

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2017.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: **1-07151**

THE CLOROX COMPANY

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

31-0595760

(I.R.S. Employer Identification No.)

1221 Broadway

Oakland, California

(Address of principal executive offices)

94612-1888

(Zip code)

(510) 271-7000

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Non-accelerated filer (Do not
check if a smaller reporting
company)

Large accelerated filer

Accelerated filer

Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 18, 2017, there were 128,938,551 shares outstanding of the registrant's common stock (\$1.00 – par value).

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

The Clorox Company
Condensed Consolidated Statements of Earnings and Comprehensive Income (Unaudited)
(Dollars in millions, except share and per share data)

	Three Months Ended	
	9/30/2017	9/30/2016
Net sales	\$ 1,500	\$ 1,443
Cost of products sold	827	803
Gross profit	673	640
Selling and administrative expenses	204	200
Advertising costs	134	128
Research and development costs	32	31
Interest expense	21	22
Other (income) expense, net	3	(5)
Earnings from continuing operations before income taxes	279	264
Income taxes on continuing operations	87	85
Earnings from continuing operations	192	179
Earnings (losses) from discontinued operations, net of tax	—	—
Net earnings	\$ 192	\$ 179
Net earnings (losses) per share		
Basic		
Continuing operations	\$ 1.49	\$ 1.39
Discontinued operations	—	—
Basic net earnings per share	\$ 1.49	\$ 1.39
Diluted		
Continuing operations	\$ 1.46	\$ 1.36
Discontinued operations	—	—
Diluted net earnings per share	\$ 1.46	\$ 1.36
Weighted average shares outstanding (in thousands)		
Basic	129,019	129,449
Diluted	131,509	132,193
Dividend per share declared	\$ 0.84	\$ 0.80
Comprehensive income	\$ 211	\$ 182

See Notes to Condensed Consolidated Financial Statements (Unaudited)

The Clorox Company
Condensed Consolidated Balance Sheets (Unaudited)
(Dollars in millions, except share and per share data)

	9/30/2017	6/30/2017
ASSETS		
Current assets		
Cash and cash equivalents	\$ 468	\$ 418
Receivables, net	531	565
Inventories, net	462	459
Prepaid expenses and other current assets	59	72
Total current assets	1,520	1,514
Property, plant and equipment, net of accumulated depreciation and amortization of \$2,015 and \$2,001, respectively	934	931
Goodwill	1,203	1,196
Trademarks, net	654	654
Other intangible assets, net	66	68
Other assets	223	210
Total assets	\$ 4,600	\$ 4,573
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes and loans payable	\$ 13	\$ 404
Current maturities of long-term debt	400	400
Accounts payable and accrued liabilities	912	1,005
Income taxes payable	51	—
Total current liabilities	1,376	1,809
Long-term debt	1,787	1,391
Other liabilities	783	770
Deferred income taxes	62	61
Total liabilities	4,008	4,031
Commitments and contingencies		
Stockholders' equity		
Preferred stock: \$1.00 par value; 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock: \$1.00 par value; 750,000,000 shares authorized; 158,741,461 shares issued as of September 30, 2017 and June 30, 2017; and 128,923,671 and 129,014,172 shares outstanding as of September 30, 2017 and June 30, 2017, respectively	159	159
Additional paid-in capital	922	928
Retained earnings	2,524	2,440
Treasury shares, at cost: 29,817,790 and 29,727,289 shares as of September 30, 2017 and June 30, 2017, respectively	(2,489)	(2,442)
Accumulated other comprehensive net (losses) income	(524)	(543)
Stockholders' equity	592	542
Total liabilities and stockholders' equity	\$ 4,600	\$ 4,573

See Notes to Condensed Consolidated Financial Statements (Unaudited)

The Clorox Company
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Dollars in millions)

	Three Months Ended	
	9/30/2017	9/30/2016
Operating activities:		
Net earnings	\$ 192	\$ 179
Deduct: Losses from discontinued operations, net of tax	—	—
Earnings from continuing operations	192	179
Adjustments to reconcile earnings from continuing operations to net cash provided by continuing operations:		
Depreciation and amortization	40	41
Stock-based compensation	12	12
Deferred income taxes	(4)	(2)
Other	17	(14)
Changes in:		
Receivables, net	35	74
Inventories, net	(10)	(23)
Prepaid expenses and other current assets	(7)	(6)
Accounts payable and accrued liabilities	(89)	(153)
Income taxes payable	71	62
Net cash provided by continuing operations	257	170
Net cash provided by discontinued operations	1	—
Net cash provided by operations	258	170
Investing activities:		
Capital expenditures	(49)	(59)
Other	13	1
Net cash used for investing activities	(36)	(58)
Financing activities:		
Notes and loans payable, net	(391)	95
Long-term debt borrowings, net of issuance costs	396	—
Treasury stock purchased	(66)	(110)
Cash dividends paid	(108)	(104)
Issuance of common stock for employee stock plans and other	(7)	15
Net cash used for financing activities	(176)	(104)
Effect of exchange rate changes on cash and cash equivalents	4	(1)
Net increase in cash and cash equivalents	50	7
Cash and cash equivalents:		
Beginning of period	418	401
End of period	\$ 468	\$ 408

See Notes to Condensed Consolidated Financial Statements (Unaudited)

The Clorox Company
Notes to Condensed Consolidated Financial Statements (Unaudited)
(Dollars in millions, except share and per share data)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited interim condensed consolidated financial statements for the three months ended September 30, 2017 and 2016, in the opinion of management, reflect all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the consolidated results of operations, financial position and cash flows of The Clorox Company and its subsidiaries (the Company) for the periods presented. However, the financial results for interim periods are not necessarily indicative of the results that may be expected for a full fiscal year or for any other future period.

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP) have been omitted or condensed pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (SEC). The information in this report should be read in conjunction with the Company's Annual Report on Form 10-K filed with the SEC for the fiscal year ended June 30, 2017, which includes a complete set of footnote disclosures including the Company's significant accounting policies.

Recently Issued Accounting Standards

Recently Issued Accounting Standards not yet adopted

In August 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities," which amends the hedge accounting recognition and presentation requirements to better align an entity's risk management activities with its financial reporting. This standard also simplifies the application of hedge accounting in certain situations. The new guidance is effective for the Company beginning in the first quarter of fiscal year 2020, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on its consolidated financial statements.

In March 2017, the FASB issued ASU No. 2017-07, "Compensation-Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost," which requires presenting the service cost component of net periodic benefit cost in the same income statement line item(s) as other employee compensation costs arising from services rendered during the period. This standard also requires that other components of the net periodic benefit cost be presented separately from the line item(s) that includes service costs and outside of any subtotal of operating income, if one is presented, on a retrospective basis. Additionally, the new guidance limits the components that are eligible for capitalization in assets to only the service cost component. The new guidance is effective for the Company beginning in the first quarter of fiscal year 2019. The Company is currently evaluating the impact that adoption of this guidance will have on its consolidated financial statements.

In January 2017, the FASB issued ASU No. 2017-04, "Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment," which eliminates the requirement to calculate the implied fair value of goodwill to measure a goodwill impairment charge. The new guidance is effective for the Company beginning in the first quarter of fiscal year 2021, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on its consolidated financial statements.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)," which requires lessees to recognize a right-of-use asset and a lease liability for all leases with terms of more than 12 months. Recognition, measurement and presentation will depend on the classification of a lease as either a finance or an operating lease. ASU 2016-02 also requires expanded disclosures about leasing arrangements. The new guidance is effective for the Company beginning in the first quarter of fiscal year 2020, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on its consolidated financial statements.

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," which replaces most of the existing U.S. GAAP revenue recognition guidance and is intended to improve and converge with international standards on the financial reporting requirements for revenue from contracts with customers. The core principle of ASU 2014-09 is that an entity should recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

receive for those goods or services. ASU 2014-09 also requires additional disclosures about the nature, timing and uncertainty of revenue and cash flows arising from contracts with customers, including information about significant judgments and changes in judgments. The new guidance is effective for the Company beginning in the first quarter of fiscal year 2019, and is expected to be applied on a modified retrospective basis.

Based on the Company's preliminary assessment, the adoption of the standard is not expected to have a significant impact on its annual consolidated financial statements; however, there may be an impact on the Company's financial results in interim periods due to the timing of recognition for certain trade promotion spending. As the Company completes its overall assessment, it is also identifying potential changes to its accounting policies, business processes, systems and controls to align with the new revenue recognition guidance and disclosure requirements.

NOTE 2. DISCONTINUED OPERATIONS

On September 22, 2014, the Company's Venezuela affiliate, Corporación Clorox de Venezuela S.A. (Clorox Venezuela) announced that it was discontinuing its operations, effective immediately, and seeking to sell its assets. Since fiscal year 2012, Clorox Venezuela has been required to sell more than two thirds of its products at prices frozen by the Venezuelan government. During this same period, Clorox Venezuela experienced successive years of hyperinflation resulting in significant sustained increases in its input costs, including packaging, raw materials, transportation and wages. As a result, Clorox Venezuela had been selling its products at a loss, resulting in ongoing operating losses. Clorox Venezuela repeatedly met with government authorities in an effort to help them understand the rapidly declining state of the business, including the need for immediate, significant and ongoing price increases and other critical remedial actions to address these adverse impacts. Based on the Venezuelan government's representations, Clorox Venezuela had expected significant price increases would be forthcoming much earlier; however, the price increases subsequently approved were insufficient and would have caused Clorox Venezuela to continue operating at a significant loss into the foreseeable future. As such, Clorox Venezuela was no longer financially viable and was forced to discontinue its operations.

On September 26, 2014, the Company reported that Venezuelan Vice President Jorge Arreaza announced, with endorsement by President Nicolás Maduro, that the Venezuelan government had occupied the Santa Lucía and Guacara production facilities of Clorox Venezuela. On November 6, 2014, the Company reported that the Venezuelan government had published a resolution granting a government-sponsored Special Administrative Board full authority to restart and operate the business of Clorox Venezuela, thereby reaffirming the government's expropriation of Clorox Venezuela's assets. Further, President Nicolás Maduro announced the government's intention to facilitate the resumed production of bleach and other cleaning products at Clorox Venezuela plants. He also announced his approval of a financial credit to invest in raw materials and production at the plants. These actions by the Venezuelan government were taken without the consent or involvement of Clorox Venezuela, its parent Clorox Spain S.L. (Clorox Spain) or any of their affiliates. Clorox Venezuela, Clorox Spain and their affiliates reserved their rights under all applicable laws and treaties.

With this exit, the financial results of Clorox Venezuela are reflected as discontinued operations in the Company's condensed consolidated financial statements for all periods presented. The results of Clorox Venezuela had historically been part of the International reportable segment.

There were no net sales for each of the three months ended September 30, 2017 and 2016, and losses from discontinued operations, net of tax were insignificant for these same periods.

NOTE 3. INVENTORIES, NET

Inventories, net, consisted of the following as of:

	<u>9/30/2017</u>	<u>6/30/2017</u>
Finished goods	\$ 368	\$ 363
Raw materials and packaging	115	119
Work in process	5	3
LIFO allowances	(26)	(26)
Total	<u>\$ 462</u>	<u>\$ 459</u>

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Financial Risk Management and Derivative Instruments

The Company is exposed to certain commodity, foreign currency and interest rate risks related to its ongoing business operations and uses derivative instruments to mitigate its exposure to these risks.

Commodity Price Risk Management

The Company may use commodity exchange traded futures and over-the-counter swap contracts, which are generally no longer than 2 years , to fix the price of a portion of its forecasted raw material requirements. Commodity purchase contracts are measured at fair value using market quotations obtained from commodity derivative dealers.

As of September 30, 2017 and June 30, 2017 , the notional amount of commodity derivatives was \$26 , of which \$14 related to jet fuel swaps used for the charcoal business and \$12 related to soybean oil futures used for the food business.

Foreign Currency Risk Management

The Company may also enter into certain over-the-counter derivative contracts to manage a portion of the Company's forecasted foreign currency exposure associated with the purchase of inventory. These foreign currency contracts generally have durations of no longer than 2 years. The foreign exchange contracts are measured at fair value using information quoted by foreign exchange dealers.

The notional amounts of outstanding foreign currency forward contracts used by the Company's subsidiaries to hedge forecasted purchases of inventory were \$43 as of September 30, 2017 , and \$49 as of June 30, 2017 , respectively.

Interest Rate Risk Management

The Company may enter into over-the-counter interest rate forward contracts to fix a portion of the benchmark interest rate prior to the anticipated issuance of fixed rate debt or to manage the Company's level of fixed and floating rate debt. These interest rate forward contracts generally have durations of less than 12 months. The interest rate contracts are measured at fair value using information quoted by U.S. government bond dealers.

As of September 30, 2017 and June 30, 2017 , the Company had no outstanding interest rate forward contracts.

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)***Commodity, Foreign Exchange and Interest Rate Derivatives***

The Company designates its commodity forward and future contracts for forecasted purchases of raw materials, foreign currency forward contracts for forecasted purchases of inventory, and interest rate forward contracts for forecasted interest payments as cash flow hedges.

The effects of derivative instruments designated as hedging instruments on Other comprehensive income (loss) and Net earnings were as follows:

	Gains (losses) recognized in Other comprehensive income	
	Three Months Ended	
	9/30/2017	9/30/2016
Commodity purchase derivative contracts	\$ 2	\$ —
Foreign exchange derivative contracts	(1)	—
Interest rate derivative contracts	2	—
Total	\$ 3	\$ —

	Gains (losses) reclassified from Accumulated other comprehensive loss and recognized in Net earnings	
	Three Months Ended	
	9/30/2017	9/30/2016
Commodity purchase derivative contracts	\$ —	\$ (1)
Foreign exchange derivative contracts	(1)	(1)
Interest rate derivative contracts	(2)	(2)
Total	\$ (3)	\$ (4)

The gains (losses) reclassified from Accumulated other comprehensive net losses and recognized in Net earnings during the three months ended September 30, 2017 and 2016 , for commodity purchase and foreign exchange contracts were included in Cost of products sold, and for interest rate contracts were included in Interest expense.

The estimated amount of the existing net gain (loss) in Accumulated other comprehensive losses as of September 30, 2017 , which is expected to be reclassified into Net earnings within the next twelve months is \$(6) . Gains and losses on derivative instruments representing either hedge ineffectiveness or hedge components excluded from the assessment of effectiveness are recognized in Net earnings. During each of the three months ended September 30, 2017 and 2016 , hedge ineffectiveness was not significant.

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

Counterparty Risk Management and Derivative Contract Requirements

The Company utilizes a variety of financial institutions as counterparties for over-the-counter derivative instruments. The Company enters into agreements governing the use of over-the-counter derivative instruments and sets internal limits on the aggregate over-the-counter derivative instrument positions held with each counterparty. Certain terms of these agreements require the Company or the counterparty to post collateral when the fair value of the derivative instrument exceeds contractually defined counterparty liability position limits. Of the over-the-counter derivative instruments held as of both September 30, 2017 and June 30, 2017, \$1 contained such terms. As of both September 30, 2017 and June 30, 2017, neither the Company nor any counterparty was required to post any collateral as no counterparty liability position limits were exceeded.

Certain terms of the agreements governing the Company's over-the-counter derivative instruments require the credit ratings, as assigned by Standard & Poor's and Moody's to the Company and its counterparties, to remain at a level equal to or better than the minimum of an investment grade credit rating. If the Company's credit ratings were to fall below investment grade, the counterparties to the derivative instruments could request full collateralization on derivative instruments in net liability positions. As of both September 30, 2017 and June 30, 2017, the Company and each of its counterparties had been assigned investment grade credit ratings by both Standard & Poor's and Moody's.

Certain of the Company's exchange-traded futures contracts used for commodity price risk management include requirements for the Company to post collateral in the form of a cash margin account held by the Company's broker for trades conducted on that exchange. As of September 30, 2017 and June 30, 2017, the Company maintained cash margin balances related to exchange-traded futures contracts of \$0 and \$1, respectively, which are classified as Prepaid expenses and other current assets in the condensed consolidated balance sheets.

Trust Assets

The Company has held interests in mutual funds and cash equivalents as part of trust assets related to its nonqualified deferred compensation plans. The participants in the nonqualified deferred compensation plans, who are the Company's current and former employees, may select among certain mutual funds in which their compensation deferrals are invested in accordance with the terms of the plans and within the confines of the trusts, which hold the marketable securities. The trusts represent variable interest entities for which the Company is considered the primary beneficiary, and therefore, trust assets are consolidated and included in Other assets in the condensed consolidated balance sheets. The interests in mutual funds are measured at fair value using quoted market prices. The Company has designated these marketable securities as trading investments.

Fair Value Measurements

Financial assets and liabilities measured at fair value on a recurring basis in the condensed consolidated balance sheets are required to be classified and disclosed in one of the following three categories of the fair value hierarchy:

Level 1: Quoted market prices in active markets for identical assets or liabilities.

Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3: Unobservable inputs reflecting the reporting entity's own assumptions.

As of September 30, 2017 and June 30, 2017, the Company's financial assets and liabilities that were measured at fair value on a recurring basis during the periods included derivative financial instruments, which were classified as either Level 1 or Level 2, and trust assets to fund the Company's nonqualified deferred compensation plans, which were classified as Level 1.

NOTE 4. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The following table summarizes the fair value of the Company's assets and liabilities for which disclosure of fair value is required:

	Balance sheet classification	Fair value hierarchy level	9/30/2017		6/30/2017	
			Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets						
Investments including money market funds	Cash and cash equivalents ^(a)	1	\$ 257	\$ 257	\$ 221	\$ 221
Time deposits	Cash and cash equivalents ^(a)	2	139	139	115	115
Commodity purchase swaps contracts	Prepaid expenses and other current assets	2	2	2	1	1
Trust assets for nonqualified deferred compensation plans	Other assets	1	76	76	72	72
			<u>\$ 474</u>	<u>\$ 474</u>	<u>\$ 409</u>	<u>\$ 409</u>
Liabilities						
Notes and loans payable	Notes and loans payable ^(b)	2	\$ 13	\$ 13	\$ 404	\$ 404
Commodity purchase swaps contracts	Accounts payable and accrued liabilities	2	—	—	1	1
Foreign exchange forward contracts	Accounts payable and accrued liabilities	2	2	2	1	1
Current maturities of long-term debt and Long-term debt	Current maturities of long-term debt and Long-term debt ^(c)	2	2,187	2,248	1,791	1,855
			<u>\$ 2,202</u>	<u>\$ 2,263</u>	<u>\$ 2,197</u>	<u>\$ 2,261</u>

(a) Cash and cash equivalents are composed of time deposits and other interest bearing investments including money market funds with original maturity dates of 90 days or less. Cash and cash equivalents are recorded at cost, which approximates fair value.

(b) Notes and loans payable is composed of U.S. commercial paper and/or other similar short-term debts issued by non-U.S. subsidiaries, all of which are recorded at cost, which approximates fair value.

(c) Current maturities of long-term debt and Long-term debt are recorded at cost. The fair value of Long-term debt, including current maturities, was determined using secondary market prices quoted by corporate bond dealers, and is classified as Level 2.

NOTE 5. DEBT

In September 2017, the Company issued \$400 of senior notes with an annual fixed interest rate of 3.10% and a maturity date of October 1, 2027 under its existing shelf registration statement filed with the SEC. Interest on the notes is payable semi-annually in April and October. Additionally, the Company entered into, and subsequently terminated interest rate forward contracts with a notional amount of \$200 related to the issuance, which resulted in an insignificant gain to Accumulated other comprehensive net (losses) income. The notes carry an effective interest rate of 3.13% , which includes the impact of amortizing debt issuance costs and the gain on the interest rate forward contracts over the life of the notes. The notes rank equally with all of the Company's existing senior indebtedness.

The proceeds from the debt issuance were used to repay commercial paper in September 2017. In October 2017, the Company used commercial paper borrowings to repay its \$400 senior notes with an annual fixed interest rate of 5.95% .

NOTE 6. INCOME TAXES

In determining its quarterly provision for income taxes, the Company uses an estimated annual effective tax rate, which is based on expected annual income, statutory tax rates and tax planning opportunities available in the various jurisdictions in which the Company operates. Certain significant or unusual items are separately recognized in the quarter in which they occur and can be a source of variability in the effective tax rates from quarter to quarter. The effective tax rate on earnings from continuing operations was 31.3% for the three months ended September 30, 2017 and 32.0% for the three months ended September 30, 2016 . The decrease in the effective tax rate on earnings from continuing operations was primarily due to higher excess tax benefits from stock-based compensation in the current period.

NOTE 7. NET EARNINGS PER SHARE (EPS)

The following is the reconciliation of the weighted average number of shares outstanding (in thousands) used to calculate basic net EPS to those used to calculate diluted net EPS:

	Three Months Ended	
	9/30/2017	9/30/2016
Basic	129,019	129,449
Dilutive effect of stock options and other	2,490	2,744
Diluted	131,509	132,193
Antidilutive stock options and other	1,174	—

The Company has two share repurchase programs: an open-market purchase program with an authorized aggregate purchase amount of up to \$750 , all of which was available from share repurchases as of September 30, 2017 , and a program to offset the anticipated impact of share dilution related to share-based awards (the Evergreen Program), which has no authorization limit as to amount or timing of repurchases. There were no share repurchases under the open-market purchase program during either of the three months ended September 30, 2017 and 2016 .

Share repurchases under the Evergreen Program were as follows during the three month ended September 30:

	Three Months Ended			
	9/30/2017		9/30/2016	
	Amount	Shares (in 000's)	Amount	Shares (in 000's)
Evergreen Program	\$ 60	450	\$ 113	883

NOTE 8. COMPREHENSIVE INCOME

The following table provides a summary of Comprehensive income for the periods indicated:

	Three Months Ended	
	9/30/2017	9/30/2016
Earnings from continuing operations	\$ 192	\$ 179
Earnings (losses) from discontinued operations, net of tax	—	—
Net earnings	192	179
Other comprehensive income (loss), net of tax:		
Foreign currency translation adjustments	14	(1)
Net unrealized gains (losses) on derivatives	5	3
Pension and postretirement benefit adjustments	—	1
Total other comprehensive income (loss), net of tax	19	3
Comprehensive income	\$ 211	\$ 182

Changes in Accumulated other comprehensive net (losses) income by component were as follows for the three months ended September 30 :

	Foreign currency translation adjustments	Net unrealized gains (losses) on derivatives	Pension and postretirement benefit adjustments	Accumulated other comprehensive (losses) income
Balance as of June 30, 2016	\$ (353)	\$ (44)	\$ (173)	\$ (570)
Other comprehensive income (loss) before reclassifications	(1)	—	—	(1)
Amounts reclassified from Accumulated other comprehensive net losses	—	4	2	6
Income tax benefit (expense)	—	(1)	(1)	(2)
Net current period other comprehensive income (loss)	(1)	3	1	3
Balance as of September 30, 2016	\$ (354)	\$ (41)	\$ (172)	\$ (567)
Balance as of June 30, 2017	\$ (356)	\$ (37)	\$ (150)	\$ (543)
Other comprehensive income (loss) before reclassifications	16	3	—	19
Amounts reclassified from Accumulated other comprehensive net losses	—	3	1	4
Income tax benefit (expense)	(2)	(1)	(1)	(4)
Net current period other comprehensive income (loss)	14	5	—	19
Balance as of September 30, 2017	\$ (342)	\$ (32)	\$ (150)	\$ (524)

Included in foreign currency translation adjustments are re-measurement losses on long-term intercompany loans where settlement is not planned or anticipated in the foreseeable future. For the three months ended September 30, 2017 and 2016, Other comprehensive income (loss) on these loans totaled \$(1) and \$0, respectively, and there were no amounts reclassified from Accumulated other comprehensive net (losses) income for the periods presented.

NOTE 9. EMPLOYEE BENEFIT PLANS

The following table summarizes the components of net periodic benefit cost for the Company's retirement income plans:

	Three Months Ended	
	9/30/2017	9/30/2016
Service cost	\$ —	\$ —
Interest cost	6	5
Expected return on plan assets ⁽¹⁾	(5)	(5)
Amortization of unrecognized items	3	3
Total	\$ 4	\$ 3

(1) The weighted average long-term expected rate of return on plan assets used in computing the fiscal year 2018 net periodic benefit cost is 4.42% .

During the three months ended September 30, 2017 and 2016 , the Company made \$2 and \$17 in contributions to the domestic retirement income plans, respectively.

NOTE 10. OTHER CONTINGENCIES AND GUARANTEES

Contingencies

The Company is involved in certain environmental matters, including response actions at various locations. The Company had recorded liabilities totaling \$28 as of September 30, 2017 and June 30, 2017 for its share of aggregate future remediation costs related to these matters.

One matter, which accounted for \$14 of the recorded liability as of September 30, 2017 and June 30, 2017 relates to environmental costs associated with one of the Company's former operations at a site located in Alameda County, California. In November 2016, at the request of regulators and with the assistance of environmental consultants, the Company submitted a Feasibility Study that evaluated various options for managing the site and included estimates of the related costs. As a result, the Company recorded in Other (income) expense, net an undiscounted liability for costs estimated to be incurred over a 30 -year period, based on the option recommended in the Feasibility Study. However, as a result of ongoing discussions with regulators, in June 2017 the Company increased its recorded liability to \$14 , which reflects anticipated costs to implement additional remediation measures at this site. While the Company believes its latest estimate is reasonable, regulators could require the Company to implement one of the other options evaluated in the Feasibility Study, with estimated undiscounted costs of up to \$28 over an estimated 30 -year period, or require the Company to take other actions and incur costs not included in the study.

Another matter in Dickinson County, Michigan, at the site of one of the Company's former operations for which the Company is jointly and severally liable, accounted for \$12 of the recorded liability as of September 30, 2017 and June 30, 2017 . This amount reflects the Company's agreement to be liable for 24.3% of the aggregate remediation and associated costs for this matter pursuant to a cost-sharing arrangement with a third party. With the assistance of environmental consultants, the Company maintains an undiscounted liability representing its current best estimate of its share of the capital expenditures, maintenance and other costs that may be incurred over an estimated 30 -year remediation period. Although it is reasonably possible that the Company's exposure may exceed the amount recorded for the Dickinson County matter, any amount of such additional exposures, or range of exposures, is not estimable at this time. The Company's estimated losses related to these matters are sensitive to a variety of uncertain factors, including the efficacy of any remediation efforts, changes in any remediation requirements, and the future availability of alternative clean-up technologies.

The Company is subject to various legal proceedings, claims and other loss contingencies, including, without limitation, loss contingencies relating to contractual arrangements, product liability, patents and trademarks, advertising, labor and employment, environmental, health and safety and other matters. With respect to these proceedings, claims and other loss contingencies, while considerable uncertainty exists, in the opinion of management at this time, the ultimate disposition of these matters, to the extent not previously provided for, will not have a material adverse effect, either individually or in the aggregate, on the Company's condensed consolidated financial statements taken as a whole.

NOTE 10. OTHER CONTINGENCIES AND GUARANTEES (continued)

Guarantees

In conjunction with divestitures and other transactions, the Company may provide typical indemnifications (e.g., indemnifications for representations and warranties and retention of previously existing environmental, tax and employee liabilities) that have terms that vary in duration and in the potential amount of the total obligation and, in many circumstances, are not explicitly defined. The Company has not made, nor does it believe that it is probable that it will make, any material payments relating to its indemnifications, and believes that any reasonably possible payments would not have a material adverse effect, either individually or in the aggregate, on the Company's condensed consolidated financial statements taken as a whole.

The Company had not recorded any liabilities on the aforementioned guarantees as of September 30, 2017 and June 30, 2017.

As of September 30, 2017, the Company was a party to letters of credit of \$9 primarily related to one of its insurance carriers, of which \$0 had been drawn upon.

NOTE 11. SEGMENT RESULTS

The Company operates through strategic business units that are aggregated into four reportable segments based on the economics and nature of the products sold: Cleaning, Household, Lifestyle and International.

Certain non-allocated administrative costs, interest income, interest expense and various other non-operating income and expenses are reflected in Corporate. Corporate assets include cash and cash equivalents, prepaid expenses and other current assets, property and equipment, other investments and deferred taxes.

The table below presents reportable segment information and a reconciliation of the segment information to the Company's consolidated Net sales and Earnings from continuing operations before income taxes, with amounts that are not allocated to the reportable segments reflected in Corporate.

	Net sales	
	Three Months Ended	
	9/30/2017	9/30/2016
Cleaning	\$ 559	\$ 534
Household	441	422
Lifestyle	246	236
International	254	251
Corporate	—	—
Total	\$ 1,500	\$ 1,443

	Earnings (losses) from continuing operations before income taxes	
	Three Months Ended	
	9/30/2017	9/30/2016
Cleaning	\$ 172	\$ 164
Household	73	69
Lifestyle	64	62
International	23	27
Corporate	(53)	(58)
Total	\$ 279	\$ 264

All intersegment sales are eliminated and are not included in the Company's reportable segments' net sales.

Net sales to the Company's largest customer, Wal-Mart Stores, Inc. and its affiliates, as a percentage of consolidated net sales, were 26% for each of the three months ended September 30, 2017 and 2016.

In August 2017, the Company sold the Aplicare business, previously reported in the Cleaning reportable segment. For the fiscal year ended June 30, 2017, the Aplicare business had net sales of \$46 and insignificant net earnings excluding the \$21 non-cash impairment charge recorded in the second quarter of fiscal year 2017.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Clorox Company
(Dollars in millions, except share and per share data)

Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is designed to provide a reader of The Clorox Company's (the Company or Clorox) financial statements with a narrative from the perspective of management on the Company's financial condition, results of operations, liquidity and certain other factors that may affect future results. The following discussion of the Company's financial condition and results of operations should be read in conjunction with MD&A and the consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2017, which was filed with the Securities and Exchange Commission (SEC) on August 15, 2017, and the unaudited condensed consolidated financial statements and related notes contained in this Quarterly Report on Form 10-Q (this Report). Unless otherwise noted, MD&A compares the three-month period ended September 30, 2017 (the current period) to the three-month period ended September 30, 2016 (the prior period), with percentage and basis point calculations based on rounded numbers, except for per share data and the effective tax rate.

EXECUTIVE OVERVIEW

Clorox is a leading multinational manufacturer and marketer of consumer and professional products with approximately 8,100 employees worldwide. Clorox sells its products primarily through mass retail outlets and grocery outlets, warehouse clubs, dollar stores, e-commerce channels, military stores and other retail outlets, and medical supply distributors. Clorox markets some of the most trusted and recognized consumer brand names, including its namesake bleach and cleaning products, Pine-Sol[®] cleaners, Liquid-Plumr[®] clog removers, Poett[®] home care products, Fresh Step[®] cat litter, Glad[®] bags, wraps and container products, Kingsford[®] and Match Light[®] charcoal, RenewLife[®] digestive health products, Hidden Valley[®] dressings and sauces, Brita[®] water-filtration products and Burt's Bees[®] natural personal care products. The Company also markets to professional services channels, including infection control products for the healthcare industry with Clorox Healthcare[®] brand, and commercial cleaning products with Commercial Solutions[®] brand. The Company has operations in more than 25 countries or territories and sells its products in more than 100 markets.

The Company primarily markets its leading brands in midsized categories considered to be financially attractive. Most of the Company's products compete with other nationally advertised brands within each category and with "private label" brands.

The Company operates through strategic business units that are aggregated into the following four reportable segments based on the economics and nature of the products sold:

- *Cleaning* consists of laundry, home care and professional products marketed and sold in the United States. Products within this segment include laundry additives, including bleach products under the Clorox[®] brand and Clorox 2[®] stain fighter and color booster; home care products, primarily under the Clorox[®], Formula 409[®], Liquid-Plumr[®], Pine-Sol[®], S.O.S[®] and Tilex[®] brands; naturally derived products under the Green Works[®] brand; and professional cleaning and disinfecting products under the Clorox[®], Dispatch[®], HealthLink[®] and Clorox Healthcare[®] brands.
- *Household* consists of charcoal, bags, wraps and containers, cat litter, and digestive health products marketed and sold in the United States. Products within this segment include charcoal products under the Kingsford[®] and Match Light[®] brands; bags, wraps and containers under the Glad[®] brand; cat litter products under the Fresh Step[®], Scoop Away[®] and Ever Clean[®] brands; and digestive health products under the RenewLife[®] brand.
- *Lifestyle* consists of food products, water-filtration systems and filters and natural personal care products marketed and sold in the United States. Products within this segment include dressings and sauces, primarily under the Hidden Valley[®], KC Masterpiece[®], Kingsford[®] and Soy Vay[®] brands; water-filtration systems and filters under the Brita[®] brand; and natural personal care products under the Burt's Bees[®] brand.
- *International* consists of products sold outside the United States. Products within this segment include laundry, home care, water-filtration, digestive health products, charcoal and cat litter products, food products, bags, wraps and containers and natural personal care products and professional cleaning and disinfecting products, primarily under the Clorox[®], Glad[®], PinoLuz[®], Ayudin[®], Limpido[®], Clorinda[®], Poett[®], Mistolin[®], Lestoil[®], Bon Brill[®], Brita[®], Green Works[®], Pine-Sol[®], Agua Jane[®], Chux[®], RenewLife[®], Kingsford[®], Fresh Step[®], Scoop Away[®], Ever Clean[®], KC Masterpiece[®], Hidden Valley[®] and Burt's Bees[®] brands and Clorox Healthcare[®] brands.

RESULTS OF OPERATIONS

CONSOLIDATED RESULTS FROM CONTINUING OPERATIONS

Continuing operations

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Net sales	\$ 1,500	\$ 1,443	4%

Net sales in the current period increased 4%. Volume increased 4% reflecting higher shipments in the Cleaning, Household and Lifestyle reportable segments. Net sales also included the benefit of price increases more than offset by unfavorable mix.

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Gross profit	\$ 673	\$ 640	5%
Gross margin	44.9%	44.4%	

Gross margin, defined as gross profit as a percentage of net sales, increased 50 basis points in the current period from 44.4% to 44.9%. The increase was primarily driven by cost savings and the benefit of price increases, partially offset by unfavorable commodity costs and higher manufacturing and logistics costs.

	Three Months Ended			% of Net Sales	
	9/30/2017	9/30/2016	% Change	9/30/2017	9/30/2016
Selling and administrative expenses	\$ 204	\$ 200	2%	13.6%	13.9%
Advertising costs	134	128	5	8.9	8.9
Research and development costs	32	31	3	2.1	2.1

Selling and administrative expenses remained essentially flat in the current period. Selling and administrative expenses, as a percentage of net sales, decreased by 30 basis points.

Advertising costs, as a percentage of net sales, remained flat in the current period. The Company's U.S. retail advertising spend was approximately 10% of net sales in the current period and the prior period.

Research and development costs, as a percentage of net sales, remained flat in the current period. The Company continues to focus on product innovation and cost savings.

Interest expense, Other (income) expense, net, and the effective tax rate on earnings

	Three Months Ended	
	9/30/2017	9/30/2016
Interest expense	\$ 21	\$ 22
Other (income) expense, net	3	(5)
Effective tax rate on earnings	31.3%	32.0%

Interest expense remained essentially flat in the current period.

Other (income) expense, net, was \$3 in the current period and \$(5) in the prior period.

The effective tax rate on earnings from continuing operations was 31.3% and 32.0% for the current and prior period, respectively. The decrease in the effective tax rate on earnings from continuing operations was primarily due to higher excess tax benefits from stock-based compensation in the current period.

Diluted net earnings per share

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Diluted net earnings per share from continuing operations	\$ 1.46	\$ 1.36	7%

Diluted net earnings per share from continuing operations increased \$0.10 or 7%, in the current period, primarily due to net sales growth and gross margin expansion.

DISCONTINUED OPERATIONS

Since the exit of Clorox Venezuela in the first quarter of fiscal year 2015, the Company has recognized \$51 in after-tax exit costs and other related expenses within discontinued operations related to the exit of Clorox Venezuela. While the Company may continue to incur costs relating to this exit going forward, the Company does not expect these costs to be significant.

See Notes to the Condensed Consolidated Financial Statements for more information regarding discontinued operations of Clorox Venezuela.

SEGMENT RESULTS FROM CONTINUING OPERATIONS

The following sections present the results from operations of the Company's reportable segments and certain unallocated costs reflected in Corporate:

Cleaning

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Net sales	\$ 559	\$ 534	5%
Earnings from continuing operations before income taxes	172	164	5

Volume, net sales and earnings from continuing operations before income taxes all increased by 5% during the current period. Both volume growth and net sales growth were driven primarily by higher shipments in Home Care, mainly due to Clorox[®] disinfecting wipes from increased merchandising and the product launch of Scentiva[™] branded wipes and sprays in January 2017. The increase in earnings from continuing operations before income taxes was due to net sales growth and cost savings, partially offset by higher manufacturing and logistics costs and unfavorable commodity costs.

Household

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Net sales	\$ 441	\$ 422	5%
Earnings from continuing operations before income taxes	73	69	6

Volume, net sales and earnings from continuing operations before income taxes increased by 7%, 5% and 6%, respectively, during the current period. Both volume growth and net sales growth were driven by higher shipments in Cat Litter, primarily due to increased merchandising activity supporting product innovation and increased shipments in Glad[®] due to strength in premium trash bags. Volume outpaced net sales, primarily due to unfavorable mix. The increase in earnings from continuing operations before income taxes was mainly due to cost savings and net sales growth, partially offset by higher advertising costs.

Lifestyle

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Net sales	\$ 246	\$ 236	4%
Earnings from continuing operations before income taxes	64	62	3

Volume, net sales and earnings from continuing operations before income taxes increased by 2%, 4% and 3%, respectively, during the current period. Both volume growth and net sales growth were primarily driven by higher shipments within Burt's Bees Natural Personal Care business mainly due to the new product launch of face and eye cosmetics and increased shipments in lip care due to expanded club channel distribution. Volume and net sales growth were also driven by higher shipments of bottled salad dressings due to increased merchandising activity, partially offset by lower shipments in Brita[®] due to lower merchandising activity. Net sales outpaced volume due to favorable mix and lower trade promotion spending. The increase in earnings from continuing operations before income taxes was primarily due to net sales growth.

International

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Net sales	\$ 254	\$ 251	1 %
Earnings from continuing operations before income taxes	23	27	(15)

Volume decreased by 2%, net sales increased by 1% and earnings from continuing operations before income taxes decreased by 15% during the current period. Volume decreased primarily due to lower shipments in Argentina. Net sales outpaced volume primarily due to the benefit of price increases, partially offset by unfavorable mix. The decrease in earnings from continuing operations before income taxes was primarily due to inflationary pressure on manufacturing, logistics and administrative costs and unfavorable commodity costs, partially offset by net sales growth and cost savings.

Argentina

The Company operates in Argentina through certain wholly owned subsidiaries (collectively, "Clorox Argentina"). Net sales from Clorox Argentina represented approximately 3% of the Company's consolidated net sales for each of the three months ended September 30, 2017 and for the fiscal year ended June 30, 2017. The operating environment in Argentina continues to present business challenges, including continuing devaluation of Argentina's currency and high inflation.

Clorox Argentina manufactures products at three plants that it owns and operates across Argentina and markets those products to consumers throughout the country. Products are advertised nationally and sold to consumers through wholesalers and retail outlets located throughout Argentina. Sales are made primarily through the use of Clorox Argentina's sales force. Small amounts of products produced in Argentina are exported each year, including sales to the Company's other subsidiaries located primarily in Latin America. Clorox Argentina obtains its raw materials almost entirely from local sources. The Company also conducts research and development activities at its owned facility in Buenos Aires, Argentina. Additionally, Clorox Argentina performs marketing, legal, and various other shared service activities to support the Company's Latin American operations. Clorox Argentina in turn benefits from shared service activities performed within other geographic locations, such as information technology support and manufacturing technical assistance.

For the three months ended September 30, 2017 and for the year ended June 30, 2017, the value of the Argentine peso (ARS) declined 6% and 9%, respectively. As of September 30, 2017, using the exchange rate of 17.5 ARS per U.S. dollar (USD), Clorox Argentina had total assets of \$70, including cash and cash equivalents of \$8, net receivables of \$20, inventories of \$15, net property, plant and equipment of \$20 and intangible assets excluding goodwill of \$3. Although Argentina is not currently designated as a highly inflationary economy for accounting purposes, further volatility and declines in the exchange rate are expected in the future, which, along with competition and changes in the retail and macro-economic environment, would have an additional adverse impact on Clorox Argentina's net sales, net earnings, and net monetary asset position.

The Company is closely monitoring developments in Argentina and continues to take steps intended to mitigate the adverse conditions, but there can be no assurances that these actions will be able to mitigate these conditions as they may occur.

Corporate

Certain non-allocated administrative costs, interest income, interest expense and various other non-operating income and expenses are reflected in Corporate. Corporate assets include cash and cash equivalents, prepaid expenses and other current assets, property and equipment, other investments and deferred taxes.

	Three Months Ended		% Change
	9/30/2017	9/30/2016	
Losses from continuing operations before income taxes	\$ (53)	\$ (58)	(9)%

The decrease in losses from continuing operations before income taxes attributable to Corporate in the current period is primarily driven by lower employee incentive compensation costs.

FINANCIAL POSITION AND LIQUIDITY

The following table summarizes cash activities from continuing operations:

	Three Months Ended	
	9/30/2017	9/30/2016
Net cash provided by continuing operations	\$ 257	\$ 170
Net cash used for investing activities	(36)	(58)
Net cash used for financing activities	(176)	(104)

Operating Activities

The Company's financial condition and liquidity remained strong as of September 30, 2017. Net cash provided by continuing operations was \$ 257 in the current period, compared with \$ 170 in the prior period. The year-over-year increase was primarily related to lower employee incentive compensation payments and higher earnings in the current period.

Investing Activities

Net cash used for investing activities was \$36 in the current period, compared with \$58 in the prior period. Capital expenditures were \$49 in the current period, compared with \$59 in the prior period. Capital spending as a percentage of net sales was approximately 3% and 4% in the three months ended September 30, 2017 and 2016, respectively. The year-over-year decrease was mainly due to cash proceeds from the sale of the Aplicare business and lower capital spending in the current period.

Financing Activities

Net cash used for financing activities was \$176 in the current period, compared with \$104 in the prior period. The change was primarily due to a decrease in short-term debt, partially offset by proceeds from the debt issuance and a reduction in treasury stock purchases in the current period.

Capital Resources and Liquidity

The Company believes it will have the funds necessary to meet its financing requirements and other fixed obligations as they become due based on its working capital requirements, anticipated ability to generate positive cash flows from operations in the future, investment-grade credit ratings, demonstrated access to long-term and short-term credit markets and current borrowing availability under credit agreements.

Credit Arrangements

On February 8, 2017, the Company entered into a new \$1,100 revolving credit agreement (the Credit Agreement) that matures in February 2022. As of September 30, 2017, there were no borrowings under the Credit Agreement and the Company believes that borrowings under the Credit Agreement are and will continue to be available for general corporate purposes. The Credit Agreement includes certain restrictive covenants and limitations. The primary restrictive covenant is a minimum ratio of 4.0 calculated as total earnings before interest, taxes, depreciation and amortization and non-cash asset impairment charges (Consolidated EBITDA) to total interest expense for the trailing four quarters (Interest Coverage ratio), as defined and described in the Credit Agreement.

The following table sets forth the calculation of the Interest Coverage ratio as of September 30, 2017, using Consolidated EBITDA for the trailing four quarters, as contractually defined:

	Twelve Months Ended	
	9/30/2017	
Earnings from continuing operations	\$	716
Add back:		
Interest expense		87
Income tax expense		332
Depreciation and amortization		162
Non-cash asset impairment charges		23
Deduct:		
Interest income		(4)
Consolidated EBITDA	\$	1,316
Interest expense	\$	87
Interest Coverage ratio		15.1

The Company was in compliance with all restrictive covenants and limitations in the Credit Agreement as of September 30, 2017, and anticipates being in compliance with all restrictive covenants for the foreseeable future. The Company continues to monitor the financial markets and assess its ability to fully draw on its revolving credit agreement, and currently expects that any drawing on the agreement will be fully funded.

As of September 30, 2017, the Company maintained \$29 of foreign and other credit lines, of which \$3 was outstanding and the remainder of \$26 was available for borrowing.

Long-term borrowings

In September 2017, the Company issued \$400 of senior notes with an annual fixed interest rate of 3.10%. The notes carry an effective interest rate of 3.13%, which includes the impact of amortizing debt issuance costs and the impact from the settlement of interest rate forward contracts (see Note 5). The notes rank equally with all of the Company's existing senior indebtedness.

Share repurchases and dividends

The Company has two share repurchase programs: an open-market purchase program with an authorized aggregate purchase amount of up to \$750, all of which was available for share repurchases as of September 30, 2017, and a program to offset the anticipated impact of share dilution related to share-based awards (the Evergreen Program), which has no authorization limit as to the amount or timing of repurchases. There were no share repurchases under the open-market purchase program during either of the three months ended September 30, 2017 and 2016.

Share repurchases under the Evergreen Program were as follows for the periods indicated:

	Three Months Ended			
	9/30/2017		9/30/2016	
	Amount	Shares (in 000's)	Amount	Shares (in 000's)
Evergreen Program	\$ 60	450	\$ 113	883

Dividends per share and total dividends paid were as follows for the periods indicated:

	Three Months Ended	
	9/30/2017	9/30/2016
Dividends per share declared	\$ 0.84	\$ 0.80
Total dividends paid	108	104

CONTINGENCIES

See Notes to Condensed Consolidated Financial Statements for information on the Company's contingencies.

RECENTLY ISSUED ACCOUNTING STANDARDS

See Notes to Condensed Consolidated Financial Statements for a summary of recently issued accounting standards relevant to the Company.

NON-GAAP FINANCIAL MEASURES

The non-GAAP financial measures included in this MD&A and the reasons management believes they are useful to investors are described below. These measures should be considered supplemental in nature and are not intended to be a substitute for the related financial information prepared in accordance with U.S. GAAP. In addition, these measures may not be the same as similarly named measures presented by other companies.

The Company uses the term *Consolidated EBITDA*, which is a financial measure that is not defined by accounting principles generally accepted in the United States of America, because it is a term used in its revolving credit agreement. As defined in the credit agreement, Consolidated EBITDA represents earnings from continuing operations before interest, taxes, depreciation and amortization and non-cash asset impairment charges. *Interest Coverage ratio* is the ratio of Consolidated EBITDA to interest expense. The Company's management believes disclosure of Consolidated EBITDA provides useful information to investors because it is used in the primary restrictive covenant in the Company's credit agreement. For additional discussion of the Interest Coverage ratio, see "*Financial Position and Liquidity - Financing Activities - Credit Arrangements*" above.

Cautionary Statement

This Quarterly Report on Form 10-Q (the Report), including the exhibits hereto and the information incorporated by reference herein, contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements involve risks and uncertainties. Except for historical information, statements about future volume, sales, foreign currencies, costs, cost savings, margin, earnings, earnings per share, diluted earnings per share, foreign currency exchange rates, cash flows, plans, objectives, expectations, growth or profitability are forward-looking statements based on management's estimates, beliefs, assumptions and projections. Words such as "could," "may," "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "predicts," and variations on such words, and similar expressions that reflect our current views with respect to future events and operational, economic and financial performance, are intended to identify such forward-looking statements. These forward-looking statements are only predictions, subject to risks and uncertainties, and actual results could differ materially from those discussed. Important factors that could affect performance and cause results to differ materially from management's expectations are described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report on Form 10-K for the fiscal year ended June 30, 2017, as updated from time to time in the Company's Securities and Exchange Commission filings. These factors include, but are not limited to:

- intense competition in the Company's markets;
- volatility and increases in commodity costs such as resin, sodium hypochlorite and agricultural commodities, and increases in energy, transportation or other costs;
- the ability of the Company to drive sales growth, increase price and market share, grow its product categories and manage favorable product and geographic mix;
- dependence on key customers and risks related to customer consolidation and ordering patterns;
- the impact of increase in sales of consumer products through alternative retail channels;
- risks related to reliance on information technology systems, including potential security breaches, cyber-attacks, privacy breaches or data breaches that result in the unauthorized disclosure of consumer, customer, employee or Company information, or service interruptions;
- lower revenue or increased costs resulting from government actions and regulations;
- the ability of the Company to successfully manage global political, legal, tax and regulatory risks, including changes in regulatory or administrative activity;
- risks relating to acquisitions, new ventures and divestitures, and associated costs, including the potential for asset impairment charges related to, among others, intangible assets and goodwill;
- worldwide, regional and local economic and financial market conditions;
- risks related to international operations and international trade, including political instability; government-imposed price controls or other regulations; foreign currency exchange rate controls, including periodic changes in such controls, fluctuations and devaluations; changes in trade, tax or U.S. immigration policies, labor claims, labor unrest and inflationary pressures, particularly in Argentina; potential negative impact and liabilities from the use, storage and transportation of chlorine in certain international markets where chlorine is used in the production of bleach; and the possibility of nationalization, expropriation of assets or other government action;

- the ability of the Company to innovate and to develop and introduce commercially successful products;
- the ability of the Company to implement and generate cost savings and efficiencies;
- the success of the Company's business strategies;
- the Company's ability to maintain its business reputation and the reputation of its brands;
- risks related to the potential increase in the Company's purchase price for P&G's interest in the Glad[®] business and the impact from the decision on whether or not to extend the term of the related agreement with P&G;
- supply disruptions and other risks inherent in reliance on a limited base of suppliers;
- the impact of product liability claims, labor claims and other legal or tax proceedings, including in foreign jurisdictions;
- the Company's ability to attract and retain key personnel;
- environmental matters, including costs associated with the remediation and monitoring of past contamination, and possible increases in costs resulting from actions by relevant regulators, and the handling and/or transportation of hazardous substances;
- the impact of natural disasters, terrorism and other events beyond the Company's control;
- the Company's ability to maximize, assert and defend its intellectual property rights;
- any infringement or claimed infringement by the Company of third-party intellectual property rights;
- the effect of the Company's indebtedness and credit rating on its business operations and financial results;
- the Company's ability to pay and declare dividends or repurchase its stock in the future;
- the Company's ability to maintain an effective system of internal controls;
- uncertainties relating to tax positions, tax disputes and changes in the Company's tax rate;
- the accuracy of the Company's estimates and assumptions on which its financial projections are based;
- risks related to the Company's discontinuation of operations in Venezuela; and
- the impacts of potential stockholder activism.

The Company's forward-looking statements in this Report are based on management's current views and assumptions regarding future events and speak only as of the dates when made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the federal securities laws.

In this Report, unless the context requires otherwise, the terms "the Company," "Clorox," "we," "us" and "our" refer to The Clorox Company and its subsidiaries.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have not been any material changes to the Company's market risk since June 30, 2017. For additional information, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in Exhibit 99.1 of the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2017.

Item 4. Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this Report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures, as of the end of the period covered by this Report, were effective such that the information required to be disclosed by the Company in reports filed under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and (ii) accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

No change in the Company's internal control over financial reporting occurred during the first fiscal quarter of the fiscal year ending June 30, 2018, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1.A. Risk Factors

For information regarding Risk Factors, please refer to Item 1.A. in the Company’s Annual Report on Form 10-K for the fiscal year ended June 30, 2017, and the information in “Cautionary Statement” included in this Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table sets forth the purchases of the Company’s securities by the Company and any affiliated purchasers within the meaning of Rule 10b-18(a)(3) (17 CFR 240.10b-18(a)(3)) during the first quarter of fiscal year 2018.

Period	[a] Total Number of Shares Purchased (1)	[b] Average Price Paid per Share	[c] Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	[d] Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
July 1 to 31, 2017	450,000	\$ 132.53	450,000	(2)
August 1 to 31, 2017	—	—	—	(2)
September 1 to 30, 2017	—	—	—	(2)
Total	450,000	\$ 132.53	450,000	(2)

- (1) Shares purchased in July 2017 were acquired pursuant to the Company's share repurchase program to offset the impact of share dilution related to share-based awards (the Evergreen program).
- (2) The Company has two share repurchase programs: an open-market purchase program with an authorized aggregate purchase amount of up to \$750 million, all of which was available for share repurchases as of September 30, 2017, and the Evergreen Program, the purpose of which is to offset the anticipated impact of share dilution related to share-based awards and which has no authorization limit as to the amount or timing of repurchases.

Item 6. Exhibits

See Exhibit Index Below.

EXHIBIT INDEX

Exhibit No.	
4.1	Sixth Supplemental Indenture, dated as of September 28, 2017, between the Company and Wells Fargo Bank, National Association, as trustee (filed as Exhibit 4.1 to the Current Report on Form 8-K, filed September 28, 2017, incorporated herein by reference).
10.1	Form of Restricted Stock Unit Award Agreement under the Company's 2005 Stock Incentive Plan.
10.2	Form of Performance Share Award Agreement under the Company's 2005 Stock Incentive Plan for awards made in 2017.
10.3	Form of Nonqualified Stock Option Award Agreement under the Company's 2005 Stock Incentive Plan.
31.1	Certification by the Chief Executive Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification by the Chief Executive Officer and Chief Financial Officer of the Company Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following materials from The Clorox Company's Quarterly Report on Form 10-Q for the period ended September 30, 2017, are formatted in eXtensible Business Reporting Language (XBRL): (i) the Condensed Consolidated Statements of Earnings and Comprehensive Income, (ii) the Condensed Consolidated Balance Sheets, (iii) the Condensed Consolidated Statements of Cash Flows, and (iv) Notes to Condensed Consolidated Financial Statements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

THE CLOROX COMPANY
(Registrant)

DATE: November 1, 2017

BY /s/ Jeffrey R. Baker

Jeffrey R. Baker
Vice President – Chief Accounting Officer and Corporate Controller

THE CLOROX COMPANY
2005 STOCK INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT
(US Employees)

SUMMARY OF RESTRICTED STOCK UNIT AWARD

The Clorox Company, a Delaware company (the "Company"), grants to the Grantee named below, in accordance with the terms of The Clorox Company 2005 Stock Incentive Plan (the "Plan") and this restricted stock unit award agreement (the "Agreement"), the following number of Restricted Stock Units (the "Units"), on the terms set forth below:

GRANTEE <<1) Optionee ID>>
TOTAL RESTRICTED UNITS AWARDED <<4) Shares Granted>>
DATE OF AWARD <<8) Grant Date>>
PERIOD OF RESTRICTION 25% vests on each of the first four anniversaries of the Date of Award.

TERMS OF AGREEMENT

1. **Grant of Units.** The Company hereby grants to the Grantee the Units set forth above, subject to the terms, definitions and provisions of the Plan and this Agreement. All terms, provisions, and conditions applicable to the Units set forth in the Plan and not set forth herein are incorporated by reference. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.
2. **Nature and Settlement of Award.** The Units represent an unfunded, unsecured promise by the Company to issue Shares. Units will be settled in Shares on a one Share for one Unit basis, rounded to the nearest whole Share, less any Shares withheld in accordance with the provisions of Section 4 of this Agreement. Settlement shall occur as soon as practicable after the Period of Restriction lapses as provided in the Summary of Restricted Stock Unit Award above, but in any event, within the period ending on the later to occur of the date that is 2 ½ months from the end of (1) the Grantee's tax year that includes the date of the lapse of the Period of Restriction, or (2) the Company's tax year that includes the date of the lapse of the Period of Restriction (which payment schedule is intended to comply with the "short-term deferral" exemption from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code")). Although the Units shall be vested within the meaning of Section 83 of the Internal Revenue Code since no substantial risk of forfeiture exists after the Period of Restriction lapses, the Units will not be earned until the Grantee has fulfilled all of the conditions precedent set forth in this Agreement, including, but not limited to, the obligations set forth in Section 9(b), 9(c), 9(d), 9(e) and Section 10, and the Grantee shall have no right to retain the Shares or the value thereof upon vesting or settlement of the Units until all such conditions precedent have been satisfied.
3. **Dividend Equivalents.** No Dividend Equivalents shall be paid to the Grantee prior to the lapse of the Period of Restriction. Rather, such Dividend Equivalent payments will accrue and be notionally credited to the Grantee's RSU account and paid out in the form of additional Shares after the lapse of the Period of Restriction, within the time period described in Section 2 above.
4. **Taxes.** Pursuant to Section 16 of the Plan, the Committee shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy any applicable tax withholding requirements applicable to this Award. The Committee may condition the issuance of Shares in settlement of Units upon the Grantee's satisfaction of such withholding obligations. The Grantee may elect to satisfy all or part of such withholding requirement by tendering previously-owned Shares or by having the

Company withhold Shares having a Fair Market Value equal to the minimum statutory tax withholding rate that could be imposed on the transaction (or such other rate that will not result in a negative accounting impact) or in such other manner as is acceptable to the Company. Such election shall be irrevocable, made in writing, signed by the Grantee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.

5. Termination of Employment or Service. Except as otherwise provided below, if the Grantee's employment or service with the Company and its Subsidiaries is terminated for any reason, any Units (the "Unvested Units") for which the Period of Restriction has not lapsed before such termination of employment or service and/or any Dividend Equivalents related thereto shall be forfeited.
 - a. Termination due to Death or Disability. If the Grantee's termination of employment or service is due to death or Disability, the Units shall become 100% vested and the Period of Restriction on the Units shall lapse and all Dividend Equivalents related thereto shall become immediately vested and payable as of such termination date.
 - b. Termination due to Retirement. If the Grantee's termination of employment or services is due to Retirement, the Units shall become vested on a pro rata monthly basis (the "Pro Rata Vested Units"), including full credit for partial months elapsed (i.e., rounding up for any partial month) and rounded to the nearest whole Unit, and the Period of Restriction on the Pro Rata Vested Units shall lapse and all Dividend Equivalents related to the Pro Rata Vested Units shall become immediately vested and payable as of such termination date; provided, however, that this provision shall not apply in the event the Grantee's employment or service is terminated for Cause.
 - c. Definition of "Retirement". For purposes of this Agreement, the term "Retirement" shall mean termination of employment or service as an Employee after (1) twenty (20) or more years of "vesting service," which solely for purposes of this Agreement, shall be calculated under Article III of The Clorox Company 401(k) Plan (the "401(k) Plan") entitled "Service" along with any other relevant provisions of the 401(k) Plan necessary or desirable to give full effect thereto, or any successor provisions, regardless of the status of the Grantee with respect to the 401(k) Plan ("Vesting Service"), or (2) attaining age fifty-five with ten (10) or more years of Vesting Service.
 - d. Definition of "Disability". For purposes of this Agreement, the Grantee's employment shall be deemed to have terminated due to the Grantee's Disability if the Grantee is entitled to long-term disability benefits under the Company's long-term disability plan or policy, as in effect on the date of termination of the Grantee's employment.
6. Authorization to Return Forfeited Units. The Grantee authorizes the Company or its designee to return to the Company all Units and related Dividend Equivalents and Shares subject thereto which are forfeited along with any cash or other property held with respect to or in substitution of such Units, related Dividend Equivalents and/or Shares. Any such action shall comply with all applicable provisions of this Agreement or the Plan.
7. Transferability of Units. Unless otherwise determined by the Committee, Units shall not be transferable by the Grantee other than by will or by the laws of descent or distribution. For avoidance of doubt, Shares issued to the Grantee in settlement of Units pursuant to Section 2 of this Agreement shall not be subject to any of the foregoing transferability restrictions.
8. Change in Control. Upon the occurrence of a Change in Control, unless otherwise specifically prohibited under Applicable Laws or by the rules and regulations of any governing governmental agencies or national securities exchanges, any Unvested Units and related Dividend Equivalents shall become 100% vested and the Period of Restriction for the Units and related Dividend Equivalents shall lapse, unless the Units are assumed, converted or replaced by the continuing entity; provided, however, that in the event the Grantee's employment is terminated without Cause or by the Grantee for Good Reason upon or within twenty-four (24) months following consummation of a Change in Control, the Period of Restriction on any replacement awards shall lapse and all Dividend Equivalents related thereto shall become immediately payable. For purposes of this Agreement, the

term “Good Reason” shall have the meaning set forth in any employment agreement or severance agreement or policy applicable to the Grantee. If the Grantee is not a party to any agreement or covered by a policy in which a definition of “Good Reason” is provided, then the following definition shall apply:

“Good Reason” means resignation of the Grantee in connection with the occurrence of any of the following events without the Grantee’s written consent (provided that notice of such event is provided within 90 days following the first occurrence thereof):

- a. The assignment to the Grantee of any duties inconsistent in any material respect with the Grantee’s position (including offices, titles and reporting requirements), authority, duties or responsibilities as they existed at any time during the 120-day period immediately preceding the Change in Control, or any other action by the Company which results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Grantee; or
- b. Any material reduction by the Company of the Grantee’s Base Salary or bonus target, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Grantee; or
- c. The Company requires the Grantee to be based at any office or location which increases his commute by more than 50 miles from his commute immediately prior to the Change in Control.

Any notice provided by the Grantee under this “Good Reason” provision shall mean a written notice which (1) indicates the specific termination provision in the Good Reason definition relied upon, (2) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Grantee’s employment under the provision so indicated and (3) the Grantee’s intended separation date if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice).

9. Protection of Trade Secrets and Limitations on Exercise .

a. Definitions .

- i. “ Affiliated Company ” means any organization controlling, controlled by or under common control with the Company.
- ii. “ Confidential Information ” means the Company’s technical or business or personnel information not readily available to the public or generally known in the trade, including inventions, developments, trade secrets and other confidential information, knowledge, data and know-how of the Company or any Affiliated Company, whether or not they originated with the Grantee, or information which the Company or any Affiliated Company received from third parties under an obligation of confidentiality.
- iii. “ Conflicting Product ” means any product, process, machine, or service of any person or organization, other than the Company or any Affiliated Company, in existence or under development that (1) resembles or competes with a product, process, machine, or service upon or with which the Grantee shall have worked during the two years prior to the Grantee’s termination of employment with the Company or any Affiliated Company or (2) with respect to which during that period of time the Grantee, as a result of his/her job performance and duties, shall have acquired knowledge of Confidential Information, and whose use or marketability could be enhanced by application to it of Confidential Information. For purposes of this section, it shall be conclusively presumed that the Grantee has knowledge of information to which s/he has been directly exposed through actual receipt or review of memorandum or documents containing such information or through actual attendance at meetings at which such information was discussed or disclosed.

- iv. “ Conflicting Organization ” means any person or organization that is engaged in or about to become engaged in research on or development, production, marketing or selling of a Conflicting Product.
- b. Right to Retain Units/Shares Contingent on Protection of Confidential Information . In partial consideration for the award of these Units, the Grantee agrees that at all times, both during and after the term of the Grantee’s employment with the Company or any Affiliated Company, to hold in the strictest confidence, and not to use (except for the benefit of the Company at the Company’s direction) or disclose (except for the benefit of the Company at the Company’s direction), regardless of when disclosed to the Grantee, any and all Confidential Information of the Company or any Affiliated Company. The Grantee understands that for purposes of this Section 9(b), Confidential Information further includes, but is not limited to, information pertaining to any aspect of the business of the Company or any Affiliated Company which is either information not known (or known as a result of a wrongful act of the Grantee or of others who were under confidentiality obligations as to the item or items involved) by actual or potential competitors of the Company or other third parties not under confidentiality obligations to the Company. If, prior to the expiration of the Period of Restriction or at any time within one (1) year after the settlement of any of the Units, the Grantee discloses or uses, or threatens to disclose or use, any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the Units, whether vested or not, will be immediately forfeited and cancelled, and the Grantee shall immediately return to the Company the Shares issued in settlement of the Units or the pre-tax income derived from any disposition of such Shares.
- c. No Interference with Customers or Suppliers . In partial consideration for the award of these Units, in order to forestall the disclosure or use of Confidential Information as well as to deter the Grantee’s intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee’s intentional interference with prospective economic advantage of the Company or any Affiliated Company and to promote fair competition, the Grantee agrees that the Grantee’s right to receive the Shares upon settlement of the Units is contingent upon the Grantee refraining, during the Period of Restriction and for a period of one (1) year after the settlement of any of the Units, for himself/herself or any third party, directly or indirectly, from using Confidential Information to (1) divert or attempt to divert from the Company (or any Affiliated Company) any business of any kind in which it is engaged, or (2) intentionally solicit its customers with which it has a contractual relationship as to Conflicting Products, or interfere with the contractual relationship with any of its suppliers or customers (collectively, “Interfere”). If, during the Period of Restriction or at any time within one (1) year after the settlement of any of the Units, the Grantee breaches his/her obligation not to Interfere, the Grantee’s right to the Shares upon settlement of the Units shall not have been earned and the Units, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares issued in settlement of the Units or the pre-tax income derived from any disposition of such Shares. For avoidance of doubt, the term “Interfere” shall not include any advertisement of Conflicting Products through the use of media intended to reach a broad public audience (such as television, cable or radio broadcasts, or newspapers or magazines) or the broad distribution of coupons through the use of direct mail or through independent retail outlets. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE UNITS AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO VIOLATE THIS “NO INTERFERENCE WITH CUSTOMERS OR SUPPLIERS” PROVISION DURING THE PERIOD OF RESTRICTION OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT OF ANY OF THE UNITS.
- d. No Solicitation of Employees . In partial consideration for the award of these Units, in order to forestall the disclosure or use of Confidential Information, as well as to deter the Grantee’s intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee’s intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Grantee agrees that the Grantee’s right to receive the Shares upon settlement of the Units is contingent upon the Grantee refraining, during the Period of Restriction and for a period of one (1) year after the settlement of any of the Units, for himself/herself or any third party, directly or indirectly, from soliciting for employment any person employed by the Company, or by any Affiliated Company, during the

period of the solicited person's employment and for a period of one (1) year after the termination of the solicited person's employment with the Company or any Affiliated Company (collectively "Solicit"). If, during the term of the Period of Restriction or at any time within one (1) year after the settlement of any of the Units, the Grantee breaches his/her obligation not to Solicit, the Grantee's right to the Shares upon settlement of the Units shall not have been earned and the Units, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares issued in settlement of the Units or the pre-tax income derived from any disposition of such Shares. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE UNITS AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO VIOLATE THIS NON-SOLICITATION OF EMPLOYEES PROVISION DURING THE PERIOD OF RESTRICTION OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT OF ANY OF THE UNITS.

- e. Injunctive and Other Available Relief. By acceptance of these Units and any Shares issued in settlement thereof, the Grantee acknowledges that, if the Grantee were to breach or threaten to breach his/her obligation hereunder not to Interfere or Solicit or not to disclose or use any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the harm caused to the Company by such breach or threatened breach would be, by its nature, irreparable because, among other things, damages would be significant and the monetary harm that would ensue would not be able to be readily proven, and that the Company would be entitled to injunctive and other appropriate relief to prevent threatened or continued breach and to such other remedies as may be available at law or in equity. To the extent not prohibited by law, any cancellation of the Units pursuant to any of Sections 9(b) through 9(d) above shall not restrict, abridge or otherwise limit in any fashion the types and scope of injunctive and other available relief to the Company. Notwithstanding any provision of this Agreement to the contrary, nothing under this Agreement shall limit, abridge, modify or otherwise restrict the Company (or any Affiliated Company) from pursuing any or all legal, equitable or other appropriate remedies to which the Company may be entitled under any other agreement with the Grantee, any other plan, program, policy or arrangement of the Company (or any Affiliated Company) under which the Grantee is covered or participates, or any applicable law, all to the fullest extent not prohibited under applicable law.
- f. Permitted Reporting and Disclosure. Notwithstanding any language in this Agreement to the contrary, nothing in this Agreement prohibits Grantee from reporting possible violations of federal law or regulation to any governmental agency or governmental entity, or making other disclosures that are protected under federal law or regulation; provided, that, in each case such communications and disclosures are consistent with applicable law. Notwithstanding the foregoing, under no circumstance is Grantee authorized to disclose any information covered by the Company's attorney-client privilege or attorney work product or the Company's trade secrets without prior written consent of the Company's General Counsel. Any reporting or disclosure permitted under this Section 9(f) shall not result in the cancellation of Shares. Grantee is entitled to certain immunities from liability under state and federal law for disclosing trade secrets if the disclosure was made to report or investigate an alleged violation of law, subject to certain conditions. Please see the Company's Confidential Information Policy for further details.
10. Right to Retain Units/Shares Contingent on Continuing Non-Conflicting Employment. In partial consideration for the award of these Units in order to forestall the disclosure or use of Confidential Information, as well as to deter the Grantee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee's intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Grantee agrees that the Grantee's right to receive the Shares upon settlement of the Units is contingent upon the Grantee refraining, during the Period of Restriction and for a period of one (1) year after the settlement of any of the Units, from rendering services, directly or indirectly, as director, officer, employee, agent, consultant or otherwise, to any Conflicting Organization except a Conflicting Organization whose business is diversified and that, as to that part of its business to which the Grantee renders services, is not a Conflicting Organization, provided that the Company shall receive separate written assurances satisfactory to the Company from the Grantee and the Conflicting Organization that the

Grantee shall not render services during such period with respect to a Conflicting Product. If, prior to the expiration of the Period of Restriction or at any time within one (1) year after the settlement of any of the Units, the Grantee shall render services to any Conflicting Organization other than as expressly permitted herein, the Grantee's right to the Shares upon settlement of the Units shall not have been earned and the Units, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares issued in settlement of the Units or the pre-tax income derived from any disposition of such Shares. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE GRANTEE FROM RENDERING SERVICES TO A CONFLICTING ORGANIZATION, BUT PROVIDES FOR THE CANCELLATION OF THE UNITS AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO RENDER SUCH SERVICES DURING THE PERIOD OF RESTRICTION OR WITHIN ONE YEAR AFTER THE SETTLEMENT OF ANY OF THE UNITS.

11. Repayment Obligation. In the event that (1) the Company issues a restatement of financial results to correct a material error and (2) the Committee determines, in good faith, that the Grantee's fraud or willful misconduct was a significant contributing factor to the need to issue such restatement and (3) some or all of the Units that were granted and/or vested prior to such restatement would not have been granted and/or vested, as applicable, based upon the restated financial results, the Grantee shall immediately return to the Company any Units or any Shares or the pre-tax income derived from any disposition of any Shares previously received in settlement of the Units that would not have been granted and/or vested based upon the restated financial results (the "Repayment Obligation"). The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums owed by the Company to the Grantee.
12. Miscellaneous Provisions.
 - a. Choice of Law, Exclusive Jurisdiction and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. **The courts of the State of Delaware shall have exclusive jurisdiction over any disputes or other proceedings relating to this Agreement, and venue shall reside with the courts in New Castle County, Delaware, including if jurisdiction shall so permit, the U.S. District Court for the District of Delaware.** Accordingly, the Grantee agrees that any claim of any type relating to this Agreement must be brought and maintained in the appropriate court located in New Castle County, Delaware, including if jurisdiction will so permit, in the U.S. District Court for the State of Delaware. The Grantee hereby consents to the jurisdiction over the Grantee of any such courts and waives all objections based on venue or inconvenient forum.
 - b. Modification or Amendment. This Agreement may be modified or amended by the Board or the Committee at any time; provided, however, no modification or amendment to this Agreement shall be made which would materially and adversely affect the rights of the Grantee, without such Grantee's written consent.
 - c. Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced to reflect the intent of the parties to the fullest extent not prohibited by law, and in the event that such provision is not able to be so construed and enforced, then this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included. In amplification of the preceding sentence, in the event that the time period or scope of any provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time period or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall have the power to reduce the time period or scope to the maximum time period or scope permitted by law.
 - d. References to Plan. All references to the Plan shall be deemed references to the Plan as may be amended.

- e. Headings. The captions used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement for construction or interpretation.
- f. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or by the Company forthwith to the Board or the Committee, which shall review such dispute at its next regular meeting. The resolution of such dispute by the Board or the Committee shall be final and binding on all persons. It is the intention of the Company and the Grantee to make the promises contained in this Agreement reasonable and binding only to the extent that it may be lawfully done under existing applicable laws. This Agreement and the Plan constitute the entire and exclusive agreement between the Grantee and the Company, and it supersedes all prior agreements or understandings, whether written or oral, with respect to the grant of Units set forth in this Agreement.
- g. Section 409A Compliance. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Section 409A of the Code, and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service ("Section 409A"). Any provision of the Plan or this Agreement that would cause this Award to fail to satisfy Section 409A shall have no force or effect until amended to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.

Notwithstanding any provision of the Plan to the contrary, if the Grantee is a "specified employee" (as defined in Section 1.409A-1(i) of the Treasury Department Regulations) at the time of the Grantee's "separation from service" (as defined in Section 1.409A-1(h) of the Treasury Department Regulations), and a payment to the Grantee under this Agreement is subject to Section 409A and is being made to the Grantee on account of the Grantee's separation from service, then to the extent not paid on or before March 15 of the calendar year following the calendar year in which the separation from service occurred, such payment shall be delayed until the earlier of the date which is six (6) months after the date of the Grantee's separation from service or the date of death of the Grantee. Any payments that were scheduled to be paid during the six (6) month period following the Grantee's separation from service, but which were delayed pursuant to this Section 12(g), shall be paid without interest on, or as soon as administratively practicable after, the first day following the six (6) month anniversary of the Grantee's separation from service (or, if earlier, the date of the Grantee's death). Any payments that were originally scheduled to be paid following the six (6) months after the Grantee's separation from service shall continue to be paid in accordance with their predetermined schedule.

- h. Agreement with Terms. Receipt of any benefits under this Agreement by the Grantee shall constitute the Grantee's acceptance of and agreement with all of the provisions of this Agreement and of the Plan that are applicable to this Agreement, and the Company shall administer this Agreement accordingly.

THE CLOROX COMPANY

By: /s/ Benno Dorer

Its: Chairman and Chief Executive Officer

THE GRANTEE ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS A UNILATERAL CONTRACT AND THAT THE GRANTEE'S RIGHT TO THE SHARES PURSUANT TO THIS AGREEMENT IS ACCEPTED AND EARNED ONLY BY CONTINUING EMPLOYMENT AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OR ACQUIRING SHARES HEREUNDER) AND BY COMPLIANCE WITH THE GRANTEE'S VARIOUS OBLIGATIONS UNDER THIS AGREEMENT. THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION OF EMPLOYMENT BY THE COMPANY, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE THE GRANTEE'S

EMPLOYMENT AT ANY TIME, FOR ANY REASON OR NO REASON, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT ADVANCE NOTICE EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW.

The Grantee acknowledges that a copy of the Plan, Plan Information and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's Cloroxweb site at <http://CLOROXWEB/hr/stock>. The Grantee hereby consents to receive the Prospectus Information electronically, or, in the alternative, to contact the HR Service Center at 1-800-709-7095 to request a paper copy of the Prospectus Information. The Grantee represents that s/he is familiar with the terms and provisions thereof, and hereby accepts this Agreement subject to all of the terms and provisions thereof. The Grantee has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of this Agreement. The Grantee acknowledges and hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated below.

Dated: _____ Signed: _____
Grantee

Residence Address:

THE CLOROX COMPANY
2005 STOCK INCENTIVE PLAN
PERFORMANCE SHARE AWARD AGREEMENT

NOTICE OF PERFORMANCE SHARE GRANT

The Clorox Company, a Delaware company (the "Company"), grants to the Grantee named below, in accordance with the terms of The Clorox Company 2005 Stock Incentive Plan (the "Plan") and this performance share award agreement (the "Agreement"), the following number of Performance Shares on the terms set forth below:

GRANTEE: (refer to UBS Financial Services Inc. ("UBS") account for details)

TARGET AWARD: (refer to UBS account for details)

GRANT ID: (refer to UBS account for details)

PERFORMANCE PERIOD: July 1, 2017 through June 30, 2020

DATE OF GRANT: (refer to UBS account for details)

SETTLEMENT DATE: Within 75 days following the last day of the Performance Period, provided the Grantee has remained in the employment or service of the Company or its Subsidiaries through such date (except for a termination of employment or service due to death, Disability or Retirement, as provided below)

AGREEMENT

1. Grant of Performance Shares. The Company hereby grants to the Grantee the Target Award set forth above, payment of which is dependent upon the achievement of certain performance goals more fully described in Section 3 of this Agreement. This Award is subject to the terms, definitions and provisions of the Plan and this Agreement. All terms, provisions, and conditions applicable to the Performance Shares set forth in the Plan and not set forth herein are incorporated by reference. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.
2. Nature and Settlement of Award. The Performance Shares awarded pursuant to this Agreement represent the opportunity to receive Shares of the Company and Dividend Equivalents on such Shares (as described in Section 4 below). The Company shall issue to the Participant one Share for each vested Performance Share (plus any Dividend Equivalents accrued with respect to such vested Performance Shares), rounded to the nearest whole share, less any Shares withheld in accordance with the provisions of Section 7 of this Agreement. Settlement shall occur on a date chosen by the Committee, which date shall be within seventy-five (75) days following the last day of the Performance Period, or any deferred settlement date established pursuant to Section 6 of this Agreement, whichever is later (the "Settlement Date"), and except as specifically provided in Section 5 of this Agreement, provided the Grantee has remained in the employment or service of the Company or its Subsidiaries through the Settlement Date. Although vested within the meaning of Section 83 of the Internal Revenue Code since no substantial risk of forfeiture exists at the Settlement Date, the Performance Shares (and any associated Dividend Equivalents) will not be earned until the Grantee has fulfilled all of the conditions precedent set forth in this Agreement, including, but not limited to, the obligations set forth in Sections 9(b), 9(c), 9(d), 9(e) and Section 10, and the Grantee shall have no right to retain the Shares or the value thereof upon vesting or settlement of the Performance Shares until all such conditions precedent have been satisfied.
3. Determination of Number of Performance Shares Vested. The number of Performance Shares vested, if any, for the Performance Period shall be determined in accordance with the following formula:

of Performance Shares = Average Payout Percentage x Target Award

The “Average Payout Percentage” is equal to the sum of the Payout Percentage for each of the fiscal years in the Performance Period, divided by three.

“Payout Percentage” for each fiscal year in the Performance Period is based on the growth of annual economic profit (“EP”), calculated as described in the paragraph below, for the applicable fiscal year in the Performance Period as compared to the prior fiscal year (“EP Growth”), expressed as a percentage and calculated based upon EP at the end of each fiscal year of the Performance Period, determined in accordance with the following table:

	EP Growth (for each fiscal year in the Performance Period)

Note: Achievement of EP Growth in between the Threshold and Target and in between the Target and Max levels shall be linearly interpolated. For the avoidance of doubt, if the EP Growth Threshold is not achieved, the Payout Percentage for the applicable fiscal year of the Performance Period shall be 0%.

EP is defined as Earnings Before Interest & Taxes, adjusted for non-cash restructuring charges, times one minus the tax rate, less capital charge.

Notwithstanding the above, the EP levels relied upon for purposes of determining EP Growth shall be adjusted, fairly and appropriately, in accordance with the Plan and, as provided in this Agreement, to reflect accurately the direct and measurable effect of the impact of each of the following events not otherwise reflected in the determination of the initial EP levels (each, an “Event”) including, without limitation, the financial statement impact on the Company on account of the occurrence or potential occurrence of an Event: (1) the acquisition or divestiture of a business, (2) a Change in Control, (3) U.S Federal changes in tax statutes or the addition or deletion of taxes to which the Company or any Affiliated Company is subject, (4) force majeure (including events known as “Acts of God”), (5) the adoption of new or revised accounting pronouncements or changes to application of accounting pronouncements, and (6) any extraordinary, unusual or non-recurring item not previously listed. Notwithstanding the foregoing, an event listed in the preceding sentence shall not qualify as an Event, and therefore no adjustment shall be made to the EP levels, unless the impact of the occurrence or potential occurrence of such an event listed in the preceding sentence exceeds \$2 million in EP. The purpose of any adjustments on account of the occurrence of an Event is to keep the probability of achieving the EP Growth goals the same as if the Event triggering such adjustment had either not occurred or had not resulted in any financial statement impact. The determination of any adjustments shall be based on the Company’s accounting as set forth in its books and records (including business projections) and/or in the annual budgets and/or long range plans of the Company pursuant to which the EP Growth goals were established. The amount of any such adjustment shall be approved by the Committee in its good faith determination in accordance with the provisions of this paragraph. To the extent applicable, the Committee shall condition the determination of the number of Performance Shares vested under this Section 3 upon the satisfaction of the adjusted EP levels. All Performance Shares that are not vested for the Performance Period shall be forfeited as of the last day of the Performance Period.

4. Dividend Equivalent Rights. No Dividend Equivalents shall be paid to the Grantee prior to the settlement of the award. Rather, such Dividend Equivalent payments will accrue and be notionally credited to the Grantee’s Performance Share account and paid out at the Payout Percentage in the form of additional Shares (the “Dividend Equivalent Shares”) upon settlement of the award, as described in Section 2 above.

5. Termination of Continuous Service. Except as otherwise provided below, if the Grantee's employment or service with the Company and its Subsidiaries is terminated for any reason prior to the Settlement Date, all Performance Shares and Dividend Equivalents subject to this Agreement shall be immediately forfeited.
- a. Termination due to Death or Disability. If the Grantee's termination of employment or service is due to death or Disability, all Performance Shares and Dividend Equivalents shall immediately vest and will be paid upon completion of the Performance Period based on the level of performance achieved as of the end of such Performance Period.
- b. Termination due to Retirement. If the Grantee's termination of employment or service is due to Retirement, the Performance Shares shall vest on a pro rata monthly basis, including full credit for partial months elapsed and rounded to the nearest whole Share, and will be paid upon completion of the Performance Period based on the level of performance achieved as of the end of such Performance Period; provided, however, that this provision shall not apply in the event the Grantee's employment or service is terminated for Cause. The amount of the vested Award may be computed under the following formula: Target Award times (number of full months elapsed in Performance Period (i.e., rounding up for any partial month) divided by number of full months in Performance Period) times percent performance level achieved as of the end of the Performance Period. Dividend Equivalents accrued through the Grantee's date of termination due to Retirement shall be paid at the same time as the settlement of the vested Performance Shares.
- c. Definition of "Retirement". For purposes of this Agreement, the term "Retirement" shall mean termination of employment or service as an Employee after (1) twenty (20) or more years of "vesting service," which solely for purposes of this Agreement, shall be calculated under Article III of The Clorox Company 401(k) Plan (the "401(k) Plan") entitled "Service" along with any other relevant provisions of the 401(k) Plan necessary or desirable to give full effect thereto, or any successor provisions, regardless of the status of the Grantee with respect to the 401(k) Plan ("Vesting Service"), or (2) attaining age fifty-five with ten (10) or more years of Vesting Service.
- d. Definition of "Disability". For purposes of this Agreement, the Grantee's employment shall be deemed to have terminated due to the Grantee's Disability if the Grantee is entitled to long-term disability benefits under the Company's long-term disability plan or policy, as in effect on the date of termination of the Grantee's employment.
6. Election to Defer Settlement. Prior to the commencement of the last year of the Performance Period, the Grantee may elect to defer the settlement of the Performance Shares from the last day of the Performance Period until a date at least two years following such date, or until the Grantee's later termination of employment or service. If the Grantee makes such an election, it will become irrevocable on the date of such election. If the Grantee makes such an election, any Dividend Equivalents awarded with respect to such deferred Performance Shares shall also be deferred under the same terms. If the Grantee makes such an election, but a transaction occurs that subjects the Grantee's Performance Shares to Section 19 of the Plan prior to the settlement date, the Grantee's deferral election will terminate and the Grantee's Performance Shares and Dividend Equivalents will be settled as of the date of that transaction. The Company may terminate any deferral hereunder if a change in law requires such termination.
7. Taxes. Pursuant to Section 16 of the Plan, the Committee shall have the power and the right to deduct or withhold, or require the Grantee to remit to the Company, an amount sufficient to satisfy any applicable tax withholding requirements applicable to this Award. The Committee may condition the issuance of Shares upon the Grantee's satisfaction of such withholding obligations. The Grantee may elect to satisfy all or part of such withholding requirement by tendering previously-owned Shares or by having the Company withhold Shares having a Fair Market Value equal to the minimum statutory withholding rate that could be imposed on the transaction (or such other rate that will not result in a negative accounting impact) or in such other manner as is

acceptable to the Company. Such election shall be irrevocable, made in writing, signed by the Grantee, and shall be subject to any restriction or limitations that the Committee, in its sole discretion, deems appropriate.

8. Transferability of Performance Shares. Performance Shares shall not be transferable by the Grantee other than by will or by the laws of descent or distribution. For avoidance of doubt, Shares issued to the Grantee in settlement of Performance Shares pursuant to Section 2 of this Agreement shall not be subject to any of the foregoing transferability restrictions.

9. Protection of Trade Secrets and Limitations on Retention.

a. Definitions.

- i. “Affiliated Company” means any organization controlling, controlled by or under common control with the Company.
- ii. “Confidential Information” means the Company’s technical or business or personnel information not readily available to the public or generally known in the trade, including inventions, developments, trade secrets and other confidential information, knowledge, data and know-how of the Company or any Affiliated Company, whether or not they originated with the Grantee, or information which the Company or any Affiliated Company received from third parties under an obligation of confidentiality.
- iii. “Conflicting Product” means any product, process, machine, or service of any person or organization, other than the Company or any Affiliated Company, in existence or under development that (1) resembles or competes with a product, process, machine, or service upon or with which the Grantee shall have worked during the two years prior to the Grantee’s termination of employment with the Company or any Affiliated Company or (2) with respect to which during that period of time the Grantee, as a result of his/her job performance and duties, shall have acquired knowledge of Confidential Information, and whose use or marketability could be enhanced by application to it of Confidential Information. For purposes of this section, it shall be conclusively presumed that the Grantee has knowledge of information to which s/he has been directly exposed through actual receipt or review of memorandum or documents containing such information or through actual attendance at meetings at which such information was discussed or disclosed.
- iv. “Conflicting Organization” means any person or organization that is engaged in or about to become engaged in research on or development, production, marketing or selling of a Conflicting Product.

b. Right to Retain Shares Contingent on Protection of Confidential Information. In partial consideration for the award of these Performance Shares, the Grantee agrees that at all times, both during and after the term of the Grantee’s employment with the Company or any Affiliated Company, to hold in the strictest confidence, and not to use (except for the benefit of the Company at the Company’s direction) or disclose (except for the benefit of the Company at the Company’s direction), regardless of when disclosed to the Grantee, any and all Confidential Information of the Company or any Affiliated Company. The Grantee understands that for purposes of this Section 9(b), Confidential Information further includes, but is not limited to, information pertaining to any aspect of the business of the Company or any Affiliated Company which is either information not known (or known as a result of a wrongful act of the Grantee or of others who were under confidentiality obligations as to the item or items involved) by actual or potential competitors of the Company or other third parties not under confidentiality obligations to the Company. If, prior to the expiration of the Performance Period or at any time within one (1) year after the Settlement Date (for purposes of this Section 9(b), ignoring any election to defer settlement pursuant to Section 6), the Grantee discloses or uses, or threatens to disclose or use, any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the Performance Shares, whether vested or not, will be immediately forfeited and cancelled, and the Grantee shall

immediately return to the Company the Shares or the pre-tax income derived from any disposition of the Shares.

- c. No Interference with Customers or Suppliers. In partial consideration for the award of these Performance Shares, in order to forestall the disclosure or use of Confidential Information as well as to deter the Grantee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee's intentional interference with prospective economic advantage of the Company or any Affiliated Company and to promote fair competition, the Grantee agrees that the Grantee's right to the Shares upon settlement of the Performance Shares is contingent upon the Grantee refraining, for a period of one (1) year after the Settlement Date (for purposes of this Section 9(c), ignoring any election to defer settlement pursuant to Section 6) of the Performance Shares, for himself/herself or any third party, directly or indirectly, from using Confidential Information to (1) divert or attempt to divert from the Company (or any Affiliated Company) any business of any kind in which it is engaged, or (2) intentionally solicit its customers with which it has a contractual relationship as to Conflicting Products, or to interfere with the contractual relationship with any of its suppliers or customers (collectively, "Interfere"). If, during the term of the Performance Period or at any time within one (1) year after the Settlement Date (for purposes of this Section 9(c), ignoring any election to defer settlement pursuant to Section 6), the Grantee breaches his/her obligation not to Interfere, the Grantee's right to the Shares upon settlement of the Performance Shares shall not have been earned and the Performance Shares, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares or the pre-tax income derived from any disposition of the Shares. For avoidance of doubt, the term "Interfere" shall not include any advertisement of Conflicting Products through the use of media intended to reach a broad public audience (such as television, cable or radio broadcasts, or newspapers or magazines) or the broad distribution of coupons through the use of direct mail or through independent retail outlets. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE PERFORMANCE SHARES AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO VIOLATE THIS "NO INTERFERENCE WITH CUSTOMERS OR SUPPLIERS" PROVISION DURING THE TERM OF THE PERFORMANCE PERIOD OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT DATE (FOR PURPOSES OF THIS SECTION 9(C), IGNORING ANY ELECTION TO DEFER SETTLEMENT PURSUANT TO SECTION 6).
- d. No Solicitation of Employees. In partial consideration for the award of these Performance Shares, in order to forestall the disclosure or use of Confidential Information, as well as to deter the Grantee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee's intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Grantee agrees that the Grantee's right to the Shares upon settlement of the Performance Shares is contingent upon the Grantee refraining, for a period of one (1) year after the Settlement Date (for purposes of this Section 9(d), ignoring any election to defer settlement pursuant to Section 6), for himself/herself or any third party, directly or indirectly, from soliciting for employment any person employed by the Company, or by any Affiliated Company, during the period of the solicited person's employment and for a period of one (1) year after the termination of the solicited person's employment with the Company or any Affiliated Company (collectively "Solicit"). If, during the term of the Performance Period or at any time within one (1) year after the Settlement Date (for purposes of this Section 9(d), ignoring any election to defer settlement pursuant to Section 6), the Grantee breaches his/her obligation not to Solicit, the Grantee's right to the Shares upon settlement of the Performance Shares shall not have been earned and the Performance Shares, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares or the pre-tax income derived from any disposition of the Shares. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE PERFORMANCE SHARES AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO VIOLATE THIS NON-SOLICITATION OF EMPLOYEES PROVISION

DURING THE TERM OF THE PERFORMANCE PERIOD OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT DATE (FOR PURPOSES OF THIS SECTION 9(D), IGNORING ANY ELECTION TO DEFER SETTLEMENT PURSUANT TO SECTION 6).

- e. Injunctive and Other Available Relief. By acceptance of these Performance Shares, the Grantee acknowledges that, if the Grantee were to breach or threaten to breach his/her obligation hereunder not to Interfere or Solicit or not to disclose or use any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the harm caused to the Company by such breach or threatened breach would be, by its nature, irreparable because, among other things, damages would be significant and the monetary harm that would ensue would not be able to be readily proven, and that the Company would be entitled to injunctive and other appropriate relief to prevent threatened or continued breach and to such other remedies as may be available at law or in equity. To the extent not prohibited by law, any cancellation of the Performance Shares pursuant to any of Sections 9(b) through 9(d) above shall not restrict, abridge or otherwise limit in any fashion the types and scope of injunctive and other available relief to the Company. Notwithstanding any provision of this Agreement to the contrary, nothing under this Agreement shall limit, abridge, modify or otherwise restrict the Company (or any Affiliated Company) from pursuing any or all legal, equitable or other appropriate remedies to which the Company may be entitled under any other agreement with the Grantee, any other plan, program, policy or arrangement of the Company (or any Affiliated Company) under which the Grantee is covered or participates, or any applicable law, all to the fullest extent not prohibited under applicable law.
- f. Permitted Reporting and Disclosure. Notwithstanding any language in this Agreement to the contrary, nothing in this Agreement prohibits Grantee from reporting possible violations of federal law or regulation to any governmental agency or governmental entity, or making other disclosures that are protected under federal law or regulation; provided, that, in each case such communications and disclosures are consistent with applicable law. Notwithstanding the foregoing, under no circumstance is Grantee authorized to disclose any information covered by the Company's attorney-client privilege or attorney work product or the Company's trade secrets without prior written consent of the Company's General Counsel. Any reporting or disclosure permitted under this Section 9(f) shall not result in the cancellation of Performance Shares. Grantee is entitled to certain immunities from liability under state and federal law for disclosing trade secrets if the disclosure was made to report or investigate an alleged violation of law, subject to certain conditions. Please see the Company's Confidential Information Policy for further details.
10. Right to Retain Shares Contingent on Continuing Non-Conflicting Employment. In partial consideration for the award of these Performance Shares, in order to forestall the disclosure or use of Confidential Information, as well as to deter the Grantee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Grantee's intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Grantee agrees that the Grantee's right to the Shares upon settlement of the Performance Shares is contingent upon the Grantee refraining, during the term of the Performance Period and for a period of one (1) year after the Settlement Date (for purposes of this Section 10, ignoring any election to defer settlement pursuant to Section 6), from rendering services, directly or indirectly, as director, officer, employee, agent, consultant or otherwise, to any Conflicting Organization except a Conflicting Organization whose business is diversified and that, as to that part of its business to which the Grantee renders services, is not a Conflicting Organization, provided that the Company shall receive separate written assurances satisfactory to the Company from the Grantee and the Conflicting Organization that the Grantee shall not render services during such period with respect to a Conflicting Product. If, prior to the expiration of the Performance Period or at any time within one (1) year after the Settlement Date (for purposes of this Section 10, ignoring any election to defer settlement pursuant to Section 6), the Grantee shall render services to any Conflicting Organization other than as expressly permitted herein, the Grantee's right to the Shares upon settlement of the Performance Shares shall not have been earned and the Performance Shares, whether vested or not, will be immediately cancelled, and the Grantee shall immediately return to the Company the Shares or the pre-tax income derived from any disposition of the Shares. THE GRANTEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE GRANTEE FROM RENDERING SERVICES TO A CONFLICTING ORGANIZATION, BUT PROVIDES

FOR THE CANCELLATION OF THE PERFORMANCE SHARES AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF THE SHARES IF THE GRANTEE SHOULD CHOOSE TO RENDER SUCH SERVICES DURING THE TERM OF THE PERFORMANCE PERIOD OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT DATE (FOR PURPOSES OF THIS SECTION 10, IGNORING ANY ELECTION TO DEFER SETTLEMENT PURSUANT TO SECTION 6).

11. Repayment Obligation. In the event that (1) the Company issues a restatement of financial results to correct a material error and (2) the Committee determines, in good faith, that the Grantee's fraud or willful misconduct was a significant contributing factor to the need to issue such restatement and (3) some or all of the Performance Shares that were granted and/or vested prior to such restatement would not have been granted and/or vested, as applicable, based upon the restated financial results, the Grantee shall immediately return to the Company the Performance Shares or any Shares or the pre-tax income derived from any disposition of the Shares previously received in settlement of the Performance Shares that would not have been granted and/or vested based upon the restated financial results (the "Repayment Obligation"). The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums owed by the Company to the Grantee.
12. Miscellaneous Provisions.
 - a. Rights as a Stockholder. Neither the Grantee nor the Grantee's transferee or representative shall have any rights as a stockholder with respect to any Shares subject to this Award until the Performance Shares have been settled and Share certificates have been issued to the Grantee, transferee or representative, as the case may be.
 - b. Choice of Law, Exclusive Jurisdiction and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. **The courts of the State of Delaware shall have exclusive jurisdiction over any disputes or other proceedings relating to this Agreement, and venue shall reside with the courts in New Castle County, Delaware, including if jurisdiction shall so permit, the U.S. District Court for the District of Delaware.** Accordingly, the Grantee agrees that any claim of any type relating to this Agreement must be brought and maintained in the appropriate court located in New Castle County, Delaware, including if jurisdiction will so permit, in the U.S. District Court for the State of Delaware. The Grantee hereby consents to the jurisdiction over the Grantee of any such courts and waives all objections based on venue or inconvenient forum.
 - c. Modification or Amendment. This Agreement may be modified or amended by the Board or the Committee at any time; provided, however, no modification or amendment to this Agreement shall be made which would materially and adversely affect the rights of the Grantee, without such Grantee's written consent.
 - d. Severability. In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced to reflect the intent of the parties to the fullest extent not prohibited by law, and in the event that such provision is not able to be so construed and enforced, then this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included. In amplification of the preceding sentence, in the event that the time period or scope of any provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time period or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall have the power to reduce the time period or scope to the maximum time period or scope permitted by law.
 - e. References to Plan. All references to the Plan shall be deemed references to the Plan as may be amended.

- f. Headings. The captions used in this Agreement are inserted for convenience and shall not be deemed a part of this Agreement for construction or interpretation.
- g. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Grantee or by the Company forthwith to the Board or the Committee, which shall review such dispute at its next regular meeting. The resolution of such dispute by the Board or the Committee shall be final and binding on all persons. It is the intention of the Company and the Grantee to make the promises contained in this Agreement reasonable and binding only to the extent that it may be lawfully done under existing applicable laws. This Agreement and the Plan constitute the entire and exclusive agreement between the Grantee and the Company, and it supersedes all prior agreements or understandings, whether written or oral, with respect to the grant of Performance Shares set forth in this Agreement.
- h. Section 409A Compliance. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service ("Section 409A"). Any provision of the Plan or this Agreement that would cause this Award to fail to satisfy Section 409A shall have no force or effect until amended to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.

Notwithstanding any provision of the Plan to the contrary, if the Grantee is a "specified employee" (as defined in Section 1.409A-1(i) of the Treasury Department Regulations) at the time of the Grantee's "separation from service" (as defined in Section 1.409A-1(h) of the Treasury Department Regulations), and a payment to the Grantee under this Agreement is subject to Section 409A and is being made to the Grantee on account of the Grantee's separation from service, then to the extent not paid on or before March 15 of the calendar year following the calendar year in which the separation from service occurred, such payment shall be delayed until the earlier of the date which is six (6) months after the date of the Grantee's separation from service or the date of death of the Grantee. Any payments that were scheduled to be paid during the six (6) month period following the Grantee's separation from service, but which were delayed pursuant to this Section 12(h), shall be paid without interest on, or as soon as administratively practicable after, the first day following the six (6) month anniversary of the Grantee's separation from service (or, if earlier, the date of the Grantee's death). Any payments that were originally scheduled to be paid following the six (6) months after the Grantee's separation from service shall continue to be paid in accordance with their predetermined schedule.

- i. Agreement with Terms. Receipt of any benefits under this Agreement by the Grantee shall constitute the Grantee's acceptance of and agreement with all of the provisions of this Agreement and of the Plan that are applicable to this Agreement, and the Company shall administer this Agreement accordingly.

THE CLOROX COMPANY

By: /s/ Benno Dorer

Its: Chairman and Chief Executive Officer

THE GRANTEE ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS A UNILATERAL CONTRACT AND THAT THE GRANTEE'S RIGHT TO THE SHARES PURSUANT TO THIS AGREEMENT IS ACCEPTED AND EARNED ONLY BY CONTINUING EMPLOYMENT AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OR ACQUIRING SHARES HEREUNDER) AND BY ACHIEVEMENT OF THE PERFORMANCE CRITERIA AND BY COMPLIANCE WITH THE GRANTEE'S VARIOUS OBLIGATIONS UNDER THIS AGREEMENT. THE GRANTEE FURTHER ACKNOWLEDGES AND

AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO CONTINUATION OF EMPLOYMENT BY THE COMPANY, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE THE GRANTEE'S EMPLOYMENT AT ANY TIME, FOR ANY REASON OR NO REASON, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT ADVANCE NOTICE EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW.

The Grantee acknowledges that a copy of the Plan and Plan Information are available for viewing on the Company's internal HR website at <https://clxweb.clorox.com/hr/Pages/HRatClorox/HRContentPages/StockIncentiveProgram.aspx>, and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's Clorox website at <http://investors.thecloroxcompany.com/sec.cfm>. The Grantee hereby consents to receive the Prospectus Information electronically or, in the alternative, to contact the HR Service Center at 1-800-709-7095 to request a paper copy of the Prospectus Information. The Grantee represents that s/he is familiar with the terms and provisions thereof, and hereby accepts this Agreement subject to all of the terms and provisions thereof. The Grantee has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of the Agreement. The Grantee acknowledges and hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated below.

Dated: _____ Signed: _____
Grantee

Residence Address:

THE CLOROX COMPANY
2005 STOCK INCENTIVE PLAN
NONQUALIFIED STOCK OPTION AWARD AGREEMENT

NOTICE OF STOCK OPTION GRANT

The Clorox Company, a Delaware company (the “Company”), grants to the Optionee named below an option (the “Option”) to purchase, in accordance with the terms of The Clorox Company 2005 Stock Incentive Plan (the “Plan”) and this nonqualified stock option agreement (the “Agreement”), the number of shares of Common Stock of the Company (the “Shares”) at the exercise price per share (the “Exercise Price”) set forth as follows:

OPTIONEE: (refer to UBS Financial Services Inc. (“UBS”) account for details)

OPTIONS GRANTED: (refer to UBS account for details)

GRANT ID: (refer to UBS account for details)

EXERCISE PER SHARE: (refer to UBS account for details)

DATE OF GRANT: (refer to UBS account for details)

EXPIRATION DATE: Ten years from Date of Grant

VESTING SCHEDULE: 25% on each of the first four anniversaries of the Date of Grant

AGREEMENT

1. Grant of Option. The Company hereby grants to the Optionee the Option to purchase the Shares at the Exercise Price, subject to the terms, definitions and provisions of the Plan and this Agreement. All terms, provisions, and conditions applicable to the Option set forth in the Plan and not set forth herein are incorporated by reference. To the extent any provision hereof is inconsistent with a provision of the Plan, the provisions of the Plan will govern. All capitalized terms that are used in this Agreement and not otherwise defined herein shall have the meanings ascribed to them in the Plan.
 2. Exercise of Option.
 - a. Right to Exercise. This Option shall be exercisable prior to the expiration date set forth above (the “Expiration Date”), in accordance with the vesting schedule set forth above (the “Vesting Schedule”) and with the applicable provisions of the Plan and this Agreement. Except as otherwise specifically provided in this Agreement, in no event may this Option be exercised after the Expiration Date. Although vested within the meaning of Section 83 of the Internal Revenue Code since no substantial risk of forfeiture exists once the options become exercisable according to the Vesting Schedule above, the Options will not be earned until the Optionee has fulfilled all of the conditions precedent set forth in this Agreement, including, but not limited to, the obligations set forth in Sections 7(b), 7(c), 7(d), 7(e) and Section 8, and the Optionee shall have no right to retain the Shares or the value thereof upon vesting or exercise of the Options until all conditions precedent have been satisfied.
 - b. Method of Exercise. This Option shall be exercisable only by delivery of an exercise notice (the “Exercise Notice”), available on the UBS website, the Company’s designee, which shall state the election to exercise the Option, the whole number of vested Shares in respect of which the Option is being exercised and such other provisions as may be required by the Committee. Such Exercise Notice shall be signed by the Optionee and shall be delivered by mail or fax, to the Company’s designee accompanied by payment of the Exercise Price. The Company may require the Optionee to furnish or execute such other documents as the Company shall reasonably deem necessary (1) to evidence such exercise and (2) to comply with or satisfy the requirements of the Securities Act of 1933, as amended, the Exchange Act, or any Applicable Laws.
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The Option shall be deemed to be exercised upon receipt by the Company's designee of such written notice accompanied by the Exercise Price.

No Shares will be issued pursuant to the exercise of the Option unless such issuance and such exercise shall comply with all Applicable Laws. Assuming such compliance, for income tax purposes, the Shares shall be considered transferred to the Optionee on the date on which the Option is exercised with respect to such Shares.

- c. Taxes. Pursuant to Section 16 of the Plan, the Committee shall have the power and the right to deduct or withhold, or require the Optionee to remit to the Company, an amount sufficient to satisfy any applicable tax withholding requirements applicable to this Option. The Committee may condition the issuance of Shares upon the Optionee's satisfaction of such withholding obligations. The Optionee may elect to satisfy all or part of such withholding requirement by tendering previously-owned Shares or by having the Company withhold Shares having a Fair Market Value equal to the minimum statutory tax withholding rate that could be imposed on the transaction (or such other rate that will not result in a negative accounting impact) or in such other manner as is acceptable to the Company. Such election shall be irrevocable, made in writing, signed by the Optionee, and shall be subject to any restrictions or limitations that the Committee, in its sole discretion, deems appropriate.
3. Method of Payment. Pursuant to Section 6(f) of the Plan and subject to such limitations as the Committee may impose (including prohibition of one or more of the following payment methods), payment of the Exercise Price may be made in cash or by check, Shares or a combination thereof.
4. Termination of Employment or Service and Expiration of Exercise Period.
 - a. Termination of Employment or Service. If the Optionee's employment or service with the Company and its Subsidiaries is terminated, the Optionee may exercise all or part of this Option prior to the expiration dates set forth in paragraph (b) herein, but only to the extent that the Option had become vested before the Optionee's employment or service terminated. Notwithstanding the above, if the Optionee's termination of employment or service (1) is due to Retirement and is more than 6 months from the Date of Grant set forth in this Agreement, or (2) is due to death or Disability, the Option shall become 100% vested and shall remain exercisable until the expiration dates determined pursuant to paragraph (b) of this Section.

When the Optionee's employment or service with the Company and its Subsidiaries terminates (except when due to Retirement, death or Disability), this Option shall expire immediately with respect to the number of Shares for which the Option is not yet vested. If the Optionee dies after termination of employment or service, but before the expiration of the Option, all or part of this Option may be exercised (prior to expiration) by the personal representative of the Optionee or by any person who has acquired this Option directly from the Optionee by will, bequest or inheritance, but only to the extent that the Option was vested and exercisable upon termination of the Optionee's employment or service.
 - b. Expiration of Exercise Period. Upon termination of the Optionee's employment or service with the Company and its Subsidiaries, the Option shall expire on the earliest of the following occasions:
 - i. The Expiration Date;
 - ii. The date ninety (90) days following the termination of the Optionee's employment or service for any reason other than Cause, death, Disability, or Retirement;
 - iii. The date one year following the termination of the Optionee's employment or service due to death or Disability;

- iv. The date five (5) years following the termination of the Optionee's employment or service due to Retirement, provided the Optionee's Retirement is more than 6 months from the Date of Grant set forth in this Agreement; or
 - v. The date of termination of the Optionee's employment or service for Cause.
- c. Definition of "Retirement." For purposes of this Agreement, the Optionee's employment or service shall be deemed to have terminated due to "Retirement" if the Optionee terminates employment or service as an Employee for any reason, including Disability (but other than for Cause) after (1) twenty (20) or more years of "vesting service," which solely for purposes of this Agreement, shall be calculated under Article III of The Clorox Company 401(k) Plan (the "401(k) Plan") entitled "Service" along with any other relevant provisions of the 401(k) Plan necessary or desirable to give full effect thereto, or any successor provisions, regardless of the status of the Optionee with respect to the 401(k) Plan ("Vesting Service"), or (2) attaining age fifty-five (55) with ten (10) or more years of Vesting Service.
- d. Definition of "Disability." For purposes of this Agreement, the Optionee's employment shall be deemed to have terminated due to the Optionee's Disability if the Optionee is entitled to long-term disability benefits under the Company's long-term disability plan or policy, as in effect on the date of termination of the Optionee's employment.
5. Change in Control. Upon the occurrence of a Change in Control, unless otherwise specifically prohibited under Applicable Laws or by the rules and regulations of any governing governmental agencies or national securities exchanges, the Option shall become 100% vested and immediately exercisable, unless such Option is assumed, converted or replaced by the continuing entity; provided, however, that in the event the Participant's employment is terminated without Cause or by the Participant for Good Reason upon or within twenty-four (24) months following consummation of a Change in Control, any replacement awards will become immediately exercisable. For purposes of this Agreement, the term "Good Reason" shall have the meaning set forth in any employment agreement or severance agreement or policy applicable to the Optionee. If the Optionee is not a party to any agreement or covered by a policy in which a definition of "Good Reason" is provided, then the following definition shall apply:
- "Good Reason" means resignation of the Optionee in connection with the occurrence of any of the following events without the Optionee's written consent (provided that notice of such event is provided within 90 days following the first occurrence thereof):
- a. The assignment to the Optionee of any duties inconsistent in any material respect with the Optionee's position (including offices, titles and reporting requirements), authority, duties or responsibilities as they existed at any time during the 120-day period immediately preceding the Change in Control, or any other action by the Company which results in a material diminution in such position, authority, duties or responsibilities, excluding for this purpose an isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Optionee; or
 - b. Any material reduction by the Company of the Optionee's Base Salary or bonus target, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Optionee; or
 - c. The Company requires the Optionee to be based at any office or location which increases his commute by more than 50 miles from his commute immediately prior to the Change in Control.

Any notice provided by the Optionee under this "Good Reason" provision shall mean a written notice which (1) indicates the specific termination provision in the Good Reason definition relied upon, (2) to the extent applicable, sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Optionee's employment under the provision so indicated and (3) the Optionee's intended separation date

if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice).

6. Transferability of Option. This Option shall not be transferable by the Optionee other than by will or the laws of descent and distribution, and the Option shall be exercisable during the Optionee's lifetime only by the Optionee or on his or her behalf by the Optionee's guardian or legal representative.
7. Protection of Trade Secrets and Limitations on Exercise.
 - a. Definitions.
 - i. "Affiliated Company" means any organization controlling, controlled by or under common control with the Company.
 - ii. "Confidential Information" means the Company's technical or business or personnel information not readily available to the public or generally known in the trade, including inventions, developments, trade secrets and other confidential information, knowledge, data and know-how of the company or any Affiliated Company, whether or not they originated with the Optionee, or information which the Company or any Affiliated Company received from third parties under an obligation of confidentiality.
 - iii. "Conflicting Product" means any product, process, machine, or service of any person or organization, other than the Company or any Affiliated Company, in existence or under development that (1) resembles or competes with a product, process, machine, or service upon or with which the Optionee shall have worked during the two years prior to the Optionee's termination of employment with the Company or any Affiliated Company or (2) with respect to which during that period of time the Optionee, as a result of his/her job performance and duties, shall have acquired knowledge of Confidential Information, and whose use or marketability could be enhanced by application to it of Confidential Information. For purposes of this section, it shall be conclusively presumed that the Optionee has knowledge of information to which s/he has been directly exposed through actual receipt or review of memorandum or documents containing such information or through actual attendance at meetings at which such information was discussed or disclosed.
 - iv. "Conflicting Organization" means any person or organization that is engaged in or about to become engaged in research on or development, production, marketing or selling of a Conflicting Product.
 - b. Right to Retain Shares Contingent on Protection of Confidential Information. In partial consideration for the award of this Option, the Optionee agrees that at all times, both during and after the term of the Optionee's employment with the Company or any Affiliated Company, to hold in the strictest confidence, and not to use (except for the benefit of the Company at the Company's direction) or disclose (except for the benefit of the Company at the Company's direction), regardless of when disclosed to the Optionee, any and all Confidential Information of the Company or any Affiliated Company. The Optionee understands that for purposes of this Section 7(b), Confidential Information further includes, but is not limited to, information pertaining to any aspect of the business of the Company or any Affiliated Company which is either information not known (or known as a result of a wrongful act of the Optionee or of others who were under confidentiality obligations as to the item or items involved) by actual or potential competitors of the Company or other third parties not under confidentiality obligations to the Company. If, prior to the expiration of the Option or at any time within one (1) year after the date of exercise of all or any portion of the Option, the Optionee discloses or uses, or threatens to disclose or use, any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the unexercised portion of the Option, whether vested or not, will be immediately forfeited and cancelled, and the Optionee shall immediately return to the Company the Shares or the pre-tax income derived from any disposition of the Shares.

- c. No Interference with Customers or Suppliers. In partial consideration for the award of this Option, in order to forestall the disclosure or use of Confidential Information as well as to avoid the Optionee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Optionee's intentional interference with prospective economic advantage of the Company or any Affiliated Company and to promote fair competition, the Optionee agrees that the Optionee's right to exercise this Option is contingent upon the Optionee refraining, prior to the expiration of the Option and for a period of one (1) year after the date of exercise, for himself/herself or any third party, directly or indirectly, from using Confidential Information to (1) divert or attempt to divert from the Company (or any Affiliated Company) any business of any kind in which it is engaged, or (2) intentionally solicit its customers with which it has a contractual relationship as to Conflicting Products, or interfere with the contractual relationship with any of its suppliers or customers (collectively, "Interfere"). If, during the term of the Option or at any time within one (1) year after the date of exercise of all or any portion of the Option, the Optionee breaches his/her obligation not to Interfere, the Optionee's right to the Shares upon exercise of the Option shall not have been earned and the unexercised portion of the Option, whether vested or not, will be immediately cancelled, and the Optionee shall immediately return to the Company any Shares acquired upon exercise of the Option or the pre-tax income derived from any disposition of such Shares. For avoidance of doubt, the term "Interfere" shall not include any advertisement of Conflicting Products through the use of media intended to reach a broad public audience (such as television, cable or radio broadcasts, or newspapers or magazines) or the broad distribution of coupons through the use of direct mail or through independent retail outlets. THE OPTIONEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE UNEXERCISED PORTION OF THE OPTION AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF SHARES ISSUED UPON AN EXERCISE OF THE OPTION IF THE OPTIONEE SHOULD CHOOSE TO VIOLATE THIS "NO INTERFERENCE WITH CUSTOMERS OR SUPPLIERS" PROVISION PRIOR TO THE EXPIRATION OF THE OPTION OR WITHIN ONE (1) YEAR AFTER EXERCISE.
- d. No Solicitation of Employees. In partial consideration for the award of this Option, in order to forestall the disclosure or use of Confidential Information, as well as to deter the Optionee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Optionee's intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Optionee agrees that the Optionee's right to exercise this Option is contingent upon the Optionee refraining, prior to the expiration of the Option and for a period of one (1) year after the date of exercise, for himself/herself or any third party, directly or indirectly, from soliciting for employment any person employed by the Company, or by any Affiliated Company, during the period of the solicited person's employment and for a period of one (1) year after the termination of the solicited person's employment with the Company or any Affiliated Company (collectively "Solicit"). If, during the term of the Option or at any time within one (1) year after the date of exercise of all or any portion of the Option, the Optionee breaches his/her obligation not to Solicit, the Optionee's right to the Shares upon exercise of the Option shall not have been earned and the unexercised portion of the Option, whether vested or not, will be immediately cancelled, and the Optionee shall immediately return to the Company any Shares acquired upon exercise of the Option or the pre-tax income derived from any disposition of such Shares. THE OPTIONEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE CONDUCT DESCRIBED, BUT PROVIDES FOR THE CANCELLATION OF THE UNEXERCISED PORTION OF THE OPTION AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF SHARES ISSUED UPON AN EXERCISE OF THE OPTION IF THE OPTIONEE SHOULD CHOOSE TO VIOLATE THIS NON-SOLICITATION OF EMPLOYEES PROVISION PRIOR TO THE EXPIRATION OF THE OPTION OR WITHIN ONE (1) YEAR AFTER EXERCISE.
- e. Injunctive and Other Available Relief. By acceptance of this Option, the Optionee acknowledges that, if the Optionee were to breach or threaten to breach his/her obligation hereunder not to Interfere or Solicit or not to disclose or use any Confidential Information other than in the course of performing authorized services for the Company (or any Affiliated Company), the harm caused to the Company by such breach or
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threatened breach would be, by its nature, irreparable because, among other things, damages would be significant and the monetary harm that would ensue would not be able to be readily proven, and that the Company would be entitled to injunctive and other appropriate relief to prevent threatened or continued breach and to such other remedies as may be available at law or in equity. To the extent not prohibited by law, any cancellation of the Option pursuant to any of Sections 7(b) through 7(d) above shall not restrict, abridge or limit in any fashion the types and scope of injunctive and other available relief to the Company. Notwithstanding any provision of this Agreement to the contrary, nothing under this Agreement shall limit, abridge, modify or otherwise restrict the Company (or any Affiliated Company) from pursuing any or all legal, equitable or other appropriate remedies to which the Company may be entitled under any other agreement with the Optionee, any other plan, program, policy or arrangement of the Company (or any Affiliated Company) under which the Optionee is covered or participates, or any applicable law, all to the fullest extent not prohibited under applicable law.

- f. Permitted Reporting and Disclosure. Notwithstanding any language in this Agreement to the contrary, nothing in this Agreement prohibits Optionee from reporting possible violations of federal law or regulation to any governmental agency or governmental entity, or making other disclosures that are protected under federal law or regulation; provided, that, in each case such communications and disclosures are consistent with applicable law. Notwithstanding the foregoing, under no circumstance is Optionee authorized to disclose any information covered by the Company's attorney-client privilege or attorney work product or the Company's trade secrets without prior written consent of the Company's General Counsel. Any reporting or disclosure permitted under this Section 7(f) shall not result in the cancellation of Options. Optionee is entitled to certain immunities from liability under state and federal law for disclosing trade secrets if the disclosure was made to report or investigate an alleged violation of law, subject to certain conditions. Please see the Company's Confidential Information Policy for further details.
8. Right to Retain Shares Contingent on Continuing Non-Conflicting Employment. In partial consideration for the award of this Option in order to forestall the disclosure or use of Confidential Information, as well as to deter the Optionee's intentional interference with the contractual relations of the Company or any Affiliated Company, the Optionee's intentional interference with prospective economic advantage of the Company or any Affiliated Company, and to promote fair competition, the Optionee agrees that the Optionee's right to exercise this Option is contingent upon the Optionee refraining, prior to the expiration of the Option and for a period of one (1) year after the date of exercise, from rendering services, directly or indirectly, as director, officer, employee, agent, consultant or otherwise, to any Conflicting Organization except a Conflicting Organization whose business is diversified and that, as to that part of its business to which the Optionee renders services, is not a Conflicting Organization, provided that the Company shall receive separate written assurances satisfactory to the Company from the Optionee and the Conflicting Organization that the Optionee shall not render services during such period with respect to a Conflicting Product. If, prior to the expiration of the Option or at any time within one (1) year after the date of exercise of all or any portion of the Option, the Optionee shall render services to any Conflicting Organization other than as expressly permitted herein, the Optionee's right to the Shares upon exercise of the Option shall not have been earned and the unexercised portion of the Option, whether vested or not, will be immediately cancelled, and the Optionee shall immediately return to the Company any Shares acquired upon exercise of the Option or the pre-tax income derived from any disposition of such Shares. THE OPTIONEE UNDERSTANDS THAT THIS PARAGRAPH IS NOT INTENDED TO AND DOES NOT PROHIBIT THE OPTIONEE FROM RENDERING SERVICES TO A CONFLICTING ORGANIZATION, BUT PROVIDES FOR THE CANCELLATION OF THE UNEXERCISED PORTION OF THE OPTION AND A RETURN TO THE COMPANY OF THE SHARES OR THE GROSS TAXABLE PROCEEDS OF SHARES ISSUED UPON AN EXERCISE OF THE OPTION IF THE OPTIONEE SHOULD CHOOSE TO RENDER SUCH SERVICES PRIOR TO THE EXPIRATION OF THE OPTION OR WITHIN ONE (1) YEAR AFTER EXERCISE.
9. Repayment Obligation. In the event that (1) the Company issues a significant restatement of financial results and (2) the Committee determines, in good faith, that the Optionee's fraud or misconduct was a significant contributing factor to such restatement and (3) some or all of the Option that was granted and/or vested prior to such restatement would not have been granted and/or vested, as applicable, based upon the restated financial
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results, the Optionee shall immediately return to the Company the unexercised portion of the Option and any Shares or the pre-tax income derived from any disposition of the Shares previously received in upon exercise of the Option that would not have been granted and/or vested based upon the restated financial results. Notwithstanding anything herein to the contrary, in no event shall the Repayment Obligation apply to any portion of the Option that vested more than four years prior to the date the applicable restatement is announced. The Company shall be able to enforce the Repayment Obligation by all legal means available, including, without limitation, by withholding such amount from other sums owed by the Company to the Optionee.

10. Miscellaneous Provisions .

- a. Rights as a Stockholder . Neither the Optionee nor the Optionee's transferee or representative shall have any rights as a stockholder with respect to any Shares subject to this Option until the Option has been exercised and Share certificates have been issued to the Optionee, transferee or representative, as the case may be.
 - b. Choice of Law, Exclusive Jurisdiction and Venue . This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. **The courts of the State of Delaware shall have exclusive jurisdiction over any disputes or other proceedings relating to this Agreement, and venue shall reside with the courts in New Castle County, Delaware, including if jurisdiction shall so permit, the U.S. District Court for the District of Delaware.** Accordingly, the Optionee agrees that any claim of any type relating to this Agreement must be brought and maintained in the appropriate court located in New Castle County, Delaware, including if jurisdiction will so permit, in the U.S. District Court for the State of Delaware. The Optionee hereby consents to the jurisdiction over the Optionee of any such courts and waives all objections based on venue or inconvenient forum.
 - c. Modification or Amendment . This Agreement may be modified or amended by the Board or the Committee at any time; provided, however, no modification or amendment to this Agreement shall be made which would materially and adversely affect the rights of the Optionee, without such Optionee's written consent.
 - d. Severability . In the event any provision of this Agreement shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining provisions of this Agreement, and this Agreement shall be construed and enforced to reflect the intent of the parties to the fullest extent not prohibited by law, and in the event that such provision is not able to be so construed and enforced, then this Agreement shall be construed and enforced as if such illegal or invalid provision had not been included. In amplification of the preceding sentence, in the event that the time period or scope of any provision is declared by a court or arbitrator of competent jurisdiction to exceed the maximum time period or scope that such court or arbitrator deems enforceable, then such court or arbitrator shall have the power to reduce the time period or scope to the maximum time period or scope permitted by law.
 - e. References to Plan . All references to the Plan shall be deemed references to the Plan as may be amended.
 - f. Headings . The captions used in this Agreement are inserted for convenience and shall not be deemed a part of this Option for construction or interpretation.
 - g. Interpretation . Any dispute regarding the interpretation of this Agreement shall be submitted by the Optionee or by the Company forthwith to the Board or the Committee, which shall review such dispute at its next regular meeting. The resolution of such dispute by the Board or the Committee shall be final and binding on all persons. It is the intention of the Company and the Optionee to make the promises contained in this Agreement reasonable and binding only to the extent that it may be lawfully done under existing applicable laws. This Agreement and the Plan constitute the entire and exclusive agreement between the
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Optionee and the Company, and it supersedes all prior agreements or understandings, whether written or oral, with respect to the grant of Options set forth in this Agreement.

- h. Section 409A Compliance. To the extent applicable, it is intended that the Plan and this Agreement comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and any related regulations or other guidance promulgated with respect to such Section by the U.S. Department of the Treasury or the Internal Revenue Service ("Section 409A"). Any provision of the Plan or this Agreement that would cause this Award to fail to satisfy Section 409A shall have no force or effect until amended to comply with Section 409A, which amendment may be retroactive to the extent permitted by Section 409A.
- i. Agreement with Terms. Receipt of any benefits under this Agreement by the Optionee shall constitute the Optionee's acceptance of and agreement with all of the provisions of this Agreement and of the Plan that are applicable to this Agreement, and the Company shall administer this Agreement accordingly.

THE CLOROX COMPANY

By: /s/ Benno Dorer

Its: Chairman and Chief Executive Officer

THE OPTIONEE ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT IS A UNILATERAL CONTRACT AND THAT THE OPTIONEE'S RIGHT TO THE SHARES PURSUANT TO THE OPTION HEREOF IS ACCEPTED AND EARNED ONLY BY CONTINUING EMPLOYMENT AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER) AND BY COMPLIANCE WITH THE OPTIONEE'S VARIOUS OBLIGATIONS UNDER THIS AGREEMENT. THE OPTIONEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE PLAN, SHALL CONFER UPON THE OPTIONEE ANY RIGHT WITH RESPECT TO CONTINUATION OF EMPLOYMENT BY THE COMPANY, NOR SHALL IT INTERFERE IN ANY WAY WITH THE OPTIONEE'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE THE OPTIONEE'S EMPLOYMENT AT ANY TIME, FOR ANY REASON OR NO REASON, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT ADVANCE NOTICE EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW.

The Optionee acknowledges that a copy of the Plan and Plan Information are available for viewing on the Company's internal HR website at <https://clxweb.clorox.com/hr/Pages/HRatClorox/HRContentPages/StockIncentiveProgram.aspx>, and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's Clorox website at <http://investors.thecloroxcompany.com/sec.cfm>. The Optionee hereby consents to receive the Prospectus Information electronically or, in the alternative, to contact the HR Service Center at 1-800-709-7095 to request a paper copy of the Prospectus Information. The Optionee represents that s/he is familiar with the terms and provisions thereof, and hereby accepts this Agreement subject to all of the terms and provisions thereof. The Optionee has reviewed the Plan and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of this Agreement. The Optionee acknowledges and hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions arising under the Plan or this Agreement. The Optionee further agrees to notify the Company upon any change in the residence address indicated below.

Dated: _____ Signed: _____
Optionee

Residence Address:

CERTIFICATION

I, Benno Dorer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Clorox Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2017

/s/ Benno Dorer

Benno Dorer

Chairman and Chief Executive Officer

CERTIFICATION

I, Stephen M. Robb, certify that:

1. I have reviewed this quarterly report on Form 10-Q of The Clorox Company;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2017

/s/ Stephen M. Robb

Stephen M. Robb

Executive Vice President - Chief Financial Officer

CERTIFICATION

In connection with the periodic report of The Clorox Company (the "Company") on Form 10-Q for the period ended September 30, 2017, as filed with the Securities and Exchange Commission (the "Report"), we, Benno Dorer, Chairman and Chief Executive Officer of the Company, and Stephen M. Robb, Executive Vice President - Chief Financial Officer of the Company, hereby certify as of the date hereof, solely for purposes of Title 18, Chapter 63, Section 1350 of the United States Code, that to our knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

This Certification has not been, and shall not be deemed, "filed" with the Securities and Exchange Commission.

Date: November 1, 2017

/s/ Benno Dorer

Benno Dorer

Chairman and Chief Executive Officer

/s/ Stephen M. Robb

Stephen M. Robb

Executive Vice President - Chief Financial Officer