CLOROX CO /DE/
Form DEF 14A
October 01, 2010

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

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

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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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3) Filing Party:

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4) Date Filed:

Notice of 2010 Annual Meeting, Proxy Statement and Annual Financial Statements

Annual Meeting of Stockholders
November 17, 2010

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON NOVEMBER 17, 2010

The 2010 Annual Meeting of Stockholders (the "Annual Meeting") of The Clorox Company, a Delaware corporation ("Clorox" or the "Company"), will be held at 9:00 a.m. Pacific time on Wednesday, November 17, 2010, at the San Ramon Marriott Hotel, 2600 Bishop Ranch Drive, San Ramon, CA 94583, for the following purposes:

1. To elect 11 directors to serve until the 2011 Annual Meeting;

2. To ratify the selection of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2011;

3. To approve the material terms of the performance goals under the Company's 2005 Stock Incentive Plan;

4. To approve the material terms of the performance goals under the Company's Executive Incentive Compensation Plan;

5. To consider and act upon one stockholder proposal if properly presented at the Annual Meeting; and

6. To consider and act upon such other business as may properly come before the Annual Meeting or any adjournment thereof.

The board of directors has fixed the close of business on September 20, 2010, as the record date for determining the stockholders entitled to notice of, and to vote at, the Annual Meeting and any adjournment thereof. A list of such stockholders will be available at the Annual Meeting and, during the 10 days prior to the Annual Meeting, at the office of the Secretary of the Company at 1221 Broadway, Oakland, CA 94612-1888.

Only record holders and people holding proxies from record holders of Clorox Common Stock as of the record date may attend the Annual Meeting. If you plan to attend the Annual Meeting and your shares are registered in your name, you must bring a current form of government-issued photo identification to the Annual Meeting. If your shares are held in the name of a broker, trust, bank or other nominee, you must provide proof that you owned Clorox Common Stock on the record date, as well as a current form of government-issued photo identification. Please see the "Attending the Annual Meeting" section of the proxy statement for more information.

We are pleased to take advantage of the Securities and Exchange Commission "Notice and Access" rule that allows us to provide stockholders with notice of their ability to access proxy materials via the Internet. This allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner via the Internet. Under this process, on or about October 1, 2010, we will begin mailing a Notice of Internet Availability of Proxy Materials to our stockholders informing them that our proxy statement, annual report to stockholders and voting instructions are available on the Internet as of the same date. As more fully described in the Notice of Internet Availability of Proxy Materials, all stockholders may choose to access our proxy materials via the Internet or may request printed copies of the proxy materials. Please see the "Voting by Proxy" section of the proxy statement for more information.

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 REQUESTING A PRINTED COPY OF THE PROXY MATERIALS AND COMPLETING, SIGNING AND RETURNING THE PROXY CARD ENCLOSED THEREIN.

By Order of the Board of Directors

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

October 1, 2010

THE CLOROX COMPANY

1221 Broadway
Oakland, CA 94612-1888

PROXY STATEMENT

This proxy statement is furnished in connection with the solicitation of proxies by the board of directors of The Clorox Company, a Delaware corporation ("Clorox" or the "Company"), for use at the 2010 Annual Meeting of Stockholders (the "Annual Meeting") of the Company, to be held at 9:00 a.m. Pacific time on Wednesday, November 17, 2010, at the San Ramon Marriott Hotel, 2600 Bishop Ranch Road, San Ramon, CA 94583. Please refer to the "Attending the Annual Meeting" section of this proxy statement for more information about procedures for attending the Annual Meeting.

The Securities and Exchange Commission, or SEC, has adopted rules that allow us to use a "Notice and Access" model to make our proxy statement and other annual meeting materials available to you. On or about October 1, 2010, we will begin mailing a notice, called the Notice of Internet Availability of Proxy Materials (the "Notice"), to our stockholders advising them that our proxy statement, annual report to stockholders and voting instructions can be accessed on the Internet upon the commencement of such mailing. You may then access these materials and vote your shares via the Internet or by telephone or you may request that a printed copy of the proxy materials be sent to you. You will not receive a printed copy of the proxy materials unless you request one in the manner described in the Notice. Using the Notice allows us to conserve natural resources and reduces the costs of printing and distributing the proxy materials, while providing our stockholders with access to the proxy materials in a fast and efficient manner via the Internet.

INFORMATION ABOUT VOTING

Who Can Vote

The only voting securities of the Company are its shares of common stock (the "Common Stock"), of which 139,379,136 shares were outstanding and entitled to vote at the close of business on September 20, 2010. Only stockholders of record at the close of business on September 20, 2010, are entitled to vote at the Annual Meeting. The holders of the Common Stock are entitled to one vote per share on each matter submitted to a vote of stockholders.

Voting Procedures

You can vote your shares in one of two ways: either by proxy or in person at the Annual Meeting by written ballot. If you choose to vote by proxy, you may do so via the Internet or by telephone, or by requesting a printed copy of the proxy materials and using the proxy card enclosed therein. Each of these procedures is explained below. Even if you plan to attend the Annual Meeting, the board of directors recommends that you vote by proxy. In this way, your shares of Common Stock will be voted as directed by you if you should become unable to attend the Annual Meeting.

Voting by Proxy

Because many stockholders cannot attend the Annual Meeting in person, it is necessary that a large number of stockholders be represented by proxy. By following the procedures for voting via the Internet or by telephone, or by requesting a printed copy of the proxy materials and completing, signing and returning the proxy card enclosed therein, you will enable Donald R. Knauss, Daniel J. Heinrich or Laura Stein, each of whom is named on the proxy card as a "proxy holder," to vote your shares at the Annual Meeting in the manner you indicate on your proxy card. When you vote your proxy, you can specify whether your shares should be voted for or against each of the nominees for director identified in Proposal 1, or you can abstain from voting on the director nominees. You can also specify whether you approve, disapprove or abstain from voting on Proposals 2, 3, 4 or 5, which are described in this proxy statement.

Management of the Company is not aware of any matters other than those described in this proxy statement that may be presented for action at the Annual Meeting. If any other matters are properly presented at the Annual Meeting for consideration, the proxy holders will have discretion to vote for you on those matters.

Voting via the Internet. You can vote your shares via the Internet by following the instructions provided either in the Notice or on the proxy card. If you requested and received a printed set of the proxy materials by mail, you should follow the voting instruction form you received. The Internet voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote via the Internet, you do not need to mail a proxy card to us.

Voting by Telephone. You can vote your shares by telephone if you requested and received a printed set of the proxy materials through the mail by following the instructions provided on the proxy card or voting instruction form enclosed with the proxy materials you received. If you received the Notice only, you can vote by telephone by following the instructions at the website address referred to in the Notice. The telephone voting procedures are designed to authenticate your identity and to allow you to vote your shares and confirm that your voting instructions have been properly recorded. If you vote by telephone, you do not need to mail a proxy card to us.

Voting by Mail. You can vote by mail by requesting that a printed copy of the proxy materials be sent to your specified address. Upon receipt of the materials, you may fill out the proxy card enclosed therein and sign and return it as instructed on the card.

Voting at the Annual Meeting

You may vote in person by written ballot at the Annual Meeting. However, if your shares are held in the name of a broker, trust, bank or other nominee, you must bring a legal proxy or other proof from that broker, trust, bank or nominee of your beneficial ownership of those shares as of the record date in order to vote at the Annual Meeting. If you vote by proxy and also attend the Annual Meeting, you do not need to vote again at the Annual Meeting unless you wish to change your vote.

Revocation of Proxies

You may revoke your proxy at any time before it is exercised at the Annual Meeting by taking any of the following actions:

- submitting written notice of revocation to the secretary of the Company;
- voting again electronically by telephone or via the Internet or by submitting another proxy card with a later date; or
- voting in person at the Annual Meeting.

Quorum

In order for the business of the Annual Meeting to be conducted, a minimum number of shares constituting a quorum must be present. The holders of a majority of the issued and outstanding shares of Common Stock entitled to vote at the Annual Meeting must be present in person or represented by proxy at the Annual Meeting in order to have a quorum. Abstentions and shares held through a bank or brokerage firm for which proxies are voted on at least one proposal are counted as shares that are present for purposes of determining whether there is a quorum.

Broker Non-Votes

A broker non-vote occurs when a stockholder who holds his or her shares through a bank or brokerage firm does not instruct that bank or brokerage firm how to vote the shares, and, as a result, the broker is prevented from voting the shares held in the stockholder’s account on certain proposals. Broker non-votes are not counted as votes against the proposals in question or as abstentions, nor are they counted to determine the number of votes present for a particular proposal.

Under applicable New York Stock Exchange rules, if you hold your shares through a bank or brokerage firm and your broker delivers this proxy statement to you, the broker has the discretion to vote on "routine" matters, such as the ratification of the selection of an independent registered public accounting firm, but does not have discretion to vote on "non-routine" matters, such as the election of directors or proposals on executive compensation matters. Thus, the broker is entitled to vote your shares on Proposal 2 even if you do not provide voting instructions to your broker. The broker is not entitled to vote your shares on Proposals 1, 3, 4 or 5 without your instructions.

Required Vote

Proposal 1: Election of Directors. The Company's Bylaws provide for majority voting for directors in uncontested elections. Accordingly, each of the 11 nominees for director will be elected if he or she receives the majority of the votes cast in person or represented by proxy, with respect to that director. A majority of the votes cast means that the number of shares voted "for" a director must exceed the number of votes cast "against" that director. An abstention or a broker non-vote on Proposal 1 will not have any effect on the election of directors and will not be counted in determining the number of votes cast.

Proposal 2: Ratification of Selection of Independent Registered Public Accounting Firm. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 2 is required to approve Proposal 2. An abstention on Proposal 2 will have the same effect as a vote against Proposal 2. A broker non-vote will not have any effect on Proposal 2 and will not be counted in determining the number of votes cast.

Proposal 3: Approval of the Material Terms of the Performance Goals under the Company's 2005 Stock Incentive Plan. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 3 is required to approve Proposal 3. An abstention on Proposal 3 will have the same effect as a vote against Proposal 3. A broker non-vote will not have any effect on Proposal 3 and will not be counted in determining the number of votes cast.

Proposal 4: Approval of the Material Terms of the Performance Goals under the Company's Executive Incentive Compensation Plan.The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 4 is required to approve Proposal 4. An abstention on Proposal 4 will have the same effect as a vote against Proposal 4. A broker non-vote will not have any effect on Proposal 4 and will not be counted in determining the number of votes cast.

Proposal 5: Stockholder Proposal. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 5 is required to approve Proposal 5. An abstention on Proposal 5 will have the same effect as a vote against Proposal 5. A broker non-vote will not have any effect on Proposal 5 and will not be counted in determining the number of votes cast.

Recommendations of the Board of Directors

The board of directors recommends that you vote:

- FOR the election of the 11 nominees for director (Proposal 1);
- FOR the ratification of the appointment of Ernst & Young LLP as the Company's independent registered public accountingfirm for the fiscal year ending June 30, 2011 (Proposal 2);
- FOR the approval of the material terms of the performance goals under the Company's 2005 Stock Incentive Plan(Proposal 3);
- FOR the approval of the material terms of the performance goals under the Company's Executive Incentive CompensationPlan (Proposal 4); and
- AGAINST the stockholder proposal (Proposal 5).

PROPOSAL 1:
ELECTION OF DIRECTORS

At the Annual Meeting, 11 people will be elected as members of the board of directors to serve until the 2011 Annual Meeting, or until their respective successors are duly elected and qualified. The board of directors, upon the recommendation of the Nominating and Governance Committee, has nominated the 11 people listed below for election at the Annual Meeting. Each nominee is currently serving as a director of the Company.

Vote Required and Board of Directors' Recommendation

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). In a contested election (a situation in which the number of nominees exceeds the number of directors to be elected), the standard for election of directors will be a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of directors. 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 of directors. The Nominating and Governance Committee would then make a recommendation to the board of directors whether to accept or reject the resignation, or whether other action should be taken. The board of directors would act on the Nominating and Governance Committee's recommendation and publicly disclose its decision and the rationale behind it within 90 days from the date the election results are certified. The director who tenders his or her resignation will not participate in the board of directors' decision.

The board of directors recommends that the stockholders vote FOR the election of the 11 nominees listed below. The people designated in the proxy and voting instruction card will vote your shares represented by proxy FOR the election of the 11 nominees unless you include instructions to the contrary. The board of directors believes that all of the current director nominees are highly qualified and have skills, experience, backgrounds and attributes that qualify them to serve as directors of the Company (see each nominee's biographical information and the Nominating and Governance Committee Section below for more information). The board of directors knows of no reason why any of these nominees should be unable or unwilling to serve. However, if for any reason any nominee should be unable or unwilling to serve, the proxies will be voted for the election of such other person to the office of director as the board of directors may nominate in the place of such nominee.

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 within the past five years (if any), service on non-profit or non-public company boards and relevant experiences and qualifications that contributed to the conclusion that each director is qualified to serve as a director of the Company. Ages are as of July 31, 2010.

Name, Principal Occupation And Other Information	Director Since
DANIEL BOGGAN, JR. Retired Senior Vice President, the National Collegiate Athletic Association.	1990

Mr. Boggan served as the Chief of Staff of the Oakland, California Mayor's office from January 2007 through August 2007. He served as a consultant to Siebert Brandford Shank & Co., LLC (a municipal finance firm) from September 2003 to March 2006. Mr. Boggan joined the National Collegiate Athletic Association in October 1994 as Group Executive Director for Education Services. He served as the National Collegiate Athletic Association's Chief Operating Officer from January 1996 to June 1998 and served as its Senior Vice President and Chief Operating Officer from June 1998 until his retirement in August 2003. Previously, he was Vice Chancellor for business and administrative services at the University of California at Berkeley.

Public Company Boards:

Mr. Boggan is also a director of Collective Brands, Inc. (formerly known as Payless Shoe Source, Inc. (July 1997 to present)) and Viad Corp (February 2005 to present).

Non-Profit/Other Boards:

Mr. Boggan is a trustee of The California Endowment, the Chair of The Alameda County Medical Center, and serves on various local boards.

Director Qualifications:

Mr. Boggan has been a director of the Company for twenty years, providing him with considerable knowledge of the Company's business as well as a historical perspective and focus on the long-term interests of the Company and its stockholders. He resides in Oakland, and his involvement in Oakland's local government and as Chair of The Alameda County Medical Center has provided him with an understanding of the Company's local community. Mr. Boggan's previous leadership positions at the National Collegiate Athletic Association and the University of California as well as his service on several public company and non-profit boards have provided him with a broad perspective and management, governance and leadership experience that he brings to the Company as Chair of the Nominating and Governance Committee. Additionally, his involvement with The Alameda County Medical Center and The California Endowment (a large health care foundation in California) provides him with an understanding of health and wellness matters. Age: 64.

RICHARD H. CARMONA, M.D., M.P.H., F.A.C.S. Vice Chairman, Canyon Ranch; Former Surgeon General of the United States.	2007

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 also 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 August 2002 through July 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.

Public Company Boards:

Dr. Carmona is also a director of Taser International (March 2007 to present).

Non-Profit/Other Boards:

Dr. Carmona also serves on the board of Healthline Networks.

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 strengthen the board's collective qualifications, skills and experience. Age: 60.

Name, Principal Occupation And Other Information	Director Since
TULLY M. FRIEDMAN Chairman and Chief Executive Officer, Friedman Fleischer & Lowe LLC.	1997

Mr. Friedman is the Chairman and Chief Executive Officer of Friedman Fleischer & Lowe LLC (a private investment firm). Prior to forming Friedman Fleischer & Lowe in 1997, Mr. Friedman was a founding partner of Hellman & Friedman (a private investment firm) and a managing director of Salomon Brothers, Inc. (an investment bank).

Public Company Boards:

Mr. Friedman is also a director of Mattel, Inc. (1984 to present) and previously served as a director for Capital Source (2000 to May 2007) and Tempur-Pedic International (November 2002 to April 2006).

Non-Profit/Other Boards:

Mr. Friedman is a trustee of the American Enterprise Institute. Mr. Friedman also currently serves on the boards of Kool Smiles Holding Corp., Church's Chicken and Archimedes Technology.

Director Qualifications:

Mr. Friedman's more than thirty-five years of experience in finance and twenty-five years as a private equity investor has provided him with expertise in financial matters. This enables him to make valuable contributions in the areas of mergers and acquisitions, capital deployment and other major financial decisions and in his service as Chair of our Finance Committee. In addition, Mr. Friedman's prior executive leadership roles and board positions in several industries provide him with a broad perspective and experience in the areas of management, operations and strategy. Mr. Friedman also has a deep understanding of the Company's business having served on its board of directors for more than ten years, enabling him to make significant contributions to the Company's strategy, innovation and long-range plans. Age: 68.

GEORGE J. HARAD Retired Executive Chairman of the Board of OfficeMax Incorporated (formerly known as Boise Cascade Corporation).	2006

Mr. Harad was Executive Chairman of the Board of OfficeMax Incorporated (an office supply and services company), formerly known as Boise Cascade Corporation (Boise Cascade), from October 2004 until his retirement in June 2005. He served as Chairman of the Board and Chief Executive Officer of Boise Cascade from April 1995 until October 2004. Previously, Mr. Harad held various positions at Boise Cascade including Controller, Senior Vice President and Chief Financial Officer, President and Chief Operating Officer. Prior to joining Boise Cascade, Mr. Harad was a consultant for the Boston Consulting Group and a teaching fellow at Harvard University.

Director Qualifications:

Mr. Harad's prior executive leadership roles enable him to provide valuable contributions with respect to management, operations, strategy, growth and long-range plans. His experience as a Chief Financial Officer has provided him with expertise in finance and accounting matters. Additionally, as a former Chief Executive Officer of a Fortune 500 company, Mr. Harad brings extensive knowledge in executive compensation matters to his position as Chair of the Management Development and Compensation Committee. Age: 66.

Name, Principal Occupation And Other Information	Director Since
DONALD R. KNAUSS Chairman and Chief Executive Officer of the Company.	2006

Mr. Knauss was elected Chairman and Chief Executive Officer of the Company in October 2006. He was Executive Vice President of The Coca-Cola Company (a marketer and distributor of nonalcoholic beverages) and President and Chief Operating Officer for Coca-Cola North America from February 2004 until August 2006. Previously, he was President of the Retail Division of Coca-Cola North America and President and Chief Executive Officer of The Minute Maid Company, a division of The Coca-Cola Company. Prior to his employment with The Coca-Cola Company, he held various positions in marketing and sales with PepsiCo, Inc. and Procter & Gamble and served as an officer in the United States Marine Corps.

Public Company Boards:

Mr. Knauss is also a director of the Kellogg Company (December 2007 to present) and URS Corporation (June 2010 to present).

Non-Profit/Other Boards:

Mr. Knauss also serves on the dean’s advisory board of the College of Arts & Sciences at Indiana University and on the board of trustees of the University of San Diego, Morehouse College and the United States Marine Corps University Foundation.

Director Qualifications:

Mr. Knauss’s leadership experience as the Chief Executive Officer of the Company and his in-depth knowledge of the Company’s strategic priorities and operations enable him to provide valuable contributions and facilitate effective communication between management and the board of directors. His role as Chief Executive Officer also enables him to provide important contributions to strengthening the Company’s leadership, operations, strategy, growth and long-range plans. Mr. Knauss’s prior executive leadership roles include extensive international experience, providing him with valuable insights into global business strategy. In addition, Mr. Knauss’s leadership experience at other consumer packaged goods companies, including his director role at the Kellogg Company, provides him with a keen understanding of the Company’s industry and customer and consumer dynamics. Age: 59.

Name, Principal Occupation And Other Information	Director Since
ROBERT W. MATSCHULLAT Retired Vice Chairman and Chief Financial Officer of The Seagram Company Ltd.	1999

Mr. Matschullat served as interim Chairman and interim Chief Executive Officer of the Company from March 2006 through October 2006. He served as presiding director of the board of directors of the Company from January 2005 through March 2006 and served as Chairman of the board of directors of the Company from January 2004 through January 2005. He was the Vice Chairman and Chief Financial Officer of The Seagram Company Ltd. (a global company engaging in two business segments: entertainment and spirits and wine) from October 1995 until relinquishing his position as Chief Financial Officer in December 1999 and retiring from his position as Vice Chairman in June 2000. 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.

Public Company Boards:

Mr. Matschullat is also a director of The Walt Disney Company, Inc. (December 2002 to present) and Visa, Inc. (October 2007 to present). He previously served as a director of McKesson Corporation (October 2002 to July 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 ten years on the board of directors including in leadership roles as the non-executive chairman and presiding director of the board of directors. 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: 62.

GARY G. MICHAEL Lead Director of the Company and Retired Chairman of the Board and Chief Executive Officer of Albertson's, Inc.	2001

Mr. Michael was the Chairman of the Board and Chief Executive Officer of Albertson's, Inc. (a leading grocery retailer) from February 1991 until his retirement in April 2001. He served as interim President of the University of Idaho from June 2003 until August 2004. Mr. Michael previously served as the Chairman of the Federal Reserve Bank of San Francisco from 1998 to 2000.

Public Company Boards:

Mr. Michael is also a director of Questar Corporation (February 1994 to present), Idacorp (July 2001 to present) and Graham Packaging Company, Inc. (February 2010 to present). Mr. Michael was also a director of OfficeMax Inc. (formerly Boise Cascade Corporation (April 1997 to April 2008)) and Harrah's Entertainment, Inc. (November 2001 to January 2008).

Non-Profit/Other Boards:

Mr. Michael served as a member of the Advisory Board of Graham Packaging Company, Inc. from October 2002 until February 2010, when the company went public and he became a director.

Director Qualifications:

Mr. Michael's broad industry and executive leadership experience enable him to provide valuable contributions with respect to the Company's management, operations, strategy, growth and long-range plans. Mr. Michael's experience includes serving as the Chairman of the Federal Reserve Bank of San Francisco, providing him with substantial financial expertise. In addition, Mr. Michael's ten years of service as Chairman and Chief Executive Officer of Albertson's Inc. provides him with an invaluable perspective on the Company's customers and the retail environment. He also has a deep understanding of the Company's industry and its consumers, including Hispanic consumers. Mr. Michael's executive leadership experience and his extensive board service enable him to provide strong and independent leadership on the board of directors in his role as lead director. Mr. Michael also makes important contributions to the Company in the area of leadership development and management and board succession planning. Age: 69.

Name, Principal Occupation And Other Information	Director Since
EDWARD A. MUELLER Chairman and Chief Executive Officer of Qwest Communications International Inc.	2007

Mr. Mueller was appointed Chairman of the Board and Chief Executive Officer of Qwest Communications International Inc. (Qwest) (a provider of voice, data and video services) in August 2007. He served as Chief Executive Officer of Williams-Sonoma, Inc. (a provider of specialty products for cooking) from January 2003 until July 2006. Mr. Mueller served on the board of directors of Williams-Sonoma, Inc. from 1999 until May 2007. Prior to joining Williams-Sonoma, Inc., Mr. Mueller served as President and Chief Executive Officer of Ameritech Corporation, a subsidiary of SBC Communications, Inc. (a provider of communication services and products). He joined SBC in 1968, and held numerous executive positions, including President and Chief Executive Officer of Southwestern Bell Telephone Company, President and Chief Executive Officer of Pacific Bell and President of SBC International Inc.

Public Company Boards:

Mr. Mueller is also a director of Qwest (August 2007 to present) and McKesson Corporation (April 2008 to present). Mr. Mueller previously served as a director of Verisign Inc. (July 2007 to July 2008) and Williams-Sonoma Inc. (October 1999 to May 2007).

Non-Profit/Other Boards:

Mr. Mueller also served as a director of GSC Acquisition Company (July 2007 to July 2008).

Director Qualifications:

Mr. Mueller brings to the board of directors chief executive leadership and business management experience, as well as strong business acumen and financial and strategic planning expertise. Mr. Mueller’s executive and board leadership experience spans several industries, providing him with a broad perspective and enabling him to provide significant contributions in the areas of management, operations, strategy, growth and long-range plans. Mr. Mueller’s strong financial background qualifies him as an audit committee financial expert, enabling him to make valuable contributions to the Company as Chair of the Audit Committee. Age: 63.

Name, Principal Occupation And Other Information	Director Since
JAN L. MURLEY Retired consultant, Kohlberg Kravis Roberts & Co.; Consultant to 1-800 Flowers.com, Inc.	2001

Ms. Murley has served as a consultant to 1-800 Flowers.com, Inc. since May 2010. From October 2008 to April 2010, Ms. Murley served as Interim President – Consumer Floral Business of 1-800 Flowers.com, Inc. Ms. Murley served as a consultant to Kohlberg Kravis Roberts & Co. (KKR) (a private equity firm) from November 2006 until December 2009. From October 2003 to July 2006, Ms. Murley was Chief Executive Officer and a director of The Boyds Collection, Ltd. (a publicly-traded designer and manufacturer of gifts and collectibles, which was majority-owned by KKR). Boyds filed for bankruptcy under Chapter 11 of the US Bankruptcy Code in October 2005 and emerged from Chapter 11 in June 2006 as a private company. Prior to that, she was Group Vice President – Marketing of Hallmark Cards, Inc. (a publisher of greeting cards and related gifts). Previously, Ms. Murley was employed by Procter & Gamble for more than 20 years, with her last position being Vice President for skin care and personal cleansing products.

Public Company Boards:

Ms. Murley is also a director of 1-800 Flowers.com, Inc. (February 2007 to present) and Qwest Communications International Inc. (December 2007 to present). She previously served as a director of Boyds Collection Ltd. (October 2003 to July 2006).

Non-Profit/Other Boards:

Ms. Murley also served as a director of Artemis Woman LLC (February 2007 to July 2010).

Director Qualifications:

Ms. Murley's more than 20 years of experience in marketing, brand and innovation roles in the consumer packaged goods industry has provided her with valuable insights that enable her to make significant contributions to the Company's marketing, innovation, growth and global business plans. This experience also enables her to make valuable contributions to the Company's sustainability and natural personal care strategies. Additionally, Ms. Murley's prior executive leadership roles and board positions in several industries provide her with a broad perspective and experience in the areas of management, operations and governance. Age: 59.

Name, Principal Occupation And Other Information	Director Since
PAMELA THOMAS-GRAHAM Chief Talent, Branding and Communications Officer, Credit Suisse Group.	2005

Ms. Thomas-Graham has served as Chief Talent, Branding and Communications Officer at Credit Suisse Group since January 2010. From March 2008 to December 2009, she served as a managing director in the private equity group at Angelo, Gordon & Co. (a private investment management firm). From October 2005 to December 2007, Ms. Thomas-Graham held the position of Group President at Liz Claiborne, Inc. (a designer and marketer of apparel, accessories and fragrances). Previously, she served as Chairman of CNBC (a media and entertainment company) from February 2005 to October 2005 and served as President and Chief Executive Officer of CNBC from July 2001 to February 2005. From September 1999 to July 2001, 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.

Public Company Boards:

Ms. Thomas-Graham 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 City Opera and the Board of Governors of the Parsons School of Design. Additionally, she is on the Visiting Committee of Harvard Business School and the Education Committee of the Museum of Modern Art in New York City.

Director Qualifications:

Ms. Thomas-Graham brings to the Company significant executive expertise. 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 at a private equity firm provides her with financial and accounting expertise, enabling her to contribute to the oversight of the Company. Age: 47.

CAROLYN M. TICKNOR Retired President of Hewlett Packard Company, Imaging & Printing Systems Group.	2005

Ms. Ticknor currently consults for entrepreneurs and venture capitalists. 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 February 2001. She served as President and General Manager of Hewlett Packard Company's LaserJet Solutions from 1994 to 1999.

Public Company Boards:

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

Non-Profit/Other Boards:

Ms. Ticknor served as a director of Lucile Packard Children's Hospital, a private non-profit organization at the Stanford University Medical Center, from October 2001 until October 2009.

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 of 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 nine years of 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: 63.

DIRECTOR INDEPENDENCE AND ORGANIZATION OF THE BOARD OF DIRECTORS

The board of directors has established five standing committees: the Executive Committee, the Finance Committee, the Audit Committee, the Nominating and Governance Committee, and the Management Development and Compensation Committee. The Finance, Audit, Nominating and Governance, and Management Development and Compensation Committees consist only of non-management directors whom the board of directors has determined are independent under the New York Stock Exchange listing standards and the board of directors' independence standards set forth in the Company's Governance Guidelines, which are discussed below. The charters for these committees are available in the Corporate Governance section of the Company's website atwww.TheCloroxCompany.com/company/charters.html, or in print by contacting The Clorox Company, c/o Secretary, 1221 Broadway, Oakland, CA 94612-1888.

Standing Committees

Executive Committee. The Executive Committee is composed of directors Boggan, Friedman, Harad, Knauss (chair), Michael and Mueller, and is delegated all of the powers of the board of directors except certain powers reserved by law to the full board of directors. In addition to being available to meet between regular board meetings on occasions when board action is required but the convening of the full board of directors is impracticable, the Executive Committee is authorized to handle special assignments as requested from time to time by the board of directors. The Executive Committee held no meetings during fiscal year 2010.

Finance Committee. The Finance Committee is composed of directors Boggan, Carmona, Friedman (chair), Harad and Matschullat, and oversees and makes recommendations to the board of directors with respect to the Company's major financial policies and actions, including policies and actions related to the Company's capital structure, equity and debt financings, capital expenditures, cash management and share repurchase activities. The Finance Committee held two meetings during fiscal year 2010.

Audit Committee. The Audit Committee is composed of directors Michael, Mueller (chair), Murley, Thomas-Graham and Ticknor, and is the principal link between the board of directors and the Company's independent registered public accounting firm. The Audit Committee has the functions and duties set forth in its charter, including, but not limited to, assisting the board of directors in overseeing (i) the integrity of the Company's financial statements, (ii) the independent registered public accounting firm's qualifications, independence and performance, (iii) the performance of the Company's internal audit function, (iv) the Company's system of disclosure controls and procedures and system of internal control over financial reporting, and (v) the Company's compliance with legal and regulatory requirements relating to accounting and financial reporting matters. The Audit Committee's duties also include certain risk management activities and preparing the report required by the SEC proxy rules to be included in the Company's annual proxy statement. The Audit Committee held ten meetings during fiscal year 2010. The board of directors has determined that Messrs. Michael and Mueller are audit committee financial experts, as defined by SEC rules.

Management Development and Compensation Committee. The Management Development and Compensation Committee is composed of directors Carmona, Friedman, Harad (chair) and Matschullat. Effective November 16, 2010, Mr. Michael will be joining the Management Development and Compensation Committee. The Management Development and Compensation Committee reviews and approves the policies under which compensation is paid or awarded to the Company's executive officers, determines executive compensation, grants stock options, restricted stock, performance units and other cash or stock awards under the Company's executive incentive compensation and stock incentive plans, and reviews pension and other retirement plans. In addition, the Management Development and Compensation Committee oversees, with involvement of the full board of directors, the Company's management development and succession planning processes. The Management Development and Compensation Committee held five meetings during fiscal year 2010.

Nominating and Governance Committee. The Nominating and Governance Committee is composed of directors Boggan (chair), Michael, Murley and Ticknor. The Nominating and Governance Committee has the functions set forth in its charter, including identifying and recruiting individuals qualified to become board of directors members, recommending to the board of directors individuals to be selected as director nominees for the next Annual Meeting of Stockholders, reviewing and recommending to the board of directors changes in the Company's Governance Guidelines, including changes relating to the board of directors, and overseeing the Company's compliance program and activities, including the Company's compliance with legal and regulatory requirements relating to matters other than accounting and financial reporting matters. The Nominating and Governance Committee held five meetings during fiscal year 2010.

The Company's Governance Guidelines, which are explained below, describe the attributes that the board of directors seeks in nominees. In assessing potential new directors, the Nominating and Governance Committee will consider individuals from various disciplines and diverse backgrounds. While the board of directors has not established any specific minimum qualifications that a potential nominee must possess, director candidates are considered based upon various criteria, including their broad-based business skills and experience, prominence and reputation in their profession, global business and social perspective, concern for the long-term stockholder interests and personal integrity and judgment – all in the context of an assessment of the perceived needs of the board of directors at that point in time. The ability of incumbent directors to contribute to the board of directors is considered in connection with the renominating process.

Evaluation of Qualifications and Experience

In the evaluation of nominees for the board of directors, the Nominating and Governance Committee has identified the following skills and experiences, among others, that are important in creating a diverse and well-rounded board of directors:

Significant Current or Prior Leadership Experience (such as service as a chief executive officer, other executive officer or other significant leadership role): enables important contributions to strengthening the Company's leadership, management expertise, operations, strategy, growth and long-range plans.

Leadership Experience on Public Company, Non-Profit or Other Boards: prepares directors to take an active leadership role in the oversight and governance of the Company.

Knowledge of the Company's Business, Consumer Packaged Goods or Other Complementary Industry: enables enhancement of and contributions to the Company's strategy and position in the Company's industry.

Experience in Product Development, Marketing, Supply Chain Management or Other Relevant Areas: facilitates support and contributions to the Company's strategy, development of products, effective marketing to consumers and the Company's business operations.

Relevant Retail Experience: provides insights and contributions to enhancing relations and results with the Company's customer and consumer base.

International Experience: provides insights and ability to contribute to the Company's increasing global business strategy.

Financial and Accounting Expertise: enables 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): enables meaningful contributions on matters relating to the regulatory environment, including in the area of health and wellness.

Diversity

Consistent with the Company's Governance Guidelines, the board of directors recognizes the value in diversity and endeavors to assemble a board of directors with diverse skills, professional experience, perspectives, points of view, race, ethnicity, gender and cultural background. The Nominating and Governance Committee assesses the effectiveness of efforts to assemble a diverse board of directors by examining the overall composition of the board of directors and evaluating how a particular director candidate can contribute to the overall success of the board of directors.

The Nominating and Governance 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 SEC rules and regulations) regarding the candidate, should be submitted to The Clorox Company, c/o Secretary, 1221 Broadway, Oakland, CA 94612-1888. The Nominating and Governance Committee evaluates candidates suggested by stockholders in the same manner as other candidates.

Board Committee and Meeting Attendance

The board of directors held seven meetings during fiscal year 2010. All directors attended at least 75% of the meetings of the board of directors and committees of which they were members during fiscal year 2010.

Annual Meeting Attendance of Directors

The policy of the Company is that all board members are expected to attend the Annual Meeting of Stockholders. Each member of the board of directors attended the Company's 2009 Annual Meeting of Stockholders held on November 18, 2009.

The Clorox Company Governance Guidelines and Director Independence

The board of directors has adopted Governance Guidelines which can be found in the Corporate Governance section on the Company's website www.TheCloroxCompany.com/company/governance_guidelines.html, and are available in print to any stockholder who requests them from The Clorox Company, c/o 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 of directors and the board committees and set forth Chief Executive Officer ("CEO") evaluation and succession requirements. The Governance Guidelines are reviewed annually by the Nominating and Governance Committee, which recommends changes to the board of directors as appropriate.

The Governance Guidelines emphasize and describe the oversight role of the board of directors and identify various criteria for board members intended to ensure that membership on the board of directors consists of individuals who can, on the basis of their knowledge and experience, make valuable contributions to the overall conduct of the business. The Governance Guidelines currently provide for a combined Chairman and CEO position with an independent director serving as a lead director and outline various responsibilities for the lead director, which are described more fully below under "Board Leadership Structure." The Governance Guidelines also include provisions relating to board meetings, including the number of and materials for meetings and executive sessions, outside board service, ethics and conflicts of interest, stock ownership and retention requirements, orientation and continuing education, compensation, mandatory retirement and access to management and other employees. The Governance Guidelines require that the lead director and all independent directors provide input to the Management Development and Compensation Committee in connection with the Committee's annual evaluation of the CEO of the Company. The Governance Guidelines also require that the board of directors undertake ordinary-course and emergency succession planning for the CEO.

Finally, the Governance Guidelines provide that a majority of the board of directors must consist of independent directors. The board of directors determines whether individual board members are independent, as defined by the New York Stock Exchange, using the following standards:

1. A director will not be deemed to be independent if the director is, or has been within the preceding three years, an employee of the Company, or an immediate family member is, or has been within the preceding three years, an executive officer of the Company, provided, however, that employment as an interim chairman, interim CEO or other interim executive officer does not disqualify a director from being considered independent following that employment.

2. A director will not be deemed to be independent if, during any 12-month period within the preceding three years, the director or an immediate family member received more than $120,000 in direct compensation from the Company, other than director and committee fees, pension or other forms of deferred compensation for prior service (provided that such compensation is not contingent in any way on continued service), provided, however, that compensation for former service as an interim chairman or interim CEO or other interim executive officer, compensation received by an immediate family member for service as an employee (other than an executive officer) of the Company, or dividends on Company stock beneficially owned by the director need not be considered in determining independence under this test.

3. A director will not be deemed to be independent if: (i) the director, or an immediate family member, is a current partner of the firm that is the Company's independent registered public accounting firm; (ii) the director is a current employee of such firm; (iii) an immediate family member of the director is a current employee of such firm who works on the Company's audit; or (iv) the director or an immediate family member was within the preceding three years (but is no longer) a partner or employee of such firm and personally worked on the Company's audit within that time.

4. A director will not be deemed to be independent if, within the preceding three years: (i) the director or an immediate family member is or was employed as an executive officer of another company where any of the Company's present executive officers at the same time serves or served on that company's compensation committee; or (ii) the director is a current employee, or an immediate family member is a current executive officer, of another company that has made payments to or received payments from the Company for property or services that, in any of the preceding three fiscal years, exceeded two percent or $1 million, whichever is greater, of such other company's consolidated gross revenues.

5. A director may be considered independent notwithstanding that the director owns, or is a partner, stockholder, officer, director or employee of an entity that owns, not more than 30% of the outstanding stock of the Company unless the director or the entity owning the Company's stock has a relationship with the Company that, under paragraphs 1 through 4 above or otherwise, precludes a finding of independence.

6. A director will not be deemed independent if the director serves, or an immediate family member serves, as an executive officer of a tax exempt organization that received contributions from the Company or its Foundation, in any single fiscal year within the preceding three years, more than the greater of $1 million or 2% of such organization's consolidated gross revenues.

For purposes of these criteria, "immediate family member" includes a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone, other than domestic employees, who shares such person's home.

The board of directors has determined that each of the Company's directors is independent under the New York Stock Exchange listing standards and the independence standards set forth in the Governance Guidelines except Mr. Knauss as a result of his service as the Company's CEO.

Related Party 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 at the Company's website athttp://www.cloroxcsr.com/conduct/. Additionally, the Company has a written policy regarding review and approval of related party transactions by the Nominating and Governance Committee ("Related Party Policy").

The Company's Related Party 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 (1) the aggregate amount involved will or may be expected to exceed $100,000 in any calendar year, (2) the Company is a participant, and (3) any Related Party has or will have a direct or indirect interest (other than solely as a result of being a director or a less than ten percent beneficial owner of another entity).

A "Related Party" is any (a) person who is or was (since the beginning of the last fiscal year for which the Company has filed a Form 10-K and proxy statement, even if such person does not presently serve in that role) an executive officer, director or nominee for election as a director, (b) greater than 5% beneficial owner of the Company's Common Stock, or (c) immediate family member of any of the foregoing. Immediate family member includes a person's spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person's home (other than a tenant or employee).

Under the Related Party Policy, if a new Interested Transaction is identified for approval, it is brought to the Nominating and Governance Committee to determine if the proposed transaction is reasonable and fair to the Company. The Nominating and Governance 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 Party Policy also contains categories of pre-approved transactions that the board of directors 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 Nominating and Governance 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 Party'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 Party, except that the director will provide all material information concerning the Interested Transaction to the Nominating and Governance Committee. There were no transactions considered to be an Interested Transaction during the Company's 2010 fiscal year.

Code of Conduct

The Company has adopted a Code of Conduct, which can be found in the Governance section under Company Information on the Company's website, http://www.cloroxcsr.com/conduct/, or obtained in print by contacting The Clorox Company, c/o Secretary, 1221 Broadway, Oakland, CA 94612-1888. The Code of Conduct applies to all of the Company's employees, including executives, contractors and directors. We also have established a separate Supplier Code of Conduct outlining our standards and expectation of our business partners, which can be found at http://www.cloroxcsr.com/business-partners.

Board of Directors Leadership Structure

The board of directors believes that it is in the best interests of the Company and its stockholders for the board of directors to make a determination on whether to separate or combine the roles of Chairman and CEO based upon the Company's circumstances at any particular point in time. The Nominating and Governance Committee regularly reviews the leadership structure to determine if it is in the best interests of the Company and stockholders. Currently, the positions of Chairman and CEO are combined and held by Mr. Knauss. Mr. Knauss's in-depth knowledge of the Company's strategic priorities and operations enables him to facilitate effective communication between management and the board of directors and see that key issues and recommendations are brought to the attention of the board of directors, providing an effective leadership structure. Having the CEO serve as the Chairman also helps to ensure that the CEO understands and can effectuate the recommendations and decisions of the board of directors.

Because the board of directors also believes that independent leadership is important, the board of directors has established the position of lead director. An independent director, Mr. Gary Michael, has been designated as the lead director of the Company. The lead director is elected annually by and from the independent directors with clearly delineated and comprehensive duties and responsibilities and must have served as a director for a minimum of one year in order to qualify as the lead director. The duties of the lead director, which are also included in the Governance Guidelines, include: leading the activities of the independent directors; evaluating, along with the members of the Management Development and Compensation Committee and the other independent directors, the performance of the CEO; and providing feedback to the CEO and management in order to effectuate the decisions and recommendations of the independent directors. In addition, the lead director: (i) assists the board of directors and the Company's officers in promoting compliance with and implementation of the Governance Guidelines; (ii) presides at the executive sessions of the independent directors and has the authority to call additional executive sessions or meetings of the independent directors; (iii) presides at meetings of the board of directors in the Chairman's absence; (iv) approves information sent to the board of directors by management; (v) approves meeting agendas and approves meeting schedules for the board of directors to assure that there is sufficient time for discussion of all agenda items; and (vi) consults and directly communicates with major stockholders, if requested.

In addition, ten of the Company's eleven directors are "independent" as defined by the New York Stock Exchange rules. The board of directors believes that a single leader serving as Chairman and CEO, together with the Company's predominantly independent board of directors and independent lead director, promotes effective governance. Accordingly, the board of directors has determined that, under the present circumstances, the current leadership structure is in the best interests of the Company and its stockholders.

The Board of Director's Role in Risk Management Oversight

The Company's board of directors 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 of directors, the management of the Company has developed an enterprise risk management (ERM) process, whereby management identifies the top individual risks that the Company faces with respect to its business, operations, strategy and other factors after interviews with key business and functional leaders in the Company and review of external information. In addition to evaluating various key risks, management identifies ways to mitigate and manage such risks. At least annually, management reports on and discusses the identified risks and risk mitigation and management efforts with the board of directors. The board of directors allocates 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; the Management Development and Compensation Committee reviews the risks related to the executive compensation structure; and the Finance Committee reviews risks related to financial risk management, such as foreign currency exchange, hedging arrangements or interest rate exposure. 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 entire board of directors to facilitate proper risk oversight by the entire board of directors.

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 both incentivize 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 ten years;
- Caps on executive and non-executive incentive plans, which protect against the possibility that executives take short-term actions to maximize bonuses that are not supportive of long-term objectives;
- Metrics under the executive annual incentive plan ("AIP") that are equally weighted between Net Customer Sales and Economic Profit, which discourages revenue generation at the expense of profitability and vice versa;
- Claw-back 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' and long-term stockholder interests.

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

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 board of directors' affairs and the CEO's performance.

BENEFICIAL OWNERSHIP OF VOTING SECURITIES

The following table shows, as of July 30, 2010, 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 five 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:

Name of Beneficial Owner (1)	Amount and Nature of Beneficial Ownership (2)	Percent of Class (3)
BlackRock, Inc. (4) 40 East 52nd Street New York, NY 10022	10,123,149	7.24
Daniel Boggan, Jr.	9,241	*
Richard H. Carmona	0	*
Tully M. Friedman	38,305	*
George J. Harad	9,000	*
Daniel J. Heinrich	169,899	*
Donald R. Knauss	602,560	*
Robert W. Matschullat	11,324	*
Gary G. Michael	12,651	*
Edward A. Mueller	0	*
Jan L. Murley	20,564	*
Lawrence S. Peiros	354,438	*
Beth Springer	203,420	*
Frank A. Tataseo	278,099	*
Pamela Thomas-Graham	8,796	*
Carolyn M. Ticknor	8,000	*
All current directors and executive officers as a group (23 persons) (5)	2,623,150	2.0

* Does not exceed 1% of the outstanding shares.

(1) Correspondence to all executive officers and directors of the Company may be mailed to The Clorox Company, c/o Secretary, 1221 Broadway, Oakland, CA 94612-1888.

(2) 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 30, 2010, or with respect to which such persons have shared voting or dispositive power: Mr. Boggan – 8,000 options; Mr. Friedman – 10,000 options and 28,200 shares held by Tully M. Friedman Revocable Trust; Mr. Harad – 8,000 options and shared voting and dispositive power with respect to 1,000 shares held jointly with spouse; Mr. Heinrich – 163,720 options and shared voting and dispositive power with respect to 6,007 shares held in family trust; Mr. Knauss – 533,437 options and shared voting and dispositive power with respect to 35,738 shares held in family trust; Mr. Matschullat – 10,000 options; Mr. Michael – 6,000 options; Ms. Murley – 16,000 options; Mr. Peiros – 311,587 options and shared voting and dispositive power with respect to 42,258 shares held in family trust; Ms. Springer – 185,920 options and shared voting and dispositive power with respect to 17,500 shares held in family trust; Mr. Tataseo – 253,792 options and shared voting and dispositive power with respect to 24,307 shares held in family trust; Ms. Thomas-Graham – 8,000 options; Ms. Ticknor – 8,000 options; and all current directors and executive officers as a group – 2,343,697 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 deferred stock units granted in December 1995 in exchange for the cancellation of certain restricted stock, and deferred stock unit dividends thereon: Mr. Peiros – 14,089; Mr. Tataseo – 15,134; and all current executive officers as a group – 29,223. 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: Mr. Boggan – 22,008; Dr. Carmona –

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5,030; Mr. Friedman – 30,188; Mr. Harad – 13,690; Mr. Matschullat – 55,027; Mr. Michael – 9,617; Mr. Mueller – 9,354; Ms. Murley – 12,271; Ms. Thomas-Graham – 8,367; and Ms. Ticknor – 13,847. 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. Heinrich – 36,734; Mr. Peiros – 34,070; Ms. Springer – 19,645; Mr. Tataseo – 7,500; and all current executive officers as a group – 170,147.

(3) On July 30, 2010, there were 138,931,910 shares of Common Stock outstanding.

(4) Based on information contained in a report on Form 13G filed with the SEC, BlackRock, Inc. reported, as of December 31, 2009, sole voting and dispositive power with respect to these shares.

(5) Pursuant to Rule 3b-7 of the Securities Exchange Act of 1934, executive officers include the Company's current CEO and all current executive vice presidents and senior vice presidents.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out the number of shares of Common Stock to be issued upon exercise of outstanding options, warrants and rights, the weighted-average exercise price of outstanding options, warrants and rights, and the number of securities available for future issuance under equity compensation plans as of June 30, 2010.

Plan category	[a] Number of securities to be issued upon exercise of outstanding options, warrants and rights (in thousands)	[b] Weighted-average exercise price of outstanding options, warrants and rights	[c] Number of securities remaining for future issuance under non-qualified stock-based compensation programs (excluding securities reflected in column [a]) (in thousands)
Equity compensation plans approved by security holders	11,742	$52	3,600
Equity compensation plans not approved by security holders	—	—	—
Total	11,742	$52	3,600

Column [a] includes the following (in thousands):

- 10,011 stock options outstanding
- 1,551 performance units and deferred shares
- 180 deferred stock units for non-employee directors

AUDIT COMMITTEE REPORT

The Audit Committee assists the board of directors in fulfilling its responsibility for oversight of the quality and integrity of the accounting, auditing and reporting practices of the Company. The Audit Committee operates in accordance with a written charter, which was adopted by the board of directors. A copy of that charter is available on the Company's website atwww.TheCloroxCompany.com/company/charters.html, or in print by contacting The Clorox Company, c/o Secretary, 1221 Broadway, Oakland, CA 94612-1888. Each member of the Audit Committee is "independent," as required by the applicable listing standards of the New York Stock Exchange and the rules of the SEC.

The Audit Committee members are not professional accountants or auditors, and their functions are not intended to duplicate or to certify the activities of management or the Company's independent registered public accounting firm. The Audit Committee oversees the Company's financial reporting process on behalf of the board of directors. The Company's management has primary responsibility for the financial statements and reporting process, including the Company's internal control over financial reporting. The independent registered public accounting firm is responsible for performing an integrated audit of the Company's financial statements and internal control over financial reporting in accordance with the auditing standards of the Public Company Accounting Oversight Board.

In fulfilling its oversight responsibilities, the Audit Committee reviewed and discussed with management the audited financial statements to be included in the Annual Report on Form 10-K for the fiscal year ended June 30, 2010. This review included a discussion of the quality and the acceptability of the Company's financial reporting and system of internal controls, including the clarity of disclosures in the financial statements. The Audit Committee also reviewed and discussed the audited financial statements of the Company for the fiscal year ended June 30, 2010, with the Company's independent registered public accounting firm, their judgments as to the quality and acceptability of the Company's financial reporting, and such other matters as are required to be discussed by Statement on Auditing Standards No. 61, as amended and as adopted by the Public Company Accounting Oversight Board.

The Audit Committee obtained from the independent registered public accounting firm the written disclosures and the letter from the auditors required by the applicable requirements of the Public Company Accounting Oversight Board regarding communications with the Audit Committee concerning independence of the auditor and discussed with the auditors their independence. The Audit Committee meets periodically with the independent registered public accounting firm, with and without management present, to discuss the results of the independent registered public accounting firm's examinations and evaluations of the Company's internal control and the overall quality of the Company's financial reporting.

Based upon the review and discussions referred to above, the Audit Committee recommended to the board of directors that the Company's audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2010, for filing with the SEC.

THE AUDIT COMMITTEE

Edward A. Mueller, Chair
Gary G. Michael
Jan L. Murley
Pamela Thomas-Graham
Carolyn Ticknor

Fees of the Independent Registered Public Accounting Firm

The table below includes fees related to fiscal years 2010 and 2009 of the Company's independent registered public accounting firm, Ernst & Young LLP:

	2010	2009
Audit Fees (1)	$3,895,000	$4,046,000
Audit-Related Fees (2)	1,482,000	1,713,000
Tax Fees (3)	49,000	99,000
All Other Fees (4)	—	—
Total	$5,426,000	$5,858,000

(1) Consists of fees for professional services rendered for the audit of the Company's annual financial statements and internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002, included in the Company's Annual Reports on Form 10-K for each of the fiscal years ended June 30, 2010 and June 30, 2009, and for review of the financial statements included in the Company's Quarterly Reports on Form 10-Q during each of those fiscal years.

(2) Consists of fees for assurance and related services (including audits of one of the Company's business units, the Company's joint venture and employee benefit plans) not included in the Audit Fees listed above.

(3) Consists of fees for tax compliance, tax advice and tax planning for each of the fiscal years ended June 30, 2010 and June 30, 2009. These services included tax return preparation and review services for foreign subsidiaries and affiliates and advisory services on tax matters.

(4) Consists of fees for all other services not included in the three categories set forth above. There were no such services in fiscal years 2010 and 2009.

The Audit Committee has established a policy that requires it to approve all services provided by the Company's independent registered public accounting firm before services are provided. The Audit Committee has pre-approved the engagement of the independent registered public accounting firm for audit services, and certain specified audit-related services and tax services within defined limits. The Audit Committee has not pre-approved engagement of the independent registered public accounting firm for any other non-audit services.

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides information about the overall objectives of our executive compensation program and explains how and why we arrived at the levels and forms of compensation for our "named executive officers," who are our:

- Chairman and Chief Executive Officer ("CEO")
- Executive Vice President and Chief Operating Officer – Clorox North America
- Executive Vice President – Strategy & Growth, Auto Care, Away from Home
- Executive Vice President – Chief Financial Officer ("CFO")
- Executive Vice President – International & Natural Personal Care

This Compensation Discussion and Analysis should be read in conjunction with the Summary Compensation Table and the other compensation tables and narratives included in this proxy statement.

Our Executive Compensation Program Philosophy

We seek to compensate our executives in a manner that will drive the success of our business, and, in turn, increase stockholder value on a long-term, sustainable basis. Consistent with this philosophy, we have designed our executive compensation program to accomplish the following:

1. Attract, Retain and Motivate Talented Executives. We have designed our compensation program to be competitive with the organizations with which we compete for talent in order to attract, retain and motivate high-performing executives.

2. Pay for Performance. We have designed our executives' compensation to reward performance and the achievement of the Company's short- and long-term goals. As executives assume positions of greater responsibility, a larger portion of their total compensation is at-risk incentive compensation (both annual incentives and long-term incentives) to more strongly link pay to performance.

3. Create Stockholder Alignment. We have aligned the interests of our executive officers with the interests of our stockholders through the use of long-term equity-based incentives and stock ownership guidelines that facilitate a culture of ownership and reward executive officers for sustained and superior performance as measured by operating results and stockholder return.

4. Ensure Financial Efficiency. We strive to ensure that our executive compensation program is financially efficient and results in a reasonable level of cost and potential share dilution as compared with industry peers. We have designed our incentive plans to ensure that costs are appropriately supported by performance and that payouts qualify as performance-based compensation and thus are tax deductible to the Company, under Internal Revenue Code ("IRC") Section 162(m) ("Section 162(m)"), to the extent possible.

5. Risk Management Considerations. We design our compensation program to motivate our executives to pursue objectives that create long-term stockholder value and reward prudent business judgement and appropriate risk taking over the long term, while discouraging behavior that could lead to excessive risk. We do this by balancing our fixed and at-risk pay (both annual and long-term incentives) and choosing financial metrics that we believe drive long-term stockholder value as the basis for payouts under our incentive plans. In addition, we maintain policies that act as risk mitigators, such as our long-standing stock ownership and clawback policies, which encourage the creation of long-term value.

Overview of How Compensation Decisions are Made

The Management Development and Compensation Committee of our board of directors (the "MDCC"), which is comprised entirely of independent directors as required by our Governance Guidelines and the NYSE listing standards and consistent with Securities and Exchange Commission ("SEC") Rule 16b-3, reviews the design and implementation of our executive compensation program and provides the full board of directors regular reports of its discussions and actions. In 2008, pursuant to its charter, the MDCC delegated authority to a subcommittee (the "Subcommittee," collectively with the MDCC, the "Committee") with respect to certain compensation actions for our executive officers. The Subcommittee is comprised of directors Carmona, Friedman and Harad.

Although the board of directors has determined that all members of the Committee are "independent," consistent with our Governance Guidelines and the NYSE listing standards, based on Robert W. Matschullat's service as interim CEO from May 2006 until October 2006 and Internal Revenue Service ("IRS") guidance, the full Committee has determined that he may not qualify as an "outside director" for purposes of Section 162(m). Therefore, the full Committee has delegated to the Subcommittee the authority to take the actions required under Section 162(m) in order for performance-based compensation to be fully deductible by the Company for income tax purposes. The purpose of the Subcommittee is to ensure that at all times there is a board committee comprised solely of two or more (i) "outside directors" (as defined in the regulations promulgated pursuant to Section 162(m)) and (ii) "non-employee directors" (as defined in Rule 16b-3 promulgated pursuant to the Securities Exchange Act of 1934). The Subcommittee is responsible for the performance from time to time (as requested by the full Committee) of duties that require action by a compensation committee comprised solely of two or more "non-employee directors" and/or two or more "outside directors," including the grant of awards to executive officers under the Company's annual incentive and long-term incentive plans, and the responsibility to

establish any performance goals related to such awards or other performance-based compensation for executive officers of the Company. All other decisions related to executive compensation matters are made by the full Committee acting as a group.

The Committee makes decisions on compensation for the named executive officers based on its review of the Company's performance, individual performance, peer group data as described below, input and recommendations from the independent compensation consultant as described below and other factors, such as industry trends. The Committee receives input and recommendations from our CEO and our Senior Vice President – Human Resources & Corporate Affairs regarding the compensation package for each of the named executive officers, other than the CEO, based upon the level of achievement of the Company's target goals and individual performance. For CEO compensation decisions, the Committee receives input and recommendations from the independent compensation consultant described below. The named executive officers do not have a role in their own compensation determination except that the named executive officers, other than the CEO, discuss their individual performance objectives with the CEO. Each year, the full board of directors undertakes a performance management review process for the CEO. After the end of the fiscal year, the board of directors receives a performance evaluation form for the CEO and has the opportunity to assess his performance for the year. A summary of the performance evaluation results is then sent to each director prior to the meeting at which the CEO's compensation is determined. The entire board of directors has the opportunity to discuss the CEO's overall performance evaluation results. Based on input from the board of directors, the Committee then makes a final decision on the CEO's compensation. The CEO does not have a role in his own compensation determination other than to participate in the discussion with the board of directors regarding his performance.

Role of the Independent Compensation Consultant

When making compensation decisions, the Committee receives input from its independent compensation consultant, Frederic W. Cook & Co., Inc. The Committee has instructed Frederic W. Cook & Co., Inc. to provide advice and guidance on the amount and form of compensation for the executive officers based on executive compensation at other comparable consumer products companies, as well as relevant information about market practices and trends. Frederic W. Cook & Co., Inc. is retained directly by the Committee and neither it nor any of its affiliates has any other economic relationships with the Company. Frederic W. Cook & Co., Inc. reviews Committee meeting materials on behalf of the Committee and provides guidance to the Committee on compensation proposals including changes to named executive officers' compensation levels, the design of incentive plans, the setting of performance goals and the design of other forms of compensation and benefits programs. During fiscal year 2010, Frederic W. Cook & Co., Inc. attended all regularly scheduled meetings of the Committee.

Use of Peer Company Data

The Committee uses a peer group of 15 branded consumer products companies (our "compensation peer group") to provide it with competitive market rates of compensation for the Company's executive officers, including the named executive officers. This compensation peer group was selected by the Committee with the assistance of its independent compensation consultant. The compensation peer group is used to compare both the levels of compensation and the executive compensation practices within the consumer products industry. For fiscal year 2010, our compensation peer group was comprised of the following companies:

Alberto-Culver Company	The Hershey Company
Avon Products, Inc.	H.J. Heinz Company
The Black & Decker Corporation	Kellogg Company
Campbell Soup Company	Newell Rubbermaid Inc.
Church & Dwight Co., Inc.	Pactiv Corporation
Colgate-Palmolive Company	Revlon, Inc.
Del Monte Foods Company	S.C. Johnson & Son, Inc.
General Mills, Inc.	

In determining the compensation peer group, the Committee considers companies that hold leadership positions in branded consumer products, are of reasonably similar size as measured by revenue and market capitalization, compete with the Company for executive talent and have executive positions similar in breadth, complexity and scope of responsibility. The size of the compensation peer group has been determined with the goal of providing robust market data relevant to the executive officer positions at the Company. Each year, the Committee reviews the peer companies to ensure that they continue to meet the relevant criteria and makes adjustments to the compensation peer group, as appropriate. The only change to our compensation peer group for fiscal year 2010 was to remove Wm. Wrigley Jr. Company due to its acquisition.

For fiscal year 2010, management engaged Hewitt Associates as its compensation consultant to provide compensation data for positions in our compensation peer group that are comparable to that of our executive officers, including our named executive officers. The Committee's independent compensation consultant, Frederic W. Cook & Co., Inc., reviews this information and also performs an independent compensation analysis of the peer group data providing compensation data on the five highest paid and CFO positions, which it uses to advise the Committee on potential compensation actions, including the CEO's compensation. Although the Committee reviews each individual component of executive compensation, particular emphasis is placed on targeting total compensation at the median of our compensation peer group, which is defined as the amount up to 15% above or below the median of the respective market data for the most comparable position.

In determining the compensation decisions for the named executive officers, the Committee evaluates both the Hewitt Associates and Frederic W. Cook & Co., Inc. compensation analyses while also considering the individual's skill set relative to industry peers, experience and time in the position, criticality of the role and difficulty of replacement, individual performance and 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 at a prior employer. Due to these factors, target total compensation for individual named executive officers may vary above or below the median, as described above. Actual incentive plan payouts and, in turn, total realized compensation, may vary above or below the targeted total compensation level based on the Company's performance relative to its corporate financial and strategic goals as well as the Company's stock performance.

Use of Tally Sheets

The Committee annually reviews executive compensation tally sheets for each of our named executive officers. These tally sheets outline current total target compensation (including the elements described below), the potential wealth creation of long-term incentive awards under various assumed stock prices, and the potential value of payouts pursuant to applicable executive compensation plans under various termination scenarios. The Committee uses these tally sheets to help ensure that our executive compensation design is aligned with our overall compensation philosophy and that total compensation levels are appropriate.

Elements of the Executive Compensation Program

Our executive compensation program consists of base salary, annual incentives paid in the form of cash bonuses and long-term incentives consisting of stock option grants and grants of stock-based performance shares. Time-based restricted stock units as well as stock options are periodically used on a selective basis for special circumstances, such as retention, recognition or recruitment. In addition, indirect elements of the compensation program include retirement plans, post-termination compensation and perquisites, all of which serve to support our executive compensation philosophy. Compensation for each of our named executive officers, by element and in total, varies by position due to differing levels of experience and responsibility. The primary elements of our executive compensation program, the reasons we use them and certain characteristics are outlined below:

Element	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.

Element	Purpose	Characteristics
Long-Term Incentives (1)	Promote the achievement of the Company's long-term corporate financial goals and stock price appreciation.	Amounts earned under stock option and performance share grant awards will vary from the targeted grant-date fair value based on actual financial and stock price performance.
Retirement Plans	Provide replacement income upon retirement. Serves as a long-term retention incentive.	Fixed component; however, Company retirement contributions will vary based on pay, years of service and Company performance.
Post-Termination Compensation	Provide contingent payments to attract and retain named executive officers. Promote orderly succession for key roles.	Only payable if the named executive officer's employment is terminated under specific circumstances as described in the applicable employment agreement or severance plan.
Perquisites	Provide other benefits competitive with our compensation peer group and encourage executives to attend to their health and financial affairs.	Financial planning, Company automobile or car allowance, paid parking, annual executive physical and health club reimbursement.

(1) Payouts under the annual and long-term incentive plans are determined based on the achievement of pre-established objectives determined by the Committee at the beginning of the performance period. The performance period is one year for the annual incentive plan 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 according to principles set forth by the Committee that allow for adjustments in limited circumstances including, among other things, acquisitions, restructuring charges or significant changes to generally accepted accounting principles, and only if the adjustments result in a specified minimum financial impact to the Company.

Base Salary. In determining base salary levels for the CEO and other named executive officers, the Committee takes into consideration the factors outlined above in Use of Peer Company Data and generally seeks to establish base salaries for the CEO and other named executive officers at the median of our compensation peer group. After considering factors such as the executive's role, level of experience and sustained performance as well as the peer group market data, the Committee determined each named executive officer's base salary for fiscal year 2010. Changes in base salary are approved by the Committee in September and are effective in October of each year. In fiscal year 2010, the salary increases ranged from 0% to 4.0% with an average increase of 2.3%, which was in line with the average salary increase for the Company's entire employee population. The base salary for the CEO was not increased in order to provide for a larger portion of his target total compensation in variable, performance-based pay. For fiscal year 2010, all salaries for the named executive officers were generally aligned with the median as defined above. The actual amount of salary earned by our named executive officers in fiscal year 2010 is listed in the Salary column of the Summary Compensation Table.

Annual Incentives. On an annual basis, the Committee sets performance goals under the Company's Executive Incentive Compensation ("EIC") Plan that are designed to promote the achievement of the board-approved annual corporate financial and strategic performance goals. The EIC Plan provides annual incentive awards to the named executive officers based on the level of achievement of these annual performance goals and individual objectives.

To meet the requirements of IRC Section 162(m), maximum annual incentive award levels are based on earnings before income taxes achieved by the Company ("Company earnings"). The EIC Plan has a maximum award limit of 1.0% of Company earnings for the CEO and 0.6% of Company earnings for each of the other named executive officers. The Committee has discretion to reduce, but not to increase, incentive payments under the EIC Plan. The Committee has historically paid annual incentive awards that are substantially lower than the maximum EIC Plan award levels. The Committee reduces the maximum awards to the amount actually paid based on three factors – a target award for each named executive officer, the performance against predetermined Company financial and strategic performance goals and, the named executive officer's individual performance, based primarily on the performance of the operations or functions under the individual's responsibility. These factors are discussed below.

Each year, the Committee sets an annual incentive target level for each named executive officer as a percent of his or her salary. The annual incentive target level is generally set at the median of the most comparable positions in our compensation peer group. At the beginning of each fiscal year, the Committee also sets financial and strategic goals for the EIC Plan based on the operating plan and strategic initiatives approved by the board of directors. At the end of the year, the Committee conducts the following analysis:

- First the Committee reviews the results of the Company's performance against the financial goals set at the beginning of the year. When appropriate, the Committee takes into account other factors, such as stockholder return or underlying business performance during the year.
- The Committee then reviews the achievement of the strategic goals. Based on its subjective evaluation of these goals, the Committee determines the impact of the achievement of the strategic goals on the payout percentage based on the financial goals.
- Finally, the Committee may choose to adjust the payout either up or down, but not to an amount that would exceed the maximum permitted award level for each named executive officer, based upon consideration of individual performance.

The final individual EIC Plan payout is determined by the following formula:

Final individual EIC Plan payout = (Target Annual Incentive) x (Company Performance) x (Strategic/Individual Performance)

The table below outlines the targets (expressed as a percentage of base salary) for the fiscal year 2010 annual incentive awards. These annual incentive targets are generally at the median of bonus targets of the most comparable positions in our compensation peer group:

Named Executive Officer	Target Annual Incentive
Donald R. Knauss	120%
Lawrence S. Peiros	85%
Frank A. Tataseo	75%
Daniel J. Heinrich	75%
Beth Springer	75%

For fiscal year 2010, the Committee established annual financial goals that focused on increasing net customer sales and economic profit, as defined below. The Committee also established strategic goals that align with the Company's strategy as follows:

- Be a high-performance organization of enthusiastic owners – includes employee engagement and diversity targets;
- Win with superior capabilities in Desire, Decide and Delight – includes customer objectives, including targets related to product innovation, consumer product preference and share growth;
- Accelerate growth both in and beyond the core – includes organic and inorganic growth metrics; and
- Relentlessly drive out waste – includes targets for cost savings initiatives as well as measures to reduce the Company's environmental footprint.

The Committee and management agreed that focusing on the financial goals of net customer sales and economic profit, as well as the strategic goals, would drive sustainable growth in stockholder return. In selecting the metrics and setting the performance goals in the EIC Plan, the Committee carefully determines whether the goals appropriately align with those in the long-term incentive program so that the overall compensation design does not unintentionally encourage participants to take excessive risk or take actions that are inconsistent with the Company's short- and long-term strategic and financial objectives.

In fiscal year 2010, the financial goals for the EIC Plan, the potential percentage of target award payouts for achieving those goals, and the actual results as determined by the Committee were as follows:

Goal	Annual Incentive Financial Goals (in millions) 0% (minimum)	100% (target)	200% (maximum)	Actual
Net Customer Sales (weighted 50%)	$ 5,339	$ 5,504	$ 5,669	$5,534
Economic Profit (weighted 50%) (1)	$ 367	$ 407	$ 447	$ 433

(1) Economic profit (“EP”) is defined by the Company as earnings from continuing operations before income taxes, non-cash restructuring and asset impairment costs and interest expense, tax affected, and less a capital charge. The capital charge represents average capital employed by the Company, multiplied by the weighted-average cost of capital. Weighted-average cost of capital is the blended average of the cost of the Company’s debt and estimated cost of equity capital. Average capital employed represents a two-point average of adjusted capital employed for the current fiscal year and total capital employed for the prior fiscal year, based on year-end balances. Adjusted capital employed represents total capital employed adjusted to add back the current fiscal year’s non-cash restructuring and asset impairment costs. Total capital employed represents total assets less non-interest bearing liabilities. Additional information is provided in the Company’s Annual Report on Form 10-K (Exhibit 99.3) for the fiscal year ended June 30, 2010.

The fiscal year 2010 financial targets were established to drive both net customer sales and EP growth, in line with long-term financial goals. Assuming achievement of targets, net customer sales growth and EP growth would be approximately 1% and 8.3%, respectively. The net customer sales growth target was modest largely due to continued uncertainty of the impact of worldwide economic conditions on the Company. A relatively aggressive EP target was selected to appropriately incentivize management in line with longer term objectives and the Company’s strategy. In determining the payout for fiscal year 2010, the Committee reviewed the actual results based on the level of achievement of the net customer sales and EP target, and also considered total shareholder return during fiscal year 2010 as compared to our financial peer group as well as other factors. This led the Committee to reduce the financial payout from 134% of target, which was based on actual results achieved relative to net customer sales and EP targets, to 122% of target.

The Committee also assessed Company performance against the strategic goals described above. For fiscal year 2010, the Committee determined that all but one of the annual strategic goals were successfully achieved and, as a result, determined that the combined financial and strategic goal payout would be 140% of target. The payout level reflected the Company’s strong performance in share growth, consumer product preference and cost savings initiatives in a volatile economic environment. Highlights of the results of these strategic metrics are as follows:

- The Company grew its dollar share in both the United States and our International markets despite the worldwide economic conditions.
- The goal to obtain 40% of the Company’s sales from products consumers prefer over our competitors’ was exceeded by eight percentage points.
- All of the cost savings initiative targets were met or exceeded. For overall cost savings, the target of $125 million was exceeded by approximately $5 million.

As described above, the assessment of the strategic goals is subjective and the impact of the achievement of strategic goals on the financial percentage payout is not derived from a formulaic application.

The Committee also reviewed individual performance and adjusted the 140% payout for the named executive officers to reflect individual contributions. As a result, the total annual incentive payouts for the named executive officers range from 128% of target to 153% of target. The range in the payouts is primarily due to a subjective assessment of individual performance based on the results of the operations or functions under the responsibility of the named executive officer. The low end of the payout

range was for the Executive Vice President – Strategy & Growth, Auto Care, Away from Home, due to the business unit results of one of the operations under his responsibility during the fiscal year. The Executive Vice President and Chief Operating Officer – Clorox North America had very strong business results in both sales and share growth during the fiscal year in a challenging economic environment and therefore was awarded 146% of target. The high end of the range was awarded to the CEO due to his outstanding performance for the year, especially related to overall Company operations in a volatile worldwide economic market, his relationships with constituents and customers and continuing to drive results against the Company's strategy. The other named executive officers were awarded the 140% of target as described above.

The actual amount of annual incentive compensation earned by our named executive officers in 2010 is disclosed in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.

Long-Term Incentives. We provide annual long-term incentive compensation in the form of stock options and performance shares to our named executive officers because we believe these forms of compensation create strong alignment between our executives' interests and the interests of our stockholders. We also believe these incentive awards support the achievement of our long-term corporate financial goals.

The Committee, with the assistance of its independent compensation consultant, annually reviews the costs of and potential stockholder dilution attributable to our long-term incentive program versus that of our compensation peer group to ensure that the overall program is financially efficient and in line with that of our peers. In determining the total value of the long-term incentive opportunity for each named executive officer, the Committee reviews the compensation peer group data presented by both management and its independent compensation consultant on a position-by-position basis and considers recommendations by the CEO for the other named executive officers.

The Committee's goal is to establish long-term incentive award targets to be competitive with the median of the compensation peer group. Actual long-term incentive award target levels for individual named executive officers may vary above or below the median based on a variety of factors, such as the named executive officer's experience, criticality of the role, individual sustained performance and expected future contributions. Like the annual incentive awards, actual payouts under long-term incentive awards will vary from target based on whether the Company underperforms or outperforms its target goals. Individual performance is not considered in the actual payout of long-term incentives because the payout is based solely on the Company's achievement of financial targets. The value of actual payouts also will vary based on changes in Common Stock price. For fiscal year 2010, long-term incentive awards granted to the named executive officers were generally at the median of the compensation peer group.

As in prior years, for fiscal year 2010 the Committee determined that the named executive officers would receive 50% of the value of their total annual long-term incentive awards in stock options and 50% in performance shares. The Committee selected this mix of equity awards to support several important objectives, including compensating named executive officers for achievement of long-term goals tied to the business strategy through the use of performance shares, rewarding named executive officers for sustained increases in the Common Stock price, enhancing retention by mitigating the impact of Common Stock price fluctuations, and calibrating the overall cost of the program so it is aligned with compensation realized by named executive officers and performance delivered to stockholders. In addition, annual grants of long-term incentives are intended to be competitive with those of our compensation peer group. The Committee does not consider the amount of outstanding stock options, performance shares and restricted stock currently held by a named executive officer when making annual awards of stock options and performance shares because such amounts represent compensation attributable to prior years.

The following provides details on the types of long-term incentives awarded to our named executive officers:

Performance Shares. Performance shares are grants of restricted stock units that vest after a 36-month performance period only if the predetermined financial performance goals are met by the Company. We believe that performance shares align the interests of our named executive officers with the interests of our stockholders because the number of shares earned and the shares' potential value is tied to the achievement of the Company's long-term financial goals.

For grants made in fiscal years 2008 through 2010, the Committee established an objective measure of cumulative operating profit at the beginning of the performance period to determine the performance level that would allow for the maximum possible award payout of 150% of the target number of shares granted. The Committee also determined specific goals for the performance

period based on cumulative economic profit ("cumulative EP"). In selecting the metrics and setting the performance goals for the performance shares, the Committee carefully determines whether the goals are appropriately aligned with those in the EIC Plan so that the overall compensation design does not unintentionally encourage participants to take excessive risk or take actions that are inconsistent with the Company's short- and long-term strategic and financial objectives.

The performance share payout is subject to achievement of the threshold cumulative operating profit target at the end of the performance period. If the cumulative operating profit is not attained, the entire award opportunity is forfeited. If the threshold operating profit target is met, the actual payout is determined as a percentage of the target award opportunity based on the cumulative EP target. Payouts range from zero, in the event the minimum required financial goals are not met, to a maximum of 150% of the target number of shares granted to each individual, with a payout of 50% of the target number of shares when the minimum cumulative EP goal and the threshold cumulative operating profit goal are attained.

For the fiscal year 2010 grant, the Committee set the financial targets for the performance period from July 2009 through June 2012. The cumulative operating profit threshold target is $3,115 million and cumulative EP is a specified percentage of growth. The Committee set the specific cumulative EP targets, including the minimum, target and maximum payout levels, to align with our long-term financial goals. A target payout of 100% would require economic profit growth of approximately 7% per year during the performance period. The Committee believes this metric directly supports the Company's corporate strategy and long-term financial goals and correlates to stock price performance.

In August 2009, the Committee certified the results of the fiscal year 2007 grant. The financial targets for this grant were based on cumulative operating profit of $2,385 million and an average return on invested capital ("ROIC") goal over the three-year performance period of 14.5%. The cumulative operating profit of $2,773 million exceeded the threshold target and the Committee approved the maximum payout level of 150% based on ROIC results of 15.7%. Information regarding the vesting of these performance shares is shown in the Option Exercises and Stock Vested table.

In August 2010, the Committee certified the results of the fiscal year 2008 grant. The financial targets for this grant were based on cumulative operating profit of $2,653 million and a cumulative EP goal over the three-year performance period of $1,157 million. The cumulative operating profit result of $2,991 million exceeded the threshold target and the Committee approved a payout level of 109% based on cumulative EP results of $1,171 million. Because this grant vested prior to the date of the proxy statement filing, specific information regarding the vesting of these performance shares can be found in the Outstanding Equity Awards table and will also be included in next year's proxy statement.

Stock Options. We believe stock options align the interests of named executive officers with those of stockholders because stock options only have value if the price of the Company's stock increases after the stock options are granted. Stock options vest at the rate of one-fourth per year over four years (beginning one year from the date of grant) and expire 10 years from the date of grant. In fiscal year 2010, the Committee awarded stock options to our named executive officers as part of our annual long-term incentive plan. The stock option exercise price for these stock options was equal to the closing price of the Common Stock on the date of grant. Information on all stock option grants is shown in the Grants of Plan-Based Awards table.

Retirement Plans. The named executive officers participate in the same defined-benefit pension and defined-contribution benefit programs available to all other United States based salaried and non-union hourly employees. The Company's retirement plans are designed to provide replacement income upon retirement and to be competitive with programs offered by our peers. We balance the effectiveness of these plans as a compensation and retention tool with the cost to the Company of providing them. The Company provides these retirement benefits under The Clorox Company Pension Plan and The Clorox Company 401(k) Plan, which includes a profit sharing provision known as Value Sharing.

In addition, because the IRC limits the amount of benefits that can be contributed to and paid from a tax-qualified retirement plan, the Company also provides our executive officers, including our named executive officers, with additional retirement benefits intended to restore amounts that would otherwise be payable under the Company's tax-qualified retirement plans if the IRC did not have limits on includable compensation and maximum benefits. We call these restoration plans because they restore executive benefits to the same percentage level provided to our salaried employees who are not limited by IRC restrictions. These plans use the same benefit formulas, the same types of compensation to determine benefits, and the same vesting requirements as our tax-

qualified retirement plans. These restoration retirement benefits, which include the cash balance restoration and the Value Sharing restoration benefits, are an unfunded, unsecured obligation of the Company and are described under Nonqualified Deferred Compensation set forth below.

The Company also offers the Supplemental Executive Retirement Plan ("SERP") to our executive officers, including our named executive officers. This plan was closed to new participants effective April 2007. Benefits are determined based on age and years of service and are offset by the annuity value of Company contributions to the tax-qualified retirement plans and by Social Security. The benefit formula under this plan is described under Overview of Pension Benefits. We believe the SERP is a strong retention tool because participants are not eligible for a full benefit if they leave the Company prior to reaching age 65 with at least 15 years of service. Participants attaining age 55 with at least ten years of service are eligible to receive a benefit that is actuarially reduced from that available upon retirement at age 65. Mr. Knauss, our CEO, participates in an additional SERP as part of his employment agreement with the Company to compensate for the loss of retirement benefits at his prior employer (the "replacement SERP"). Information regarding the Company's SERP and the replacement SERP for our CEO is described in the Overview of Pension Benefits.

Nonqualified Deferred Compensation. We offer a Nonqualified Deferred Compensation Plan ("NQDC") to help executive officers, including our named executive officers, save for retirement and to be competitive with general market practice. Under the NQDC, our named executive officers may voluntarily defer the receipt of salary and annual incentive awards in amounts up to 50% of base salary and 100% of annual incentive awards. Deferred amounts can be invested in accounts that mirror the gains or losses of the S&P 500 index and/or the 30-year Treasury Bond yield, or the rate specified by the IRS for use where the 30-year bond rate would otherwise apply. In addition, as noted above, the NQDC permits the Company to contribute amounts that exceed the IRC compensation limits in the tax-qualified plans through the cash balance restoration and Value Sharing restoration provisions. The NQDC is an unfunded and unsecured obligation of the Company, meaning that payments of participant balances in the plan are not guaranteed if the Company becomes insolvent or bankrupt. Details about the plans and accumulated balances are described in the Pension Benefits Table and Nonqualified Deferred Compensation section.

Post-Termination Compensation. Prior to 2009, the Company had entered into evergreen employment agreements with its named executive officers. As part of the Company's ongoing review of executive compensation market trends and practices, in July 2009 the Company issued notices of non-renewal to all of its named executive officers other than the CEO, with evergreen employment agreements. As a result of the notices of non-renewal, these employment agreements were set to expire as of July 31, 2011 (the "Expiration Date"). At the end of fiscal year 2010, these named executive officers elected to revoke their employment agreements prior to the Expiration Date in favor of obtaining coverage under a new Severance Plan for Clorox Executive Committee Members (the "Severance Plan"). Under the Severance Plan, the Company provides these named executive officers with post-termination payments in the event such named executive officer's employment is terminated by the Company other than for cause. These payments help mitigate economic hardship associated with unexpected termination. The aggregate, reduced benefits under the Severance Plan reflect current market trends and practices, and, by implementing the use of a Severance Plan instead of employment agreements, the Committee has more flexibility to make changes to the severance benefits in the future based on business needs and executive compensation trends and practices. The Committee also reviewed the CEO's employment agreement and entered into a new employment agreement with the CEO in May 2010, which also provides for reduced severance benefits. See Potential Payments Upon Termination or Change in Control for additional information.

Perquisites. We provide named executive officers with other benefits we believe are competitive with our compensation peer group and consistent with the Company's overall executive compensation program. These benefits are reflected in the All Other Compensation column in the Summary Compensation Table. We believe these benefits allow our named executive officers to work more efficiently and, in the case of the financial planning program, help them optimize the value received from our compensation and benefits programs. These perquisites consist of a company automobile or car allowance, paid parking at the Company's headquarters, an annual executive physical, reimbursement for health club membership and financial planning. The value of perquisites provided to our named executive officers is shown in a separate table in a footnote to the All Other Compensation column of the Summary Compensation Table.

Executive Compensation Policies

Stock Award Granting Practices. The Company awards annual long-term incentive grants each September at a regularly scheduled meeting of the Committee, which typically occurs during the third week of the month, or about six weeks after the Company has publicly reported its annual earnings. The meeting date is the effective grant date for the awards, and the exercise/ grant price is equal to the closing price of the Common Stock on that date.

The Committee also may make occasional grants of stock options and other equity-based awards at other times to recognize, retain or recruit executive officers. These grants are approved by the Committee on or before the grant date, which is determined based on the timing of the triggering event. The exercise/grant price is the closing price of the Common Stock on the effective date of the grant. The Committee must approve all equity grants to executive officers of the Company, including named executive officers.

All long-term incentive grants are made pursuant to the terms set forth in The Clorox Company 2005 Stock Incentive Plan.

Executive Stock Ownership Guidelines. To preserve the linkage between the interests of executive officers of the Company and stockholders, all executive officers, including the named executive officers, are expected to establish and maintain a significant level of direct stock ownership. This can be achieved in a variety of ways, such as by retaining stock received upon the exercise of stock options or the vesting of stock awards or purchasing stock in the open market. The minimum required ownership levels are Common Stock having a value equal to a required multiple times the annual base salary for the named executive officers. The current stock ownership level guidelines are as follows:

Chief Executive Officer	4x annual base salary
Clorox Executive Committee (other than the CEO)	3x annual base salary
Other Senior Executives	2x annual base salary

As of the date of this filing, all of the named executive officers have met the required ownership levels.

Retention ratios – Executive officers, including named executive officers, are required to retain a certain percentage of shares obtained upon the exercise of stock options or the release of restrictions on full-value equity awards, after satisfying applicable taxes. The CEO is expected to retain 75% of shares acquired until the minimum ownership level is met. After attaining the minimum ownership level, the CEO must retain 50% of any additional shares acquired until retirement or termination. Other named executive officers must retain 75% of shares acquired until the minimum required ownership levels are met and thereafter must retain 25% of shares acquired for one year after receipt.

Ownership levels are based on shares of Common Stock owned by the named executive officer or held pursuant to Company plans. Stock options are not counted in determining ownership levels and shares that have not vested due to time or performance restrictions also are excluded from the ownership guidelines. Named executive officers are required to achieve ownership levels over time through the ongoing retention ratios associated with the exercise of stock options and vesting of full-value shares.

Securities Trading Policy. To further align the interests of our executive officers, including our named executive officers, with the interests of our stockholders, the Company's Insider Trading Policy does not permit executive officers to engage in short-term or speculative transactions or derivative transactions involving the Company's stock, including trading in or writing puts or calls in the Company's securities or engaging in any other transactions intended to hedge or offset any decrease in the market price of the Company's stock. Trading is permitted only during announced trading periods or in accordance with a previously established trading plan that meets SEC requirements. At all times, including during announced trading periods, executive officers are required to receive preclearance from the Company's General Counsel prior to entering into any transactions in Company securities, unless those sales occur in accordance with a previously established trading plan that meets SEC requirements.

Clawback Provisions. Our executive compensation incentive programs include clawback provisions that allow the Company to recoup proceeds received by named executive officers under certain conditions. Under our EIC Plan, in the event of a restatement of financial results to correct a material error, the Committee is authorized to reduce or recoup an executive officer's award, as applicable, to the extent that the Committee determines the officer's fraud or intentional misconduct was a significant contributing factor to the need for a restatement.

Tax Deductibility Limits on Executive Compensation. IRC Section 162(m) limits the tax deductibility of compensation paid to our CEO and the three other most highly compensated named executive officers employed at the end of the year (other than our CFO) to $1 million per year unless such amounts are determined to be performance-based compensation. Our policy with respect to Section 162(m) seeks to balance the interests of the Company in maintaining flexible incentive plans against the possible loss of a tax deduction when taxable compensation for any of the executive officers subject to Section 162(m) exceeds $1 million per year. The Company's EIC Plan and long-term incentive plan are designed to meet the requirements of Section 162(m) for performance-based compensation.

Compensation for Mr. Knauss – Chairman and CEO

The compensation of the Chairman and CEO, Mr. Knauss, is consistent with the executive compensation program and philosophy described above for the other named executive officers. Mr. Knauss' target total compensation is designed to be aligned with the compensation of other CEOs in the compensation peer group, and his annual incentive and long-term incentive awards are linked to Company performance.

In September 2010, the Committee, with input from its independent compensation consultant, reviewed all elements of Mr. Knauss' compensation including base salary, annual incentive and long-term incentive award opportunities relative to that of the compensation peer group. In addition, the board reviewed Mr. Knauss' performance for fiscal year 2010 as described in Overview of How Compensation Decisions are Made and the recommendation for his compensation for fiscal year 2010 as described below.

Based on the review of Mr. Knauss' individual performance, overall Company performance and his compensation versus the compensation peer group, the Committee did not increase Mr. Knauss' base salary of $1,075,000 for fiscal year 2010 in order to provide for a larger portion of his target total compensation in variable, performance-based pay. The Committee also approved Mr. Knauss' annual incentive target at 120% of base salary for fiscal year 2010, consistent with the prior year. The Committee granted Mr. Knauss a long-term incentive award of 298,330 stock options and 43,670 performance shares with a total economic value at grant date of approximately $5,000,000. Each individual element of Mr. Knauss' compensation was positioned at the median.

Information about Mr. Knauss' base salary, annual incentive and long-term incentive is described in more detail in the notes to the Summary Compensation Table.

COMPENSATION COMMITTEE REPORT

As detailed in its charter, the Management Development and Compensation Committee of the board of directors oversees the Company's executive compensation program and policies. As part of this function, the Committee discussed and reviewed with management the Compensation Discussion and Analysis. Based on this review and discussion, we have recommended to the board that the Compensation Discussion and Analysis be included in the proxy statement.

THE MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE

George J. Harad, Chair
Richard H. Carmona
Tully M. Friedman
Robert W. Matschullat

SUMMARY COMPENSATION TABLE

The following table sets forth the compensation earned, paid or awarded to our named executive officers for the fiscal years ended June 30, 2010, 2009 and 2008.

Name and Principal Position	Year	Salary ($) (1)	Bonus ($)	Stock Awards ($) (2)(3)	Option Awards ($) (2)	Non-Equity Incentive Plan Compensation ($) (4)	Change in Pension Value Nonqualified Deferred Compensation Earnings ($) (5)	All Other Compensation ($) (6)	Total ($)
Donald R. Knauss	2010	$1,075,000	—	$2,500,108	$2,500,005	$1,967,250	$1,860,453	$201,851	$10,104,667
Chairman and Chief	2009	1,056,250	—	2,408,997	2,545,798	1,284,480	731,445	217,256	8,244,586
Executive Officer	2008	987,500	—	2,308,790	2,218,150	1,380,000	526,244	254,846	7,675,530
Lawrence S. Peiros	2010	638,750	—	778,028	780,429	802,640	1,220,139	104,741	4,324,727
Executive Vice	2009	615,000	—	761,005	803,954	494,020	798,629	129,578	3,602,186
President and Chief Operating Officer – Clorox North America	2008	593,750	—	666,644	640,266	552,000	354,383	103,522	2,910,565
Frank A. Tataseo	2010	492,500	—	437,390	439,028	475,570	1,005,312	87,813	2,937,613
Executive Vice	2009	481,250	—	507,124	535,969	332,100	669,247	111,722	2,637,412
President – Strategy & Growth, Auto Care, Away from Home	2008	465,000	—	513,744	492,789	405,400	366,637	91,830	2,335,400
Daniel J. Heinrich	2010	529,825		462,008	463,414	560,960	705,491	90,915	2,812,613
Executive Vice	2009	515,000	—	507,124	535,969	372,260	398,151	116,191	2,444,695
President – Chief Financial Officer	2008	495,000	—	513,744	492,789	431,300	177,954	92,337	2,203,124
Beth Springer	2010	496,250	—	462,008	463,414	526,130	523,948	89,255	2,561,005
Executive Vice	2009	480,250	—	507,124	535,969	301,910	323,498	111,869	2,260,620
President – International & Natural Personal Care	2008	462,000	—	513,744	492,789	422,000	111,372	92,674	2,094,579

(1) Reflects actual salary earned for fiscal years 2008, 2009 and 2010.

(2) The amounts reflected in these columns are the values determined under FASB ASC Topic 718 for the awards granted in the fiscal years ended June 30, 2008, 2009 and 2010, in accordance with the applicable accounting standard. The assumptions made in valuing stock awards and option awards reported in these columns are discussed in Note 1, Summary of Significant Accounting Policies under subsection "Share-Based Compensation", and in Note 16 Share-Based Compensation Plans, to the Company's consolidated financial statements for the three years in the period ended June 30, 2010, included in the Company's Annual Report on Form 10-K for the fiscal year ended June 30, 2010. Additional information regarding the stock awards and option awards granted to our named executive officers during fiscal year 2010 is set forth in the Grants of Plan-Based Awards table. The 2008 and 2009 stock award amounts have been adjusted to conform to the 2010 calculation as required under the new SEC regulations.

(3) The grant date fair value of the performance share awards reflected in this column is the target payout based on the probable outcome of the performance based conditions, determined as of the grant date. The maximum potential payout of the stock awards would be 150% of the target shares awarded on the grant date. The maximum value of the performance share award determined as of the date of grant would be as follows for each respective named executive officer: Mr. Knauss – $3,750,161; Mr. Peiros – $1,167,041; Mr. Tataseo – $656,085; Mr. Heinrich – $693,011; and Ms. Springer – $693,011. See the Grants of Plan-Based Awards Table for more information about the performance shares granted under the 2005 Stock Incentive Plan.

(4) Reflects annual incentive awards earned for fiscal years 2008, 2009 and 2010 and paid out in September 2008, 2009 and 2010, respectively, under the EIC Plan. Information about the EIC Plan is set forth in the Compensation Discussion and Analysis under Annual Incentives.

(5) The amounts reflect the aggregate increase in the present value of accumulated benefits during fiscal years 2008, 2009 and 2010 under the SERP, including Mr. Knauss' replacement SERP, The Clorox Company Pension Plan and the cash balance restoration benefit of the NQDC (refer to the Pension Benefits Table for further information). Each plan amount in fiscal year 2010 is set forth in the following table:

	Donald R. Knauss	Lawrence S. Peiros	Frank A. Tataseo	Daniel J. Heinrich	Beth Springer
SERP (includes, for Mr. Knauss, the replacement SERP)	$ 1,783,980	$ 1,153,511	$ 955,893	$ 663,583	$ 485,572
The Clorox Company Pension Plan	8,177	14,802	12,516	9,917	12,110
Cash Balance Restoration Benefit	68,296	51,826	36,903	31,991	26,266
Total	$ 1,860,453	$ 1,220,139	$ 1,005,312	$ 705,491	$ 523,948

(6) The amounts shown in the column represent (i) actual Company contributions under the Company's 401(k) Plan, including the Value Sharing provision, (ii) non-qualified contributions under the NQDC, other than the cash balance restoration benefit which is reflected in the change in pension value column (refer to the Nonqualified Deferred Compensation section for further information), (iii) mortgage subsidy benefits paid to Mr. Knauss under the Company's relocation policy, which is available to all eligible employees (this benefit expires at the end of calendar year 2010), and (iv) perquisites available to named executive officers of the Company. Amounts are set forth in the following table:

	Donald R. Knauss	Lawrence S. Peiros	Frank A. Tataseo	Daniel J. Heinrich	Beth Springer
The Clorox Company 401(k) Plan	$ 14,363	$ 14,363	$ 14,363	$ 14,363	$ 14,363
NQDC	128,183	54,440	38,151	41,617	39,058
Relocation Benefits	21,609	—	—	—	—
Company Provided Perquisites	37,696	35,938	35,299	34,935	35,834
Total	$ 201,851	$ 104,741	$ 87,813	$ 90,915	$ 89,255

We provided the following benefits to Mr. Knauss during fiscal year 2010 in accordance with the terms of the Company's relocation policy which is available to all eligible employees:

Relocation Mortgage Subsidy	$13,737
Tax Gross-Up on Mortgage Subsidy	7,872
Total	$21,609

The following tables set forth the perquisites we make available to our named executive officers and the cost to the Company for providing these perquisites during fiscal year 2010. Other Perquisites consists of paid parking at the Company's headquarters, health club reimbursement and an annual executive physical.

The amount included under Non-Business Use of Company Aircraft represents the incremental cost to the Company of Mr. Knauss' non-business use of the Company aircraft for a stopover during a business flight in fiscal year 2010. The incremental cost is determined on a per flight basis and consists of the variable costs incurred as a result of the flight activity.

	Donald R. Knauss	Lawrence S. Peiros	Frank A. Tataseo	Daniel J. Heinrich	Beth Springer
Executive Automobile Program	$13,200	$13,200	$13,200	$13,200	$13,200
Basic Financial Planning	16,500	16,500	16,500	16,500	16,500
Non-Business Use of Company Aircraft	2,577	—	—	—	—
Other Perquisites	5,419	6,238	5,599	5,235	6,134
Total	$37,696	$35,938	$35,299	$34,935	$35,834

GRANTS OF PLAN-BASED AWARDS

This table shows grants of plan-based awards to the named executive officers during fiscal year 2010.

		Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Share Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units	All Other Option Awards: Number of Securities Underlying Options	Exercise or Base Price of Option Awards	Grant Date Fair Value of Stock and Option Awards
Name	Grant Date	Threshold ($)	Target ($)	Maximum ($)	Threshold (#)	Target (#)	Maximum (#)	(#)	(#)	($/Sh)	($)
Donald R. Knauss											
Annual Incentive (1)		$ —	$1,290,000	$9,250,000							
Performance Shares (2)	9/15/2009				21,835	43,670	65,505				$2,500,108
Stock Options (3)	9/15/2009								298,330	$57.25	2,500,005
Lawrence S. Peiros											
Annual Incentive (1)		—	548,250	5,550,000							
Performance Shares (2)	9/15/2009				6,795	13,590	20,385				778,028
Stock Options (3)	9/15/2009								93,130	57.25	780,429
Frank A. Tataseo											
Annual Incentive (1)		—	371,250	5,550,000							
Performance Shares (2)	9/15/2009				3,820	7,640	11,460				437,390
Stock Options (3)	9/15/2009								52,390	57.25	439,028
Daniel J. Heinrich											
Annual Incentive (1)		—	399,825	5,550,000							
Performance Shares (2)	9/15/2009				4,035	8,070	12,105				462,008
Stock Options (3)	9/15/2009								55,300	57.25	463,414
Beth Springer											
Annual Incentive (1)		—	375,000	5,550,000							
Performance Shares (2)	9/15/2009				4,035	8,070	12,105				462,008
Stock Options (3)	9/15/2009								55,300	57.25	463,414

(1) Represents estimated possible payouts for annual incentive awards for fiscal year 2010 under the EIC Plan for each of our named executive officers. The EIC Plan is an annual cash incentive opportunity and therefore awards are earned in the year of grant. The target amounts represent the potential payout if both Company and individual performance are at target levels. The maximum amount represents the stockholder-approved maximum payout in the EIC Plan of 1.0% of Company earnings for the CEO and .6% of Company earnings for all other named executive officers. The EIC Plan is designed to meet the requirements of IRC Section 162(m), and the maximum column reflects maximum awards possible under the EIC Plan. The Committee historically has paid annual incentive awards that are substantially lower than the maximum EIC Plan payouts. See the Summary Compensation Table for the actual payout amounts in fiscal year 2010 under the EIC Plan. See Compensation Discussion and Analysis – Annual Incentives for additional information about the EIC Plan.

(2) Represents possible future payouts of Common Stock underlying performance shares awarded in fiscal year 2010 to each of our named executive officers as part of their participation in the 2005 Stock Incentive Plan. These awards will vest upon the achievement of performance measures based on cumulative operating profit and cumulative economic profit growth over a three-year period, with the threshold, target and maximum awards equal to 50%, 100% and 150%, respectively, of the number of performance shares granted. If the minimum financial goals are not met at the end of the three-year period, no awards will be paid out under the 2005 Stock Incentive Plan. See Compensation Discussion and Analysis – Long-Term Incentives for additional information.

(3)

Represents stock options awarded to each of our named executive officers under the 2005 Stock Incentive Plan. All stock options vest in equal installments on the first, second, third and fourth anniversaries of the grant date.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following equity awards granted to our named executive officers were outstanding as of the end of fiscal year 2010.

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options - Exercisable (#)	Number of Securities Underlying Unexercised Options - Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) (1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) (2)
Donald R. Knauss									
Stock Options (3)	206,250	68,750(4)		$63.21	10/2/2016				
	92,500	92,500(5)		61.16	9/18/2017				
	56,927	170,783(6)		63.95	9/16/2018				
		298,330(7)		57.25	9/15/2019				
Restricted Stock Units (3)						23,230 (4)	$1,443,977		
Performance Shares (3)								41,147(8)	$2,557,698
								37,670(9)	2,341,567
								43,670(10)	2,714,527
Lawrence S. Peiros									
Stock Options (3)	40,000			41.98	9/18/2012				
	46,000			45.25	9/17/2013				
	45,000			53.88	9/15/2014				
	32,200			57.00	9/21/2015				
	25,575	8,525(11)		61.51	9/19/2016				
	15,000	5,000(12)		63.89	1/5/2017				
	26,700	26,700(5)		61.16	9/18/2017				
	17,977	53,933(6)		63.95	9/16/2018				
		93,130(7)		57.25	9/15/2019				
Performance Shares (3)								11,881(8)	738,523
								11,900(9)	739,704
								13,590(10)	844,754
Frank A. Tataseo									
Stock Options (3)	40,002			36.13	9/20/2010				
	45,000			35.13	10/16/2011				
	22,000			41.98	9/18/2012				
	23,000			45.25	9/17/2013				
	35,200			53.88	9/15/2014				
	29,000			57.00	9/21/2015				
	23,775	7,925(11)		61.51	9/19/2016				
	20,550	20,550(5)		61.16	9/18/2017				

	11,985	35,955(6)	63.95	9/16/2018				
		52,390(7)	57.25	9/15/2019				
Performance Shares (3)							9,156(8)	569,137
							7,930(9)	492,929
							7,640(10)	474,902

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options - Exercisable (#)	Number of Securities Underlying Unexercised Options - Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) (1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) (2)
Daniel J. Heinrich									
Stock Options (3)	13,000			41.98	9/18/2012				
	32,000			45.25	9/17/2013				
	35,200			53.88	9/15/2014				
	29,000			57.00	9/21/2015				
	23,175	7,725(11)		61.51	9/19/2016				
	20,550	20,550(5)		61.16	9/18/2017				
	11,985	35,955(6)		63.95	9/16/2018				
		55,300(7)		57.25	9/15/2019				
Performance Shares (3)								9,156(8)	569,137
								7,930(9)	492,929
								8,070(10)	501,631
Beth Springer									
Stock Options (3)	13,000			41.98	9/18/2012				
	14,000			45.25	9/17/2013				
	17,600			53.88	9/15/2014				
	12,000			58.55	1/18/2015				
	29,000			57.00	9/21/2015				
	23,775	7,925(11)		61.51	9/19/2016				
	20,550	20,550(5)		61.16	9/18/2017				
	11,985	35,955(6)		63.95	9/16/2018				
		55,300(7)		57.25	9/15/2019				
Performance Shares (3)								9,156(8)	569,137
								7,930(9)	492,929
								8,070(10)	501,631

(1) Represents unvested restricted stock units under the 2005 Stock Incentive Plan multiplied by the closing price of our Common Stock on June 30, 2010 of $62.16 per share. The ultimate value will depend on the value of our Common Stock on the actual vesting date.

(2) Represents unvested “target” number of performance shares under the 2005 Stock Incentive Plan multiplied by the closing price of our Common Stock on June 30, 2010, except as noted below in footnote (8). The ultimate value will depend on whether performance criteria are met and the value of our Common Stock on the actual vesting date.

(3) Grants were made under the 2005 Stock Incentive Plan.

(4) Represents unvested stock options and restricted stock units granted on October 2, 2006, that vest in four equal installments beginning one year from the date of grant. Restricted stock units also include 2,355 restricted stock units as a result of reinvested dividends. However, any portion of 23,500 designated restricted stock units and any portion of 61,000 designated stock options that remain unvested at the time of termination will vest immediately if Mr. Knauss terminates due to involuntary termination without cause or voluntary termination for good reason. There were 5,875 of the designated restricted stock units and 15,250 of the designated stock options unvested as of the end of fiscal year 2010.

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(5) Represents unvested portion of stock options that vest in four equal installments beginning one year from the grant date of September 18, 2007.

(6) Represents unvested portion of stock options that vest in four equal installments beginning one year from the grant date of September 16, 2008.

(7) Represents unvested portion of stock options that vest in four equal installments beginning one year from the grant date of September 15, 2009.

(8) Represents the actual number of performance shares that were paid out under our 2005 Stock Incentive Plan. The grants from the plan have a three-year performance period (fiscal years 2008 – 2010). Performance is based on achievement of cumulative operating profit growth and cumulative economic profit growth. After completion of the 2010 fiscal year the Committee determined whether the performance measures had been achieved and based on the results, on August 13, 2010, the Committee approved the payout of this award at 109% of target. The award was settled on August 18, 2010.

(9) Represents the "target" number of performance shares that could be earned under our 2005 Stock Incentive Plan. The grants from the plan have a three-year performance period (fiscal years 2009 – 2011). Performance is based on achievement of cumulative operating profit growth and cumulative economic profit growth. The Committee will determine whether the performance measures have been achieved after the completion of fiscal year 2011.

(10) Represents the "target" number of performance shares that could be earned under our 2005 Stock Incentive Plan. The grants from the plan have a three-year performance period (fiscal years 2010 – 2012). Performance is based on achievement of cumulative operating profit growth and cumulative economic profit growth. The Committee will determine whether the performance measures have been achieved after the completion of fiscal year 2012.

(11) Represents unvested portion of stock options that vest in four equal installments beginning one year from the grant date of September 19, 2006.

(12) Represents unvested portion of stock options that vest in four equal installments beginning one year from the grant date of January 5, 2007.

OPTION EXERCISES AND STOCK VESTED

This table shows stock options exercised and stock vested for the named executive officers during fiscal year 2010.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($) (1)	Number of Shares Acquired on Vesting	Value Realized on Vesting (2)
Donald R. Knauss	—	$ —	22,667 (3)	$ 1,305,619
Lawrence S. Peiros	93,001 (4)	2,366,788	12,750 (5)	792,540 (5)
Frank A. Tataseo	1,400 (4)	23,456	11,850 (5)	677,820 (5)
Daniel J. Heinrich	65,004 (4)	1,860,267	11,550 (5)	717,948 (5)
Beth Springer	28,303 (4)	777,828	11,850 (5)	677,820 (5)

(1) The dollar value realized reflects the difference between the closing price of the Common Stock on the date of exercise and the stock option exercise price.

(2) The dollar value realized reflects the market value of the vested shares based on the closing price of the Common Stock on the vesting date, unless otherwise noted.

(3) Represents vesting of 20,875 restricted stock units and 1,792 additional restricted stock units as a result of reinvested dividends. These restricted stock units were granted to Mr. Knauss in conjunction with his hire.

(4) Represents exercise of nonqualified stock options granted in previous years under the Company's 2005 Stock Incentive Plan.

(5) Stock awards listed represent the 150% vesting of performance shares granted through participation in the 2005 Stock Incentive Plan. The grant from the plan had a three-year performance period (fiscal years 2007 – 2009). Performance is based on achievement of cumulative operating profit growth and three-year average ROIC. On August 13, 2009, the Committee approved the payout of this award at 150% of target, and the award was settled on August 18, 2009. The actual realized value of the vested shares was based upon the value of the Common Stock on the date the shares were settled unless settlement of the shares was deferred, in which case it was based on the closing price of the Common Stock of $62.16 on June 30, 2010. Mr. Peiros, Mr. Heinrich and Ms. Springer have deferred the settlement of their shares until termination from service with the Company. The actual realized value will depend upon the value of the Common Stock on the date the shares are settled based on the individual's deferral election.

Overview of Pension Benefits

Pension benefits are paid to the named executive officers under the following plans: The Clorox Company Pension Plan (the "Pension Plan"), the cash balance restoration provision in the NQDC and the SERP or, in the case of the CEO, the replacement SERP, which is described under The Replacement Supplemental Executive Retirement Plan, set forth below. The following table is an overview of the current terms and provisions of the pension plans, other than the replacement SERP.

	Pension Plan ("cash balance plan")	Cash Balance Restoration Provision in Nonqualified Deferred Compensation Plan	SERP
Reason for Plan	Provide eligible employees, along with our non-qualified plans, a competitive level of retirement benefits based on pay	Provide eligible employees with a competitive level of retirement benefits based on pay, by restoring benefits limited by the IRC	Provide eligible employees retirement replacement income that is competitive with peers and also supports long-term retention of key talent
Eligibility	Salaried and hourly employees of the Company, including the named executive officers	Named executive officers and select group of senior employees	Named executive officers and select group of senior executives. Plan was closed to new participants in April 2007.
Retirement Eligibility	Fully vested after three years of service	Fully vested after three years of service	Maximum benefit is payable at age 65 and 15 years of service. Participants are eligible for a reduced early retirement benefit at age 55 with 10 years of service. SERP-eligible employees terminating before reaching age 55 with 10 years of service receive no benefits from the SERP.

	Pension Plan (“cash balance plan”)	Cash Balance Restoration Provision in Nonqualified Deferred Compensation Plan	SERP
Pension Formula	Annual credits of three percent of eligible compensation (base salary and annual incentive) and quarterly credits of an interest factor	Annual credits of three percent of eligible compensation (base salary and annual incentive) that exceeds the IRC compensation limits	In combination with other Company retirement plans (cash balance plan, Company contributions to the 401(k) Plan, including the Value Sharing provision, cash balance restoration of NQDC and Value Sharing restoration of NQDC) and Social Security, participants can receive maximum total benefits approximately equal in value to 55% of average compensation (defined as the average of the highest consecutive three years of base salary plus the average of the highest three years of EIC Plan awards). The maximum benefit is proportionately reduced for service between 10 and 15 years at a rate of three percent per year.
Payment Form	A participant whose benefit has vested at retirement or other termination of employment may elect a cash distribution or an alternate annuity form. The normal retirement benefit is an annuity payable upon attainment of age 65. A reduced retirement benefit annuity is payable at age 55 with at least 10 years of vesting service. Participants may also elect an optional annuity form of benefit.	A participant whose benefit has vested at retirement or other termination of employment may elect a lump sum distribution or annual installments up to 10 years that will be paid out based on previously determined criteria.	Paid as a monthly annuity for the life of the participant. Plan also provides a disability and survivor’s benefit. Lump sum option is not available.

The Replacement Supplemental Executive Retirement Plan. Pursuant to his employment agreement, Mr. Knauss participates in a replacement SERP that provides retirement benefits that are equal to the greater of the amount calculated under the Company SERP, described above, or the benefits to which he would have been entitled if he had stayed at his previous employer, The Coca-Cola Company. Mr. Knauss is fully vested in the replacement SERP, and he is the sole participant in the plan.

Eligible compensation for the replacement SERP is defined as the average of five years of base salary plus the average of five years of EIC Plan awards. To the extent needed to obtain five years of consecutive annual compensation, actual annual salary and bonuses paid by The Coca-Cola Company prior to Mr. Knauss’ retirement will be used.

All items in the above overview are included in the Change in Pension Value column of the Summary Compensation Table and the Pension Benefits Table.

PENSION BENEFITS TABLE

The following table sets forth each named executive officers' pension benefits under the Company's pension plans for fiscal year 2010.

Name	Plan Name	Number of Years of Credited Service (#) (1)	Present Value of Accumulated Benefit ($) (2)	Payments During Last Fiscal Year ($)
Donald R. Knauss	The Clorox Company Pension Plan	4	$ 22,499	$ —
	Replacement SERP/SERP	4	3,364,326	—
	Cash Balance Restoration	4	140,119	—
Lawrence S. Peiros	The Clorox Company Pension Plan	30	191,218	—
	SERP	30	3,166,068	—
	Cash Balance Restoration	30	234,685	—
Frank A. Tataseo	The Clorox Company Pension Plan	16	132,062	—
	SERP	16	2,979,331	—
	Cash Balance Restoration	16	177,578	—
Daniel J. Heinrich	The Clorox Company Pension Plan	9	66,427	—
	SERP	9	1,552,860	—
	Cash Balance Restoration	9	125,121	—
Beth Springer	The Clorox Company Pension Plan	20	121,822	—
	SERP	20	1,286,406	—
	Cash Balance Restoration	20	101,733	—

(1) Numbers of years of credited service is rounded to the nearest whole number.

(2) Present value of the accumulated benefit was calculated using the following assumptions: Mortality Table: RP2000; Discount Rate: 5.30%; age and pay at June 30, 2010.

Nonqualified Deferred Compensation. In addition to the cash balance restoration benefits previously described and set forth in the Pension Benefits Table, the NQDC provides benefits that supplement the Value Sharing provision of the 401(k) Plan and permits the deferral of compensation. The Value Sharing provision of the 401(k) Plan is a Company profit sharing plan under which, depending on financial performance measurements, the Company contributes 3% – 12% of the participant's eligible compensation, including annual base salary and annual incentive, to the participant's 401(k) and if applicable, their NQDC account. Company contributions in amounts up to 7% of a named executive officer's eligible compensation within the IRC compensation limits are tax-qualified and are credited to the participant's 401(k) account. The portion of eligible compensation up to 7% that exceeds the IRC compensation limits is credited to the Nonqualified Deferred Compensation Value Sharing restoration benefit. In addition, any amount exceeding 7% of eligible compensation is payable in cash or deferred under the Value Sharing restoration provision of the NQDC, depending upon the participant's election. Company contributions under the Value Sharing provision of the 401(k) Plan are determined using the Company's achievement of financial performance based on net customer sales and economic profit, the same metrics used to determine the financial payout for the annual incentive awards.

In addition to the Value Sharing benefits, the NQDC permits participants to defer base salary and annual incentive awards. A participant may defer up to 50% of his or her annual base salary and up to 100% of his or her annual incentive award.

Participants have the option of selecting two investment crediting rates under the NQDC — the 30-year Treasury Bond yield, and/or an S&P 500 index. Participants may elect to receive distributions from the NQDC in either a lump sum or up to 10 annual installments, which will be paid after separation from service. The responsibility to pay benefits under the NQDC is an unfunded and unsecured obligation of the Company.

The following table provides information regarding the accounts of the named executive officers under the NQDC in fiscal year 2010.

Name	Executive Contributions in Last FY ($) (1)	Registrant Contributions in Last FY ($) (2)	Aggregate Earnings in Last FY ($) (3)	Aggregate Balance at Last FYE ($) (4) (5)
Donald R. Knauss	$508,819	$128,183	$133,230	$1,861,611
Lawrence S. Peiros	644,932	54,440	355,120	3,545,067
Frank A. Tataseo	—	38,151	223,316	1,800,475
Daniel J. Heinrich	—	41,617	28,054	255,433
Beth Springer	297,532	39,058	202,689	1,956,033

(1) For Messrs. Knauss and Peiros, the amount represents base salary and annual incentive awards deferred during fiscal year 2010. Deferred base salary is also reported in the Summary Compensation Table – Salary. For Ms. Springer, the amount represents her annual incentive award deferred during fiscal year 2010. Deferred annual incentive awards are also reported in the Summary Compensation Table – Non-Equity Incentive Plan Compensation. Information regarding the deferral of base salary and annual incentive awards is described above.

(2) Represents that portion of the Company contribution of up to 7% of eligible compensation that is in excess of IRC Compensation limits pursuant to the Value Sharing restoration provision of the NQDC plan. These contributions are also reported in the Summary Compensation Table – All Other Compensation and are included under the caption NQDC in footnote (6) to the Summary Compensation Table – All Other Compensation.

(3) Earnings are based on the investment option of a 30-year Treasury Bond yield or the rate specified by the IRS for use where the 30-year bond rate would otherwise apply, the S&P 500 Index or a combination of both, as elected by the participant. For fiscal year 2010, the 30-year Treasury Bond return was 4.12% and the S&P 500 index return was 14.42%.

(4) Reflects aggregate balances under the Value Sharing restoration provision of the NQDC plan and any deferred base salary and annual incentive awards as of the end of fiscal year 2010.

(5) The executive and registrant contribution total amounts in the table below are also reported as compensation in the Summary Compensation Table in the years indicated:

Fiscal Year	Donald R. Knauss	Lawrence S. Peiros	Frank A. Tataseo	Daniel J. Heinrich	Beth Springer
2010	$637,002	$699,372	$ 38,151	$ 41,617	$ 336,590
2009	791,388	928,824	59,730	64,691	477,265
2008	558,875	907,088	514,938	44,415	537,330

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Payments Upon Termination

The named executive officers other than Mr. Knauss were previously covered by evergreen employment agreements that renewed daily to maintain a two-year term absent a notice of non-renewal issued by the Company. In July 2009, the Company issued a notice of non-renewal under those employment agreements. At the end of fiscal year 2010, the named executive officers previously covered by those employment agreements elected to revoke their employment agreements (which would have otherwise terminated in July 2011) in favor of coverage under the new Severance Plan adopted by the Committee. As described below, the new Severance Plan provides for severance benefits that reflect emerging executive compensation market trends and practices, and allows for more flexibility to make changes to the severance benefits in the future based on business needs and future market trends and practices.

Severance Plan for Named Executive Officers Other than Mr. Knauss. Under the terms of the Severance Plan, our named executive officers are eligible to receive benefits in the event their employment is terminated by the Company without cause. No benefits are payable under the terms of the Severance Plan if the Company terminates the named executive officer for cause or the named executive officer voluntarily resigns.

Regardless of the manner in which a named executive officer's employment terminates, each named executive officer would retain the amounts that he or she has earned over the course of his or her employment prior to the termination event, such as the named executive officer's balances under the NQDC, vested and accrued retirement benefits and previously vested stock options, except as outlined below under Termination for Cause. For further information about previously earned amounts, see the tables entitled Summary Compensation Table, Outstanding Equity Awards at Fiscal Year-End, Option Exercises and Stock Vested, Pension Benefits Table and Nonqualified Deferred Compensation.

Under the Severance Plan, each named executive officer agrees to keep confidential, during the term of employment and thereafter, all information regarding the Company that he or she receives during the term of employment and also agrees that he or she will not solicit for employment any customer or employee of the Company for two years after termination.

Termination benefits under the Severance Plan for our named executive officers other than Mr. Knauss are as follows:

Involuntary Termination Without Cause. If the Company terminates a named executive officer's employment without cause, the Severance Plan entitles the named executive officer to receive a severance payment after the termination in the form of a lump sum payment. The severance amount under the Severance Plan was reduced to two times the named executive officer's current base salary from two times base salary plus two times 75% of his or her average annual EIC awards for the preceding three years. Under the Severance Plan, the named executive officer is also entitled to an amount equal to 75% of his or her actual annual EIC award for the current fiscal year, pro-rated to the date of termination, which is equivalent to the provision from the previous employment agreements.

The Severance Plan provides that the named executive officer is entitled to continue to participate in the Company's medical and dental insurance programs for up to two years following termination on the same terms as active employees. In addition, at the end of this coverage, the named executive officer may be eligible to participate in the Company's medical and/or dental plans offered to former employees who retire at age 55 or older, provided they have at least ten years of service, on the same terms as such other former employees. If eligible, this coverage will continue until the named executive officer is age 65. Thereafter, the named executive officer may participate in the Company's general retiree health plan as it may exist in the future, if otherwise eligible. If the named executive officer will be age 55 or older and have at least ten years of service at the end of, and including, the two-year period following termination, the named executive officer will be deemed age 55 and/or with ten years of service under any pre-65 retiree health plan as well as the SERP.

The above severance-related benefits are provided only if the named executive officer executes a general release prepared by the Company.

Termination Due to Retirement. Under the Company's policy which is applicable to all employees, upon retirement the named executive officer is entitled to his or her salary through the last day of employment and a pro-rata portion of the EIC Plan award for the fiscal year in which retirement occurs. Based on the provisions of the respective plans, he or she will also be eligible to receive SERP and other retirement benefits. In addition to the amounts that the named executive officer has earned or accrued over the course of his or her employment under the Company's qualified and nonqualified plans, named executive officers who are at least age 55 with ten years of service or who have 20 years of service regardless of age, are eligible to receive retirement-related benefits under the long-term incentive program, as determined in accordance with the terms of the respective award agreements and plan document.

Termination Due to Death or Disability. Under the Company's policy which is applicable to all employees, if the named executive officer's employment is terminated due to his or her death, the named executive officer's beneficiary or estate is entitled to the named executive officer's salary through the end of the month in which the death occurred and is entitled to a pro-rata portion of the named executive officer's target EIC Plan award for the fiscal year of death. Benefits are also paid pursuant to the Company's life insurance plan on the executive in the event of death. A named executive officer's stock options will vest in full and remain exercisable for an additional year following the executive's death and all performance shares will be paid out at the end of the relevant performance period based on the actual level of performance achieved during that period.

If the named executive officer begins to receive benefits under the Company's long-term disability plan, the Company may terminate the named executive officer's employment at any time, in which case the named executive officer will receive his or her salary through the date of termination and will also be entitled to a pro-rata portion of the target EIC Plan award for the fiscal year of the termination. A named executive officer's stock options will vest in full and remain exercisable for an additional year following the executive's disability and all performance shares will be paid out at the end of the relevant performance period based on the actual level of performance achieved during that period.

Termination For Cause. The Company may terminate a named executive officer's employment for cause at any time without notice. Upon the named executive officer's termination for cause, the named executive officer is entitled to his or her salary through the date of termination, but would not be entitled to any EIC Plan award for the fiscal year in which the termination for cause occurs. Termination for cause under the Severance Plan means: (1) the willful and continued neglect of significant duties or willful and continued violation of a material Company policy after being warned in writing; (2) a material act of dishonesty, fraud, misrepresentation or other act of moral turpitude; (3) gross negligence in the course of employment; (4) the failure to obey a lawful direction of the board of directors or a corporate officer to whom they report, directly or indirectly; and (5) an action that is inconsistent with the Company's best interests and values. All stock option grants awarded since September 2005 will be forfeited upon a termination for cause. In addition, for performance shares awarded since September 2005, any retirement-related benefits a named executive officer would normally receive, if applicable, will be forfeited upon a termination for cause.

Voluntary Termination. The named executive officer may resign from his or her employment at any time. Upon the named executive officer's voluntary termination (other than due to retirement), the named executive officer is entitled to his or her salary through the date of termination, but is not entitled to any EIC Plan award for the fiscal year of termination.

The Company has also entered into change in control agreements with each of the named executive officers, which are described below under Potential Payments Upon Change in Control.

Mr. Knauss' Employment Agreement.In May 2010, Mr. Knauss agreed to enter into a new employment agreement with the Company that reflects current emerging market trends and practices, and is generally aligned with the terms of the Severance Plan. The new agreement replaces the employment agreement with Mr. Knauss that became effective on October 2, 2006, when Mr. Knauss began his employment as Chairman and CEO of the Company. Mr. Knauss' previous employment agreement had a three-year term subject to automatic one-year extensions.

The primary changes to Mr. Knauss' employment agreement were to:

- Reduce the amount of severance benefit multiple and continued medical and dental benefits as described below;
- Eliminate the annual renewal provision in the prior agreement, and permit either the Company or Mr. Knauss to terminate the agreement with 180 days advance notice, or as otherwise provided in the agreement; and
- Provide that the selection by the board of directors of a non-executive to serve as its chairman would not allow Mr. Knauss to resign and receive severance benefits.

Mr. Knauss' agreement sets forth that his annual salary will be subject to periodic review in accordance with the Company's regular administrative practices for named executive officers, as described in the Compensation Discussion and Analysis. The employment agreement also states that Mr. Knauss is eligible to participate in the replacement SERP, which is described in the Compensation Discussion and Analysis under the Overview of Pension Benefits, and other compensation, incentive and benefit plans made available to the Company's named executive officers.

Upon completion of seven years of service, Mr. Knauss will be deemed retirement eligible under all Company welfare benefit, equity and other incentive plans and programs applicable to the Company's executive officers, provided, however, that such benefits will be offset by any retiree benefits received from his prior employer. Mr. Knauss is eligible to participate in the Company SERP and will be eligible for an early retirement benefit upon completion of seven years of service. Mr. Knauss is also eligible for an additional retirement benefit through a replacement SERP, which is intended to duplicate the rights and benefits to which he would have been entitled under the SERP of his previous employer. However, the supplemental retirement benefit that Mr. Knauss will be eligible to receive upon retirement will be limited to the greater of the amount attributable to the Company SERP or the replacement SERP. For information regarding the Company SERP and the replacement SERP, see Overview of Pension Benefits.

The terms of Mr. Knauss' employment agreement relating to termination by the Company without cause, due to retirement, due to death or disability, and for cause are similar to the terms of the Severance Plan for our other named executive officers, which are described above. Mr. Knauss' termination benefits differ from the other named executive officers in the following ways:

Upon termination by the Company without cause, or by Mr. Knauss for good reason, and provided that Mr. Knauss executes a general release, Mr. Knauss will receive severance-related benefits as follows:

- A lump sum amount equal to two times his current base salary plus two times 75% of the average of his annual EIC Plan awards for the preceding three years (multiple reduced to two times from three times under prior employment agreement);
- A pro-rata portion of the EIC Plan award for the fiscal year in which termination occurs based on actual Company results, paid at the end of the fiscal year (equivalent to prior employment agreement);
- Continuation of medical and dental benefits for the two-year period after termination (reduced from three-year period). In addition, if Mr. Knauss has completed seven years of service at the time of the termination, he will be entitled to participate in the medical and dental benefits offered to former employees who retire at age 55 with at least 10 years of service; and
- If Mr. Knauss gives the Company at least three months' notice prior to terminating his employment and is vested inhis Company SERP benefit at the time of the termination, the termination will be deemed to be due to retirement for purposes of the Company's long-term incentive awards plan. If Mr. Knauss is not vested in the SERP, or does not elect to commence benefits under the SERP, then outstanding stock awards will vest in accordance with the terms of the respective award agreements.

"Good reason" is defined in Mr. Knauss' employment agreement as the: (1) assignment of duties inconsistent with Mr. Knauss' position or material diminution of his position, excluding appointment of a non-executive chairman of the board; (2) Company's failure to provide compensation and benefits as provided in Mr. Knauss' employment agreement; (3) relocation of Mr. Knauss' office that increases his commute by more than 50 miles; (4) termination of his employment by the Company other than as expressly permitted by Mr. Knauss' employment agreement; or (5) Company's failure to obtain a successor company's agreement to assume Mr. Knauss' employment agreement. In addition, a failure by the board of directors to appoint Mr. Knauss to the board of directors will also constitute good reason. A failure by the stockholders to elect Mr. Knauss to the board of directors will not constitute good reason.

"Cause" is defined in Mr. Knauss' employment agreement as: (1) the willful and continued neglect of significant duties or willful and continued violation of a material Company policy after being warned in writing; (2) a material act of dishonesty, fraud, misrepresentation or other act of moral turpitude; (3) gross negligence in the course of employment; or (4) the failure to obey a lawful direction of the board of directors.

In addition to the original employment agreement, the Company also entered into a change in control agreement with Mr. Knauss on August 25, 2006, which is described below under Potential Payments Upon Change in Control.

Potential Payments upon Change in Control

We have agreements with Mr. Knauss and each of our other named executive officers that take effect only if a change in control occurs. Excluding Mr. Knauss, until November 2007, each named executive officer had a change in control agreement that renewed daily to maintain a three-year term unless the Company provided the named executive officer written notice of non-renewal. On November 16, 2007, the Company provided the executive officers other than Mr. Knauss notice of non-renewal and, thus, the agreements will expire on January 17, 2011. Mr. Knauss' change in control agreement has a three-year term that is subject to automatic one-year extensions unless either the Company or Mr. Knauss gives notice to the other party at least 180 days before such extension becomes effective, reflecting emerging best practice for change in control agreements.

The benefits and protections provided under the change in control agreements apply for a two-year period commencing immediately upon the occurrence of a change in control of the Company. A change in control is defined in the agreements as: (1) a change in the composition of a majority of the board of directors within any twelve-month period, unless approved by a majority of incumbent directors; (2) consummation of a reorganization, merger, consolidation or sale, unless the Company's stockholders own more than 50% of the Common Stock or voting stock of the successor corporation, no person owns more than 20% of the Common Stock or voting stock of the successor corporation or the majority of the directors are incumbent directors; (3) stockholder approval of the sale of all or substantially all of the Company's assets; or (4) an acquisition by a party of at least 50% of the Company's voting stock or at least 30% of the Company's voting stock over a twelve-month period.

The severance and other benefits payable to our named executive officers under their agreements are due only in the event of a double trigger in which there is first a change in control and subsequently a qualifying termination of employment. Qualifying terminations of employment include involuntary termination by the Company without cause or voluntary termination by the named executive officer with good reason, each within a two-year protection period that commences upon a change in control. "Good reason" is defined in the change in control agreements as a material diminution of position or an assignment of inconsistent duties, a decrease in or failure to provide compensation and benefits, a material change in work location, a termination of the named executive officer's employment by the Company other than as expressly permitted by the agreement or any material failure by the Company to have a successor corporation assume the agreement. In addition, under Mr. Knauss' change in control agreement, a failure of the board of directors to nominate Mr. Knauss to the board of directors at any time will constitute good reason. Failure by the stockholders to elect Mr. Knauss to the board of directors will not constitute good reason. "Cause" is defined in the change in control agreements as the (1) willful and continued failure to perform duties after receiving a written warning and (2) willful engagement in illegal conduct or gross misconduct that is materially and demonstrably injurious to the Company.

Severance-related benefits under the change in control agreements for our named executive officers, including Mr. Knauss, for qualifying terminations are as follows:

- Cash compensation equal to three times base salary and three times the average annual EIC Plan awards for the preceding three years (or actual years, if less than three), plus 100% of the average annual EIC Plan awards for the preceding three years (or actual years, if less than three), pro-rated to the date of termination. This amount will be paid in a lump sum after termination.
- Payment of an amount that would equal the difference between the actuarial equivalent of the benefit the named executive officer would have been eligible to receive if his or her employment had continued until the third anniversary of the date of termination or, other than for Mr. Knauss, the first day of the month following the named executive officer's 65th birthday if earlier, under the qualified and nonqualified retirement plans and the actuarial equivalent of the named executive officer's actual aggregate benefits paid or payable, if any, as of the date of termination under the qualified and nonqualified retirement plans. This amount will also be paid in a lump sum after termination.
- Continued participation in health, welfare and insurance benefits until the third anniversary of the date of termination or, other than for Mr. Knauss, the first day of the month following the named executive officer's 65th birthday if earlier.In addition, for purposes of determining the named executive officer's eligibility for retiree benefits under otherCompany plans and programs, the named executive officer will be deemed to have continued employment during such period and to have retired on the last day of such period.
- Financial planning services for the calendar year of termination.
- If a Company-leased automobile was being used by the named executive officer, the opportunity to purchase the automobile at the buyout amount specified by the lessor.

In addition, any outstanding stock awards granted to the named executive officer under the Company's long-term incentive awards program prior to the change in control will automatically vest in accordance with the terms of the award agreements.

In the event that any payments made in connection with a change in control would be subject to the excise tax imposed by Section 4999 of the IRC, the agreements provide for a gross-up payment to cover any federal excise taxes owed by the named executive officer on any change in control-related severance payments and benefits. The gross-up is an additional payment that would cover (1) the amount of federal excise taxes and (2) the additional income taxes resulting from payment of the gross-up. The Company can reduce the severance payments by up to five percent to avoid the excise tax. If a larger reduction is required, the Company pays the full excise tax gross-up. This gross-up and the change in control severance-related benefit amounts are reflected in Estimated Potential Payments Upon Termination or Change in Control.

In addition to the above benefits, under Mr. Knauss' change in control agreement, if Mr. Knauss dies during the two-year protection period following a change in control or if Mr. Knauss' employment is terminated due to disability during the two-year protection period following a change in control, all restricted stock units and stock options granted to him under his employment agreement become fully vested and, in the case of the stock options, will remain exercisable for one year following the date of death or termination due to disability or, if earlier, until the expiration of the term of the option. Furthermore, upon a change in control, should the continuing entity not assume or replace the restricted stock units and stock options awarded to Mr. Knauss under his employment agreement, such awards will become immediately vested upon the change in control.

Under the change in control agreements, each named executive officer agrees to keep confidential during the term of employment and thereafter, all information regarding the Company that he or she receives during the term of employment and agrees that he or she will not solicit for employment any customer or employee of the Company for two years after termination.

Estimated Potential Payments upon Termination or Change in Control

The following table reflects the estimated amount of compensation payable to each of the Company's named executive officers upon termination of the named executive officer's employment under different scenarios. The amounts exclude earned amounts such as vested or accrued benefits, other than benefits vested under the Company's SERP or replacement SERP. If a named executive officer is eligible for their SERP benefit as of the assumed termination date, the respective SERP benefit amount reported under the Retirement column is also included in the scenarios for Involuntary Termination Without Cause and Termination After Change in Control on the Retirement Benefits line.

The amounts shown below are calculated using an assumed termination date effective as of the last business day of fiscal year 2010 (i.e., June 30, 2010) and the closing price of Common Stock, upon which certain of the calculations are based, of $62.16 on that date. Although the calculations are intended to provide reasonable estimates of the potential compensation payable, they are based on assumptions outlined in the footnotes below and may not represent the actual amount the named executive officer would receive if an eligible termination event were to occur.

The table does not include compensation or benefits provided under plans or arrangements that are generally available to all salaried employees with the exception of disability and life insurance. Amounts reflected for change in control assume that each named executive officer is involuntarily terminated by the Company without cause or voluntarily terminates for good reason within two years after a change in control. For further details about the post-termination amounts shown in the table below, see the respective discussions above.

Name and Benefits	Involuntary Termination Without Cause (or Good Reason for CEO Only)	Termination After Change In Control	Retirement	Disability	Death
Donald R. Knauss					
Cash Severance	$ 5,318,670 (1)	$ 8,234,787 (2)	$—	$— (3)	$— (3)
Stock Options	— (4)	1,557,300 (5)	— (4)	1,557,300 (6)	1,557,300 (6)
Restricted Stock	406,402 (7)	1,443,977 (8)	—	1,443,977 (9)	1,443,977 (9)
Performance Shares	—	4,812,427 (10)	—	7,402,634 (11)	7,402,634 (11)
Retirement Benefits	3,474,818 (12)	8,078,069 (13)	3,474,818 (12)	5,022,217 (14)	1,844,968 (15)
Health and Welfare Benefits	— (16)	10,755 (17)	—	—	—
Disability/Life Insurance (18)	—	—	—	1,396,468	1,075,000
Financial Planning (19)	—	16,500	—	—	—
Excise Tax Gross-Up (20)	—	8,651,739	—	—	—
Total Estimated Value	$ 9,199,890	$ 32,805,554	$ 3,474,818	$ 16,822,596	$ 13,323,879
Lawrence S. Peiros					
Cash Severance	$ 1,838,250 (21)	$ 4,079,427 (2)	$— (22)	$— (3)	$— (3)
Stock Options	32,241 (23)	489,510 (5)	32,241 (23)	489,510 (6)	489,510 (6)
Restricted Stock	—	—	—	—	—
Performance Shares	1,170,680 (24)	1,452,265 (10)	1,170,680 (24)	2,262,002 (11)	2,262,002 (11)
Retirement Benefits	5,604,222 (25)	6,164,269 (13)	5,604,222 (26)	3,105,885 (14)	2,789,909 (15)
Health and Welfare Benefits	27,288 (16)	49,836 (17)	—	—	—
Disability/Life Insurance (18)	—	—	—	708,664	645,000
Financial Planning (19)	—	16,500	—	—	—
Excise Tax Gross-Up (20)	—	—	—	—	—
Total Estimated Value	$ 8,672,681	$ 12,251,807	$ 6,807,143	$ 6,566,061	$ 6,186,421

Name and Benefits	Involuntary Termination Without Cause (or Good Reason for CEO Only)		Termination After Change In Control		Retirement		Disability		Death	
Frank A. Tataseo										
Cash Severance	$ 1,361,250	(21)	$ 3,098,333	(2)	$ —	(22)	$ —	(3)	$ —	(3)
Stock Options	25,701	(23)	282,936	(5)	25,701	(23)	282,936	(6)	282,936	(6)
Restricted Stock	—		—		—		—		—	
Performance Shares	850,763	(24)	1,009,064	(10)	850,763	(24)	1,489,975	(11)	1,489,975	(11)
Retirement Benefits	4,657,554	(25)	4,943,565	(13)	4,657,554	(26)	2,928,966	(14)	2,442,646	(15)
Health and Welfare Benefits	55,680	(16)	91,657	(17)	—		—		—	
Disability/Life Insurance (18)	—		—		—		449,167		495,000	
Financial Planning (19)	—		16,500		—		—		—	
Excise Tax Gross-Up (20)	—		—		—		—		—	
Total Estimated Value	$ 6,950,948		$ 9,442,055		$ 5,534,018		$ 5,151,044		$ 4,710,557	
Daniel J. Heinrich										
Cash Severance	$ 1,366,069	(21)	$ 3,342,713	(2)	$ —		$ —	(3)	$ —	(3)
Stock Options	—		297,094	(5)	—		297,094	(6)	297,094	(6)
Restricted Stock	—		—		—		—		—	
Performance Shares	—		1,017,974	(10)	—		1,516,704	(11)	1,516,704	(11)
Retirement Benefits	3,221,199	(25)	4,305,676	(13)	—		—	(14)	—	(15)
Health and Welfare Benefits	55,680	(16)	91,943	(17)	—		—		—	
Disability/Life Insurance (18)	—		—		—		484,477		533,100	
Financial Planning (19)	—		16,500		—		—		—	
Excise Tax Gross-Up (20)	—		3,614,951		—		—		—	
Total Estimated Value	$ 4,642,948		$ 12,686,851		$ —		$ 2,298,275		$ 2,346,898	
Beth Springer										
Cash Severance	$ 1,281,250	(21)	$ 3,126,680	(2)	$ —		$ —	(3)	$ —	(3)
Stock Options	—		297,224	(5)	—		297,224	(6)	297,224	(6)
Restricted Stock	—		—		—		—		—	
Performance Shares	—		1,017,974	(10)	—		1,516,704	(11)	1,516,704	(11)
Retirement Benefits	—		293,661	(13)	—		1,088,714	(14)	1,169,617	(15)
Health and Welfare Benefits	17,904	(16)	35,040	(17)	—		—		—	
Disability/Life Insurance (18)	—		—		—		453,335		500,000	
Financial Planning (19)	—		16,500		—		—		—	
Excise Tax Gross-Up (20)	—		2,105,422		—		—		—	
Total Estimated Value	$ 1,299,154		$ 6,892,501		$ —		$ 3,355,977		$ 3,483,545	

(1) This amount represents two times Mr. Knauss' current base salary of $1,075,000, plus two times 75% of his average annual EIC Plan awards for the preceding three years, plus 100% of his current year EIC Plan award target of $1,290,000, pro-rated to the date of termination.

(2) This amount represents three times the named executive officer's current base salary, plus three times the average EIC Plan awards for the preceding three years, plus the average EIC Plan awards for the preceding three years, prorated to the date of termination.

(3) Named executive officers whose termination is the result of disability or death are eligible to receive a pro-rata EIC Plan award through the date of termination. However, all bonus-eligible employees active as of June 30, 2010, are eligible to receive an annual incentive award, so a pro-rata EIC Plan award would not be applicable since the assumed termination date is June 30, 2010.

(4) This amount represents the value of the accelerated vesting of 15,250 of Mr. Knauss' stock options in accordance with his employment agreement, calculated as the difference between the June 30, 2010, closing Common Stock price of $62.16 and the exercise price for each option. The exercise price for these options was greater than the Common Stock's closing price at the end of the fiscal year making the total value $0.

(5) This amount represents the value of the accelerated vesting of all outstanding stock options, calculated as the difference between the June 30, 2010, closing Common Stock price of $62.16 and the exercise price for each option.

(6) This amount represents the value of the accelerated vesting of outstanding stock options upon the named executive officer's termination of employment due to disability or death, calculated as the difference between the June 30, 2010, closing Common Stock price of $62.16 and the exercise price for each option.

(7) This amount represents the value of the accelerated vesting of 6,538 of Mr. Knauss' restricted stock units in accordance with his employment agreement. This amount represents the unvested portion of his initial grant of 23,500 restricted stock units that will vest upon termination plus 663 restricted stock units as a result of reinvested dividends related to the 23,500 restricted stock units. This dollar amount was determined by multiplying the 6,538 restricted stock units times the closing price of our Common Stock on June 30, 2010, of $62.16.

(8) This amount represents the value of the accelerated vesting of all outstanding restricted stock units. This dollar amount was determined by multiplying 23,230 units for Mr. Knauss times the closing price of our Common Stock on June 30, 2010, of $62.16. Mr. Knauss' restricted stock units represent the unvested portion of his initial grant of 83,500 restricted stock units per his employment agreement plus 2,355 restricted stock units due to reinvested dividends.

(9) This amount represents the value of the accelerated vesting of all outstanding restricted stock units upon Mr. Knauss' termination due to disability or death determined by multiplying 23,230 units times the closing price of our Common Stock on June 30, 2010, of $62.16.

(10) Performance shares will vest on a pro-rata basis after a change in control. This amount assumes a targeted payout and is valued at the closing price of our Common Stock on June 30, 2010, of $62.16.

(11) This amount represents the value of the accelerated vesting of performance shares upon a death or disability, assuming a target payout and valued at the closing price of our Common Stock on June 30, 2010, of $62.16. Upon a death or disability termination, the entire performance share grant will vest. The actual payout will not be determined until the end of the performance period.

(12) Mr. Knauss received three years of benefit accruals for the replacement SERP under the terms of his employment agreement; he is not eligible for any additional retirement benefits in the event of an involuntary termination or retirement above what he has already accrued. Mr. Knauss is vested in the replacement SERP. These benefits are described further in the discussions on Mr. Knauss' Employment Agreement and Overview of Pension Benefits.

(13) This amount represents the difference between the actuarial equivalent of the benefit the named executive officer would have been eligible to receive if his or her employment had continued until the third anniversary of the date of termination or, other than for Mr. Knauss, the first day of the month following the named executive officer's 65th birthday if earlier, under the qualified and nonqualified retirement plans and the actuarial equivalent of the named executive officer's actual aggregate benefits paid or payable, if any, as of the date of termination under the qualified and nonqualified retirement plans. As described above, Messrs. Knauss, Peiros and Tataseo's amount also includes the value of the SERP benefit each would receive upon termination, as they are already vested in this benefit.

(14) This amount represents the present value of the SERP benefit payable to the named executive officer at the time of termination due to disability. For Mr. Knauss, this amount includes the present value accrued to date of the replacement SERP benefit under a termination due to disability. Mr. Heinrich is not yet eligible for this SERP benefit.

(15) This amount represents the present value of the SERP benefit payable to the named executive officer's beneficiary at the time of death. For Mr. Knauss, this amount represents the present value accrued to date of the replacement SERP benefit payable to his beneficiary. Mr. Heinrich is not yet eligible for this SERP benefit.

(16) This amount represents the estimated Company cost of providing continuing medical and dental benefits for the two-year period following termination. Mr. Knauss currently has not elected to receive medical and dental coverage under the Company's plans, so there is no Company cost related to this benefit.

(17) This amount represents the estimated Company cost of providing welfare benefits, including medical, dental, disability and life insurance, for the three-year period following a qualifying termination after a change in control. Mr. Knauss currently has not elected to receive medical and dental coverage under the Company's plans, so there is no Company cost related to this portion of the benefit.

(18) These amounts represent benefits payable pursuant to the Company's disability and life insurance plans. The disability benefit represents the same benefit level offered to other salaried employees. The death benefit represents the life insurance coverage elected by the named executive officer, and is also the same program that is offered to other salaried employees.

(19) This amount represents the cost of providing financial planning for the year of termination.

(20) This amount represents the gross-up payment to cover the IRC Section 4999 excise tax, if any, owed by the named executive officer on any change in control-related severance payments and benefits.

(21) This amount reflects two times the named executive officer's current base salary. In addition, for Messrs. Peiros and Tataseo, who are retirement-eligible, this amount includes 100% of their current year target EIC Plan award pro-rated to the date of termination. For the other named executive officers, this amount includes 75% of his or her current year EIC Plan award, pro-rated to the date of termination.

(22) Mr. Peiros and Mr. Tataseo are the only named executive officers who are retirement-eligible and thus are eligible for a pro- rata EIC Plan award upon retirement. However, all bonus-eligible employees active as of June 30, 2010, are eligible to receive an annual incentive award, so a pro-rata EIC Plan award would not be applicable as of this date since the assumed termination date is June 30, 2010.

(23) Mr. Peiros and Mr. Tataseo are retirement-eligible and, thus, all unvested stock options held greater than one year will automatically vest upon termination. This amount represents the value of the accelerated vesting of the stock options, calculated as the difference between the June 30, 2010, closing Common Stock price of $62.16 and the exercise price for each option.

(24) Mr. Peiros and Mr. Tataseo are retirement-eligible and, thus, are entitled to receive a pro-rata portion of all performance shares held at least one year at the date of termination. This value represents the pro-rata vesting of the eligible shares from the September 2007 and September 2008 grants, assuming a target payout and valued at the closing price of our Common Stock on June 30, 2010, of $62.16. The actual payout of the shares will not be determined until the end of the performance period. Named executive officers who are not retirement-eligible forfeit shares upon termination under these scenarios.

(25) For Mr. Heinrich, this amount represents the present value of the Company SERP per the provisions of the Severance Plan, assuming he will be deemed age 55 and/or with ten years of service at the date of termination. For Messrs. Peiros and Tataseo, this amount is the present value of the SERP benefit each would receive upon termination as they are already vested in this benefit.

(26) As described above, for Messrs. Peiros and Tataseo, this amount represents the value of vested benefits under the Company SERP per the provisions of the plan and would be payable upon retirement.

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 following table sets forth information regarding compensation for each of the Company's non-employee directors during fiscal year 2010:

Name	Fees Earned or Paid in Cash ($) (1)	Stock Awards ($) (2)	Option Awards ($) (3)	Total ($)
Daniel Boggan, Jr.	85,000	110,000	—	195,000
Richard H. Carmona	75,000	110,000	—	185,000
Tully M. Friedman	85,000	110,000	—	195,000
George J. Harad	95,000	110,000	—	205,000
Robert W. Matschullat	75,000	110,000	—	185,000
Gary G. Michael	100,000	110,000	—	210,000
Edward A. Mueller	95,000	110,000	—	205,000
Jan L. Murley	75,000	110,000	—	185,000
Pamela Thomas-Graham	75,000	110,000	—	185,000
Carolyn M. Ticknor	75,000	110,000	—	185,000

(1) The amount reported in the "Fees Earned or Paid in Cash" column reflects the total annual cash retainer and other cash compensation earned by each director in fiscal year 2010 and includes amounts deferred into cash or deferred stock units and/or amounts issued in Common Stock in lieu of cash at the director's election. The annual cash retainer is paid to each director in quarterly installments.

(2) The amount reported reflects the grant-date fair value for financial statement reporting purposes of the annual grant of deferred stock units earned during fiscal year 2010. Awards are granted on an annual basis at the end of each calendar year. Refer to Note 16 to the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended June 30, 2010, for a discussion of the relevant assumptions used in calculating the grant-date fair value under applicable accounting guidance. As of June 30, 2010, 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: Mr. Boggan – 22,008 units; Dr. Carmona – 5,030 units; Mr. Friedman – 30,188 units; Mr. Harad – 13,690 units; Mr. Matschullat – 55,027 units; Mr. Michael – 9,617 units; Mr. Mueller – 9,354 units; Ms. Murley – 12,271 units; Ms. Thomas-Graham – 8,367 units; and Ms. Ticknor – 13,847 units.

(3) No stock options were granted to directors in fiscal year 2010. The award of stock options as an element of director compensation was discontinued in October 2006. Prior to October 2006, each new non-employee director received a one-time grant of 8,000 options upon joining the board of directors, which award vested in two equal installments over a two-year period. The Company's prior policy of making annual grants to non-employee directors of stock options that vested over a two-year period was discontinued in 2004. As of June 30, 2010, the following directors had vested options for the indicated aggregate number of shares: Mr. Boggan – 8,000 shares; Mr. Friedman – 10,000 shares; Mr. Harad – 8,000 shares; Mr. Matschullat – 10,000 shares; Mr. Michael – 6,000 shares; Ms. Murley – 16,000 shares; Ms. Thomas-Graham – 8,000 shares; and Ms. Ticknor – 8,000 shares.

Fees Earned or Paid in Cash

Cash compensation consists of annual cash retainer amounts and any special assignment fees. The following table lists the various retainers earned for board service and service as lead director or a committee chair during fiscal year 2010:

Annual director retainer*	$75,000
Lead director retainer	25,000
Committee chair retainers:	
Nominating and Governance Committee	10,000
Finance Committee	10,000
Audit Committee	20,000
Management Development and Compensation Committee	20,000

* Effective October 1, 2010, the annual director retainer will be increased to $90,000.

Directors who serve as a board member, lead director 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 of directors. 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 on the date on which the fees are scheduled to be paid.

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, at the director's election. 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 below, are paid out in shares of Common Stock in five annual installments or in one lump sum, at the director's election.

Stock Awards

In addition to the cash compensation amounts described above, each non-employee director also receives an annual grant of deferred stock units. The deferred stock unit award value relating to fiscal year 2010 for each non-employee director was $110,000. Effective October 1, 2010, the deferred stock unit award value will be increased to $120,000. 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. As noted above, deferred stock units accrue dividend equivalents and a director's deferred stock unit account is paid out in Common Stock following the director's termination of service in the manner described above.

Stock Ownership Guidelines for Directors

The board of directors believes that the alignment of directors' interests with those of stockholders is strengthened when board members are also stockholders. The board of directors therefore requires that each non-employee director, within three years of being first elected, owns Common Stock or deferred stock units having a market value of at least two times their 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 of directors. As of June 30, 2010, each non-employee director was in compliance with the guidelines.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 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 officers, the Company believes that all Section 16(a) filing requirements applicable to its directors and officers were complied with during fiscal year 2010, except that the Company inadvertently filed late a Form 4 for each of Mr. Daniel Boggan, Jr., Mr. James Foster and Ms. Pamela Thomas-Graham. The late Form 4s were a Form 4 filed one day late in May 2010 on behalf of Mr. Boggan to report the purchase of shares through a cashless exercise of stock options and the sale of shares underlying the stock options, a Form 4 filed four weeks late in September 2009 on behalf of Mr. Foster to report the vesting of performance units, and a Form 4 filed two weeks late in April 2010 on behalf of Ms. Thomas-Graham to report the receipt of Common Stock in lieu of receipt of a portion of the quarterly director fees.

PROPOSAL 2:
RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the board of directors has selected Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2011. Ernst & Young LLP has been so engaged since February 15, 2003.

Vote Required and Board of Directors' Recommendation

Ratification of the selection of Ernst & Young LLP by stockholders is not required by law. However, as a matter of policy, such selection is being submitted to the stockholders for ratification at the Annual Meeting (and it is the present intention of the board of directors to continue this policy). The Audit Committee and the board of directors recommend the ratification of the Audit Committee's appointment of Ernst & Young LLP as the Company's independent registered public accounting firm for the fiscal year ending June 30, 2011.

The board of directors recommends that stockholders vote FOR Proposal 2. The people designated in the proxy and voting instruction card will vote your shares represented by proxy FOR ratification unless you include instructions to the contrary. If stockholders fail to ratify the appointment of this firm, the Audit Committee will reconsider the matter. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 2 is required to ratify the appointment of Ernst & Young LLP.

Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting to respond to appropriate questions and to make a statement should they desire to do so.

PROPOSAL 3:
APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE GOALS UNDER THE COMPANY'S 2005 STOCK INCENTIVE PLAN

The Company currently maintains The Clorox Company 2005 Stock Incentive Plan (the "2005 Plan"). The 2005 Plan provides for the grant of equity-based compensation awards ("Awards") to employees, directors and consultants of the Company. The 2005 Plan was approved by stockholders and became effective on November 16, 2005. In order to allow certain performance-based awards under the 2005 Plan to continue to qualify as tax-deductible performance-based compensation under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "IRC"), the board of directors is asking stockholders to re-approve the material terms of the performance goals under the 2005 Plan.

Stockholders are being asked only to re-approve the material terms of the performance goals under the 2005 Plan at the Annual Meeting. These terms are the same as those that the stockholders previously approved in 2005. Stockholders are not being asked to approve any amendment to the 2005 Plan or to approve the 2005 Plan itself. Importantly, the board of directors is not asking stockholders to approve an increase in the number of shares available for grant under the 2005 Plan or to extend the term of the 2005 Plan, which will terminate on November 15, 2015.

If the stockholders do not approve the material terms of the performance goals for performance-based awards, there will be no impact on the terms of the 2005 Plan. The 2005 Plan will continue to remain in existence and equity-based compensation grants may continue to be made in accordance with the terms of the 2005 Plan. The only impact on the Company will be that some or all of the value of certain awards that are based on the achievement of one or more performance goals will no longer be deductible under the IRC as a result of the limitations imposed under Section 162(m) of the IRC.

The board of directors believes that it is in the best interests of the Company and its stockholders to enable the Company to implement equity-based compensation arrangements that qualify as fully tax deductible performance-based compensation in the 2005 Plan. The board of directors is therefore asking stockholders to re-approve, for Section 162(m) purposes, the material terms of the performance goals set forth herein.

In general, Section 162(m) places a limit on the deductibility for federal income tax purposes of the compensation paid to the Company's CEO or any of the Company's three most highly compensated executive officers (other than the Company's CEO and CFO). Under Section 162(m), compensation paid to such persons in excess of $1 million in a taxable year is not generally deductible. However, compensation that qualifies as "performance-based" under Section 162(m) does not count against the $1 million limitation. One of the requirements of "performance-based" compensation for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid be disclosed to and approved by the Company's stockholders. In addition, Section 162(m) provides that if the Company retains the authority to change the targets under a performance goal, then the Company must, no later than the first stockholders meeting that occurs in the fifth year following the year in the which prior stockholder approval was obtained, again disclose the material terms of the performance goals to stockholders for re-approval.

For purposes of Section 162(m), the material terms include (a) the employees eligible to receive compensation, (b) a description of the business criteria on which the performance goal is based and (c) the maximum amount of compensation that can be paid to an employee under the performance goal. Each of these aspects of the 2005 Plan is discussed in summary below, and stockholder approval of this Proposal will be deemed to constitute approval of each of these aspects of the 2005 Plan for purposes of the approval requirements of Section 162(m) of the IRC.

The following summary does not purport to be complete and is subject to, and qualified in its entirety by, the provisions of a more detailed summary of the 2005 Plan, which is attached to this proxy statement as Appendix A and a copy of the 2005 Plan, which is available from the SEC and was publicly filed with the SEC as Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009. Capitalized terms used herein and not defined shall have the same meanings as set forth in the 2005 Plan.

Material Terms of the Performance Goals for Performance-Based Awards under the 2005 Stock Incentive Plan

Types of Performance-Based Awards and Maximum Amount of Compensation:

Performance Share Grants. Each performance share grant shall be evidenced by an award agreement that shall specify such terms and conditions as the Management Development and Compensation Committee ("MDCC") or subcommittee of the MDCC (the "Committee"), in its sole discretion, shall determine.

The Committee shall have complete discretion to determine (i) the number of Shares of Common Stock subject to a performance share Award and (ii) the performance-based conditions that must be satisfied for grant or for vesting, provided that in no case shall there be a performance period of less than one year.

No Participant shall be granted performance shares and certain other types of Awards (specifically restricted stock, RSUs or other stock-based awards) covering, in the aggregate, more than 800,000 Shares in any 36-month period.

Performance Units. Performance units are similar to performance shares, except that they are cash-based and may be settled in Shares, cash or a combination of the two. Each performance unit grant shall be evidenced by an award agreement that shall specify such terms and conditions as shall be determined at the discretion of the Committee, including the dollar value of the performance units and the performance-based conditions that must be satisfied for grant or for vesting, provided that in no case shall there be a performance period of less than one year.

No Participant shall be granted performance units providing for a payment value of more than $10,000,000 in any one fiscal year.

Eligibility to Receive Awards. The 2005 Plan provides that Awards may be granted to employees, directors or consultants of the Company or its subsidiaries (collectively, the "Participants"), except that incentive stock options may be granted only to employees of the Company and its subsidiaries. The approximate number of persons eligible to participate in the 2005 Plan is 1,030.

Performance Measures for Performance-Based Awards. The 2005 Plan is currently administered by the Committee. The Committee may grant Awards which are intended to qualify as "performance-based compensation" for purposes of deductibility under Section 162(m) of the IRC. For any such Award, the Committee will establish the performance objectives to be used within 90 days after the commencement of the performance period, or, if less, 25% of the performance period applicable to such Award. The performance objectives to be used shall be selected from the following list of measures (collectively, the "Performance Measures"): total stockholder return, stock price, net customer sales, volume, gross profit, gross margin, operating profit, operating margin, management profit, earnings from continuing operations before income taxes, earnings from continuing operations, earnings per share from continuing operations, net operating profit after tax, net earnings, net earnings per share, return on assets, return on investment, return on equity, return on invested capital, cost of capital, average capital employed, cash value added, economic value added, cash flow, cash flow from operations, working capital, working capital as a percentage of net customer sales, asset growth, asset turnover, market share, customer satisfaction and employee satisfaction. The targeted level or levels of performance with respect to the Performance Measures may be established at such levels and on such terms as the Committee may determine, in its discretion, on a corporate-wide basis or with respect to one or more business units, divisions, subsidiaries, business segments or functions, and in either absolute terms or relative to the performance of one or more comparable companies or an index covering multiple companies. Unless otherwise determined by the Committee, measurement of performance goals with respect to the Performance Measures above shall exclude the impact of charges for restructurings, discontinued operations, extraordinary items and other unusual or non-recurring items, as well as the cumulative effects of tax or accounting changes, each as determined in accordance with generally accepted accounting principles or identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis or other filings with the SEC. Awards that are not intended to qualify as "performance-based compensation" under Section 162(m) of the IRC may be based on these or such other performance measures as the Committee may determine.

Vote Required and Board of Directors' Recommendation

The board of directors recommends a vote FOR Proposal 3, the approval of the material terms of the performance goals under The Clorox Company 2005 Stock Incentive Plan. The board of directors recommends the adoption of the following resolution, which will be presented at the Annual Meeting:

RESOLVED, that the stockholders of the Company hereby approve and adopt the material terms of the performance goals under the Company's 2005 Stock Incentive Plan.

The people designated in the enclosed proxy will vote your shares FOR approval unless you include instructions to the contrary. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 3 is required to approve the material terms of the performance goals under the 2005 Plan.

PROPOSAL 4:
APPROVAL OF THE MATERIAL TERMS OF THE PERFORMANCE GOALS UNDER THE COMPANY'S EXECUTIVE INCENTIVE COMPENSATION PLAN

The Company currently maintains The Clorox Company Executive Incentive Compensation Plan (the "EIC Plan"). The EIC Plan provides for short-term or annual incentive awards to the Company's CEO and other designated executive officers. The EIC Plan first became effective on July 1, 2005, upon approval by stockholders at the Company's Annual Meeting in 2005. In order to allow bonuses paid under the EIC Plan to continue to qualify as fully tax-deductible "performance-based compensation" under Section 162(m) of the Internal Revenue Code of 1986, as amended (the "IRC"), the board of directors is asking stockholders to re-approve the material terms of the performance goals under the EIC Plan.

Stockholders are being asked only to re-approve the material terms of the performance goals under the EIC Plan at the Annual Meeting. These terms are the same as those that the stockholders previously approved in 2005. Stockholders are not being asked to approve any amendment to the EIC Plan or to approve the EIC Plan itself.

If the stockholders do not approve the material terms of the performance goals for performance-based bonuses, there will be no impact on the terms of the EIC Plan. The EIC Plan will continue to remain in existence and awards may continue to be made in accordance with the terms of the EIC Plan. The only impact on the Company will be that some or all of the value of certain awards that are based on the achievement of one or more performance goals will no longer be deductible under the IRC as a result of the limitations imposed under Section 162(m) of the IRC.

The board of directors believes that it is in the best interests of the Company and its stockholders to enable the Company to pay bonuses and similar incentive compensation under arrangements that qualify as fully tax deductible performance-based compensation in the EIC Plan. The board of directors is therefore asking stockholders to re-approve, for Section 162(m) purposes, the material terms of the performance goals set forth herein.

In general, Section 162(m) places a limit on the deductibility for federal income tax purposes of the compensation paid to the Company's CEO or any of the Company's three most highly compensated executive officers (other than the Company's CEO and CFO). Under Section 162(m), compensation paid to such persons in excess of $1 million in a taxable year is not generally deductible. However, compensation that qualifies as "performance-based" under Section 162(m) does not count against the $1 million limitation. One of the requirements of "performance-based" compensation for purposes of Section 162(m) is that the material terms of the performance goals under which compensation may be paid be disclosed to and approved by the Company's stockholders. In addition, Section 162(m) provides that if the Company retains the authority to change the targets under a performance goal, then the Company must, no later than the first stockholders meeting that occurs in the fifth year following the year in the which prior stockholder approval was obtained, again disclose the material terms of the performance goals to stockholders for re-approval.

For purposes of Section 162(m), the material terms include (a) the employees eligible to receive compensation, (b) a description of the business criteria on which the performance goal is based and (c) the maximum amount of compensation that can be paid to an employee under the performance goal. Each of these aspects of the EIC Plan is discussed below, and stockholder approval of this Proposal will be deemed to constitute approval of each of these aspects of the EIC Plan for purposes of the approval requirements of Section 162(m) of the IRC.

EIC Plan Summary

The following paragraphs provide a summary of the principal features of the EIC Plan. This summary does not purport to be complete and is subject to, and qualified in its entirety by, the provisions of the EIC Plan, which is attached to this proxy statement as Appendix B. Capitalized terms used herein and not defined shall have the same meanings as set forth in the EIC Plan.

Purpose. The purpose of the EIC Plan is to enhance the Company's ability to attract and retain highly qualified executives and provide such executives with additional financial incentives (referred to herein as "Awards") to promote the success of the Company and its Subsidiaries. Awards granted under the EIC Plan are intended to qualify as performance-based compensation within the meaning of Section 162(m) of the IRC.

Eligibility. Participation in the EIC Plan is limited to the Company's CEO and each other officer of the Company who is determined by the Committee (as defined below) to be a "covered employee" of the Company within the meaning of Section 162(m) of the IRC or who is selected by the Committee to participate in the EIC Plan (collectively "Participants"). The number of persons eligible to participate in the EIC Plan is approximately 13.

Administration. The EIC Plan currently is administered by the Management Development and Compensation Committee of the Company's board of directors ("MDCC") or a subcommittee of the MDCC (the "Committee"), which is a committee of the board of directors consisting of two or more members of the board of directors who are "outside directors" within the meaning of Section 162(m) of the IRC, "non-employee directors" within the meaning of Rule 16b-3 (or any successor rule) of the Securities Exchange Act of 1934, as amended, and "independent directors" under the New York Stock Exchange Listing Standards. The Committee has the authority to (i) select the Participants to whom Awards shall be granted; (ii) designate the Performance Period; and (iii) specify the terms and conditions for the determination and payment of each Award. Except as otherwise provided by the board of directors and subject to applicable laws, the Committee has the full and final authority in its discretion to establish rules and take all actions determined by the Committee to be necessary in the administration of the EIC Plan, including, without limitation, interpreting the terms of the EIC Plan and any related documents, rules, or regulations and deciding all questions of fact arising in their application. All decisions, determinations and interpretations of the Committee are final, binding and conclusive on all persons, including the Company, its subsidiaries, its shareholders, the Participants and their estates and beneficiaries.

Performance Goal. "Earnings Before Income Taxes" is the measure of performance provided for the payment of Awards under the EIC Plan. For purposes of the EIC Plan, Earnings Before Income Taxes consists of earnings before income taxes of the Company as reported on the Company's income statement for the applicable Performance Period, and adjusted to exclude the impact of charges for restructurings, discontinued operations, extraordinary items, and other unusual or non-recurring items, as well as the cumulative effect of tax and accounting changes, each as determined in accordance with generally accepted accounting principles or identified in the Company's financial statements, notes to the financial statements, management's discussion and analysis or other filings with the United States Securities and Exchange Commission.

Performance Period. The Performance Period under the EIC Plan is the Company's fiscal year, but may be a shorter or longer period as determined by the Committee. In no event will the Performance Period be less than six (6) months or more than five (5) years.

Maximum Award. The maximum Award that may be paid to any Participant other than the Company's CEO for any Performance Period is 0.6% of Earnings Before Income Taxes for the Performance Period. The maximum Award that may be paid to the Company's CEO for any Performance Period is 1.0% of Earnings Before Income Taxes for the Performance Period.

Awards. Within 90 days after the commencement of each Performance Period, or the number of days that is equal to 25% of such Performance Period, if less, the Committee shall select, in writing, the Participants to whom Awards shall be granted, designate the Performance Period, and specify the terms and conditions for the determination and payment of such Awards. Although each Participant is eligible to receive an Award equal to 0.6% of Earnings Before Income Taxes for the Performance Period, except for the Company's CEO who is eligible to receive an Award equal to 1.0% of Earnings Before Income Taxes for the Performance Period, the actual amount of the Award may be conditioned by the Committee upon the satisfaction of such objective or subjective standards as it determines to be appropriate, such that the actual Award may be reduced (but not increased) from the maximum level permitted under the EIC Plan in the Committee's discretion. See the section entitled"Annual Incentives" under the Compensation Discussion and Analysis on page 25 for a full discussion of the determination of Awards by the Committee.

Committee Certification. As soon as practicable after the end of each Performance Period, the Committee shall determine the amount of the Awards to be paid to each Participant for the Performance Period and shall certify its determination in writing.

Payment of Awards. All awards will be paid in cash, Shares or a combination thereof. Award payments made in Shares, in whole or in part, shall be made from the aggregate number of Shares authorized to be issued under the 2005 Stock Incentive Plan (or its successor). Awards shall be paid to Participants following the Committee's certification no later than ninety (90) days after the close of the Performance Period, unless all or a portion of an Award is deferred pursuant to an election the Participant has timely and validly made under Section 409A of the IRC.

Recoupment of Awards. In the event of a restatement of the Company's financial results to correct a material error resulting from fraud or intentional misconduct, if a lower payment of performance-based compensation would have been made to the Participants based upon the restated financial results, the board of directors or the Committee will, to the extent permitted by law, seek to recoup the amount by which the individual Participant's Award(s) for the restated years exceeded the lower payment that would have been made based on the restated financial results, plus a reasonable rate of interest; provided, however, neither the board of directors nor the Committee will seek to recoup Awards paid more than three years prior to the date on which the Company announces the need for the applicable financial statements to be restated, and only will seek to recoup Awards paid to Participants whose fraud or intentional misconduct was a significant contributing factor to the need for such restatement.

Non-Transferability of Awards. Unless otherwise determined by the Committee, an Award granted under the EIC Plan may not be sold, pledged, assigned, hypothecated, transferred or disposed of in any manner by any Participant. During the lifetime of the Participant, payment of an Award shall only be made to such Participant. The Committee may, however, establish procedures necessary for a Participant to designate a beneficiary to whom any amounts would be payable in the event of the Participant's death.

Amendment and Termination. The board of directors may at any time alter, amend, suspend or terminate the EIC Plan, in whole or in part, provided, however, that no amendment that requires stockholder approval in order to maintain qualification of the Awards as performance-based compensation under Section 162(m) of the IRC shall be made without such approval. If changes are made to Section 162(m) of the IRC or the related regulations that permit greater flexibility with respect to any Award, the Committee may make adjustments to the EIC Plan and/or Awards as it deems appropriate.

Benefits to Be Received Upon Approval. Awards under the EIC Plan are determined based on future performance and, therefore, future actual Awards cannot now be determined.

Federal Income Tax Consequences

The following is a brief summary of the material United States federal income tax consequences associated with Awards granted under the EIC Plan. The summary is based on existing United States laws and regulations, and there can be no assurance that those laws and regulations will not change in the future. The summary does not purport to be complete and does not discuss the tax consequences upon a Participant's death, or the provisions of the income tax laws of any municipality, state or foreign country in which the Participant may reside. The tax consequences for any particular Participant may vary based on individual circumstances.

Participants will recognize ordinary income equal to the amount of the Award received in the year of receipt (assuming, in the case of Participants who make an election to defer receipt of payment of their Award that such election is timely and validly made under Section 409A of the IRC). That income will be subject to applicable income and employment tax withholding by the Company. If and to the extent that the EIC Plan payments satisfy the requirements of Section 162(m) of the IRC and otherwise satisfy the requirements of deductibility under federal income tax law, the Company will receive a deduction for the amount constituting ordinary income to the Participant.

Vote Required and Board of Directors' Recommendation

The board of directors recommends a vote FOR Proposal 4, the approval of the material terms of the performance goals under The Clorox Company Executive Incentive Compensation Plan. The board of directors recommends the adoption of the following resolution, which will be presented at the Annual Meeting:

RESOLVED, that the stockholders of the Company hereby approve and adopt the material terms of the performance goals under the Company's Executive Incentive Compensation Plan attached as Appendix B to the proxy statement for this meeting.

The people designated in the enclosed proxy will vote your shares FOR approval unless you include instructions to the contrary. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 4 is required to approve the material terms of the performance goals under the EIC Plan.

PROPOSAL 5:
STOCKHOLDER PROPOSAL

The board of directors expects the following proposal (Proposal 5 on the proxy card and voting instruction card) to be presented by a stockholder at the Annual Meeting. The name, address and, to our knowledge, the number of voting securities held by the stockholder proponent will be supplied promptly upon receipt of oral or written request.

Stockholder Proposal and Supporting Statement

INDEPENDENT CHAIRMAN

RESOLVED: Pursuant to Section 109 of the Delaware General Corporation Law, the stockholders hereby amend the Bylaws to add the following text where designated:

Add to the end of Article IV, Sec. 5:

"Notwithstanding any other provision of these Bylaws, the Chairman of the Board shall be a Director who is independent from the Corporation. For purposes of this Bylaw, 'independent' has the meaning set forth in the New York Stock Exchange ("NYSE") listing standards, unless the Corporation's common stock ceases to be listed on the NYSE and is listed on another exchange, in which case such exchange's definition of independence shall apply. If the Board of Directors determines that a Chairman of the Board who was independent at the time he or she was selected is no longer independent, the Board of Directors shall select a new Chairman of the Board who satisfies the requirements of this Bylaw within 60 days of such determination. Compliance with this Bylaw shall be excused if no Director who qualifies as independent is elected by the stockholders or if no Director who is independent is willing to serve as Chairman of the Board. This Bylaw shall apply prospectively, so as not to violate any contractual obligation of the Corporation in effect when this Bylaw was adopted."

SUPPORTING STATEMENT

A goal of Norges Bank, the central bank of Norway, is to safeguard long-term financial interests through active ownership. In furtherance of that goal, Norges Bank believes that corporate boards should be structured to ensure independence and accountability to shareholders. The roles of Chairman of the Board and CEO are fundamentally different and should not be held by the same person. There should be a clear division of the responsibilities between these positions to ensure a balance of power and authority on the Board. Approximately 49% of S&P 1500 companies have separate CEO and Chairman positions.

The Board should be led by an independent Chairman. Such a structure will put the Board in a better position to make independent evaluations and decisions, hire management, decide a remuneration policy that encourages performance, provide strategic direction and support management in taking a long-term view in the development of business strategies. An independently led Board is better able to oversee and give guidance to Corporation executives, help prevent conflict or the perception of conflict, and effectively strengthen the system of checks-and-balances within the corporate structure and thus protect stockholder value.

An independent Chairman will be a strength to the Corporation when the Board must make the necessary strategic decisions and prioritizations to create stockholder value over time.

We therefore urge stockholders to vote FOR this proposal.

Board of Directors' Statement in Opposition

OPPOSITION STATEMENT

The board of directors recommends a vote against this proposal because the board of directors believes it is in the best interests of the Company and its stockholders for the board of directors to have flexibility in determining whether to separate or combine the roles of Chairman and CEO based on the Company's circumstances. In the past, the Company has had both combined and separated Chairman and CEO positions, allowing, in each case, the board of directors to consider all eligible directors and not exclude any eligible candidate from consideration. More recently, when the positions have been combined, the Company has appointed a strong and independent lead director. The board of directors strongly believes that it is better for the Company and stockholders to preserve this flexibility rather than adopt a rigid standard requiring separate Chairman and CEO positions in all circumstances. This board of directors believes that a majority of the Company's stockholders share this view, given that an identical proposal submitted last year by Norges Bank received support from less than 20% of the Company's stockholders.

The Company's commitment to "best practices" in corporate governance also makes separating the Chairman and CEO positions unnecessary. Currently, ten of our eleven directors are "independent" as defined by the New York Stock Exchange rules and the director independence standards set forth in the Company's Governance Guidelines, which are available on the Company's website. Moreover, the Audit, Finance, Management Development and Compensation, and Nominating and Governance Committees of the board of directors are comprised entirely of independent directors. Our Governance Guidelines also provide for a strong and independent lead director role. The lead director is elected annually by and from the independent board members with clearly delineated and comprehensive duties and must serve a minimum of one year in order to qualify as the lead director. Mr. Gary Michael, retired Chairman of the Board and CEO of Albertson's, Inc., is our current lead director. In this role, among other responsibilities, he coordinates the activities of the independent directors and serves as a liaison between the Chairman and the independent directors. His duties as lead director, which are also included in the Governance Guidelines, include:

- presiding at the executive sessions of the independent directors with authority to call additional executive sessions or meetings of the independent directors;
- presiding at board of director meetings in the Chairman's absence;
- approving information sent to the board of directors by management;
- approving meeting agendas and approving meeting schedules for the board of directors to assure that there is sufficient time for discussion of all agenda items;
- being available for consultation and direct communication with major stockholders, if requested; and
- evaluating, along with the members of the Management Development and Compensation Committee and the other independent directors, the performance of the CEO.

Our governance processes, including the board of directors' deep involvement in developing and implementing our strategy, active oversight of risk and review of risk assessments, oversight of business results and thorough evaluation of CEO performance and compensation, provide rigorous oversight of the Chairman and CEO positions at such times as they are combined. The stockholders also provide balance in that each year the board of directors is elected under a majority voting provision in the Bylaws and stockholders may communicate directly with the lead director or any other director, as described in the "Director Communications" section of this proxy statement. Because of our strong board independence, strong lead director, robust governance processes and stockholder voting and communication mechanisms, adopting a Bylaw which requires separate Chairman and CEO positions is unnecessary. A more flexible policy better serves the interests of the Company and its stockholders.

Vote Required and Board of Directors' Recommendation

The board of directors recommends that the stockholders vote AGAINST Proposal 5. The people designated in the proxy and voting instruction card will vote your shares represented by proxy AGAINST this proposal unless you include instructions to the contrary. The affirmative vote of a majority of the shares of Common Stock represented and entitled to vote at the Annual Meeting on Proposal 5 is required to approve Proposal 5.

OTHER INFORMATION

Financial Statements and Form 10-K

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