CLOROX CO /DE/
Form DEF 14A
September 22, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant [X]
Filed by a Party other than the Registrant [ ]

Check the appropriate box:

[ ]	Preliminary Proxy Statement
[ ]	**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
[X]	Definitive Proxy Statement
[ ]	Definitive Additional Materials
[ ]	Soliciting Material Pursuant to §240.14a-12

THE CLOROX COMPANY
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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To Our Stockholders

Dear Stockholders:

I am pleased to invite you to attend our 2017 Annual Meeting of Stockholders.

Clorox delivered strong results in fiscal year 2017 and we continue to be committed to good growth: growth that is profitable, sustainable, and responsible. We are focused on delivering products and brands that provide superior value, investing in product innovation and the consumer experience, and being an industry leader in using marketing and technology to enable real-time consumer engagement. We also view employee engagement as critical, as engagement has been shown to correlate to a company s performance. Inclusion and diversity are top business priorities as we benefit from the diverse backgrounds and perspectives of our employees, which we also see reflected in our female and minority leaders on the management team and Board of Directors.

Our Board continues to provide excellent guidance and leadership and to set the right tone at the top. Whether it s strategic oversight, risk management, or human capital management, the Board is focused on the long term. We are constantly thinking about how the Company must evolve as an industry leader in a rapidly changing world, and in a way that is responsible and sustainable to continue to generate financial returns for you, our stockholders.

We look forward to sharing our progress and results with you at our Annual Meeting. Thank you for your continued support and investment in Clorox.

Sincerely,

Benno Dorer
Chairman and Chief Executive Officer

Dear Stockholders:

As Lead Director of Clorox, it is my honor to serve with our other independent directors as an independent voice representing you, the stockholders, to help ensure that the Company continues to be managed with integrity, strong corporate governance, and appropriate oversight of strategy and risks.

In fiscal year 2017, we were pleased to add three new directors, each of whom brings a unique and valuable perspective to the Board. Once again this year I participated in outreach meetings with our stockholders to engage in two-way dialogue and understand the issues that are most important to our investors. As a Board, we regularly discuss and consider investor feedback on a wide variety of governance, compensation, and other topics as we strive to be responsible stewards of the Company.

I am also committed to diversity. As Clorox seeks to develop its diverse workforce and to foster a culture that is inclusive of different perspectives, experiences, and backgrounds, I encourage and engage with our employees directly. Talent management is crucial to the business and we must continue building and retaining our pipeline of high-potential employees to continue to grow profitably, in a values-led manner, and for the long term.

On behalf of the independent directors, thank you for your confidence and your support.

Sincerely,

Pamela Thomas-Graham
Lead Director

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Notice of Annual Meeting of Stockholders

To be held on November 15, 2017

The 2017 Annual Meeting of Stockholders of The Clorox Company will be held at 8:00 a.m. Eastern time on Wednesday, November 15, 2017, at the Company s Durham, NC, offices, 210 W. Pettigrew Street, Durham, NC 27701, for the following purposes:

1. To elect the twelve director nominees named in the proxy statement;
2. To hold an advisory vote to approve executive compensation;
3. To hold an advisory vote on the frequency of future advisory votes to approve executive compensation;
4. To ratify the selection of Ernst & Young LLP as the Company s independent registered public accounting firm;
5. To approve the material terms of the performance goals under the Company s 2005 Stock Incentive Plan;
6. To approve the Company s equity award policy for non-employee directors; and
7. To consider and act upon one stockholder proposal, if properly presented at the Annual Meeting.

Stockholders also will consider and act upon such other business as may properly come before the Annual Meeting or any adjournment or postponement.

Stockholders of record at the close of business on September 18, 2017, are entitled to vote at the Annual Meeting and any adjournment or postponement.

Proof of share ownership as of the record date will be required to attend the Annual Meeting. Please see the Attending the Annual Meeting section of the proxy statement for more information.

On or about September 22, 2017, we began mailing a Notice of Internet Availability of Proxy Materials to our stockholders informing them that our Proxy Statement, Integrated Annual Report Executive Summary, and voting instructions are available on the Internet as of the same date.

Your vote is very important. Even if you plan to attend the Annual Meeting, we hope that you will read the proxy statement and vote your proxy by telephone, via the Internet, or by signing, dating, and returning the proxy card in the envelope provided.

By Order of the Board of Directors,

Angela C. Hilt
Vice President Corporate Secretary
& Associate General Counsel

The Clorox Company
1221 Broadway
Oakland, California 94612

September 22, 2017

Important Notice Regarding the Availability of Proxy Materials for The Clorox Company Stockholders Meeting to be Held on November 15, 2017: The Notice of Annual Meeting, Proxy Statement, and 2017 Integrated Annual Report Executive Summary are available at www.edocumentview.com/CLX.

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YOUR VOTE IS IMPORTANT, NO MATTER HOW MANY OR HOW FEW SHARES YOU OWN

If you have questions about how to vote your shares, or need additional assistance, please contact Innisfree M&A Incorporated, who is assisting us in the solicitation of proxies:

501 Madison Avenue, 20th Floor
New York, New York 10022

Stockholders may call toll-free at (877) 750-9499

Banks and brokers may call collect at (212) 750-5833

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Proxy Summary

This summary highlights information contained elsewhere in this proxy statement and does not contain all of the information that you should consider. For more complete information, please review the Company s proxy statement before voting.

Proposals to be Voted on and Board Voting Recommendations

		More information	Board s voting recommendation
PROPOSAL 1	Election of Directors	Page 4	**FOR EACH NOMINEE**
PROPOSAL 2	Advisory Vote on Executive Compensation	Page 27	**FOR**
PROPOSAL 3	Advisory Vote on Frequency of Future Advisory Votes on Executive Compensation	Page 28	**ONE YEAR**
PROPOSAL 4	Ratification of Independent Registered Public Accounting Firm	Page 60	**FOR**
PROPOSAL 5	Material Terms of Performance Goals Under 2005 Stock Incentive Plan	Page 63	**FOR**
PROPOSAL 6	Equity Award Policy for Non-Employee Directors	Page 68	**FOR**
PROPOSAL 7	Stockholder Proposal Regarding Proxy Access Amendment	Page 69	**AGAINST**

Our Director Nominees

The following table provides summary information about each director nominee.

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships
Amy Banse	58	2016	Managing Director and Head of Funds, Comcast Ventures		AC
Richard H. Carmona	67	2007	Vice Chairman, Canyon Ranch		NGCRC (Chair) MDCC
Benno Dorer	53	2014	Chairman and Chief Executive Officer, Clorox		
Spencer C. Fleischer	63	2015	Managing Partner, FFL Partners, L.P.		MDCC
Esther Lee	58	2013	Executive Vice President Global Chief Marketing Officer, MetLife Inc.		NGCRC
A. D. David Mackay	62	2016	Former President and Chief Executive Officer, Kellogg Company		MDCC
Robert W. Matschullat	69	1999	Former Vice Chairman and Chief Financial Officer, The Seagram Company Ltd.		NGCRC
Jeffrey Noddle	71	2013	Former Chairman and Chief Executive Officer, SuperValu, Inc.		AC MDCC (Chair)
Pamela Thomas-Graham *Lead Director*	54	2005	Former Chief Marketing and Talent Officer, Credit Suisse Group AG		NGCRC
Carolyn M. Ticknor	70	2005	Former President, Imaging and Printing Systems group, Hewlett Packard Company		AC (Chair) NGCRC
Russell Weiner	49	2017	President, Domino s USA		AC
Christopher J. Williams	59	2015	Chairman and Chief Executive Officer, The Williams Capital Group, L.P. and Williams Capital Management, LLC		AC

AC Audit Committee
NGCRC Nominating, Governance and Corporate Responsibility Committee
MDCC Management Development and Compensation Committee

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Corporate Governance Highlights

Our Corporate Governance Policies Reflect Best Practices

11 of our 12 Director Nominees are Independent	Annual Election of All Directors
Majority Voting and Director Resignation Policy in Uncontested Director Elections	Robust Annual Board, Committee, and Individual Director Evaluation Process
Strong Independent Lead Director with Ability to Call Special Meetings of the Board	Standing Board Committees are 100% Independent
Diverse Board with Effective Mix of Skills, Experiences, and Perspectives	5 New Directors Elected Since 2015 and Average Board Tenure of 5.8 Years
Proactive Stockholder Engagement	Rigorous Stock Ownership Guidelines for Executives and Directors
Proxy Access Right for Stockholders Adopted in 2015	Special Meeting Right for Stockholders
Robust Code of Conduct	Regular Executive Sessions of Independent Directors

Business Performance and Executive Compensation Highlights

Fiscal Year 2017 Business Performance

Successes for the Company in fiscal year 2017 included:

- net sales growth of 4%, with total Company sales growth in every quarter of the fiscal year;
- achieving $112 million in cost savings, the Company s 14th consecutive year of average cost savings in excess of $100 million;
- achieving increased volume of 6%, reflecting gains in all four of the Company s reportable segments;
- increasing earnings from continuing operations to $703 million or $5.32 diluted earnings per share (EPS), versus $648 million or $4.92 diluted EPS in the prior year;
- leveraging incremental demand-building investments, including product innovation to support category and market share growth;
- launching new products in numerous categories, including the Brita® Stream pitcher, Burt s Bees® gloss lip crayon and Burt s Bees® flavor crystals® lip balm, Clorox Scentiva® line of sprays and wipes, Clorox® Healthcare Fuzion cleaner disinfectant, Clorox® Total 360 electrostatic disinfection system, Fresh Step® Extreme with the power of Febreze® Hawaiian Aloha litter and Fresh Step® Extreme with the power of Febreze® lightweight litter, Glad Kitchen Pro trash bags, Hidden Valley® Simply Ranch® dressing, and Kingsford® BBQ sauces and Kingsford® long-burning charcoal, among others;
- continuing to receive external recognition for our leadership in corporate responsibility and sustainability efforts; and
- returning excess capital to stockholders through share repurchases, delivering $412 million in dividends to stockholders, and increasing the quarterly dividend by 5% in May 2017.

Fiscal Year 2017 Pay For Performance

Our fiscal year 2017 results and compensation decisions continue to illustrate that our pay-for-performance philosophy works as intended, with pay being driven by performance in the following ways:

Fiscal Year 2017 Annual Incentive Payout. In alignment with our pay-for-performance philosophy, the annual incentive payout for each of our named executive officers was close to target due to the Company s solid operational results compared to the targets established at the beginning of the 2017 fiscal year. The Company s sales performance exceeded the targets for the fiscal year, while economic profit (EP) performance fell slightly below the target.

Fiscal Year 2017 Long-Term Incentive Payout. Our three-year performance share results were well above the financial target for cumulative EP and yielded a 150% payout. These awards were granted in September 2014, and payment was determined in August 2017, based on performance over the period commencing July 1, 2014, and ending June 30, 2017. Fiscal years 2015 and 2016 had especially strong results. The cumulative EP results for the three-year period thus resulted in the maximum payout for the Company s performance shares.

In 2017, the Management Development and Compensation Committee undertook a detailed assessment of the Company s overall compensation program for alignment to our business strategy, our stockholders interests, our pay-for-performance philosophy, and market practices. This review resulted in various changes to the annual and long-term incentive programs, which are effective beginning with fiscal year 2018, as described in greater detail in the Compensation Discussion and Analysis section.

What We Pay: Components of Our Compensation Program

A substantial portion of our targeted executive compensation is at-risk variable compensation, with 86% of compensation for our Chief Executive Officer (CEO) and 70% of compensation for all of our other named executive officers being at-risk.

Compensation Mix - CEO(1)

Fixed compensation = 14%

Variable compensation = 86%

Base salary is the only fixed compensation component, as outlined in the following charts, which reflect target compensation for fiscal year 2017.

Compensation Mix - Average of All Other NEOs(1)

Fixed compensation = 30%

Variable compensation = 70%

(1) Compensation mix represents the actual base salary, target annual incentive award, and actual long-term incentives granted in fiscal year 2017. Refer to the Summary Compensation Table on page 44 of this proxy statement for further details on actual compensation.

Best Pay Practices Highlights

What We Have

An executive compensation program designed to further the Company s strategy and mitigate inappropriate risk;
Different performance horizons for the goals within our annual and long-term incentive plans;
Use of economic profit as a rigorous incentive metric;
Stringent stock ownership and retention guidelines for all of our executives;
A prohibition on speculative transactions involving the Company s stock, including hedging and pledging;
Stock options that vest over a four-year period and have an exercise price equal to the fair market value of our Common Stock on the date of grant;
Clawback provisions in both our annual and long-term incentive plans;
Double-trigger change in control provisions for all equity awards;
Reasonable cash severance provisions to support talent retention and attraction objectives, promote orderly succession planning, and avoid individual negotiation with exiting executives, thus eliminating the need for individual employment agreements;
Modest perquisites supported by sound business rationale;
Annual review of our executive compensation program by the Management Development and Compensation Committee, which yielded changes to the annual and long-term incentive programs to be effective in fiscal year 2018; and
Use of an independent compensation consultant who does not provide any additional consulting services to the Company.

What We Don t Have

Employment contracts for any executives;
Stock option re-pricing without stockholder approval;
Payment of dividends or dividend equivalents on unvested or unearned performance shares; and
Tax gross-ups for any employee, including executive officers.

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Board of Directors

Proposal 1:
Election of Directors

At the Annual Meeting, twelve people will be elected as members of the Board of Directors to serve until the 2018 Annual Meeting of Stockholders, and until their respective successors are duly elected and qualified. The Board, upon the recommendation of the Nominating, Governance and Corporate Responsibility Committee, has nominated the twelve people listed below for election at the Annual Meeting.

Each of the nominees for director has agreed to be named in this proxy statement and to serve as a director if elected. Each nominee is currently serving as a director of the Company. Russell Weiner was appointed to the Board during calendar year 2017 and is being nominated for election by the stockholders for the first time. Mr. Weiner was recommended to the Nominating, Governance and Corporate Responsibility Committee by a director recruitment firm retained by the Committee to identify potential director candidates.

Board of Directors Recommendation

The Board unanimously recommends a vote FOR each of the Board s twelve nominees for director listed below. The Board believes that each of the nominees listed below is highly qualified and has the background, skills, experience, and attributes that qualify each of the nominees to serve as a director of the Company (see each nominee s biographical information and the Evaluation of Director Qualifications and Experience section below for more information). The recommendation of the Board is based on its carefully considered judgment that the background, skills, experience, and attributes of the nominees make them the best candidates to serve on our Board.

Certain information with respect to each nominee appears on the following pages, including age, period served as a director, position (if any) with the Company, business experience, directorships of other publicly owned corporations, including other such directorships held during the past five years (if any), and other relevant experience and qualifications, including service on certain non-profit or non-public company boards, that contributed to the conclusion that each director is qualified to serve as a director of the Company.

Vote Required

Majority Voting for Directors. The Company s Bylaws require each director to be elected by a majority of the votes cast with respect to such director in uncontested elections (the number of shares voted FOR a director must exceed the number of shares voted AGAINST that director). Under the Company s Bylaws, any director who fails to be elected by a majority of the votes cast in an uncontested election must tender his or her resignation to the Board. The Nominating, Governance and Corporate Responsibility Committee would then make a recommendation to the Board whether to accept or reject the resignation, or whether other action should be taken. The Board would act on the Nominating, Governance and Corporate Responsibility Committee s recommendation and publicly disclose its decision and

the rationale behind it within 90 days from the date the election results are certified. A director who tenders his or her resignation would not participate in the Board s decision.

The people designated in the proxy and voting instruction card intend to vote your shares represented by proxy FOR the election of each of these nominees, unless you include instructions to the contrary. In the event any director nominee is unable to serve or for good cause will not serve, the persons named as proxies may vote for a substitute nominee recommended by the Board or the Board may reduce the size of the Board.

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Message from Rich Carmona, Chair of the Nominating, Governance and Corporate Responsibility Committee

Dear Stockholders:

Our Nominating, Governance and Corporate Responsibility Committee, along with the full Board, is focused on having the right people in the board room for the Company and its stockholders. We regularly assess our Board composition for strong, independent leadership, skills and expertise tailored to our Companys business strategy and needs, a mix of tenures so we have fresh perspectives as well as deep knowledge of the Company, and diverse voices and backgrounds to inform our decisions. Youll see this independence and balanced mix in the biographies of our director nominees below.

We believe that regularly reviewing and refreshing the skill sets and perspectives on the Board is important. When we think about refreshing the Board, we consider the changing environment and industry in which the Company operates, both now and several years down the road. We use our individual, committee, and Board evaluations to identify specific needs and desired attributes for director candidates. These conversations and considerations led us to expand the size of the Board by one seat and add three new directors to the Board in fiscal year 2017: Amy Banse, who brings media and technology expertise and a unique venture capital perspective; Dave Mackay, whose consumer goods background and global and operational experience are directly relevant to the Companys operations; and Russell Weiner, who has a track record of innovation and bringing digital technology to consumer goods companies.

As we continuously review and refine our processes and evaluate the Boards leadership and structure, we remain committed and accountable to you, our stockholders.

Sincerely,

Rich Carmona
Chair, Nominating, Governance and Corporate Responsibility Committee

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Director Since	Name, Principal Occupation, and Other Information
2016	**Amy Banse**

Ms. Banse has served as Managing Director and Head of Funds of Comcast Ventures, the venture capital arm of Comcast Corporation (a global media and technology company) since August 2011. From 2005 to 2011, Ms. Banse was Senior Vice President, Comcast Corporation and President, Comcast Interactive Media, a division of Comcast responsible for developing online strategy and operating the company s digital properties, including Fandango, Xfinity. com, and Xfinitytv.com. Since joining Comcast in 1991, Ms. Banse has held various positions at the company, including content development, programming investments, and overseeing the development and acquisition of Comcast s cable network portfolio. Earlier in her career, Ms. Banse was an associate at Drinker, Biddle & Reath LLP.

Other Public Company Boards:
Ms. Banse serves as a director of Adobe Systems, Inc. (May 2012 to present).

Non-Profit/Other Boards:
Ms. Banse serves on the boards of a number of Comcast Ventures portfolio companies, including Quantifind and TuneIn, and on the board of Tipping Point Community.

Director Qualifications:
Ms. Banse s expertise in media and technology enables her to contribute valuable insights into digital media and online business. Her experience in investing in, starting, and building businesses provides her with deep strategic and financial understanding, and her previous executive leadership roles contribute to her management and operational knowledge. Age: 58.

2007 **Richard H. Carmona, M.D., M.P.H., F.A.C.S.**

Dr. Carmona has been Vice Chairman of Canyon Ranch (a life-enhancement company) since October 2006. He also serves as Chief Executive Officer of the Canyon Ranch Health Division and President of the non-profit Canyon Ranch Institute. He is the first Distinguished Professor of Public Health at the Mel and Enid Zuckerman College of Public Health at the University of Arizona. Prior to joining Canyon Ranch, Dr. Carmona served as the 17th Surgeon General of the United States from 2002 through 2006, achieving the rank of Vice Admiral. Previously, he was Chairman of the State of Arizona Southern Regional Emergency Medical System, a professor of surgery, public health, and family and community medicine at the University of Arizona, and surgeon and deputy sheriff of the Pima County, Arizona, Sheriff s Department. Dr. Carmona served in the United States Army and the Army s Special Forces.

Other Public Company Boards:
Dr. Carmona serves as a director of Axon Enterprise, Inc. (formerly Taser International, March 2007 to present) and Herbalife Ltd. (October 2013 to present).

Non-Profit/Other Boards:
Dr. Carmona serves on the boards of Nuvox Pharma and Ross University.

Director Qualifications:
Dr. Carmona s experience as the Surgeon General of the United States and extensive background in public health provide him with a valuable perspective on health and wellness matters, as well as insight into regulatory organizations and institutions, which are important to the Company s business strategy. In addition, his executive leadership experience, including with a global lifestyle enhancement company, provides him with international experience and enables him to make valuable contributions to the Company s international growth strategies. Dr. Carmona s experience in the United States Army and in academia also strengthens the Board s collective qualifications, skills, and experience. Age: 67.

Director Since	Name, Principal Occupation, and Other Information

2014 **Benno Dorer**

Mr. Dorer has served as Chief Executive Officer (CEO) of the Company since November 2014 and was appointed Chairman of the Board in August 2016. Prior to becoming CEO, Mr. Dorer was Executive Vice President and Chief Operating Officer Cleaning, International and Corporate Strategy since January 2013, with responsibility for the Laundry, Home Care, and International businesses as well as Corporate Strategy and Growth. He previously served as Senior Vice President Cleaning Division and Canada from March 2011 through December 2012, Senior Vice President Cleaning Division from 2009 to 2011, and Vice President & General Manager Cleaning Division from 2007 to 2009. Mr. Dorer joined Clorox in 2005 as Vice President & General Manager Glad® Products. Prior to that role, he worked for The Procter & Gamble Company for 14 years, leading the marketing organization for the Glad® Products joint venture since its inception and holding marketing positions across a range of categories and countries.

Other Public Company Boards:

Mr. Dorer serves as a director of VF Corporation.

Non-Profit/Other Boards:

Mr. Dorer serves on the executive committee of the board of GMA (Grocery Manufacturers Association) and the executive committee of the board of the Bay Area Council. He previously served on the executive committee of the board of directors of the American Cleaning Institute and the board of directors of the Chabot Space & Science Center Foundation in Oakland, California.

Director Qualifications:

Mr. Dorer s leadership experience and his in-depth knowledge of the consumer packaged goods industry, the Company s businesses, and his leadership in developing the Company s 2020 Strategy enable him to provide valuable contributions with respect to strategy, growth, and long-range plans. Additionally, his extensive international background provides him with a broad perspective on international customer and consumer dynamics and business strategy. Age: 53.

2015 **Spencer C. Fleischer**

Mr. Fleischer is Managing Partner of FFL Partners, L.P. (FFL) (a private equity firm), where he has served in various roles since co-founding FFL in 1997. Before co-founding FFL, Mr. Fleischer spent 19 years with Morgan Stanley & Company as an investment banker and manager. At Morgan Stanley & Company, he was a member of the worldwide Investment Banking Operating Committee and also held roles including head of investment banking in Asia and head of corporate finance for Europe.

Other Public Company Boards:

Mr. Fleischer was previously a director of Banner Corporation (October 2015 to December 2016).

Non-Profit/Other Boards:

Mr. Fleischer is a director of Levi Strauss & Co., Strategic Investment Management, LLC, and Eyemart Express Holdings LLC. He previously served on the board of WiltonRe Holdings Limited.

Director Qualifications:

Mr. Fleischer brings to the Board more than 35 years of financial and operational expertise as well as deep international experience. His significant experience in both private equity and investment banking enables him to contribute valuable insights into strategic planning, mergers and acquisitions, and operating expertise to the Company. His leadership role at FFL also allows him to provide significant experience in compensation matters. Age: 63.

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Director Since	Name, Principal Occupation, and Other Information
2013	**Esther Lee**

Ms. Lee has served as Executive Vice President Global Chief Marketing Officer at MetLife Inc. (an insurance, annuities, and employee benefits company) since January 2015. Previously, Ms. Lee served as Senior Vice President Brand Marketing, Advertising and Sponsorships for AT&T from 2009 to December 2014. From 2007 to 2008 she served as CEO of North America and President of Global Brands for Euro RSCG Worldwide. Prior to that, she served for five years as Global Chief Creative Officer for The Coca-Cola Company. Earlier in her career, as co-founder of DiNoto Lee advertising firm, Ms. Lee worked with several consumer packaged goods companies, including The Procter & Gamble Company, Unilever, and Nestle.

Non-Profit/Other Boards:

Ms. Lee serves on the boards of the MetLife Foundation and the Ad Council.

Director Qualifications:

Ms. Lee brings to the Company significant executive and brand-building expertise. Her current and prior executive leadership roles enable her to provide valuable contributions with respect to creativity and vision for long-term growth. In addition, Ms. Lee brings to the Company significant experience in the areas of marketing and digital media. Her prior experience with global brand marketing, advertising, media, and sponsorship, as well as developing operating models in these areas, enable her to provide valuable contributions to the Company s business strategies. Age: 58.

2016	**A. D. David Mackay**

Mr. Mackay served as President and Chief Executive Officer of Kellogg Company (a food manufacturing company) from 2006 until his retirement in 2011. From 2003 to 2006, he served as the company s President and Chief Operating Officer. Prior to that, Mr. Mackay held a number of other leadership positions at Kellogg, including roles at Kellogg Australia, United Kingdom, and Republic of Ireland. He also previously served as Managing Director of Sara Lee Corporation in Australia and held various positions at Mars, Inc.

Other Public Company Boards:

Mr. Mackay is a director of Fortune Brands Home and Security Inc. (September 2011 to present). Mr. Mackay previously served as a director of Keurig Green Mountain, Inc. (December 2012 to March 2016), Beam, Inc. (October 2011 to April 2014), Fortune Brands, Inc. (January 2006 to October 2011), and Kellogg Company (February 2005 to January 2011).

Non-Profit/Other Boards:

Mr. Mackay serves on the board of FSHD Global Research Foundation Ltd. He previously served on the boards of McGrath Ltd. and Woolworths Ltd., which are Australia-based companies.

Director Qualifications:

Mr. Mackay brings significant strategic leadership and operational experience to the Board. His extensive consumer products background and his international experience allow him to contribute valuable insights regarding the Company s industry, operations, and international businesses. In addition, his previous leadership roles provide him with expertise in executive compensation and succession planning matters. Age: 62.

Director Since	Name, Principal Occupation, and Other Information
1999	**Robert W. Matschullat**

Mr. Matschullat served as independent lead director of the Board from November 2012 until July 2015. He was interim Chairman and interim Chief Executive Officer of the Company from March 2006 through October 2006, served as presiding director of the Board from January 2005 through March 2006, and served as Chairman of the Board from January 2004 through January 2005. Previously, he was the Vice Chairman and Chief Financial Officer of The Seagram Company Ltd. (a global company with entertainment and beverage operations). Prior to joining The Seagram Company Ltd., Mr. Matschullat served as head of worldwide investment banking for Morgan Stanley & Co. Incorporated, and was on the Morgan Stanley Group board of directors.

Other Public Company Boards:

Mr. Matschullat is a director of The Walt Disney Company, Inc. (December 2002 to present), and is Chairman of the Board of Visa, Inc. (April 2013 to present), having served as a director of Visa, Inc., since October 2007.

Director Qualifications:

Mr. Matschullat brings to the Company a wealth of public company leadership experience at the board and executive levels. Mr. Matschullat s executive leadership experience includes service as the chief financial officer of a major global company and as the division head of a major financial institution, providing him with expertise in business and financial matters as well as broad international experience. In addition, Mr. Matschullat has an extensive understanding of the Company s business, having served more than 15 years on the Board, including in the leadership roles of independent lead director, non-executive Chairman, and presiding director of the Board. Mr. Matschullat also served as the Company s interim Chief Executive Officer. These experiences have provided him with a long-term perspective, as well as valuable management, governance, and leadership experience. Age: 69.

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Director Since	Name, Principal Occupation, and Other Information
2013	**Jeffrey Noddle**

Mr. Noddle was the Executive Chairman of SuperValu, Inc. (SuperValu) (a food retailer and provider of distribution and logistical support services) from 2009 until his retirement in 2010. He served as SuperValu s Chairman and Chief Executive Officer from 2002 to 2009. During his career with SuperValu, which commenced in 1976, Mr. Noddle held a number of other leadership positions, including President and Chief Operating Officer, Vice President Merchandising, and President of SuperValu s Fargo and former Miami divisions.

Other Public Company Boards:

Mr. Noddle is Chairman of the Board of Donaldson Company, Inc. (April 2016 to present), having served as a director of Donaldson Company, Inc. since November 2000. He is a director of Ameriprise Financial, Inc. (September 2005 to present). Mr. Noddle previously served on the board of SuperValu, Inc. (May 2002 to June 2010).

Non-Profit/Other Boards:

Mr. Noddle previously served on the boards of the University of Minnesota Carlson School of Management, The Food Industry Center at the University of Minnesota, and the Greater Twin Cities United Way. Mr. Noddle was also a member of the executive committee of the Minnesota Business Partnership and past chairman of the board of The Food Marketing Institute.

Director Qualifications:

Mr. Noddle s prior leadership roles enable him to provide valuable operational and supply chain insights as well as strategic leadership and human resources guidance to the Company. His over 30-year career with SuperValu provides him with valuable perspective on the Company s retail environment, as well as experience in the areas of mergers and acquisitions, including integration planning and execution, stockholder relations and communications, corporate governance issues, executive succession planning, and director recruitment. Mr. Noddle s expertise in leading one of the largest grocery retail companies in the United States and his extensive knowledge of the Company s customers and consumers enable him to make valuable contributions to the Company. Age: 71.

Director Since	Name, Principal Occupation, and Other Information
2005	**Pamela Thomas-Graham**

Ms. Thomas-Graham served as Chair, New Markets, of Credit Suisse Group AG (a global financial services company) from October 2015 to June 2016. She served as Chief Marketing and Talent Officer, Head of Private Banking & Wealth Management New Markets, and member of the Executive Board, of Credit Suisse from January 2010 to October 2015. From 2008 to 2009, she served as a managing director in the private equity group at Angelo, Gordon & Co. From 2005 to 2007, Ms. Thomas-Graham held the position of Group President at Liz Claiborne, Inc. She served as Chairman, President, and Chief Executive Officer of CNBC from 2001 to 2005. Previously, Ms. Thomas-Graham served as an Executive Vice President of NBC and as President and Chief Executive Officer of CNBC.com. Prior to joining NBC, Ms. Thomas-Graham was a partner at McKinsey & Company.

Other Public Company Boards:

Ms. Thomas-Graham previously served as a director of Idenix Pharmaceuticals, Inc. (June 2005 to January 2010).

Non-Profit/Other Boards:

Ms. Thomas-Graham serves on the board of the New York Philharmonic, the Parsons School of Design, and the Education Committee of the Museum of Modern Art in New York City. She is a member of the Business Council of the Metropolitan Museum of Art in New York City. Additionally, she previously served on the Visiting Committee of Harvard Business School and on the board of the Harvard Alumni Association.

Director Qualifications:

Ms. Thomas-Graham brings to the Company significant executive expertise, including as a former CEO. Her current and prior executive leadership roles enable her to provide valuable contributions with respect to management, operations, growth, and long-range plans. In addition, Ms. Thomas-Graham brings to the Company significant experience in the area of branding. Her prior experience as a management consultant also enables her to provide valuable contributions to the Company s business strategies and mergers and acquisitions activities. Additionally, her leadership experience in banking and private equity provides her with financial and accounting expertise, enabling her to contribute to the oversight of the Company. Age: 54.

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Director Since	Name, Principal Occupation, and Other Information
2005	**Carolyn M. Ticknor**

Ms. Ticknor was President of the Imaging and Printing Systems group of the Hewlett Packard Company (a global IT company) from 1999 until her retirement in 2001. Previously, she served as President and General Manager of the Hewlett Packard Company s LaserJet Solutions.

Other Public Company Boards:

Ms. Ticknor previously served as a director of OfficeMax Incorporated (formerly Boise Cascade Corporation) (February 2000 to April 2006).

Non-Profit/Other Boards:

Ms. Ticknor is currently a director of The Center for the Advancement of Science in Space (CASIS). She previously served as a director of Lucile Packard Children s Hospital, a private non-profit organization at the Stanford University Medical Center.

Director Qualifications:

Ms. Ticknor s prior executive leadership roles enable her to provide valuable contributions with respect to management, operations, strategy, growth, and long-range plans. Her prior leadership at a global IT company enables her to provide valuable contributions with respect to the Company s international operations, strategies, and growth plans. She also brings to the Company significant expertise in the areas of innovation and supply chain management. Ms. Ticknor s service as a director of Lucile Packard Children s Hospital at Stanford University Medical Center enhances her understanding of health and wellness issues, as well as the Company s focus on community involvement. Age: 70.

2017 **Russell Weiner**

Russell Weiner is President of Domino s USA (a restaurant chain), a role he assumed in September 2014. Before assuming this position, he served as the company s Executive Vice President, Chief Marketing Officer, starting in 2008. Prior to joining Domino s, he was Vice President of Marketing, Colas at Pepsi-Cola North America from 2005 to 2008. During his tenure at Pepsi-Cola North America, which commenced in 1998, Mr. Weiner held a number of leadership roles in marketing and brand management.

Director Qualifications:

Mr. Weiner s experience in digital innovation enables him to help the Company maintain its leadership position in digital technology within the consumer packaged goods industry. In addition, his executive leadership experience in the food and consumer packaged goods industries enables him to contribute his deep knowledge of brand building, marketing, operations, and consumer insights. Age: 49.

Director Since	Name, Principal Occupation, and Other Information
2015	**Christopher J. Williams**

Mr. Williams has served as the Chairman and Chief Executive Officer of The Williams Capital Group, L.P. and Williams Capital Management, LLC (Williams Capital) (an investment banking and financial services firm) since the company s formation in 1994. Prior to founding Williams Capital, Mr. Williams managed the derivatives and structured finance division of Jefferies & Company. He previously worked at Lehman Brothers, where his roles included managing groups in the corporate debt capital markets and derivatives structuring and trading.

Other Public Company Boards:

Mr. Williams is a director of Caesars Entertainment Corporation (April 2008 to present) and Ameriprise Financial, Inc. (September 2016 to present). He previously served on the board of Wal-Mart Stores Inc. (June 2004 to June 2014).

Non-Profit/Other Boards:

Mr. Williams serves on the boards of Cox Enterprises Inc., Lincoln Center for the Performing Arts, and The Partnership for New York City. Mr. Williams is also Chairman of the Board of Overseers at the Tuck School of Business at Dartmouth.

Director Qualifications:

Mr. Williams brings a wealth of financial, accounting, and strategic knowledge to the Board with his years of experience in investment banking and finance, and as the former chair of the audit committee of a Fortune 100 company. He also contributes important executive management and leadership experience as the chairman and chief executive officer of an investment management firm. As a current and former director of several public and private companies, he brings a valuable perspective for the Company s strategy and operations as well as extensive customer insights. Age: 59.

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Organization of the Board of Directors

Evaluation of Director Qualifications and Experience

The Nominating, Governance and Corporate Responsibility Committee works closely with our Board in determining the skills, experiences, and characteristics desired for the Board as a whole and for its individual members, and screens and recommends candidates for nomination by the full Board. While the Board has not established any specific minimum qualifications that a potential nominee must possess, director candidates, including incumbent directors, are assessed based upon criteria established by the Nominating, Governance and Corporate Responsibility Committee in light of the Company s long-term strategy, the skills and backgrounds currently represented on the Board, and any specific needs identified in the Committee s evaluation of Board composition. Criteria include broad-based leadership and business skills and experience, prominence and reputation in their professions, global business and social perspective, ability to effectively represent the long-term interests of our stockholders, and personal integrity and judgment. The ability of incumbent directors to continue to contribute to the Board is also considered in connection with the renominating process.

The following experience and skills, among others, have been specifically identified by the Nominating, Governance and Corporate Responsibility Committee as being important in creating a diverse and well-rounded Board:

Significant Current or Prior Leadership Experience (such as service in a significant leadership role, including as a chief executive officer, or other executive officer or senior leadership position): This enables a director to contribute to the Company s management expertise, operations, strategy, growth, and long-range plans.

Leadership Experience on Public Company, Private Company, Non-Profit, or Other Boards: This prepares a director to take an active leadership role in oversight and governance.

Knowledge of the Company s Business, the Consumer Packaged Goods Industry, or Other Complementary Industry: This helps a director provide guidance on the Company s strategy and position in our industry.

Experience in Emerging Technology, Innovation (including digital media and e-commerce), Brand Building, or Other Relevant Areas: This supports the Company s strategy, innovation, marketing to consumers, and business operations.

Relevant Retail or Customer Experience: This allows a director to provide insights on customer relations and results with the Company s customer and consumer base.

Significant Mergers and Acquisitions or Strategy Experience: This enables a director to provide perspective on the Company s merger and acquisitions, partnership, and adjacency strategies.

International Experience: This supports the Company s global business strategy.

Financial and Accounting Expertise: This contributes to analysis and oversight of the Company s financial position, financial statements, and results of operations.

Regulatory Experience (including experience in the health and wellness sector): This supports the Company s portfolio and provides insights on navigating the regulatory environment, including in health and wellness.

In addition, under the Company s Corporate Governance Guidelines (Governance Guidelines), non-management directors whose primary job responsibilities change must offer their resignation for the Board s consideration.

Diversity

As highlighted in our Governance Guidelines, the Board values diversity and recognizes the importance of having unique and complementary backgrounds and perspectives in the board room. The Board endeavors to bring together diverse skills, professional experience, perspectives, age, race, ethnicity, gender, and cultural backgrounds that reflect the Company s consumer and investor base, and to guide the Company in a way that reflects the best interests

of all of our stockholders. The Nominating, Governance and Corporate Responsibility Committee assesses the effectiveness of these efforts by examining the overall composition of the Board, assessing how individual director candidates can contribute to the overall success of the Board, and reviewing individual, committee, and Board evaluation results.

Stockholder Recommendations and Nominations of Director Candidates

The Nominating, Governance and Corporate Responsibility Committee considers recommendations from many sources, including stockholders, regarding possible candidates for director. Such recommendations, together with biographical and business experience information (similar to that required to be disclosed under applicable Securities and Exchange Commission (SEC) rules and regulations) regarding the candidate, should be submitted to The Clorox Company, c/o Corporate Secretary, 1221 Broadway, Oakland, CA 94612-1888. The Nominating, Governance and Corporate Responsibility Committee evaluates all candidates for the Board in the same manner, including those suggested by stockholders.

In addition, our Bylaws permit a stockholder or group of up to 20 stockholders who have owned at least 3% of the Company s Common Stock for at least three years to submit director nominees (up to 20% of the Board) for inclusion in the Company s proxy materials if the stockholder(s) provide(s) timely written notice of such nomination(s) and the stockholder(s) and the nominee(s) satisfy the requirements specified in the Company s Bylaws. Stockholders who wish to nominate directors for inclusion in the Company s proxy materials or directly at an annual meeting of stockholders in accordance with the procedures in our Bylaws should follow the instructions under the Stockholder Proposals and Director Nominations for the 2018 Annual Meeting section of this proxy statement.

Director Communications

Stockholders and interested parties may direct communications to individual directors, including the lead director, to a Board committee, to the independent directors as a group, or to the Board as a whole, by addressing the communications to the named individual, to the committee, to the independent directors as a group, or to the Board as a whole and sending them to The Clorox

Company, c/o Corporate Secretary, 1221 Broadway, Oakland, CA 94612-1888. The Corporate Secretary will review all communications so addressed and will forward to the addressee(s) all communications determined to bear substantively on the business, management, or governance of the Company.

Director Compensation

Only our non-employee directors receive compensation for their services as directors. The Company s non-employee director compensation program is comprised of cash compensation and an annual grant of deferred stock units.

The Management Development and Compensation Committee has the responsibility for making recommendations regarding non-employee director compensation. The Management Development and Compensation Committee reviews the form and amount of compensation of non-employee directors at least once a year to ensure that the Company s non-employee directors are being compensated appropriately relative to peer companies. The Management Development and Compensation Committee retains the services of an

independent compensation consulting firm to assist it in the performance of its duties. During fiscal year 2017, the Management Development and Compensation Committee used the services of Frederic W. Cook & Co., Inc. (FW Cook). FW Cook s work with the Management Development and Compensation Committee included data analysis and guidance and recommendations regarding compensation levels relative to our compensation peer group (see discussion regarding the peer group in the Compensation Discussion and Analysis section below) as well as trends and recent developments in the area of non-employee director compensation. Clorox generally aims to compensate non-employee directors at or near the median of the compensation peer group.

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The following table sets forth information regarding compensation for each of the Company s non-employee directors during fiscal year 2017.

Name	Fees Earned or Paid in Cash ($)(2)	Stock Awards ($)(3)	Total ($)
Amy Banse	79,076	108,750	187,826
Richard H. Carmona	114,375	141,250	255,625
Spencer C. Fleischer	100,000	141,250	241,250
George J. Harad(1)	56,250	32,500	88,750
Esther Lee	100,000	141,250	241,250
A. D. David Mackay	87,500	108,750	196,250
Robert W. Matschullat	100,000	141,250	241,250
Jeffrey Noddle	120,000	141,250	261,250
Rogelio Rebolledo(1)	37,500	32,500	70,000
Pamela Thomas-Graham	143,750	141,250	285,000
Carolyn M. Ticknor	120,000	141,250	261,250
Russell Weiner	39,722	36,250	75,972
Christopher J. Williams	100,000	141,250	241,250

(1) Messrs. Harad and Rebolledo retired from the Board effective November 16, 2016.

(2) The amounts reported in the Fees Earned or Paid in Cash column reflect the total annual cash retainer and other cash compensation earned by each director in fiscal year 2017 and include amounts deferred into cash or deferred stock units and/or amounts issued in Common Stock in lieu of cash, as elected by the director. The annual cash retainer is paid to each director in quarterly installments.

(3) The amounts reported reflect the grant-date fair value for financial statement reporting purposes of the annual grant of deferred stock units. Awards are granted on an annual basis at the end of each calendar year. Refer to Note 15 of the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the fiscal year ended June 30, 2017, for a discussion of the relevant assumptions used in calculating the grant-date fair value under applicable accounting guidance. As of June 30, 2017, the following directors had the indicated aggregate number of deferred stock units accumulated in their deferred accounts for all years of service as a director, which includes deferrals of cash compensation, annual awards of deferred stock units, and additional deferred stock units credited as a result of dividend equivalents earned with respect to the deferred stock units: Ms. Banse 311 units; Dr. Carmona 17,375 units; Mr. Fleischer 3,286 units; Ms. Lee 3,891 units; Mr. Mackay 311 units; Mr. Matschullat 79,971 units; Mr. Noddle 4,627 units; Ms. Thomas-Graham 21,500 units; Ms. Ticknor 28,277 units; Mr. Weiner 297 units; and Mr. Williams 3,286 units.

Stock Unit Awards

Each non-employee director receives an annual grant of deferred stock units, the value of which was increased from $130,000 to $145,000 effective October 1, 2016. The aggregate value of the deferred stock unit award amount earned by a non-employee director serving for the full fiscal year 2017 was $141,250. Awards are made as of the last business day in the calendar year and represent payment for services provided during such calendar year.

Directors who serve as non-employee Board members for less than the full calendar year receive pro-rated awards based on the number of full fiscal quarters they served as a non-employee Board member during the calendar year. Deferred stock units accrue dividend equivalents and the balance of a director s deferred stock unit account is paid out in Common Stock following the director s termination of service, as described in greater detail under Payment Elections below.

Fees Earned or Paid in Cash

In addition to the deferred stock units described above, directors receive cash compensation. Cash compensation consists of annual cash retainer amounts and any special assignment fees. The following table lists the various

retainers paid for Board service and service as the independent chair, lead director, or a committee chair during fiscal year 2017:

Annual director retainer	$100,000

Lead director retainer	50,000
Independent chair retainer	150,000
Committee chair retainers:	
Nominating, Governance and Corporate Responsibility Committee(1)	14,375
Audit Committee	20,000
Management Development and Compensation Committee	20,000

(1) The annual Nominating, Governance and Corporate Responsibility Committee chair retainer through September 30, 2016, was $12,500. This retainer was increased to $15,000 effective October 1, 2016. The aggregate amount of the annual retainer for service as chair of the Nominating, Governance and Corporate Responsibility Committee in fiscal year 2017 was $14,375.

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Directors who serve as a Board member, lead director, independent chair, or committee chair for less than the full fiscal year receive pro-rated retainer amounts based on the number of days they served in such position during the fiscal year. In addition to the retainer amounts, each non-employee director is entitled to receive a fee of $2,500 per day for any special assignment requested by the Board. No special assignment fees were paid in fiscal year 2017.

Payment Elections

Under the Company s Independent Directors Deferred Compensation Plan, a director may annually elect to receive all or a portion of his or her cash compensation in the form of cash, Common Stock, deferred cash, or deferred stock units.

Payment in Stock. Directors who elect to receive cash compensation amounts in the form of Common Stock are issued shares of Common Stock based on the fair market value of the Common Stock as determined by the closing price of the Common Stock on the last trading day of the quarter for which the fees were earned.

Elective Deferral Program. For directors who elect deferred cash, the amount deferred is credited to an unfunded cash account that is credited with interest at an annual interest rate equal to Wells Fargo Bank, N.A. s prime lending rate in effect on January 1 of each year. Upon termination of service as a director, the amounts credited to the director s deferred cash account are paid out in five annual cash installments or in one lump-sum cash payment, as elected by the director. For directors who elect deferred stock units, the amount deferred is credited to an unfunded account in the form of units equivalent to the fair market value of the Common Stock on the date on which the fees are scheduled to be paid. When dividends are declared, additional deferred stock units are allocated to the director s deferred stock unit account in amounts equivalent to the dollar amount of Common Stock dividends paid by the Company divided by the fair market value of the Common Stock on the date the dividends are paid. Upon termination of service as a director, the amounts credited to the deferred stock unit account, which include any elective deferrals and the annual deferred stock unit grants described above, are paid out in shares of Common Stock in five annual installments or in one lump sum, as elected by the director.

Stock Ownership Guidelines for Directors

The Board believes that the alignment of directors interests with those of stockholders is strengthened when Board members are also stockholders. The Board therefore requires that each non-employee director, within five years of first being elected, own Common Stock or deferred stock units having a market value of at least five times his or her annual cash retainer. This program is designed to ensure that directors acquire a meaningful and significant ownership

interest in the Company during their tenure on the Board. Furthermore, as directors must hold the deferred stock units until termination of their service on the Board, they have an incentive to promote long-term value for stockholders during their service as a director. As of June 30, 2017, each non-employee director was in compliance with the guidelines.

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Corporate Governance

Our Corporate Governance Philosophy

Consistent with our focus on good growth, we are committed to strong corporate governance and corporate responsibility. We regularly review our policies and practices to further the interests of our stockholders, promote the long-term health of our business, provide effective oversight of management,

and encourage responsible and ethical behavior by our directors and employees. Our Governance Guidelines, Code of Conduct, and other company policies set forth a framework to further these goals and guide our decisions, as described in greater detail below.

Our Commitment to Corporate Responsibility

Corporate responsibility is the foundation of how Clorox operates, and we consider it integral to our business. As a signatory to the United Nations Global Compact, we are committed to its Ten Principles by driving our corporate responsibility strategy, a comprehensive set of commitments across our Company: from human rights, labor, and product safety to transparency, environmental sustainability, and contributions to communities where we operate. Our commitment to sustainability includes, among other goals, reducing our operational footprint while growing our business, making sustainability improvements to our products, and working to drive transparency and sustainability progress in our supply chain.

Clorox is also committed to helping communities by supporting causes that promote health and well-being and education. The Clorox Company Foundation provides grants to support youth, education, and cultural and civic organizations where our employees live and work; we encourage our employees to support causes of their choosing by volunteering and by participating in our corporate giving campaign; and we have a long history

of providing products and donations to assist with disaster relief globally, such as in the wake of recent hurricanes, including Harvey and Irma.

We also believe our financial performance and commitment to corporate responsibility go hand in hand. Each year, we publish an integrated report that highlights the intersection of our business and corporate responsibility commitments by reporting our financial, environmental, social, and governance performance. In furtherance of our focus on corporate responsibility, in fiscal year 2017, we changed the name of our Nominating and Governance Committee to the Nominating, Governance and Corporate Responsibility Committee and enhanced the Committee s charter in the areas of corporate responsibility and sustainability. The revised charter expands the Committee s responsibilities to include oversight of corporate responsibility and sustainability matters. While the Committee as well as the full Board has historically provided oversight in these areas, the Board felt it was important to formalize these responsibilities, reflecting our long-standing values and commitment to best practices in corporate responsibility and sustainability.

Stockholder Engagement

During the past fiscal year, members of the Board and management held meetings with a significant portion of investors to discuss a variety of key corporate governance, executive compensation, and corporate responsibility topics. These meetings provide an opportunity for two-way dialogue and for our management and Board to discuss and better understand the issues that matter most to our stockholders. For example, our directors considered the feedback from these meetings, along with best practices,

market standards, policies at other companies, and Clorox s stockholder base and unique circumstances, in determining that the Company s existing proxy access right continues to be most appropriate for the Company. Our Board also took into consideration stockholder input in reviewing the Company s compensation plan design and metrics, as described in greater detail in the Compensation Discussion and Analysis section.

The Clorox Company Governance Guidelines

The Board has adopted Governance Guidelines that can be found in the Corporate Governance section on the Company s website at *https://www.thecloroxcompany.com/who-we-are/corporate-governance/governance-guidelines/*, and are available in print to any stockholder who requests them from The Clorox Company, c/o Corporate Secretary, 1221 Broadway, Oakland, CA 94612-1888. The Governance Guidelines present a framework for the governance of the Company. They

describe responsibilities, qualifications, and operational matters applicable to the Board and the Board committees and include provisions relating to the evaluation of the CEO and ordinary-course and emergency succession planning. The Governance Guidelines are reviewed at least annually by the Nominating, Governance and Corporate Responsibility Committee, which recommends changes to the Board as appropriate.

Director Independence

The Governance Guidelines provide that a substantial majority of the Board must consist of independent directors. The Board determines whether individual Board members are independent, as defined by the New York Stock Exchange (NYSE). The Board has adopted director independence standards, which are set forth in the Governance Guidelines, to assist it in assessing the independence of directors. The Board makes an affirmative determination regarding the independence of each director annually, based upon the recommendation of the Nominating, Governance and Corporate Responsibility Committee.

The Board has determined that each of the Company s non-management directors is independent under the NYSE listing standards and the independence standards set forth in the Governance Guidelines: Messrs. Fleischer, Mackay, Matschullat, Noddle, Weiner, and Williams, Mmes. Banse, Lee, Thomas-Graham, and Ticknor, and Dr. Carmona. Mr. Dorer is not independent as a result of his service as the Company s CEO. In addition, each of retired directors Messrs. Harad and Rebolledo was independent under the NYSE listing standards and the independence standards set forth in the Governance Guidelines during the period in fiscal 2017 during which such director served.

Board of Directors Leadership Structure

The Board believes it is in the best interests of the Company and its stockholders for the Board to have flexibility in determining the Board leadership structure of the Company. Over the years, the Board has had a variety of leadership structures, including an independent chair structure with a separate CEO; an executive chair structure, along with a separate independent lead director and separate CEO; and a combined chair and CEO structure with a separate independent lead director. The Company currently has a combined chair and CEO role with a strong independent lead director, as described in greater detail below. The Board believes that having flexibility to determine the optimal leadership structure based on the Company s current circumstances and anticipated needs, including whether to separate or combine the roles of chair and CEO, is important and has served the Company and its stockholders well.

The Nominating, Governance and Corporate Responsibility Committee regularly reviews the leadership structure of the Board. In addition to the Company s specific circumstances, it takes into account market practices,

investor feedback, and corporate governance studies and expert commentary, among other things. Since August 2016, the Board leadership structure has consisted of a combined Chairman and CEO role held by Mr. Dorer, a strong independent lead director position held by Ms. Thomas-Graham, and strong independent committee chairs. The Board believes that Mr. Dorer s leadership in developing the Company s 2020 Strategy, his in-depth knowledge of the Company s operations, and his strong working relationship with the independent members of the Board make him best suited to chair the regular Board meetings as key business and strategic issues are discussed and to serve as Chairman of the Board at this time. This role allows him to drive execution of the Company s strategic plans and facilitate effective communication between management and the Board, to bring key issues to the Board s attention, and to see that the Board s guidance and decisions are implemented effectively by management. At the same time, in selecting Ms. Thomas-Graham to serve as the independent lead director, the Board noted her strong leadership and qualifications, including her experience as a CEO and her tenure on the Board, among other factors,

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which contribute to her ability to fulfill the role of lead director effectively and independently. The Company s Governance Guidelines require an independent director to serve as a lead director if the position of Chairman is held by a management director.

The lead director is elected annually by and from the independent directors with clearly delineated and comprehensive duties and responsibilities. To qualify as lead director, a director must have served as a member of the Board for a minimum of three years. The duties of the lead director, which are also included in the Governance Guidelines, include coordinating the activities of the independent directors and serving as a liaison between the Chairman and the independent directors. In addition, the lead director:

- has the ability to call special meetings of the Board;
- presides at executive sessions of the independent directors and has the authority to call additional executive sessions or meetings of the independent directors;
- presides at Board meetings in the Chairman s absence;
- approves information sent to the Board;
- approves meeting agendas and meeting schedules for the Board to ensure that there is sufficient time for discussion of all agenda items;
- is available for consultation and direct communication with major stockholders if requested;
- evaluates, along with the members of the Management Development and Compensation Committee and the other independent directors, the performance of the CEO; and
- assists the Board and Company officers in promoting compliance with and implementation of the Governance Guidelines.

In addition to the duties and responsibilities listed above, Ms. Thomas-Graham has taken an active role in the Company s diversity efforts and outreach to employees, including hosting small group meetings with high-potential, diverse employees and holding town hall meetings with all employees. She also actively participates in stockholder engagement and has met with a number of the Company s major stockholders.

All of the Company s directors, other than Mr. Dorer, are independent as defined by the NYSE rules. The Board believes that this structure promotes effective governance and that, under the present circumstances, the leadership structure described above is in the best interests of the Company and its stockholders.

Board Committees

The Board has established three standing committees: the Audit Committee, the Nominating, Governance and Corporate Responsibility Committee, and the Management Development and Compensation Committee. Each of these committees consists only of non-management directors whom the Board has determined are independent under the NYSE listing standards and the Board s independence standards set forth in the Company s Governance Guidelines. In addition, directors who serve on the Audit Committee and the Management Development and

Compensation Committee must meet additional, heightened independence and qualification criteria applicable to directors serving on these committees under the NYSE listing standards. The charters for these committees are available in the Corporate Governance section of the Company s website at *https://www.thecloroxcompany.com/who-we-are/corporate-governance/committee-charters*, or in print by contacting The Clorox Company, c/o Corporate Secretary, 1221 Broadway, Oakland, CA 94612-1888.

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The table below indicates the current members of each standing Board committee:

Director	Audit	Nominating, Governance and Corporate Responsibility	Management Development and Compensation
Amy Banse			
Richard H. Carmona		Chair	
Benno Dorer			
Spencer C. Fleischer			
Esther Lee			
A.D. David Mackay			
Robert W. Matschullat			
Jeffrey Noddle			Chair
Pamela Thomas-Graham			
Carolyn M. Ticknor	Chair		
Russell Weiner			
Christopher J. Williams			
Number of meetings in fiscal year 2017	9	7	4

Audit Committee. The Audit Committee is the principal link between the Board and the Company s independent registered public accounting firm. The Audit Committee has the functions and duties set forth in its charter, including representing and assisting the Board in overseeing:

- the integrity of the Company s financial statements;
- the independent registered public accounting firm s qualifications, independence, and performance;
- the performance of the Company s internal audit function;
- the Company s system of disclosure controls and procedures and system of internal control over financial reporting;
- the Company s compliance with legal and regulatory requirements relating to accounting and financial reporting matters;
- the Company s framework and guidelines with respect to risk assessment and risk management; and
- the Company s material financial policies and actions.

The Audit Committee s duties also include preparing the report required by the SEC proxy rules to be included in the Company s annual proxy statement. The Board has determined that directors Noddle, Ticknor, and Williams are audit committee financial experts, as defined by SEC rules, and each member of the Audit Committee is financially literate, as defined by NYSE rules.

Nominating, Governance and Corporate Responsibility Committee. The Nominating, Governance and Corporate Responsibility Committee has the functions and duties set forth in its charter, including:

- identifying and recruiting individuals qualified to become Board members;
- recommending to the Board individuals to be selected as director nominees for the annual meeting of stockholders;
- reviewing and recommending to the Board changes in the Governance Guidelines and the Code of Conduct;
- overseeing the Company s ethics and compliance program and activities, including the Company s compliance with legal and regulatory requirements relating to matters other than accounting and financial reporting matters;
- performing a leadership role in shaping the Company s corporate governance and overseeing the evaluation of the Board and its committees; and
- assisting the Board in overseeing the Company s corporate responsibility and sustainability program.

Management Development and Compensation Committee. The Management Development and Compensation Committee has the functions and duties set forth in its charter, including:

- reviewing and approving the performance goals and objectives for the CEO and other executive officers and the extent to which such performance goals and objectives have been met;
- assessing the CEO s performance and determining and approving the CEO s compensation based on a variety of factors;
- reviewing periodically with the CEO the performance of each of the other executive officers and approving the compensation of each such executive officer;

determining the amount and other material terms of individual short- and long-term incentive awards to be made to executive officers;
reviewing and approving recommendations regarding retirement income and other deferred benefit plans applicable to executive officers;

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- reviewing and approving employment-related arrangements with executive officers; and
- evaluating the outcome of the advisory vote of the stockholders regarding say on pay and making recommendations or taking appropriate actions in response to such advisory vote.

In addition, the Management Development and Compensation Committee oversees, with involvement of the full Board, the Company s management development and succession planning processes.

Board and Director Evaluation Process

The Nominating, Governance and Corporate Responsibility Committee is responsible for overseeing the Board, committee, and individual director evaluation process. Under the Governance Guidelines, the Board and each of the Audit, Nominating, Governance and Corporate Responsibility, and Management Development and Compensation Committees are required to conduct an annual self-evaluation. The evaluations include a range of issues designed to assess Board and committee performance, including Board and committee composition, structure, information received, accountability, and effectiveness, among other topics.

Additionally, the Board conducts individual director interviews as part of its evaluation process. Each director provides an individual assessment as well as any feedback

they may have on other Board members performance on an annual basis. The individual assessments are conducted by the chair of the Nominating, Governance and Corporate Responsibility Committee, who summarizes and reports the results and any related recommendations to the Nominating, Governance and Corporate Responsibility Committee and the full Board.

As a result of the evaluation process, the Board has made a number of changes, including, for example, adding regular cybersecurity updates to Audit Committee meeting agendas, adding new topics or devoting more time to particular topics and businesses of interest, incorporating external speakers on certain topics, revising the format and focus of Board materials, and identifying the skills and expertise desired for future director candidates.

Board of Directors Meeting Attendance

The Board held six meetings during fiscal year 2017. All incumbent directors attended at least 75% of the meetings of the Board and committees of which they were members during fiscal year 2017 during the period in which they served on the Board. All members of the Board are

expected to attend the Annual Meeting of Stockholders. Each of the eleven members of the Board at the time of the Company s 2016 Annual Meeting of Stockholders held on November 16, 2016, attended the meeting.

Executive Sessions

The independent directors generally meet in executive session at each regularly scheduled Board meeting without the presence of management directors or employees of the Company to discuss various matters related to the oversight

of the Company, the management of the Board s affairs, and the CEO s performance. The lead director chairs the executive sessions.

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Conflict of Interest and Related Person Transaction Policies and Procedures

The Company has a long-standing policy of prohibiting its directors, officers, and employees from entering into transactions that are an actual or potential conflict of interest. The Company s Code of Conduct has a detailed provision prohibiting conflicts of interests and is available on the Company s website at *https://www.thecloroxcompany.com/who-we-are/corporate-governance/codes-of-conduct.*

Additionally, the Company has a written policy regarding review and approval of related person transactions by the Audit Committee (Related Person Policy). The Related Person Policy defines an Interested Transaction as any transaction, arrangement, or relationship or series of similar transactions, arrangements, or relationships (including any indebtedness or guarantee of indebtedness) in which (i) the aggregate amount involved in any fiscal year will or may be expected to exceed $120,000 (including any periodic payments or installments due on or after the beginning of the Company s last completed fiscal year and, in the case of indebtedness, the largest amount expected to be outstanding and the amount of annual interest thereon), (ii) the Company is a participant, and (iii) any Related Person (as defined below) has or will have a direct or indirect interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity).

A Related Person is (i) any person who is or was (since the beginning of the Company s last fiscal year, even if they do not presently serve in that role) an executive officer, director, or nominee for election as a director, (ii) a beneficial owner of more than 5% of the Company s Common Stock, or (iii) an immediate family member of any of the foregoing. For purposes of this definition, immediate family member includes a person s spouse, parents, stepparents, children,

stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone residing in such person s home (other than a tenant or employee).

Under the Related Person Policy, if a new Interested Transaction is identified for approval, it is brought to the Audit Committee to determine if the proposed transaction is reasonable and fair to the Company. The Audit Committee will review the material facts of all Interested Transactions that require its approval and either approve or disapprove of the entry into the Interested Transaction.

The Related Person Policy also contains categories of preapproved transactions that the Board has identified as not having a significant potential for an actual or potential conflict of interest or improper benefit.

In determining whether to approve or ratify an Interested Transaction, the Audit Committee will take into account, among other factors it deems appropriate, whether the Interested Transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the Related Person s interest in the transaction.

No director participates in any discussion or approval of an Interested Transaction for which he or she is a Related Person, except that the director will provide all material information concerning the Interested Transaction to the Audit Committee. There were no transactions considered to be an Interested Transaction during the Company s 2017 fiscal year.

Code of Conduct

The Company has adopted a Code of Conduct, which can be found in the Corporate Governance section of the Company s website, *https:// www.thecloroxcompany.com/who-we-are/corporate-governance/codes-of-conduct*, or obtained in print by contacting The Clorox Company, c/o Corporate Secretary, 1221 Broadway, Oakland, CA 94612-1888.

The Code of Conduct applies to all of the Company s employees, including executives, as well as directors. We also have established a separate Business Partner Code of Conduct outlining our standards and expectations of our suppliers and other business partners, which can also be found at *https://www.thecloroxcompany.com/who-we-are/corporate-governance/codes-of-conduct*.

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Board of Directors Role in Risk Management Oversight

The Board has responsibility for the oversight of the Company s risk management, while the Company s management is responsible for the day-to-day risk management process. With the oversight of the Board, the Company has a comprehensive enterprise risk management program in place. The Company has an Enterprise Risk Management Steering Committee (ERM Committee), which consists of a cross-functional team of senior leaders and key executives. The ERM Committee oversees the annual key risk identification process, whereby it identifies the top risks that the Company faces with respect to its business, operations, strategy, and other factors, as well as the key mitigation strategies and the risk owner(s). At least annually, and generally in connection with the Board s annual strategy meeting, management reports on and discusses the identified risks and risk mitigation and management efforts with the Board. The Board may allocate responsibility to a specific committee to examine a particular risk in detail if the committee is in the best position to review and assess the risk. For example, the Audit Committee reviews compliance and risk management programs and practices related to accounting and financial reporting matters and financial risk management, and the Management Development and Compensation Committee reviews the risks related to the executive compensation structure. The Audit Committee also receives regular updates relating to cybersecurity. In the event that a committee is allocated responsibility for examining and analyzing a specific risk, such committee reports on the relevant risk exposure during its regular reports to the full Board to facilitate proper risk oversight by the entire Board.

As part of its responsibilities, the Management Development and Compensation Committee periodically reviews the Company s compensation policies and programs to ensure that the compensation program is able to provide incentives to employees, including executive officers, while mitigating

excessive risk-taking. The overall executive compensation program contains various provisions that mitigate against excessive risk-taking, including:

- An appropriate balance between annual cash compensation and equity compensation that is earned over a period of three to four years;
- Caps on the payouts under executive and non-executive incentive plans, which protect against executives taking short-term actions to maximize bonuses that are not supportive of long-term objectives;
- Financial metrics under the Annual Incentive Plan that are equally weighted between net customer sales and economic profit (as defined in the Compensation Discussion and Analysis section), which discourage revenue generation at the expense of profitability and vice versa;
- Clawback provisions applicable to current and former executives as set forth in the applicable plans that enable the recapture of previously paid compensation under certain circumstances, which serve as a deterrent to inappropriate risk-taking activities; and
- Stock ownership guidelines that require executive officers to accumulate meaningful levels of equity ownership in the Company, which align executives short- and long-term interests with those of the Company s stockholders.

Based on its review and the analysis provided by its independent compensation consultant, FW Cook, the Management Development and Compensation Committee has determined that the risks arising from the Company s compensation policies and practices for its employees, including executive officers, are not reasonably likely to have a material adverse effect on the Company.

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Stock Ownership Information

Beneficial Ownership of Voting Securities

The following table shows, as of July 31, 2017 (except as otherwise indicated below), the holdings of Common Stock by (i) any entity or person known to the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock, (ii) each director and nominee for director and each of the six individuals named in the Summary Compensation Table (the named executive officers), and (iii) all current directors and executive officers

of the Company as a group. As discussed in the Director Compensation section of this proxy statement, the majority of director compensation is delivered in the form of deferred stock units, which are paid out in Common Stock following a director s termination of service. Because the directors cannot dispose of those shares while they serve on the Board, they are not reflected in this table. See footnote 2 below.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership[(1)(2)]	Percent of Class[(3)]
The Vanguard Group, Inc.[(4)] 100 Vanguard Blvd. Malvern, PA 19355	13,514,950	10.47
BlackRock, Inc.[(5)] 55 East 52nd Street New York, NY 10055	10,203,264	7.91
State Street Corporation[(6)] One Lincoln Street Boston, MA 02111	7,482,585	5.80
Amy Banse[(2)]	0	*
Richard H. Carmona[(2)]	0	*
Benno Dorer	452,526	*
Spencer C. Fleischer[(2)]	0	*
James Foster	36,329	*
Esther Lee[(2)]	0	*
A. D. David Mackay[(2)]	5,000	*
Robert W. Matschullat[(2)]	1,324	*
Jeffrey Noddle[(2)]	1,150	*
Stephen M. Robb	185,966	*
Laura Stein	130,915	*
Pamela Thomas-Graham[(2)]	1,778	*
Carolyn M. Ticknor[(2)]	0	*
Russell Weiner[(2)(7)]	0	*
Christopher J. Williams[(2)]	0	*
Nikolaos Vlahos[(8)]	24,487	*
Dawn Willoughby	98,309	*
All current directors and executive officers as a group (25 persons)[(9)]	1,296,756	*

* Does not exceed 1% of the outstanding shares.

(1) Unless otherwise indicated, each beneficial owner listed has sole voting and dispositive power concerning the shares indicated. These totals include the following numbers of shares of Common Stock that such persons have the right to acquire through stock options exercisable within 60 days of July 31, 2017, or with respect to which such persons have shared voting or dispositive power: Mr. Dorer 444,472 options; Mr. Foster 32,768 options; Mr. Robb 172,199 options; Ms. Stein 107,577 options; Mr. Vlahos 22,815 options and shared voting and dispositive power with respect to 1,672 shares held in family trust; Ms. Willoughby 87,632 options and shared voting and dispositive power with respect to 3,411 shares held in family trust; and all current directors and executive officers as a group 1,186,008 options. The numbers in the table above do not include the following numbers of shares of Common Stock that the executive officers have the right to acquire upon the termination of their service as employees pursuant to vested performance units that were deferred at the executive officers election: Mr. Dorer 11,098; Mr. Foster 8,188; Mr. Robb 10,239; Ms. Stein 27,231; Mr. Vlahos 4,700; Ms. Willoughby 4,700; and all current executive officers as a group 72,440.

(2) The numbers in the table above do not include the following numbers of shares of Common Stock that the non-management directors have the right to acquire upon the termination of their service as directors pursuant to deferred stock units granted under the Independent Directors Stock-Based Compensation Plan: Ms. Banse 311; Dr. Carmona 17,375; Mr. Fleischer 3,286; Ms. Lee 3,891; Mr. Mackay 311; Mr. Matschullat 79,971; Mr. Noddle 4,627; Ms. Thomas-Graham 21,500; Ms. Ticknor 28,277; Mr. Weiner 297; and Mr. Williams 3,286.

(3) On July 31, 2017, there were 129,068,511 shares of Common Stock outstanding.

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(4) Based on information contained in a report on Schedule 13G/A filed with the SEC on February 10, 2017, The Vanguard Group reported, as of December 31, 2016, sole voting power with respect to 202,284 shares, sole dispositive power with respect to 13,286,632 shares, shared voting power with respect to 28,499 shares and shared dispositive power with respect to 228,318 shares.
(5) Based on information contained in a report on Schedule 13G/A filed with the SEC on January 23, 2017, BlackRock, Inc. reported, as of December 31, 2016, sole voting power with respect to 8,566,242 shares and sole dispositive power with respect to all shares reported.
(6) Based on information contained in a report on Schedule 13G filed with the SEC on February 9, 2017, State Street Corporation reported, as of December 31, 2016, shared voting and dispositive power with respect to all of these shares.
(7) Effective February 6, 2017, Mr. Weiner was appointed to the Board.
(8) Effective March 31, 2017, Mr. Vlahos retired from the Company.
(9) Pursuant to Rule 3b-7 of the Securities Exchange Act of 1934, as amended (Exchange Act), executive officers include the Company s current CEO and all current executive vice presidents and senior vice presidents. Effective March 31, 2017, there were 25 current directors and executive officers as a group.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act and SEC regulations require the Company s directors, certain officers, and holders of more than 10% of the Company s Common Stock to file reports of ownership on Form 3 and changes in ownership on Form 4 or 5 with the SEC. The reporting directors, officers, and 10% stockholders are also required by SEC rules to furnish the Company with copies of all

Section 16(a) reports they file. Based solely on its review of copies of such reports received or written representations from its directors and such covered officers, the Company believes that its directors and officers complied with all applicable Section 16(a) filing requirements during fiscal year 2017.

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Executive Compensation

Proposal 2: Advisory Vote to Approve Executive Compensation

We are seeking a non-binding, advisory vote from our stockholders to approve the compensation of our named executive officers. This proposal gives our stockholders the opportunity to express their views on the Company s executive compensation, and is commonly referred to as a say-on-pay proposal. This vote is only advisory and will not be binding upon the Company or the Board. However, the Management Development and Compensation Committee, which is responsible for designing and administering the Company s executive compensation program, values the opinions expressed by stockholders and encourages all stockholders to vote their shares on this matter.

As discussed in the Compensation Discussion and Analysis section of this proxy statement, which begins on page 29, the Company s compensation programs are designed to align pay with short- and long-term financial and strategic objectives to build stockholder value, while providing

a competitive level of compensation to recruit, retain, and motivate talented executives. The Board urges you to consider the factors discussed in the Compensation Discussion and Analysis section when deciding how to vote on this Proposal 2.

At our 2016 Annual Meeting of Stockholders held on November 16, 2016, our stockholders overwhelmingly approved our executive compensation policies, with approximately 93% of votes cast in favor of our proposal. We value this positive endorsement by our stockholders and believe that the outcome signals our stockholders support of our compensation program and continued our general approach to compensation for fiscal year 2017. We provide our stockholders the opportunity to vote on the compensation of our named executive officers every year. It is expected that the next vote on executive compensation will be at the 2018 Annual Meeting of Stockholders.

Board of Directors Recommendation

The Board recommends a vote FOR the advisory vote to approve executive compensation. The Company is asking its stockholders to support the compensation of the named executive officers as described in this proxy statement. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers in fiscal year 2017 and the philosophy, policies, and practices underlying that compensation, which are described in this proxy statement. The Board believes that the Company s overall compensation process effectively implements its compensation philosophy and achieves its goals.

Accordingly, the Board recommends a vote FOR the adoption of the following advisory resolution, which will be presented at the Annual Meeting:

RESOLVED, that the stockholders of The Clorox Company approve, on an advisory basis, the compensation of the named executive officers, as disclosed in The Clorox Company s Proxy Statement for the 2017 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Summary Compensation Table, and the other related tables and disclosure.

Vote Required

The affirmative vote of a majority of the votes present in person or represented by proxy and entitled to vote at the Annual Meeting is required to approve this proposal.

This vote is advisory, and therefore not binding on the Company, the Board, or the Management Development and Compensation Committee. However, the Board and the

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Management Development and Compensation Committee value the opinions of the Company s stockholders and, to the extent there is any significant vote against the named executive officers compensation as disclosed in the proxy statement, we will consider such stockholders concerns

and the Management Development and Compensation Committee will evaluate whether any actions are necessary to address those concerns.

The people designated in the proxy and voting instruction card will vote your shares FOR approval unless you include instructions to the contrary.

Proposal 3:
Advisory Vote on the Frequency of Future Advisory Votes to Approve Executive Compensation

In accordance with SEC rules, this proposal gives our stockholders the opportunity to indicate how frequently (every year, every two years, or every three years) they want to vote on an advisory basis to approve the compensation of our named executive officers, as disclosed pursuant to the SEC s compensation disclosure rules, such as the one in Proposal 2 above, which are commonly referred to as say-on-pay votes. Stockholders last voted on the

frequency of say-on-pay votes at the 2011 Annual Meeting, at which time stockholders overwhelmingly voted for an annual say-on-pay vote.

By voting on this Proposal 3, stockholders may indicate whether they would prefer an advisory vote to approve named executive officer compensation once every one, two, or three years. Alternatively, you may abstain from voting.

Board of Directors Recommendation

The Board recommends a vote for the option of ONE YEAR for the frequency of future advisory votes to approve executive compensation. The Board continues to believe that stockholders should vote on named executive officer compensation every year so that they may provide the Company with their direct input annually. Setting a one-year period for holding this advisory stockholder vote will enhance stockholder communication by providing a clear, simple means for the Company to obtain information on investor sentiment about

our executive compensation philosophy, policies, and practices. In addition, an annual advisory vote to approve executive compensation is consistent with the Company s policy of seeking input from, and engaging in discussions with, its stockholders on corporate governance matters and its executive compensation program.

Accordingly, the Board recommends a vote for the option of ONE YEAR as the frequency with which stockholders are provided a say-on-pay vote.

Vote Required

While the Board is making a recommendation with respect to this proposal, stockholders are being asked to vote on the choices specified above, and not whether they agree or disagree with the above recommendation. The option of one, two, or three years that receives the affirmative vote of a majority of the votes present in person or represented by proxy and entitled to vote at the Annual Meeting by the stockholders will be the frequency for say-on-pay votes that has been selected by the stockholders. In the event that no option receives a majority of the votes, the Company will consider the option that receives the most votes cast to be

the option selected by the stockholders. However, because this vote is advisory and not binding on the Board or the Company in any way, the Board may decide that it is in the best interests of the Company s stockholders and the Company to hold a say-on-pay vote more or less frequently than the option selected by the stockholders.

The people designated in the proxy and voting instruction card will vote your shares represented by proxy for the option of ONE YEAR unless you include instructions to the contrary.

Compensation Discussion and Analysis

Executive Summary

This Compensation Discussion and Analysis (CD&A) describes our executive compensation philosophy and program, the compensation decisions made under this program and the specific factors we considered in making those decisions. This CD&A focuses on the compensation of our named executive officers for fiscal year 2017, who were:

- **Benno Dorer** Chairman and Chief Executive Officer (CEO);
- **Stephen M. Robb** Executive Vice President Chief Financial Officer (CFO);
- **Dawn Willoughby** Executive Vice President Chief Operating Officer (COO);
- **Laura Stein** Executive Vice President General Counsel and Corporate Affairs;
- **James Foster** Executive Vice President Product Supply, Enterprise Performance and IT; and
- **Nikolaos A. Vlahos** Former Executive Vice President and Chief Operating Officer Household, Lifestyle and Core Global Functions (retired March 31, 2017).

Fiscal Year 2017 Performance Highlights

In fiscal year 2017, despite the increasingly competitive retail environment, Clorox delivered strong results with fiscal year sales growth of 4% and volume growth of 6%. This included sales growth in every quarter of the fiscal year and sales and volume improvement in all four of the Company s reportable segments. The Company also grew diluted net earnings per share from continuing operations by 9%. In addition, the Company maintained its focus on operational efficiencies including lowering selling and administrative expenses and delivering cost savings, and continued to make progress toward its product sustainability improvement, energy, and waste reduction goals.

The Company s 2020 Strategy aims to accelerate profitable growth by engaging employees as business owners, increasing brand investment behind superior products and technology that reaches consumers in a dynamic marketplace, expanding its brands into new categories and channels, and driving out waste in its work, processes, and products. Successes for the Company in fiscal year 2017 included:

- achieving $112 million in cost savings, the Company s 14th consecutive year of average cost savings in excess of $100 million;
- achieving increased volume of 6%, reflecting gains in all four of the Company s reportable segments;
- increasing earnings from continuing operations to $703 million or $5.32 diluted earnings per share (EPS), versus $648 million or $4.92 diluted EPS in the prior year;
- leveraging incremental demand-building investments, including product innovation to support category and market share growth;
- launching new products in numerous categories, including the Brita® Stream pitcher, Burt s Bees® gloss lip crayon and Burt s Bees® flavor crystals® lip balm, Clorox Scentiva® line of sprays and wipes, Clorox® Healthcare Fuzion cleaner disinfectant, Clorox® Total 360 electrostatic disinfection system, Fresh Step® Extreme with the power of Febreze® Hawaiian Aloha litter and Fresh Step® Extreme with the power of Febreze® lightweight litter, Glad Kitchen Pro trash bags, Hidden Valley® Simply Ranch® dressing, and Kingsford® BBQ sauces and Kingsford® long-burning charcoal, among others;
- continuing to receive external recognition for our leadership in corporate responsibility and sustainability efforts; and
- returning excess capital to stockholders through share repurchases, delivering $412 million in dividends to stockholders, and increasing the quarterly dividend by 5% in May 2017.

How Pay Was Tied to the Company s Performance in Fiscal Year 2017

Our fiscal year 2017 results and compensation decisions continue to illustrate that our pay-for-performance philosophy works as intended, with pay being driven by performance in the following ways:

- *Fiscal Year 2017 Annual Incentive Payout.* In alignment with our pay-for-performance philosophy, the annual incentive payout for each of our named executive officers was close to target due to the Company s solid operational results compared to the targets established at the beginning of the 2017 fiscal year. The Company s sales performance exceeded the targets for the fiscal year, while economic profit (EP) performance fell slightly below the target.

Fiscal Year 2017 Long-Term Incentive Payout. Our three-year performance share results were well above the financial target for cumulative economic profit and yielded a 150% payout. These awards were granted in September 2014, and payment was determined in August 2017, based on performance over the period commencing July 1, 2014, and ending June 30, 2017. Fiscal years 2015 and 2016 had especially strong results. The cumulative EP results for the three-year period thus resulted in the maximum payout for the Company s performance shares.

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Compensation Philosophy

The key principle of our compensation philosophy is to align pay with performance. We do so by delivering the majority of executive pay through at-risk variable incentive awards that help ensure that realized pay is tied to attainment of critical operational goals and sustainable

appreciation in stockholder value. In fiscal year 2017, approximately 86% of the targeted compensation for our CEO and approximately 70% of the targeted compensation for our other named executive officers was directly tied to the achievement of short- and long-term operating goals and total stockholder return. This approach is designed to accomplish the following:

Element	Objective
Pay for Performance	Reward performance that drives achievement of the Company s short- and long-term goals and, ultimately, stockholder value
Align Management and Stockholder Interests	Align the interests of our executive officers with our stockholders by using long-term, equity-based incentives, encourage a culture of ownership with stock retention guidelines, and reward executive officers for sustained Company performance as measured by operating results and total stockholder return
Attract, Retain, and Motivate Talented Executives	Maintain market-based pay targets and program design that allow the Company to be a magnet for high-performing executives
Address Risk-Management Considerations	Motivate our executives to create long-term stockholder value and discourage behavior that could lead to unnecessary or excessive risk-taking by providing a balance of fixed and at-risk pay, and short-term and long-term performance horizons, using a variety of metrics tied to key drivers of sustainable value creation
Support Financial Efficiency	Help ensure that cash- and equity-based incentive payouts are appropriately supported by performance, and design awards in a way that is intended to be treated as performance-based compensation that is tax-deductible by the Company under Internal Revenue Code (IRC) Section 162(m), as appropriate

In 2017, the Management Development and Compensation Committee undertook a detailed assessment of the Company s overall compensation program for alignment to our business strategy, our stockholders interests, our pay-for-performance philosophy, and market practices. This review resulted in various changes to the annual and long-term incentive programs, which are effective beginning with fiscal year 2018, as described in greater detail below.

What We Have and Don t Have Elements of Our Executive Compensation Program

The following elements of our executive compensation program reflect our continued commitment to our compensation philosophy:

What We Have

An executive compensation program designed to further the Company s strategy and mitigate inappropriate risk;
Different performance horizons for the goals within our annual and long-term incentive plans;
Use of economic profit as a rigorous incentive metric;
Stringent stock ownership and retention guidelines for all of our executives;
A prohibition on speculative transactions involving the Company s stock, including hedging and pledging;
Stock options that vest over a four-year period and have an exercise price equal to fair market value of our Common Stock on the date of grant;
Clawback provisions in both our annual and long-term incentive plans;
Double-trigger change in control provisions for all equity awards;
Reasonable cash severance provisions to support talent retention and attraction objectives, promote orderly succession planning, and avoid individual negotiation with exiting executives, thus eliminating the need for individual employment agreements;
Modest perquisites supported by sound business rationale;
Annual review of our executive compensation program by the Committee, which yielded changes to the

annual and long-term incentive programs to be effective in fiscal year 2018; and
Use of an independent compensation consultant who does not provide any additional consulting services to the Company.

What We Don t Have

- Ø Employment contracts for any executives;
- Ø Stock option re-pricing without stockholder approval;
- Ø Payment of dividends or dividend equivalents on unvested or unearned performance shares; and
- Ø Tax gross-ups for any employee, including executive officers.

Components of Our Executive Compensation Program

The table below outlines the components of our executive compensation program, their purposes, and certain characteristics of these components.

Component	Purpose	Characteristics
Base Salary	Compensate named executive officers for their role and level of responsibility, as well as individual performance.	Fixed component.
Annual Incentives(1)	Promote the achievement of the Company s annual corporate financial and strategic goals, as well as individual objectives.	Performance-based cash bonus opportunity.
Long-Term Incentives(1)	Promote the achievement of the Company s long-term corporate financial goals and stock price appreciation.	Values of performance share grants and stock option awards vary based on actual Company financial and stock price performance.
Retirement Plans	Provide replacement income upon retirement (a long-term retention incentive).	Fixed component; however, Company contributions vary based on pay and employee contributions.
Post-Termination Compensation	Provide contingent payments to attract and retain named executive officers and promote orderly succession for key roles.	Only payable if a named executive officer s employment is terminated under specific circumstances as described in the applicable severance plan.
Perquisites	Provide other benefits competitive with the compensation peer group and encourage executives to proactively manage their health and financial wellness.	Financial planning, Company car or car allowance, paid parking, annual executive physical, and health club allowance.

(1) Payouts under the annual and long-term incentive plans are determined based on the achievement of objectives established by the Committee at the beginning of the performance period. The performance period is one year for the cash awarded under the Annual Incentive Plan, which is further described in What We Pay: Components of Our Compensation Program and three years for the performance shares awarded under the long-term incentive plan. Specific financial goals cannot be changed during the performance period, except in accordance with principles set by the Committee at the time the goals were established, which, in the case of our long-term incentive plan, provide for adjustments in limited circumstances, including acquisitions, restructuring charges, or significant changes to generally accepted accounting principles, and only if the adjustments exceed a specified minimum financial impact to the Company.

How We Make Compensation Decisions

Roles and Responsibilities in Setting Executive Compensation

Management Development and Compensation Committee. The Committee is made up entirely of independent directors as defined by our Governance Guidelines and NYSE listing standards. The Committee regularly reviews the design and implementation of our executive compensation program and reports on its discussions and actions to the Board. In particular, the Committee (i) oversees our executive compensation program, (ii) approves the performance goals and strategic objectives for our named executive officers, evaluates results against those targets each year, and determines and approves the compensation of our CEO (after consulting with the other independent members of the Board) and our other named executive officers, as well as officers at or above the level of senior vice president and any other officers covered by Section 16 of the Exchange Act, and (iii) makes recommendations to the Board with respect to the structure of overall incentive and equity-based plans.

The Committee makes its determinations regarding executive compensation after consulting with management and the Committee s independent compensation consultant (as further described below), and its decisions are based on a variety of factors, including the Company s performance, individual executives performance, peer group data, and input and recommendations from the independent compensation consultant.

In 2017, the Committee conducted a comprehensive examination of the Company s compensation plan design, evaluating the program for alignment to the Company s business strategy, the interests of our stockholders, our pay-for-performance philosophy, and market practices. After an extensive review, which included discussion with and support from the Committee s independent compensation consultant, consideration of stockholder input, and review of compensation data from other companies (including our compensation peer group and other companies in our industry or comparable geographies and talent markets), the Committee approved various changes to both the annual and long-term incentive programs, as described in Changes to the Annual Incentive Program for Fiscal Year

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2018 and Changes to the Long-Term Incentive Program for Fiscal Year 2018 under What We Pay: Components of Our Compensation Program. These changes will be effective beginning fiscal year 2018.

The Committee evaluates individual performance based on the performance of the business or operations for which the executive is responsible, the individual s skill set relative to industry peers, overall experience and time in the position, the critical nature of the individual s role, difficulty of replacement, expected future contributions, readiness for promotion to a higher level, role relative to that of other executive officers, and, in the case of externally recruited named executive officers, compensation earned with a prior employer.

In determining the compensation package for each of our named executive officers other than our CEO, the Committee receives input and recommendations from our CEO and our Senior Vice President Chief People Officer. Named executive officers do not have a role in the determination of their own compensation, but named executive officers other than our CEO do discuss their individual performance objectives with our CEO. The Committee currently consists of Dr. Carmona and Messrs. Fleischer, Mackay and Noddle.

Board of Directors. The independent members of the Board undertake a thorough process during which they review our CEO s annual performance, and each independent director provides candid feedback and observations that are shared in aggregate with our CEO. The Board considers a variety of substantive factors it has identified as being most important for effective CEO performance, with a focus on strategy, people, operations, and values. The full Board discusses the evaluations of our CEO s performance against these factors and then provides its compensation recommendations to the Committee. The Committee, after evaluating the Board s recommendations and receiving input from the independent compensation consultant, then makes a final determination on our CEO s compensation. Our CEO does not have a role in his own compensation determination other than participating in a discussion with the Board regarding his performance relative to specific targets and strategic objectives set at the beginning of the fiscal year, which the Board considers in both its compensation determination and when setting performance targets for the upcoming fiscal year.

Independent Compensation Consultant. The Committee retains the services of an independent compensation consulting firm to assist it in the performance of its duties. During fiscal year 2017, the Committee used the services of Frederic W. Cook & Co., Inc. FW Cook s work with the Committee included data analysis and guidance and recommendations on the following topics:

compensation levels relative to our peers, market trends in incentive plan design, risk and reward structure of executive compensation plans, and other policies and practices, including the policies and views of third-party proxy advisory firms. FW Cook also assisted in the evaluation and implementation of changes to the Company s incentive plans, which are effective for fiscal year 2018 and are described in Changes to the Annual Incentive Program for Fiscal Year 2018 and Changes to the Long-Term Incentive Program for Fiscal Year 2018 under What We Pay: Components of Our Compensation Program. See the section entitled Independence of the Compensation Consultant for a discussion of FW Cook s independence from management.

Chairman and Chief Executive Officer. Our CEO makes compensation recommendations to the Committee for all executive officers other than himself. In making these recommendations, our CEO evaluates the performance of each executive officer and considers his or her responsibilities as well as the compensation analysis provided by the independent compensation consultant.

Other Members of Management. Senior human resources management provides analyses regarding competitive practices and pay ranges, compensation and benefit plans, policies and procedures for equity awards, perquisites, general compensation, and benefits philosophy. Senior human resources, legal, and, from time to time, finance executives attend non-executive sessions of Committee meetings to provide additional perspective and expertise.

Independence of the Compensation Consultant

Pursuant to its charter, the Committee is authorized to retain, oversee, and terminate any consultants as it deems necessary, as well as to approve the fees and other retention terms of any such consultants. Prior to retaining a compensation consultant or any other external advisor, from time to time as the Committee deems appropriate but at least annually, the Committee assesses the independence of the advisor from management. In evaluating FW Cook, the Committee s compensation consultant, the Committee took into consideration all factors relevant to FW Cook s independence, including the following factors specified in the NYSE listing standards:

other services provided to the Company by FW Cook or any of its affiliates;

the fees paid by the Company to FW Cook as a percentage of FW Cook s total revenue;
the policies and procedures of FW Cook that are designed to prevent a conflict of interest;

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- any business or personal relationship between individuals at FW Cook performing consulting services for the Committee and a Committee member;
- any ownership of Company stock by the individuals at FW Cook performing consulting services for the Committee; and
- any business or personal relationship between individuals at FW Cook performing consulting services for the Committee and an executive officer of the Company.

FW Cook has provided the Committee with appropriate assurances and confirmation of its independent status in accordance with the Committee s charter and other considerations. The Committee believes that FW Cook has been independent throughout its service to the Committee and that there is no conflict of interest between FW Cook or

individuals at FW Cook and the Committee, the Company s executive officers, or the Company.

Our Peer Group

The Committee uses a peer group of consumer products companies (the compensation peer group) to help determine competitive compensation rates for the Company s executive officers, including the named executive officers. The compensation peer group was selected by the Committee based on the factors described below, with input from FW Cook. The compensation peer group is used to evaluate both the levels of executive compensation and compensation practices within the consumer products industry.

For fiscal year 2017, the compensation peer group was composed of the following 19 companies:

Avon Products, Inc. Campbell Soup Company	General Mills, Inc. The Hershey Company	Molson Coors Brewing Company Newell Rubbermaid Inc.
Church & Dwight Co., Inc.	Hormel Foods Corporation	Revlon, Inc.
Colgate-Palmolive Company Dr. Pepper Snapple Group, Inc. Edgewell Personal Care The Estee Lauder Companies Inc.	The J.M. Smucker Company Kellogg Company McCormick & Company, Incorporated Mead Johnson Nutrition Company	S.C. Johnson & Son, Inc. Tupperware Brands Corporation

To determine the compensation peer group for each year, the Committee considers companies that:

- hold leadership positions in branded consumer products;
- are of reasonably similar size based on market capitalization and revenue;
- compete with the Company for executive talent; and
- have executive positions similar in breadth, complexity, and scope of responsibility to those of the Company.

The Committee annually reviews and makes adjustments to the compensation peer group as appropriate to ensure that the peer group companies continue to meet the relevant criteria. There were no changes to the compensation peer group for this fiscal year.

The Company was at the 37th percentile for revenue, 52nd percentile for net income, and 49th percentile for market capitalization compared with the compensation peer group.

Fiscal Year 2017 Compensation of Our Named Executive Officers

For fiscal year 2017, management engaged Aon Hewitt to obtain and aggregate compensation data for the compensation peer group. This data was used to advise the Committee on setting target compensation for our named executive officers. FW Cook reviewed this information and performed an independent compensation analysis of the compensation peer group data to advise the Committee. Although each individual component of executive compensation is reviewed, particular emphasis is placed

on targeting total compensation within 15% of the median target dollar amounts of compensation of the compensation peer group. Other factors, such as an executive s level of experience, may result in target total compensation for individual named executive officers being set above or below this median range. For fiscal year 2017, each named executive officer s target total compensation is within 15% of the compensation peer group median.

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What We Pay: Components of Our Compensation Program

A substantial portion of our targeted executive compensation is at-risk variable compensation, with 86% of compensation for our CEO and 70% of compensation for all of our other named executive officers being at-risk. Base salary is the only fixed compensation component, as outlined in the following charts, which reflect target compensation for fiscal year 2017.

Compensation Mix - CEO[1]

Compensation Mix - Average of All Other NEOs[1]

(1) Compensation mix represents the actual base salary, target annual incentive award, and actual long-term incentives granted in fiscal year 2017. Refer to the Summary Compensation Table below for further details on actual compensation.

Additional elements of our executive compensation program include retirement plans, post-termination compensation, and perquisites as appropriate to support our executive compensation philosophy. Further detail about each element is provided in the discussion below:

Base Salary. The Committee generally seeks to establish base salaries for our named executive officers within 15% of the median of the compensation peer group. The Committee considered factors such as the executive s specific role, level of experience, and sustained performance, as well as the compensation peer group market data, in determining each named executive officer s base salary for fiscal year 2017. Changes in base salary are approved by the Committee in September and become effective in October of each year. All base salaries that went into effect in October 2016 for the named executive officers, excluding our CEO, were within this target pay range with the exception of Mr. Foster, who was slightly below the range given his tenure as an Executive Vice President with the Company.

After conducting a review for Mr. Dorer and evaluating his individual performance and overall Company performance for fiscal year 2016, the Committee approved a base salary increase of 5.1% for fiscal year 2017, to $1,025,000,

which was within 15% of the compensation peer group median for CEOs. The annual base salary increases for our named executive officers, other than our CEO, ranged from 2.5% to 5.2%, with an average increase of 3.9%. Our CFO s salary increase was at the high end of the range to bring his salary closer to market median, in recognition of his continued strong performance. The actual base salaries earned by our named executive officers in fiscal year 2017 are listed in the Salary column of the Summary Compensation Table.

Annual Incentives. The Company provides annual incentive awards to our named executive officers under the Company s Executive Incentive Compensation Plan (Annual Incentive Plan). Payouts under the Annual Incentive Plan are based on the level of achievement of Company performance goals set annually by the Committee, not to exceed the stockholder-approved maximums. These performance goals are tied to Board-approved corporate financial and strategic performance goals and individual objectives, which are described below. The amounts actually paid under the Annual Incentive Plan are based on four factors: (1) a target award for each named executive officer, which is the base salary multiplied by the annual incentive target (Target Award), (2) the Company s performance measured against

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pre-established corporate financial goals (Financial Performance Multiplier), (3) the Company s level of achievement of various strategic metrics (Strategic Metrics Multiplier), and (4) the named executive officer s individual performance (Individual Performance Multiplier), which is

based primarily on the performance of the operations or functions under the individual s responsibility. The final individual Annual Incentive Plan payout is determined by the following formula:

The Financial Performance Multiplier can range from 0% to 200% based on an objective assessment of Company performance versus goals established by the Committee at the beginning of the year. The Strategic Metrics and Individual Performance Multipliers, which are also determined by the Committee, typically have a much narrower range, which makes the impact they have on the total payout significantly smaller than the Financial Performance Multiplier. Over the past three years, the range for the Strategic Metrics Multiplier was 100% to 110%, and the range for the Individual Performance Multipliers for the named executive officers was

90% to 115%. By comparison, the range for the Financial Performance Multiplier during this same time period was 96% to 171%.

Below is an illustration of the annual incentive calculation, using our CEO s Annual Incentive Plan payout as an example. The Financial Performance Multiplier was 96% in fiscal year 2017, based on the Company s performance compared to the targets for annual net sales and EP that were established by the Committee at the beginning of the year. With the CEO s Individual Performance Multiplier of 110%, this resulted in a final payout that was slightly above target.

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Each of the elements of the annual incentive formula is further described below.

Base Salary. The named executive officer s actual fiscal year 2017 base salary is the starting point for the annual incentive calculation.

Annual Incentive Target. Each year, the Committee sets an annual incentive target level for each named executive officer as a percentage of his or her base salary, based on an assessment of median bonus targets in the compensation peer group and other factors such as individual experience, as noted above. The annual incentive target level is generally set near the median of bonus targets for comparable positions in the compensation peer group. The table below sets forth the targets for the fiscal year 2017 annual incentive awards.

Named Executive Officer	**Annual Incentive Target (% of Base Salary)**
Benno Dorer Chairman and Chief Executive Officer(1)	145%
Stephen M. Robb Executive Vice President Chief Financial Officer(2)	85%
Dawn Willoughby Executive Vice President Chief Operating Officer	80%
Laura Stein Executive Vice President General Counsel and Corporate Affairs	70%
James Foster Executive Vice President Product Supply, Enterprise Performance and IT	65%
Nikolaos A. Vlahos Executive Vice President and Chief Operating Officer Household, Lifestyle and Core Global Functions (retired March 31, 2017)	80%

(1) Mr. Dorer s target was increased from 130% in fiscal year 2016 to 145% in fiscal year 2017.