



# 33<sup>rd</sup> Annual Strategic Decisions Conference

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Chairman and Chief Executive Officer

May 31st, 2017

# 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, foreign currencies, and 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; economic conditions and financial market volatility; the Company's ability to drive sales growth and increase market share; international operations, including price controls, foreign currency fluctuations, labor claims and labor unrest, potential harm and liabilities from use, storage and transportation of chlorine in certain markets and discontinuation of operations in Venezuela; volatility and increases in commodity, energy and other costs; supply disruptions; dependence on key customers; government regulations; political, legal and tax risks; information technology security breaches or cyber attacks; risks relating to acquisitions, new ventures and divestitures; the success of the Company's business strategies and products; product liability claims, labor claims and other legal proceedings; the Company's business reputation; environmental matters; the Company's ability to assert and defend its intellectual property rights; and the impacts of potential stockholder activism.

The Company may also use non-GAAP financial measures, which could differ from reported results using Generally Accepted Accounting Principles (GAAP). The most directly comparable GAAP financial measures and reconciliation to non-GAAP financial measures are set forth in the Appendix hereto, the Supplemental Schedules of the Company's quarterly financial results and in the Company's SEC filings, including its Form 10-K and its exhibits furnished to the SEC, which are posted at [www.TheCloroxCompany.com](http://www.TheCloroxCompany.com) in the Investors/Financial Information/Financial Results and SEC Filings sections, respectively.

# Key Messages

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- Strategy focus on profitable growth continues to produce strong results
- We are confident in our business plans

# Advantaged Portfolio

## Over 80% of Sales in U.S. and from #1 or #2 Share Brands

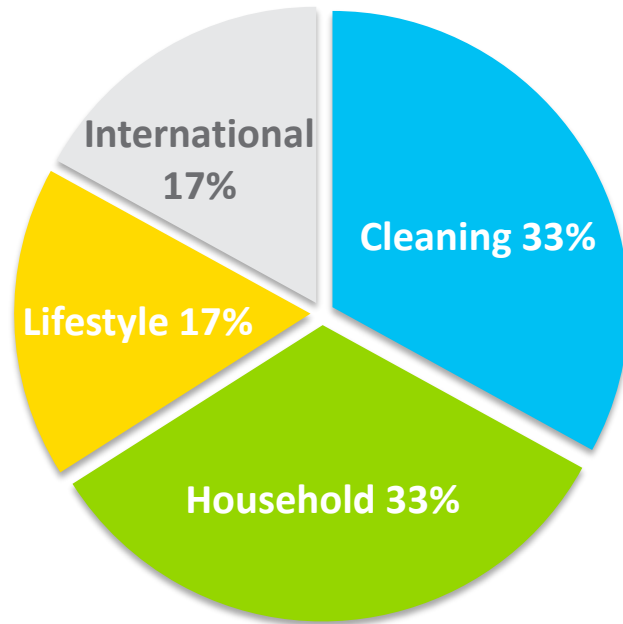
### International : 17%

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




### Lifestyle : 17%

 Hidden Valley	9%
 BURT'S BEES	4%
 BRITA	4%





### FY16 Company Sales: \$5.8B



### Cleaning : 33%

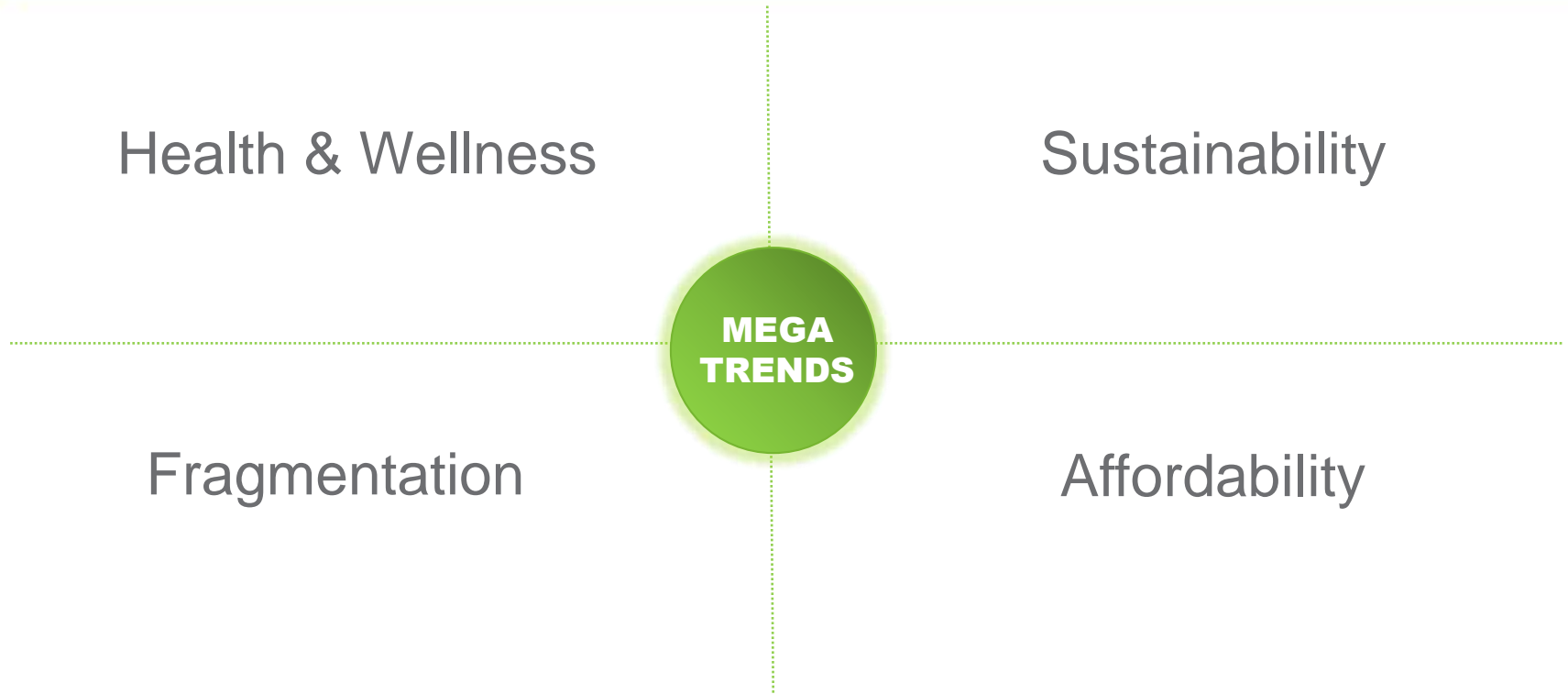
 Pine-Sol	Home Care	18%
 CLOROX	Laundry	9%
 CLOROX HEALTHCARE*	Professional	6%

### Household : 33%

 GLAD	15%
 KINGSFORD	11%
 Fresh Step	6%
 RenewLife	<1%*

Note: Reflects results following May 2016 Acquisition. Expect Renew Life to contribute 2pts of Sales in FY17

# Advantaged Portfolio Supported by Consumer Megatrends



# Advantaged Portfolio

## Driving Significant Synergies



(1) As of June 30<sup>th</sup>, 2016, Clorox's S&A/Sales was ~14% vs. peer average of 20% . 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.

# 2020 Strategy

## Mission

- We make everyday life better, every day

## Objectives

- Maximize economic profit
- Big-share brands in midsized 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

# Strong Progress Across Strategy Accelerators



3D Technology  
Transformation

New, Digital-Led  
Creative Agency Partners




3D Innovation

Cutting Speed to Market by 50%



Portfolio  
Momentum

Investing Behind Growth  
Brands to Accelerate Top-line

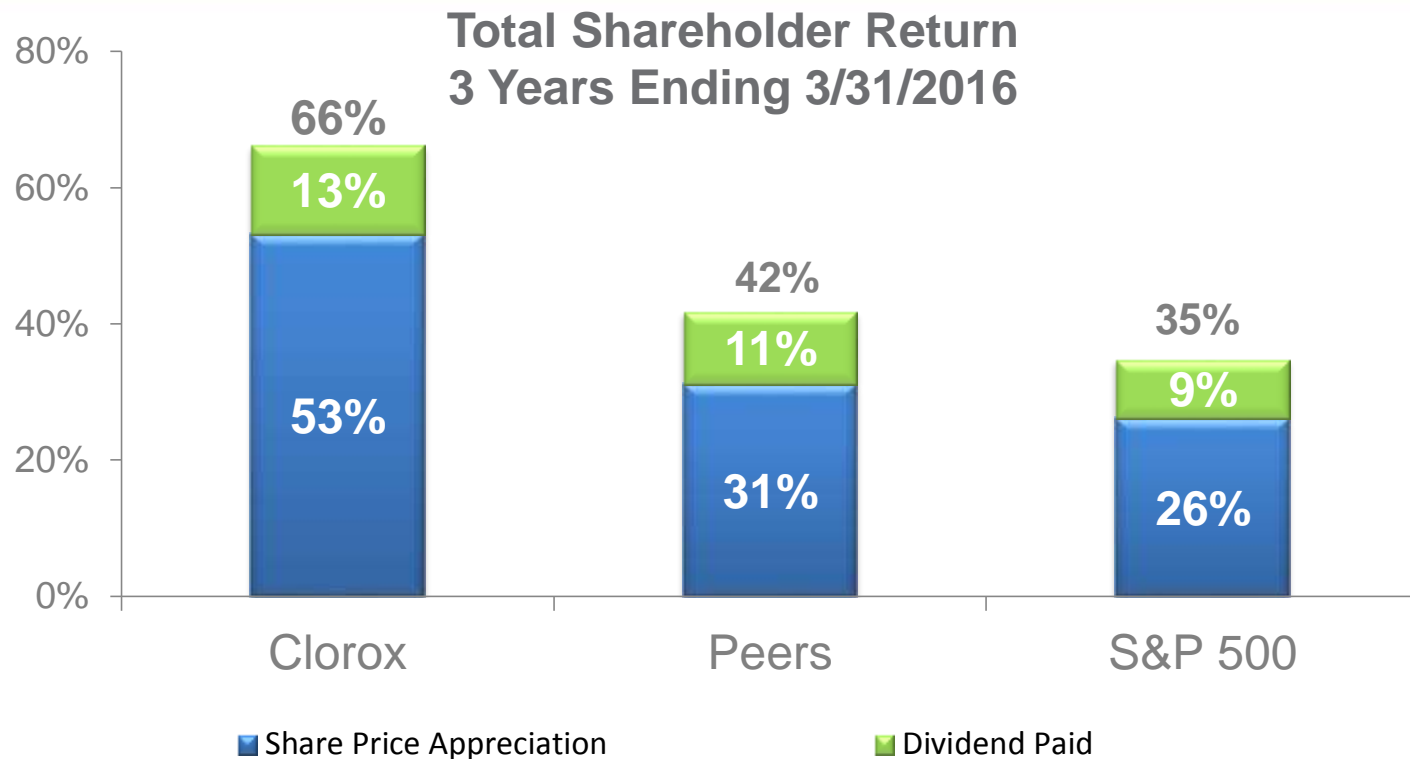


Growth Culture

FY16 Record-High Engagement



# Strategy has Produced Strong Shareholder Return



Peers consist of 13 companies: CPB, KMB, K, RB-GB, KO, GIS, NWL, EL, PEP, CHD, CL, PG and HSY

# 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

= +3 to +5pts  
company  
growth

Annual EBIT Margin Improvement: +25 to +50 bps

Annual Free Cash Flow: 10% to 12% of Sales

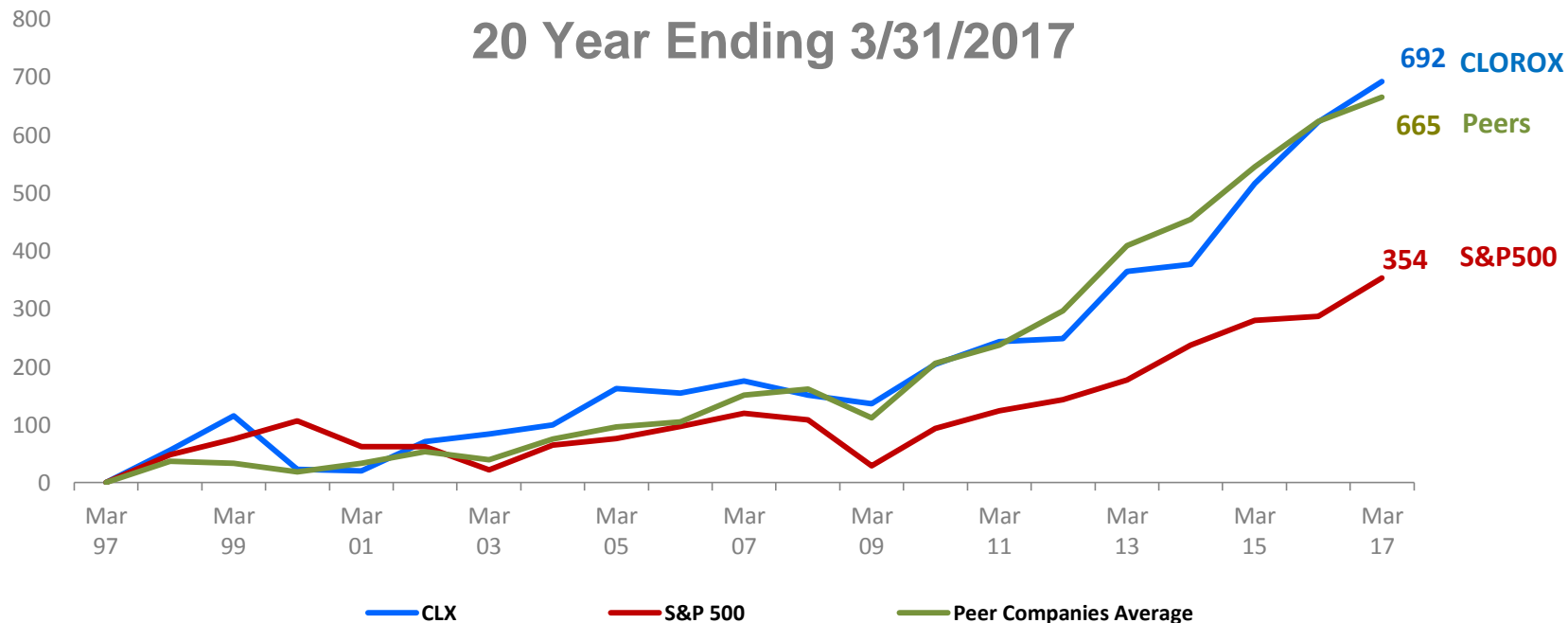
# Solid Long-Term Investment Case

- Investing behind leading brands to grow categories and share
  - 3%+ annual growth from innovation
  - Advertising projected at about 10% of Sales in FY17
- Margin improvement opportunities continue to exist
  - 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
  - +5% dividend increase in 2017

# Strong Long-Term Shareholder Return

TSR %

## Total Shareholder Return 20 Year Ending 3/31/2017



Peers consist of 13 companies: CPB, KMB, K, RB-GB, KO, GIS, NWL, EL, PEP, CHD, CL, PG and HSY



# Q&A