

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 December 31, 2023.

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

OR

For the transition period from _____ to _____

Commission File Number: 1-07151



The Clorox Company

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, 94612-1888

(Address of principal executive offices) (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)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock - \$1.00 par value	CLX	New York Stock Exchange

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 every Interactive Data File required to be submitted 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 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.

Large accelerated filer ☒ Accelerated filer ☐ Non-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 January 18, 2024, there were 124,106,333 shares outstanding of the registrant's common stock (\$1.00 par value).

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

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

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net sales	\$ 1,990	\$ 1,715	\$ 3,376	\$ 3,455
Cost of products sold	1,124	1,095	1,978	2,209
Gross profit	866	620	1,398	1,246
Selling and administrative expenses	322	282	598	543
Advertising costs	186	156	351	317
Research and development costs	32	33	61	65
Pension settlement charge	171	—	171	—
Interest expense	26	23	47	45
Other (income) expense, net	(7)	(4)	5	30
Earnings before income taxes	136	130	165	246
Income tax expense	40	28	44	57
Net earnings	96	102	121	189
Less: Net earnings attributable to noncontrolling interests	3	3	6	5
Net earnings attributable to Clorox	\$ 93	\$ 99	\$ 115	\$ 184
Net earnings per share attributable to Clorox				
Basic net earnings per share	\$ 0.75	\$ 0.81	\$ 0.93	\$ 1.49
Diluted net earnings per share	\$ 0.75	\$ 0.80	\$ 0.92	\$ 1.49
Weighted average shares outstanding (in thousands)				
Basic	124,176	123,546	124,075	123,443
Diluted	124,620	123,988	124,635	123,951
Comprehensive income	\$ 231	\$ 115	\$ 255	\$ 166
Less: Total comprehensive income attributable to noncontrolling interests	3	3	6	5
Total comprehensive income attributable to Clorox	\$ 228	\$ 112	\$ 249	\$ 161

See Notes to Condensed Consolidated Financial Statements (Unaudited)

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

	12/31/2023	6/30/2023
	(Unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	\$ 355	\$ 367
Receivables, net	679	688
Inventories, net	655	696
Prepaid expenses and other current assets	115	77
Total current assets	1,804	1,828
Property, plant and equipment, net of accumulated depreciation and amortization of \$2,792 and \$2,705, respectively	1,314	1,345
Operating lease right-of-use assets	354	346
Goodwill	1,252	1,252
Trademarks, net	542	543
Other intangible assets, net	156	169
Other assets	486	462
Total assets	\$ 5,908	\$ 5,945
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Notes and loans payable	\$ 247	\$ 50
Current operating lease liabilities	92	87
Accounts payable and accrued liabilities	1,649	1,659
Income taxes payable	34	121
Total current liabilities	2,022	1,917
Long-term debt	2,479	2,477
Long-term operating lease liabilities	311	310
Other liabilities	852	825
Deferred income taxes	26	28
Total liabilities	5,690	5,557
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; 130,741,461 shares issued as of December 31, 2023 and June 30, 2023; and 124,080,634 and 123,820,022 shares outstanding as of December 31, 2023 and June 30, 2023, respectively	131	131
Additional paid-in capital	1,245	1,245
Retained earnings	241	583
Treasury stock, at cost: 6,660,827 and 6,921,439 shares as of December 31, 2023 and June 30, 2023, respectively	(1,205)	(1,246)
Accumulated other comprehensive net (loss) income	(359)	(493)
Total Clorox stockholders' equity	53	220
Noncontrolling interests	165	168
Total stockholders' equity	218	388
Total liabilities and stockholders' equity	\$ 5,908	\$ 5,945

See Notes to Condensed Consolidated Financial Statements (Unaudited)

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

	Six months ended	
	12/31/2023	12/31/2022
Operating activities:		
Net earnings	\$ 121	\$ 189
Adjustments to reconcile net earnings to net cash provided by operations:		
Depreciation and amortization	118	114
Stock-based compensation	29	31
Deferred income taxes	(60)	(8)
Pension settlement charge	171	—
Other	8	37
Changes in:		
Receivables, net	15	78
Inventories, net	43	9
Prepaid expenses and other current assets	(20)	(23)
Accounts payable and accrued liabilities	(163)	(54)
Operating lease right-of-use assets and liabilities, net	—	—
Income taxes payable / prepaid	(89)	14
Net cash provided by operations	173	387
Investing activities:		
Capital expenditures	(76)	(88)
Other	20	1
Net cash used for investing activities	(56)	(87)
Financing activities:		
Notes and loans payable, net	195	(28)
Cash dividends paid to Clorox stockholders	(298)	(291)
Issuance of common stock for employee stock plans and other	(1)	4
Net cash used for financing activities	(104)	(315)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(23)	(1)
Net increase (decrease) in cash, cash equivalents and restricted cash	(10)	(16)
Cash, cash equivalents and restricted cash:		
Beginning of period	368	186
End of period	\$ 358	\$ 170

See Notes to Condensed Consolidated Financial Statements (Unaudited)

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The unaudited interim condensed consolidated financial statements for the three and six months ended December 31, 2023 and 2022, in the opinion of management, reflect all normal and recurring adjustments considered necessary for a fair presentation of the consolidated results of operations, financial position and cash flows of The Clorox Company and its controlled subsidiaries (the Company or Clorox) 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, 2023, 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 December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." These amendments primarily require enhanced disclosures and disaggregation of income tax information by jurisdiction in the annual income tax reconciliation and quantitative and qualitative disclosures regarding income taxes paid. These amendments are to be applied prospectively, with the option to apply the standard retrospectively, for annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company's disclosures.

In November 2023, the FASB issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures." These amendments primarily require enhanced disclosures about significant segment expenses regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss. The ASU also requires all annual disclosures currently required by Topic 280 to be included in interim periods. These amendments are to be applied retrospectively for all periods presented in the financial statements and are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this guidance will have on the Company's disclosures.

Recently Adopted Accounting Standards

In September 2022, the FASB issued ASU No. 2022-04, "Liabilities - Supplier Finance Programs (Subtopic 405-50): Disclosure of Supplier Finance Program Obligations." These amendments require disclosure of the key terms of outstanding supplier finance programs and a rollforward of the related obligations. These amendments are effective for fiscal years beginning after December 15, 2022, except for the amendment on rollforward information, which is effective for fiscal years beginning after December 15, 2023. The Company adopted the standard as of July 1, 2023. The adoption relates to disclosures only and does not have an impact on the condensed consolidated financial statements, results of operations, or cash flows.

NOTE 2. CYBERATTACK

On Monday, August 14, 2023, the Company disclosed it had identified unauthorized activity on some of its Information Technology (IT) systems. That activity began on Friday, August 11, 2023 and after becoming aware of it that evening, the Company immediately began taking steps to stop and remediate the activity. The Company also took certain systems offline and engaged third-party cybersecurity experts to support its investigation and recovery efforts. The Company implemented its business continuity plans, including manual ordering and processing procedures at a reduced rate of operations in order to continue servicing its customers. However, the incident resulted in wide-scale disruptions to the Company's business operations throughout the remainder of the quarter ended September 30, 2023.

The impacts of these system disruptions included order processing delays and significant product outages, resulting in a negative impact on net sales and earnings. The Company has since transitioned back to automated order processing. The Company experienced lessening operational impacts in the second quarter as it made progress in returning to normalized operations.

NOTE 2. CYBERATTACK (Continued)

The Company also incurred incremental expenses of approximately \$25 and \$49 as a result of the cyberattack for the three and six months ended December 31, 2023, respectively. The following table summarizes the recognition of costs in the condensed consolidated statements of earnings and comprehensive income:

	Three months ended	Six months ended
	12/31/2023	12/31/2023
Costs of products sold	\$ 9	\$ 20
Selling and administrative expenses	16	29
Total	\$ 25	\$ 49

The costs incurred relate primarily to third-party consulting services, including IT recovery and forensic experts and other professional services incurred to investigate and remediate the attack, as well as incremental operating costs incurred from the resulting disruption to the Company's business operations. The Company expects to incur lessening costs related to the cyberattack in future periods. The Company has not recognized any insurance proceeds in the three and six months ended December 31, 2023 related to the cyberattack. The timing of recognizing insurance recoveries, if any, may differ from the timing of recognizing the associated expenses.

NOTE 3. SUPPLY CHAIN FINANCING PROGRAM

The Company has arranged for a global financial institution to offer a voluntary supply chain finance (SCF) program for the benefit of the Company's suppliers. The Company's current payment terms do not exceed 120 days in keeping with industry standards. The SCF program enables suppliers to directly contract with the financial institution to receive payment from the financial institution prior to the payment terms between the Company and the supplier by selling the Company's payables to the financial institution. Participation in the program is at the sole discretion of the supplier and the Company has no economic interest in a supplier's decision to enter into the agreement and has no direct financial relationship with the financial institution, as it relates to the SCF program. Once a supplier elects to participate in the SCF program and reaches an agreement with the financial institution, the supplier elects which individual Company invoices to sell to the financial institution. The terms of the Company's payment obligations are not impacted by a supplier's participation in the program and as such, the SCF program has no direct impact on the Company's balance sheets, cash flows or liquidity. The Company has not pledged any assets as security or provided guarantees under the SCF program.

All outstanding amounts related to suppliers participating in the SCF program are recorded within Accounts payable and accrued liabilities in the condensed consolidated balance sheets and the associated payments are included in operating activities within the condensed consolidated statements of cash flows. As of December 31, 2023 and June 30, 2023, the amount due to suppliers participating in the SCF program and included in Accounts payable and accrued liabilities was \$188 and \$220, respectively.

NOTE 4. RESTRUCTURING AND RELATED COSTS

In the first quarter of fiscal year 2023, the Company began recognizing costs related to a plan that involves streamlining its operating model to meet its objectives of driving growth and productivity. The streamlined operating model is expected to enhance the Company's ability to respond more quickly to changing consumer behaviors and innovate faster. The Company anticipates the implementation of this new model will be completed in fiscal year 2024, with different phases occurring throughout the implementation period.

The Company incurred \$60 of costs in fiscal year 2023 and anticipates incurring approximately \$30 to \$40 of costs in fiscal year 2024 related to this initiative, of which approximately \$5 to \$10 are expected to be employee-related costs to reduce certain staffing levels such as severance payments, with the remainder for consulting and other costs. Costs incurred are expected to be settled primarily in cash.

NOTE 4. RESTRUCTURING AND RELATED COSTS (Continued)

The total restructuring and related implementation costs, net associated with the Company's streamlined operating model as reflected in the condensed consolidated statements of earnings and comprehensive income:

	Three months ended		Six months ended		Inception to date ended
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023
Costs of products sold	\$ —	\$ —	\$ —	\$ (1)	\$ (3)
Selling and administrative expenses	3	4	3	5	15
Research and development	—	—	—	—	(1)
Other (income) expense, net:					
Employee-related costs	—	—	—	19	52
Total, net	\$ 3	\$ 4	\$ 3	\$ 23	\$ 63

Employee-related costs primarily include severance and other termination benefits calculated based on salary levels, prior service and statutory requirements. Other costs primarily include consulting fees incurred for the organizational design and implementation of the streamlined operating model, related processes and other professional fees incurred.

The Company may, from time to time, decide to pursue additional restructuring-related initiatives that involve costs in future periods.

The following table reconciles the accrual for the streamlined operating model's restructuring and related implementation costs discussed above, which are recorded within Accounts payable and accrued liabilities in the condensed consolidated balance sheets:

	Employee-Related Costs	Other	Total
Accrual Balance as of June 30, 2023	\$ 23	\$ 5	\$ 28
Charges	—	3	3
Cash payments	(17)	(6)	(23)
Accrual Balance as of December 31, 2023	\$ 6	\$ 2	\$ 8

NOTE 5. INVENTORIES, NET

Inventories, net consisted of the following as of:

	12/31/2023	6/30/2023
Finished goods	\$ 562	\$ 595
Raw materials and packaging	188	182
Work in process	11	8
LIFO allowances	(104)	(87)
Total inventories, net	\$ 657	\$ 698
Less: Non-current inventories, net ⁽¹⁾	2	2
Total current inventories, net	\$ 655	\$ 696

⁽¹⁾ Non-current inventories, net are recorded in Other assets.

NOTE 6. 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 futures, options and swap contracts to limit the impact of price volatility on a portion of its forecasted raw material requirements. These commodity derivatives may be exchange traded or over-the-counter contracts and generally have original contractual maturities of less than 2 years. Commodity purchase and options contracts are measured at fair value using market quotations obtained from the Chicago Board of Trade commodity futures exchange and commodity derivative dealers.

For both December 31, 2023, and June 30, 2023, the notional amount of commodity derivatives was \$41 respectively, which related primarily to exposures in soybean oil used for the Food business and jet fuel used for the Grilling 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 original contractual maturities of less 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 \$45 and \$51 as of December 31, 2023 and June 30, 2023, respectively.

Interest Rate Risk Management

The Company may enter into over-the-counter interest rate contracts to fix a portion of the benchmark interest rate prior to the anticipated issuance of fixed rate debt. These interest rate contracts generally have original contractual maturities of less than 3 years. The interest rate contracts are measured at fair value using information quoted by bond dealers.

The Company held no interest rate contracts as of both December 31, 2023 and June 30, 2023.

Commodity, Foreign Exchange and Interest Rate Derivatives

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

NOTE 6. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

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

	Gains (losses) recognized in Other comprehensive (loss) income			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Commodity purchase derivative contracts	\$ (4)	\$ 1	\$ (5)	\$ (2)
Foreign exchange derivative contracts	(2)	(1)	(1)	—
Interest rate derivative contracts	—	—	—	—
Total	\$ (6)	\$ —	\$ (6)	\$ (2)

Location of gains (losses) reclassified from Accumulated other comprehensive net (loss) income into Net earnings		Gains (losses) reclassified from Accumulated other comprehensive net (loss) income and recognized in Net earnings			
		Three months ended		Six months ended	
		12/31/2023	12/31/2022	12/31/2023	12/31/2022
Commodity purchase derivative contracts	Cost of products sold	\$ —	\$ 3	\$ (2)	\$ 7
Foreign exchange derivative contracts	Cost of products sold	—	—	—	1
Interest rate derivative contracts	Interest expense	3	3	6	6
Total		\$ 3	\$ 6	\$ 4	\$ 14

The estimated amount of the existing net gain (loss) in Accumulated other comprehensive net (loss) income as of December 31, 2023 that is expected to be reclassified into Net earnings within the next twelve months is \$8.

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 instruments exceeds contractually defined counterparty liability position limits. Of the over-the-counter derivative instruments in liability positions, \$1 contained such terms as of both December 31, 2023 and June 30, 2023. As of both December 31, 2023 and June 30, 2023, 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 Company's 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 December 31, 2023 and June 30, 2023, the Company and each of its counterparties had been assigned investment grade ratings by both Standard & Poor's and Moody's.

Certain of the Company's exchange traded futures and options 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 December 31, 2023 and June 30, 2023, the Company maintained cash margin balances related to exchange traded futures and options contracts of \$2 and \$0, respectively, which are classified as Prepaid expenses and other current assets on the condensed consolidated balance sheets.

Trust Assets

The Company holds 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

NOTE 6. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

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 gains and losses on the trust assets are recorded in Other (income) expense, net in the condensed consolidated statements of earnings. 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 of Financial Instruments

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 both December 31, 2023 and June 30, 2023, the Company's financial assets and liabilities that were measured at fair value on a recurring basis during the period 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.

All of the Company's derivative instruments qualify for hedge accounting. The following table provides information about the balance sheet classification and the fair values of the Company's derivative instruments:

		Fair value hierarchy level	12/31/2023		6/30/2023	
	Balance sheet classification		Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets						
Commodity purchase options contracts	Prepaid expenses and other current assets	1	—	—	2	2
			\$ —	\$ —	\$ 2	\$ 2
Liabilities						
Commodity purchase futures contracts	Accounts payable and accrued liabilities	1	—	—	—	—
Commodity purchase swaps contracts	Accounts payable and accrued liabilities	2	—	—	1	1
Foreign exchange forward contract	Accounts payable and accrued liabilities	2	1	1	—	—
			\$ 1	\$ 1	\$ 1	\$ 1

NOTE 6. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS (Continued)

The following table provides information about the balance sheet classification and the fair values of the Company's other assets and liabilities for which disclosure of fair value is required:

	Balance sheet classification	Fair value hierarchy level	12/31/2023		6/30/2023	
			Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Assets						
Interest-bearing investments, including money market funds	Cash and cash equivalents ⁽¹⁾	1	\$ 215	\$ 215	\$ 243	\$ 243
Time deposits	Cash and cash equivalents ⁽¹⁾	2	8	8	9	9
Trust assets for nonqualified deferred compensation plans	Other assets	1	150	150	129	129
			<u>\$ 373</u>	<u>\$ 373</u>	<u>\$ 381</u>	<u>\$ 381</u>
Liabilities						
Notes and loans payable	Notes and loans payable ⁽²⁾	2	\$ 247	\$ 247	\$ 50	\$ 50
Current maturities of long-term debt and Long-term debt	Current maturities of long-term debt and Long-term debt ⁽³⁾	2	2,479	2,376	2,477	2,327
			<u>\$ 2,726</u>	<u>\$ 2,623</u>	<u>\$ 2,527</u>	<u>\$ 2,377</u>

⁽¹⁾ 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.

⁽²⁾ Notes and loans payable are composed of outstanding U.S. commercial paper balances and/or amounts drawn on the Company's credit agreements, all of which are recorded at cost, which approximates fair value.

⁽³⁾ 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 7. OTHER (INCOME) EXPENSE, NET

The major components of Other (income) expense, net were:

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Amortization of trademarks and other intangible assets	\$ 7	\$ 7	\$ 15	\$ 14
Trust investment (gains) losses, net	(12)	(6)	(10)	(1)
Net periodic benefit cost	5	4	10	8
Foreign exchange transaction (gains) losses, net ⁽¹⁾	15	1	23	3
Income from equity investees	(1)	(1)	(2)	(2)
Interest income	(7)	(3)	(17)	(5)
Restructuring costs ⁽²⁾	—	—	—	19
Gain on sale-leaseback transaction ⁽³⁾	(16)	—	(16)	—
Other	2	(6)	2	(6)
Total	<u>\$ (7)</u>	<u>\$ (4)</u>	<u>\$ 5</u>	<u>\$ 30</u>

⁽¹⁾ Foreign exchange losses are primarily related to the Company's operations in Argentina.

⁽²⁾ Restructuring costs related to the implementation of the Company's streamlined operating model. See Note 4 for additional details.

⁽³⁾ On December 14, 2023, the Company completed an asset sale-leaseback transaction on a warehouse in Fairfield, California. The Company received proceeds of \$19, net of selling costs, the asset had a carrying value of \$3, and the transaction resulted in a \$16 gain which was recognized in Other (income) expense, net in the Health and Wellness segment. The leaseback is accounted for as an operating lease. The term of the lease is 8 years, with options to extend the lease for two 5 year periods.

NOTE 8. 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 was 29.3% and 26.7% for the three and six months ended December 31, 2023, respectively, and 21.2% and 23.0% for the three and six months ended December 31, 2022, respectively. The higher tax rates on earnings in both the three and six month periods was primarily driven by nonrecurring tax credits in the prior period, and lower compensation deductions and higher foreign income taxes in the current period.

Income taxes paid, net of refunds, were \$194 and \$50 for the six months ended December 31, 2023 and December 31, 2022, respectively. The increase in payments in the current period was primarily driven by payment of fiscal year 2023 income taxes previously deferred as a result of the relief provided by the IRS announced in January 2023 due to winter storms in California.

NOTE 9. 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		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Basic	124,176	123,546	124,075	123,443
Dilutive effect of stock options and other	444	442	560	508
Diluted	124,620	123,988	124,635	123,951
Antidilutive stock options and other	3,527	2,942	3,527	2,963

Basic net earnings per share and Diluted net earnings per share are calculated on Net earnings attributable to Clorox.

NOTE 10. COMPREHENSIVE INCOME

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

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Net earnings	\$ 96	\$ 102	\$ 121	\$ 189
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustments	17	18	6	(11)
Net unrealized gains (losses) on derivatives	(8)	(6)	(9)	(14)
Pension and postretirement benefit adjustments	126	1	137	2
Total other comprehensive (loss) income, net of tax	135	13	134	(23)
Comprehensive income	231	115	255	166
Less: Total comprehensive income attributable to noncontrolling interests	3	3	6	5
Total comprehensive income attributable to Clorox	\$ 228	\$ 112	\$ 249	\$ 161

NOTE 11. STOCKHOLDERS' EQUITY

Changes in the components of Stockholders' equity were as follows for the periods indicated:

Three months ended December 31									
(Dollars in millions except per share data; shares in thousands)	Common stock		Additional paid-in capital	Retained earnings	Treasury stock		Accumulated other comprehensive net (loss) income	Noncontrolling interests	Total stockholders' equity
	Amount	Shares			Amount	Shares			
Balance as of September 30, 2022	\$ 131	130,741	\$ 1,193	\$ 832	\$ (1,315)	(7,385)	\$ (515)	\$ 170	\$ 496
Net earnings	—	—	—	99	—	—	—	3	102
Other comprehensive (loss) income	—	—	—	—	—	—	13	—	13
Dividends to Clorox stockholders (\$1.18 per share declared)	—	—	—	(147)	—	—	—	—	(147)
Dividends to noncontrolling interests	—	—	—	—	—	—	—	(3)	(3)
Stock-based compensation	—	—	21	—	—	—	—	—	21
Other employee stock plan activities	—	—	(7)	(2)	18	122	—	—	9
Balance as of December 31, 2022	\$ 131	130,741	\$ 1,207	\$ 782	\$ (1,297)	(7,263)	\$ (502)	\$ 170	\$ 491
Balance as of September 30, 2023	\$ 131	130,741	\$ 1,246	\$ 299	\$ (1,219)	(6,740)	\$ (494)	\$ 168	\$ 131
Net earnings (losses)	—	—	—	93	—	—	—	3	96
Other comprehensive (loss) income	—	—	—	—	—	—	135	—	135
Dividends to Clorox stockholders (\$1.20 per share declared)	—	—	—	(150)	—	—	—	—	(150)
Dividends to noncontrolling interests	—	—	—	—	—	—	—	(6)	(6)
Stock-based compensation	—	—	16	—	—	—	—	—	16
Other employee stock plan activities	—	—	(17)	(1)	14	79	—	—	(4)
Balance as of December 31, 2023	\$ 131	130,741	\$ 1,245	\$ 241	\$ (1,205)	(6,661)	\$ (359)	\$ 165	\$ 218
Six months ended December 31									
(Dollars in millions except per share data; shares in thousands)	Common stock		Additional paid-in capital	Retained earnings	Treasury stock		Accumulated other comprehensive net (loss) income	Noncontrolling interests	Total stockholders' equity
	Amount	Shares			Amount	Shares			
Balance as of June 30, 2022	\$ 131	130,741	\$ 1,202	\$ 1,048	\$ (1,346)	(7,589)	\$ (479)	\$ 173	\$ 729
Net earnings	—	—	—	184	—	—	—	5	189
Other comprehensive (loss) income	—	—	—	—	—	—	(23)	—	(23)
Dividends to Clorox stockholders (\$3.54 per share declared)	—	—	—	(440)	—	—	—	—	(440)
Dividends to noncontrolling interests	—	—	—	—	—	—	—	(8)	(8)
Stock-based compensation	—	—	31	—	—	—	—	—	31
Other employee stock plan activities	—	—	(26)	(10)	49	326	—	—	13
Balance as of December 31, 2022	\$ 131	130,741	\$ 1,207	\$ 782	\$ (1,297)	(7,263)	\$ (502)	\$ 170	\$ 491
Balance as of June 30, 2023	\$ 131	130,741	\$ 1,245	\$ 583	\$ (1,246)	(6,921)	\$ (493)	\$ 168	\$ 388
Net earnings (losses)	—	—	—	115	—	—	—	6	121
Other comprehensive (loss) income	—	—	—	—	—	—	134	—	134
Dividends to Clorox stockholders (\$3.60 per share declared)	—	—	—	(450)	—	—	—	—	(450)
Dividends to noncontrolling interests	—	—	—	—	—	—	—	(9)	(9)
Stock-based compensation	—	—	29	—	—	—	—	—	29
Other employee stock plan activities	—	—	(29)	(7)	41	260	—	—	5
Balance as of December 31, 2023	\$ 131	130,741	\$ 1,245	\$ 241	\$ (1,205)	(6,661)	\$ (359)	\$ 165	\$ 218

NOTE 11. STOCKHOLDERS' EQUITY (Continued)

Changes in Accumulated other comprehensive net (loss) income attributable to Clorox by component were as follows for the periods indicated:

	Three months ended December 31			
	Foreign currency translation adjustments	Net unrealized gains (losses) on derivatives	Pension and postretirement benefit adjustments	Accumulated other comprehensive net (loss) income
Balance as of September 30, 2022	\$ (477)	\$ 113	\$ (151)	\$ (515)
Other comprehensive (loss) income before reclassifications	18	—	—	18
Amounts reclassified from Accumulated other comprehensive net (loss) income	—	(6)	2	(4)
Income tax benefit (expense)	—	—	(1)	(1)
Net current period other comprehensive (loss) income	18	(6)	1	13
Balance as of December 31, 2022	\$ (459)	\$ 107	\$ (150)	\$ (502)
Balance as of September 30, 2023	\$ (456)	\$ 98	\$ (136)	\$ (494)
Other comprehensive (loss) income before reclassifications	17	(6)	(7)	4
Amounts reclassified from Accumulated other comprehensive net (loss) income ⁽¹⁾	—	(3)	172	169
Income tax benefit (expense), and other	—	1	(39)	(38)
Net current period other comprehensive (loss) income	17	(8)	126	135
Balance as of December 31, 2023	\$ (439)	\$ 90	\$ (10)	\$ (359)

	Six months ended December 31			
	Foreign currency translation adjustments	Net unrealized gains (losses) on derivatives	Pension and postretirement benefit adjustments	Accumulated other comprehensive net (loss) income
Balance as of June 30, 2022	\$ (448)	\$ 121	\$ (152)	\$ (479)
Other comprehensive (loss) income before reclassifications	(11)	(2)	—	(13)
Amounts reclassified from Accumulated other comprehensive net (loss) income	—	(14)	3	(11)
Income tax benefit (expense)	—	2	(1)	1
Net current period other comprehensive (loss) income	(11)	(14)	2	(23)
Balance as of December 31, 2022	\$ (459)	\$ 107	\$ (150)	\$ (502)
Balance as of June 30, 2023	\$ (445)	\$ 99	\$ (147)	\$ (493)
Other comprehensive (loss) income before reclassifications	6	(6)	4	4
Amounts reclassified from Accumulated other comprehensive net (loss) income ⁽¹⁾	—	(4)	175	171
Income tax benefit (expense), and other	—	1	(42)	(41)
Net current period other comprehensive (loss) income	6	(9)	137	134
Balance as of December 31, 2023	\$ (439)	\$ 90	\$ (10)	\$ (359)

⁽¹⁾ Includes recognition of pension settlement charge reclassified into Net earnings. See Note 12 for additional details.

NOTE 12. EMPLOYEE BENEFIT PLANS

In the second quarter of fiscal year 2024, the Company settled plan benefits of its domestic qualified pension plan (the Plan), through a combination of an annuity contract purchase with a third-party insurance provider and lump sum payouts. These payments were made using Plan assets. The third-party insurance provider assumed the obligation to pay future pension benefits and provide administrative services and started making direct payments to participants in January 2024. In conjunction with this settlement, a one-time noncash charge, net of curtailment gain, of \$171 before taxes (\$130 after tax) was recorded in the Company's condensed consolidated statement of earnings and comprehensive income primarily as a result of accelerating the recognition of actuarial losses previously included in Accumulated other comprehensive net (loss) income that would have been recognized in future periods.

The Company continues to maintain various other retirement income plans for eligible domestic and international employees.

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

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Interest cost	\$ 3	\$ 4	\$ 8	\$ 9
Expected return on plan assets ⁽¹⁾	1	(2)	(2)	(5)
Amortization of unrecognized items	1	2	3	4
Curtailment gain	(6)	—	(6)	—
Settlement loss	177	—	178	—
Total	\$ 176	\$ 4	\$ 181	\$ 8

⁽¹⁾ The weighted average long-term expected rate of return on plan assets used in computing the fiscal year 2024 net periodic benefit cost is 3.3%.

The net periodic benefit cost for the Company's retirement health care plans was \$0 for both the three and six months ended December 31, 2023 and 2022.

During both the three months ended December 31, 2023 and 2022, the Company made \$2 in contributions to its domestic retirement income plans. During both the six months ended December 31, 2023 and 2022, the Company made \$4 in contributions to its domestic retirement income plans.

Service cost component of the net periodic benefit cost, if any, is reflected in employee benefit costs. All other components are reflected in Other (income) expense, net.

NOTE 13. OTHER CONTINGENCIES AND GUARANTEES

Contingencies

The Company is involved in certain environmental matters, including response actions at various locations. The Company recorded liabilities totaling \$28 as of both December 31, 2023 and June 30, 2023, respectively, for its share of aggregate future remediation costs related to these matters.

One matter, which accounted for \$12 of the recorded liability as of both December 31, 2023 and June 30, 2023, respectively, 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 groundwater at the site and included estimates of the related costs. Following further discussions with the regulators in 2017, the Company recorded an undiscounted liability for costs estimated to be incurred over a 30-year period, based on one of the options in the Feasibility Study related to groundwater. In September 2021, as a result of an additional study and further discussions with regulators, the Company submitted a Soil Vapor Intrusion Report to the regulators. In January 2023, the regulators issued a new order directing the Company and the current property owner to conduct a Remedial Investigation and then prepare a Feasibility Study to evaluate and remediate impacts to soil, soil vapor and indoor air. While the Company believes its latest estimates of remediation costs (including any related to soil, soil vapor and indoor air impacts) are reasonable, the ultimate remediation requirements are not yet finalized and the regulators could require the Company to implement remediation actions for a longer period or take additional actions, which could include estimated undiscounted costs in the aggregate of up to approximately \$28 over an estimated 30-year period, or require the Company to take different actions and incur additional costs.

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 \$10 of the recorded liability as of both December 31, 2023 and June 30, 2023,

NOTE 13: OTHER CONTINGENCIES AND GUARANTEES (continued)

respectively. 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 agreement with a third party. If the third party is unable to pay its share of the response and remediation obligations, the Company may be responsible for such obligations. 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. From time to time, the Company is subject to various legal proceedings, claims and other loss contingencies, including, without limitation, loss contingencies relating to contractual arrangements (including costs connected to the transition and unwinding of certain supply and manufacturing relationships), 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.

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 material liabilities on the aforementioned guarantees as of both December 31, 2023 and June 30, 2023.

The Company was a party to letters of credit of \$17 as of December 31, 2023, primarily related to its insurance carriers, of which \$0 had been drawn upon.

NOTE 14. SEGMENT RESULTS

The Company operates through strategic business units (SBUs) which are organized into operating segments. Operating segments are then aggregated into four reportable segments: Health and Wellness, Household, Lifestyle and International. Operating segments not aggregated into a reportable segment are reflected in Corporate and Other.

Corporate and Other includes certain non-allocated administrative costs and various other non-operating income and expenses, as well as the results of the Vitamins, Minerals and Supplements (VMS) business. Assets in Corporate and Other include cash and cash equivalents, prepaid expenses and other current assets, property and equipment, operating lease right-of-use assets, other long-term assets and deferred taxes, as well as the assets related to the VMS business.

The principle measure of segment profitability used by management is segment adjusted earnings (losses) before interest and income taxes (segment adjusted EBIT). Segment adjusted EBIT is defined as earnings (losses) before income taxes excluding interest income, interest expense and other significant items that are nonrecurring or unusual (such as the pension settlement charge, incremental charges relating to the cyberattack, asset impairments, charges related to the streamlined operating model, charges related to the digital capabilities and productivity enhancements investment, significant losses/(gains) related to acquisitions and other nonrecurring or unusual items impacting comparability).

The tables below present reportable segment information and a reconciliation of the segment information to the Company's consolidated net sales and earnings (losses) before income taxes, with amounts that are not allocated to the reportable segments reflected in Corporate and Other.

NOTE 14. SEGMENT RESULTS (Continued)

	Net sales			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Health and Wellness	\$ 720	\$ 577	\$ 1,224	\$ 1,234
Household	502	462	827	885
Lifestyle	403	332	632	652
International	311	286	581	571
Corporate and Other	54	58	112	113
Total	\$ 1,990	\$ 1,715	\$ 3,376	\$ 3,455

	Segment adjusted EBIT			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Health and Wellness	\$ 259	\$ 124	\$ 363	\$ 257
Household	92	44	88	66
Lifestyle	109	74	128	134
International	32	24	66	47
Corporate and Other	(106)	(87)	(168)	(150)
Total	\$ 386	\$ 179	\$ 477	\$ 354
Interest income	7	3	17	5
Interest expense	(26)	(23)	(47)	(45)
Pension settlement charge ⁽¹⁾	(171)	—	(171)	—
Cyberattack costs ⁽²⁾	(25)	—	(49)	—
Streamlined operating model ⁽³⁾	(3)	(4)	(3)	(23)
Digital capabilities and productivity enhancements investment ⁽⁴⁾	(32)	(25)	(59)	(45)
Earnings before income taxes	\$ 136	\$ 130	\$ 165	\$ 246

⁽¹⁾ Represents costs related to the settlement of the domestic qualified pension plan corresponding to Corporate and Other. See Note 12 for additional details relating to the pension settlement.

⁽²⁾ Represents incremental costs related to the cyberattack. See Note 2 for additional details relating to the cyberattack. For informational purposes, the following table provides the approximate cyberattack costs corresponding to the Company's reportable segments as a percentage of total costs:

	Three months ended	Six months ended
	12/31/2023	12/31/2023
Health and Wellness	9 %	15 %
Household	11	11
Lifestyle	12	13
International	7	4
Corporate and Other	61	57
Total	100 %	100 %

NOTE 14. SEGMENT RESULTS (Continued)

- (3) Represents restructuring and related implementation costs, net for the streamlined operating model of \$3 for both the three and six months ended December 31, 2023 and \$4 and \$23 for the three and six months ended December 31, 2022, respectively. For informational purposes, the following table provides the approximate restructuring and related implementation costs, net corresponding to the Company's reportable segments as a percentage of the total costs:

	Three months ended		Six months ended		Inception to date ended
	12/31/2023	12/31/2022	12/31/2023	12/31/2022	12/31/2023
Health and Wellness	— %	— %	— %	5 %	6 %
Household	—	—	—	—	1
Lifestyle	—	—	—	5	3
International	—	—	—	16	15
Corporate and Other	100	100	100	74	75
Total	100 %	100 %	100 %	100 %	100 %

- (4) Represents expenses related to the Company's digital capabilities and productivity enhancements investment corresponding to Corporate and Other.

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, Walmart Inc. and its affiliates, as a percentage of consolidated net sales, were 23% and 25% for the three and six months ended December 31, 2023, respectively and 25% and 26% for the three and six months ended December 31, 2022, respectively.

The following table provides Net sales as a percentage of the Company's consolidated net sales, disaggregated by operating segment, for the periods indicated:

	Net sales			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Cleaning	31 %	29 %	31 %	31 %
Professional Products	5	5	5	5
Health and Wellness	36 %	34 %	36 %	36 %
Bags and Wraps	12	14	11	13
Cat Litter	9	9	9	9
Grilling	4	4	4	4
Household	25 %	27 %	24 %	26 %
Food	11	10	10	10
Natural Personal Care	5	5	4	4
Water Filtration	4	4	5	4
Lifestyle	20 %	19 %	19 %	18 %
International	16 %	17 %	17 %	17 %
Corporate and Other	3 %	3 %	4 %	3 %
Total	100 %	100 %	100 %	100 %

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

The Clorox Company
(Dollars in millions, except 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, 2023, which was filed with the SEC on August 10, 2023, 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 and six month periods ended December 31, 2023 (the current period) to the three and six month periods ended December 31, 2022 (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

The Clorox Company is a leading multinational manufacturer and marketer of consumer and professional products with approximately 8,700 employees worldwide. The Company has operations in approximately 25 countries or territories and sells its products in more than 100 markets, primarily through mass retailers; grocery outlets; warehouse clubs; dollar stores; home hardware centers; drug, pet and military stores; third-party and owned e-commerce channels; and distributors. Clorox markets some of the most trusted and recognized consumer brand names, including its namesake bleach, cleaning and disinfecting products, Pine-Sol® and Tilex® cleaners; Liquid-Plumr® clog removers; Poett® home care products; Glad® bags and wraps; Fresh Step® cat litter; Kingsford® grilling products; Hidden Valley® dressings, dips, seasonings and sauces; Burt's Bees® natural personal care products; Brita® water-filtration products; and Natural Vitality®, RenewLife®, NeoCell® and Rainbow Light® vitamins, minerals and supplements. The Company also markets industry-leading products and technologies for professional customers, including those sold under the CloroxPro™ and Clorox Healthcare® brand names.

The Company primarily markets its leading brands in mid-sized categories considered to be financially attractive. Most of the Company's products, which can be found in about nine of 10 U.S. homes, compete with other nationally advertised brands within each category and with "private label" brands. About 80% of the Company's sales are generated from brands that hold the No. 1 or No. 2 market share position in their categories.

The Company operates through strategic business units (SBUs) which are organized into operating segments. Operating segments are then aggregated into four reportable segments: Health and Wellness, Household, Lifestyle and International. Operating segments not aggregated into a reportable segment are reflected in Corporate and Other. The four reportable segments consist of the following:

- *Health and Wellness* consists of cleaning, disinfecting and professional products mainly marketed and sold in the United States. Products within this segment include home care cleaning products and laundry additives primarily under the Clorox®, Clorox2®, Pine-Sol, Scentiva®, Tilex, Liquid-Plumr, and Formula 409® brands; professional cleaning and disinfecting products under the CloroxPro and Clorox Healthcare brands; and professional food service products under the Hidden Valley brand.
- *Household* consists of bags and wraps, cat litter and grilling products marketed and sold in the United States. Products within this segment include bags and wraps under the Glad brand; cat litter primarily under the Fresh Step and Scoop Away® brands; and grilling products under the Kingsford brand.
- *Lifestyle* consists of food, natural personal care products and water-filtration products marketed and sold in the United States. Products within this segment include dressings, dips, seasonings and sauces, primarily under the Hidden Valley brand; natural personal care products under the Burt's Bees brand; and water-filtration products under the Brita brand.
- *International* consists of products sold outside the United States. Products within this segment include laundry additives; home care products; water-filtration products; digestive health products; grilling products; cat litter; food; bags and wraps; natural personal care products; and professional cleaning and disinfecting products marketed primarily under the Clorox, Ayudin®, Clorinda®, Poett, Pine-Sol, Glad, Brita, RenewLife, Ever Clean® and Burt's Bees brands.

RECENT EVENTS AFFECTING THE COMPANY

Cyberattack

On Monday, August 14, 2023, the Company disclosed it had identified unauthorized activity on some of its Information Technology (IT) systems. That activity began on Friday, August 11, 2023 and after becoming aware of it that evening, the Company immediately began taking steps to stop and remediate the activity. The Company also took certain systems offline and engaged third-party cybersecurity experts to support its investigation and recovery efforts. The Company implemented its business continuity plans, including manual ordering and processing procedures at a reduced rate of operations in order to continue servicing its customers. However, the incident resulted in wide-scale disruptions to the Company's business operations throughout the remainder of the quarter ended September 30, 2023.

The impacts of these system disruptions included order processing delays and significant product outages, resulting in a negative impact on net sales and earnings. The Company has since transitioned back to automated order processing. The Company experienced lessening operational impacts in the second quarter as it made progress in returning to normalized operations.

The effects of the cyberattack are expected to negatively impact fiscal year 2024 results, though some of the anticipated net sales not recognized in the first quarter as a result of the disruptions were recognized in the second quarter, and some are expected to be recognized in subsequent quarters of fiscal year 2024 as customers rebuild inventories.

The Company also incurred incremental expenses of approximately \$25 and \$49 as a result of the cyberattack for the three and six months ended December 31, 2023, respectively. These costs relate to third-party consulting services, including IT recovery and forensic experts and other professional services incurred to investigate and remediate the attack, as well as incremental operating costs incurred from the resulting disruption to the Company's business operations. The Company expects to incur lessening costs related to the cyberattack in future periods.

The Company has not recognized any insurance proceeds in the three and six months ended December 31, 2023 related to the cyberattack. The timing of recognizing insurance recoveries, if any, may differ from the timing of recognizing the associated expenses.

Other Recent Events

For the fiscal quarter ended December 31, 2023, the Company continued to experience an inflationary environment marked by persistently unfavorable commodity costs and higher manufacturing and logistics costs. Additionally, the Company is monitoring macroeconomic conditions as a result of increased interest rates and volatility in capital markets. These evolving challenges contributed to a highly dynamic operating environment as the Company continued its efforts to drive growth, rebuild margins and drive its transformation.

The risks of future negative impacts due to transportation, logistical or supply constraints and higher commodity costs for certain raw materials remain present, and the Company continues to experience corresponding incremental costs and gross margin pressures. For fiscal year 2024, the Company anticipates the operating environment will remain volatile and challenging. Inflationary headwinds are expected to continue and consumers may feel greater pressure as continued macroeconomic uncertainty impacts spending. The Company will continue to invest in its brands, capabilities and people to deliver consistent, profitable growth over time. The Company announced and began implementing a streamlined operating model in fiscal year 2023 and will continue with its implementation in fiscal year 2024.

The impact of continued inflationary pressures, macroeconomic conditions and geopolitical instability, including ongoing conflicts in the Middle East and Ukraine, rising tensions between China and Taiwan and actual and potential shifts in U.S. and foreign trade, economic and other policies, have increased global macroeconomic and political uncertainty regarding the duration and resolution of the conflicts, the potential escalation of tensions and potential economic and global supply chain disruptions. These factors are difficult to predict considering the rapidly evolving landscape as the Company continues to expect a variable operating environment going forward.

For further discussion, refer to Item 1.A, "Risk Factors" of this report and "Risk Factors" included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023, as supplemented by Item 1.A. in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023.

RESULTS OF OPERATIONS

CONSOLIDATED RESULTS

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net sales	\$ 1,990	\$ 1,715	16 %	\$ 3,376	\$ 3,455	(2)%

	Three months ended December 31, 2023 Percentage change versus the year-ago period							
	Reported (GAAP) Net Sales Growth / (Decrease)	Reported Volume	Acquisitions & Divestitures	Foreign Exchange Impact	Price/Mix/ (1) Other	Organic Sales Growth / (Decrease) (Non- GAAP) (2)	Organic (3)	Volume
Health and Wellness	25 %	22 %	— %	— %	3 %	25 %		22 %
Household	9	4	—	—	5	9		4
Lifestyle	21	24	—	—	(3)	21		24
International	9	6	—	(22)	25	31		6
Total Company (4)	16 %	13 %	— %	(4)%	7 %	20 %		13 %

	Six months ended December 31, 2023						
	Percentage change versus the year-ago period						
	Reported (GAAP) Net Sales Growth / (Decrease)	Reported Volume	Acquisitions & Divestitures	Foreign Exchange Impact	Price/Mix/ (1) Other	Organic Sales Growth / (Decrease) (Non- GAAP) (2)	Organic (3) Volume
Health and Wellness	(1) %	(6) %	— %	— %	5 %	(1) %	(6) %
Household	(7)	(12)	—	—	5	(7)	(12)
Lifestyle	(3)	(7)	—	—	4	(3)	(7)
International	2	(4)	—	(18)	24	20	(4)
Total Company (4)	(2)%	(7)%	— %	(3)%	8 %	1 %	(7)%

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

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

(3) Organic volume represents volume excluding the effect of any acquisitions and divestitures.

(4) Total Company includes Corporate and Other.

Net sales and volume in the current three month period increased by 16% and 13%, respectively, primarily driven by higher shipments resulting from the cyberattack recovery as retailers rebuilt inventory. The variance between volume and net sales was primarily due to favorable price mix, partially offset by unfavorable foreign exchange rates.

Net sales and volume in the current six month period decreased by 2% and 7% respectively. The volume decrease was primarily driven by pricing actions and the impact of the cyberattack. The variance between volume and net sales was primarily due to favorable price mix, partially offset by unfavorable foreign exchange rates.

RESULTS OF OPERATIONS (Continued)

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Gross profit	\$ 866	\$ 620	40 %	\$ 1,398	\$ 1,246	12 %
Gross margin	43.5 %	36.2 %		41.4 %	36.1 %	

Gross margin increased by 730 basis points in the current three month period from 36.2% to 43.5%. The increase was primarily driven by the benefit of pricing, higher volume and cost savings, partially offset by unfavorable foreign exchange rates.

Gross margin increased by 530 basis points in the current six month period from 36.1% to 41.4%. The increase was primarily driven by the benefit of pricing and cost savings, partially offset by unfavorable foreign exchange rates and lower volume.

Expenses

	Three months ended			% of Net Sales	
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022
Selling and administrative expenses	\$ 322	\$ 282	14 %	16.2 %	16.4 %
Advertising costs	186	156	19	9.3	9.1
Research and development costs	32	33	(3)	1.6	1.9

	Six months ended			% of Net Sales	
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022
Selling and administrative expenses	\$ 598	\$ 543	10 %	17.7 %	15.7 %
Advertising costs	351	317	11	10.4	9.2
Research and development costs	61	65	(6)	1.8	1.9

Selling and administrative expenses, as a percentage of net sales, decreased by 20 basis points and increased by 200 basis points in the current three and six month periods, respectively. The dollar increase in selling and administrative expenses in the current three month period was primarily due to incremental costs associated with the cyberattack and the Company's digital capabilities and productivity enhancements investment. The dollar increase in selling and administrative expenses in the current six month period was primarily due to incremental costs associated with the cyberattack, an arbitral decision related to a commercial dispute and the Company's digital capabilities and productivity enhancements investment.

For further information regarding the cyberattack and the Company's digital capabilities and productivity enhancements investment, see *Non-GAAP Financial Measures*.

Advertising costs, as a percentage of net sales, increased by 20 basis points and 120 basis points in the current three and six month periods versus the prior periods, respectively. The increase in advertising costs reflects the Company's continued support behind its brands. The Company's U.S. retail advertising spend as a percentage of net sales was 10% in the current and prior three month periods.

Research and development costs, both as a percentage of net sales and dollars, were essentially flat in both the current three and six month periods as compared to the prior periods. The Company continues to invest behind product innovation and cost savings.

RESULTS OF OPERATIONS (Continued)

Pension settlement charge, interest expense, other (income) expense, net and the effective tax rate on earnings

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Pension settlement charge	\$ 171	\$ —	\$ 171	\$ —
Interest expense	26	23	47	45
Other (income) expense, net	(7)	(4)	5	30
Effective tax rate on earnings	29.3 %	21.2 %	26.7 %	23.0 %

Pension settlement charge was \$171 in both the current three and six month periods and reflects the settlement of the domestic qualified pension plan. See Notes to Condensed Consolidated Financial Statements for further information.

Other (income) expense, net was (\$7) and (\$4) in the current and prior three month periods, respectively, and \$5 and \$30 in the current and prior six month periods, respectively. The variance between the current and prior three month periods was not significant. The variance between the current and prior six month periods was primarily due to restructuring and related implementation costs associated with the streamlined operating model incurred in the prior period and the sale-leaseback transaction recorded in the current period, partially offset by unfavorable foreign exchange rates primarily related to the Company's operations in Argentina in the current period.

Restructuring and related costs

In the first quarter of fiscal year 2023, the Company began recognizing costs related to a plan that involves streamlining its operating model to meet its objectives of driving growth and productivity. The streamlined operating model is expected to enhance the Company's ability to respond more quickly to changing consumer behaviors and innovate faster. The Company anticipates the implementation of this new model will be completed in fiscal year 2024, with different phases occurring throughout the implementation period.

Once fully implemented, the Company expects cost savings to be approximately \$75 to \$100 annually, with benefits of \$35 realized in fiscal year 2023 and benefits of approximately \$45 to \$50 anticipated in fiscal year 2024. The benefits of the streamlined operating model are currently expected to increase future cash flows as a result of cost savings that will be generated primarily in the areas of selling and administration, supply chain, marketing and research and development.

The Company incurred \$60 of costs in fiscal year 2023 and anticipates incurring approximately \$30 to \$40 of costs in fiscal year 2024 related to this initiative of which approximately \$5 to \$10 are expected to be employee-related costs to reduce certain staffing levels such as severance payments, with the remainder for consulting and other costs. Costs incurred are expected to be settled primarily in cash.

Restructuring and related implementation costs, net were \$3 for both the three and six months ended December 31, 2023, which was related to other costs. Restructuring and related implementation costs, net were \$4 and \$23 for the three and six months ended December 31, 2022, of which \$0 and \$16 was related to employee-related costs and \$4 and \$7 was related to other costs, respectively. For further details on the streamlined operating model and restructuring, refer to the notes to condensed consolidated financial statements.

The effective tax rate on earnings was 29.3% and 26.7% for the current three and six months periods, respectively, and 21.2% and 23.0% for the prior three and six months periods, respectively. The higher tax rate on earnings in both the three and six month periods was primarily driven by nonrecurring tax credits in the prior period, and lower compensation deductions and foreign income taxes in the current period.

Diluted net earnings per share

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Diluted net earnings per share	\$ 0.75	\$ 0.80	(6)%	\$ 0.92	\$ 1.49	(38)%

Diluted net earnings per share (EPS) decreased by \$0.05, or 6%, in the current three month period, primarily due to the pension settlement charge, unfavorable foreign exchange rates, higher selling and administrative expenses, advertising investments and cyberattack expenses, partially offset by net sales growth and higher gross margin.

RESULTS OF OPERATIONS (Continued)

Diluted EPS decreased by \$0.57, or 38%, in the current six month period, primarily due to the pension settlement charge, higher selling and administrative expenses, unfavorable foreign exchange rates and lower volume, partially offset by the benefits of pricing and higher gross margin.

SEGMENT RESULTS

The following presents the results of the Company's reportable segments and Corporate and Other (see notes to condensed consolidated financial statements for further discussion of the principle measure of segment profitability used by management, segment adjusted earnings (losses) before interest and income taxes (segment adjusted EBIT):

	Net sales			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Health and Wellness	\$ 720	\$ 577	\$ 1,224	\$ 1,234
Household	502	462	827	885
Lifestyle	403	332	632	652
International	311	286	581	571
Corporate and Other	54	58	112	113
Total	\$ 1,990	\$ 1,715	\$ 3,376	\$ 3,455

	Segment adjusted EBIT ⁽¹⁾			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Health and Wellness	\$ 259	\$ 124	\$ 363	\$ 257
Household	92	44	88	66
Lifestyle	109	74	128	134
International	32	24	66	47
Corporate and Other	(106)	(87)	(168)	(150)
Total	\$ 386	\$ 179	\$ 477	\$ 354
Interest income	7	3	17	5
Interest expense	(26)	(23)	(47)	(45)
Pension settlement charge	(171)	—	(171)	—
Cyberattack costs	(25)	—	(49)	—
Streamlined operating model	(3)	(4)	(3)	(23)
Digital capabilities and productivity enhancements investment	(32)	(25)	(59)	(45)
Earnings before income taxes	\$ 136	\$ 130	\$ 165	\$ 246

⁽¹⁾ See "Non-GAAP Financial Measures" below for reconciliation of segment adjusted EBIT to earnings (losses) before income taxes, the most directly comparable GAAP financial measure.

Health and Wellness

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net sales	\$ 720	\$ 577	25 %	\$ 1,224	\$ 1,234	(1)%
Segment adjusted EBIT	259	124	109	363	257	41

Volume, net sales and segment adjusted EBIT increased by 22%, 25% and 109% respectively, during the current three month period. The volume and net sales increases were primarily due to higher shipments resulting from the cyberattack recovery as retailers rebuilt inventory. The variance between volume and net sales was primarily due to the benefit of price increases. The increase in segment adjusted EBIT was primarily due to net sales growth and lower manufacturing and logistics costs.

Volume decreased by 6%, net sales were essentially flat and segment adjusted EBIT increased by 41%, respectively, during the current six month period. The volume decrease was primarily due to lower shipments as a result of the cyberattack and pricing

SEGMENT RESULTS (Continued)

actions. The variance between volume and net sales was primarily due to the benefit of price increases. The increase in segment adjusted EBIT in the current period was primarily due to lower manufacturing and logistics costs and the benefit of price increases.

Household

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net sales	\$ 502	\$ 462	9 %	\$ 827	\$ 885	(7)%
Segment adjusted EBIT	92	44	109	88	66	33

Volume, net sales and segment adjusted EBIT increased by 4%, 9% and 109%, respectively, during the current three month period. The volume and net sales increases were primarily due to higher shipments resulting from the cyberattack recovery as retailers rebuilt inventory. The variance between volume and net sales was primarily due to the benefit of price increases. The increase in segment adjusted EBIT was mainly due to net sales growth and cost savings.

Volume and net sales decreased by 12% and 7%, respectively, and segment adjusted EBIT increased by 33% during the current six month period. The volume decrease was primarily due to the impact of the cyberattack. The variance between volume and net sales was primarily due to the benefit of price increases. The increase in segment adjusted EBIT was mainly due to favorable price mix and cost savings, partially offset by lower volume.

Lifestyle

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net sales	\$ 403	\$ 332	21 %	\$ 632	\$ 652	(3)%
Segment adjusted EBIT	109	74	47	128	134	(4)

Volume, net sales and segment adjusted EBIT increased by 24%, 21% and 47% respectively, during the current three month period. The volume and net sales increases were primarily due to higher shipments resulting from the cyberattack recovery as retailers rebuilt inventory. The variance between volume and net sales was mainly due to unfavorable mix and higher trade promotion spending. The increase in segment adjusted EBIT was due to net sales growth partially offset by higher manufacturing and logistics costs.

Volume, net sales and segment adjusted EBIT decreased by 7%, 3% and 4% respectively, during the current six month period. The volume decrease was primarily due to the impact of the cyberattack. The variance between volume and net sales was mainly due to the benefit of price increases. The decrease in segment adjusted EBIT was primarily due to advertising investments and higher manufacturing and logistics costs, partially offset by favorable commodity costs.

International

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net sales	\$ 311	\$ 286	9 %	\$ 581	\$ 571	2 %
Segment adjusted EBIT	32	24	33	66	47	40

Volume, net sales and segment adjusted EBIT increased by 6%, 9% and 33%, respectively during the current three month period. The volume increase was primarily due to higher shipments resulting from the cyberattack recovery as retailers rebuilt inventory. The variance between volume and net sales was mainly due to the benefit of price increases, partially offset by unfavorable foreign exchange rates. The increase in segment adjusted EBIT was primarily due to net sales growth partially offset by unfavorable foreign exchange rates.

Volume decreased by 4%, and net sales and segment adjusted EBIT increased by 2% and 40% respectively, in the current six month period. The volume decrease was primarily due to the impact of the cyberattack. The variance between volume and net sales was mainly due to the benefit of price increases, partially offset by unfavorable foreign exchange rates. The increase in segment adjusted EBIT was primarily due to the net impact of pricing, partially offset by unfavorable foreign exchange rates, higher manufacturing and logistics costs and unfavorable commodity costs.

SEGMENT RESULTS (Continued)

Argentina

Effective July 1, 2018, under the requirements of U.S. GAAP, Argentina was designated as a highly inflationary economy, and as a result the U.S. dollar replaced the Argentine peso as the functional currency of the Company's subsidiaries in Argentina. Consequently, gains and losses from non-U.S. dollar denominated monetary assets and liabilities of Clorox Argentina are recognized in Other (income) expense, net in the condensed consolidated statement of earnings, utilizing the official Argentine government exchange rate.

The business environment in Argentina continues to be challenging due to significant volatility in Argentina's currency, high inflation, and economic recession. In December 2023, the new Argentine government announced broad economic policy changes, including repealing price controls, and a devaluation in the official Argentine government exchange rate, which had the effect of narrowing the spread between the official rate and the unofficial parallel rate. As of December 31, 2023 and June 30, 2023, the net asset position, excluding goodwill, of Clorox Argentina was \$33 and \$48, respectively. Of these net assets, cash balances were approximately \$15 and \$28 as of December 31, 2023 and June 30, 2023, respectively. Net sales from Clorox Argentina represented approximately 2% of the Company's consolidated net sales for both the six months ended December 31, 2023 and the fiscal year ended June 30, 2023.

For additional information on the impacts of, and our response to, the business environment in Argentina, refer to "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023.

Corporate and Other

Corporate and Other includes certain non-allocated administrative costs, the VMS business and various other non-operating income and expenses.

	Three months ended			Six months ended		
	12/31/2023	12/31/2022	% Change	12/31/2023	12/31/2022	% Change
Net Sales	\$ 54	\$ 58	(7)%	\$ 112	\$ 113	(1)%
Segment adjusted EBIT	(106)	(87)	22	\$ (168)	\$ (150)	12

Net sales decreased by 7% and 1% in the current three and six month periods, respectively, due to lower net sales in the VMS business. Segment adjusted EBIT decreased by 22% and 12% in the current three and six month periods, respectively, primarily due to foreign exchange losses on Corporate and Other assets related to operations in Argentina.

FINANCIAL POSITION AND LIQUIDITY

The Company's financial condition and liquidity remained strong as of December 31, 2023. The following table summarizes cash activities:

	Six months ended	
	12/31/2023	12/31/2022
Net cash provided by operations	\$ 173	\$ 387
Net cash used for investing activities	(56)	(87)
Net cash used for financing activities	(104)	(315)

Operating Activities

Net cash provided by operations was \$173 in the current six month period, compared with \$387 in the prior six month period. The decrease was primarily driven by higher tax and employee incentive compensation payments in the current six month period and an increase in working capital; partially by higher cash earnings in the current six month period. The increase in tax payments made in the current period was primarily driven by payment of fiscal year 2023 income taxes previously deferred as a result of the relief provided by the IRS announced in January 2023 due to winter storms in California. The increase in working capital in the current six month period is primarily due to increased Accounts Receivable due to timing, partially offset by lower inventory due to higher shipments as retailers rebuild inventories; both as part of the recovery from the cyberattack.

Payment Terms Extension and Supply Chain Financing

The Company initiated the extension of its payment terms with its suppliers in the second half of fiscal year 2020 in order to improve working capital as part of and to fund the IGNITE strategy and in keeping with evolving market practices. The Company's current payment terms do not exceed 120 days in keeping with industry standards. The Company's operating cash flows are directly impacted as a result of the extension of payment terms with suppliers.

FINANCIAL POSITION AND LIQUIDITY (Continued)

As part of those ongoing efforts, the Company has arranged for a global financial institution to offer a voluntary supply chain finance (SCF) program for the benefit of the Company's suppliers. There would not be an expected material impact to the Company's liquidity or capital resources if the financial institution or a supplier terminated the SCF arrangement. While the Company does not have direct access to information on, or influence over, which invoices a participating supplier elects to sell to the financial institution, the Company expects that the majority of these amounts have been sold to the financial institution. Refer to the notes to the condensed consolidated financial statements for detail on the SCF program.

Investing Activities

Net cash used for investing activities was \$56 in the current six month period, compared with \$87 in the prior six month period. The year-over-year decrease was mainly due to cash proceeds from a sale-leaseback transaction and lower capital spending in the current six month period..

Financing Activities

Net cash used for financing activities was \$104 in the current six month period, compared with \$315 in the prior six month period. The year-over-year increase was mainly due to higher cash sourced from short term borrowings in the current six month period.

Capital Resources and Liquidity

The Company's current liabilities may periodically exceed current assets as a result of the Company's debt management policies, including the Company's use of commercial paper borrowings which fluctuates depending on the amount and timing of operating and investing cash flows and payments for shareholder transactions such as dividends. The Company continues to take actions to address some of the effects of such cost increases, which include implementing price increases, driving cost savings and optimizing the Company's supply chain.

Notwithstanding potential unforeseen adverse market conditions and as part of the Company's regular assessment of its cash needs, the Company believes it will have the funds necessary to support its short- and long-term liquidity and operating needs, including the costs related to the announced streamlined operating model and its digital capabilities and productivity enhancements investment, as well as the costs and impacts of the business disruption associated with the cyberattack, based on our anticipated ability to generate positive cash flows from operations in the future, access to capital markets enabled by our strong short-term and long-term credit ratings and current borrowing availability.

Credit Arrangements

As of December 31, 2023, the Company maintained a \$1,200 revolving credit agreement that matures in March 2027 (the Credit Agreement). There were no borrowings under the Credit Agreement as of December 31, 2023 and June 30, 2023, 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 other similar noncash charges and certain other items (Consolidated EBITDA) to total interest expense for the trailing four quarters (Interest Coverage ratio), as defined and described in the Credit Agreement.

The Company was in compliance with all restrictive covenants and limitations in the Credit Agreement as of December 31, 2023 and anticipates being in compliance with all restrictive covenants for the foreseeable future.

As of December 31, 2023, the Company maintained \$34 of foreign and other credit lines, of which \$7 was outstanding.

Stock Repurchases and Dividend Payments

As of December 31, 2023, the Company had two stock repurchase programs: an open-market purchase program with an authorized aggregate purchase amount of up to \$2,000, which has no expiration date, and a program to offset the anticipated impact of dilution related to stock-based awards (the Evergreen Program), which has no authorization limit on the dollar amount and no expiration date. There were no share repurchases of common stock during both the three and six months ended December 31, 2023 and 2022, respectively.

Dividends per share declared and total dividends paid to Clorox stockholders were as follows for the periods indicated:

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Dividends per share declared	\$ 1.20	\$ 1.18	\$ 3.60	\$ 3.54
Total dividends paid	149	146	298	291

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 that are 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.

Adjusted earnings (losses) before interest and income taxes (adjusted EBIT) represents earnings (losses) before income taxes excluding interest income, interest expense and other significant items that are nonrecurring or unusual (such as the pension settlement charge, incremental costs related to the cyberattack, asset impairments, charges related to the streamlined operating model, charges related to the digital capabilities and productivity enhancements investment, significant losses/(gains) related to acquisitions and other nonrecurring or unusual items impacting comparability). The Company uses this measure to assess the operating results and performance of its segments, perform analytical comparisons, identify strategies to improve performance, and allocate resources to each segment. Management believes that the presentation of adjusted EBIT is useful to investors to assess operating performance on a consistent basis by removing the impact of the items that management believes does not directly reflect the performance of each segment's underlying operations. Adjusted EBIT margin is the ratio of adjusted EBIT to net sales.

	Reconciliation of earnings (losses) before income taxes to adjusted EBIT			
	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Earnings (losses) before income taxes	\$ 136	\$ 130	\$ 165	\$ 246
Interest income	(7)	(3)	(17)	(5)
Interest expense	26	23	47	45
Pension settlement charge ⁽¹⁾	171	—	171	—
Cyberattack costs ⁽²⁾	25	—	49	—
Streamlined operating model ⁽³⁾	3	4	3	23
Digital capabilities and productivity enhancements investment ⁽⁴⁾	32	25	59	45
Adjusted EBIT	\$ 386	\$ 179	\$ 477	\$ 354

- ⁽¹⁾ Represents costs related to settlement of the domestic qualified pension plan. Due to the nature, scope and magnitude of these costs, the Company's management believes presenting these costs as an adjustment in the non-GAAP results provides additional information to investors about trends in the Company's operations and is useful for period over period comparisons. It also allows investors to view underlying operating results in the same manner as they are viewed by Company management. See notes to condensed consolidated financial statements for additional information.
- ⁽²⁾ Represents incremental costs incurred as a result of the cyberattack the Company experienced beginning in the first quarter of fiscal year 2024. Due to the nature, scope and magnitude of these costs, the Company's management believes presenting these costs as an adjustment in the non-GAAP results provides additional information to investors about trends in the Company's operations and is useful for period over period comparisons. It also allows investors to view underlying operating results in the same manner as they are viewed by Company management. See notes to condensed consolidated financial statements for additional information.
- ⁽³⁾ Represents restructuring and related implementation costs, net for the streamlined operating model. Due to the nonrecurring and unusual nature of these costs, the Company's management believes presenting these costs as an adjustment in the non-GAAP results provides additional information to investors about trends in the Company's operations and is useful for period over period comparisons. It also allows investors to view underlying operating results in the same manner as they are viewed by Company management. See notes to condensed consolidated financial statements for additional information.
- ⁽⁴⁾ Represents expenses related to the Company's digital capabilities and productivity enhancements investment. Due to the nature, scope and magnitude of this investment, these costs are considered by management to represent incremental transformational costs above the historical normal level of spending for information technology to support operations. Since these strategic investments, including incremental operating costs, will cease at the end of the investment period, are not expected to recur in the foreseeable future and are not considered representative of the Company's underlying operating performance, the Company's management believes presenting these costs as an adjustment in the non-GAAP results provides additional information to investors about trends in the Company's operations and is useful for period-over-period comparisons. It also allows investors to view underlying operating results in the same manner as they are viewed by Company management.

Of the total \$500 million investment, approximately 65% is expected to represent incremental operating costs primarily recorded within selling and administrative expenses to be adjusted from reported Earnings (losses) before income taxes for purposes of disclosing adjusted EBIT over the course of the next five years. About 70% of these operating costs are expected to be related to the implementation of the ERP, with the remaining costs primarily related to the implementation of complementary technologies.

During the three months ended December 31, 2023 and 2022, the Company incurred approximately \$32 and \$25, respectively, of operating expenses related to its digital capabilities and productivity enhancements investment. During the six months ended December 31, 2023 and 2022, the Company incurred approximately \$59 and \$45, respectively, of operating expenses related to its digital capabilities and productivity enhancements investment. The expenses relate to the following:

NON-GAAP FINANCIAL MEASURES (Continued)

	Three months ended		Six months ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
External consulting fees ⁽¹⁾	\$ 25	\$ 20	\$ 46	\$ 36
IT project personnel costs ⁽²⁾	2	1	4	2
Other ⁽³⁾	5	4	9	7
Total	\$ 32	\$ 25	\$ 59	\$ 45

⁽¹⁾ Comprised of third-party consulting fees incurred to assist in the project management and the preliminary project stage of this transformative investment. The Company relies on consultants for certain capabilities required for these programs that the Company does not maintain internally. These costs support the implementation of these programs incremental to the Company's normal IT costs and will not be incurred following implementation.

⁽²⁾ Comprised of labor costs associated with internal IT project management teams that are utilized to oversee the new system implementations. Given the magnitude and transformative nature of the implementations planned, the necessary project management costs are incremental to the historical levels of spend and will no longer be incurred subsequent to implementation. As a result of this long-term strategic investment, the Company considers these costs not reflective of the ongoing costs to operate its business.

⁽³⁾ Comprised of various other expenses associated with the Company's new system implementations, including Company personnel dedicated to the project that have been backfilled with either permanent or temporary resources in positions that are considered part of normal operating expenses.

Organic sales growth / (decrease) is defined as net sales growth / (decrease) excluding the effect of foreign exchange rate changes and any acquisitions and divestitures. Management believes that the presentation of organic sales growth / (decrease) is useful to investors because it excludes sales from any acquisitions and divestitures, which results in a comparison of sales only from the businesses that the Company was operating and expects to continue to operate throughout the relevant periods, and the Company's estimate of the impact of foreign exchange rate changes, which are difficult to predict and out of the control of the Company and management.

The following table provides a reconciliation of organic sales growth / (decrease) (non-GAAP) to net sales growth / (decrease) (GAAP), the most comparable GAAP measure:

Three months ended December 31, 2023 Percentage change versus the year-ago period					
	Health and Wellness	Household	Lifestyle	International	Total Company ⁽¹⁾
Net sales growth / (decrease) (GAAP)	25 %	9 %	21 %	9 %	16 %
Add: Foreign Exchange	—	—	—	22	4
Add/(Subtract): Divestitures / Acquisitions	—	—	—	—	—
Organic sales growth / (decrease) (non-GAAP)	25 %	9 %	21 %	31 %	20 %

Six months ended December 31, 2023 Percentage change versus the year-ago period					
	Health and Wellness	Household	Lifestyle	International	Total Company ⁽¹⁾
Net sales growth / (decrease) (GAAP)	(1)%	(7)%	(3)%	2 %	(2)%
Add: Foreign Exchange	—	—	—	18	3
Add/(Subtract): Divestitures / Acquisitions	—	—	—	—	—
Organic sales growth / (decrease) (non-GAAP)	(1)%	(7)%	(3)%	20 %	1 %

⁽¹⁾ Total Company includes Corporate and Other.

CAUTIONARY STATEMENT

This 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, including, among others, statements regarding the expected or potential impact of the Company's operational disruption stemming from a cyberattack, and any such forward-looking statements involve risks, assumptions and uncertainties. Except for historical information, statements about future volumes, sales, organic sales growth, foreign currencies, costs, cost savings, margins, earnings, earnings per share, diluted earnings per share, foreign currency exchange rates, tax rates, cash flows, plans, objectives, expectations, growth or profitability are forward-looking statements

CAUTIONARY STATEMENT (Continued)

based on management's estimates, beliefs, assumptions and projections. Words such as "could," "may," "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," "will," "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 Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2023 and Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023, and in this Report, as updated from time to time in the Company's Securities and Exchange Commission filings. These factors include, but are not limited to:

- our recovery from the cyberattack, unfavorable general economic and geopolitical conditions beyond our control, including supply chain disruptions, labor shortages, wage pressures, rising inflation, the interest rate environment, fuel and energy costs, foreign currency exchange rate fluctuations, weather events or natural disasters, disease outbreaks or pandemics, such as COVID-19, terrorism, and unstable geopolitical conditions, including ongoing conflicts in the Middle East and Ukraine and rising tensions between China and Taiwan, as well as macroeconomic and geopolitical volatility and uncertainty as a result of a number of these and other factors, including actual and potential shifts between the U.S. and its trading partners, especially China;
- volatility and increases in the costs of raw materials, energy, transportation, labor and other necessary supplies or services;
- the impact of the changing retail environment, including the growth of alternative retail channels and business models, and changing consumer preferences;
- the ability of the Company to drive sales growth, increase prices and market share, grow its product categories and manage favorable product and geographic mix;
- risks related to supply chain issues, product shortages and disruptions to the business, as a result of increased supply chain dependencies due to an expanded supplier network and a reliance on certain single-source suppliers;
- intense competition in the Company's markets;
- risks related to the Company's use of and reliance on information technology systems, including potential and actual security breaches, cyberattacks, privacy breaches or data breaches that result in the unauthorized disclosure of consumer, customer, employee or Company information, business, service or operational disruptions, or that impact the Company's financial results or financial reporting, or any resulting unfavorable outcomes, increased costs or legal proceedings;
- the ability of the Company to implement and generate cost savings and efficiencies, and successfully implement its transformational initiatives or strategies, including achieving anticipated benefits and cost savings from the implementation of the streamlined operating model and digital capabilities and productivity enhancements;
- dependence on key customers and risks related to customer consolidation and ordering patterns;
- the Company's ability to attract and retain key personnel, which may continue to be impacted by challenges in the labor market, such as wage inflation and sustained labor shortages;
- the Company's ability to maintain its business reputation and the reputation of its brands and products;
- lower revenue, increased costs or reputational harm resulting from government actions and compliance with regulations, or any material costs imposed by changes in regulation;
- changes to our processes and procedures as a result of our digital capabilities and productivity enhancements investment that may result in changes to the Company's internal controls over financial reporting;
- the ability of the Company to successfully manage global political, legal, tax and regulatory risks, including changes in regulatory or administrative activity;
- risks related to international operations and international trade, including changing macroeconomic conditions as a result of inflation, volatile commodity prices and increases in raw and packaging materials prices, labor, energy and logistics; global economic or political instability; foreign currency fluctuations, such as devaluations, and foreign currency exchange rate controls; changes in governmental policies, including trade, travel or immigration restrictions, new or additional tariffs, and price or other controls; labor claims and civil unrest; continued high levels of inflation in

CAUTIONARY STATEMENT (Continued)

Argentina; potential operational or supply chain disruptions from wars and military conflicts, including ongoing conflicts in the Middle East and Ukraine and rising tensions between China and Taiwan; impact of the United Kingdom's exit from the European Union; 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; widespread health emergencies, such as COVID-19; and the possibility of nationalization, expropriation of assets or other government action;

- the impact of Environmental, Social, and Governance (ESG) issues, including those related to climate change and sustainability on our sales, operating costs or reputation;
- the ability of the Company to innovate and to develop and introduce commercially successful products, or expand into adjacent categories and countries;
- the impact of product liability claims, labor claims and other legal, governmental or tax proceedings, including in foreign jurisdictions and in connection with any product recalls;
- the COVID-19 pandemic and related impacts, including on the availability of, and efficiency of the supply, manufacturing and distribution systems for, the Company's products, including any significant disruption to such systems; on the demand for and sales of the Company's products; and on worldwide, regional and local adverse economic conditions;
- risks relating to acquisitions, new ventures and divestitures, and associated costs, including for asset impairment charges related to, among others, intangible assets, including trademarks and goodwill, in particular the impairment charges related to the carrying value of the Company's VMS business; and the ability to complete announced transactions and, if completed, integration costs and potential contingent liabilities related to those transactions;
- the accuracy of the Company's estimates and assumptions on which its financial projections, including any sales or earnings guidance or outlook it may provide from time to time, are based;
- risks related to increases in the estimated fair value of P&G's interest in the Glad business;
- 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 Company's ability to effectively utilize, assert and defend its intellectual property rights, and any infringement or claimed infringement by the Company of third-party intellectual property rights;
- the performance of strategic alliances and other business relationships;
- the effect of the Company's indebtedness and credit rating on its business operations and financial results and the Company's ability to access capital markets and other funding sources, as well as the cost of capital to the Company;
- the Company's ability to pay and declare dividends or repurchase its stock in the future;
- the impacts of potential stockholder activism; and
- risks related to any litigation associated with the exclusive forum provision in the Company's bylaws.

The Company's forward-looking statements in this Report are based on management's current views, beliefs, assumptions and expectations regarding future events and speak only as of the date of this Report. 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, 2023. 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, 2023.

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 second fiscal quarter of the fiscal year ending June 30, 2024, that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

On Monday, August 14, 2023, the Company disclosed it had identified unauthorized activity on some of its Information Technology (IT) systems; see Note 2 in the condensed consolidated financial statements in this Report. That activity began on Friday, August 11, 2023 and after becoming aware of it that evening, the Company immediately began taking steps to stop and remediate the activity. The Company also took certain systems offline and engaged third-party cybersecurity experts to support its investigation and recovery efforts. The Company implemented its business continuity plans, including manual ordering and processing procedures at a reduced rate of operations in order to continue servicing its customers. However, the incident resulted in wide-scale disruptions to the Company's business operations throughout the remainder of the first fiscal quarter of the fiscal year ending June 30, 2024.

During the disruptions caused by the cyberattack, we deployed additional interim controls in response to taking certain systems offline during the period to maintain our 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, 2023, as supplemented by Item 1.A. in the Company’s Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2023, and the information in “Cautionary Statement” included in this Report.

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

In May 2018, the Board of Directors authorized the Company to repurchase up to \$2,000 million in shares of common stock on the open market (the 2018 Open-Market Program), which has no expiration date.

In August 1999, the Board of Directors authorized a stock repurchase program to reduce or eliminate dilution upon the issuance of common stock pursuant to the Company’s stock compensation plans (the Evergreen Program). In November 2005, the Board of Directors authorized the extension of the Evergreen Program to reduce or eliminate dilution in connection with issuances of common stock pursuant to the Company’s 2005 Stock Incentive Plan. The Evergreen Program has no expiration date and has no specified limit as to dollar amount and therefore is not included in column [d] below.

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 second quarter of fiscal year 2024.

	[a]	[b]	[c]	[d]
Period	Total Number of Shares Purchased	Average Price Paid per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
October 1 to 31, 2023	—	\$ —	—	\$993 million
November 1 to 30, 2023	—	—	—	\$993 million
December 1 to 31, 2023	—	—	—	\$993 million
Total	—	\$ —	—	

⁽¹⁾ Average price paid per share in the period includes commission.

Item 5. Other Information

During the three months ended December 31, 2023, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange act or any “non-Rule 10b5-1 trading arrangement,” as defined in Item 408(c) of Regulation S-K.

Item 6. Exhibits

See Exhibit Index below, which is incorporated by reference herein.

EXHIBIT INDEX

Exhibit Number	Exhibit Description
10.1	<u>The Clorox Company First Amended and Restated Executive Retirement Plan, effective November 14, 2023</u>
10.2	<u>Form of Performance Share Award Agreement under the Company's 2005 Stock Incentive Plan for awards made in 2023</u>
10.3	<u>Form of Nonqualified Stock Option Award Agreement under the Company's 2005 Stock Incentive Plan for awards made in 2023</u>
10.4	<u>Form of Restricted Stock Unit Award Agreement under the Company's 2005 Stock Incentive Plan (Annual Grant) for awards made in 2023</u>
10.5	<u>Form of Restricted Stock Unit Award Agreement under the Company's 2005 Stock Incentive Plan (Off-Cycle Grant) for awards made in 2023</u>
31.1	<u>Certification by the Chief Executive Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2	<u>Certification by the Chief Financial Officer of the Company Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32	<u>Certification by the Chief Executive Officer and Chief Financial Officer of the Company Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and included in Exhibit 101).

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: February 1, 2024

BY /s/ Laura Peck
Laura Peck
Vice President – Chief Accounting Officer and Corporate Controller

**THE CLOROX COMPANY
FIRST AMENDED AND RESTATED
EXECUTIVE RETIREMENT PLAN
(Effective November 14, 2023)**

**ARTICLE I.
PURPOSE**

This Plan is designed to provide for additional retirement benefits for selected executives of The Clorox Company. This Plan was originally adopted effective as of July 1, 2011 and was amended with respect to subsequent elections effective as of July 1, 2016. This Plan is hereby amended and restated as set forth herein effective as of November 14, 2023, except as otherwise expressly set forth herein.

This Plan is intended to be a plan that is unfunded and that is maintained by The Clorox Company primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees within the meaning of the Employee Retirement Income Security Act. This Plan also is intended to comply with the requirements of Section 409A of the Code.

**ARTICLE II.
DEFINITIONS**

In this Plan, the following terms have the meanings indicated below.

2.01 “Account” means a bookkeeping entry used to record deferrals and contributions made on a Participant’s behalf under Article III of the Plan and gains and losses credited to these deferrals and contributions under Article IV of the Plan.

2.02 “Beneficiary” means the person or persons, natural or otherwise, designated in writing, to receive a Participant’s vested Account if the Participant dies before distribution of his or her entire vested Account. A Participant may designate one or more primary Beneficiaries and one or more secondary Beneficiaries. A Participant’s Beneficiary designation will be made pursuant to such procedures as the Committee may establish, and delivered to the Committee before the Participant’s death. The Participant may revoke or change this designation at any time before his or her death by following such procedures as the Committee may establish. If the Committee has not received a Participant’s Beneficiary designation before the Participant’s death or if the Participant does not otherwise have an effective Beneficiary designation on file when he or she dies, the Participant’s vested Account will be distributed to the Participant’s spouse if surviving at the Participant’s death, or if there is no such spouse, the Participant’s children in equal shares, or if none, the Participant’s estate.

2.03 “Board” means the Board of Directors of the Company.

2.04 “Change in Control” means:

(a) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of (i) 50% of either the total fair market value or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”), or (ii) during a 12 month period ending on the date of the most recent acquisition by such Person, 30% of the Outstanding Company Voting Securities; provided, however, that for purposes of this subsection (a), the following acquisitions shall not constitute a Change in Control: (i) any acquisition directly from the Company, (ii) any acquisition by the Company, including any acquisition which by reducing the number of shares outstanding, is the sole cause for increasing the percentage of shares beneficially owned by any such Person to more than the applicable percentage set forth above, (iii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company or (iv) any acquisition by any corporation pursuant to a transaction which complies with clauses (i), (ii) and (iii) of subsection (c) of this Section 2.05; or

(b) Individuals who, as of the Effective Date, constitute the Board (the “Incumbent Board”) cease for any reason within any period of 12 months to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Effective Date whose election, or nomination for election by the Company’s stockholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board, shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or

(c) Consummation by the Company of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company or the acquisition of assets of another corporation (a “Business Combination”), in each case, unless, following such Business Combination, (i) more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) is represented by Outstanding Company Common Stock and Outstanding Company Voting Securities, respectively, that were outstanding immediately prior to such Business Combination (or, if applicable, is represented by shares into which such Outstanding Company Common Stock and Outstanding Company Voting Securities were converted pursuant to such Business Combination) and such ownership of common stock and voting power among the holders thereof is in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be, (ii) no Person (excluding any employee benefit plan (or related trust) of the Company or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination and (iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination

Notwithstanding any other provision in this Section 2.05, any transaction defined in Section 2.05(a) through (c) above that does not constitute a “change in the ownership or effective control” of the Company, or “change in the ownership of a substantial portion of the assets” of the Company within the meaning of Treasury Regulations 1.409A-3(a)(5) and 1.409A-3(i)(5) shall not be treated as a Change in Control for purposes of this Plan.

2.05 “Code” means the Internal Revenue Code of 1986, as amended.

2.06 “Committee” means the Management Development and Compensation Committee of the Company’s Board of Directors. The Committee has full, discretionary authority to administer and interpret the Plan, to determine eligibility for Plan benefits, to select employees for Plan participation, and to correct errors. The Committee may delegate its duties and responsibilities and, unless the Committee expressly provides to the contrary, any such delegation will carry with it the Committee’s full discretionary authority to accomplish the delegation. Decisions of the Committee and its delegate will be final and binding on all persons.

2.07 “Company” means The Clorox Company, a Delaware corporation.

2.08 “Disability” means the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under the Company’s insurance plans.

2.09 “Effective Date” means November 14, 2023.

2.10 “Eligible Employee” means an employee of the Company or of a Subsidiary who has been selected by the Committee, and notified by the Company of eligibility, for Plan participation. Unless otherwise determined by the Committee, an individual will cease to be an Eligible Employee on the earliest of (i) the date the individual ceases to be employed by the Company and all Subsidiaries, (ii) the date the Plan is terminated, or (iii) the date the Committee, in its discretion, determines that the individual is no longer an Eligible Employee. In addition to the foregoing, the Committee may, in its discretion, deny eligibility to any employee or group of employees who may previously have been Eligible Employees.

2.11 “Employer” means the entity for whom services are performed and with respect to whom the legally binding right to compensation arises, and all entities with whom such entity would be considered a single employer under Section 414(b) of the Code; provided that in applying Section 1563(a)(1), (2), and (3) of the Code for purposes of determining a controlled group of corporations under Section 414(b) of the Code, the language “at least 50 percent” is used instead of “at least 80 percent” each place it appears in Section 1563(a)(1), (2), and (3) of the Code, and in applying Treasury Regulation § 1.414(c)-2 for purposes of determining trades or businesses (whether or not incorporated) that are under common control for purposes of Section 414(c) of the Code, “at least 50 percent” is used instead of “at least 80 percent” each place it appears in Treasury Regulation § 1.414(c)-2; provided, however, “at least 20 percent” shall replace “at least 50 percent” in the preceding clause if there is a legitimate business criteria for using such lower percentage.

2.12 “Exchange Act” means the Securities Exchange Act of 1934, as amended.

2.13 “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

2.14 “Identification Date” means each December 31.

2.15 “Measuring Fund” means one or more of the investment funds selected by the Committee pursuant to Article IV.

2.16 “Participant” means a current or former Eligible Employee who retains an Account and/or has been selected by the Committee as eligible to receive contributions pursuant to Section 3.01.

2.17 “Plan” means The Clorox Company Executive Retirement Plan, as amended from time to time.

2.18 “Plan Year” means a calendar year.

2.19 “Retirement Contribution” means a contribution credited to a Participant’s Account by the Company pursuant to Section 3.01.

2.20 “Section 409A” means Section 409A of the Code, as the same may be amended from time to time, and any successor statute to such section of the Code. References to Section 409A or any requirement under Section 409A, as the same may be interpreted, construed or applied to this Plan at any particular time, shall be deemed to mean and include, to the extent then applicable and then in force and effect (but not to the extent overruled, limited or superseded), published rulings and similar announcements issued by the Internal Revenue Service under or interpreting Section 409A, regulations issued by the Secretary of the Treasury under or interpreting Section 409A, decisions by any court of competent jurisdiction involving a Participant or a Beneficiary and any closing agreement made under Section 7121 of the Code that is approved by the Internal Revenue Service and involves a Participant, all as determined by the Board in good faith, which determination may (but shall not be required to) be made in reliance on the advice of such tax counsel or other tax professional(s) with whom the Board from time to time may elect to consult with respect to any such matter.

2.21 “Separation from Service” means termination of employment with the Employer, other than by reason of death. A Participant shall not be deemed to have Separated from Service if the Participant continues to provide services to the Company or any of its Subsidiaries in a capacity other than as an employee and if the former employee is providing services at an annual rate that is fifty percent or more of the services rendered, on average, during the immediately preceding thirty-six months of employment with the Employer (or if employed by the Employer less than thirty-six months, such lesser period); provided, however, that a Separation from Service will be deemed to have occurred if a Participant’s service with the Employer is reduced to an annual rate that is less than twenty percent of the services rendered, on average, during the immediately preceding thirty-six months of employment with the Employer (or if employed by the Employer less than thirty-six months, such lesser period).

2.22 “Specified Employee” means a Participant who, on an Identification Date, is a “Specified Employee” as such term is defined in Section 409A. As of the Effective Date, a Specified Employee is:

(a) An officer of the Company having annual compensation greater than the compensation limit in Section 416(i)(1)(A)(i) of the Code, provided that no more than fifty officers of the Company shall be determined to be Specified Employees as of any Identification Date;

(b) A five percent owner of the Company regardless of compensation; or

(c) A one percent owner of the Company having annual compensation from the Company of more than \$150,000.

If a Participant is identified as a Specified Employee on an Identification Date, then such Participant shall be considered a Specified Employee for purposes of the Plan during the period beginning on the first April 1 following the Identification Date and ending on the next March 31.

2.23 “Subsidiary” means shall mean any entity (other than the Company) in an unbroken chain of entities beginning with the Company, provided each entity (other than the last entity) in the unbroken chain owns, at the time of the determination, stock possessing fifty percent (50%) or more of the total combined voting power of all classes of equity in one of the other entities in such chain.

2.24 “Unforeseeable Emergency” shall have the meaning given to it in Section 409A. As of the Effective Date, the term means a severe financial hardship to the Participant or Beneficiary resulting from:

(a) An illness or accident of the Participant or Beneficiary, the Participant’s or Beneficiary’s spouse, or the Participant’s or Beneficiary’s dependent (as defined in Section 152(a) of the Code); or

(b) Loss of the Participant’s property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance); or

- (c) Other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

Hardship shall not constitute an Unforeseeable Emergency under the Plan to the extent that it is, or may be, relieved by:

- (x) Reimbursement or compensation, by insurance or otherwise;

(y) Liquidation of the Participant's assets to the extent that the liquidation of such assets would not itself cause severe financial hardship. Such assets shall include but not be limited to stock options, Company stock, and 401(k) plan balances; or

- (z) Cessation of deferrals under the Plan.

An Unforeseeable Emergency under the Plan does not include (among other events):

- (A) Sending a child to college; or

- (B) Purchasing a home.

ARTICLE III. CONTRIBUTIONS

3.01 Retirement Contributions. Accounts for the Participants may be credited with discretionary contributions as described below.

(a) Contributions. For each Plan Year of the Company or at such other times as the Committee may determine, the Company may credit a Participant with a discretionary contribution under the Plan. Such Retirement Contribution, if any, and the amount thereof, will be determined in the sole and absolute discretion of the Committee, and to such Participants or groups or categories of Participants as shall be determined in the sole and absolute discretion of the Company.

- (b) Crediting. Retirement Contributions will be credited to Participants' Accounts as of the date specified by the Committee.

(c) Vesting. Unless otherwise determined by the Committee or provided elsewhere in the Plan, Participants will vest in their Retirement Contributions one-third on each December 31 of the first three Plan Years immediately following the end of the Plan Year with respect to which the applicable Retirement Contribution is made, subject to the Participant's continued employment with the Company through the applicable vesting date; provided, however, that from and after the date a Participant attains the earlier of (1) twenty (20) or more years of "vesting service," which solely for purposes of this Plan, 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 Participant with respect to the 401(k) Plan ("Vesting Service") or (2) age fifty-five with ten (10) or more years of Vesting Service, the Participant will be considered fully vested in all Retirement Contributions under the Plan. Furthermore, in the event of a Participant's Separation from Service by reason of his or her death or Disability, all unvested Retirement Contributions shall become immediately and fully vested as of immediately prior to such Separation from Service.

ARTICLE IV. EARNINGS

4.01 General. A Participant's Account shall be credited with earnings in accordance with this Article IV.

4.02 Investment Options. The Committee shall select the Measuring Funds whose performance will measure the amounts to be credited under Section 4.03 to the Participants' Accounts. The selection of Measuring Funds shall be for bookkeeping purposes only, and the Company shall not be obligated actually to invest any money in the Measuring Funds, or to acquire or maintain any actual investment. The Committee may, in its discretion, change its selection of the Measuring Funds at any time. If a Participant has elected pursuant to this Section 4.02 to invest all or a portion of his Account in a Measuring Fund which the Committee decides to discontinue, such portion of his Account shall be invested after such discontinuance in the continuing Measuring Fund which the Committee determines, in its discretion, most nearly resembles the discontinued Measuring Fund. The Committee shall provide each Participant with a list of the Measuring Funds available for hypothetical investment, and the Participant shall designate, on a form provided by the Committee, one or more of such Measuring Funds in which his Account will be deemed to be invested. The Committee, in its discretion, shall designate the times, procedures and limitations for the designation of hypothetical investments by Participants of their Accounts among the Measuring Funds (including, but not limited to, the times when a Participant may change his hypothetical investments, the increments (expressed as a dollar amount or as a percentage of the Participant's Account) in which a Participant may choose to make a hypothetical investment in a Measuring Fund, and any minimum increment (expressed as a dollar amount or as a percentage of the Participant's Account) that may be deemed to be invested in a Measuring Fund); provided, however, that a Participant may make a selection of a hypothetical investment in a Measuring Fund on a prospective basis only.

4.03 Earnings Credits. The Committee shall determine, in its discretion, the exact times and methods for crediting or charging each Participant's Account with the earnings, gains, losses, and changes in value of the Measuring Funds selected by the Participant. The Committee may, at any time, change the timing or methods for crediting or debiting earnings, gains, losses, and changes in value of Measuring Funds.

ARTICLE V. DISTRIBUTIONS

5.01 Distribution Elections.

(a) Initial Election. Upon commencement of participation in the Plan and for each subsequent Plan Year, prior to the commencement of such Plan Year, a Participant will elect, in writing, which of the distribution options described in Section 5.02 will govern payment of the deferrals and applicable earnings credited thereon to Participant's Account for the following Plan Year. Subject to Section 5.01(b) below, the election made under this subsection (a) shall be irrevocable as of the first day of the applicable Plan Year.

(b) Subsequent Election. A Participant may change the form of a distribution election with respect to all or a portion of his or her Account by submitting the change to the Committee, in writing, at least one calendar year before the originally scheduled distribution date. Unless otherwise approved by the Administrator in its sole discretion, only one change election under this paragraph (b) can be made for amounts credited to a Participant's Account for any specific Plan Year. Any such change election will defer the timing of commencement of the distribution for five years after the originally scheduled distribution date. A change election made under this paragraph (b) shall be irrevocable as of the date that is one year prior to the originally scheduled distribution date. If such a subsequent election is not valid because, for example, it is not made in a timely manner, the Participant's most recent effective distribution election will govern the payment of the Participant's Account.

5.02 Distribution Options.

(a) Separation from Service. A Participant's vested Account will be distributed to the Participant upon the Participant's Separation from Service. A Participant may elect a distribution upon his or her Separation from Service in one of the following forms, subject to the timing requirements outlined in paragraph (c) below:

(i) Lump Sum. Payment in one lump sum within 90 days following the date of the Participant's Separation from Service.

(ii) Installments. Payment in up to fifteen annual installments. Installment distributions will commence on January 1 of the calendar year immediately following the Participant's Separation from Service. For purposes of this Plan, installment payments shall be treated as a single distribution under Section 409A of the Code.

(b) Timing. Subject to the provisions of paragraph (d) below, payments made pursuant to paragraph (a) above, will be made as soon as administratively practicable, but not later than 90 days after the applicable date or dates determined under Section 5.02(a) above.

(c) Default Distribution. If the Committee does not have a proper distribution election on file for a portion or all of a Participant's Account, the vested portion of that Participant's Account will be distributed to the Participant, following the Participant's Separation from Service, in one lump sum as soon as administratively practicable, but not later than 90 days after the Participant's Separation from Service.

(d) Delayed Distribution to Specified Employees. Notwithstanding any other provision of this Section 5.02 to the contrary, a distribution scheduled to be made to a Participant upon his or her Separation from Service who is identified as a Specified Employee as of the date he Separates from Service shall be delayed for a minimum of six months following the Participant's Separation from Service. Any payment that otherwise would have been made pursuant to this Section 5.02 during the six-month period following the Participant's Separation from Service shall be made as soon as administratively practicable, but not later than 90 days after the six-month anniversary of the Participant's Separation from Service. The identification of a Participant as a Specified Employee shall be made by the Committee in its sole discretion in accordance with Section 2.23 of the Plan and Sections 416(i) and 409A of the Code and the regulations promulgated thereunder.

(e) Limited Cashout. Notwithstanding the foregoing or anything in this Plan to the contrary, to the extent that the sum of Participant's Account and account balance for any other plan or arrangement with respect to which deferrals of compensation are treated as having been deferred under a single nonqualified deferred compensation plan under Treasury Regulation § 1.409A-1(c)(2) is less than the limit under Section 402(g)(1)(A) of the Code at the time of Separation from Service, to the extent permitted by Section 409A and the regulations promulgated thereunder, the Company may cause the Account to be paid in a lump sum.

5.03 Subsequent Credits. Amounts, if any, that become payable to a Participant's Account after distributions have begun from that Account, and before the Participant is rehired or dies, will, be paid out pursuant to the distribution election in effect for that Participant upon his or her Separation from Service.

5.04 Death or Disability. If a Participant dies or becomes Disabled with a vested amount in his or her Account, whether or not the Participant was receiving distributions from that Account at the time of his or her death or Disability, the Participant or his or her Beneficiary will receive the entire vested amount in the Participant's Account in accordance with the distribution election made by the Participant. Such election must be made no later than the time of the Participant's initial deferral election made in accordance with Article V in one of the following forms, subject to the timing requirements outlined in Section 5.02(b) above:

(a) Lump Sum. Payment in one lump sum.

(b) Installments. Payment in up to fifteen annual installments. Installment distributions will commence on January 1 of the calendar year immediately following the Participant's death or Disability. For purposes of this Plan, installment payments shall be treated as a single distribution under Section 409A of the Code.

If no valid election is on file, the vested portion of Participant's Account shall be distributed in a single lump sum. Distributions under this Section 5.04 shall be made as soon as administratively practicable, but not later than 90 days after Participant is determined to have a Disability or Participant's death, as applicable.

5.05 Unforeseeable Emergency. In the event of a Participant's Unforeseeable Emergency, and upon application by such Participant, the Committee may determine at its sole discretion that payment of all, or part, of such Participant's Account shall be made in one lump sum payment with the last payroll of the month following the month in which the distribution is approved by the Committee. Payments due to a Participant's Unforeseeable Emergency shall be permitted only to the extent reasonably required to satisfy the Participant's need.

5.06 Prohibition on Acceleration. Notwithstanding any other provision of the Plan to the contrary, no distribution will be made from the Plan that would constitute an impermissible acceleration of payment as defined in Section 409A(a)(3) of the Code and the regulations promulgated thereunder.

5.07 Withholding. The Company will deduct from Plan distributions, or from other compensation payable to a Participant or Beneficiary, amounts required by law to be withheld for taxes with respect to benefits under this Plan. The Company reserves the right to reduce any deferral or contribution that would otherwise be made to this Plan on behalf of a Participant by a reasonable amount, and to use all or a portion of this reduction to satisfy the Participant's tax liabilities under this Section 5.07.

ARTICLE VI. MISCELLANEOUS

6.01 Limitation of Rights. Participation in this Plan does not give any individual the right to be retained in the service of the Company or of any related entity.

6.02 Satisfaction of Claims. Payments to a Participant, the Participant's legal representative, or Beneficiary in accordance with the terms of this Plan will, to the extent thereof, be in full satisfaction of all claims that person may have hereunder against the Committee, the Company, and all Subsidiaries, any of which may require, as a condition to payment, that the recipient execute a receipt and release in a form determined by the Committee, the Company, or an Subsidiary.

6.03 Claims and Review Procedure.

(a) Informal Resolution of Questions. Any Participant or Beneficiary who has questions or concerns about his or her benefits under the Plan is encouraged to communicate with The Clorox Company Executive Compensation Manager. If this discussion does not give the Participant or Beneficiary satisfactory results, a formal claim for benefits may be made within one year of the event giving rise to the claim in accordance with the procedures of this Section 6.03.

(b) Formal Benefits Claim — Review by Executive Compensation Manager. A Participant or Beneficiary may make a written request for review of any matter concerning his or her benefits under this Plan. The claim must be addressed to The Clorox Company Executive Retirement Plan, Attn: Executive Compensation Manager 1221 Broadway, Oakland, California 94612-1888. The Executive Compensation Manager shall decide the action to be taken with respect to any such request and may require additional information if necessary to process the request. The Executive Compensation Manager shall review the request and shall issue his or her decision, in writing, no later than 90 days after the date the request is received, unless the circumstances require an extension of time. If such an extension is required, written notice of the extension shall be furnished to the person making the request within the initial 90-day period, and the notice shall state the circumstances requiring the extension and the

date by which the Executive Compensation Manager expects to reach a decision on the request. In no event shall the extension exceed a period of 90 days from the end of the initial period.

(c) Notice of Denied Request. If the Executive Compensation Manager denies a request in whole or in part, he or she shall provide the person making the request with written notice of the denial within the period specified in paragraph (b) above. The notice shall set forth the specific reason for the denial, reference to the specific Plan provisions upon which the denial is based, a description of any additional material or information necessary to perfect the request, an explanation of why such information is required, and an explanation of the Plan's appeal procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review.

(d) Appeal to Committee.

(i) A person whose request has been denied in whole or in part (or such person's authorized representative) may file an appeal of the decision in writing with the Committee within 60 days of receipt of the notification of denial. The appeal must be addressed to: The Clorox Company Executive Retirement Plan, 1221 Broadway, Oakland, California 94612-1888. The Committee, for good cause shown, may extend the period during which the appeal may be filed for another 60 days. The appellant and/or his or her authorized representative shall be permitted to submit written comments, documents, records and other information relating to the claim for benefits. Upon request and free of charge, the applicant should be provided reasonable access to and copies of, all documents, records or other information relevant to the appellant's claim.

(ii) The Committee's review shall take into account all comments, documents, records and other information submitted by the appellant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The Committee shall not be restricted in its review to those provisions of the Plan cited in the original denial of the claim.

(iii) The Committee shall issue a written decision within a reasonable period of time but not later than 60 days after receipt of the appeal, unless special circumstances require an extension of time for processing, in which case the written decision shall be issued as soon as possible, but not later than 120 days after receipt of an appeal. If such an extension is required, written notice shall be furnished to the appellant within the initial 60-day period. This notice shall state the circumstances requiring the extension and the date by which the Committee expects to reach a decision on the appeal.

(iv) If the decision on the appeal denies the claim in whole or in part written notice shall be furnished to the appellant. Such notice shall state the reason(s) for the denial, including references to specific Plan provisions upon which the denial was based. The notice shall state that the appellant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim for benefits. The notice shall describe any voluntary appeal procedures offered by the Plan and the appellant's right to obtain the information about such procedures. The notice shall also include a statement of the appellant's right to bring an action under Section 502(a) of ERISA.

(v) The decision of the Committee on the appeal shall be final, conclusive and binding upon all persons and shall be given the maximum possible deference allowed by law.

(e) Exhaustion of Remedies. No legal or equitable action for benefits under the Plan shall be brought unless and until the claimant has submitted a written claim for benefits in accordance with paragraph (b) above, has been notified that the claim is denied in accordance with paragraph (c) above, has filed a written request for a review of the claim in accordance with paragraph (d) above, and has been notified in writing that the Committee has affirmed the denial of the claim in accordance with paragraph (d) above; provided, however, that an action for benefits may be brought after the Executive Compensation Manager or Committee has failed to act on the claim within the time prescribed in paragraph (b) and paragraph (d), respectively.

6.04 Indemnification. The Company and its Subsidiaries will indemnify the Committee, the Board, and employees of the Company and its Subsidiaries to whom responsibilities have been delegated under the Plan for all liabilities and expenses arising from an act or omission in the management of the Plan if the person to be indemnified did not act dishonestly or otherwise in willful violation of the law under which the liability or expense arises.

6.05 Assignment.

(a) General. To the fullest extent permitted by law, rights to benefits under the Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of a Participant or a Beneficiary.

(b) Domestic Relations Orders. The procedures established by the Company for the determination of the qualified status of domestic relations orders and for making distributions under qualified domestic relations orders, as provided in Section 206(d) of ERISA, shall apply to the Plan, to the extent pertinent. Amounts awarded to an alternate payee under a qualified domestic relations order shall be distributed in the form of a lump sum distribution as soon as administratively feasible following

the determination of the qualified status of the domestic relations order; provided, however, that no portion of the Participant's unvested Account may be awarded to an alternate payee.

6.06 Lost Recipients. If the Committee cannot locate a person entitled to payment of a Plan benefit after a reasonable search, the Committee may at any time thereafter treat that person's Account as forfeited and amounts credited to that Account will revert to the Company. If the lost person subsequently presents the Committee with a valid claim for the forfeited benefit amount, the Company will pay that person the amount forfeited.

6.07 Amendment. The Board may, at any time, amend the Plan in writing. In addition, the Committee may amend the Plan (other than this Section 6.07) in writing, provided that the amendment will not cause any substantial increase in cost to the Company or to any Subsidiary. No amendment may, without the consent of an affected Participant (or, if the Participant is deceased, the Participant's Beneficiary), adversely affect the Participant's or the Beneficiary's rights and obligations under the Plan with respect to amounts already credited to a Participant's Account, unless such amendment is required to comply with any provision of the Code, ERISA or other applicable law.

6.08 Suspension. The Board may, at any time, suspend the Plan.

6.09 Termination.

(a) General. The Board may terminate the Plan at any time and in the Board's discretion the Accounts of Participants may be distributed within the period beginning twelve months after the date the Plan was terminated and ending twenty-four months after the date the Plan was terminated, or pursuant to Sections 5.02(a) of the Plan, if earlier. If the Plan is terminated and Accounts are distributed, the Company shall terminate all plans and arrangements (which would be treated as aggregated and having been deferred under a single plan under Treasury Regulation § 1.409A-1(c)(2)(i)(A)) with respect to all participants and shall not adopt a new account balance non-qualified deferred compensation plan for at least three years after the date the Plan was terminated.

(b) Change in Control. The Board, in its discretion, may terminate the Plan thirty days prior to or twelve months following a Change in Control and distribute the Accounts of the Participants (whether previously vested or unvested) within the twelve-month period following the termination of the Plan. If the Plan is terminated and Accounts are distributed, the Company shall terminate all plans and arrangements (which would be treated as aggregated and having been deferred under a single plan under Treasury Regulation § 1.409A-1(c)(2)(i)(A)) sponsored by the Company and all of the benefits of the terminated plans shall be distributed within twelve months following the termination of the plans.

(c) Dissolution or Bankruptcy. The Board, in its discretion, may terminate the Plan upon a corporate dissolution of the Company that is taxed under Section 331 of the Code or with the approval of a bankruptcy court pursuant to 11 U.S.C. Section 503(b)(1)(A), provided that the Participants' Accounts are distributed and included in the gross income of the Participants by the latest of (i) the calendar year in which the Plan terminates or (ii) the first calendar year in which payment of the Accounts is administratively practicable.

6.10 Applicable Law. To the extent not governed by Federal law, the Plan is governed by the laws of the State of California without choice of law rules.

6.11 Severability. If any one or more of the provisions contained in this Plan, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and all other applications thereof shall not in any way be affected or impaired thereby. This Plan shall be construed and enforced as if such invalid, illegal or unenforceable provision has never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the invalid, illegal or unenforceable provision or by its severance herefrom. In lieu of such invalid, illegal or unenforceable provisions there shall be added automatically as a part hereof a provision as similar in terms and economic effect to such invalid, illegal or unenforceable provision as may be possible and be valid, legal and enforceable.

6.12 No Funding. The Plan constitutes a promise by the Company and its Subsidiaries to make payments in the future in accordance with the terms of the Plan. Participants and Beneficiaries have the status of general unsecured creditors of the Company and its Subsidiaries. Plan benefits will be paid from the general assets of the Company and its Subsidiaries and nothing in the Plan will be construed to give any Participant or any other person rights to any specific assets of the Company or its Subsidiaries. In all events, it is the intention of the Company, all Subsidiaries and all Participants that the Plan be treated as unfunded for tax purposes and for purposes of Title I of ERISA.

6.13 Authority to Establish a Grantor Trust. The Committee is authorized in its sole discretion to establish a grantor trust for the purpose of providing security for the payment of Accounts under the Plan; provided, however, that no Participant or Beneficiary shall be considered to have a beneficial ownership interest (or any other sort of interest) in any specific asset of the Corporation or of its Subsidiaries as a result of the creation of such trust or the transfer of funds or other property to such trust. The Committee may establish such a trust at any time, including without limitation the time of a Change in Control.

6.14 Code Section 409A Compliance. To the extent applicable, it is intended that this Plan and any distributions hereunder comply with the requirements of Section 409A. Any provision that would cause the Plan or any distributions granted hereunder 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.

IN WITNESS WHEREOF, The Clorox Company has caused this Plan to be executed by its duly authorized representative on the date indicated below.

THE CLOROX COMPANY

NAME: DATE

TITLE:

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: <<<Participant Name>>>

TARGET AWARD: <<<Target Shares Granted>>>

GRANT ID: <<<Grant ID>>>

PERFORMANCE PERIOD: July 1, 2023 through June 30, 2026

DATE OF GRANT: <<<Grant Date - 2>>>

SETTLEMENT DATE: Within 120 days following the last day of the Performance Period or such later date in the event of a deferral per the terms of this Agreement, 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 Grantee 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 one hundred and twenty (120) days following the last day of the Performance Period (the “Settlement Date”), or any Deferred Settlement Date established pursuant to Section 6 of this Agreement, whichever is later, 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; provided, that, in connection with a Change in Control as described in Section 8 of this Agreement, the Settlement Date shall be within sixty (60) days of either the Change in Control or the date of termination of employment without Cause or for “Good Reason” (as defined below), as applicable. 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 10(b), 10(c), 10(d), 10(e) and Section 11, 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 the first fiscal year in the Performance Period is based on the actual economic profit (“EP”) for such fiscal year, calculated as described below and determined in accordance with the following table:

	EP (for the first fiscal year in the Performance Period)
EP Threshold*	\$
EP Target**	\$
EP Max***	\$

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

	EP Growth (for each of the second and third fiscal years in the Performance Period)
EP Growth Threshold*	%
EP Growth Target**	%
EP Growth Max***	%

* Achievement of the EP Threshold amount (or below), as the EP Threshold is reduced by the impact of the cyberattack in August 2023 in the amount determined by the Committee, or the EP Growth Threshold amount (or below), as the case may be, shall result in a Payout Percentage of 0% for the applicable fiscal year of the Performance Period.

** Achievement of the EP Target amount, as the EP Target is reduced by the impact of the cyberattack in August 2023 in the amount determined by the Committee, or the EP Growth Target amount, as the case may be, shall result in a Payout Percentage of 100% for the applicable fiscal year of the Performance Period.

*** Achievement of the EP Max amount (or above), as the EP Max is reduced by the impact of the cyberattack in August 2023 in the amount determined by the Committee, or the EP Growth Max amount (or above), as the case may be, shall result in a Payout Percentage of 200% for the applicable fiscal year of the Performance Period.

Note: Achievement of EP in between the Threshold and Target levels or in between the Target and Max levels (each as revised) or EP Growth in between the Threshold and Target levels or in between the Target and Max levels shall be determined through linear interpolation. For the avoidance of doubt, if EP in excess of the Threshold level (as revised) or EP Growth in excess of the Threshold level 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 any other provision in this Agreement to the contrary, if EP for any fiscal year in the Performance Period is negative, the Payout Percentage for such fiscal year in the Performance Period shall be 0%.

For avoidance of doubt, while the expectation is that EP for a given fiscal year shall be calculated based upon the Company's financial statements for such fiscal year that are filed with the SEC, and in the case of the Company's fiscal year ending on June 30, 2024, as revised by the impact of the cyberattack in August 2023 in the amount determined by the Committee, the Committee shall have the authority to include information not reflected in such financial statements for purposes of determining EP for such fiscal year if the Committee determines that the inclusion of such information more accurately reflects the financial performance of the Company for such fiscal year. To the extent that such information used in a prior fiscal year is reflected in the filed financial statements for a subsequent fiscal year, appropriate changes shall be made to relevant information in such filed financial statements for purposes of calculating EP for such subsequent fiscal year to avoid double counting of the same information.

Notwithstanding the above, the applicable EP amount for the corresponding fiscal year that is used as the basis for calculating either EP or EP Growth results for such fiscal year 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 EP goals or 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, (6) an asset impairment charge other than for the final fiscal year of the Performance Period, and (7) 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 goals or 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 or 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 and 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 goals or EP levels, as the case may be. 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 rounded down to the nearest whole Share (the "Dividend Equivalent Shares") upon settlement of the award, as described in Section 2 above.
 5. Termination of Continuous Service. Except as otherwise provided in this Section 5 or Section 8, 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.
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- 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.]¹ [If the Grantee's termination of employment or service is due to Retirement and occurs more than 6 months after the Date of Grant set forth above, then the Performance Shares shall remain outstanding through the end of the Performance Period and vest based on the level of performance achieved as of the end of the Performance Period, and will be paid upon completion of the Performance Period as if the Grantee had remained in the employment or service of the Company or its Subsidiaries through the Settlement Date; provided, however, that this provision shall not apply in the event the Grantee's employment or service is terminated for Cause.]²

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.

- c. 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.

- a. 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. In the event the termination of employment or service constitutes a "separation from service" (as defined in Section 1.409A-1(h) of the Treasury Department Regulations and including a termination of employment or service on account of Disability that does not satisfy the definition of "disability" under Section 409A-3(i)(4) of the Treasury Department Regulations), the settlement of the Performance Shares shall occur no earlier than the earlier of the date which is six (6) months after the date of the Grantee's termination of employment or service or the date of death of the Grantee. The date on which the Performance Shares are settled following a deferral election made in accordance with this Section 6(c) shall be referred to as the "Deferred Settlement Date".
- b. 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 Deferred 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. Change in Control. Upon the occurrence of a Change in Control, including in the event of the termination of the Grantee by the Company without Cause or the resignation of the Grantee for Good Reason within twenty-four (24) months following consummation of a Change in Control, the Performance Shares shall be treated in accordance with Section 19 of the Plan.

For purposes of this Agreement, “Good Reason” shall mean the occurrence of any of the following with respect to the Grantee:

(a) the assignment to the Grantee of any duties inconsistent in any material respect with the Grantee’s position (including offices and reporting requirements), authority, duties or responsibilities, as in effect immediately prior to the occurrence of the Change in Control or the date of the Grantee’s termination of employment, whichever is greater, 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;

(b) any failure by the Company to substantially comply with, or any reduction by the Company in, any of the material provisions of the Grantee’s compensation plans, programs, agreements or arrangements as in effect immediately prior to the Change in Control, including, without limitation, any material reduction in base salary, cash incentive compensation target bonus opportunity, equity compensation opportunity in the aggregate, or employee benefits and perquisites in the aggregate, other than an isolated, insubstantial and inadvertent failure or reduction not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Grantee;

(c) the Company’s requiring the Grantee to be based at any office or location other than that in effect immediately prior to the Change in Control or any office or location not requiring the Grantee’s commute to increase by more than 35 miles from his or her commute immediately prior to the Change in Control;

(d) any purported termination by the Company of the Grantee’s employment other than (A) due to the death or Disability of the Grantee or (B) a termination of the Grantee’s employment by the Company for Cause; or

(e) any material failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume the obligations of the Company under this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

Any termination by the Grantee for Good Reason shall be communicated by a written notice to the Company within a period not to exceed ninety (90) days of such Grantee’s knowledge of the condition. Such written notice (1) must indicate 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 date of termination if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice). After receipt by the Company of such written notice, the Company shall have thirty (30) days during which it may remedy the condition and thereby cure the event or circumstance constituting “Good Reason”.

9. 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.

10. 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 10(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, 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, during the Performance Period and for a period of one (1) year after the Settlement Date 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, 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, generalized online marketing , 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.

- 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, during the Performance Period and for a period of one (1) year after the Settlement Date, 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, 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.
- 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 10(b) through 10(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 Chief Legal Officer. Any reporting or disclosure permitted under this Section 10(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.

11. 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, 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, 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.

12. Repayment Obligations.

Awards under the Plan, including this Award and any outstanding Award granted prior to the date hereof, are subject to clawback in accordance with the terms of the Company's Policy Regarding Clawback of Incentive Compensation, as amended from time to time, and pursuant to any other policy the Company may adopt from time to time as required by applicable law (collectively, the "Clawback Policy"), which Clawback Policy shall apply and be deemed incorporated herein to the extent applicable. To the extent that any portion of the Clawback Policy relating to recoupment in connection with a restatement of financial results to correct a material error is not applicable to the Award, and 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. No recovery of any Award pursuant to the Clawback Policy or the Repayment Obligation shall be treated as an event giving rise to a Participant's right to terminate employment for "good reason" or "constructive termination" (or any similar term) under any agreement with the Company. The Company's rights contemplated in this Section 12 and/or pursuant to any recoupment or clawback policy (including the Clawback Policy and the Repayment Obligation) are not exclusive, and therefore the availability of such remedies are without prejudice to any and all other remedies available to the Company pursuant to applicable law or under any other contract or agreement.

13. 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 including a termination of employment or service on account of Disability that does not satisfy the definition of “disability” under Section 409A-3(i)(4) of the Treasury Department Regulations), and payments to the Grantee hereunder are not exempt from Section 409A as a short-term deferral or otherwise, these payments, to the extent otherwise payable within six (6) months after the Grantee’s separation from service 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 13(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:
Its: 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 (FOR PURPOSES OF THIS PARAGRAPH, IGNORING ANY ELECTION TO DEFER SETTLEMENT PURSUANT TO SECTION 6) 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://team.clorox.com/sites/ClxWeb/hr/SitePages/Stock-Incentive-Plan.aspx>, and the Company’s Annual Report and Proxy Statement (the “Prospectus Information”) are available for viewing on the

Company’s website at <https://investors.thecloroxcompany.com/investors/financial-information/sec-filings/default.aspx>. The Grantee hereby consents to receive the Prospectus Information electronically or, in the alternative, to contact People@Clorox at 1-800-256-7693 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

¹ To be included in agreements for individuals who are not CEC members.
² To be included in agreements for individuals who are CEC members.

**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: <<<Optionee Name - 1>>>

OPTIONS GRANTED: <<<Total Shares Granted>>>

GRANT ID: <<<Grant ID>>>

EXERCISE PER SHARE: <<<Grant Price - 1>>>

DATE OF GRANT: <<<Grant Date - 2>>>

EXPIRATION DATE: Ten years from Date of Grant

VESTING SCHEDULE: 25% vests on the first anniversary of the date of grant and on each of October 5 of 2025, 2026 and 2027, or the first trading day immediately preceding each such date if such date is not a trading day.

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. 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.

- a. 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 is due to (1) Retirement and is more than 6 months from the Date of Grant set forth in this Agreement, then the Option shall continue to vest in accordance with the Vesting Schedule, or (2) death or Disability, the Option shall become 100% vested, and, in each case, shall remain exercisable until the expiration date determined pursuant to paragraph (b) of this Section.

Except as otherwise provided in this Section 4 or Section 5, 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, subject to Section 19 of the Plan, 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;
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- 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 (including in the event the Optionee's employment is terminated without Cause or by the Optionee for Good Reason upon or within twenty-four (24) months following consummation of a Change in Control), the Option shall be treated in accordance with Section 19 of the Plan.

For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following with respect to the Optionee:

- (a) the assignment to the Optionee of any duties inconsistent in any material respect with the Optionee's position (including offices and reporting requirements), authority, duties or responsibilities, as in effect immediately prior to the occurrence of the Change in Control or the date of the Optionee's termination of employment, whichever is greater, 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;
 - (b) any failure by the Company to substantially comply with, or any reduction by the Company in, any of the material provisions of the Optionee's compensation plans, programs, agreements or arrangements as in effect immediately prior to the Change in Control, including, without limitation, any material reduction in base salary, cash incentive compensation target bonus opportunity, equity compensation opportunity in the aggregate, or employee benefits and perquisites in the aggregate, other than an isolated, insubstantial and inadvertent failure or reduction not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Optionee;
 - (c) the Company's requiring the Optionee to be based at any office or location other than that in effect immediately prior to the Change in Control or any office or location not requiring the Optionee's commute to increase by more than 35 miles from his or her commute immediately prior to the Change in Control;
 - (d) any purported termination by the Company of the Optionee's employment other than (A) due to the death or Disability of the Optionee or (B) a termination of the Optionee's employment by the Company for Cause; or
 - (e) any material failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume the obligations of the Company under this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.
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Any termination by the Optionee for Good Reason shall be communicated by a written notice to the Company within a period not to exceed ninety (90) days of such Optionee's knowledge of the condition. Such written notice (1) must indicate 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 date of termination if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice). After receipt by the Company of such written notice, the Company shall have thirty (30) days during which it may remedy the condition and thereby cure the event or circumstance constituting "Good Reason".

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, generalized online marketing, 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
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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 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 Chief Legal Officer. 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
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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 Obligations.

Options under the Plan, including this Option and any outstanding Option granted prior to the date hereof, are subject to clawback in accordance with the terms of the Company's Policy Regarding Clawback of Incentive Compensation, as amended from time to time, and pursuant to any other policy the Company may adopt from time to time as required by applicable law (collectively, the "Clawback Policy"), which Clawback Policy shall apply and be deemed incorporated herein to the extent applicable. To the extent that any portion of the Clawback Policy relating to recoupment in connection with a restatement of financial results to correct a material error is not applicable to the Option, and 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 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 (the "Repayment Obligation"). 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. No recovery of any Option pursuant to the Clawback Policy or the Repayment Obligation shall be treated as an event giving rise to a Participant's right to terminate employment for "good reason" or "constructive termination" (or any similar term) under any agreement with the Company. The Company's rights contemplated in this Section 9 and/or pursuant to any recoupment or clawback policy (including the Clawback Policy and the Repayment Obligation) are not exclusive, and therefore the availability of such remedies are without prejudice to any and all other remedies available to the Company pursuant to applicable law or under any other contract or agreement.

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 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:

Its: 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://team.clorox.com/sites/ClxWeb/hr/SitePages/Stock-Incentive-Plan.aspx>, and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's website at <https://investors.thecloroxcompany.com/investors/financial-information/sec-filings/default.aspx>. The Optionee hereby consents to receive the Prospectus Information electronically or, in the alternative, to contact People@Clorox at 1-800-256-7693 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

**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 <<Participant ID>>
TOTAL RESTRICTED UNITS AWARDED <<Units Granted>>

GRANT ID <<<Grant ID>>>

DATE OF AWARD <<Grant Date>>

PERIOD OF RESTRICTION 25% vests on the first anniversary of the date of award and on each of October 5, 2025, 2026 and 2027, or the first trading day immediately preceding each such date if such date is not a trading day; provided, that an additional number of whole Units shall vest during any calendar year in which the Grantee is eligible under this Agreement to terminate employment or services due to Retirement in an amount sufficient to satisfy any applicable tax withholding amounts arising due to such Retirement eligibility (disregarding any fractional Unit).

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 become vested and 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 1/2 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”)) (the “Settlement Date”). Although the Units shall be vested within the meaning of Section 83 of the 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, rounded down to the nearest whole Share, 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.
 - a. Except as otherwise provided in this Section 5 or Section 8, if the Grantee's employment or service with the Company and its Subsidiaries is terminated for any reason, any Units for which the Period of Restriction has not lapsed before such termination of employment or service (the "Unvested Units") and/or any Dividend Equivalents related thereto shall be forfeited. Notwithstanding the above, if the Grantee's termination of employment or service is due to (i) Retirement and is more than 6 months from the date of award set forth in this Agreement, then the restrictions on the Units and all Dividend Equivalents related thereto shall continue to lapse in accordance with the Period of Restriction provided in the Summary of Restricted Stock Unit Award above, *provided* that the "Settlement Date" for such Units and Dividend Equivalents shall occur no later than December 31 of the calendar year in which the applicable Period of Restriction lapses or (ii) 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. 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.

Definition of "Retirement." For purposes of this Agreement, the Grantee's employment or service shall be deemed to have terminated due to "Retirement" if the Grantee 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 Grantee 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.
 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 (including 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 Units shall be treated in accordance with Section 19 of the Plan.
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For purposes of this Agreement, “Good Reason” shall mean the occurrence of any of the following with respect to the Grantee:

- (a) the assignment to the Grantee of any duties inconsistent in any material respect with the Grantee’s position (including offices and reporting requirements), authority, duties or responsibilities, as in effect immediately prior to the occurrence of the Change in Control or the date of the Grantee’s termination of employment, whichever is greater, 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;
- (b) any failure by the Company to substantially comply with, or any reduction by the Company in, any of the material provisions of the Grantee’s compensation plans, programs, agreements or arrangements as in effect immediately prior to the Change in Control, including, without limitation, any material reduction in base salary, cash incentive compensation target bonus opportunity, equity compensation opportunity in the aggregate, or employee benefits and perquisites in the aggregate, other than an isolated, insubstantial and inadvertent failure or reduction not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Grantee;
- (c) the Company’s requiring the Grantee to be based at any office or location other than that in effect immediately prior to the Change in Control or any office or location not requiring the Grantee’s commute to increase by more than 35 miles from his or her commute immediately prior to the Change in Control;
- (d) any purported termination by the Company of the Grantee’s employment other than (A) due to the death or Disability of the Grantee or (B) a termination of the Grantee’s employment by the Company for Cause; or
- (e) any material failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume the obligations of the Company under this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

Any termination by the Grantee for Good Reason shall be communicated by a written notice to the Company within a period not to exceed ninety (90) days of such Grantee’s knowledge of the condition. Such written notice (1) must indicate 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 date of termination if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice). After receipt by the Company of such written notice, the Company shall have thirty (30) days during which it may remedy the condition and thereby cure the event or circumstance constituting “Good Reason”.

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 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 Date, 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 Date, 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 Date, 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, generalized online marketing, 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
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THIS “NO INTERFERENCE WITH CUSTOMERS OR SUPPLIERS” PROVISION DURING THE PERIOD OF RESTRICTION OR WITHIN ONE (1) YEAR AFTER THE SETTLEMENT DATE.

- 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 Date, 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 Date, 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 DATE.
 - 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 Chief Legal Officer. 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 Date, 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 Date, 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 DATE.

11. Repayment Obligations.

Awards under the Plan, including this Award and any outstanding Award granted prior to the date hereof, are subject to clawback in accordance with the terms of the Company's Policy Regarding Clawback of Incentive Compensation, as amended from time to time, and pursuant to any other policy the Company may adopt from time to time as required by applicable law (collectively, the "Clawback Policy"), which Clawback Policy shall apply and be deemed incorporated herein to the extent applicable. To the extent that any portion of the Clawback Policy relating to recoupment in connection with a restatement of financial results to correct a material error is not applicable to the Award, and 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. No recovery of any Award pursuant to the Clawback Policy or the Repayment Obligation shall be treated as an event giving rise to a Participant's right to terminate employment for "good reason" or "constructive termination" (or any similar term) under any agreement with the Company. The Company's rights contemplated in this Section 11 and/or pursuant to any recoupment or clawback policy (including the Clawback Policy and the Repayment Obligation) are not exclusive, and therefore the availability of such remedies are without prejudice to any and all other remedies available to the Company pursuant to applicable law or under any other contract or agreement.

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 Units 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 Units 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 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 including a termination of employment or service on account of Disability that does not satisfy the definition of "disability" under Section 409A-3(i)(4) of the Treasury Department Regulations), and payments to the Grantee hereunder are not exempt from Section 409A as a short-term deferral or otherwise, these payments, to the extent otherwise payable within six (6) months after the Grantee's separation from service 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:

Its: 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 and Plan Information are available for viewing on the Company's internal HR website at <https://team.clorox.com/sites/ClxWeb/hr/SitePages/Stock-Incentive-Plan.aspx>, and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's website at <https://investors.thecloroxcompany.com/investors/financial-information/sec-filings/default.aspx>. The Grantee hereby consents to receive the Prospectus Information electronically, or, in the alternative, to contact People@Clorox at 1-800-256-7693 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

**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 <<Participant ID>>

GRANT ID <<<Grant ID>>>

TOTAL RESTRICTED UNITS AWARDED <<Units Granted>>

DATE OF AWARD <<Grant Date>>

PERIOD OF RESTRICTION 1/3 of the award vests on each of the first three 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 become vested and 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 1/2 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”)) (the “Settlement Date”). Although the Units shall be vested within the meaning of Section 83 of the 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, rounded down to the nearest whole Share, 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.

a. Except as otherwise provided in this Section 5 or Section 8, if the Grantee's employment or service with the Company and its Subsidiaries is terminated for any reason, any Units for which the Period of Restriction has not lapsed before such termination of employment or service (the "Unvested Units") and/or any Dividend Equivalents related thereto shall be forfeited. Notwithstanding the above, 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.

a. 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 (including 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 Units shall be treated in accordance with Section 19 of the Plan.

For purposes of this Agreement, "Good Reason" shall mean the occurrence of any of the following with respect to the Grantee:

(a) the assignment to the Grantee of any duties inconsistent in any material respect with the Grantee's position (including offices and reporting requirements), authority, duties or responsibilities, as in effect immediately prior to the occurrence of the Change in Control or the date of the Grantee's termination of employment, whichever is greater, 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;

(b) any failure by the Company to substantially comply with, or any reduction by the Company in, any of the material provisions of the Grantee's compensation plans, programs, agreements or arrangements as in effect immediately prior to the Change in Control, including, without limitation, any material reduction in base salary, cash incentive compensation target bonus opportunity, equity compensation opportunity in the aggregate, or employee benefits and perquisites in the aggregate, other than an isolated, insubstantial and inadvertent failure or reduction not occurring in bad faith and which is remedied by the Company promptly after receipt of notice thereof given by the Grantee;

(c) the Company's requiring the Grantee to be based at any office or location other than that in effect immediately prior to the Change in Control or any office or location not requiring the Grantee's commute to increase by more than 35 miles from his or her commute immediately prior to the Change in Control;

(d) any purported termination by the Company of the Grantee's employment other than (A) due to the death or Disability of the Grantee or (B) a termination of the Grantee's employment by the Company for Cause; or

(e) any material failure by the Company to require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to assume the obligations of the Company under this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place.

Any termination by the Grantee for Good Reason shall be communicated by a written notice to the Company within a period not to exceed ninety (90) days of such Grantee's knowledge of the condition. Such written notice (1) must indicate 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 date of termination if the Company does not cure the issue (which date shall be not less than thirty (30) days after the giving of such notice). After receipt by the Company of such written notice, the Company shall have thirty (30) days during which it may remedy the condition and thereby cure the event or circumstance constituting "Good Reason".

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 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 Date, 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.

- a. 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 Date, 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 Date, 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, generalized online marketing, 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 DATE.

- b. 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 Date, 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 Date, 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 DATE.

- c. 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.
 - d. 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 Chief Legal Officer. 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 Date, 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 Date, 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
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SUCH SERVICES DURING THE PERIOD OF RESTRICTION OR WITHIN ONE YEAR AFTER THE SETTLEMENT DATE.11. Repayment Obligations.

Awards under the Plan, including this Award and any outstanding Award granted prior to the date hereof, are subject to clawback in accordance with the terms of the Company's Policy Regarding Clawback of Incentive Compensation, as amended from time to time, and pursuant to any other policy the Company may adopt from time to time as required by applicable law (collectively, the "Clawback Policy"), which Clawback Policy shall apply and be deemed incorporated herein to the extent applicable. To the extent that any portion of the Clawback Policy relating to recoupment in connection with a restatement of financial results to correct a material error is not applicable to the Award, and 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. No recovery of any Award pursuant to the Clawback Policy or the Repayment Obligation shall be treated as an event giving rise to a Participant's right to terminate employment for "good reason" or "constructive termination" (or any similar term) under any agreement with the Company. The Company's rights contemplated in this Section 11 and/or pursuant to any recoupment or clawback policy (including the Clawback Policy and the Repayment Obligation) are not exclusive, and therefore the availability of such remedies are without prejudice to any and all other remedies available to the Company pursuant to applicable law or under any other contract or agreement.

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 Units 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 Units 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 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 including a termination of employment or service on account of Disability that does not satisfy the definition of "disability" under Section 409A-3(i)(4) of the Treasury Department Regulations), and payments to the Grantee hereunder are not exempt from Section 409A as a short-term deferral or otherwise, these payments, to the extent otherwise payable within six (6) months after the Grantee's separation from service 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:

Its: 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 and Plan Information are available for viewing on the Company's internal HR website at <https://team.clorox.com/sites/ClxWeb/hr/SitePages/Stock-Incentive-Plan.aspx>, and the Company's Annual Report and Proxy Statement (the "Prospectus Information") are available for viewing on the Company's website at <https://investors.thecloroxcompany.com/investors/financial-information/sec-filings/default.aspx>. The Grantee hereby consents to receive the Prospectus Information electronically, or, in the alternative, to contact People@Clorox at 1-800-256-7693 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

CERTIFICATION

I, Linda Rendle, 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; and
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: February 1, 2024

/s/ Linda Rendle

Linda Rendle

Chair and Chief Executive Officer

CERTIFICATION

I, Kevin B. Jacobsen, 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; and
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: February 1, 2024

/s/ Kevin B. Jacobsen

Kevin B. Jacobsen

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 December 31, 2023, as filed with the Securities and Exchange Commission (the “Report”), we, Linda Rendle, Chair and Chief Executive Officer of the Company, and Kevin B. Jacobsen, 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: February 1, 2024

/s/ Linda Rendle

Linda Rendle

Chair and Chief Executive Officer

/s/ Kevin B. Jacobsen

Kevin B. Jacobsen

Executive Vice President - Chief Financial Officer