



FY21 Q3 Investor Presentation



SAFE HARBOR

Except for historical information, matters discussed in this presentation, including statements about the Company's future volume, sales, organic sales growth, costs, cost savings, earnings, earnings attributable to the Company, earnings per share, diluted earnings per share, margins, foreign currencies, foreign currency exchange rates, tax rates, cash flows, plans, objectives, expectations, growth or profitability, are forward-looking statements based on management's estimates, beliefs, 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, the uncertainties relating to the continued impact of COVID-19 on the Company's business, operations, employees, financial condition and results of operations as well as risks related to competition in the Company's markets; impact of the changing retail environment, including the growth of alternative retail channels and business models, and changing consumer preferences; the impact of COVID-19 on the availability of, and efficiency of the supply, manufacturing and distribution systems for, the Company's products; long-term changes in consumer preference for the Company's products as a result of any near-term shortages of any of its products; risks relating to supply chain issues and product shortages as a result of reliance on a limited base of suppliers and the significant increase in demand for disinfecting and other products due to COVID-19; dependence on key customers; information technology security breaches or cyber attacks; risks relating to acquisitions, new ventures and divestitures; government regulations; the Company's business reputation and the reputation of its brands and products; political, legal and tax risks; changes in U.S. tax, immigration or trade policies, including tariffs, and economic and financial market conditions; the Company's ability to drive sales growth and increase market share; volatility and increases in commodity, energy, transportation and other costs; international operations and international trade, including price controls, foreign currency fluctuations and devaluations and foreign currency exchange rate controls, labor claims and labor unrest, and the impact of the United Kingdom's exit from, and the related on-going negotiations with, the European Union; the facilities of the Company and its suppliers being subject to disruptions; the ability of the Company to innovate, to develop commercially successful products and to implement cost savings; product liability claims, labor claims and other legal proceedings; the success of the Company's business strategies; the venture agreement with P&G related to the Company's Glad® business; the Company's ability to attract and retain key personnel; environmental matters, increased focus on sustainability issues, including those related to climate change; the Company's ability to assert and defend its intellectual property rights; and the impacts of potential stockholder activism.

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WHO WE ARE



CHOICEFUL, DISCIPLINED PLAYBOOK

Leading brands
loved by consumers

Purposeful & targeted
in **where we play**

**ECONOMIC
PROFIT**

Deeply rooted
discipline sustains
operational excellence

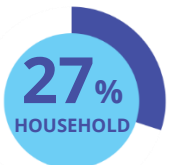
Purpose-driven growth:
ESG integration as a
competitive advantage

DIVERSE, U.S.-CENTRIC PORTFOLIO

FY20 RESULTS



- 30% CLEANING
- 7% PROFESSIONAL PRODUCTS
- 4% VITAMINS, MINERALS and SUPPLEMENTS



- 12% BAGS AND WRAPS
- 7% CAT LITTER
- 8% GRILLING



- 9% FOOD PRODUCTS
- 4% WATER FILTRATION
- 4% NATURAL PERSONAL CARE



- AFRICA
- ASIA
- AUSTRALIA
- CANADA
- EUROPE
- LATIN AMERICA
- MIDDLE EAST
- NEW ZEALAND

\$6.7B
NET SALES

26+
COUNTRY /
TERRITORY
OPERATIONS

8,800
EMPLOYEES

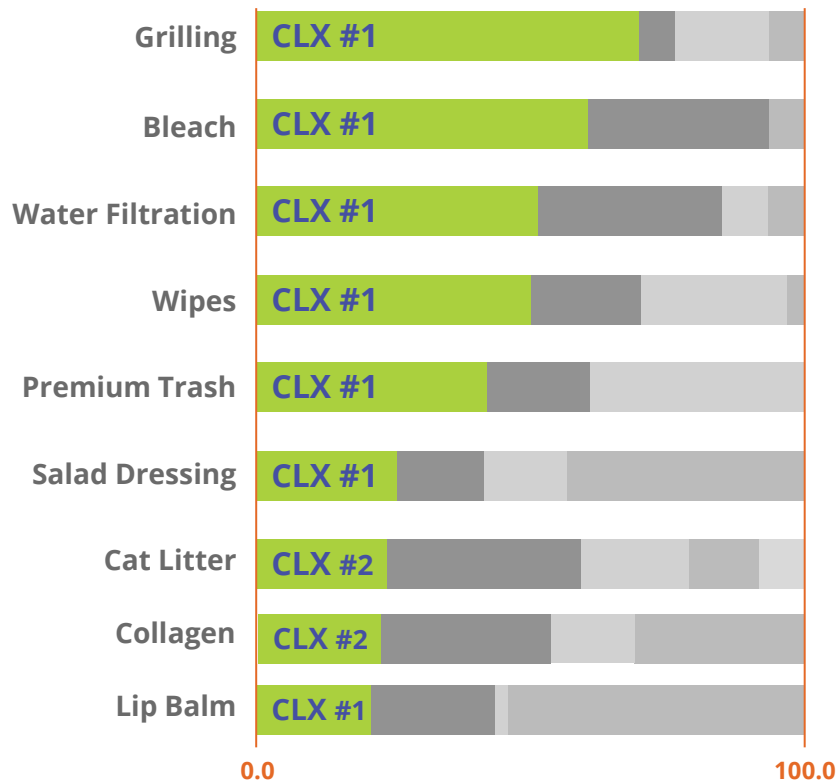
100+
MARKETS

LEADING BRANDS LOVED BY OUR CONSUMERS

- Over **80%** of our global portfolio from #1 and #2 share brands
- **Majority** of our portfolio has superior consumer value
- Accelerating growth with **purpose-driven brands**



BIG-SHARE BRANDS, MID-SIZED CATEGORIES



- Categories that are more **rational** and less crowded with **multinationals**
- Grow categories with deep **consumer insights & world-class capabilities**
- Drive **profitable growth** for Clorox and our customers

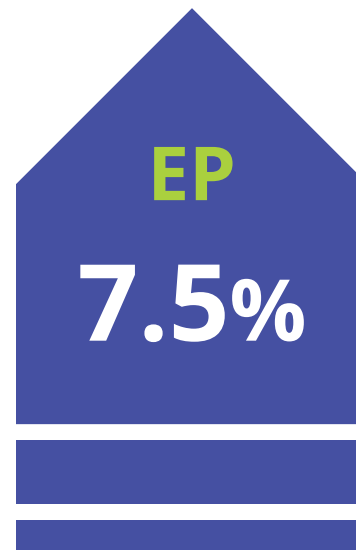
OPERATIONAL EXCELLENCE

Our leading brands, world-class capabilities and deeply rooted discipline drive **operational excellence**



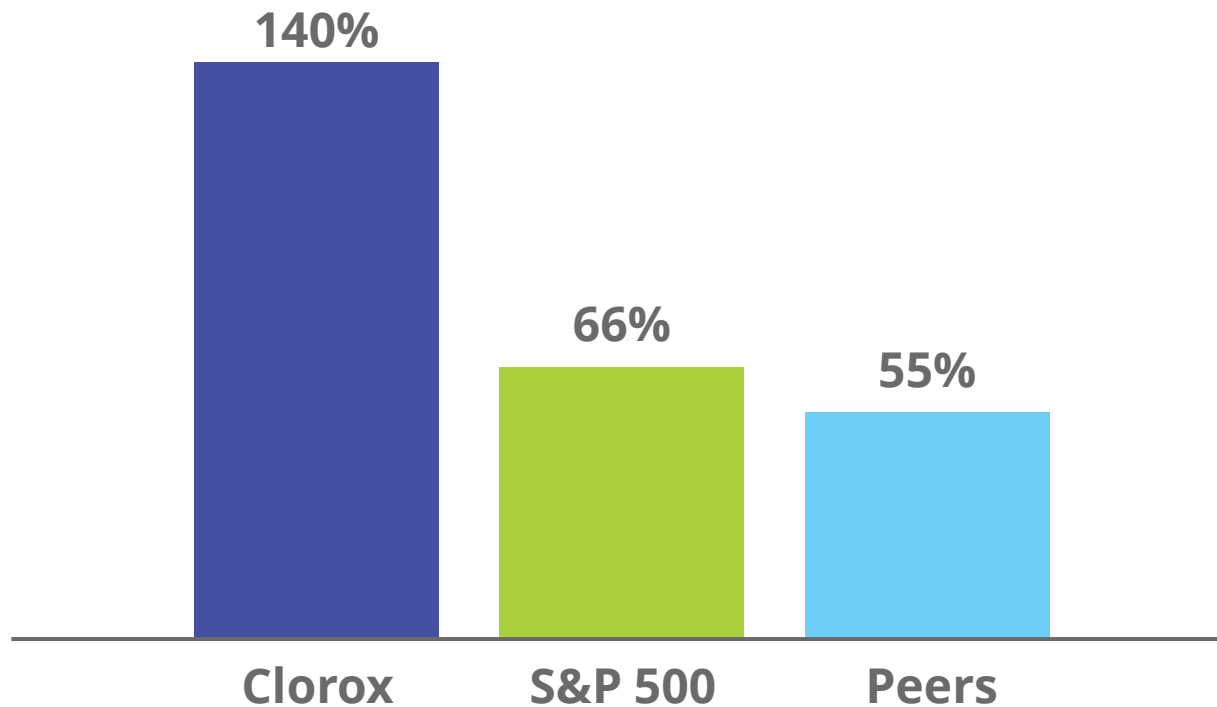
STRONG FINANCIAL RESULTS

FY15 TO FY20 CAGR



STRONG SHAREHOLDER RETURNS

FY15 TO FY20



STRONG VALUE FOR SOCIETY



PERFORMANCE

+3% Sales from innovation

+7.5% EP CAGR (FY15-20)

Top-third TSR (FY15-20)



PEOPLE

87% Employee engagement

Top-tier diversity

World-class safety



PRODUCTS

58% Products with sustainability improvements

92% Primary package recyclable



PLANET

20% reduction by 2020 on track:

- Waste to landfill
- Water
- GHG
- Energy



PURPOSE

\$13M Product donations

\$3M in employee volunteer hours

\$3M in cash grants

STRONG RESULTS THE RIGHT WAY



IGNITE STRATEGY

Purpose

We **champion people** to be well & thrive every single day

Vision

Exceptional innovators who earn people's enduring loyalty

Objectives

Maximize economic profit

Purpose-driven growth — profitable, sustainable, and responsible

Strategy

Fuel growth in our brands

Innovate brand and shopping **experiences** of the future

Reimagine how we **work**

Evolve our **portfolio**



Financial Performance



FY21 PERFORMANCE & OUTLOOK

Sales

(vs year ago)

Q3
FY21

Flat
(OSG -1%)

FY21 Outlook
(As of April 30 Earnings Call)

+10% to +13%
(OSG +10% to +13%)

Adjusted EPS

(vs year ago)

\$1.62
(-14%)

\$7.45 to \$7.65
(+1% to +4%)

Organic sales growth (OSG) is defined as GAAP net sales growth excluding the effect of foreign exchange rate changes and any acquisitions and divestitures. See reconciliation on page 52. Management believes that the presentation of organic sales growth/(decrease) outlook is useful to investors because it excludes sales from any acquisitions and divestitures, which results in a comparison of sales only from the businesses that the company was operating and expect to operate throughout the relevant period, and the Company's estimate of the impact of foreign exchange rate changes, which are difficult to predict, and out of the control of the Company and management. However, organic sales growth outlook may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded.

Adjusted EPS is defined as diluted earnings per share that excludes or has otherwise been adjusted for significant items that are nonrecurring or unusual. Adjusted EPS is supplemental information that management uses to help evaluate the company's historical and prospective financial performance. Management believes that by adjusting for certain non-recurring or unusual items, such as significant losses/(gains) related to acquisitions and impairment charges, investors and management are able to gain additional insight into the company's underlying operating performance on a consistent basis over time. However, adjusted EPS may not be the same as similar measures provided by other companies due to potential differences in methods of calculation or differences in which items are incorporated into these adjustments. See reconciliation on page 53.



IGNITE STRATEGY FINANCIAL GOALS

Original IGNITE Annual Goals

NEW Annual Goals*

Sales Growth

+2% to 4%

+3% to 5%

EBIT Margin Improvement

+25 to 50 bps

+25 to 50 bps

Free Cash Flow % of Sales

11% to 13%

11% to 13%

***Raised annual sales growth goal in February 2021**

EBIT (a non-GAAP measure) represents before income taxes (a GAAP measure), excluding interest income & interest expense.

EBIT margin is a measure of EBIT as a percentage of sales.

Free Cash Flow (a non-GAAP measure) represents Net Cash less Capital Expenditures.

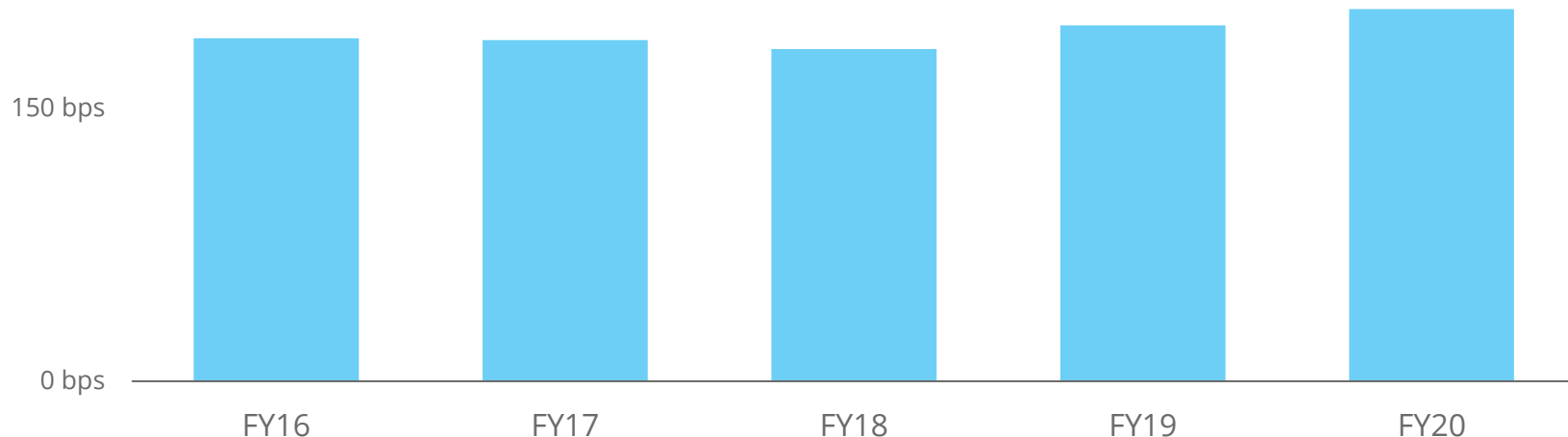
See reconciliation in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>



STRONG TRACK RECORD OF COST SAVINGS

COST SAVINGS TARGET +175BPS

EBIT Margin Benefit From Cost Savings

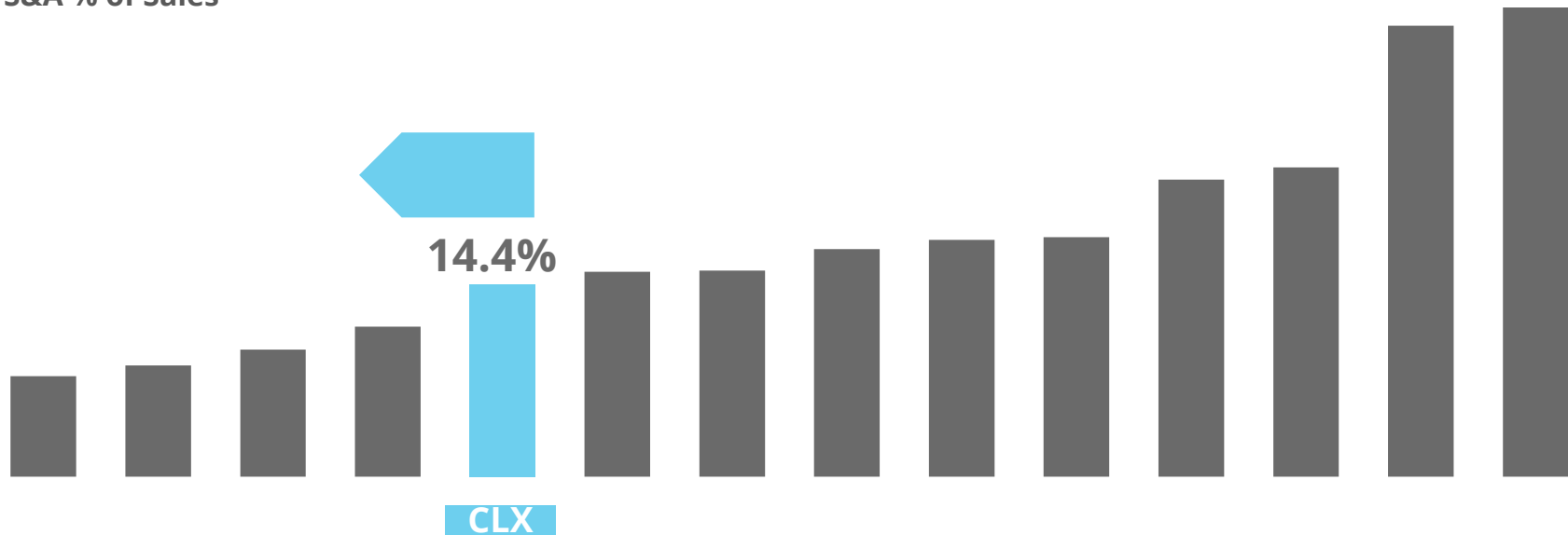


EBIT (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income & interest expense. EBIT margin is a measure of EBIT as a percentage of net sales. See reconciliation in the supplemental financial schedules located at: <https://investors.thecloroxcompany.com/investors/financial-information/quarterly-results/default.aspx>

MORE OPPORTUNITY TO DRIVE S&A PRODUCTIVITY

REIMAGINING HOW WE WORK TO CREATE FUEL FOR GROWTH

S&A % of Sales

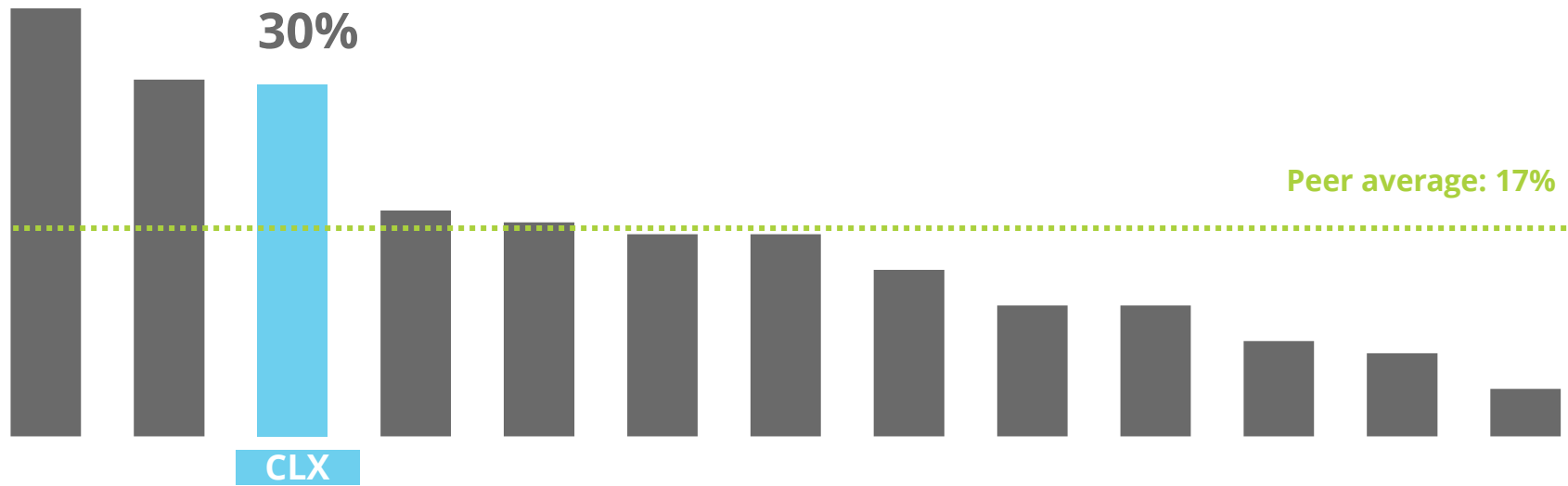


S&A % of Sales as of latest fiscal year end for CLX as of June 30, 2020.

Peers consist of 16 companies: CHD, CL, EL, GIS, HSY, K, KHC, KMB, KO, RB-GB, MDLZ, NESN, PEP, PG, REYN and ULVR. Peer companies with data unavailable to Clorox are excluded.

RELENTLESS FOCUS ON ECONOMIC PROFIT DRIVES TOP-TIER ROIC

Return on Invested Capital (ROIC)

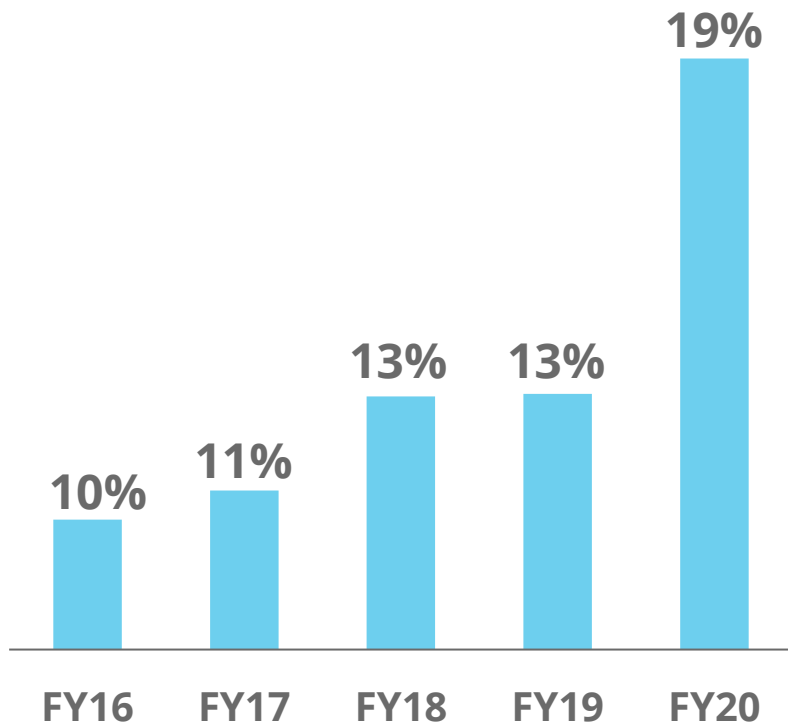


ROIC as of Fiscal Year Ending June 30, 2020

Return on invested capital (ROIC), a non-GAAP measure, is calculated as earnings before income taxes (a GAAP measure) 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 latest publicly available fiscal-end data from FactSet. Data as of 6/30/20. See reconciliation on page 54. Peers consists of 16 companies: CHD, CL, COTY, CPB, KDP, EL, GIS, HSY, K, KHC, KMB, KO, RB-GB, NWL, PEP, and PG. Peer companies with data unavailable to us are excluded.



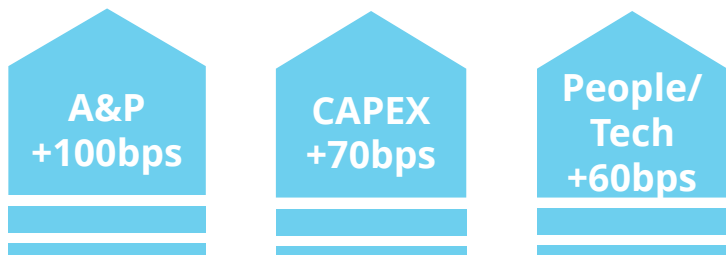
DELIVERED STRONG FREE CASH FLOW



- Company generates **consistent strong free cash flow**
- Increased annual free cash flow in FY20 by **+64% vs YA**

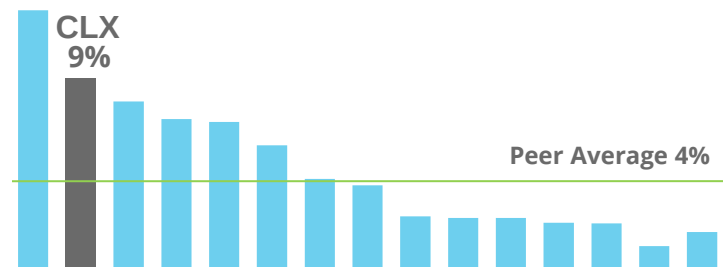
DISCIPLINED USES OF CASH

Business Growth (Strong reinvestments in FY21)

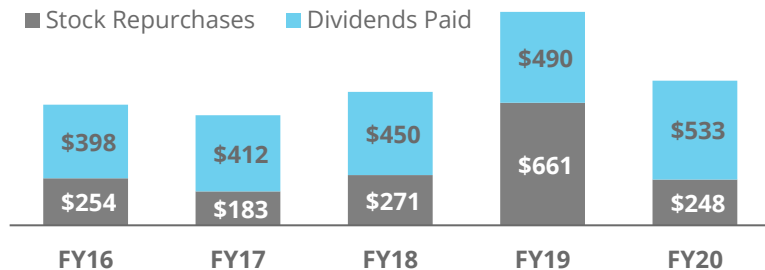


**STRONG
CASH
FLOW**

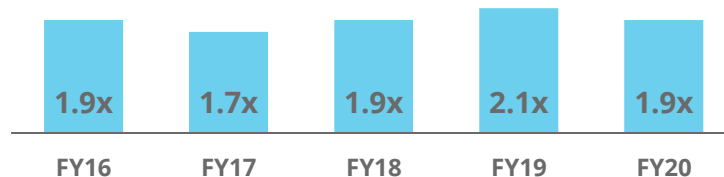
Support Dividend (Average annual dividend increase FY18-FY20)



Cash Returned to Shareholders (Nearly \$4B in last 5 years)



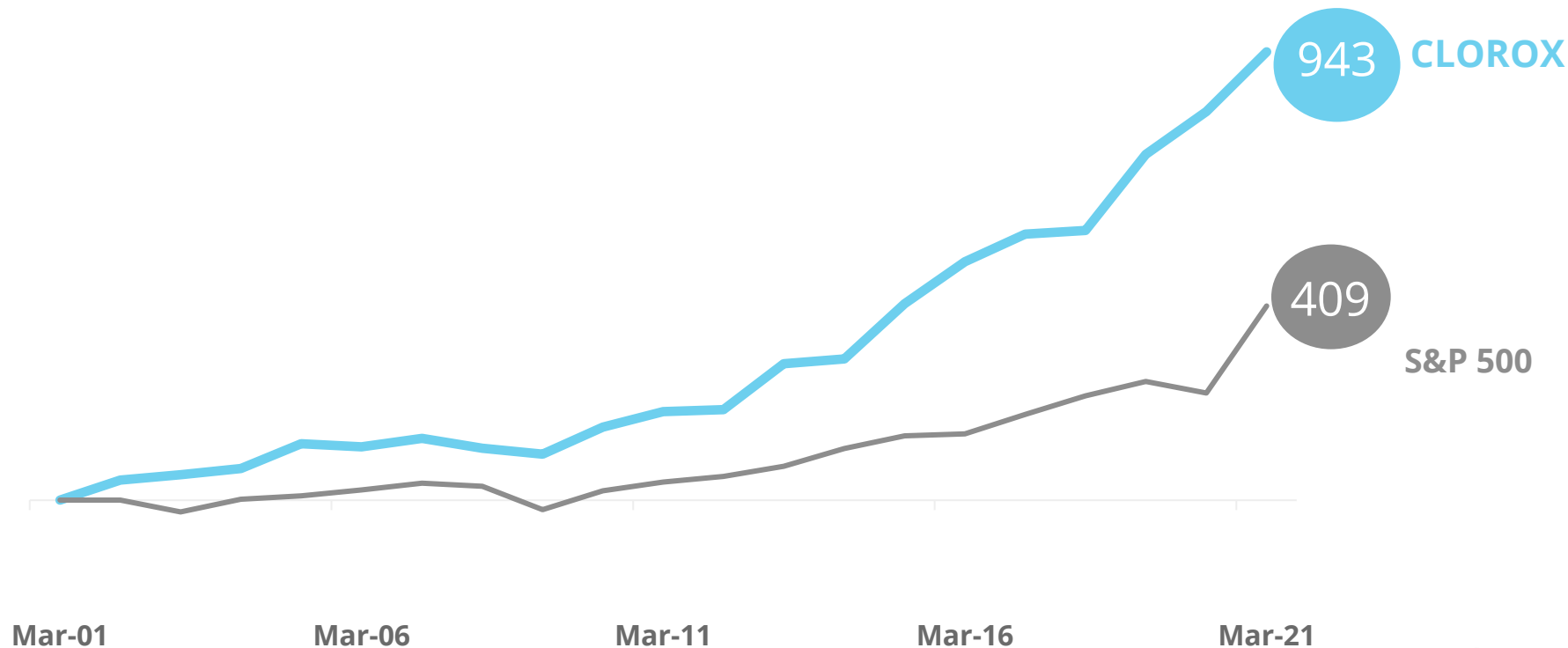
Debt Leverage* (Target: 2.0 – 2.5x)



Dividends: Peers consists of 16 companies: CHD, CL, EL, GIS, HSY, K, KHC, KMB, KO, MDLZ, NESN, PEP, PG, RB-GB, REYN, ULVR. Peer companies with negative growth rates are excluded. SOURCE: FactSet
Cash returned to shareholders is defined as cash dividends paid plus treasury stock purchased as outlined in the statements of cash flows
Debt Leverage (a non-GAAP measure) represents total debt divided by EBITDA for the trailing four quarters. See reconciliation on page 48.

LONG TRACK RECORD OF DELIVERING VALUE

TOTAL SHAREHOLDER RETURN 20 YEAR (as of 3/31/2021)



LONG-TERM INVESTMENT CASE REMAINS SOLID

Investing behind leading brands to grow categories and share

- Increasing expected value from innovation
- Healthy category and brand building investments, including digital/E-Commerce

Fueled by cost savings and admin productivity

- Pursuing margin accretive innovation
- Leaning into cost savings through enhanced margin management
- Transforming how we work to drive efficiency

Strong cash flow generation

- Strong financial capacity to invest for the long-term
- Top tier average annual dividend growth rate over last 3 years
- \$2B open market stock purchase program initiated in May 2018



IGNITE Strategy



INNOVATING WHERE WE HAVE ADVANTAGE

Leading brands
loved by
consumers

Purposeful &
targeted in **where**
we play

**ECONOMIC
PROFIT**

Deeply rooted discipline
sustains **operational**
excellence

Purpose-driven
growth:
ESG integration as
competitive advantage

IGNITE STRATEGY

Purpose

We champion people to be well & thrive every single day

Vision

Exceptional innovators who earn people's enduring loyalty

Objectives

Maximize economic profit
Purpose-driven growth

Strategy

Fuel growth in our brands
Innovate brand and shopping **experiences** of the future
Reimagine how we **work**
Evolve our **portfolio**

IGNITE STRATEGY CHOICE

Fuel Growth

- Increase cost savings target to +175bps
- Widening the cost savings funnel, leveraging
 - Digital
 - Integrated design
 - Sustainability

SUSTAINABILITY UNLOCKS COST SAVINGS



From: **CARTON**



To: **WRAP**

IGNITE STRATEGY CHOICE

Innovate Experiences

- Purpose-driven, personalized brands
- Frictionless shopping with retailers
- Bigger, stickier innovation platforms

DRIVING BIGGER, STICKIER PLATFORMS

- Bigger ideas
- Wider net
- Longer focus

Innovation



IGNITE STRATEGY CHOICE

**Reimagine
Work**

- Inclusive
- Digital
- Fast

INVESTING IN DIGITAL CAPABILITIES

BRAND BUILDING - DATA, ANALYTICS & HUMAN INSIGHT



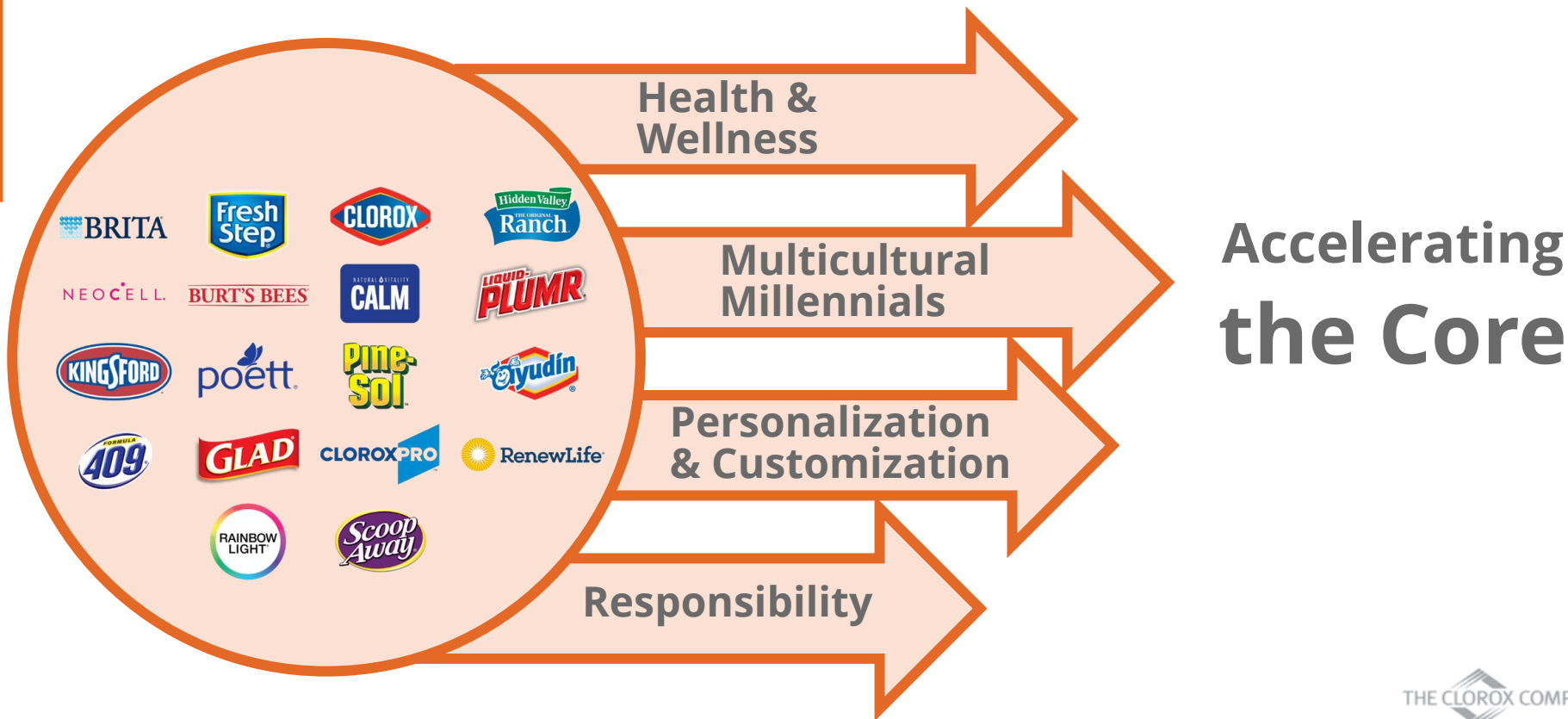
- Data science expertise
- Predictive analytics
- Data-savvy marketers

IGNITE STRATEGY CHOICE

Evolve Portfolio

- Grow the core
- Accelerate International profitable growth
- M&A criteria largely unchanged

ACCELERATE CORE WITH MEGATRENDS



IGNITE STRATEGY INTEGRATED CHOICES



IGNITE STRATEGY ESG LEADERSHIP AREAS

PLANET

Plastic and other waste reduction; science-based climate action

PRODUCTS

Responsible product stewardship; enhance industry best practices

PEOPLE

Enhance people's lives through choices that promote well-being

GOVERNANCE

Executive compensation tied to ESG goals

PURSuing BOLD 2030 ENVIRONMENTAL GOALS



50% Reduction
in virgin packaging



Science-based targets
on green gas emission across
our operations & value chain



100% Recyclable, reusable
or compostable packaging
by 2025



100% Renewable electricity
in US & Canada

 **achieved January 2021**

Comprehensive IGNITE ESG Goals can be found at our website:

<https://www.thecloroxcompany.com/who-we-are/ignite-strategy/about-ignite-esg/>



THE CLOROX COMPANY

ACCELERATING GROWTH



LASTING SHIFTS IN CONSUMER BEHAVIOR CREATES NEW GROWTH OPPORTUNITIES

#1

Axios Harris Poll
100 Reputation
Rankings

THE HARRIS POLL



#2

Most Essential
Company in
U.S. 2020

THE HARRIS POLL

THE ROLE OF
HOME HAS
CHANGED

HIGHER FOCUS
ON HEALTH &
HYGIENE

GREATER
PREFERENCE
FOR TRUSTED
BRANDS

DOUBLING DOWN ON OUR STRENGTHS

BUILDING A GLOBAL CLEANING & DISINFECTING BRAND



- Leading and trusted **brand**
- Established **capabilities** and **relationships**
- **Scaling up** to meet growing demand across channels and markets
- Building a **strong ecosystem** and more **growth runways** (strategic partnerships, new technologies, new channels and markets)

BUILDING A GLOBAL DISINFECTING & CLEANING BRAND

GROWING CLOROX OUT-OF-HOME BUSINESS



BUILDING A GLOBAL DISINFECTING & CLEANING BRAND

GROWING CLOROX INTERNATIONAL



TOUCHLESS DISINFECTING INNOVATION

AVAILABLE Q4 FY21

**Clorox® Total 360®
ProPack
Electrostatic Sprayer**



- Backpack electrostatic sprayer
- Targeted for large businesses
- Provides superior electrostatic wrap coverage

**Clorox® TurboPro™
Electrostatic Sprayer**



- Handheld electrostatic sprayer
- Targeted for Medium to Large public facilities
- Provides electrostatic wrap coverage

**Clorox® Turbo™
Powered Sprayer**



- Handheld powered sprayer
- Targeted for smaller businesses and spaces
- Provides efficient spray coverage

**Clorox® Turbo™ & TurboPro™
Disinfectant Cleaner
for Sprayer Devices**



- EPA registered ready-to-use chemistry
- Safe for use through Clorox and other sprayer devices

PROGRESS ON COLLABORATIVE RELATIONSHIPS



MGM RESORTS



Cleveland Clinic





Appendix



KEY CREDIT METRICS

	FY16	FY17	FY18	FY19	FY20
S&P Credit Rating	BBB+	A-	A-	A-	A-
Moody's Credit Rating	Baa1	Baa1	Baa1	Baa1	Baa1
Debt/ EBITDA	1.9x	1.7x	1.9x	2.1x	1.9x
Free Cash Flows as % of Sales	13%	10%	11%	13%	19%

Debt to EBITDA (Debt Leverage) Reconciliation

	FY 6/30/16	FY 6/30/17	FY 6/30/18	FY 6/30/19	FY 6/30/20
Earnings before income taxes	\$ 983	\$ 1,033	\$ 1,054	\$ 1,024	\$ 1,185
Interest income	-\$5	-\$4	-\$6	-\$3	-\$2
Interest expense	\$88	\$88	\$85	\$97	\$99
EBIT⁽¹⁾⁽³⁾	\$1,066	\$1,117	\$1,133	\$1,118	\$1,282
<i>EBIT margin⁽¹⁾⁽³⁾</i>	<i>18.5%</i>	<i>18.7%</i>	<i>18.5%</i>	<i>18.0%</i>	<i>19.1%</i>
Depreciation and amortization	\$165	\$163	\$166	\$180	\$180
EBITDA⁽²⁾⁽³⁾	\$1,231	\$1,280	\$1,299	\$1,298	\$1,462
<i>EBITDA margin⁽²⁾⁽³⁾</i>	<i>21.4%</i>	<i>21.4%</i>	<i>21.2%</i>	<i>20.9%</i>	<i>21.8%</i>
Net sales	\$ 5,761	\$ 5,973	\$ 6,124	\$ 6,214	\$ 6,721
Total debt ⁽⁴⁾	\$2,320	\$2,195	\$2,483	\$2,683	\$2,780
Debt to EBITDA⁽³⁾⁽⁵⁾	1.9	1.7	1.9	2.1	1.9

(1) EBIT (a non-GAAP measure) represents earnings before income taxes (a GAAP measure), excluding interest income and interest expense, as reported above. EBIT margin is the ratio of EBIT to net sales.

(2) EBITDA (a non-GAAP measure) represents earnings from before income taxes (a GAAP measure), excluding interest income, interest expense, depreciation and amortization, as reported above. EBITDA margin is the ratio of EBITDA to net sales.

(3) In accordance with the SEC's Regulation G, this schedule provides the definition of certain non-GAAP measures and the reconciliation to the most closely related GAAP measure. Management believes the presentation of EBIT, EBIT margin, EBITDA, EBITDA margin and debt to EBITDA provides useful additional information to investors about trends in the company's operations and is useful for period-over-period comparisons. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures. In addition, these non-GAAP financial measures may not be the same as similar measures provided by other companies due to potential differences in methods of calculation and items being excluded. They should be read in connection with the company's consolidated financial statements presented in accordance with GAAP.

(4) Total debt represents the sum of notes and loans payable, current maturities of long-term debt and long-term debt. Current maturities of long-term debt and long-term debt are carried at face value net of unamortized discounts, premiums and debt issuance costs.

(5) Debt to EBITDA (a non-GAAP measure) represents total debt divided by EBITDA for the trailing four quarters.



GROSS MARGIN RECONCILIATION

The table below provides details on the drivers of gross margin change versus the prior year.

Driver	Gross Margin Change vs. Prior Year (basis points)							
	FY20					FY21		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Cost Savings	+180	+150	+150	+170	+160	+170	+160	+110
Price Changes	+120	+100	+90	+50	+90	+50	+20	+30
Market Movement (commodities)	+30	+60	+60	+40	+50	+40	-50	-170
Manufacturing & Logistics	-50	-80	-50	-350	-140	-300	-420	-360
All other ^(1,2,3,4,5)	-220	-190	+80	+260	+10	+440	+420	+70
Change vs prior year	+60	+40	+330	+170	+170	+400	+130	-320

Gross Margin (%)

44.0% 44.1% 46.7% 46.8% 45.6% 48.0% 45.4% 43.5%

(1) In Q4 of fiscal year 2020, "All other" includes the positive impact from volume growth and mix and assortment. In Q1 of fiscal year 2020, "All other" includes about -180bps of negative impact from higher trade promotion spending.

(2) In Q2 of fiscal year 2020, "All other" includes about -90bps of negative impact from higher trade promotion spending.

(3) In Q4 of fiscal year 2020, "All other" includes the positive impact from volume growth and mix and assortment.

(4) In Q1 of fiscal year 2021, "All other" includes the positive impact from volume growth and mix and assortment.

(5) In Q2 of fiscal year 2021, "All other" includes the positive impact from volume growth and mix and assortment.



REPORTABLE SEGMENTS (UNAUDITED)

Dollars in Millions

	Net sales			Earnings (losses) before income taxes		
	Three Months Ended			Three Months Ended		
	3/31/2021	3/31/2020	% Change ⁽¹⁾	3/31/2021	3/31/2020	% Change ⁽¹⁾
Health and Wellness ⁽²⁾	\$ 680	\$ 736	-8%	\$ (183)	\$ 210	-187%
Household	510	480	6%	97	114	-15%
Lifestyle	293	294	-	68	80	-15%
International	298	273	9%	30	36	-17%
Corporate	-	-	-	(71)	(143)	-50%
Total	<u>\$ 1,781</u>	<u>\$ 1,783</u>	<u>-</u>	<u>\$ (59)</u>	<u>\$ 297</u>	<u>-120%</u>

(1) Percentages based on rounded numbers

(2) The earnings (losses) before income taxes for the Health and Wellness segment includes \$329 noncash impairment charges for the Vitamins, Minerals and Supplements strategic business unit for the three months ended March 31, 2021



NET SALES DRIVERS

Three Months Ended March 31, 2021 Percentage change versus the year-ago period							
	Reported (GAAP) Net Sales Growth/ (Decrease)	Reported Volume	Acquisitions & Divestitures	Foreign Exchange Impact	Price Mix and Other ⁽¹⁾	Organic Net Sales Growth/ (Decrease) (Non-GAAP) ⁽²⁾	Organic Volume ⁽³⁾
Health and Wellness	(8)%	(11)%	—%	—%	3%	(8)%	(11)%
Household	6	4	—	—	2	6	4
Lifestyle	—	(1)	—	—	1	—	(1)
International	9	2	7	(2)	7	4	(3)
Total	—%	(4)%	1%	—%	4%	(1)%	(5)%

(1) This represents the net impact on net sales growth/ (decrease) from pricing action, mix and other factors.

(2) Organic sales growth/ (decrease) is defined as net sales growth/ (decrease) excluding the effect of any acquisitions and divestitures and foreign exchange rate changes. See "Non-GAAP Financial Information" below for reconciliation of organic sales growth to net sales growth/ (decrease), the most directly comparable GAAP financial information.

(3) Organic volume represents volume excluding the effect of any acquisitions and divestitures. In the three months ended March 31, 2021, the volume impact of acquisitions was 8% and 1% for International and Total Company, respectively.



ORGANIC SALES RECONCILIATION

Reconciliation of organic sales growth/(decrease) (non-GAAP) to net sales growth/(decrease) (GAAP), the most comparable GAAP measure:

Three Months Ended March 31, 2021
Percentage change versus the year-ago period

	Health and Wellness	Household	Lifestyle	International	Total
Net sales growth / (decrease) (GAAP)	(8)%	6%	—%	9%	—%
Add: Foreign Exchange	—	—	—	2	—
Add/(Subtract): Divestitures/Acquisitions	—	—	—	(7)	(1)
Organic sales growth / (decrease) (non-GAAP)	(8)%	6%	—%	4%	(1)%

Non-GAAP Financial Information

Management believes that the presentation of organic sales growth / (decrease) is useful to investors because it excludes sales from any acquisitions and divestitures, which results in a comparison of sales only from the businesses that the company was operating throughout the relevant periods, and the impact of foreign exchange rate changes, which are difficult to predict and out of the control of the company and management.



Adjusted Earnings Per Share and Adjusted Effective Tax Rate

Dollars in millions except per share data; shares in thousands

	Diluted Earnings (Losses) Per Share			Effective Tax Rate	
	Three Months Ended			Three Months Ended	
	3/31/2021	3/31/2020	% Change	3/31/2021	3/31/2020
As reported (GAAP)	\$ (0.49)	\$ 1.89	-126%	-1.4%	18.9%
VMS impairment ^(a, b)	2.11	-		24.6%	-
As adjusted (Non-GAAP)	\$ 1.62	\$ 1.89	-14%	23.2%	18.9%

	Full Year 2021 Outlook (Estimated Range)			
	Diluted Earnings Per Share ^(d)		Effective Tax Rate	
	Low	High	Low	High
As estimated (GAAP)	\$ 5.94	\$ 6.14	21%	22%
Saudi JV acquisition gain ^(c)	(0.60)	(0.60)	-1%	-1%
VMS impairment ^(a)	2.11	2.11	1%	1%
As adjusted (Non-GAAP)	\$ 7.45	\$ 7.65	21%	22%

(a) During the quarter ended March 31, 2021, noncash impairment charges of goodwill, trademarks and other assets were recorded of \$329 (\$267 after tax).

(b) Includes the dilution impact of the difference between the diluted weighted-average shares used in calculating the diluted (losses) per share, as reported to the diluted weighted-average shares used in calculating the non-GAAP diluted earnings per share, as adjusted (127,108 shares).

(c) On July 9, 2020, the company increased its investment in each of the two entities comprising its joint venture in the Kingdom of Saudi Arabia (Saudi joint venture). As a result of this transaction, a noncash nonrecurring net gain was recognized of \$82 (\$76 after tax) in Other (income) expense, net in the quarter ended September 30, 2020, primarily due to the remeasurement of the carrying value of the company's previously held equity investment to fair value.

(d) The estimated range for GAAP diluted EPS for FY21 outlook is \$5.94 to \$6.14, which represents a 19% to 16% decrease from FY20 diluted EPS of \$7.36. Excluding the noncash impairment charge to the VMS business and the noncash gain from the Saudi JV acquisition valuation remeasurement, the estimated range for non-GAAP adjusted EPS for FY21 outlook is \$7.45 to \$7.65, representing a 1% to 4% increase from FY20 diluted EPS of \$7.36.

RETURN ON INVESTED CAPITAL RECONCILIATION

Dollars in Millions

	FY20
Earnings before income taxes (GAAP measure)	\$ 1,185
Interest expense	99
Earnings before income taxes and interest expense	\$ 1,284
Income taxes before income taxes and interest expense ⁽²⁾	\$ (267)
Adjusted after-tax profit	\$ 1,017
Average invested capital ⁽³⁾	\$ 3,437
Return on invested capital ⁽¹⁾	30%

(Amounts shown below are five quarter averages)

	FY20
Total assets	\$ 5,607
Less: non-interest bearing liabilities	(2,170)
Average invested capital	\$ 3,437

(1) In accordance with SEC's Regulation G, this schedule provides the definition of a non-GAAP measure and the reconciliation to the most closely related GAAP measure. Return on invested capital (ROIC), a non-GAAP measure is calculated as earnings before income taxes and interest expense, computed on an after-tax basis as a percentage of average invested capital. Management believes ROIC provides additional information to investors about current trends in the business. ROIC is a measure of how effectively the company allocates capital. ROIC should not be considered in isolation or as a substitute for the comparable GAAP measures and should be read in connection

with the company's consolidated financial statements presented in accordance with GAAP.

(2) The tax rate applied is the effective tax rate, which was 20.8%

(3) Average invested capital represents a five-quarter average of total assets less non-interest bearing liabilities.



CASH RETURNED TO STOCKHOLDERS RECONCILIATION⁽¹⁾

Dollars in Millions

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015
Treasury Stock purchased ⁽²⁾	\$ 248	\$ 661	\$ 271	\$ 183	\$ 254	\$ 434
Cash dividends paid ⁽²⁾	\$ 533	\$ 490	\$ 450	\$ 412	\$ 398	\$ 385
Cash Returned to Stockholders ⁽¹⁾	\$ 781	\$ 1,151	\$ 721	\$ 595	\$ 652	\$ 819

(1) Cash returned to stockholders is defined as cash dividends paid to Clorox stockholders plus treasury stock purchased as outlined in the statement of cash flows

(2) As shown on Statements of Cash Flows

ECONOMIC PROFIT RECONCILIATION

Dollars in Millions

	FY20	FY19	FY18	FY17 ⁽²⁾	FY16 ⁽²⁾	FY15 ⁽²⁾
Earnings before income taxes	\$ 1,185	\$ 1,024	\$ 1,054	\$ 1,033	\$ 983	\$ 921
Add back:						
Noncash U.S. GAAP restructuring and intangible asset impairment charges	2	2	2	4	9	1
Interest expense	99	97	85	88	88	100
Earnings before income taxes, noncash U.S. GAAP restructuring and intangible asset charges, and interest expense	<u>\$ 1,286</u>	<u>\$ 1,123</u>	<u>\$ 1,141</u>	<u>\$ 1,125</u>	<u>\$ 1,080</u>	<u>\$ 1,022</u>
Less: Income taxes on earnings before income taxes, noncash U.S. GAAP restructuring and intangible asset impairment charges and interest expense ⁽³⁾	267	222	249	359	368	350
Adjusted after tax profit	<u>\$ 1,019</u>	<u>\$ 901</u>	<u>\$ 892</u>	<u>\$ 766</u>	<u>\$ 712</u>	<u>\$ 672</u>
Average capital employed ⁽⁴⁾	<u>3,478</u>	<u>3,231</u>	<u>2,977</u>	<u>2,680</u>	<u>2,463</u>	<u>2,385</u>
Capital charge⁽⁵⁾	<u>313</u>	<u>291</u>	<u>268</u>	<u>241</u>	<u>222</u>	<u>214</u>
Economic profit⁽¹⁾ (Adjusted after tax profit less capital charge)	<u>\$ 706</u>	<u>\$ 610</u>	<u>\$ 624</u>	<u>\$ 525</u>	<u>\$ 490</u>	<u>\$ 458</u>

(1) Economic profit (EP) is defined by the Company as earnings before income taxes, excluding noncash U.S. GAAP restructuring and intangible asset impairment charges, and interest expense; less income taxes (calculated utilizing the Company's effective tax rate), and less a capital charge (calculated as average capital employed multiplied by a cost of capital rate). EP is a key financial metric that the Company's management uses to evaluate business performance and allocate resources and is a component in determining employee incentive compensation. The Company's management believes EP provides additional perspective to investors about financial returns generated by the business and represents profit generated over and above the cost of capital used by the business to generate that profit.

(2) For the fiscal years FY17, FY16 and FY15 earnings before income tax reflect earnings from continuing operations before income taxes.

(3) The tax rate applied is the effective tax rate on earnings from continuing operations, which was 20.8%, 19.8%, 21.8%, 31.9%, 34.1% and 34.2% in fiscal years 2020, 2019, 2018, 2017, 2016 and 2015 respectively.

(4) Total capital employed represents total assets less non-interest bearing liabilities. Adjusted capital employed represents total capital employed adjusted to add back current year after tax noncash U.S. GAAP restructuring and intangible asset impairment charges. Average capital employed is the average of adjusted capital employed for the current year and total capital employed for the prior year, based on year-end balances.

(5) Capital charge represents average capital employed multiplied by a cost of capital, which was 9% for all fiscal years presented. The calculation of capital charge includes the impact of rounding numbers.

ECONOMIC PROFIT RECONCILIATION: AVERAGE CAPITAL DEPLOYED

Dollars in Millions

	FY20	FY19	FY18	FY17 ⁽²⁾	FY16 ⁽²⁾	FY15 ⁽²⁾
Total assets ⁽⁶⁾	\$ 6,213	\$ 5,116	\$ 5,060	\$ 4,573	\$ 4,510	\$ 4,154
Less:						
Accounts payable and accrued liabilities ⁽⁷⁾	1,327	1,033	1,000	1,002	1,032	976
Current operating lease liabilities	64	-	-			
Income taxes payable	25	9	-	-	-	31
Long-term operating lease liabilities	278	-	-			
Other liabilities ⁽⁷⁾	755	774	778	770	784	745
Deferred income taxes	62	50	72	61	82	95
Non-interest bearing liabilities	2,511	1,866	1,850	1,833	1,898	1,847
Total capital employed	3,702	3,250	3,210	2,740	2,612	2,307
After tax noncash U.S. GAAP restructuring and intangible asset impairment costs	2	1	1	2	6	1
Adjusted capital employed	\$ 3,704	\$ 3,251	\$ 3,211	\$ 2,742	\$ 2,618	\$ 2,308
Average capital employed	\$ 3,478	\$ 3,231	\$ 2,977	\$ 2,680	\$ 2,463	\$ 2,385

(2) For the fiscal years FY17, FY16 and FY15 earnings before income tax reflect earnings from continuing operations before income taxes.

(6) Amounts for fiscal years 2016 and 2015 have been retrospectively adjusted to conform to the current year presentation of debt issuance costs required by Accounting Standards Update No. 2015-03, "Simplifying the Presentation of Debt Issuance Costs."

(7) Accounts payable and accrued liabilities were combined into one financial statement line as of June 30, 2016. The change has been retrospectively applied to fiscal years 2015. Accounts payable and accrued liabilities and Other liabilities are adjusted to exclude interest-bearing liabilities.