



NEWS RELEASE

Clorox Releases 2015 Integrated Annual Report Highlighting Progress to Drive 'Good Growth'

9/28/2015

OAKLAND, CA -- (Marketwired) -- 09/28/15 -- The Clorox Company (NYSE: CLX) released its **2015 integrated annual report** demonstrating how the company drove "good growth" -- profitable and responsible growth -- during the fiscal year ending June 30 through progress against its 2020 Strategy and an emphasis on focus areas that will continue accelerating that growth.

"Accelerating good growth that's profitable, consistent and achieved in a responsible way is a cornerstone of our 2020 Strategy," said Chief Executive Officer Benno Dorer. "This year's report showcases the steps we're taking to win with consumers in today's dynamic business environment while retaining a commitment to values that have guided our company for more than a century. We believe this approach, supported by our highly engaged people and leading brands, will allow us to provide value to our stakeholders for the long term."

Among the statistics highlighted in the report, which combines financial, environmental, social and governance performance, are the following 2015 fiscal year results:

- \$5.7 billion in net sales.
- \$385 million in cash dividends.
- 17 percent total shareholder return compared to 4 percent for our peer group and 7 percent for the S&P 500.(1)
- 3 percent incremental sales from product innovation.

Also documented in the report are key nonfinancial metrics, including the following:

- **86 percent employee engagement**, which is one point higher than last year, nine points higher than the company's consumer goods peers and about one point higher than companies combining superior financial performance and human resources practices.(2)
- A **recordable incident rate of .52**, the lowest RIR -- a measure of workplace safety -- in the company's history and superior to world-class norms.(3)
- Diversity in governance and senior management, including **50 percent minority independent board members** and **31 percent female Clorox Executive Committee members**.
- Environmental improvements to our operational footprint, marked by cumulative **reductions in greenhouse gas emissions (11 percent), solid waste to landfill (30 percent), energy consumption (6 percent) and water consumption (11 percent)** since 2012.(4)
- **\$15.2 million in community impact** from foundation cash grants, employee volunteerism(5), U.S. cause marketing contributions and U.S. corporate product donations.

As part of Clorox's efforts to continually enhance the rigor of its reporting, an independent accounting firm provided review-level assurance for 14 key nonfinancial metrics. These performance indicators are shown with an "A" symbol throughout the report.

Clorox also used the Global Reporting Initiative G3.1 Guidelines, which provide a recommended framework and indicators for reporting. The company is reporting at a GRI-checked application level of "B+," reflecting the number of disclosures included in its report and the third-party review of certain key nonfinancial information.

The 2015 integrated annual report is available online at annualreport.thecloroxcompany.com. The site offers several multimedia elements, a resource center to build and print a customized report, and a brief survey to share insights and feedback.

The Clorox Company

The Clorox Company is a leading multinational manufacturer and marketer of consumer and professional products with about 7,700 employees worldwide and fiscal year 2015 sales of \$5.7 billion. Clorox markets some of the most trusted and recognized consumer brand names, including its namesake bleach and cleaning products; Pine-Sol® cleaners; Liquid Plumr® clog removers; Poett® home care products; Fresh Step® cat litter; Glad® bags, wraps and containers; Kingsford® charcoal; Hidden Valley® dressings and sauces; Brita® water-filtration products and Burt's Bees® natural personal care products. The company also markets brands for professional services, including Clorox Healthcare® and Clorox Commercial Solutions®. More than 80 percent of the company's sales are generated from brands that hold the No. 1 or No. 2 market share positions in their categories.

The company also has been recognized recently for its corporate responsibility efforts with two Climate Leadership

Awards for Excellence from the U.S. Environmental Protection Agency and inclusion on the 2015 Newsweek Green Rankings and Corporate Responsibility magazine's 100 Best Corporate Citizens 2015 list. For more information, visit TheCloroxCompany.com, the [CR Matters Blog](#) and follow the company on Twitter at [@CloroxCo](#).

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Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and such forward-looking statements involve risks and uncertainties. Except for historical information, matters discussed above, including statements about future volume, sales, foreign currencies, costs, cost savings, margin, earnings, earnings per share, diluted earnings per share, foreign currency exchange rates, cash flows, plans, objectives, expectations, growth, or profitability, are forward-looking statements based on management's estimates, assumptions and projections. Words such as "could," "may," "expects," "anticipates," "targets," "goals," "projects," "intends," "plans," "believes," "seeks," "estimates," and variations on such words, and similar expressions that reflect our current views with respect to future events and financial performance, are intended to identify such forward-looking statements. These forward-looking statements are only predictions, subject to risks and uncertainties, and actual results could differ materially from those discussed above.

Important factors that could affect performance and cause results to differ materially from management's expectations are described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the company's Annual Report on Form 10-K for the fiscal year ended June 30, 2015, as updated from time to time in the company's SEC filings. These factors include, but are not limited to: intense competition in the company's markets; worldwide, regional and local economic conditions and financial market volatility; the ability of the company to drive sales growth, increase price and market share, grow its product categories and achieve favorable product and geographic mix; risks related to international operations, including political instability; government-imposed price controls or other regulations; foreign currency exchange rate controls, including periodic changes in such controls, fluctuations and devaluations; labor claims, labor unrest and inflationary pressures, particularly in Argentina; and potential harm and liabilities from the use, storage and transportation of chlorine in certain international markets where chlorine is used in the production of bleach; risks related to the possibility of nationalization, expropriation of assets or other government action in foreign jurisdictions; risks related to the company's discontinuation of operations in Venezuela; volatility and increases in commodity costs such as resin, sodium hypochlorite and agricultural commodities, and increases in energy, transportation or other costs; supply disruptions and other risks inherent in reliance on a limited base of suppliers; the ability of the company to develop and introduce commercially successful products; dependence on key

customers and risks related to customer consolidation and ordering patterns; costs resulting from government regulations; the ability of the company to successfully manage global political, legal, tax and regulatory risks, including changes in regulatory or administrative activity; risks related to reliance on information technology systems, including potential security breaches, cyber-attacks or privacy breaches that result in the unauthorized disclosure of consumer, customer, employee or company information, or service interruptions; risks relating to acquisitions, new ventures and divestitures, and associated costs, including the potential for asset impairment charges related to, among others, intangible assets and goodwill; the success of the company's business strategies; the ability of the company to implement and generate anticipated cost savings and efficiencies; the impact of product liability claims, labor claims and other legal proceedings, including in foreign jurisdictions and the company's litigation related to its discontinued operations in Brazil; the company's ability to attract and retain key personnel; the company's ability to maintain its business reputation and the reputation of its brands; environmental matters, including costs associated with the remediation of past contamination and the handling and/or transportation of hazardous substances; the impact of natural disasters, terrorism and other events beyond the company's control; the company's ability to maximize, assert and defend its intellectual property rights; any infringement or claimed infringement by the company of third-party intellectual property rights; the effect of the company's indebtedness and credit rating on its operations and financial results; the company's ability to maintain an effective system of internal controls; uncertainties relating to tax positions, tax disputes and changes in the company's tax rate; the accuracy of the company's estimates and assumptions on which its financial statement projections are based; the company's ability to pay and declare dividends or repurchase its stock in the future; and the impacts of potential stockholder activism.

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

(1) June 30, 2014, through June 30, 2015 (assumes reinvestment of quarterly dividends). Peer companies -- an average of 16 consumer packaged goods companies, excluding Clorox -- used for benchmarking purposes.

(2) The Towers Watson global fast-moving consumer goods norm is based on responses from 126,346 employees at 61 global organizations in this sector as well as a representative sample of employee data collected through general workforce studies. The Towers Watson global high-performance norm is a cross-industry norm that includes companies meeting two criteria: a) superior financial performance, defined by a net profit margin and/or return on invested capital that exceeds industry averages; and b) superior human resource practices, defined by top employee opinion scores. This norm includes responses from more than 145,000 employees at 28 global organizations. Clorox employee engagement scores were 86.247 percent in FY15, compared to 85.725 percent in

FY14, an increase of .522 percent.

(3) Based on corporate benchmarking by Clorox, we consider a recordable incident rate of 1.0 or less to be world-class. Our FY15 RIR of .52 means that for every 100 Clorox employees, we averaged less than one reportable incident during this past year. According to the latest available data from the U.S. Bureau of Labor Statistics, the average RIR for goods-producing manufacturing companies is 3.9. The criteria used to determine RIR follows U.S. Department of Labor Occupational Safety and Health Administration guidelines and is applied globally.

(4) CY 2014 vs. CY 2011 per case of product sold.

(5) Financial equivalent of 122,243 volunteer hours, calculated at \$23.07 per hour, based on the 2014 U.S. value of volunteer time from **IndependentSector.org**. Less than 5 percent of these hours are by employees outside the U.S., but all are calculated using the U.S. average rate.

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