

FY23 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

We report on progress against the Sustainable Development Goals of the United Nations using a principled prioritization process to select those goals that reflect the findings of our recent materiality assessment and that present our greatest risks and opportunities to solve the world's most significant challenges.

TARGETS AND ACTIONS

FY23 OUTCOMES AND IMPACTS

Goal 3: Good Health and Well-Being — Ensure Healthy Lives and Promote Well-Being for All at All Ages



Good health and well-being is embedded in our purpose to champion people to be well and thrive every single day, including the employees, consumers and communities we serve around the world. We advance this purpose through the strength of our brand portfolio that has contributed to public health for over a century: through products that kill germs, clean water and enhance nutrition.

In fiscal year 2019, we set a goal to increase people's (consumers') well-being as measured by the number of our wellness-related product categories in U.S. homes, including natural personal care; vitamins, minerals and supplements; water filtration and hydration; and cleaning products. ⚙️ We collaborate with [organizations](#) to support public health, infection prevention and health through safe drinking water. And through our foundations and brands, we support those impacted by pandemics, hurricanes, earthquakes and other natural disasters.

We also continue to enhance the physical and mental health benefits offered to our employees. In FY23, we transitioned to a flexible time-off policy and implemented inclusive family-forming benefits, supplemental health benefits for additional financial protection, and executed a campaign to promote employee utilization of preventive screenings. ⚙️ We continued to support the mental well-being of our employees and their families through our global employee assistance program. This supplements our other ongoing benefits.

- Number of Clorox wellness-related product categories in U.S. homes decreased 9%, or by 11 million vs FY19 baseline. ⚙️
- Donated nearly \$45 million in products to help with disaster-relief efforts and to support schools, food banks and other nonprofit organizations that serve communities in need.¹
- Expanded Brita partnership program with municipalities replacing lead service lines to include over 80 communities — including 50 in FY23 — that have been provided with cost-effective, short-term solutions while longer-term infrastructure improvements are being made. These efforts contributed to the brand's goal to deliver clean water to 5 million households in need by 2030.
- Achieved composite score of 29% for employee utilization of preventive health screenings, exceeding CPG benchmark of 26%. ⚙️²

See [FY23 Integrated Annual Report](#); Clorox website: [Consumer Health & Well-being](#), [Employee Safety & Well-being](#)

FY23 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)

TARGETS AND ACTIONS

FY23 OUTCOMES AND IMPACTS



Goal 10: Reduced Inequalities — Reduce Inequality Within and Among Countries

Clorox values and promotes equal employment opportunity and inclusion and does not tolerate discrimination, intimidation or harassment among employees or business partners, consistent with the United Nations Global Compact Principles on Human Rights. These expectations are outlined in our [Codes of Conduct](#) and [other policies](#) and must be adhered to by all our employees and those who do business with us.

To combat the risk of human rights violations in our supply chain, our responsible sourcing program works with business partners on key issues such as ethical business conduct and practices. We use external monitoring systems to enable suppliers to demonstrate compliance with our standards, and we engage a third party to audit higher-risk suppliers. We have also established formal trainings to help identify and address potential risks of slavery and human trafficking in our supply chain. And we have grievance mechanisms available, including Clorox's compliance hotline, to ensure that individuals have a forum to raise concerns about compliance with the standards set out in our codes of conduct. Any significant issues raised via the anonymous hotline are shared with our board of directors.

We believe diverse backgrounds and perspectives create stronger teams, unlock more innovation and ultimately contribute to a stronger society. This year we welcomed our new chief diversity and social impact officer to Clorox and evolved our strategy from inclusion and diversity, or I&D, to IDEA — inclusion, diversity, equity and allyship. We also continued to advance our internal representation goals and public pay equity and inclusion goals.

Our commitments extend to the communities where Clorox employees live and work to help foster healthy and inclusive communities where everyone has equal opportunity to thrive. Through The Clorox Company Foundation's Healthy Parks Project, we are furthering environmental justice by giving better access to green spaces within marginalized communities. Our foundation also continued to advance its broader mission of health security, targeting initiatives that support equal opportunities for marginalized individuals and communities.

Representation:³

- Clorox was led by a woman, Linda Rendle, who assumed the role of CEO in 2020.
- Women represented 50% and people of color 25% of board. Two of our board committees are chaired by POC.
- 50% of the Clorox Executive Committee were women, and 14% were POC.
- POC represented 17% of senior executives and 34% of managers in the U.S. Women represented 50% of senior executives and 49% of managers globally.

Percentage of employees experiencing Clorox as an inclusive workplace:⁴

- Women (Global): 79%
- POC (U.S.): 75%
- Total Clorox (Global): 76%

Additional:

- Achieved pay equity for nonproduction employees for gender globally and for race and ethnicity in the U.S. ⁵
- Built on our longstanding commitment to internal pay transparency by posting full pay ranges for all U.S. job postings.
- Offered seven mentoring programs to develop our talent — enrolling 973 employees — for general and more specialized audiences, including a group program designed for our women-focused employee resource group members.
- Helped drive inclusion through more than a dozen ERGs within Clorox and fostered greater understanding of different backgrounds and perspectives. We also introduced a new ERG — NATIV (Native American, Tribal, and Indigenous Voices).
- Provided \$200,000 in grants, as well as volunteer hours from hundreds of employees to organizations in Atlanta and North Carolina through the Healthy Parks Project to refresh green spaces in areas where our employees live and work.
- Awarded grants through The Clorox Company Foundation to 57 organizations focusing on literacy; racial justice; science, technology, engineering and mathematics, or STEM, education and youth development in marginalized communities.

See [FY23 Integrated Annual Report](#); Clorox website: [Codes of Conduct](#), [Human Rights Commitment](#), [Freedom of Association Policy](#), [California Transparency in Supply Chains Act disclosure statement](#), [UK Modern Slavery Act transparency statement](#); [Empowering Our Employees to Thrive](#), [Responsible & Sustainable Sourcing](#)

FY23 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (CONTINUED)

TARGETS AND ACTIONS	FY23 OUTCOMES AND IMPACTS
---------------------	---------------------------

Goal 12: Responsible Consumption and Production — Ensure Sustainable Consumption and Production Patterns



We set ambitious targets to reduce plastic and other waste by 2030. These efforts are in conjunction with long-standing efforts to reduce our waste impacts across our value chain, from sourcing our raw materials to within our own manufacturing and operations, as well as during consumer use. We are also focusing on packaging innovations, compaction, light-weighting and other material reductions to reduce inputs and the footprint of products.

As part of our commitment to sustainability, we aim to be transparent about our environmental challenges and opportunities in our annual integrated report, which is approved by Clorox’s CEO, CFO and executive vice president and chief legal officer. We are also committed to reporting to external organizations of which we are signatories and members. And we encourage our business partners — through collaborations such as the CDP Supply Chain program — to report on progress on their own sustainability goals, with a particular focus for select suppliers on GHG emissions and sustainably sourced raw materials.

- 9% combined virgin plastic and fiber packaging reduction, per case of product sold vs. 2018 baseline, as of CY22. 🌱⁶
- 88% of packaging is recyclable, reusable or compostable, as of CY22. 🌱⁷
- 10% of plastic used in packaging is postconsumer resin, as of CY22. 🌱
- 52% of facilities, 80% of plants are zero waste to landfill as of June 30, 2023. 🌱⁸
- 42% reduction in waste sent to landfill, per case of product sold between 2018 baseline and 2022.

FY23 examples of product launches with more sustainable attributes:

- Clorox EcoClean’s new line of eco-conscious disinfectants and cleaners made with Design for the Environment and Safer Choice certified ingredients.
- Burt’s Bees Beeswax + Shea Lip Balms made in paper tube packaging.
- Brita Hub Instant Powerful Countertop Water Filtration helps keep single-use water bottles out of circulation.
- Clorox Bathroom Ultra Foamer, made with a reusable trigger and in a refill model.

See [FY23 Integrated Annual Report](#); Principles 7-8 in [UNGC Communication on Progress](#); Clorox website: [Clean World](#)

TARGETS AND ACTIONS	FY23 OUTCOMES AND IMPACTS
---------------------	---------------------------

Goal 13: Climate Action — Take Urgent Action to Combat Climate Change and Its Impacts



Goals on climate action are embedded into our IGNITE strategy because addressing climate change is essential to ensuring our long-term success. We have set science-based targets to reduce greenhouse gas emissions in our operations and across our value chain by 2030, source 100% renewable electricity for our U.S. and Canada operations in 2021 and beyond and achieve net-zero GHG emissions by 2050. These efforts are in conjunction with long-standing efforts to reduce our GHG and energy impacts within our manufacturing and operations. We have published a [Climate Action Plan](#) that outlines our approach to realizing our scope 3 SBTs.

- 100% electricity from renewable energy in the U.S. and Canada. 🌱 First achieved beginning January 2021 and sustained in CY21 and CY22 through power purchased through a 70 MW solar virtual power purchase agreement and market purchases of renewable energy credits.⁹
- 65% reduction in scope 1 and 2 emissions vs. 2020 baseline, achieving our SBT. 🌱¹⁰
- 15% reduction in scope 3 emissions from categories 1 — purchased goods and services and category 11 — use of sold products vs. 2020 baseline, the scope 3 categories included in our SBT. 🌱¹⁰
- Nearly 50 priority suppliers were invited to participate in the Supplier Leadership on Climate Transition collaborative, which helps build capacity for measuring emissions and setting SBTs.

See [FY23 Integrated Annual Report](#); Principles 7-8 in [UNGC Communication on Progress](#); Clorox website: [Taking Climate Action](#); [Clorox Climate Action Plan](#)

ESG ENDNOTES

✦ IGNITE ESG goal

- 1 Product donations:** U.S. product donations refer to those donations used to aid in disaster relief or to support schools, food banks and other nonprofit organizations. The value is derived from the current-year fair market value of the products donated. U.S. product donations include donations made by the company's U.S. divisions and are for the fiscal year ended June 30, 2023. In FY23, Clorox's value of product donations decreased compared to FY22, although it remained higher than previous years, as our post-pandemic business continues to evolve.
- 2 Employee utilization of preventive screenings:** Metric is based on U.S. Clorox employees enrolled in UnitedHealthcare medical plans, representing 86% of eligible U.S. employees. Metric is the weighted average across the four individual screening types. January–December 2022 data was provided by UHC and adjusted based on U.S. Preventive Services Task Force age/gender-appropriate frequency screening guidelines and applicable populations. The consumer packaged goods benchmark of 26% is based on UHC's average across 21 consumer packaged goods employers. The target of 33% is based on the expectation to make reasonable, significant, yet realistic improvement over actual historical results: 31%, 26% and 29% from 2019, 2020 and 2021, respectively.
- 3 Workforce representation:** Management defines people of color as any race that is not white (Asian, Black, Latino, Native American, Native Hawaiian, or two or more races). Gender and ethnicity information is provided by employees on a voluntary, self-identification basis. To the extent that the employees do not voluntarily report, the data would not be included in the diversity calculation.

During FY23, we updated our internal grade rank structure from previous years, resulting in additional grade levels to be considered a "Manager." Management's breakdown of job categories and demographic information provided is as follows: "Senior Executive" is defined as an employee at Grade 32 and above (unchanged from previous years.) "Manager" is defined as an employee at grade 26 to 31 for U.S. employees (FY22 and prior: 27–31) and grade 25 to 31 for international employees (FY22 and prior: 26–31). "Other Nonproduction Employee" is defined as an employee who works at an office location and is at grade 25 and below for U.S. employees (FY22 and prior: 26 and below) and grade 24 and below for International employees (FY22 and prior: 25 and below.) "Production Employee" is defined as an employee who works at a production location and is at grade 19 or below (International and U.S.; unchanged from previous years). Grade levels are defined by Clorox's compensation structure.

- 4 Inclusion index and employee engagement:** Inclusion index data is expressed as a percentage of employees experiencing Clorox as an inclusive workplace. Questions about inclusion measured the extent to which employees believe that all employees have the opportunity to be successful at Clorox regardless of diversity characteristics, that their manager encourages diverse perspectives, that senior leadership visibly demonstrates that having a diverse and inclusive workforce is important for Clorox's business success, that teams openly discuss differing opinions in reaching decisions and that they can be their authentic self at work. Engagement is defined as the extent to which employees have pride in the company, intend to stay, get intrinsic motivation from their work and would recommend the company as a good place to work. Inclusion index and employee engagement data were measured through an FY23 engagement survey administered by Perceptyx between February and March 2023, and 7,053 employees participated. Perceptyx's Fortune 500 benchmark is comprised of 102 companies and 8.1 million survey responses from Fortune magazine's annual Fortune Global 500 list. The Perceptyx CPG benchmark comprises employee survey results from organizations that produce consumer goods, including results from 78 companies and 1.7 million survey responses. Employee inclusion and engagement is based upon employees' self-reporting. To the extent that employees do not respond to the survey, the data would not be included in the employee engagement calculation.
- 5 Pay equity:** There are no statistically significant differences (at a confidence level of 95%) in pay by gender globally and race/ethnicity in the U.S., accounting for relevant factors such as grade level, location and experience.
- 6 Packaging:** Percentage reduction in virgin plastic and fiber packaging; Percentage of packaging made from recycled and/or renewable materials: Metric is global and includes both primary and secondary fiber and plastic packaging. Domestic, U.S. export and Latin America packaging is based on sales data and includes packaging for all products we sell and produce in the U.S. and LATAM, inclusive of contract manufactured packaging from suppliers that procure packaging materials on our behalf. AMEA and Asia packaging is based on our purchases of packaging for operations in these regions and excludes some data for packaging procured by contract manufacturers on our behalf. AMEA and Asia CY22 data is estimated based on CY18 purchases of packaging, adjusted to account for sales growth in CY22.

ESG ENDNOTES

⁷ **Percentage that is recyclable, reusable and/or compostable:** Data has been calculated using the Ellen MacArthur Foundation’s recyclability assessment tool and Recycling Rate Survey, and the Association of Plastic Recyclers Design Guide for Plastics Recyclability. Recyclability reporting is based on CY22 U.S. and LATAM sales data and is estimated to reflect global results for this metric.

⁸ **Zero waste to landfill:** Where infrastructure allows. Clorox’s criteria includes:

- 1) Have a zero-waste approach to minimizing all waste streams;
- 2) Have processes to reduce, reuse, recycle, compost or send waste to energy recovery, and;
- 3) Pass a corporate audit, following Clorox guidelines for our ZWtL program, which was informed by UL Standard 2799, 3rd Edition (03/22/17).

Metric calculated as a percent to reflect both changes to the number of company-approved ZWtL facilities and changes to the total number of facilities we operate due to acquisitions, divestitures and changing facility needs and vendor capabilities to support our business. Locations where landfill waste diversion infrastructure limits the ability to achieve ZWtL are excluded from this metric unless the residual waste impeded by infrastructure limitations constitutes 5% or less of a site’s total waste. If 5% or less, and the location meets all remaining ZWtL criteria, it is included in this metric and counted as a ZWtL location. In cases where inadvertent waste sent to landfill is less than 2% of a site’s total waste, but it meets all remaining ZWtL criteria, it is counted as a ZWtL location.

⁹ **Energy:** Through our first VPPA and other market purchases of RECs, Clorox met our 100% renewable electricity goal beginning in January 2021, four years ahead of the original target date. Our first VPPA for 70 megawatts was executed in 2019 and began producing renewable energy for Clorox in January 2021. Our second VPPA for 47 MW was executed in April 2022 and began producing renewable energy for Clorox in January 2023, subsequent to the 2022 data reported. Each VPPA is estimated to deliver about half of Clorox’s 100% renewable electricity goal for U.S. and Canadian operations annually beginning in 2023.

¹⁰ **GHG emissions:**

- Scope 2 emissions reported are calculated using the market-based method. Beginning in 2021, scope 2 market-based method emissions utilized various environmental attributes from renewable energy credits associated with virtual power purchase agreements, RECs purchased on the open market and International RECs purchased through an energy service provider. These instruments were specific to facilities in the U.S., Canada, Colombia and Chile in 2022. Prior to 2021, the company did not use environmental instruments.
- For our science based targets, we’re focusing on different scope 3 categories for our reduction efforts than in our previous goal periods. These include category 1, purchased goods and services, and category 11, use of sold products (direct). In prior goal periods, we defined scope 3 to include category 4, U.S. finished goods distribution, and category 6, employee business travel. Categories are defined by the World Resources Institute and World Business Council for Sustainable Development’s GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Our 2020 baseline scope 3 emissions were updated for categories 1, 2, 5, 7, 8, 11 and 12, based on methodology enhancements and refinements of our data to improve the comparability to 2022 data for scope 3 progress reporting against our SBTs and comprehensive scope 3 baseline. There may need to be future baseline updates as we complete our net-zero target submission to the Science Based Target initiative in 2023.