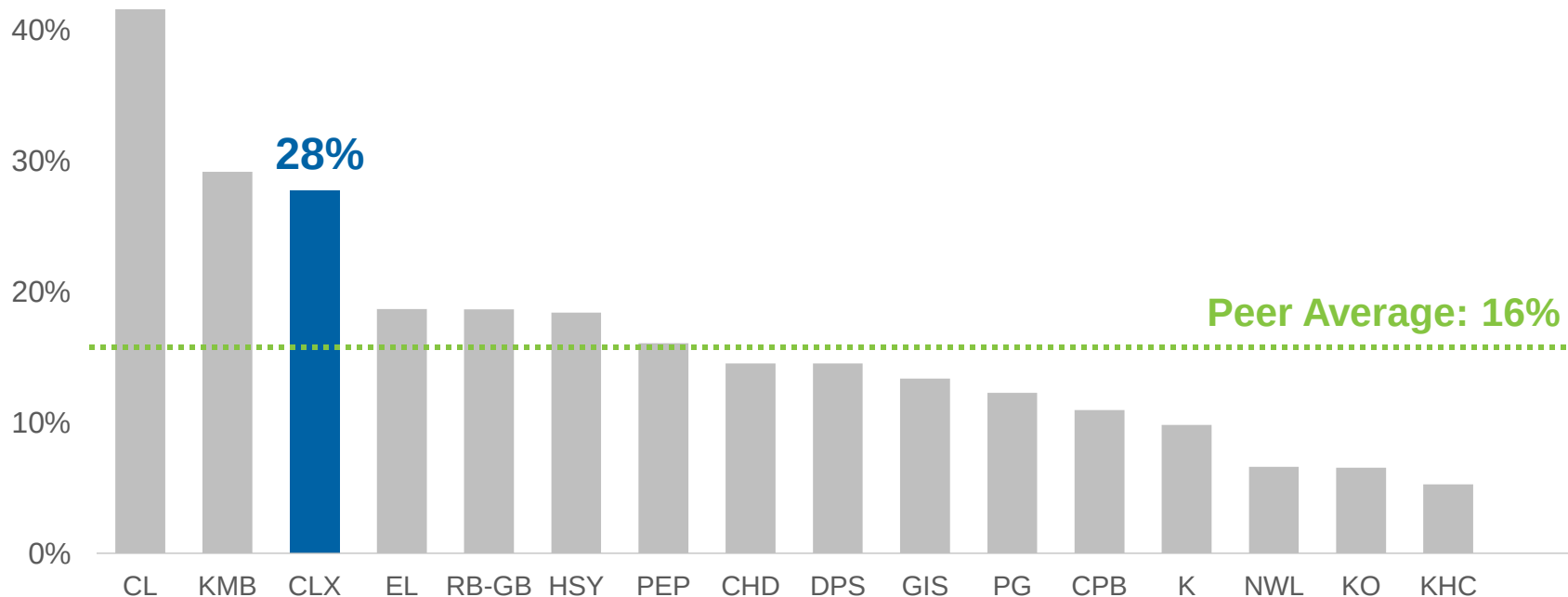
Continued Discipline on SG&A

SG&A as a Percentage of Sales



Delivering Top-Tier ROIC

As of Fiscal Year Ending June 30, 2017



Return on invested capital (ROIC), a non-GAAP measure, is calculated as earnings from continuing operations before income taxes and interest expense, computed on an after-tax basis as a percentage of average invested capital. Average invested capital represents a five quarter average of total assets less non-interest bearing liabilities. ROIC is a measure of how effectively the company allocates capital. Information on the Peer ROIC is based on publicly available Fiscal-end data (FactSet) as of 6/30/2017. See reconciliation on our website (<https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>) in the Quarter Investor Deck Appendix

Strong Free Cash Flow



\$ in Millions

Annual Free Cash Flow Goal: 10%-12% of Sales

Free Cash Flow
% of Sales

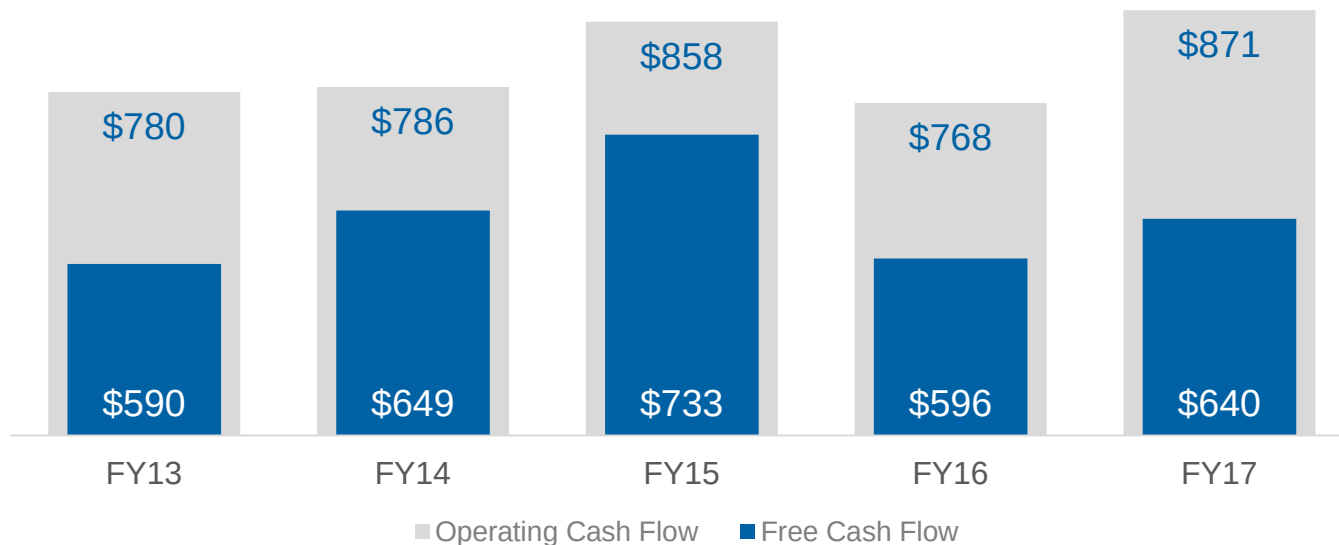
11%

12%

13%

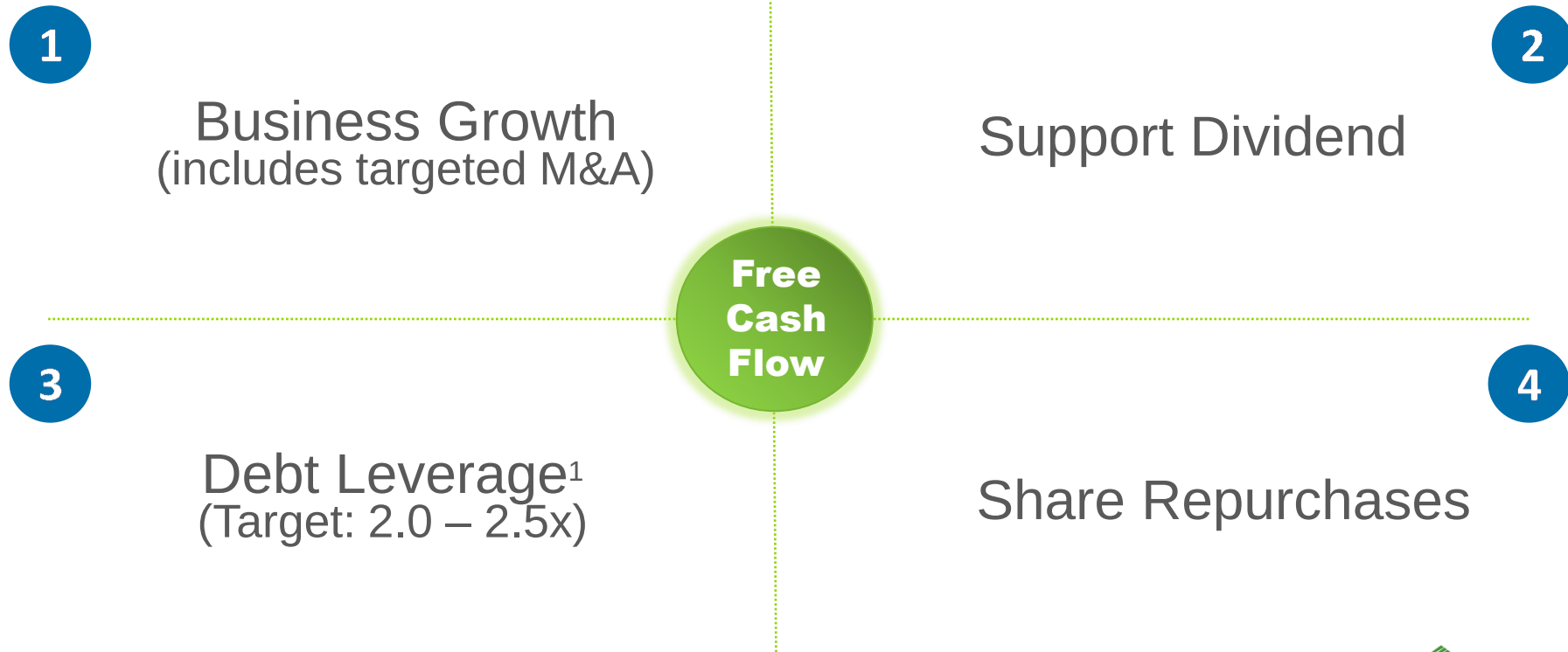
10%

11%



Free Cash Flow (a non-GAAP measure) represents Operating Cash Flow from Continuing Operations less Capital Expenditures. See reconciliation on our website (<https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>) in the Quarter Investor Deck Appendix

Use of Cash Priorities



M&A Focus Unchanged

- Areas with tailwinds in categories, countries, and channels
- Strong fit with Clorox strategy and capabilities
- Brands with good market positions
- Attractive margins

Please note that this slide refers to general goals for Clorox's M&A focus – each element may not be relevant or applicable to each potential M&A transaction.

Evolving our Portfolio



RenewLife® - Strong First Year

- Transaction closed in May, 2016
- About 2% of total company sales
- Purchase Price: \$290M (2.5x Sales)
- Integration is on track
- Distribution wins in Food, Drug, Mass and Club



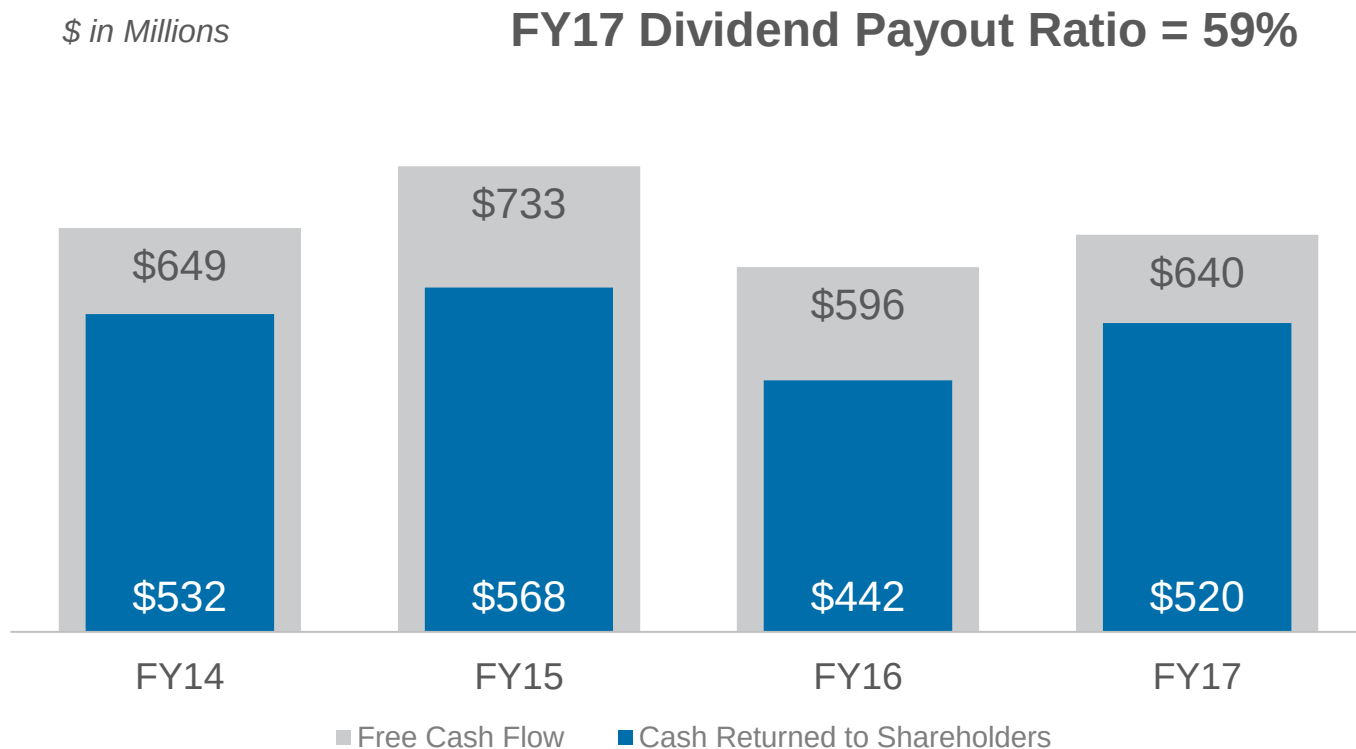
Aplicare - Sale Completed

- Transaction closed in August, 2017
- No change to strategic focus of Professional Products Division

Balance Sheet Remains Strong

- Anticipate continued healthy cash flows
- Gross Debt/EBITDA as of 6/30/17 is **1.7x** (targeted range of 2.0x to 2.5x)
- Will continue to look at ways to return excess cash to shareholders

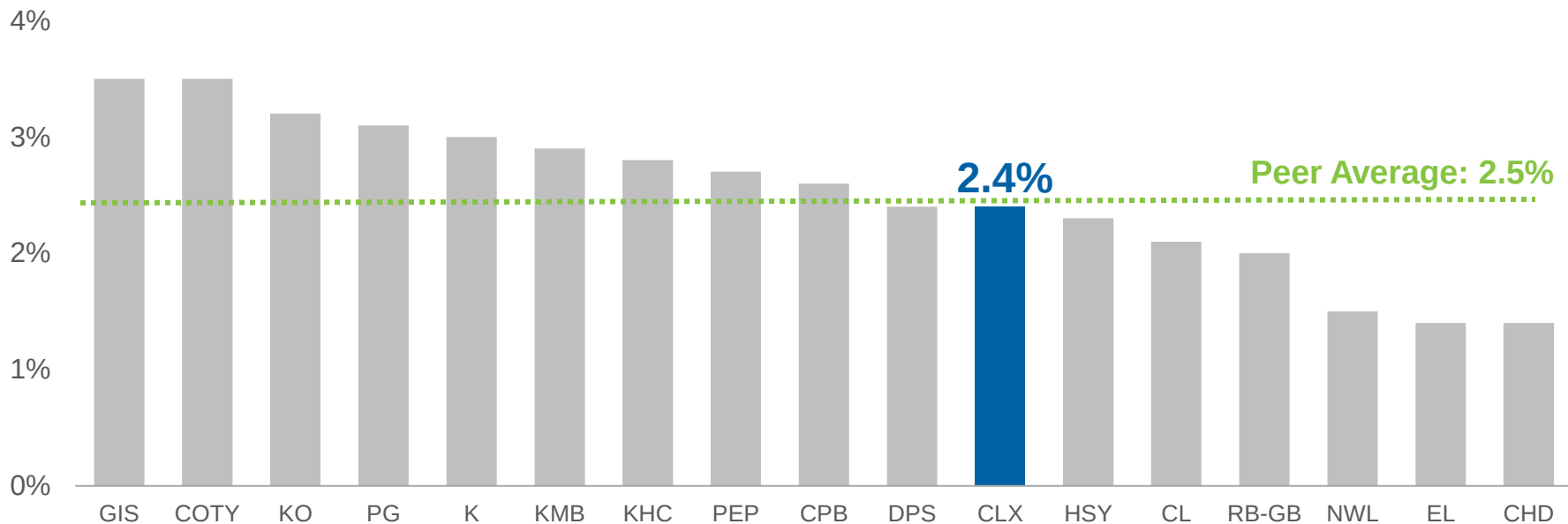
Over \$2B Returned to Shareholders in the Last 4 Years



Healthy Dividend Growth...

Dividends Have Increased Each Year Since 1977

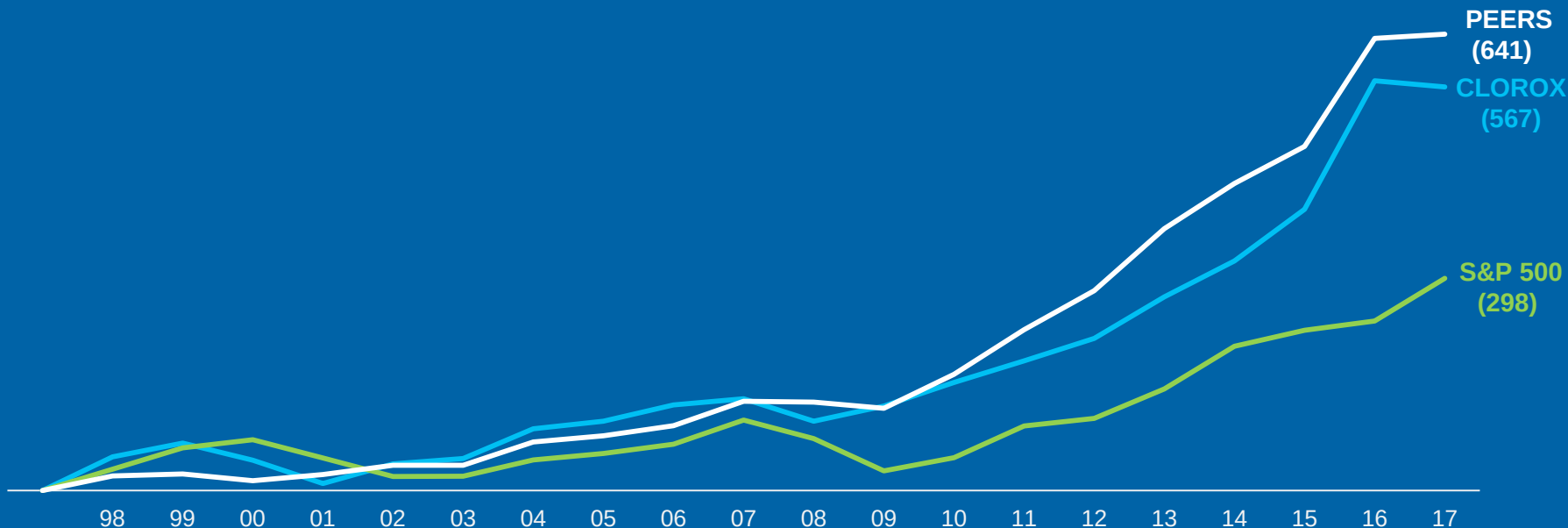
Dividend Yield as of June 30, 2017



Strong Shareholder Return



Total Shareholder Return – 20 Year Ending 6/30/2017



Areas We are Watching

- Changing retail landscape and increasing competition
- Slowing international economies
- Impact of rising input costs including recent hurricanes

Long-Term Investment Case Remains Solid



- **Investing behind leading brands to grow categories and share**
 - 3%+ annual growth from innovation
 - Maintain healthy brand building investments
- **Margin improvement opportunities continue to exist**
 - Leverage our brands pricing power to mitigate input cost
 - Strong cost savings track record
 - Driving SG&A to below 14% of sales
- **Strong cash flow generation**
 - Goal to generate Free Cash Flow of 10-12% of sales
 - Announced +5% dividend increase (May 2017)

Key Messages

- Strategy 2020 continues to work
- Confidence in strategy in changing environment
- Long-term investment case remains solid

2020 Strategy



Mission

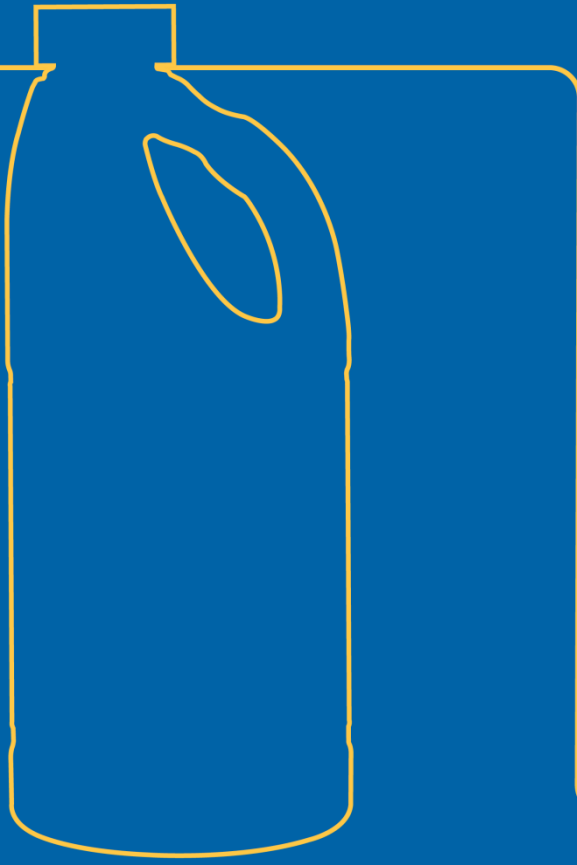
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- Engage our people as business owners



Engaging our People as Business Owners

Kirsten Marriner

SVP and Chief People Officer



Key Messages

- Our people strategy drives financial performance
- Our engaged and inclusive workforce is enabled to drive good growth
- Our employees share in the rewards for our strong financial performance

Sustainable Engagement is Linked to Financial Results



Strong sustainable engagement results are associated with:

3X

- Higher operating margin

6.5

- Fewer days lost

41%

- Lower retention risk

Inclusion and Diversity Lead to Better Outcomes

Diverse teams drive **6% greater revenue**, **15% more customer wins** and significantly **higher market share**

- *University of Chicago*

Gender-diverse & ethnically-diverse companies are 15% and 35% (respectively) more likely to **outperform peers**

- *McKinsey & Company*

Companies with diverse and **inclusive cultures** are 45% more likely to **improve market share**, and have greater discretionary effort from employees and **lower turnover**

- *Forbes*



Sources:

Why Diversity and Inclusion Has Become a Business Priority, Josh Bersin, December 7, 2015

Diversity Matters, Vivian Hunt, Dennis Layton and Sara Prince, February 2, 2015

Why Diversity Can Be Bad For Business (And Inclusion Is The Answer), Sebastian Bailey, May 20, 2014

Strong Engagement Distinguishes Us from Peers

SUSTAINABLE ENGAGEMENT



88%
(favorable score)

Strong Absolute Results

vs. Fast Moving
Consumer Goods

vs. Global High
Performing Companies

+8*

+3*

Strong Relative to Peers

86%

2015

87%

2016

88%

2017

Stronger Results Over Time

*Statistically Significant

Source: Willis Towers Watson

FMCG Norm: Based on responses from more than 160,000 employees globally.

Global High Performing Companies: Companies meeting two criteria: (a) superior financial performance, defined by a net profit margin and/or return on invested capital that exceeds industry averages; and (b) superior human resource practices, defined by employee opinion scores near the top among the most financially successful companies surveyed by Willis Towers Watson. Includes responses from over 140,000 employees at dozens of global organizations.

Our Employment Brand is Strong and Compelling

“I am **empowered** to make the decisions needed to do my job well.”

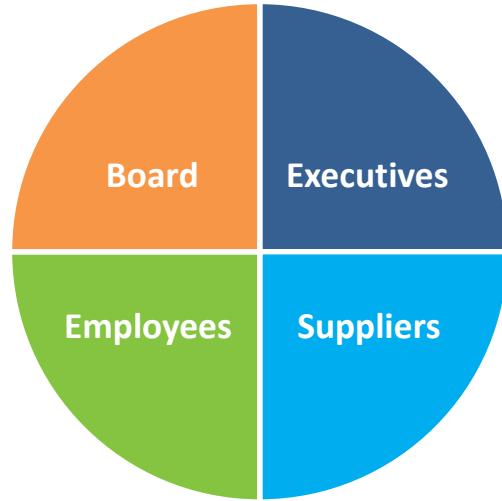
“Clorox has great **values** and the ethics which we operate under should make all employees proud. We respect **diverse** backgrounds.”



“Clorox has established a climate where one can **challenge our traditional ways** of doing things.”

“I understand how my work contributes to Clorox's **strategy**.”

We Cultivate Diversity Broadly to Generate Value



36%

Female Clorox Executive Committee Members

33%

Female Board Members

33%

Minority Board Members

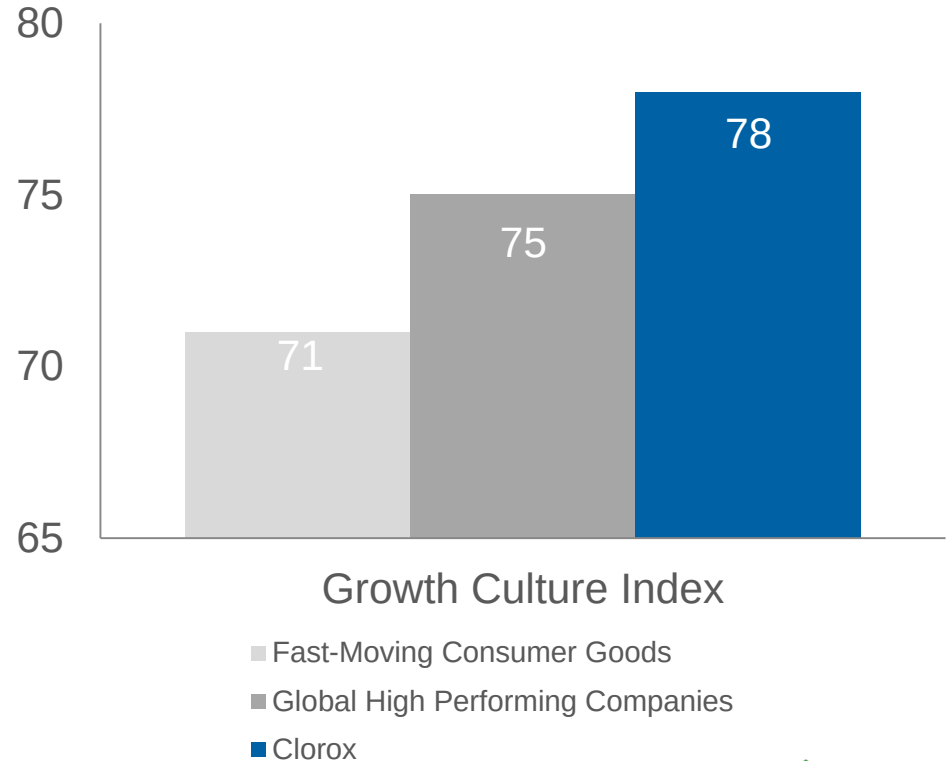
Clorox Employee Resource Groups



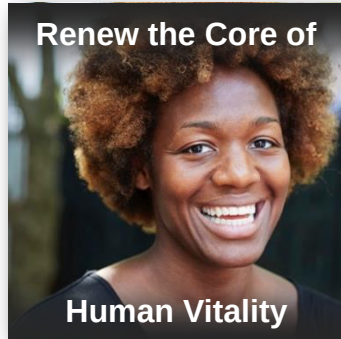
Clorox Growth Culture Enables our 2020 Strategy

Growth Culture

- Decisive
- Empowered
- Accountable



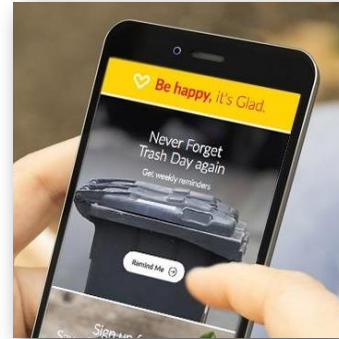
Our Growth Culture has Broad Impact on *How We Work*



**Brand
Purpose**



**Bigger, Better,
Faster Innovation**



**Technology
Transformation**

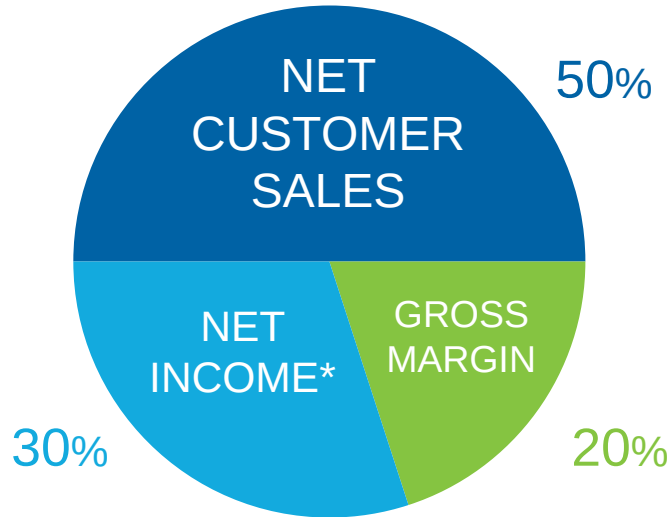


Everyone Finding
a Better Way, Every Day

**Continuous
Improvement
Mindset**

Employees Share In Rewards For Delivering Results

Short-term Incentives



*Continuing operations

Long-term Incentives



*Metric for Performance Share Units

Key Messages

- Our people strategy drives financial performance
- Our engaged and inclusive workforce is enabled to drive good growth
- Our employees share in the rewards for our strong financial performance

Board Perspective

Pamela Thomas-Graham

Lead Independent Director



Closing

Benno Dorer

Chairman and Chief Executive Officer

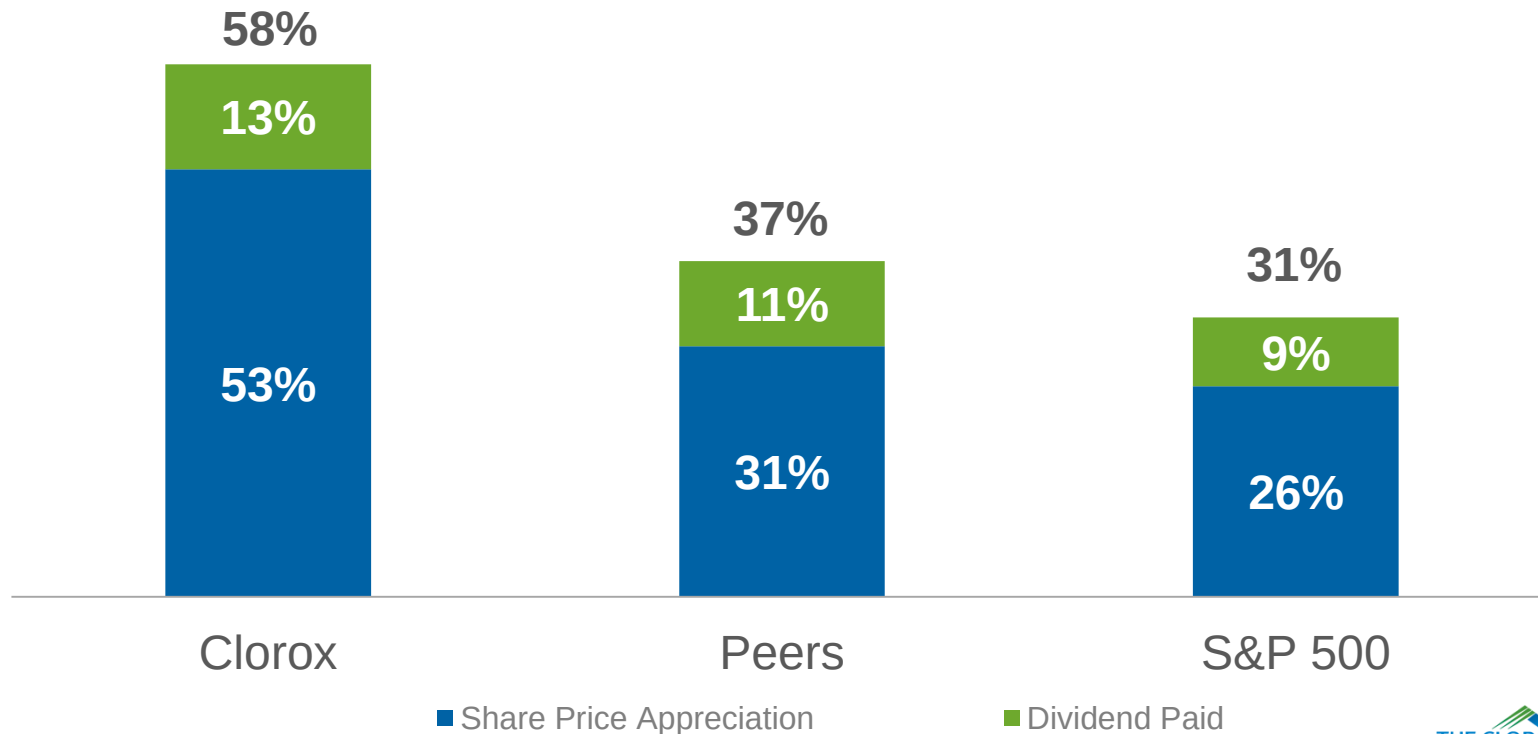


Key Messages

- 2020 Strategy continues to work
- Evolving our 2020 Strategy focus areas
- Confident in our ability to deliver long term shareholder value

Strong Shareholder Return

Total Shareholder Return - 3 Years Ending 6/30/2017



Evolving Our 2020 Strategy Focus Areas

Mission

- We make everyday life better, every day

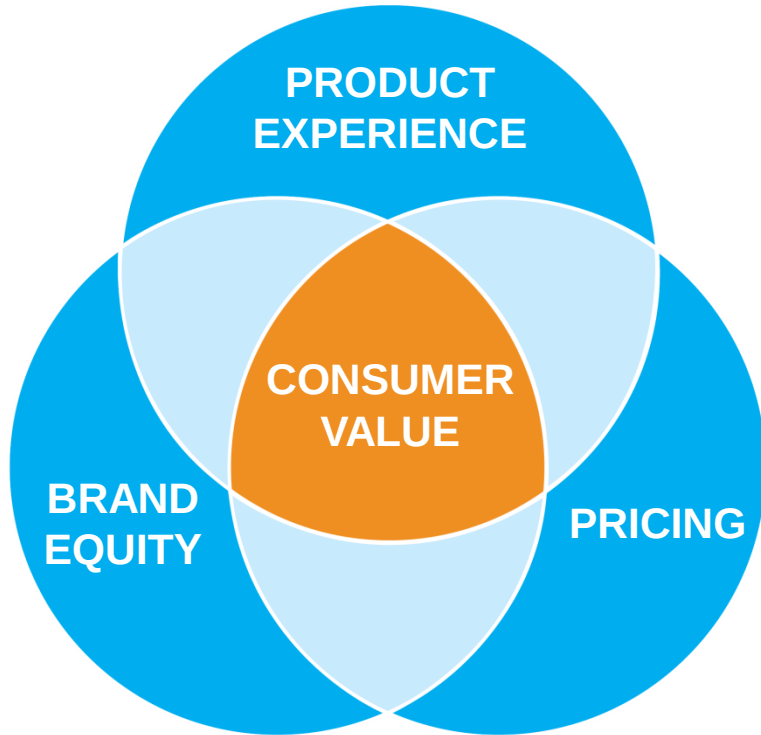
Objectives

- Maximize economic profit
- Big-share brands in mid-sized categories and countries

Strategy

- Drive superior consumer value behind strong brand investment, innovation and technology transformation
- Accelerate portfolio momentum in and around the core
- Fuel growth by reducing waste in our work, products and supply chain
- Engage our people as business owners

Driving Superior Consumer Value



- Value is an outcome of:
 - Great brand equity
 - Differentiated products
 - The right pricing
- Executing with excellence by delivering seamless consumer experience in-store and online

Confident in our Ability to Drive Long Term Shareholder Returns

- Investing behind leading brands to grow categories and share
- Margin improvement opportunities continue to exist
- Strong cash flow generation
- Our engaged and inclusive workforce is enabled to drive results the right way

Good Growth



Profitable, Sustainable, Responsible

Making Our Products More Sustainable

Sustainability improvements to **34% of the portfolio***



On track to meet our goal of 50% product portfolio by 2020

Reducing Our Environmental Footprint



On track to meet or beat our goal of 20% reduction by 2020

Safeguarding Families and Communities

**\$83
MILLION!**

TOTAL VALUE OF
CONTRIBUTIONS
AND
VOLUNTEER HOURS
2014 - 2017



Our Efforts are Being Recognized



1913



2017

We Make Everyday Life Better, Every Day.

