



Powerful. Purposeful. Proven.




**POWERFUL  
Brands**

**PURPOSEFUL  
Strategy**

**PROVEN  
Results**



## About this Report

Our fiscal year 2013 report represents continued progress in integrated reporting, applying several principles from the International Integrated Reporting Council (IIRC) framework, as well as third-party assurance of key nonfinancial metrics as indicated with a  by Ernst & Young LLP. We plan to continue issuing an integrated report annually.

This report builds on the materiality and stakeholder engagement assessment that was conducted for nonfinancial topics in fiscal year 2012 and also highlights a broader set of material topics for the company. These topics include our ability to drive sales; the strength of our product portfolio and demand-creation capabilities; product innovation (surface disinfection, natural products, sustainability improvements); employee engagement; financial discipline and cash flows; product responsibility (human and environmental safety, ingredient transparency); environmental sustainability (product and operational) and public health (community and healthcare settings). As always, we provide a discussion of the company's key risks in our [Form 10-K Annual Report](#).

Our key stakeholders are stockholders and the broader investment community, employees, consumers, customers, government and nongovernment organizations. For a more detailed look at how we work and communicate with key stakeholders, please visit [Stakeholder Engagement](#) at [TheCloroxCompany.com](#).

## Using the Global Reporting Initiative Framework

This year's report has been developed according to the Global Reporting Initiative (GRI) G3.1 guidelines, which provide a recommended framework and key performance indicators for sustainability reporting. More information on the G3.1 guidelines is available at [globalreporting.org](#).

Based on the numbers of disclosures in our report, as well as third-party assurance of nonfinancial metrics, our fiscal year 2013 report meets a GRI-checked application of "B+." The report's GRI content index provides the location of our GRI standard disclosures found in our fiscal 2013 annual report and on our corporate website.

## Reporting Period and Boundary

Unless otherwise stated, the data in this report cover wholly and majority-owned operations during our Centennial Strategy period, which we define as fiscal year 2008 through fiscal 2013. In some instances, we have included data on a five-year period and from other years to show year-over-year comparisons. We also include specific performance metrics for our latest fiscal year, or July 1, 2012, through June 30, 2013. Environmental sustainability data is tracked on a calendar-year basis and is global unless otherwise noted.



## GRI

Information on the G-3.1 Reporting Guidelines and application levels is available at [globalreporting.org](#).

## 2013 INTEGRATED ANNUAL REPORT:

OUR FINANCIAL, ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

[annualreport.thecloroxcompany.com](#)

## TABLE OF CONTENTS

01	OUR LEADERSHIP
08	2013 SCORECARD
14	INTEGRATED BUSINESS MODEL
16	CENTENNIAL STRATEGY
31	OUR IMPACT

35	2020 STRATEGY
37	FINANCIAL STATEMENTS
42	INDEPENDENT ACCOUNTANTS' REPORT
45	GRI CONTENT INDEX
56	STOCKHOLDER INFORMATION



## A Message from Donald R. Knauss, Chairman and Chief Executive Officer



Credit: NYSE Euronext

### Clorox Stakeholders:

In fiscal year 2013, The Clorox Company reached an important milestone. On May 3, we celebrated our 100th anniversary, marking a century of providing products that consumers value. Since our founding, we've grown into a \$5.6 billion multinational manufacturer and marketer of products used every day in millions of homes, healthcare settings and other businesses around the world. As we honor our past, we also recognize our recent accomplishments and look forward, setting our sights on the future.

### Our Centennial Strategy was successful in a challenging environment.

Almost six years ago, Clorox embarked on our Centennial Strategy, which was anchored in our mission of "We make everyday life better, every day." Our mission speaks to the fact that all of our products have a meaningful impact on consumers' everyday lives. And it speaks to the company's legacy of making a positive difference in our communities. While our mission is simple, it's a powerful source of inspiration for our employees who have focused relentlessly on delivering results against our Centennial Strategy objectives.

### We delivered strong total stockholder returns.

Despite a challenging external environment, including the worst U.S. recession since World War II, we delivered total stockholder returns in the top third of our peer group. For the past five-year period beginning in fiscal year 2008, Clorox total stockholder return was 88 percent, compared to an average of 82 percent for our peer group and an average of 40 percent for the S&P 500. And Clorox's track record of generating strong cash flow allowed us to significantly increase our dividend from \$1.60 to \$2.56. Between share repurchases and total annual dividends paid to stockholders, we have returned more than \$2 billion in cash to our stockholders over the last five years.

### We delivered solid sales growth.

Over a five-year period, we've grown sales at a compounded annual growth rate of about 3 percent, due, in part, to strategic and bolt-on acquisitions as well as price increases implemented

across our brands to address higher commodity costs and inflation. We've also delivered record levels of product innovation, which contributed more than 3 percentage points of incremental sales growth in the last two fiscal years. We're also constantly striving to make products that consumers want over competitors' products, and today, more than 50 percent of our U.S. retail portfolio is made up of consumer-preferred\* products. And, we've made sustainability improvements to 35 percent of our product portfolio by enhancing our product formulas or reducing packaging materials.

In addition, we're proud of our team's excellent execution of our "3D" demand-creation model of *desire*, *decide* and *delight*, the cornerstone of our Centennial Strategy. We've created high-impact marketing communications to drive consumer *desire*, best-in-class, in-store promotions to influence purchase decisions at the point of *decide* and delivered superior-quality products to *delight* consumers.

### We strengthened our portfolio of leading brands.

Today, nearly 90 percent of our brands are the No. 1 or No. 2 market share leaders in their categories. We've made progress reshaping our portfolio toward faster-growing, profitable businesses by focusing on global consumer "megatrends" of health and wellness, sustainability, multiculturalism and affordability/value:

- Addressing the emerging consumer demand for natural products, we acquired Burt's Bees®, the leader in natural personal care, and launched Green Works® naturally derived cleaners and gūD® natural personal care products for millennial consumers.

\*Clorox defines consumer preferred as a product that 60 percent of consumers prefer versus a competitor product in blind tests. Excludes Burt's Bees.

## Centennial Strategy Highlights

**3%**  
SALES GROWTH  
(5-year compounded  
annual growth rate)

**35%**  
PRODUCTS  
WITH SUSTAINABILITY  
IMPROVEMENTS\*  
(since 2008)

**87%**  
EMPLOYEE ENGAGEMENT  
(fiscal 2013)

- Building on the company's strength in disinfecting products to help reduce healthcare-acquired infections, we expanded our Professional Products business into healthcare channels. In fiscal year 2010, we acquired Caltech Industries, a U.S. leader in healthcare disinfecting products. In fiscal year 2012, we purchased Aplicare, Inc., a leader in infection prevention products for the skin, and HealthLink, which bundles a range of products for individual physicians, doctors' offices, outpatient care centers and other small healthcare facilities.
- Responding to the changing demographics in the U.S., we've developed and marketed products for Hispanic consumers, including the Clorox Franganzia® brand of cleaners, air fresheners and spray disinfectants; Clorox CloroGel™, a multipurpose, bleach-based cleaner with a thicker formula; and new scents for Pine-Sol® cleaners that address Hispanic consumers' appreciation for fragrance.
- In our International business, we refocused our efforts on strategic geographies and categories where we have scale and competitive advantage. We grew our Home Care business in Latin America and significantly grew our international Burt's Bees business.

### We drove high levels of employee engagement and elevated a new generation of senior leaders.

Clorox's business strategy begins with our people. Our strong focus on the engagement, development and well-being of our 8,400 employees around the world helps ensure we have motivated people who give their best every day. We regularly survey employees to determine their level of engagement by covering such topics as their pride in the company and in their work, their satisfaction in professional development, as well as the level of discretionary effort in their day-to-day jobs. In the last few years, our employee engagement scores have significantly surpassed global benchmarks of companies. In fiscal 2013, the percentage of "engaged" and "highly engaged" employees reached 87 percent.

We also surveyed employees around the world to capture the core attributes they value about working at Clorox. These attributes include living our values, pride in our trusted brands

and products, and having opportunities to make a real impact on our business. We distilled these insights into a core employer brand – Our Clorox: Powered by everyone's leadership, every day – that will help us preserve and nurture the qualities that make Clorox unique.

Our commitment to fostering a culture of diversity and inclusion is a priority that sets Clorox apart. Focused recruiting, comprehensive training and support for our employee resource groups all contribute to our ongoing efforts to ensure diversity and inclusion is a business imperative. Since 2006, Clorox has received a perfect score in the Human Rights Campaign's Corporate Equality Index for our benefits and programs for lesbian, gay, bisexual and transgender employees. And, this year, the company was named one of the 2013 "Best of the Best" for top diversity employers by Hispanic Network Magazine.

Another important part of our people strategy is robust succession planning that creates opportunities for new leaders and ensures the continuation of strong governance. In fiscal 2013, Larry Peiros, a longtime Clorox veteran who made extensive contributions to the business, retired from his post as chief operating officer (COO). We then moved to a structure of two COOs, with the appointments of Benno Dorer to executive vice president and chief operating officer – Cleaning, International and Corporate Strategy, and George Roeth to executive vice president and chief operating officer – Household and Lifestyle. I'm pleased about the current structure of our executive team, with leaders whose extensive industry experience and strategic capabilities will continue our focus on delivering stockholder value.

### We integrated corporate responsibility into our business, because it's good business.

More than ever, consumers and investors are voting with their wallets when it comes to companies that do the right thing. While our values have guided our success for more than 100 years, in fiscal 2010, the company established a formal corporate responsibility strategy that is tightly integrated with the business.

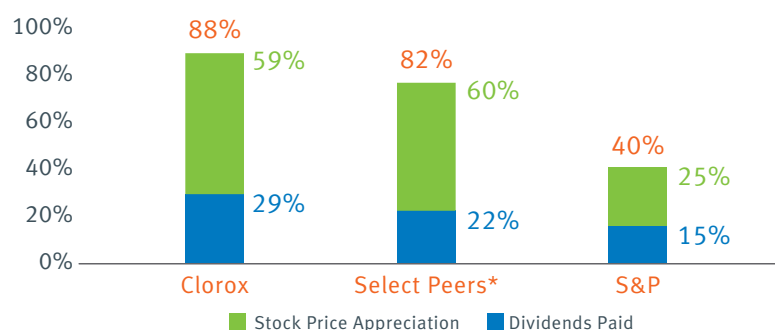
<sup>A</sup> Reviewed by Ernst & Young LLP. Refer to pages 43-44 for the review report.

\*A sustainability improvement is defined as either 1) a 5 percent or greater reduction in either product or packaging material on a per consumer use basis or 2) a meaningful sustainability improvement to 10 percent or more of either product or packaging material on a per consumer use basis.



## Five-Year Total Stockholder Return

(Fiscal Year 2008 – Fiscal Year 2013)



\*Peer companies – an average of 17 consumer packaged goods companies, excluding Clorox, used for benchmarking purposes.

From 2007 to 2012, we made a lot of progress in reducing the environmental impact of our operations. We reduced greenhouse gas emissions by 26 percent, energy consumption by 15 percent, water consumption by 22 percent and solid waste to landfill by 27 percent (per case of product sold). Earlier this year, Clorox was ranked No. 41 on the 2013 Global 100 Most Sustainable Corporations in the World List by Corporate Knights, a Toronto-based media and investment research company. The same listing placed us second among household and personal products companies. The company also received the Most Innovative Corporate Social Responsibility Disclosure Policy Award by Corporate Secretary magazine. The award recognized our 2011 annual report “Think Outside the Bottle,” which was Clorox’s first time to combine its financial, environmental, social and governance performance in an integrated report. And finally, for the third consecutive year, Clorox made it to Corporate Responsibility magazine’s Top 100 list of most responsible companies.

We continue to also believe that vibrant, healthy communities play a large role in the longevity of our business. That’s why The Clorox Company Foundation has awarded cash grants totaling more than \$90 million to nonprofit organizations, schools and colleges since its founding in 1980. In fiscal 2013 alone, the foundation awarded more than \$4 million in cash grants, while the company made product donations valued at about \$15 million<sup>1</sup>, and our brands’ cause marketing programs contributed another \$1.3 million to deserving nonprofits.

### We delivered solid results in fiscal year 2013.

Turning to our fiscal 2013 results<sup>2</sup>, we delivered 3 percent sales growth, driven in part by record levels of product innovation, while continuing to face a bumpy economic recovery and a

fragile consumer. Overall, we are pleased with our results, which also include:

- Earnings from continuing operations that increased to \$574 million, compared to \$543 million in fiscal 2012
- Diluted net earnings per share from continuing operations of \$4.31, an increase of 5 percent, versus fiscal 2012 of \$4.10
- Gross margin expansion of 80 basis points, up to 42.9 percent versus 42.1 percent in fiscal 2012
- Economic profit of \$426 million, an increase of 6 percent, compared to \$402 million in fiscal 2012\*
- Free cash flow of \$583 million, more than 10 percent of net sales, versus \$428 million, or about 8 percent of net sales, in fiscal 2012\*\*

Despite this solid performance, our top-line results came in slightly lower than anticipated, primarily due to challenges we faced in the second half of the fiscal year, including unusually cold weather, which significantly impacted our Charcoal business and the overall category; declining foreign currencies in multiple international markets; and increased competitive activity in disinfecting wipes and laundry. We have plans in place to help address these challenges, including increased merchandising activity and product innovation scheduled for fiscal 2014.

While one of our biggest challenges recently has been continued pressure on our margins – particularly from high inflation, price controls and foreign currency declines in Venezuela and Argentina – we made strong progress in rebuilding our margins in fiscal 2013, with gross margin up almost 1 percentage point to 42.9 percent. Once again, our track record of delivering strong cost savings made a difference in margin improvement, with a savings of more than \$100 million this year. In

<sup>1</sup>Fair Market Value was derived from current year average truckload price of the product donated. Truckload prices are based on volume ordered and shipped.

<sup>2</sup>This report includes certain financial measures that are not defined by generally accepted accounting principles in the U.S. (U.S. GAAP), including economic profit (EP)\* and free cash flow\*\*. These measures are called non-GAAP measures and should be considered supplemental in nature, as they are not intended to substitute 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. They should only be read in connection with the company’s consolidated financial statements presented in accordance with GAAP. For definitions and reconciliations of these non-GAAP measures to the most directly comparable financial measure calculated and presented in accordance with GAAP, refer to page 10.

fact, fiscal 2013 marks more than 10 consecutive years we've delivered at least 1.5 percentage points of margin improvement from cost savings.

Our 2013 year total stockholder return was a robust 19 percent, which was slightly below the averages of our peer group and S&P 500 as the broader stock market experienced a strong rebound in early 2013. Delivering superior total stockholder returns continues to be a priority in our long-term plans, as evidenced by our superior five-year returns during our Centennial Strategy period. To this end, in May we increased our quarterly cash dividend by nearly 11 percent, making fiscal 2013 the 36th consecutive year we've increased total annual dividends paid to our stockholders.

### Our 2020 Strategy continues the company's focus on delivering stockholder value.

Our sights are now set on 2020, with a strategy that builds on the success of the past six years and directs the company to the highest-value opportunities for long-term profitable growth and strong total stockholder returns. Specifically, our long-term financial targets include sales growth of 3 to 5 percent and EBIT<sup>1</sup> margin growth of 25 to 50 basis points. With a commitment to maintaining a healthy dividend, our goal is to continue delivering total stockholder returns in the top third of our peer group.

To accomplish our 2020 goals, we've chosen to focus on the following strategies:

#### *Engage our people as business owners.*

We want to enable our team across the entire company to become even more effective by empowering them to make decisions faster and supporting them to work more efficiently by simplifying operational processes. At the core, it's about moving toward a more agile enterprise – harnessing everyone's leadership and doing everything we can to enable Clorox people to make an impact each and every day.

#### *Support the long-term health of our brands through more targeted 3D plans and product innovation.*

We plan to evolve our 3D demand-creation model of *desire*, *decide* and *delight* to engage with consumers in a more meaningful way and ensure we're addressing their product needs. This evolution will include seeking more granular insights about when and where consumers are open to communications, and expanding our digital capabilities to better target and personalize consumer messages and address the growing role of e-commerce. We'll look to enhance our supply chain to be more flexible and better anticipate the needs of consumers

and customers. We'll also continue to focus on the value proposition of our brands, emphasizing product superiority and meaningful innovation.

#### *Grow in profitable new categories, channels and countries.*

Our strategy also includes pursuing businesses in expanding markets with strong profit potential. These opportunities – whether they're adjacent categories in which our brands can be successful, new sales channels such as healthcare facilities, or countries where we want to expand our product offerings – should be large enough to be meaningful to Clorox and have competitive dynamics that leverage our brand strengths and our superior demand-creation capabilities.

#### *Fund growth by reducing waste in our work, products and supply chain.*

As we continue our transformation into an even more agile enterprise, we're placing the consumer at the center of everything we do. When it comes to our day-to-day tasks and operational processes, we'll focus on work that drives the highest value to our consumers – and ultimately leads to profitable growth. This means eliminating waste, or ineffective work, across the enterprise. Delivering strong cost savings, reducing selling and administrative expenses to 14 percent or less of sales over time and driving our sustainability initiatives are priorities that will help reduce waste and fund growth.

When I think about our Centennial Strategy performance and our vision for 2020, the term "constancy of purpose" comes to mind. We've set clear goals and aspirations for our next set of milestones. We're leveraging the power of our brands, building on proven results and focused on a purposeful strategy, while remaining grounded in strong principles of corporate responsibility and always remembering our greatest competitive advantage is our people.

Thank you for your continued support.

Sincerely,



Donald R. Knauss  
Chairman and Chief Executive Officer  
August 23, 2013

<sup>1</sup>EBIT represents earnings from continuing operations before interest income, interest expense and income taxes. EBIT margin is the ratio of EBIT to net sales. Both EBIT and EBIT margin are non-GAAP financial measures. The company's management believes these measures provide useful additional information to investors about trends in the company's operations and are useful for period-over-period comparisons.

## Guided by Strong Governance

Clorox's core values – led by “doing the right thing” – are ingrained in our culture and influence every business decision we make. These values are embodied in our rigorous corporate governance practices.

Our corporate governance guidelines provide a framework by which our board of directors oversees the governance of the company, and our committee charters establish the authorities, duties and responsibilities of each of our board committees. In addition, all of our directors, executives and employees are required to comply with the [Clorox Code of Conduct](#), which details the ethical and legal standards by which we operate. We provide Code of Conduct training every 18 months on a rolling basis in English, Spanish and Chinese. In fiscal year 2013, 91 percent of all Clorox employees completed compliance training, which includes our Code of Conduct.

Clorox believes that treating people with dignity, respect and equal opportunity is a principle that should extend to the practices of our business partners as well. To that end, contractors and suppliers must certify their compliance through the [Clorox Business Partner Code of Conduct](#), which specifically addresses business practices expected of our partners, as well as their parent companies and affiliates. This code addresses our partners' practices in areas including human rights, labor, health and safety, environmental stewardship, business conduct and ethics.

### Highly Experienced Executive Committee

Clorox is proud of the depth of industry experience and strategic leadership of our dedicated management team. While each leader brings a unique set of talents and perspectives to the table, the team shares a common vision of driving profitable, sustainable growth while staying true to Clorox's values.



**Donald R. Knauss**  
Chairman of the Board and  
Chief Executive Officer



**Benno Dorer**  
Executive Vice President and  
Chief Operating Officer –  
Cleaning, International and  
Corporate Strategy



**George C. Roeth**  
Executive Vice President and  
Chief Operating Officer –  
Household and Lifestyle



**Jon Balousek**  
Senior Vice President –  
General Manager,  
Specialty Division



**James Foster**  
Senior Vice President –  
Chief Product  
Supply Officer



**Laura Stein**  
Senior Vice President –  
General Counsel



**Thomas P. Britanik**  
Senior Vice President –  
Chief Marketing Officer



**Jacqueline P. Kane**  
Senior Vice President –  
Human Resources and  
Corporate Affairs



**Frank A. Tataseo**  
Executive Vice President –  
Professional Products, Mergers  
& Acquisitions, Partnerships  
and Information Technology



**Michael Costello**  
Senior Vice President –  
International Division



**Grant J. LaMontagne**  
Senior Vice President –  
General Manager,  
Professional Products



**Nick Vlahos**  
Senior Vice President –  
Chief Customer Officer



**Wayne L. Delker, Ph.D.**  
Senior Vice President –  
Chief Innovation Officer



**Stephen M. Robb**  
Senior Vice President –  
Chief Financial Officer



**Dawn Willoughby**  
Senior Vice President –  
General Manager,  
Cleaning Division

## Board of Directors Committed to Stockholder Interests

Our board of directors represents the interests of our stockholders – including optimizing long-term financial results – and is responsible for overseeing management's operations of the company's business. The board's oversight includes evaluating our corporate policies, reviewing and monitoring our financial and business strategies, overseeing risk management processes and legal and regulatory compliance, evaluating executive compensation and providing for management succession. Guided by lead director Robert Matschullat, the board is composed of members who bring extensive leadership experience, broad-based business skills and expertise in areas that are critical to our business and global business and social perspective.

Recently, Jeff Noddle, Rogelio Rebolledo and Esther Lee joined the Clorox board of directors. Mr. Noddle most recently served as executive chairman of SuperValu, Inc., the nation's third-largest grocery retailer and leading food distributor, until his

retirement in 2010. He brings extensive operational, supply chain and strategic leadership experience to the Clorox board. Mr. Rebolledo retired in 2007 after a 30-year career with PepsiCo Inc., where he served as chairman of Pepsi Bottling Group, Mexico. His experience and knowledge of multinational operations and international expansion, particularly in Latin America, are especially important as Clorox continues to execute our growth strategies. Ms. Lee has served as senior vice president – brand marketing, advertising and sponsorships at AT&T since 2009. As a recognized leader in brand marketing and advertising, Ms. Lee brings valuable expertise in global brand management and creative strategy to the Clorox board.

Mr. Noddle, Mr. Rebolledo and Ms. Lee join a deeply experienced board that's driven by our core values and committed to doing what's best for the long-term interests of our stockholders.



**Daniel Boggan, Jr.**  
Retired Senior Vice President,  
the National Collegiate Athletic  
Association



**Robert W. Matschullat**  
Retired Vice Chairman and Chief Financial  
Officer, The Seagram Company Ltd.



**Richard H. Carmona, M.D.,  
M.P.H., F.A.C.S.**  
Vice Chairman,  
Canyon Ranch



**Edward A. Mueller\***  
Retired Chairman and  
Chief Executive Officer,  
Qwest Communications  
International Inc.



**Tully M. Friedman**  
Chairman and Chief Executive Officer,  
Friedman Fleischer & Lowe LLC



**Jeffrey Noddle**  
Retired Executive Chairman,  
SuperValu, Inc.



**George Harad**  
Retired Executive Chairman  
of the Board, OfficeMax Inc.



**Rogelio Rebolledo**  
Retired Chairman,  
Pepsi Bottling Group,  
Mexico



**Donald R. Knauss**  
Chairman of the Board and  
Chief Executive Officer,  
The Clorox Company



**Pamela Thomas-Graham**  
Chief Talent, Branding and  
Communications Officer,  
Credit Suisse Group



**Esther Lee**  
Senior Vice President,  
Brand Marketing, Advertising  
and Sponsorships,  
AT&T



**Carolyn M. Ticknor**  
Retired President  
of Hewlett Packard Company,  
Imaging & Printing Systems

\*Mr. Mueller will retire from the board of directors as of the company's Annual Meeting of Stockholders on Nov. 20, 2013.



## Building Trust Through Responsible Sourcing



Clorox sources raw materials for product ingredients and packaging from around the world. Thus, we're mindful of our impact on the environment, as well as on the individuals and communities that provide services and materials for our products. Our responsible sourcing strategy plays an important role in helping us develop strong partnerships in the areas of social compliance, sustainability, workplace safety and quality assurance, to name a few.

Responsible sourcing begins with our [Business Partner Code of Conduct](#), which specifically addresses the business practices of our third-party suppliers, their parent companies and affiliates in the areas of human rights and labor, health and safety, environment and business conduct and ethics. The code is supported by site visits, self-assessments and third-party audits with select suppliers to help maintain a commitment to our standards and continuous improvement.

In fiscal 2013, Clorox expanded its responsible sourcing strategy by more widely adopting an approach developed by our Burt's Bees business, with a focus on five areas:

- Geographical locale
- Quality of raw materials and suppliers
- Code of conduct
- Agricultural/environmental factors
- Availability

In fiscal 2013, the responsible sourcing team visited suppliers in 10 countries. In most cases, we visited our own suppliers, as well as other local suppliers who provide similar materials, to better understand the entire supply chain of those materials. After these visits, we collaborated with suppliers to create site-specific sustainability plans. With our help and guidance, suppliers are better able to make needed sustainability improvements and will be sharing their progress with us going forward.

### Joining Others in a Commitment to Responsible Sourcing

Also in fiscal 2013, Clorox joined AIM-Progress, a forum for consumer goods manufacturers and suppliers to promote responsible sourcing and sustainable production. Through AIM-Progress, we're collaborating and helping to drive efficiency in the development, assessment and promotion of responsible sourcing practices in global supply chains. We joined Global Shea Alliance to demonstrate a further commitment to the shea value chain in West Africa. Lastly, we joined the Supplier Ethical Data Exchange, which is dedicated to driving improvements in responsible and ethical business practices in global supply chains.

## Company Profile

Our Mission:  
We make everyday life  
better, every day.

FY 2013

**\$5.6B**  
SALES

**8,400**  
EMPLOYEES

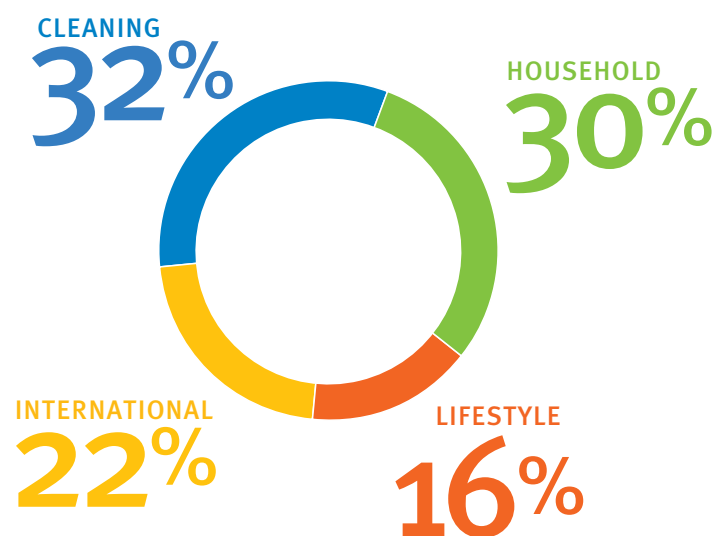
**39**  
MANUFACTURING  
FACILITIES

**100+**  
COUNTRIES  
MARKETS SERVED

CLOROX IS TRADED ON THE  
NYSE UNDER THE SYMBOL

**CLX**

## Sales by Segment and Category



### CLEANING

Home Care 17%

Laundry 10%

Professional Products 5%

### HOUSEHOLD

Bags & Wraps 14%

Charcoal 9%

Cat Litters 7%

### LIFESTYLE

Dressings & Sauces 9%

Water Filtration 4%

Natural Personal Care 3%

### INTERNATIONAL

International 22%

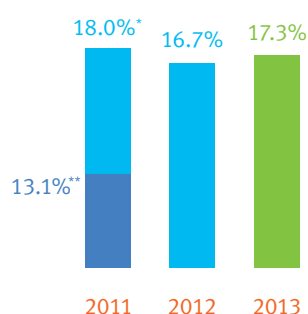
## Performance

Achieving financial success with transparency and strong governance

Net Sales  
(\$ Millions)

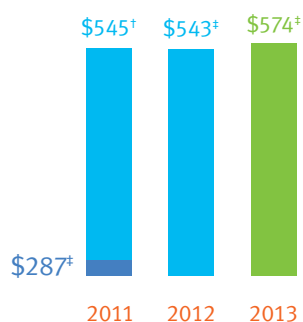


Adjusted Earnings From Continuing Operations Before Interest and Taxes Margin (as a % of Net Sales)<sup>1</sup>  
(non-GAAP)



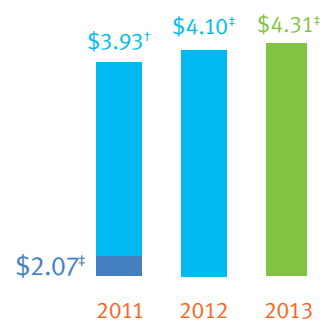
\*Excluding noncash Burt's Bees goodwill impairment charge  
\*\*Including noncash Burt's Bees goodwill impairment charge

Earnings From Continuing Operations<sup>2</sup>  
(\$ Millions)



†Adjusted Non-GAAP  
†GAAP

Diluted Net Earnings Per Share From Continuing Operations<sup>2</sup>  
(\$ Dollars)



†Adjusted Non-GAAP  
†GAAP

Net Cash Provided by Continuing Operations  
(\$ Millions)



Economic Profit<sup>3</sup>  
(non-GAAP)  
(\$ Millions)



Free Cash Flow<sup>4</sup>  
(non-GAAP)  
(\$ Millions)



## Footnotes

See footnotes below for descriptions of these non-GAAP measures, the reasons management believes they are useful to investors, and reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

1. EBIT represents earnings from continuing operations before interest income, interest expense and income taxes. EBIT margin is the ratio of EBIT to net sales. The company's management believes these measures provide useful additional information to investors about trends in the company's operations and are useful for period-over-period comparisons. EBIT margin for fiscal year 2011 was 13.1 percent. Excluding the fiscal year 2011 noncash goodwill impairment charge of \$258 million for the Burt's Bees business, adjusted EBIT margin was 18 percent.

### Reconciliation of Earnings from Continuing Operations Before Income Taxes to Adjusted EBIT

Dollars in millions	FY13	FY12	FY11
Earnings from continuing operations before income taxes	\$ 853	\$ 791	\$ 563
Noncash goodwill and intangibles impairment	—	—	258
Interest income	(3)	(3)	(3)
Interest expense	122	125	123
Adjusted EBIT	\$ 972	\$ 913	\$ 941
Adjusted EBIT margin	17.3%	16.7%	18.0%
Net sales	\$ 5,623	\$ 5,468	\$ 5,231

2. Fiscal year 2011 earnings from continuing operations and diluted net earnings per share from continuing operations were \$287 million and \$2.07, respectively. Excluding the fiscal year 2011 noncash goodwill impairment charge of \$258 million (an impact of \$1.86 per diluted share) for the Burt's Bees reporting unit, earnings from continuing operations – adjusted and diluted net earnings per share from continuing operations – adjusted (both non-GAAP measures) were \$545 million and \$3.93, respectively. The company's management believes these measures, excluding the fiscal year 2011 noncash goodwill impairment charge, are reflective of its sustainable results and trends and that this non-GAAP information provides investors with a more comparable measure of year-over-year financial performance.

3. Economic profit (EP), a non-GAAP measure, is defined by the company as earnings from continuing operations before income taxes, noncash restructuring-related and asset impairment costs, noncash goodwill and intangibles impairment and interest expense; less an amount of tax based on the effective tax rate before any noncash goodwill and intangibles impairment charge, and less a charge equal to average capital employed multiplied by the weighted-average cost of capital. Management uses EP to evaluate business performance and allocate resources, and it is a component in determining management's incentive compensation. Management believes EP provides additional perspective to investors about financial returns generated by the business and represents profit generated over and above the cost of capital used by the business to generate that profit.

### Reconciliation of EP

Dollars in millions	FY13	FY12	FY11
Earnings from continuing operations before income taxes	\$ 853	\$ 791	\$ 563
Noncash restructuring-related and asset impairment costs	—	4	6
Noncash goodwill and intangibles impairment	—	—	258
Interest expense	122	125	123
Earnings from continuing operations before income taxes, noncash restructuring-related and asset impairment costs, noncash goodwill and intangibles impairment and interest expense	\$ 975	\$ 920	\$ 950
Income taxes on earnings from continuing operations before income taxes, noncash restructuring-related and asset impairment costs, noncash goodwill and intangibles impairment and interest expense <sup>(1)</sup>	319	289	321
Adjusted after-tax profit	\$ 656	\$ 631	\$ 629
Average capital employed <sup>(2)</sup>	\$ 2,552	\$ 2,544	\$ 2,618
Capital charge <sup>(3)</sup>	\$ 230	\$ 229	\$ 236
Economic profit (adjusted after-tax profit less capital charge)	\$ 426	\$ 402	\$ 393

- (1) The tax rate applied is the effective tax rate on continuing operations before any noncash goodwill and intangibles impairment charge, which was 32.7%, 31.4% and 33.8% in fiscal years 2013, 2012 and 2011, respectively. The difference between the fiscal year 2011 effective tax rate on continuing operations before any noncash goodwill and intangibles impairment charge and the effective tax rate on continuing operations of 49.0% is (16.0)% related to the nondeductible, noncash goodwill impairment charge and 0.8% for other tax effects related to excluding this charge.

- (2) Total capital employed represents total assets less non-interest bearing liabilities. Adjusted capital employed represents total capital employed adjusted to add back current year noncash restructuring-related and asset impairment costs and noncash goodwill and intangibles impairment. Average capital employed represents the average of adjusted capital employed for the current year and adjusted capital employed for the prior year, based on year-end balances. See below for details of the average capital employed calculation:

Dollars in millions	FY13	FY12	FY11
Total assets	\$ 4,311	\$ 4,355	\$ 4,163
Less:			
Accounts payable	413	412	423
Accrued liabilities	490	494	442
Income taxes payable	29	5	41
Other liabilities	742	739	619
Deferred income taxes	119	119	140
Non-interest bearing liabilities	1,793	1,769	1,665
Total capital employed	2,518	2,586	2,498
Noncash restructuring-related and asset impairment costs	—	4	6
Noncash goodwill and intangibles impairment	—	—	258
Adjusted capital employed	\$ 2,518	\$ 2,590	\$ 2,762
Average capital employed	\$ 2,552	\$ 2,544	\$ 2,618

- (3) Capital charge represents average capital employed multiplied by the weighted-average cost of capital. The weighted-average cost of capital used to calculate capital charge was 9% for all fiscal years presented.

4. Free cash flow is calculated as net cash provided by continuing operations less capital expenditures. For fiscal years 2013, 2012 and 2011, net cash provided by continuing operations was \$777 million, \$620 million and \$690 million, respectively, and capital expenditures were \$194 million, \$192 million and \$228 million, respectively. The company's management uses this measure to help assess the cash-generation ability of the business and funds available for investing activities, such as acquisitions, investing in the business to drive growth, and financing activities, including debt payments, dividend payments and share repurchases. Free cash flow does not represent cash available only for discretionary expenditures, since the company has mandatory debt service requirements and other contractual and nondiscretionary expenditures.



## Products

Making responsible products, responsibly

FY 2013

3%

INCREMENTAL SALES GROWTH  
FROM PRODUCT INNOVATION

7%<sup>A</sup> PRODUCTS  
WITH SUSTAINABILITY  
IMPROVEMENTS\*

\*For the calendar year ended Dec. 31, 2012. Percentage based on net customer sales. A sustainability improvement is defined as either 1) a 5 percent or greater reduction in either product or packaging material on a per consumer use basis or 2) a meaningful sustainability improvement to 10 percent or more of either product or packaging material on a per consumer use basis.

## Planet

Shrinking our environmental footprint while growing our business

Operational Footprint Reduction  
(CY 2012 vs CY 2011, per case of product sold)

CO<sub>2</sub> -10%<sup>A</sup>

GREENHOUSE GAS EMISSIONS

-10%<sup>A</sup>

ENERGY CONSUMPTION

-5%

WATER CONSUMPTION

-1%

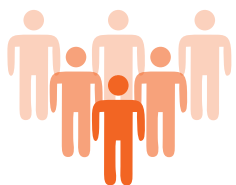
SOLID WASTE TO LANDFILL

<sup>A</sup> Reviewed by Ernst & Young LLP. Greenhouse gas emissions and energy consumption percentages reflect U.S. only. Refer to pages 43-44 for the review report.

## People

Promoting diversity, opportunity and respectful treatment

FY 2013



Employee Engagement  
**87%**<sup>A</sup>  
VS  
80% BENCHMARK\*

\*The global benchmark is based on responses from over 250,000 employees from more than 25 countries around the world.

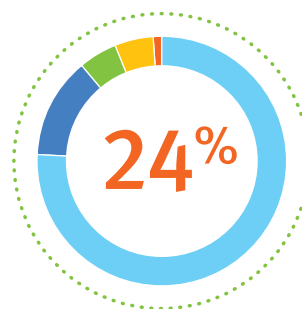
**.61**<sup>A</sup>  
WORLD-CLASS  
RECORDABLE  
INCIDENT RATE\*

\*A recordable incident rate (RIR) of 1.0 or less is considered world class.

**40%**<sup>A</sup>  
U.S. FEMALE  
NONPRODUCTION  
MANAGERS

**49%**<sup>A</sup>  
GLOBAL FEMALE  
NONPRODUCTION  
EMPLOYEES

**CLOROX**  
U.S. Ethnic Diversity  
**EXCEEDS**  
U.S. Census Diversity



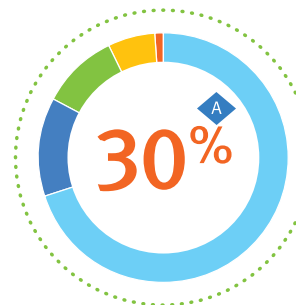
U.S. Minority Non-Production  
Managers vs **22%** U.S. Census Bureau

### MANAGERS

- White 76%
- Asian 13%
- Black/African-American 5%
- Hispanic/Latino 5%
- Other 1%\*

**27%**<sup>A</sup>  
FEMALE INDEPENDENT  
BOARD OF DIRECTORS\*

**20%**<sup>A</sup>  
FEMALE EXECUTIVE  
COMMITTEE MEMBERS



U.S. Minority Non-Production  
Employees vs **28%** U.S. Census Bureau

### EMPLOYEES

- White 70%
- Asian 13%
- Black/African-American 10%
- Hispanic/Latino 6%
- Other 1%\*

**45%**  
MINORITY INDEPENDENT  
BOARD OF DIRECTORS\*

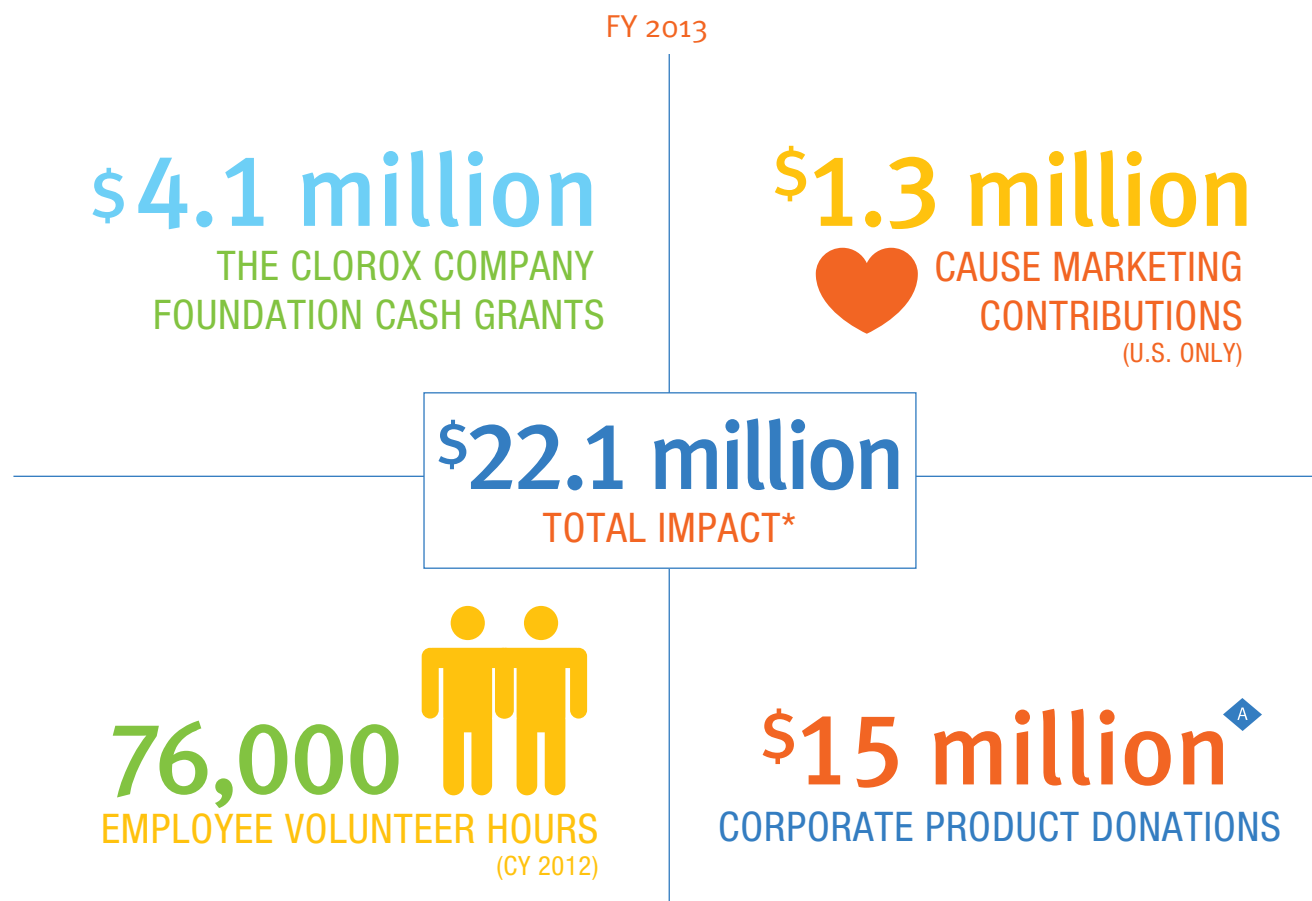
\*As of Aug. 19, 2013, based on total number of independent board of directors.

<sup>A</sup> Reviewed by Ernst & Young LLP. Refer to pages 43-44 for the review report.

\*Includes Native American, Native Hawaiian and multiracial.

## Our Impact

Safeguarding families with our be healthy, be smart and be safe initiatives



Reviewed by Ernst & Young LLP. Refer to pages 43-44 for the review report.

\*Total impact includes financial equivalent of volunteer hours, calculated at \$22.14 per volunteer hour, based on the 2012 industry standard from Independent Sector, a leading nonprofit organization that determines the financial equivalent of volunteer initiatives.

## Integrated Business Model



\*Peer companies – an average of 17 consumer packaged goods companies, excluding Clorox, used for benchmarking purposes.



# Operating Context: Business Value Drivers

## OUR RESOURCES

### TALENTED AND ENGAGED EMPLOYEES

Since our founding, Clorox has attracted smart, values-driven people who want to make a positive impact. Whether it's developing products that stop the spread of infection, ensuring safety in our workplace or driving our corporate responsibility strategy, Clorox people are driven to do their best every day. Working with a great team and having the opportunity to take on challenging and meaningful experiences are examples of why our people are such an asset to our organization.

### SUPERIOR BRAND-BUILDING CAPABILITY: 3D INNOVATION

Using our "3D" demand-creation model – *desire, decide* and *delight* – we strive to build powerful brands and lifelong consumer loyalty. We produce award-winning marketing communications to drive consumer *desire*; create standout product packaging and in-store promotions to compel purchases at the point of *decide*; and deliver superior-quality products to *delight* consumers.

### ADVANTAGED PRODUCT PORTFOLIO

We leverage global consumer megatrends of health and wellness, sustainability, multiculturalism and affordability/value to guide and shape our portfolio. Our overarching objective to build big-share brands in economically attractive, mid-sized categories is the foundation for our decisions. By clearly knowing our direction, having a strong 3D demand-creation model and meaningful product innovation, we've achieved proven results: nearly 90 percent of our brands are the No. 1 and No. 2 leaders in their categories.

### FINANCIAL DISCIPLINE AND STRONG CASH FLOW

Notable financial discipline, sound strategy and a track record of delivering strong cost savings all contribute to Clorox's ability to generate strong cash flow. Our priorities for using cash include reinvesting in our business and returning cash to our stockholders. Between share repurchases and increases in total annual dividends paid to stockholders, we have returned more than \$2 billion in cash to our stockholders in the last five years.

## Operating Context for Integrated Business Model

To achieve our business goals, we must optimize key resources and relationships in the context of a dynamic operating environment. Our strategies are set accordingly, with value-creating activities designed to deliver sustainable, long-term growth.

## EXTERNAL FACTORS

### GLOBAL ECONOMY

There are a number of global, external factors that can affect our ability to drive growth in the short and long term. Economic conditions, foreign currency declines, price controls in certain markets, population growth and the political climates within countries where we do business are just a few that can positively or adversely impact our consumers, customers and areas of our business. Our strategies are designed to help us navigate the challenges we face and seize opportunities for business growth.

### RAW MATERIAL COSTS

Commodity costs have a significant impact on our profit margins. When costs are high, we rely on internal cost savings and judiciously implementing price increases to help offset expenses.

### LAWS AND REGULATIONS

As a multinational company, Clorox is subject to diverse and complex laws and regulations. We monitor compliance with the changing regulatory landscape across our business and provide regular compliance training to our employees.

### NATURAL RESOURCES

Like all companies, Clorox relies on the availability of natural resources, such as water, plant-based ingredients, minerals and other inputs to our business. That's why we're mindful of our product and operational footprint and have an environmental sustainability strategy that seeks to minimize our impact as we grow our business.

## OUR RELATIONSHIPS

### CONSUMERS

Our ability to tap into what our consumers want and, in turn, deliver value comes from deeply knowing their preferences and taking their feedback to heart. Through our global insights team, we have a 360-degree view of our consumers: their relationship with our brands, understanding what product qualities really matter to them, how they shop for our products and how they use them at home. We develop or enhance our products with these insights in mind, constantly looking for ways to make everyday life better.

### RETAIL CUSTOMERS

We have a long tradition of partnering with retail customers to grow our categories and help them achieve success. A cornerstone of our approach is leveraging our deep consumer insights and sharing this data to help customers make smart decisions about their own businesses. This has proven successful – Kantar Retail, an industry research group, has often ranked Clorox in the top 10 among manufacturers for our sales force and customer teams.

### INVESTORS

Above all, we focus on delivering stockholder value. We have a strong reputation for communicating clearly and transparently about our financial performance through quarterly earnings communications, in-person meetings between our investors and senior leaders, as well as our annual stockholder meeting, among other engagement activities.

### COMMUNITIES

Vibrant, healthy communities play a significant role in our business, which is why we have a long history of contributing to economic vitality and social well-being in areas where we operate.

### EMPLOYEES

Our 8,400 employees are the engine of our company; ensuring high levels of engagement is a top priority for Clorox. We maintain an ongoing dialogue with our team, through quarterly town hall meetings, surveys and meaningful workplace programs, to keep heads and hearts in the game each and every day.

### SUPPLIERS AND OTHER BUSINESS PARTNERS

We strive to establish strong business relationships with third-party organizations, including suppliers who provide raw materials and services that help us develop, manufacture and distribute high-quality products. Having close working relationships starts with influencing our partners' business practices so that they mirror our own in areas such as human rights, labor, equal opportunity, sustainability, workplace safety and ethics.

## OUR VALUES

For more than a century, our moral compass has guided us to win the right way.

### DO THE RIGHT THING

The long-term health of our company depends on our integrity. We have a tradition of honesty, fair dealing and ethical practices. We look at facts to make purposeful decisions, and we are committed to openly communicating our choices with our key stakeholders.

### STRETCH FOR RESULTS

Our success is measured by our ability to consistently win in the marketplace by exceeding the expectations of our consumers, customers, stockholders and each other.

### TAKE PERSONAL OWNERSHIP

We make progress by taking personal ownership in both the results and the process to get there. Our team knows that every individual plays an important role in delivering excellent work and achieving our company goals.

### WORK TOGETHER TO WIN

Our success depends on productive collaboration among Clorox people, our business partners and our communities. Individual ownership and contributions are critical, but none of us can accomplish our goals alone. Teamwork is essential for achieving even greater results.

# Centennial Strategy: Success Drives Performance and Stockholder Value

## The Right Strategy for the Right Time

In anticipation of our 100th anniversary in 2013, we launched our Centennial Strategy nearly six years ago with the purpose of defining the overall goals and direction of Clorox's business. Our Centennial Strategy successfully guided the company during this time, which also included the toughest – and longest – economic recession in the U.S. since World War II. Over a five-year period within the Centennial Strategy, Clorox:

- Delivered total stockholder returns in the top third level of our peer group\*
- Grew sales at a compounded annual growth rate of about 3 percent
- Delivered economic profit (EP) at a compounded annual growth rate of 6 percent
- Delivered double-digit earnings per share (EPS) (compounded annual growth rate)
- Generated strong cash flow that enabled dividends to increase from \$1.60 to \$2.56

**We achieved this success by delivering against our four core strategies:**

**1. Be a high-performance organization of enthusiastic owners:**

Employee engagement reached record highs, well above industry benchmarks. Our focus on driving diversity and inclusion across the company, implementing workplace wellness, keeping safety as a top priority, accelerating our sustainability efforts and working in ways that are consistent with our values are a few of the contributing factors to our high employee engagement, which is essential to maximizing business performance.

**2. Win with superior capabilities in desire, decide and delight:**

Our “3D” demand creation model of *desire*, *decide* and *delight* – prepurchase, point-of-purchase and post-purchase consumer experience – kept our brands strong, with nearly 90 percent of our brands holding the No. 1 or No. 2 position in their categories. Product innovation increased to record levels, contributing more than 3 points of incremental sales in the last two fiscal years.

**3. Accelerate growth in and beyond the core:** We reshaped our portfolio to align with four global consumer “megatrends” – health and wellness, sustainability, multiculturalism and affordability/value – to build and sustain long-term growth. We made strategic acquisitions, including Burt's Bees, CalTech, Apicare, HealthLink and Soy Vay. We also expanded our Professional Products business and Clorox and Hidden Valley franchises.

## Centennial Strategy Milestones

NEARLY  
**90%**  
OF OUR BRANDS  
RANK NO. 1 OR NO. 2  
IN MARKET SHARE\*\*

**88%**  
TOTAL  
5-YEAR STOCKHOLDER RETURN

**3%**  
SALES GROWTH  
(5-year compounded annual growth rate)

**6%**  
ECONOMIC PROFIT  
(5-year compounded annual growth rate)

\*Peer companies – an average of 17 consumer packaged goods companies, excluding Clorox, used for benchmarking purposes.

\*\*U.S. market share based on multioutlet data from “tracked” channels, such as grocery stores, as of June 23, 2013. International market share based on data from Nielsen, IRI, Kantar and IDRetail as of Feb./Mar. 2013.



**4. Drive out waste:** Cost discipline has long been a company hallmark. As we executed the Centennial Strategy, we delivered more than \$582 million in cost savings over a five-year period by working smarter and more efficiently, being good stewards of our resources and treating the company's money as if it were our own.

#### Developing a Triple Bottom Line View

During the course of our Centennial Strategy period, we also began taking a broader, more holistic view of our impact as a company by integrating corporate responsibility (CR) into our business. In 2010, a cross-functional team developed a formal CR strategy that established priorities and set goals for environmental, social and governance performance, as well as a framework to achieve them.

For example, we've made significant progress in making environmental stewardship core to how we do business. We've invested in more sustainable products, reduced the overall impact of our operations, enhanced the sustainability of our supply chain and integrated environmental metrics into our business processes and culture. Importantly, these sustainability efforts are helping to drive sales growth and significant cost savings across our operations.

Another important CR focus area has been transparency. In 2009, Clorox became the first major consumer packaged goods company to voluntarily disclose the ingredients of our cleaning and disinfecting products in the U.S. and Canada. In addition, we established a leadership role in sustainability reporting and, in the last two years, have moved toward integrated reporting to present a more holistic view of Clorox's performance. This year, Corporate Secretary magazine recognized our 2011 integrated annual report for the "most innovative disclosure policy." This was our first effort to combine financial, environmental, social and governance performance into one report, which was themed "Think Outside the Bottle."

We understand that now, more than ever, the choices we make can have a significant impact on all our stakeholders. Our CR strategy will continue to play an important role in guiding the company toward long-term, sustainable growth, while enabling us to become even better stewards of corporate and natural resources and positively contribute to the communities where we do business.

## 1. Be a High-Performance Organization of Enthusiastic Owners

### Building a Team of Enthusiastic Owners

Clorox's success depends on our people being fully engaged and working together to deliver on our mission of making everyday life better, every day, for consumers around the globe. That's why the cornerstone of our Centennial Strategy was to "be a high-performance organization of enthusiastic owners," with a foundation of shared values, respect and collaboration.

We're proud to report that since 2008 our employee engagement scores have increased to all-time highs, including 87 percent this year, well above the global benchmark of 80 percent.\* Our ability to attain such high levels of engagement begins with our corporate values: do the right thing, stretch for results, take personal ownership and work together to win. These values reinforce a common understanding of what's expected of us and a shared commitment to do so. That commitment is illustrated in multiple ways, from our strong corporate governance policies to involvement in our communities to an expectation that our business partners and suppliers operate in accordance with similar values. In return, our people are rewarded for their performance, with the vast majority currently receiving an annual bonus.

Being a high-performance organization also means being a diverse and inclusive one. Diversity and inclusion builds a stronger workplace community and a stronger business. We develop better ideas when we respect individuals for the unique perspective they bring and ensure their thoughts are heard. One way we enhanced our diversity efforts during the centennial period was by strengthening our employee resource groups (ERGs) and engaging them to imagine new business opportunities. In the process, ERGs not only have improved employee engagement, but also contributed to real business gains.

Since fiscal year 2008, we have further developed and expanded our high-performance team (HPT) methodology to give teams at all levels of the organization the tools and insight they need to collaborate effectively and efficiently. Teams now have access to self-service development tools and more than a third have incorporated specific HPT principles into their everyday team behaviors. Furthermore, HPT principles are now incorporated into the Diamond Leadership Institute, as well as our employee performance management process and succession planning discussions. As a result, we're progressing toward higher levels of effective collaboration to become an organization that is truly powered by everyone's leadership, every day.

## Centennial Strategy Milestones

**87%**<sup>A</sup>  
EMPLOYEE ENGAGEMENT

**100%**  
SCORE IN  
HUMAN RIGHTS CAMPAIGN  
SINCE 2006

**.61**<sup>A</sup>  
WORLD-CLASS RECORDABLE  
INCIDENT RATE\*\*

## EMPLOYEE RESOURCE GROUPS



\*The global benchmark is based on responses from over 250,000 employees from more than 25 countries throughout the world.

\*\*A recordable incident rate (RIR) of 1.0 or less is considered world class.

<sup>A</sup> Reviewed by Ernst & Young LLP. Refer to pages 43-44 for the review report.



## 1. Be a High-Performance Organization of Enthusiastic Owners

### Our Clorox: Powered by Everyone's Leadership, Every Day

Since our founding, Clorox has attracted smart, values-driven people who strive for excellence. Whether it's helping to stop the spread of infection, investing time and energy in our communities, improving our workplace or simply making household chores a little easier for our consumers, Clorox people are driven to do it, and do it right.

But what keeps our employees actively engaged? In fiscal year 2013, we established a cross-functional team of employees who set out to better understand and articulate Clorox's employer brand.

The team began by surveying almost 800 employees and holding focus groups with another 250 around the world to gain insight into what keeps them engaged and motivated. From this research, the team identified six core attributes that employees throughout the company – regardless of level, function or geography – value about their work at Clorox. These attributes are:

- Great people
- Pride in great brands and products
- Strong values
- Work/life balance
- Opportunity
- Personal impact

The team then applied our brand-building expertise to distill these insights into a core employer brand – Our Clorox: Powered by everyone's leadership, every day. This brand, and the attributes behind it, provides a road map for maintaining our world-class engagement results, attracting top talent and continuing to deliver business results. From here, Clorox can preserve and nurture the qualities that make us unique, while also developing and empowering all our employees – in every position and at every level – to be leaders. In the end, we know it's our people who are critical to our future success.



#### Working Together to Build Rewarding Careers

Building a rewarding career means having the right challenges and learning opportunities. Clorox promotes career development through training programs, mentorship opportunities and more. Depending on the type of role, employees and managers may have up to 80 hours of training every year. Through the Performance Management and Planning process, all nonproduction employees work with their managers to set business goals and objectives. They also create an individual development plan that targets experiences, training, relationships and accountabilities that foster career growth. Throughout the year, employees meet with their managers to track progress and make adjustments as necessary, and all nonproduction employees receive annual performance and career development reviews. This process is critical to ensuring that employees are doing the right work to support our business goals and that they are taking ownership of their career development.

## 1. Be a High-Performance Organization of Enthusiastic Owners Empowering Employees and Driving Agility

One of our strategic priorities is to drive agility throughout the enterprise by breaking down barriers and simplifying processes to work more efficiently. Creating a culture with an “inverted pyramid” approach enables this by empowering our employees to collaborate, lead and take personal ownership.

By reversing the traditional pyramid and placing top leadership at the bottom, our leaders see their role as one of enabling the success of the people on their teams and serving the organization as a whole. We believe in this approach as it empowers individuals to make decisions quickly, encourages working across functions to solve problems, and fosters agility, ingenuity and innovation. Ultimately, our goal is to build an organization that’s more nimble and quick to seize opportunities and adapt to market change.

It’s an ongoing process, but we’re proud that our employees are demonstrating these principles and achieving strong business results. For example, an employee team from seven different countries, across two business units, came together in fiscal 2013 to quickly capitalize on an opportunity in Latin America and the Middle East. They rapidly assessed market conditions, brainstormed options and formulated an integrated marketing plan, and within four months they developed a new formula and packaging for a thicker bleach product.

Two months later, we began rolling out Clorox® power gel in 11 countries on two continents using a multifaceted marketing campaign. The product quickly gained market share and the team was lauded within Clorox for working together to win.

Adopting an inverted pyramid culture also means giving employees freedom and flexibility to collaborate and further develop ideas. Our new campus in Pleasanton, Calif., is doing just that.

With state-of-the-art labs, an updated technology infrastructure and open workspaces, the campus is designed around employee work preferences to foster creativity and spur innovation. This, along with our recently opened pilot plant nearby, allows our employees to quickly and more effectively develop and test production of new products and packaging.

From manufacturing plants to our offices worldwide, our talented employees are what set us apart. Their ideas and unique perspectives, drive to continuously improve and, ultimately, their passion and enthusiasm bring life to our mission of making everyday life better, every day.



## 2. Win With Superior Capabilities in *Desire, Decide* and *Delight* 3D Excellence



The “Bleachable Moments” advertising campaign took home two 2012 Clio Awards.

The “three moments of truth” – prepurchase, point-of-purchase and post-purchase consumer experiences – drive our “3D” demand-creation model. Simply put, it’s what powers our brands. When we execute the 3Ds well, we position Clorox brands to achieve category leadership, increase market share and grow sales. We reach consumers through award-winning advertising and marketing communications. We create eye-catching and effective packaging and in-store merchandising. We listen to consumer feedback and partner with retail customers to encourage product decisions. And we deliver superior products that delight and build lifetime brand loyalty.

### Centennial Strategy Milestones

**Record levels**  
OF PRODUCT INNOVATION

**Award-Winning**  
MARKETING CAMPAIGNS

**35%** PRODUCTS WITH  
SUSTAINABILITY IMPROVEMENTS\*  
(since 2008)

\*A sustainability improvement is defined as either 1) a 5 percent or greater reduction in either product or packaging material on a per consumer use basis or 2) a meaningful sustainability improvement to 10 percent or more of either product or packaging material on a per consumer use basis.



## 2. Win With Superior Capabilities in *Desire, Decide* and *Delight* Creating “Gotta Have it” Consumer *Desire*



*The “Bleachable Moments” campaign leverages both social media and traditional media components.*

### Bleachable Moments Speaks to Young Consumers

During fiscal 2013, we saw continued success with the “Bleachable Moments” advertising campaign, which positions bleach as the answer to life’s everyday, extreme messes. Bleachable Moments has been a key part of our push to create renewed interest and desire in bleach among younger consumers. It’s a two-tiered approach that encompasses both social media components and traditional advertising. A year into the campaign, the ads are among the highest rated in company history. Even better, the number of younger consumers using bleach is up more than 6 percent.



*Awarded the 2012 PR Week Multicultural Campaign of the Year, “Gracias Mama” campaign events included appearances from Latin singer Shaila Dúrcal.*

### “Gracias Mama” Touches U.S. Hispanic Consumers

Our focus on multicultural audiences, including Hispanic consumers in the U.S., continues through thoughtful, engaging and fun marketing campaigns. In 2012, in partnership with the Hispanic Scholarship Fund, we launched the “Gracias Mama” campaign to support education and recognize mothers’ roles in their children’s academic success.

High school seniors submitted 500-word essays detailing the role their mother or mother figure played in their education. Ultimately, out of 5,000 applications, five students were each awarded a \$12,000 scholarship, while their moms received \$500 spa gift certificates. Latin singer Shaila Dúrcal promoted the campaign by performing at two “Take a Load Off” launch events in Miami and Los Angeles laundromats, while the Clorox team cleaned attendees’ clothes for free.

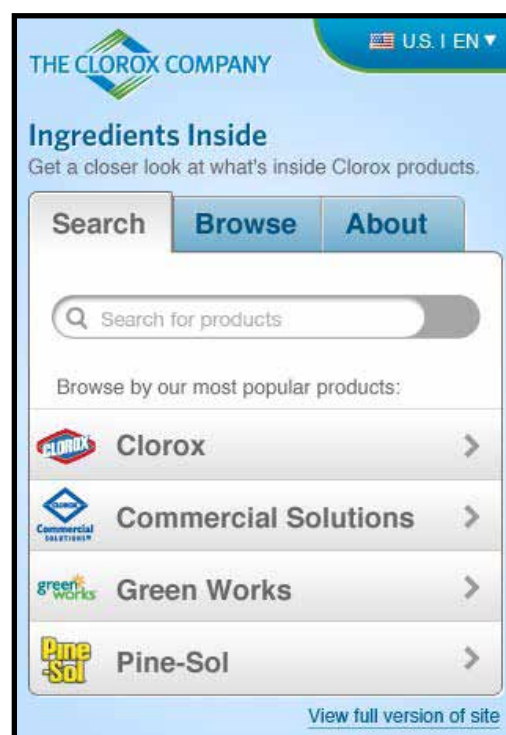
## 2. Win With Superior Capabilities in *Desire*, *Decide* and *Delight* Helping Consumers *Decide* to Say “Yes”

We’ve sharpened our focus on shoppers to create greater impact during the crucial moment when they decide whether or not to purchase our product. Key to this effort is our category advisory services team, which is establishing stronger partnerships with retail customers. By sharing deep consumer insights and market knowledge with these customers, we’re helping grow our categories at point of purchase.

We’re also looking at new ways to listen to our consumers and quickly respond to their needs. One recent example is our shopper insights team’s savvy use of social media. During this year’s flu season – a high-demand time for disinfecting products – the team tracked mentions of “flu” on social media channels by location and cross-referenced those mentions with inventories of Clorox® disinfecting wipes and sprays at retailers. This initiative ensured ample supplies at key retail locations, which, in turn, drove incremental sales for the company and our retail partners (and, importantly, helped consumers kill germs that can cause the flu).

### Ingredients Inside Provides Information Anytime, Anywhere

Consumers are more educated and aware of their purchasing decisions than ever before. They want to know about the ingredients that go into their cleaning and disinfecting products. We now make it easier for them to access this information, even while they shop, so they can feel confident about the ingredients and safety processes of our cleaning and disinfecting products at the point of decide. In 2011, we launched our Ingredients Inside smartphone app and mobile website, which is updated annually. This site puts ingredient and product safety information for our U.S. and Canada cleaning and disinfecting products right at our consumers’ fingertips.





## 2. Win With Superior Capabilities in *Desire, Decide* and *Delight* Building Loyalty with Products that *Delight*

Offering superior products preferred by consumers is how we create brand loyalty and ensure repeat purchases. If there's one thing we learned from the recession, delivering meaningful product innovation that delights our consumers is the key to reinforcing the value proposition of our brands. Once again, this fiscal year, we delivered record levels of product innovation, which contributed more than 3 percentage points of incremental sales growth. Following are recent examples of some of our most significant product enhancements in recent years.

### A New Generation of Clorox Bleach

We rolled out the red carpet for our namesake liquid bleach in fiscal 2013, launching a more concentrated version that's a win for our consumers and the environment. Concentrated Clorox® regular bleach not only improves whitening of clothes and enhances consumers' overall laundry experience, but also significantly reduces the amount of water and packaging needed to manufacture the concentrated version. As a result, we are able to minimize our environmental footprint and improve our product sustainability.

The new bleach comes in a smaller bottle that is easier to handle, pour and use in high-efficiency (HE) washing machines. Most manufacturers have now transitioned to HE machines, which have a smaller dispenser for bleach. Our 96-ounce bleach bottle has been reduced to 64 ounces for the same number of wash loads, and the dosing is "right sized" for HE machines. Though consumers use less bleach (1/2 cup versus 3/4 cup), they benefit from improved product performance.

### The New "It" Spray Bottle

A long-time consumer frustration was the inspiration for our SmartTube® Technology, now offered on all of our spray bottles. Until this year, consumers would tilt, tip or otherwise employ various tricks to coax the last bit of cleaner out of the bottles. We took these frustrating workarounds to heart and launched a patented technology that builds the tube into the wall of the bottle, allowing consumers to get every drop of their favorite cleaning product. These new sprays also feature a more durable, enhanced trigger that makes spraying easier and provides better coverage.

### Drink Filtered Water On-The-Go With the Brita® Bottle



The Brita® bottle has an innovation success story for us during the Centennial Strategy period. The bottle, with a filter inside that makes tap water taste great by removing chlorine taste and odor, gives consumers the convenience of filtered water anywhere, anytime. It also takes our brand, previously confined to inside the kitchen, out into the world, giving Brita more brand visibility and recognition.

This year, we expanded the Brita® bottle product line to include hard-sided filtering bottles and kid-size bottles, the newest of which are decorated with popular cartoon characters. These kids' bottles appeal to parents and kids alike – parents can help their kids stay hydrated by drinking more water and kids can have a fun bottle with their favorite characters.

In addition to providing our consumers with convenience and helping them achieve better hydration, the bottles have added benefits for their wallets and the planet. One filter can replace 300 plastic bottles, saving more than \$45 per month\* and reducing landfill waste.

\*Versus average household consumption of bottled water  
Hudson, William (2011, April 18)

## 2. Win With Superior Capabilities in *Desire, Decide* and *Delight*

### Accelerating Innovation: The Engine Powering Our Growth

We've stepped up the pace of innovation by generating and executing big ideas even faster. We have a strong track record – 11 years – of meeting or exceeding our innovation targets, and in fiscal 2011, we raised the bar for incremental sales growth from new products by increasing our sales target from 2 percent to 3 percent annually.

As we plan our innovation pipeline, we use consumer megatrends as a filter to ensure that our efforts stay closely connected to business strategies and marketplace “tailwinds.” Our innovation process remains grounded by answering three fundamental questions:

- What is the problem we're trying to solve?
- Can we address the problem more effectively than competitors?
- What technologies can we draw upon to create a superior product?

We know that truly great ideas don't happen in a vacuum; they require collaboration to become reality.

That's why we develop products with external partners through a practice known as open innovation, which allows us to leverage the strengths of others. One of our most successful partnerships is with Procter & Gamble (P&G), with whom we set up a joint venture for the Glad business. Since its inception, Glad sales have increased by nearly 40 percent, and profit has doubled. The venture has resulted in trash bags that have

reduced our plastic use by 6.5 million pounds annually, but offer more strength; Press'n Seal® wrap, which leverages a unique binding capability originally developed in research for P&G's Crest® 3D Whitestrips®; and OdorShield® bags, which benefit from P&G's Febreze® technology. Additionally, a partnership helped launch Clorox Healthcare™ hydrogen peroxide cleaner disinfectant wipes and spray. By licensing the patented activated hydrogen peroxide (H<sub>2</sub>O<sub>2</sub>) technology, we were able to quickly develop and introduce two distinct product lines that appealed to healthcare and other professional customers.

Consumers are another direct source of great ideas, and we encourage inventors to share their ingenuity with us via CloroxConnects.com. Not only can inventors submit their ideas, but we also are able to gather valuable feedback straight from the source – our consumers – to help us improve our products.

And of course, great product ideas come from those who know Clorox products the best – our people. The Innovent company-wide employee innovation and entrepreneurship contest lets employees compete for the chance to see their ideas become reality. Finalists learn what it takes to transform a promising idea into a viable business proposal and pitch their products to multiple stakeholder groups. Through the competition, product ideas have come to life, including Glad® MatchWare™ food storage system.



## 2. Win With Superior Capabilities in *Desire, Decide* and *Delight*

### Reducing Our Product Footprint Around the World

Selling well over 2 billion products annually, Clorox's greatest opportunity to reduce our environmental footprint lies within our own product portfolio. We make sustainability improvements to our product lines by either reducing material inputs or by moving toward more sustainable materials for our products and packaging. In the last five years, we've made sustainability improvements to 35 percent of our portfolio. Here are a few highlights:



*Our transition to concentrated Clorox® bleach saves resources across the life cycle of the product, from raw materials through manufacturing and shipping, to even when the consumer recycles the bottle. The savings add up to 225,000 megawatt hours of electricity, 196 million gallons of water, 16 million pounds of paper and 10 million pounds of plastic annually.*



*We introduced new stronger Glad® trash bags made with less plastic\*, which saves around 6.5 million pounds of plastic each year, or the equivalent of 140 million trash bags.*



*Our newest brand, gūD® natural personal care products, is made almost entirely (at least 97 percent) from natural ingredients, is never tested on animals and is packaged with recyclable materials.*



*In Guatemala and El Salvador, Poett® cleaners now come in plastic pouches that use one-sixth the plastic of a typical bottle. This reduces costs as well as resources, and we pass savings on to the consumer.*



*Fresh Step® scoopable cat litter now comes in stand-up bags instead of plastic pails, which saves more than 6 million pounds of plastic each year.*

\*Compared to a leading branded bag.

### 3. Accelerate Growth In and Beyond Our Core Businesses

## Megatrends Lead to New Opportunities

Building on our deep consumer insights, Clorox's strategy is guided by four global consumer "megatrends" – health and wellness, sustainability, multiculturalism and affordability/value, which we use as a lens to evaluate opportunities for growth.

Our focus on these megatrends not only helps us make strategic choices about potential acquisitions, but also directs investments in product innovation and marketing communications. We capitalize on opportunities that offer the highest growth potential and provide us with a competitive edge in higher-margin, fast-growing consumer product categories. We've strengthened our portfolio through strategic acquisitions, divestures and expansion of our brand equities into new categories, countries and channels. Along the way, we've maintained a simple guiding premise: build big-share brands in economically attractive midsize categories.

#### Driving Growth, Naturally

The Burt's Bees® brand, acquired in fiscal 2008, remains a leader in the natural personal care category and is growing at double-digit rates domestically and abroad. We see tremendous growth potential for the Burt's Bees® business in the future, especially on the international front. When first acquired, it was available in five countries; today, Burt's Bees® products are offered in 36 countries around the world.

The natural personal care business also expanded through the launch of güd®. The brand aims to extend eco-friendly to "eco-fun," attracting new, millennial consumers to the natural personal care category. güd's product scents include Orange Petalooza™, Red Ruby Groovy™ and Floral Cherrynova™, and its colorful and playful packaging stands out from the traditional muted coloring of many other natural products. And to emphasize the "eco" in eco-fun, all güd products are made from at least 97 percent naturally derived ingredients and all packaging is recyclable.

#### HEALTH & WELLNESS:

Addressing the need for healthy homes and public places, including hospitals, schools and daycare centers

#### SUSTAINABILITY:

Focusing on consumers' personal environments – what goes in, on and around them

#### MULTICULTURALISM:

Addressing the shifting demographics around the world

#### AFFORDABILITY/VALUE:

Delivering high value to consumers through a balance of product performance, innovation and price

## STRATEGIC ACQUISITIONS

**BURT'S  
BEES®**  
BEE2  
BOK2

**APLICARE®**

**HealthLink**  
A Family of Medical Products

**SOY  
VAY**

**CALTECH**





Another addition to our natural platform was the Green Works® brand, which was launched in 2008. That year, we became the first major U.S. marketer to introduce a natural cleaning line into the mainstream cleaning aisle. Today, Green Works continues to make natural cleaning accessible and affordable to everyday consumers where they regularly shop.

#### Expanding Into Healthcare

During our Centennial Strategy time period, we've aggressively focused on growing the professional products business, with a particular emphasis on healthcare. With our strong capabilities in developing high-quality disinfecting products, Clorox plays an important role in addressing the growing epidemic of healthcare-acquired infections and other infectious diseases worldwide.

We made three strategic acquisitions: Caltech, Aplicare, Inc. and HealthLink, all leading providers of infection control and other products for the healthcare industry. These acquisitions add depth and breadth to our healthcare portfolio; provide access to expanded sales channels, including in-patient and out-patient facilities; and increase our exposure in a fast-growing category, infection prevention.

#### Building on Competitive Advantage

In 2012, we made the strategic decision to focus on core international geographies and categories where we have scale and potential for profitable growth. This included growing the Home Care and Burt's Bees® businesses in Latin America and choosing to forgo entering emerging markets, which would require large capital investments. These decisions come on the heels of other moves that have strengthened our International business during the past five years, including the expansion of popular products such as Poett® and Mistolin® into the air freshener category.





## 4. Relentlessly Drive Out Waste

### Keeping a Close Eye on the Bottom Line

When Clorox looks at cost savings, we never lose sight of our goal to provide consumers with high-quality products at the right price, and in turn, create more value for our stockholders. We continuously look at how to drive efficiencies and reduce costs across our entire organization – from product packaging and raw materials to marketing and information services.

#### Cost Savings Is a Company Hallmark

We have a strong track record of consistently delivering cost savings, averaging more than \$100 million annually since 2003. This has helped us successfully weather the challenging economic environment of the past several years, when increased commodity costs and high inflation in international markets impacted manufacturing costs.

At Clorox, innovation comes to life in all areas of the company, so it's just as important for us to think creatively about cost savings as it is for marketing or developing new product ideas. Every year, Clorox people from a cross-section of business units and functions work together to find savings in every area of the company – from the sourcing of raw materials to the manufacturing and distribution of products. We establish targets, brainstorm ideas and have a formal process in place to review, approve and track cost-reduction initiatives.

We also make thinking about cost savings fun and collaborative by encouraging employees across the enterprise to contribute their suggestions. In 2012, 400 employees participated in our companywide competition for cost-saving ideas, sharing thoughts that ranged from how to reduce packaging for Glad® and food products to enhancing video conferencing capabilities to save on business travel expenses.

## Centennial Strategy Milestones

**\$100** MILLION  
AVERAGE ANNUAL COST SAVINGS

### Operational Footprint Reduction\*

 **-26%**  
GREENHOUSE GAS EMISSIONS

 **-15%**  
ENERGY CONSUMPTION

 **-22%**  
WATER CONSUMPTION

 **-27%**  
SOLID WASTE TO LANDFILL

\*Calendar year basis from 2007-2012, per case of product sold.



*This cross-functional team of Clorox people strives to find cost savings in every area of our business.*

### Consolidating Production Equals Big Savings

Another multiteam effort, this time between our sourcing, production and supply chain groups, has created an opportunity to drive product efficiency and savings for Clorox® disinfecting wipes business. Working closely with our suppliers, we have consolidated both production of our wipes and the sourcing of canisters to key strategic partners. We also have moved the canister supply source closer to the wipes production site. With this consolidation, we expect to deliver about \$8 million in total savings over the next several years.

### More Products on the Move With Heavy Haul Program

One of the largest components of Clorox's cost of goods sold is transportation. More than 400 trucks leave our plants and distribution centers daily with finished product. Because Clorox products are heavy, we generally reach the legal weight limit before a trailer is full. A cross-functional team consisting of transportation, information technology, deployment and distribution center operations came together and developed the Heavy Haul program to more fully utilize truck trailer space. Currently, the Heavy Haul program allows us to transport approximately 10 percent more product by using lightweight tractors and trailers. The program is projected to annually save more than \$1 million, remove 2,000-plus trucks from the road and reduce CO2 emissions by 3 million pounds.

### Environmental Stewardship Is Good Business

Sustainability and stewardship of the company's resources go hand-in-hand. We find, over and over again, that doing what's good for the planet is good for the company. In fact, since fiscal 2008, our sustainability initiatives have delivered about \$15 million in cost savings annually.

At Clorox, sustainability is everyone's job, and we are proud of how employees throughout the company apply a sustainability lens to our operations, carrying out our mission of reducing the company's footprint while growing our business. For example, in recent years an engineer at our Chicago plant has significantly reduced the plant's energy use and overall costs by installing more energy-efficient lighting, air compressors, chillers and fans throughout the site. And an effort spearheaded by an IT staff member has raised U.S. employees' awareness of the number of pages they print and encouraged the use of digital alternatives. As a result, we've reduced our paper use, costs and environmental impact by more than one-third.

Overall, between calendar years 2007 and 2012 our efforts to reduce our operational footprint have resulted in a (per case of product sold):

- 26% reduction in greenhouse gas emitted
- 15% reduction in energy consumed
- 22% reduction in water used
- 27% reduction in waste sent to landfills

Clorox's World Class Manufacturing program strives to foster a zero-loss culture through a strong foundation of personal leadership and key operational principles. Principles such as "everyone, everyday," accountability and continuous improvement drive results that have delivered significant cost savings from fiscal 2009 through fiscal 2013.

## Building Vibrant, Healthy Communities



*Don Knauss presents a donation to the East Oakland Youth Development Center.*



*The Clorox Company Foundation supports community nonprofits like Oakland-based Dimensions Dance.*

Clorox donated more than **\$20 million** in fiscal 2013 in grants from The Clorox Company Foundation, product donations from the company and funds from cause-marketing campaigns to help our neighbors and local communities thrive. Additionally, our employees volunteered **76,000** hours in calendar year 2012.

### Supporting Community Organizations

Through our foundation grants, workplace giving, employee volunteerism and other corporate donations, we support K-12 education, youth development, civic and cultural programs and more. The Clorox Company Foundation awarded \$4.1 million in cash grants in fiscal year 2013, bringing its total support to \$91 million since the program began in 1980. Foundation grants are disbursed primarily in Oakland and the communities that surround our operations. A few of these programs include Junior Achievement of Northern California, Techbridge and Oakland Museum of California. In all, we estimate that nearly 30,000 people were positively impacted by our grants last year.

### Employees Take Heart

Clorox employees are at the heart of our philanthropy. They generously contribute their time and money to causes important to them – and Clorox rewards employees' efforts by matching their donations and contributing to organizations where they volunteer the most.

In calendar year 2013, our annual employee-led Getting Involved For Tomorrow (GIFT) campaign raised nearly \$4.6 million to support 2,500 nonprofits chosen by employees. Fifty-seven percent of employees in the U.S. and Canada participated. In addition, we donated \$30,000 to 89 organizations where our employees had volunteered more than 24 hours of their time.

Beyond monetary support, Clorox employees around the world donate their time and talents to nonprofits in their communities. Here are a few of the many examples of their generosity:

- Our team in Minnesota packed donated food items into 30-lb. boxes to be shipped out across the area for Second Harvest Heartland food bank in Minneapolis, Minn. By the end of the event, they had boxed and put on pallets 10,500 lbs. of food.
- Partnering with "Un Techo Para Mi País – Colombia" (A Roof For My Country – Colombia), Clorox volunteers built five homes for families in Colombia.
- The Diamond Leadership Institute's Leadership Forum hosted a team-building activity in which participants built bikes and rocking horses to benefit Brighter Beginnings, an organization that believes "every family matters, and every child deserves a happy, healthy future."
- West Coast employees packaged 15,162 meals to be shipped to children in developing countries through the Stop Hunger Now organization.



## Be Safe: Helping Hands When Disasters Strike

Our mission to make everyday life better, every day, takes on special meaning during times of disaster. Whether it's our people serving meals or truckloads of our products helping families clean, disinfect and remove debris, Clorox is often there.

When Hurricane Sandy devastated the Eastern seaboard in November 2012, we donated 55 truckloads of Clorox® bleach to our disaster relief partners, the American Red Cross and Feeding America, to assist with the cleanup. This was in addition to three truckloads of Glad® trash bags that we donated at the start of the hurricane season to help our partners replenish their supplies and be prepared for future needs.

While our bleach and trash bag products aided cleanup efforts, our KC Masterpiece® and Kingsford® brands helped feed hungry families, emergency personnel and disaster relief volunteers. The KC Masterpiece Pit Wagon, in partnership with the nonprofit Operation BBQ Relief, mobilized its truck in New Jersey and cooked up between 2,000 and 5,000 meals each day during the height of the storm's aftermath. The Kingsford team provided charcoal and other supplies to volunteers assisting with this disaster relief effort.

Our support during fiscal year 2013 also extended beyond U.S. borders. Clorox supplied 48,000 liters of bleach to disinfect and purify water supplies after disastrous floods in Argentina affected nearly 500,000 people. We also continued to help Haitians fight a cholera epidemic by providing a second donation of more than 1,000 cases of Clorox bleach to decontaminate water.



*Donated Glad® trash bags aided cleanup efforts following Hurricane Sandy.*



*Clorox® bleach donations helped Haitians fight a cholera epidemic.*



*KC Masterpiece and Kingsford volunteers served hungry families and relief workers in the aftermath of Hurricane Sandy.*

## Be Healthy: Improving the Lives of Families Worldwide

### Bringing Safe Water to Rural Peru

For children in the developing world, unsafe drinking water is a leading cause of intestinal disease, malnutrition and death. The Clorox Safe Water Project is currently helping four remote villages in northern Peru combat this issue by disinfecting their drinking water. The overall goal of these pilot programs is to define an effective, scalable and sustainable model that more local communities can adopt to improve the quality of their drinking water and reduce the rate of intestinal illness.

The need for clean water can't come soon enough for many areas of the world. In three of the pilot communities, the district municipality delivers water to a large communal tank two or three times per week. The fourth community has a well that provides access to water 12 hours each day. After filling as many as five 20-liter jugs, each weighing 44 pounds, women carry the jugs home through the hot desert sand, which for many takes up to an hour. Some have a burro to bear the load, while others must shoulder the weight among family members, including young children.

So much time is consumed by this laborious process, and the water isn't even clean. It's contaminated.

To tackle this problem, we're evaluating a promising new high-impact, low-cost approach developed by Innovations for Poverty Action in Africa. The program places public dispensers next to community water sources such as wells and boreholes. The dispensers are filled with a sodium hypochlorite solution, the main ingredient in Clorox® bleach, and release a metered dose appropriate for a standard water-collection vessel.

Why use bleach?

- It's powerful: Sodium hypochlorite is one of the most effective disinfectants on earth, killing more than 99 percent of bacteria and viruses, such as E. coli and cholera, commonly found in untreated water.
- It's inexpensive: Community-based bleach disinfection projects can be scaled with modest resources.
- It's better than boiling: Germs are easily reintroduced to boiled water, but bleach stands guard for 24 to 48 hours.

And, it's recommended by the World Health Organization.

We're extremely pleased with the progress made in fiscal year 2013. With the support of our nongovernmental organization partner PRIMSA, we achieved strong overall household adoption rates of more than 50 percent and high community engagement by the end of our first year.



*The Clorox Safe Water Project has helped Peruvian villagers in four remote areas clean and disinfect their drinking water.*



*Dispensers are filled with a sodium hypochlorite solution, the main ingredient in Clorox® bleach, and release a metered dose.*



## Be Smart: Giving Deserving Students Tools to Succeed

### Helping Scholars Reach Higher Levels

In fiscal year 2013, our employees banded together and raised nearly \$100,000 to give Oakland and Pleasanton, Calif., high school seniors a chance for a better future. These efforts, combined with a \$30,000 grant from The Clorox Company Foundation, funded 34 Clorox Partners Scholarships through the Marcus Foster Education Fund.

In addition to helping students in our communities, we support families within our company through The Clorox Company Foundation scholarship program. In fiscal year 2013, we awarded 10 scholarships to children of Clorox employees, bringing our total support over the last two decades to more than \$1.5 million. Our CEO Don Knauss and his wife Ellie personally fund a second scholarship program for Clorox kids and have provided nearly \$700,000 in scholarships over the last seven years.

### Powering Bright Futures for Schools



Over the last four years, our Power a Bright Future program has awarded a total of \$525,000 in grants to deserving schools and communities throughout the U.S. The program provides much-needed resources to K-12 school programs that give kids the opportunity to grow and develop. In fiscal year 2013, we vetted 2,500 nominations and awarded seven grants totaling \$200,000.

The Power a Bright Future program began when we saw a growing need to help schools impacted by budget cuts and the loss of critical school programs. We're proud that, with this year's support, disabled children in Ohio can enjoy a new playground, students in Connecticut can act out their imaginations in a renovated auditorium, and a Colorado school joined the 21st century with a much-needed technology upgrade.

### Inspiring Big Dreams for Hispanic Students and Moms



In partnership with the Hispanic Scholarship fund, in fiscal 2013 we launched "Sueña Sin Límites" ('Dream Without Limits'), a program with a special mission: to offer scholarships to college-bound Hispanic students and to Hispanic moms whose plans for their own education were interrupted. More than 5,000 applicants submitted essays detailing their life and academic dreams, and how they planned to achieve them. Ultimately, we awarded a total of \$120,000 in scholarships, with six mothers and six high school seniors planning to attend an accredited U.S. university during the 2013-2014 school year.

## 2020 Strategy: An Evolution to Maximize Stockholder Value

As we look forward, our intent is to build on the success of our Centennial Strategy, which, during the last five-year period, delivered compounded annual growth rates of 3 percent for sales and 6 percent for economic profit, as well as total stockholder returns in the top third of our peer group – all in a challenging economic environment. Now, our sights are set on 2020, with a strategy that continues to focus the company on the highest-value opportunities to deliver profitable growth and strong total stockholder returns over the long term.

To accomplish our 2020 goals, we've chosen to focus on the following strategies:

### 1. Engage our people as business owners

From a team member working the line at our plant in Wheeling, Ill., to another leading a new product launch in Chile, to yet another developing new product ideas at our innovation center at Pleasanton, Calif., Clorox people drive the success of our business. Our goal is to enable them to become even more effective by ensuring they focus on the highest-value work to drive profitable growth, empowering them to make decisions faster and supporting them to work more efficiently by simplifying operational processes. In addition, with our new employer brand, "Our Clorox," we'll continue our focus on the most important attributes of our company that drive high levels of employee engagement, including living our values, taking pride in our great brands and products, and offering meaningful career opportunities.

### 2. Support the long-term health of our brands through more targeted "3D" plans and product innovation

Clorox expects to see continued fragmentation of consumers and retail customers. This means it will be more challenging than ever to reach target audiences effectively. We plan to evolve our 3D demand-creation model of *desire*, *decide* and *delight* to engage with consumers in a more meaningful way and ensure we're addressing their product needs. This evolution will include seeking more granular insights about when and where consumers are open to communications; expanding digital capabilities to better target and personalize consumer messages as well as address the growing role of e-commerce; and enhancing our supply chain to be more flexible and better anticipate the needs of consumers and customers. In addition, we'll continue to focus on the value proposition of our brands, emphasizing product superiority and meaningful innovation.

### 3. Grow in profitable new categories, channels and countries

Our strategy also includes pursuing businesses in expanding markets with strong profit potential. We target opportunities – whether they're adjacent categories in which our brands can be successful, new sales channels such as healthcare facilities or countries where we want to expand our product offerings – that are large enough to be meaningful to Clorox and with competitive dynamics that leverage our brand strengths and our superior demand-creation capabilities.

### 4. Fund growth by reducing waste in our work, products and supply chain

As we transform into an agile enterprise, we're placing the consumer at the center of everything we do. When it comes to our day-to-day tasks and operational processes, we'll focus on work that drives the highest value to our consumers – and ultimately leads to profitable growth. This means eliminating waste, or ineffective work, across the enterprise. Delivering strong cost savings, reducing selling and administrative expenses to 14 percent or less of sales and driving our sustainability initiatives are priorities that will help reduce waste and fund growth.

Our 2020 Strategy sets clear goals and aspirations for the company's next set of milestones. We're leveraging the power of our brands, building on proven results and focusing on a purposeful strategy, while remaining grounded in strong principles of corporate responsibility to get there.



# MISSION: We make everyday life better, every day.

## GOALS

Deliver total stockholder returns in the top third of our peer group by driving economic profit growth.



GROW NET CUSTOMER SALES BY

**3% TO 5%**  
PER YEAR



GROW OVERALL  
MARKET SHARE

GROW EBIT MARGIN

**25-50**  
BASIS POINTS PER YEAR\*\*

	BUSINESS		CORPORATE RESPONSIBILITY	
	<b>Objective:</b> Be a top-performing CPG company by being best at building big-share brands in economically attractive mid-sized categories.		<b>Objective:</b> Leverage environmental, social and governance performance to help drive long-term, sustainable value creation.	
STRATEGY	STRATEGIC IMPERATIVES	MEASURES	STRATEGIC IMPERATIVES	MEASURES
Engage our people as business owners.	<ul style="list-style-type: none"> <li>Adopt an agile enterprise approach to streamline and simplify core work processes.</li> <li>Deliver an employer brand that demonstrates the unique benefit of working at Clorox.</li> <li>Drive inclusion and diversity of experience, gender, ethnicity and thought within our organization and supplier base.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement scores</li> <li>Process simplification milestones</li> <li>Diversity representation</li> </ul>	<ul style="list-style-type: none"> <li>Sustain high levels of employee engagement.</li> <li>Continue to drive minority and female representation in the U.S.</li> <li>Maintain workplace safety.</li> </ul>	<ul style="list-style-type: none"> <li>Engagement scores</li> <li>Diversity representation</li> <li>Maintain annual recordable injury incident rate of 1.0 or less</li> </ul>
STRATEGY	STRATEGIC IMPERATIVES	MEASURES	STRATEGIC IMPERATIVES	MEASURES
Support the long-term health of our brands through more targeted “3D” plans and product innovation.	<ul style="list-style-type: none"> <li>Increase the value from product innovation behind product superiority and a strategic product pipeline that is margin accretive to the company average.</li> <li>Build enhanced 3D consumer engagement, enabled by more targeted insights, technology and a more flexible supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Market share</li> <li>Household penetration</li> <li>60-40 decisive product wins*</li> <li>Incremental net customer sales from innovation</li> <li>Assortment, merchandising, pricing, shelving</li> </ul>	<ul style="list-style-type: none"> <li>Drive sustainability improvements in product formulations and packaging.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability improvements to more than 50 percent of product sales (from 2011 base)</li> </ul>
STRATEGY	STRATEGIC IMPERATIVES	MEASURES	STRATEGIC IMPERATIVES	MEASURES
Grow in profitable new categories, channels and countries.	<ul style="list-style-type: none"> <li>Expand our market penetration in Professional Products Division (PPD) healthcare.</li> <li>Expand U.S. Retail/International into adjacencies through innovation, partnerships and acquisitions.</li> </ul>	<ul style="list-style-type: none"> <li>PPD net customer sales, margin, EBIT**</li> <li>Percent of incremental sales from growth in adjacent categories</li> <li>Adjacency milestones</li> <li>Mergers &amp; acquisitions and partnership pipeline</li> </ul>	<ul style="list-style-type: none"> <li>Support our global communities through our be healthy, be smart and be safe initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Charitable contributions, cause marketing donations, product donations and employee volunteerism</li> </ul>
STRATEGY	STRATEGIC IMPERATIVES	MEASURES	STRATEGIC IMPERATIVES	MEASURES
Fund growth by reducing waste in our work, products and supply chain.	<ul style="list-style-type: none"> <li>Adopt an agile enterprise approach to eliminate waste, and reduce selling and administrative expenses to 14 percent or less of the rate of sales.</li> <li>Reduce our exposure to inflation in our products and supply chain, particularly energy-driven costs.</li> <li>Rebuild margin in International.</li> </ul>	<ul style="list-style-type: none"> <li>Cost savings</li> <li>Selling and administrative expenses as a percentage of net customer sales growth</li> <li>Gross margin</li> <li>Environmental footprint reductions</li> <li>Working capital</li> </ul>	<ul style="list-style-type: none"> <li>Reduce the environmental impact of our operations.</li> <li>Improve the sustainability of our upstream supply chain.</li> <li>Ensure key renewable materials are sustainably sourced.</li> </ul>	<ul style="list-style-type: none"> <li>20 percent reduction in GHG emissions, energy, solid waste to landfill and water use (on a per-case-sold basis, against 2011 base)</li> <li>Top 100 suppliers (70 percent spend) reduce their environmental impact</li> <li>Only recycled or certified virgin fiber in packaging; all palm oil RSPO certified or Green Palm offset</li> </ul>

\*We define consumer preferred as a product that 60 percent of consumers prefer versus a competitor product in blind tests.

\*\*EBIT represents earnings from continuing operations before interest income, interest expense and income taxes. EBIT margin is the ratio of EBIT to net sales. Both EBIT and EBIT margin are non-GAAP financial measures. The company's management believes these measures provide useful additional information to investors about trends in the company's operations and are useful for period-over-period comparisons.

## CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

Years ended June 30

*Dollars in millions, except per share amounts*

	2013	2012	2011
Net sales	\$ 5,623	\$ 5,468	\$ 5,231
Cost of products sold	3,211	3,164	2,958
Gross profit	2,412	2,304	2,273
Selling and administrative expenses	807	798	735
Advertising costs	500	482	502
Research and development costs	130	121	115
Goodwill impairment	—	—	258
Interest expense	122	125	123
Other (income) expense, net	—	(13)	(23)
Earnings from continuing operations before income taxes	853	791	563
Income taxes on continuing operations	279	248	276
Earnings from continuing operations	574	543	287
(Losses) earnings from discontinued operations, net of tax	(2)	(2)	270
Net earnings	\$ 572	\$ 541	\$ 557
Net earnings (losses) per share			
Basic			
Continuing operations	\$ 4.38	\$ 4.15	\$ 2.09
Discontinued operations	(0.01)	(0.01)	1.97
Basic net earnings per share	\$ 4.37	\$ 4.14	\$ 4.06
Diluted			
Continuing operations	\$ 4.31	\$ 4.10	\$ 2.07
Discontinued operations	(0.01)	(0.01)	1.95
Diluted net earnings per share	\$ 4.30	\$ 4.09	\$ 4.02
Weighted average shares outstanding (in thousands)			
Basic	131,075	130,852	136,699
Diluted	132,969	132,310	138,101

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Years ended June 30

**Dollars in millions**

	2013	2012	2011
Net earnings	\$ 572	\$ 541	\$ 557
Other comprehensive income (loss):			
Foreign currency translation adjustments, net of tax of \$8, \$5 and \$12, respectively	(11)	(41)	54
Net unrealized gains (losses) on derivatives, net of tax of \$1, \$4 and \$3, respectively	3	(37)	5
Pension and postretirement benefit adjustments, net of tax of \$22, \$37 and \$39, respectively	37	(68)	64
Other	—	—	(2)
Total other comprehensive income (loss), net of tax	29	(146)	121
Comprehensive income	\$ 601	\$ 395	\$ 678



## CONDENSED CONSOLIDATED BALANCE SHEETS

As of June 30

*Dollars in millions, except per share amounts*

	2013	2012
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 299	\$ 267
Receivables, net	580	576
Inventories, net	394	384
Other current assets	147	149
Total current assets	1,420	1,376
Property, plant and equipment, net	1,021	1,081
Goodwill	1,105	1,112
Trademarks, net	553	556
Other intangible assets, net	74	86
Other assets	138	144
Total assets	\$ 4,311	\$ 4,355
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
Current liabilities		
Notes and loans payable	\$ 202	\$ 300
Current maturities of long-term debt	—	850
Accounts payable	413	412
Accrued liabilities	490	494
Income taxes payable	29	5
Total current liabilities	1,134	2,061
Long-term debt	2,170	1,571
Other liabilities	742	739
Deferred income taxes	119	119
Total liabilities	4,165	4,490
Commitments and contingencies		
Stockholders' equity (deficit)		
Preferred stock: \$1.00 par value; 5,000,000 shares authorized; none issued or outstanding	—	—
Common stock: \$1.00 par value; 750,000,000 shares authorized; 158,741,461 shares issued at June 30, 2013 and 2012; and 130,366,911 and 129,562,082 shares outstanding at June 30, 2013 and 2012, respectively	159	159
Additional paid-in capital	661	633
Retained earnings	1,561	1,350
Treasury shares, at cost: 28,374,550 and 29,179,379 shares at June 30, 2013 and 2012, respectively	(1,868)	(1,881)
Accumulated other comprehensive net loss	(367)	(396)
Stockholders' equity (deficit)	146	(135)
Total liabilities and stockholders' equity (deficit)	\$ 4,311	\$ 4,355

## CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

<i>Dollars in millions</i>	Common Stock		Additional Paid-In Capital	Retained Earnings	Treasury Shares		Accumulated Other Comprehensive Net (Loss) Income	Total
	Shares (000)	Amount			Shares (000)	Amount		
Balance at June 30, 2010	158,741	\$159	\$617	\$ 920	(19,977)	\$(1,242)	\$(371)	\$ 83
Net earnings				557				557
Other comprehensive income							121	121
Accrued dividends				(306)				(306)
Share-based compensation			32					32
Other employee stock plan activities			(17)	(28)	2,078	127		82
Treasury stock purchased					(9,776)	(655)		(655)
Balance at June 30, 2011	158,741	159	632	1,143	(27,675)	(1,770)	(250)	(86)
Net earnings				541				541
Other comprehensive loss							(146)	(146)
Accrued dividends				(320)				(320)
Share-based compensation			27					27
Other employee stock plan activities			(26)	(14)	1,915	114		74
Treasury stock purchased					(3,419)	(225)		(225)
Balance at June 30, 2012	158,741	159	633	1,350	(29,179)	(1,881)	(396)	(135)
Net earnings				572				572
Other comprehensive income							29	29
Accrued dividends				(348)				(348)
Share-based compensation			35					35
Other employee stock plan activities			(7)	(13)	2,304	141		121
Treasury stock purchased					(1,500)	(128)		(128)
Balance at June 30, 2013	158,741	\$159	\$661	\$1,561	(28,375)	\$(1,868)	\$(367)	\$ 146

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended June 30

**Dollars in millions**

	2013	2012	2011
Operating activities:			
Net earnings	\$ 572	\$ 541	\$ 557
Deduct: (Losses) earnings from discontinued operations, net of tax	(2)	(2)	270
Earnings from continuing operations	574	543	287
Adjustments to reconcile earnings from continuing operations to net cash provided by continuing operations:			
Depreciation and amortization	182	178	173
Share-based compensation	35	27	32
Deferred income taxes	(11)	(12)	73
Goodwill impairment	—	—	258
Other	20	(36)	12
Changes in:			
Receivables, net	(8)	(52)	(33)
Inventories, net	(11)	1	(37)
Other current assets	11	(3)	21
Accounts payable and accrued liabilities	(30)	10	(52)
Income taxes payable	15	(36)	(44)
Net cash provided by continuing operations	777	620	690
Net cash (used for) provided by discontinued operations	(2)	(8)	8
Net cash provided by operations	775	612	698
Investing activities:			
Capital expenditures	(194)	(192)	(228)
Proceeds from sale of businesses, net of transaction costs	—	—	747
Proceeds from sale-leasebacks, net of transaction costs	135	—	—
Businesses acquired, net of cash acquired	—	(93)	—
Other	4	8	25
Net cash (used for) provided by investing activities	(55)	(277)	544
Financing activities:			
Notes and loans payable, net	(98)	(164)	87
Long-term debt borrowings, net of issuance costs	593	297	—
Long-term debt repayments	(850)	—	(300)
Treasury stock purchased	(128)	(225)	(655)
Cash dividends paid	(335)	(315)	(303)
Issuance of common stock for employee stock plans and other	133	86	93
Net cash used for financing activities	(685)	(321)	(1,078)
Effect of exchange rate changes on cash and cash equivalents	(3)	(6)	8
Net increase in cash and cash equivalents	32	8	172
Cash and cash equivalents:			
Beginning of year	267	259	87
End of year	\$ 299	\$ 267	\$ 259
Supplemental cash flow information:			
Interest paid	\$ 129	\$ 123	\$ 131
Income taxes paid, net of refunds	263	292	295
Noncash financing activities:			
Cash dividends declared and accrued, but not paid	93	85	80

## Report of Independent Registered Public Accounting Firm on Condensed Financial Statements



### The Board of Directors and Shareholders of The Clorox Company and subsidiaries

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of The Clorox Company and subsidiaries at June 30, 2013 and 2012 and the related consolidated statements of earnings, comprehensive income, stockholders' equity (deficit), and cash flows for each of the three years in the period ended June 30, 2013 (not presented separately herein) and in our report dated August 23, 2013, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated in all material respects in relation to the consolidated financial statements from which it has been derived.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of The Clorox Company's internal control over financial reporting as of June 30, 2013, based on criteria established in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated August 23, 2013 (not presented separately herein) expressed an unqualified opinion thereon.

*Ernst + Young LLP*

San Francisco, California  
August 23, 2013



# Report of Independent Accountants on Review of Non-Financial Information



## To the Board of Directors and Management of the Clorox Company

We have reviewed selected quantitative performance indicators (the "subject matter") included in the accompanying Schedule of Reviewed Performance Indicators (the "schedule") and as presented in The Clorox Company's 2013 Annual Report and Executive Summary (the "Reports") for the period of July 1, 2012 to June 30, 2013 or as otherwise noted. We did not review all information included in the Reports. We did not review the narrative sections of the Reports, except where they incorporated the subject matter. Clorox management is responsible for the subject matter included in the accompanying table and as also presented in the Reports, and for selection of the criteria against which the subject matter is measured and presented.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and, accordingly, included:

- inquiries of persons responsible for the subject matter;
- obtaining an understanding of the data management systems and processes used to generate, aggregate and report the subject matter;
- analytical procedures over the conformity of the subject matter with the criteria; and,
- performing such other procedures as we considered necessary in the circumstances.

A review is substantially less in scope than an examination, the objective of which is an expression of opinion on the subject matter. Accordingly, we do not express such an opinion.

Non-financial information contained within annual reports are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, nothing came to our attention that caused us to believe that the subject matter for the year ended June 30, 2013 or as otherwise noted, is not presented, in all material respects, in conformity with the relevant criteria.

*Ernst & Young LLP*

San Francisco, California  
September 3, 2013

# Report of Independent Accountants on Review of Non-Financial Information



## The Clorox Company Schedule of Reviewed Performance Indicators

For the year ended June 30, 2013

INDICATOR NAME	SCOPE	UNIT	REPORT VALUE
Greenhouse gas (GHG) emissions <sup>1</sup>	Scope 1 & 2 – U.S. Scope 3 <sup>2</sup>	Percentage reduction of tonnes carbon dioxide equivalent per stat case sold <sup>3</sup> from 2011 to 2012	-10%
Energy consumption <sup>1</sup>	Scope 1 & 2 – U.S.	Percentage reduction of megawatt hours (MWh) per stat case sold from 2011 to 2012	-10%
Sustainability improvements to product portfolio since January 2012	Global	Percentage of product portfolio <sup>4</sup>	7%
Workforce demographics/diversity metrics	Global <sup>5</sup>	Percentage minority non-production employees in United States (U.S.)	30%
		Percentage female non-production employees	49%
		Percentage female non-production managers in U.S.	40%
		Percentage female independent Board of Directors <sup>6</sup>	27%
		Percentage female executive committee members	20%
U.S. product donations	U.S. only	Fair Market Value <sup>7</sup> of products donated in U.S. Dollars	\$15,000,000
Total recordable incident rate <sup>8</sup>	Global	Recordable incident rate (RIR)	.61
Employee engagement score <sup>9</sup>	Global	Percent of employee engagement	87%

<sup>1</sup>Greenhouse gas emissions include Scope 1 and 2 emissions from stationary fuel combustion, refrigerants, mobile fuel consumption, and indirect electricity in the U.S. as well as Scope 3 emissions from domestic product distribution, and business travel using the operational control method of the WRI/WBCSD/ Greenhouse Gas Protocol. Greenhouse gas emissions and energy consumption data are reported as a percentage reduction of emissions or energy for the year ended December 31, 2012 over the year ended December 31, 2011 in Clorox's 2013 Annual Report and are calculated using the WRI/WBCSD Greenhouse Gas Protocol.

<sup>2</sup>Scope 3 emissions are limited to employee business travel globally and finished good transportation within the United States only.

<sup>3</sup>For businesses acquired during the reporting year, Clorox estimated the cases of product sold for calendar year 2011 based on actual 2012 calendar year figures, for purposes of comparability in the calculation.

<sup>4</sup>For the calendar year ended December 31, 2012. Percentage based on net customer sales.

<sup>5</sup>All diversity metrics are global, with the exception of percentage minority employees and percentage female non-production managers, which are United States (U.S.) only. Definition of "minority" based on Equal Employment Opportunity Commission.

<sup>6</sup>Determined as at August 19, 2013.

<sup>7</sup>Fair Market Value was derived from current year average truckload price of the product donated. Truckload prices are based on volume ordered and shipped.

<sup>8</sup>Recordable incident rate is measured using the United States Department of Labor Occupational Safety and Health Administration's (OSHA) guidelines and is determined at July 25 for the year ended June 30, 2013.

<sup>9</sup>Employee engagement score is determined through an independent third-party surveying methodology that assesses the average responses to a composite of 14 questions in four areas of engagement (Rational Commitment, Emotional Commitment, Discretionary Effort and Intent to Stay) using a 6-point scale translated into an overall engagement percentage.

## GRI Content Index

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Strategy and Analysis</b>			
1.1	Statement from the most senior decision-maker of the organization.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a>
1.2	Description of key impacts, risks, and opportunities.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Stakeholder Engagement Form 10K, Item 1.A, pages 10, 16</a>
<b>Organizational Profile</b>			
2.1	Name of the organization.	Fully	<a href="#">The Clorox Company</a>
2.2	Primary brands, products, and/or services.	Fully	<a href="#">2013 Scorecard, page 8</a>
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">2013 Scorecard, page 8</a>
2.4	Location of organization's headquarters.	Fully	Oakland, California
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	<a href="#">2013 Scorecard, page 8</a> <a href="#">Clorox Worldwide</a> <a href="#">Form 10K, Item 1, page 5</a>
2.6	Nature of ownership and legal form.	Fully	<a href="#">2013 Scorecard, page 8</a> The Clorox Company is a publicly traded company (NYSE: CLX).
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	Fully	<a href="#">2013 Scorecard, page 8</a> <a href="#">Clorox Worldwide</a>
2.8	Scale of the reporting organization.	Fully	<a href="#">2013 Scorecard, pages 8-10</a> Revenues of \$5.6 billion, 39 manufacturing facilities worldwide, serving over 100 countries' markets with 8,400 global employees.
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Centennial Strategy: Accelerating Innovation: The Engine Powering Our Growth, page 25</a> <a href="#">Centennial Strategy: Megatrends Lead to New Opportunities, pages 27-28</a> No significant changes in size, structure or ownership in fiscal year 2013.

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Organizational Profile</b> <i>(Continued)</i>			
2.10	Awards received in the reporting period.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Our Progress: Awards</a>

## Report Parameters

### Report Profile

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Fully	Clorox's Centennial Strategy period: July 1, 2007 through June 30, 2013, unless otherwise noted: – Environmental sustainability data is tracked on a calendar-year basis. – Data is also included from prior years for year-over-year comparisons.
3.2	Date of most recent previous report (if any).	Fully	Sept. 27, 2012
3.3	Reporting cycle (annual, biennial, etc.)	Fully	Annual
3.4	Contact point for questions regarding the report or its contents.	Fully	<a href="#">Clorox Corporate Communications</a>

### Report Scope and Boundary

3.5	Process for defining report content.	Fully	<a href="#">About this Report, inside front cover</a>
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	The data in this report covers wholly owned and controlled operations from July 1, 2012, through June 30, 2013.
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	<a href="#">About this Report, inside front cover</a>
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">Form 10K, Item 1</a>
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">2013 Scorecard, pages 8-13</a> <a href="#">Centennial Strategy: Reducing Our Product Footprint Around the World, page 26</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Independent Accountants' Report, pages 43-44</a>



INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Report Parameters (Continued)</b>			
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Centennial Strategy: Accelerate Growth In and Beyond Our Core Businesses, pages 27-28</a>
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">Form 10K, Item 7, page 22</a>
<b>GRI Content Index</b>			
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	GRI Index
<b>Assurance</b>			
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	<a href="#">About this Report, inside front cover</a> <a href="#">Independent Accountants' Report, pages 43-44</a> GRI Index
<b>Governance, Commitments and Engagement</b>			
<b>Governance</b>			
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Governance</a>
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a> Chairman is CEO
4.3	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members.	Fully	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a> <a href="#">2013 Scorecard, page 12</a> 10 members are independent, of whom 20 percent are women
4.4	Mechanisms for stockholders and employees to provide recommendations or direction to the highest governance body.	Fully	<a href="#">Communications with Clorox Board of Directors</a>
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	Fully	<a href="#">Governance Guidelines</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Governance, Commitments and Engagement (Continued)</b>			
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Fully	<a href="#">Governance Guidelines</a>
4.7	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other Indicators of diversity.	Fully	<a href="#">Governance Guidelines</a>
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">Leadership: Guided by Strong Governance, pages 5-6</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Governance Guidelines</a>
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	Fully	<a href="#">Governance Guidelines</a>
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Fully	<a href="#">Governance Guidelines</a>
<b>Commitments to External Initiatives</b>			
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	Not	<a href="#">Corporate Responsibility: Product Safety</a> Currently Clorox's product safety guidelines do not reference the Precautionary Principle.
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	Fully	<a href="#">Corporate Responsibility: Planet</a> <a href="#">Corporate Responsibility: Purpose</a> <a href="#">Burt's Bees NPA certifications</a> <a href="#">GreenWorks: Design for the Environment</a>
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: <ul style="list-style-type: none"> <li>• Has positions in governance bodies;</li> <li>• Participates in projects or committees;</li> <li>• Provides substantive funding beyond routine membership dues; or</li> <li>• Views membership as strategic.</li> </ul>	Fully	<a href="#">Stakeholder Engagement</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Governance, Commitments and Engagement (Continued)</b>			
<i>Stakeholder Engagement</i>			
4.14	List of stakeholder groups engaged by the organization.	Fully	<a href="#">Stakeholder Engagement</a>
4.15	Basis for identification and selection of stakeholders with whom to engage.	Fully	<a href="#">Stakeholder Engagement</a>
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	Fully	<a href="#">Stakeholder Engagement</a>
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	Fully	<a href="#">Stakeholder Engagement</a>
.....			
<b>Disclosures on Management Approach</b>			
DMA EC	Disclosure on Management Approach: Economic	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a>
DMA EN	Disclosure on Management Approach: Environmental	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Eco Governance</a>
DMA LA	Disclosure on Management Approach: Labor Practices and Decent Work	Fully	<a href="#">Centennial Strategy: Building a Team of Enthusiastic Owners, page 18</a> <a href="#">Centennial Strategy: Our Clorox: Powered by Everyone's Leadership, Every Day, page 19</a> <a href="#">Centennial Strategy: Empowering Employees and Driving Agility, page 20</a> <a href="#">Corporate Responsibility: People</a>
DMA HR	Disclosure on Management Approach: Human Rights	Fully	<a href="#">Leadership: Guided by Strong Governance, pages 5-6</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: People</a> <a href="#">Corporate Governance</a> <a href="#">Clorox Business Partner Code of Conduct</a> <a href="#">Clorox Code of Conduct</a>
DMA SO	Disclosure on Management Approach: Society	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">2013 Scorecard, pages 12-13</a> <a href="#">Our Impact, pages 31-34</a> <a href="#">Corporate Responsibility: People</a> <a href="#">Corporate Responsibility: Purpose</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Disclosures on Management Approach <i>(Continued)</i></b>			
DMA PR	Disclosure on Management Approach: Product Responsibility	Fully	<a href="#">Centennial Strategy: Helping Customers Decide to Say “Yes,” page 23</a> <a href="#">Centennial Strategy: Building Loyalty with Products that <i>Delight</i>, page 24</a> <a href="#">Centennial Strategy: Reducing Our Product Footprint Around the World, page 26</a> <a href="#">Corporate Responsibility: Product Safety</a> <a href="#">Ingredients Inside</a>

## Economic

### *Economic Performance*

EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	Fully	<a href="#">Our Leadership: CEO Letter, pages 1-4</a> <a href="#">2013 Scorecard, pages 8-11, 13</a> <a href="#">Centennial Strategy: Success Drives Performance and Stockholder Value, pages 16-17</a>
EC3	Coverage of the organization’s defined benefit plan obligations.	Fully	<a href="#">Employee Benefits</a> <a href="#">Form 10K, Exhibit 99.1, pages 19-20: Incentive Programs, Share-Based Compensation, Retirement Income Plans</a>

### *Indirect Economic Impacts*

EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	Fully	<a href="#">2013 Scorecard, pages 11-13</a> <a href="#">Our Impact, pages 31-34</a> <a href="#">Corporate Responsibility: Purpose</a>
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	Fully	<a href="#">2013 Scorecard, page 13</a> <a href="#">Our Impact, pages 31-34</a> <a href="#">Form 10K, Item 1.A, Item 7, Item 7.A</a>

## Environmental

### *Materials*

EN2	Percentage of materials used that are recycled input materials.	Partially	<a href="#">Corporate Responsibility: Packaging</a> <a href="#">Burt’s Bees®</a>
-----	---	-----------	---

### *Energy*

EN3	Direct energy consumption by primary energy source.	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Our Progress: Energy</a> <a href="#">Carbon Disclosure Project</a>
-----	---	-------	---



INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Environmental</b> <i>(Continued)</i>			
EN4	Indirect energy consumption by primary source.	Partially	Currently, Clorox's U.S. electricity grid is 8 percent renewable. Clorox's international electricity grid, including hydro-electricity, is 40 percent.
EN5	Energy saved due to conservation and efficiency improvements.	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: Energy</a> <a href="#">Carbon Disclosure Project</a>
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	<a href="#">Our Progress: Energy</a> <a href="#">Carbon Disclosure Project</a>
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	<a href="#">Our Progress: Energy</a> <a href="#">Carbon Disclosure Project</a>
<b>Water</b>			
EN8	Total water withdrawal by source.	Partially	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: Water</a> (Usage not broken down by source)
EN9	Water sources significantly affected by withdrawal of water.	Fully	<a href="#">Integrated Business Model, page 14</a> <a href="#">Integrated Business Model: Operating Context: Business Value Drivers, page 15</a> <a href="#">Our Progress: Water</a>
<b>Biodiversity</b>			
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Fully	<a href="#">Corporate Responsibility: Biodiversity</a>
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Fully	<a href="#">Our Leadership: Building Trust Through Responsible Sourcing, page 7</a> <a href="#">Corporate Responsibility: Biodiversity</a>
EN13	Habitats protected or restored.	Fully	<a href="#">Our Leadership: Building Trust Through Responsible Sourcing, page 7</a> <a href="#">Corporate Responsibility: Biodiversity</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Environmental (Continued)</b>			
<i>Emissions, Effluents, and Waste</i>			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: GHG</a> <a href="#">Carbon Disclosure Project</a>
EN17	Other relevant indirect greenhouse gas emissions by weight.	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Our Progress: GHG</a> <a href="#">Carbon Disclosure Project</a>
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	<a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: GHG</a> <a href="#">Carbon Disclosure Project</a>
EN22	Total weight of waste by type and disposal method.	Fully	<a href="#">Centennial Strategy: Reducing Our Product Footprint Around the World, page 26</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: Solid Waste</a>
<i>Products and Services</i>			
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	<a href="#">Our Leadership: Building Trust Through Responsible Sourcing, page 7</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Our Progress: Products and Packaging</a> <a href="#">Corporate Responsibility: Product Sustainability</a>
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Fully	<a href="#">Our Progress: Products and Packaging</a> <a href="#">Corporate Responsibility: Product Sustainability</a>
<i>Transport</i>			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Fully	<a href="#">Our Leadership: Building Trust Through Responsible Sourcing, page 7</a> <a href="#">Centennial Strategy: Keeping a Close Eye on the Bottom Line, pages 29-30</a> <a href="#">Corporate Responsibility: Planet</a> <a href="#">Our Progress: GHG</a> <a href="#">Our Progress: Workplace</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Environmental</b> <i>(Continued)</i>			
<i>Overall</i>			
EN30	Total environmental protection expenditures and investments by type.	Fully	\$5 million: Lighting changes, LEED maintenance, energy audits, transportation network reconfiguration, carbon offset purchases, product design changes, community efforts/employee volunteer activities, training
<hr/>			
<b>Social: Labor Practices and Decent Work</b>			
<i>Employment</i>			
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Partially	<a href="#">2013 Scorecard, page 12</a>
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	<a href="#">2013 Scorecard, page 12</a>
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	<a href="#">Employee Benefits</a>
<i>Labor/Management Relations</i>			
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	2.8%
<i>Occupational Health and Safety</i>			
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	100%
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Partially	<a href="#">2013 Scorecard, page 12</a> <a href="#">Centennial Strategy: Success Drives Performance and Stockholder Value, pages 16-17</a> <a href="#">Corporate Responsibility: Workplace Safety</a> Zero fatalities (occupational disease, lost days and absenteeism not provided)
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	<a href="#">Employee Benefits</a> <a href="#">Corporate Responsibility: Workplace Safety</a>

INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
<b>Social: Labor Practices and Decent Work <i>(Continued)</i></b>			
<i>Training and Education</i>			
LA10	Average hours of training per year per employee by gender, and by employee category.	Partially	<a href="#">Centennial Strategy: Our Clorox: Powered by Everyone's Leadership, Every Day, page 19</a> (Data not broken down by gender)
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	Fully	<a href="#">Professional Development</a>
LA12	Percentage of employees receiving regular performance and career development reviews, by gender.	Partially	<a href="#">Centennial Strategy: Our Clorox: Powered by Everyone's Leadership, Every Day, page 19</a>
<i>Diversity and Equal Opportunity</i>			
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	<a href="#">2013 Scorecard, page 12</a>
LA15	Return to work and retention rates after parental leave, by gender.	Fully	Female: 68% Male: 86%
<hr/>			
<b>Social: Human Rights</b>			
<i>Investment and Procurement Practices</i>			
HR1	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	Fully	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a>
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	Partially	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a> (Total hours of training not calculated)
<i>Assessment</i>			
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a>



INDICATOR	DESCRIPTION	REPORTED	LOCATION/RESPONSE
-----------	-------------	----------	-------------------

## Social: Society

### Corruption

SO2	Percentage and total number of business units analyzed for risks related to corruption.	Fully	100%
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	Fully	<a href="#">Our Leadership: Guided by Strong Governance, pages 5-6</a>

### Public Policy

SO5	Public policy positions and participation in public policy development and lobbying.	Fully	<a href="#">Stakeholder Engagement</a>
-----	--	-------	--

### Local Community

SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	Fully	<a href="#">Corporate Responsibility: Product Safety</a> <a href="#">Corporate Responsibility: Workplace Safety</a>
------	--	-------	--

## Social: Product Responsibility

### Customer Health and Safety

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Fully	<a href="#">Centennial Strategy: 3D Excellence, page 21</a> <a href="#">Corporate Responsibility: Product Safety</a> <a href="#">Corporate Responsibility: Product Safety Steps</a>
-----	--	-------	---

### Product and Service Labeling

PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	<a href="#">Centennial Strategy: 3D Excellence, page 21</a> <a href="#">Corporate Responsibility: Delighting Consumers</a>
-----	---	-------	---

### Marketing Communications

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	<a href="#">Corporate Responsibility: Delighting Consumers</a>
-----	--	-------	--

### Stock Listing and Number of Record Holders

The Clorox Company's common stock is listed on the New York Stock Exchange, identified by the symbol CLX. As of July 31, 2013, the number of record holders of Clorox's common stock was 12,321.

### Transfer Agent, Registrar and Dividend Disbursing Agent

Inquiries relating to stockholder records, change of ownership, change of address and the dividend reinvestment/direct stock purchase plan should be sent to:

Computershare  
P.O. Box 43078  
Providence, RI 02940-3078  
800-756-8200 or 781-575-2726  
TDD 800-952-9245 or 312-588-4110 for hearing impaired  
[computershare.com/investor](http://computershare.com/investor)

### Stockholder Information Service

Stockholders can call Clorox Stockholder Direct at 888-CLX-NYSE (259-6973) toll-free 24 hours a day to hear news and messages about Clorox, request company materials or get a 20-minute-delayed stock quote. The latest company news is also available at [TheCloroxCompany.com](http://TheCloroxCompany.com).

### Dividend Reinvestment/Direct Stock Purchase Plan

Clorox has authorized Computershare to offer a dividend reinvestment/direct stock purchase plan. Registered stockholders can purchase additional shares. Nonstockholders may join the plan with an initial investment, lump sum or bank debit. Most fees are paid by Clorox. For more information or plan materials, call 888-CLX-NYSE (259-6973) or contact Computershare (see above).

### Management Report on Internal Control Over Financial Reporting

Clorox management, under the supervision and with the participation of the chief executive officer and chief financial officer, has assessed the effectiveness of the company's internal control over financial reporting as of June 30, 2013, and concluded that it is effective. For more information, see Item 9.A. of the company's annual report on Form 10-K for the fiscal year ended June 30, 2013.

### 2013 Financial Information

Full financial statements for The Clorox Company are provided in the company's 2013 proxy statement. Detailed financial information is available without charge through the following sources:

The company's proxy statement is available at [TheCloroxCompany.com](http://TheCloroxCompany.com).

The company's annual report on Form 10-K for the fiscal year ended June 30, 2013, is available at [TheCloroxCompany.com](http://TheCloroxCompany.com) and through the SEC's EDGAR database. Printed copies are available by calling 888-CLX-NYSE (259-6973).

### Forward-Looking Statements

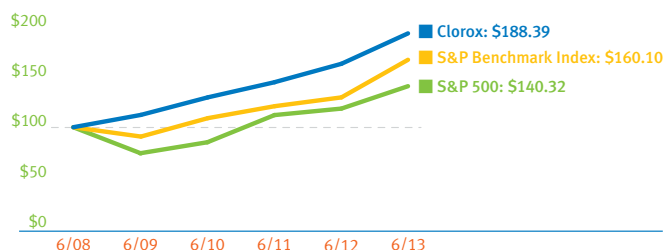
Except for historical information, matters discussed in the annual report are forward-looking statements and are based on management's estimates, assumptions and projections. Actual results could vary materially. Please review the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections in the company's annual report on Form 10-K for the fiscal year ended June 30, 2013, and subsequent SEC filings, for factors that could affect the company's performance and cause results to differ materially from management's expectations. The information in this report reflected management's estimates, assumptions and projections as of August 23, 2013. Clorox has not made updates since then and makes no representation, express or implied, that the information is still current or complete. The company is under no obligation to update any part of this document.

### Comparison of Five-Year Cumulative Total Return\*

The graph below compares the cumulative total stockholder return of the Common Stock for the last five fiscal years with the cumulative total return of the Standard & Poor's 500 Stock Index and a composite index composed of the Standard & Poor's Household Products Index and the Standard & Poor's Housewares & Specialties Index (referred to below as S&P Benchmark Index) for a five-year period ending June 30, 2013. The composite index is weighted based on market capitalization as of the end of each quarter during each of the last five years. The graph lines merely connect the prices on the dates indicated and do not reflect fluctuations between those dates.

#### Comparison of 5-Year Cumulative Total Return\*

Among The Clorox Company, the S&P 500 Index and a S&P Benchmark Index\*\*



\*\$100 invested on 6/30/08 in stock or index, including reinvestment of dividends. Fiscal year ending June 30.

\*\*Composed of the S&P's Household Products Index and the S&P's Housewares & Specialties Index.



The Clorox Company  
1221 Broadway  
Oakland, CA 94612

[thecloroxcompany.com](http://thecloroxcompany.com)

Read the 2013 Integrated Annual Report and Take our Survey:  
[annualreport.thecloroxcompany.com](http://annualreport.thecloroxcompany.com)

