

CAGNY 2020

SAFE HARBOR STATEMENT

This presentation contains forward-looking statements, including, among others, statements relating to net sales and earnings growth; gross margin changes; trade and marketing spending; marketing expense as a percentage of net sales; sufficiency of cash flows from operations; earnings per share; the impact of new accounting pronouncements; cost savings programs; consumer demand and spending; the effects of competition; the effect of product mix; volume growth, including the effects of new product launches into new and existing categories; the increase in the number of gummy dietary supplement competitors; the decline of condom usage; the Company's hedge programs; the impact of foreign exchange, tariffs, and commodity price fluctuations; impairments and other charges; the Company's investments in joint ventures; the impact of acquisitions and divestitures; capital expenditures; the Company's effective tax rate; the impact of the Tax Cuts and Jobs Act; the impact of tax audits; tax changes and the lapse of applicable statutes of limitations; the effect of the credit environment on the Company's liquidity and capital resources; the Company's fixed rate debt; compliance with covenants under the Company's debt instruments; the Company's commercial paper program; the Company's current and anticipated future borrowing capacity to meet capital expenditure program costs; and the Company's share repurchase programs; payment of dividends; environmental and regulatory matters; the availability and adequacy of raw materials, including trona reserves and the conversion of such reserves; and the customers and consumer acceptance of certain ingredients in our products. These statements represent the intentions, plans, expectations and beliefs of the Company, and are based on assumptions that the Company believes are reasonable but may prove to be incorrect. In addition, these statements are subject to risks, uncertainties and other factors, many of which are outside the Company's control and could cause actual results to differ materially from such forward-looking statements. Factors that could cause such differences include a decline in market growth, retailer distribution and consumer demand (as a result of, among other things, political, economic and marketplace conditions and events), including those relating to the outbreak of contagious diseases; unanticipated increases in raw material and energy prices; delays or other problems in manufacturing or distribution; adverse developments affecting the financial condition of major customers and suppliers; competition; changes in marketing and promotional spending; growth or declines in various product categories and the impact of customer actions in response to changes in consumer demand and the economy, including increasing shelf space or on line share of private label and retailer-branded products or other changes in the retail environment; consumer and competitor reaction to, and customer acceptance of, new product introductions and features; the Company's ability to maintain product quality and characteristics at a level acceptable to our customers and consumers; disruptions in the banking system and financial markets; foreign currency exchange rate fluctuations; implications of the United Kingdom's withdrawal from the European Union; shifting economic policies in the United States; potential changes in export/import and trade laws, regulations and policies of the United States and other countries, including any increased trade restrictions or tariffs, including the actual and potential effect of tariffs on Chinese goods imposed by the United States; increased or changing regulation regarding our products in the United States and other countries where we or our suppliers operate; issues relating to the Company's information technology and controls; the impact of natural disasters, including those related to climate change, on the Company and its customers and suppliers, including third party information technology service providers; the acquisition or divestiture of assets; the outcome of contingencies, including litigation, pending regulatory proceedings and environmental matters; and changes in the regulatory environment.

For a description of additional factors that could cause actual results to differ materially from the forward-looking statements, please see Item 1A, "Risk Factors" in the Company's annual report on Form 10-K. The Company undertakes no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by the U.S. federal securities laws. You are advised, however, to consult any further disclosures the Company makes on related subjects in its filings with the United States Securities and Exchange Commission.

This presentation also contains non-GAAP financial measures such as Adjusted EPS, Organic Sales Growth, Adjusted Gross Margin, Adjusted Operating Margin, Adjusted SG&A, Adjusted Free Cash Flow Conversion, EBITDA and Bank EBITDA, which differ from reported results using Generally Accepted Accounting Principles (GAAP). The most directly comparable GAAP financial measures and reconciliations to non-GAAP financial measures are set forth in the Appendix hereto and in the Company's filings with the Securities and Exchange Commission.

THE SHORT STORY

2019 was another **solid year.** We have **confidence** in our future.

- Evergreen Model is Healthy
- Digitally Savvy
- Consistent Innovation
- Strong 2020 Outlook
- Steady US Growth Ahead
- High International Growth Rate Is Sustainable
- Animal Productivity Business Becoming More Balanced

DELIVER OUTSTANDING RETURNS TO OUR SHAREHOLDERS

10 YEAR:	5 YEAR:	3 YEAR:	2019:
20.1%	14.6%	18.5%	8.3%





01

Who We Are

Matt Farrell,
Chairman and
Chief Executive Officer

WE HAVE AN EVERGREEN BUSINESS MODEL

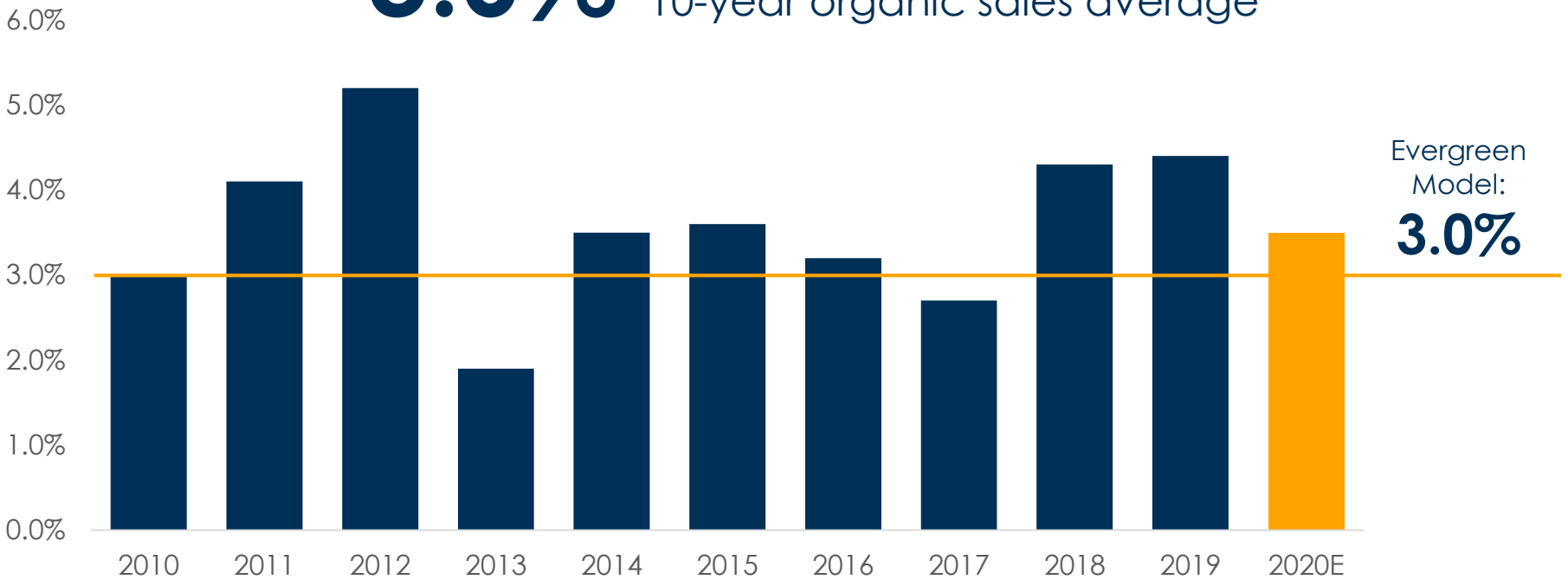
3% Organic Sales Growth

8% EPS Growth



ORGANIC SALES GROWTH FOR THE LAST 10 YEARS

3.6% 10-year organic sales average



ORGANIC SALES – SOURCES

3%

- **2%** United States 
- **6%** International 
- **5%** Specialty Products 













12 POWER BRANDS

12 BRANDS DRIVE OUR RESULTS

more than

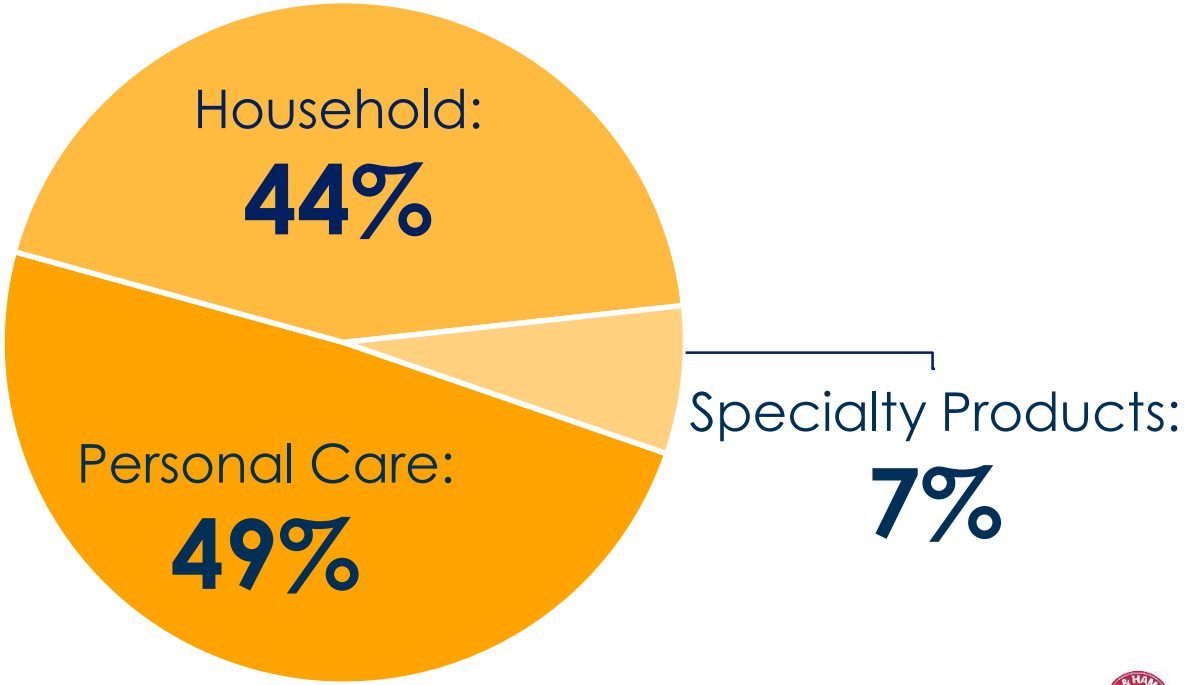
80%

of sales & profits are represented by these

12 POWER BRANDS

OUR PORTFOLIO IS BALANCED & DIVERSIFIED

A WELL-BALANCED PORTFOLIO OF HOUSEHOLD & PERSONAL CARE PRODUCTS



BOTH PREMIUM AND VALUE PRODUCTS

Premium:
63%



Value:
37%

LONG INTERNATIONAL RUNWAY

U.S. Consumer
76%

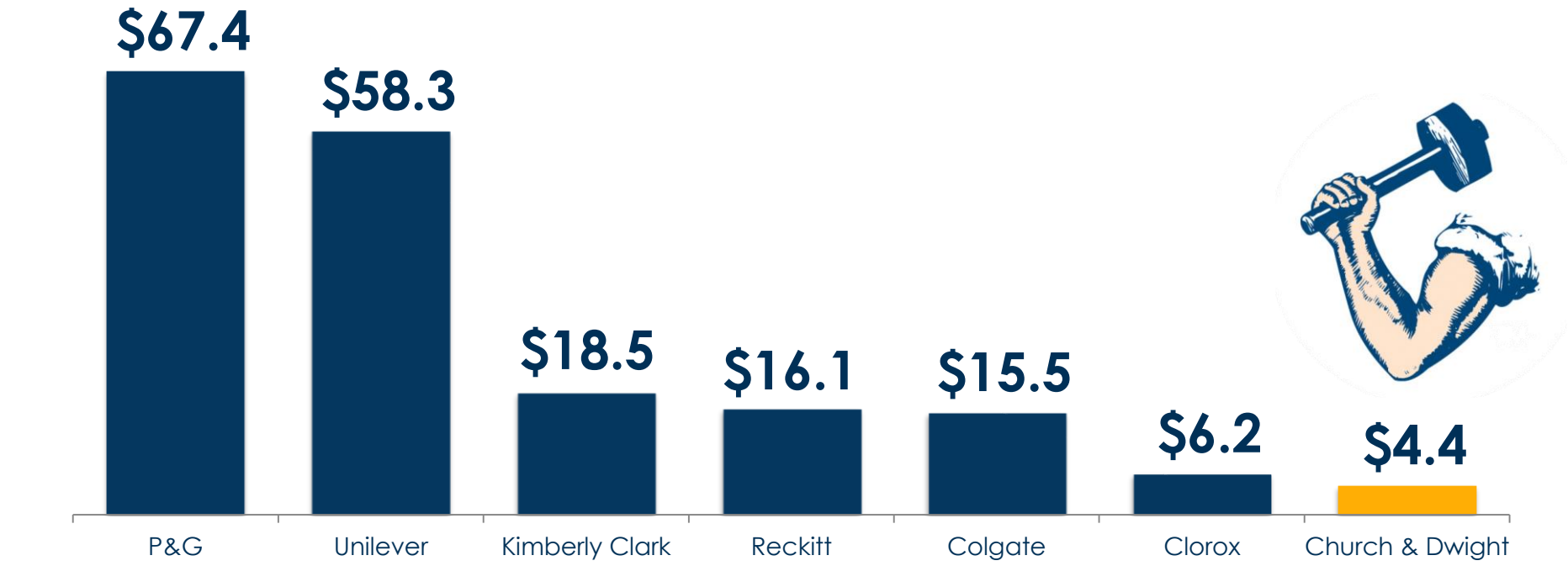


International Consumer
17%

Specialty Products
7%

WE OPERATE IN THE LAND OF GIANTS

Net Sales (billions)



Source: Nasdaq (latest external annual Net Sales)

OUR ADVANTAGE:
NIMBLE ORGANIZATIONAL STRUCTURE



quick decision making

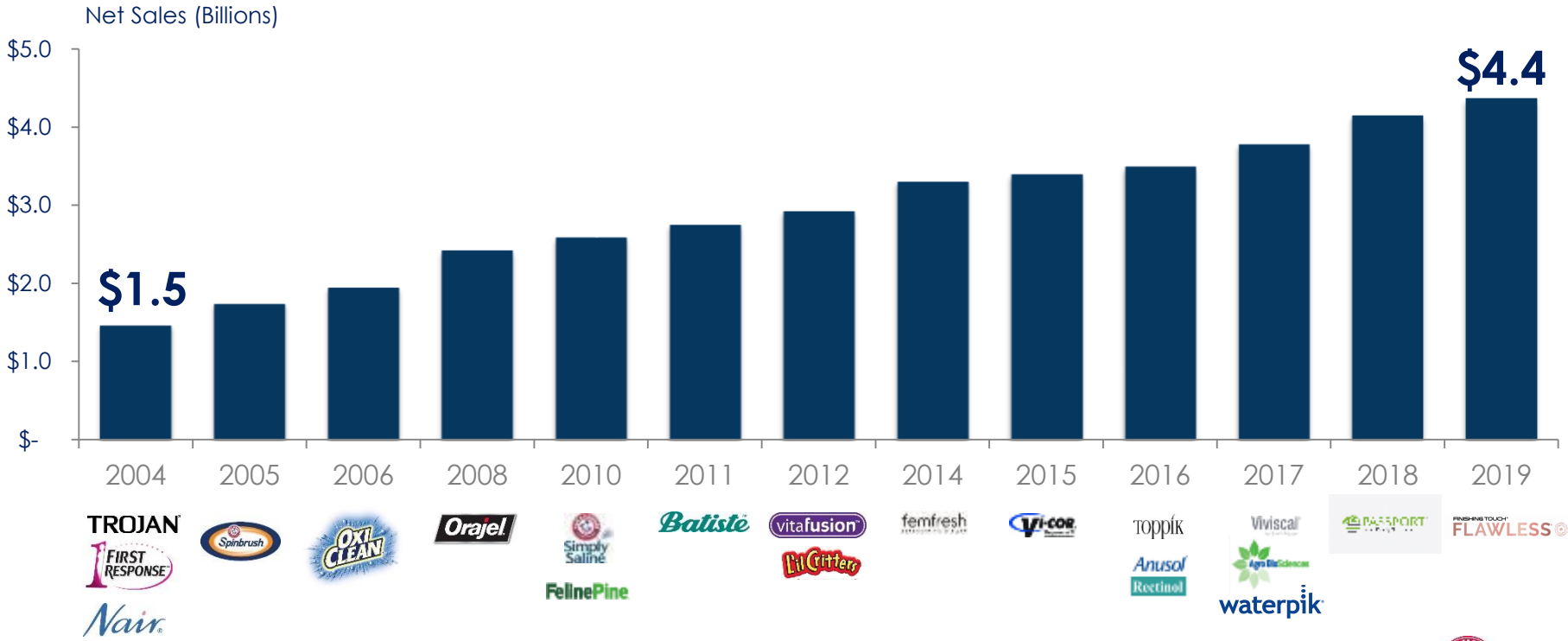


easy communication



ability to adapt

LONG HISTORY OF GROWTH THROUGH ACQUISITIONS



Note: Trojan, Nair and First Response acquired in two parts – 2001 and 2004.

WE HAVE CLEAR ACQUISITION CRITERIA



Primarily #1 or #2 share brands



Higher growth, higher margin brands



Asset Light



Leverage CHD manufacturing, logistics and purchasing



Deliver sustainable competitive advantage

ACQUIRED 11 OF OUR 12 POWER BRANDS SINCE 2001

Acquired 2001

TROJAN

#1 Condom

Acquired 2001

XTRA

#1 Extreme Value Laundry Detergent

Acquired 2001

FIRST RESPONSE

#1 Pregnancy Kit

Acquired 2001

Nair

#1 Depilatory

Acquired 2005

Spinbrush

#2 Battery Powered Toothbrush

Acquired 2006

OXI CLEAN

#1 Laundry Additive

Acquired 2008

Orajel

#1 Oral Care Pain Relief

Acquired 2011

Batiste

#1 Dry Shampoo

Acquired 2012

vitafusion

L'il Critters

#1 Adult & Kids Gummy Vitamin

Acquired 2017

waterpik

#1 Power Flosser, #1 Replacement Showerhead

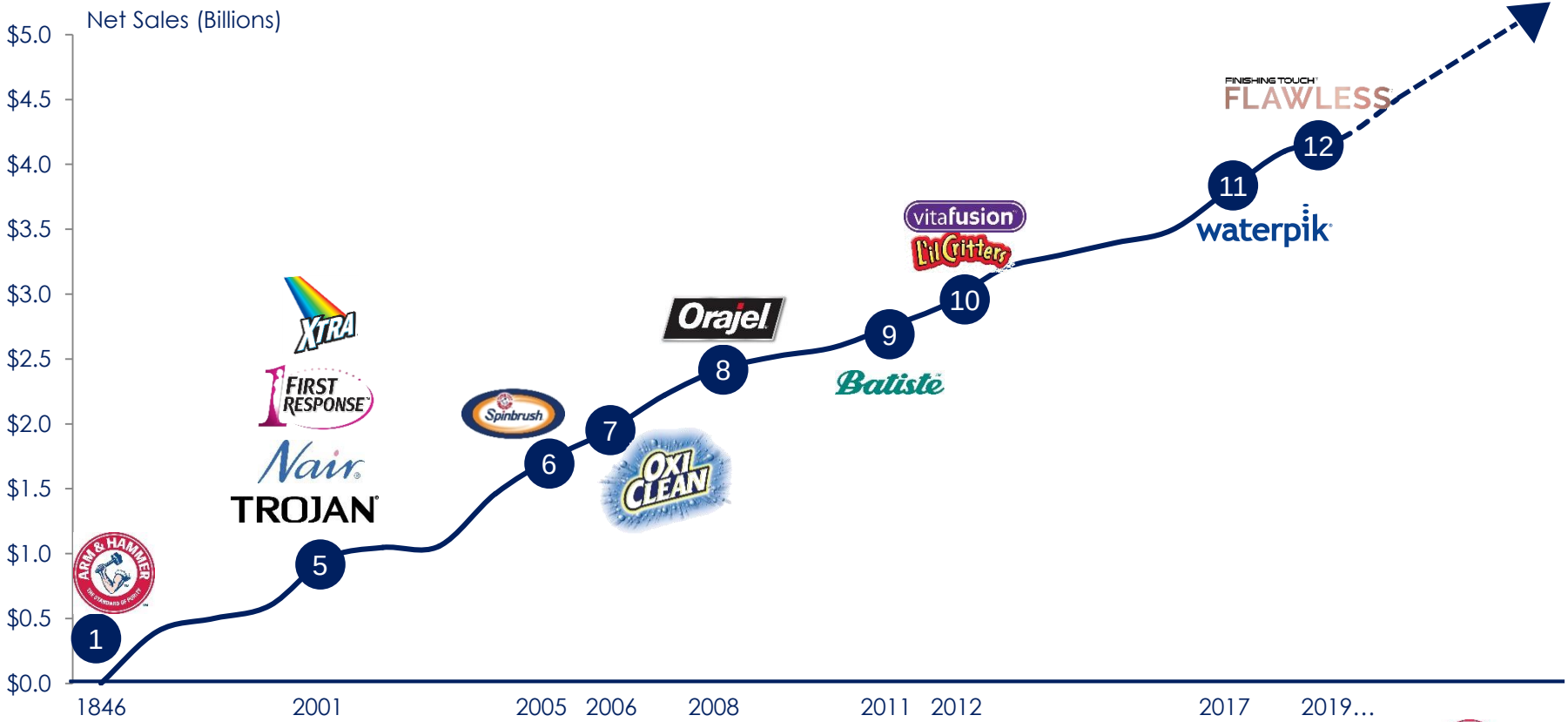
Acquired 2019

FINISHING TOUCH FLAWLESS

#1 Women's Electric Hair Removal System

Source: Nielsen 12/28/19

12 POWER BRANDS TODAY, 20 TOMORROW



Note: Trojan, Nair and First Response acquired in two parts – 2001 and 2004.



02

Why We Are Winning

WHY WE ARE WINNING

We are in the **right categories**.

We know how to **grow share**.

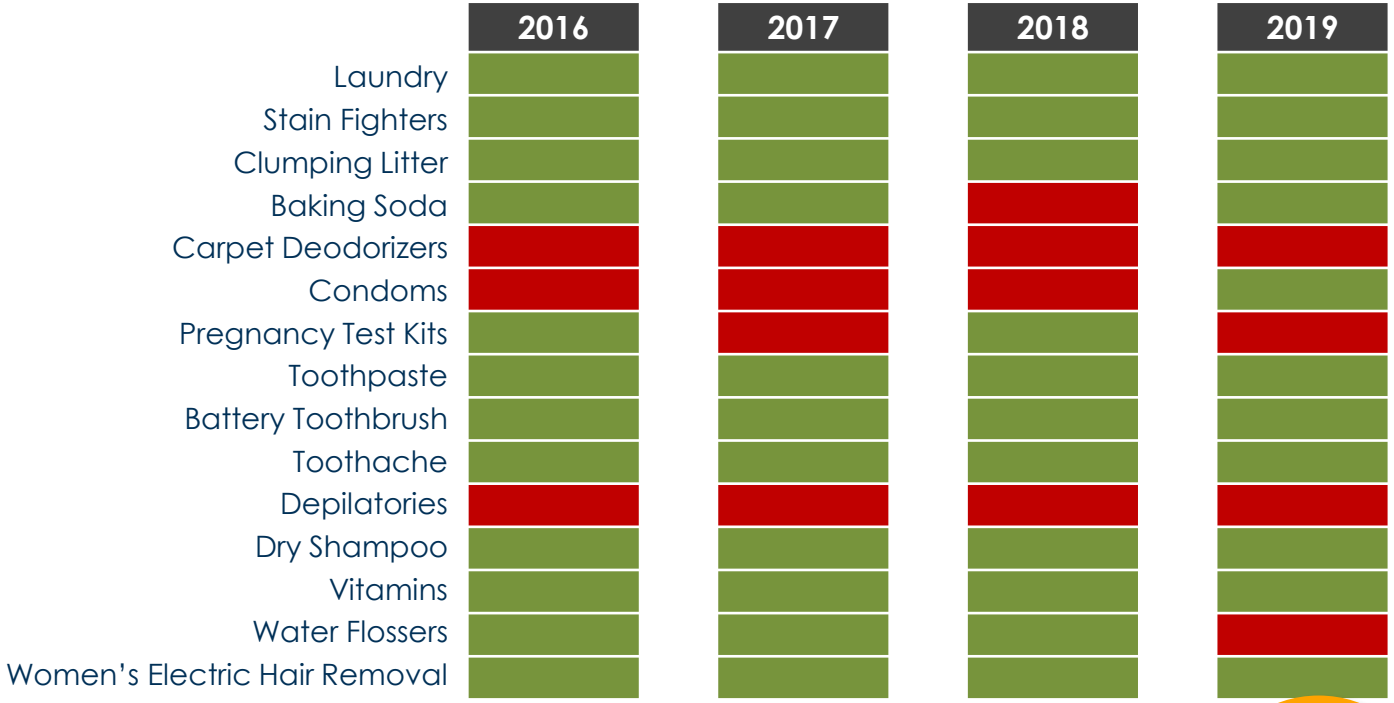
We have low exposure to **private label**.

We are growing **online**.

We are **on trend**.

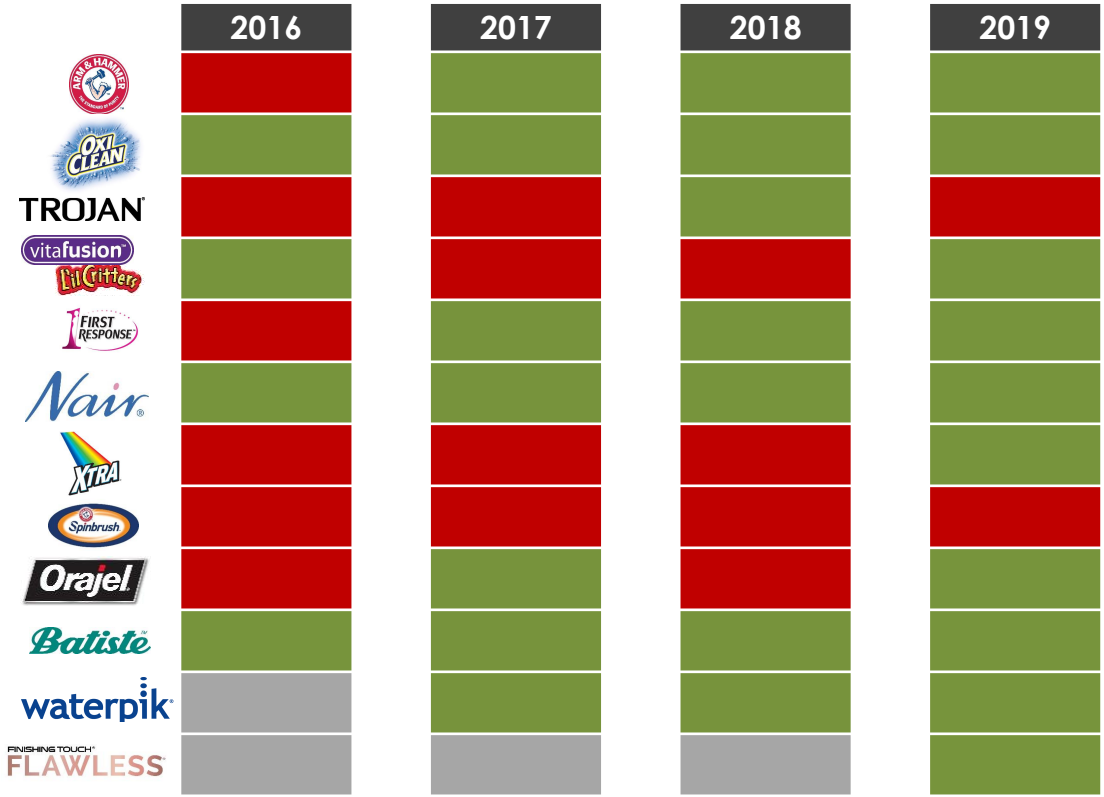


WE ARE IN THE RIGHT CATEGORIES



Source: Nielsen Total U.S. AOC

WE KNOW HOW TO GROW SHARE



10 out of **12** power brands grew or maintained share in 2019

Source: Nielsen Total U.S. AOC

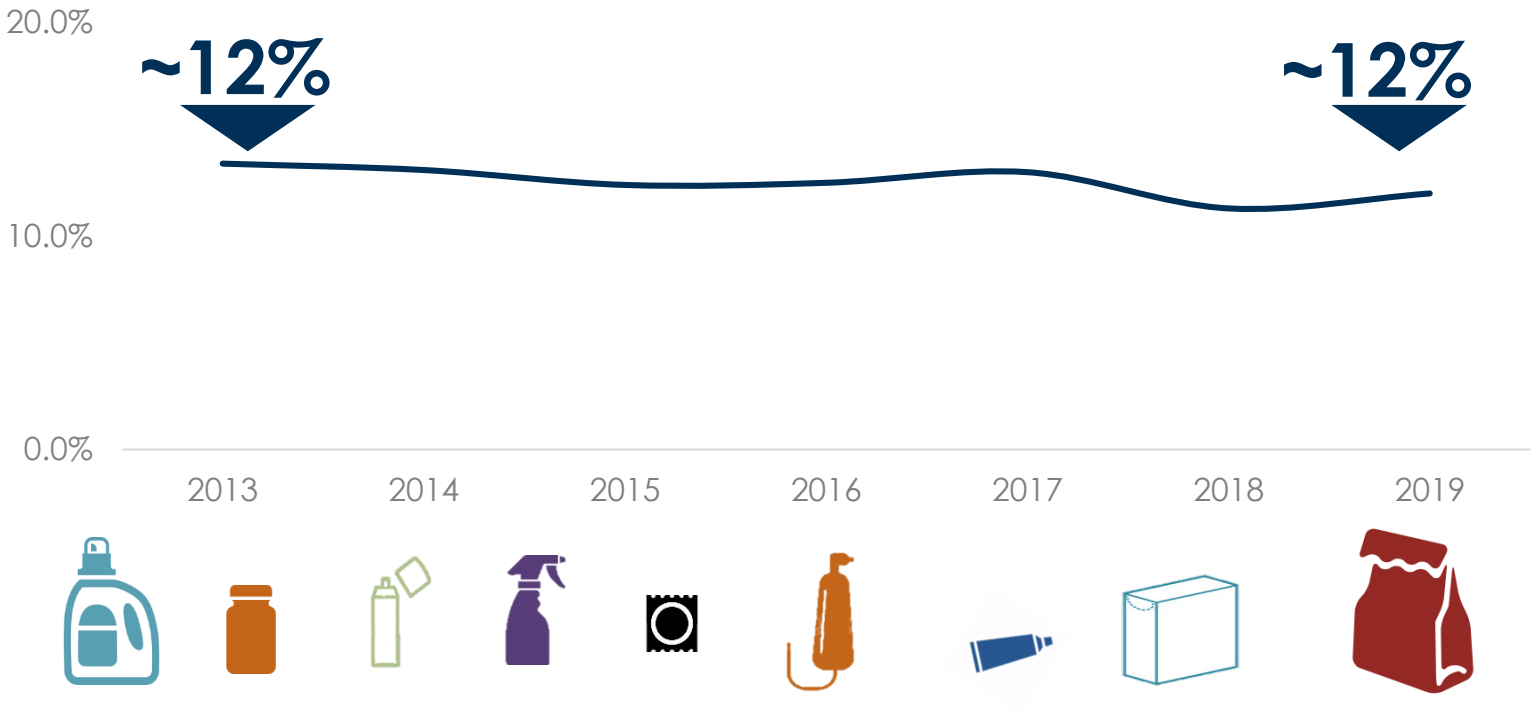
WE CONTINUE TO EXPAND OUR SHARE IN LAUNDRY

	Total Laundry Detergent Market Share		
	2016	2019	Δ
Procter & Gamble	60.2	61.0	+0.8
ARM & HAMMER, OXI CLEAN, XTRA	**14.1**	**15.3**	**+1.2**
Henkel	18.9	16.3	-2.6

Source: Nielsen Total U.S. AOC

WE HAVE LOW EXPOSURE TO PRIVATE LABEL

WEIGHTED AVERAGE PRIVATE LABEL SHARE OF OUR CATEGORIES



Source: Nielsen Total U.S. AOC

PRIVATE LABEL SHARES ARE STABLE

Only **5** of our **15** categories have private label exposure

PREGNANCY TEST KITS



BAKING SODA



GUMMY VITAMINS



ORAJEL EQUIVALENT



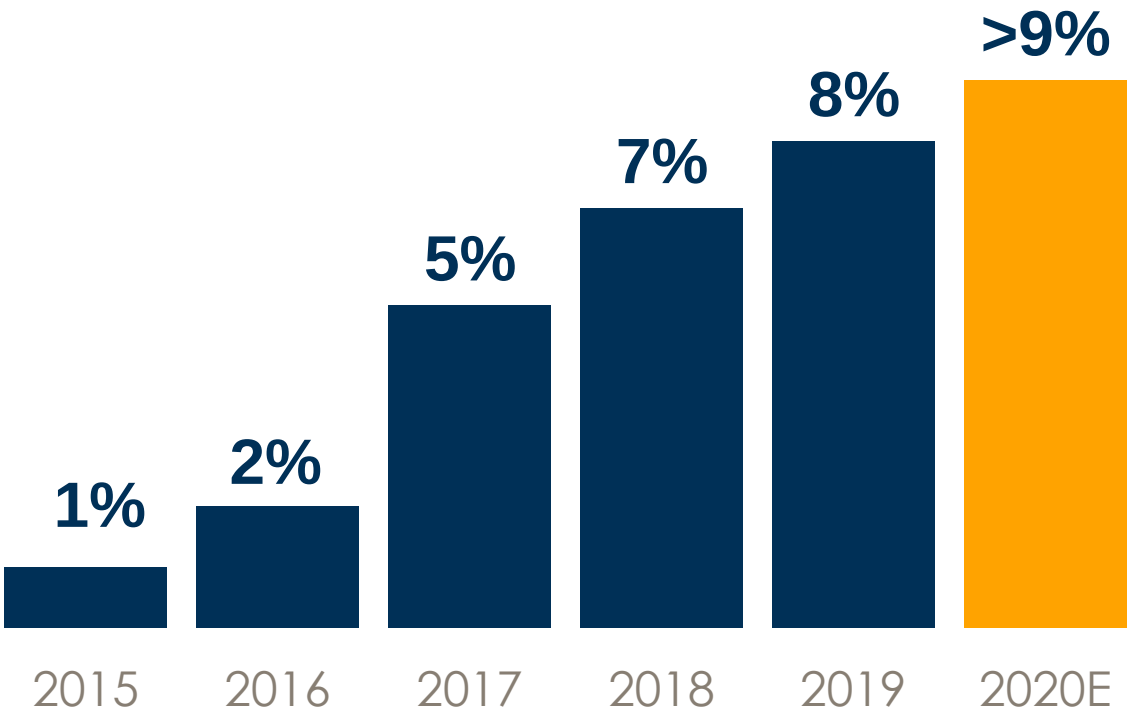
CLUMPING CAT LITTER



Source: Nielsen Total U.S. AOC

WE ARE GROWING ONLINE

Percentage of Net Sales

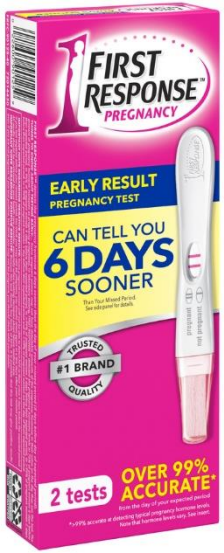




WE HAVE #1 PRODUCTS ON AMAZON



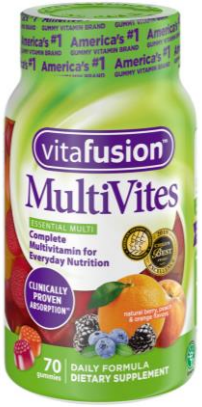


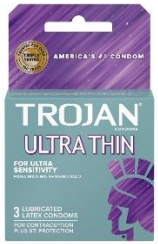


















Source: 3rd party data



03

Our Products Are On-Trend

OUR PRODUCTS ARE ON-TREND

CONVENIENCE

- Dry Shampoo
- Waterless Hair Removal

SELF-CARE

- Water Flossers
- Gummy Vitamins
- Hair Thinning Solutions

OUR PRODUCTS ARE ON-TREND

CONVENIENCE

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- Hair Thinning Solutions

Batiste™

#1 dry shampoo in the world



- **66%** of women don't wash their hair daily.



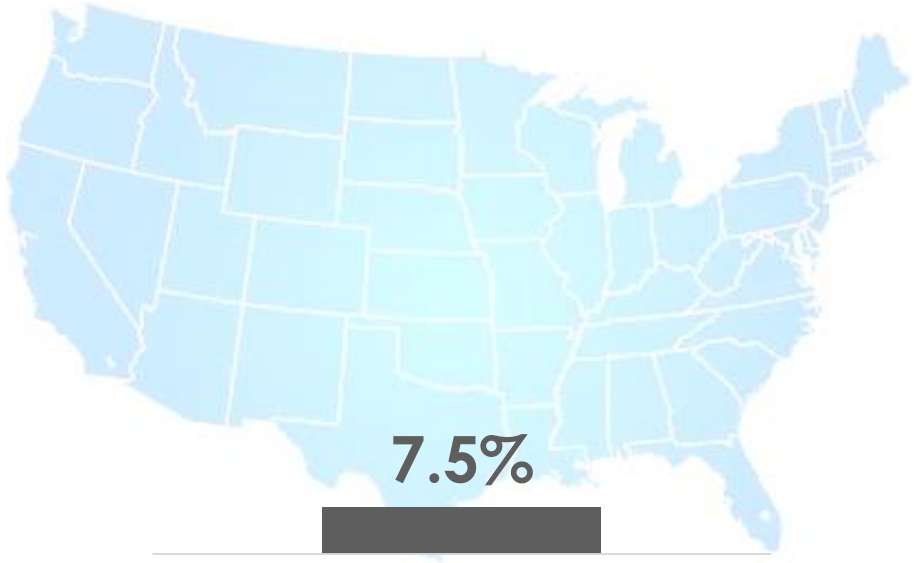
- **13%** of women 18+ use dry shampoo.



Batiste™

Source: MRI Doublebase 2016*, ^Mintel 2017, ~Lightspeed GMI/Mintel January 2016

GROWTH DRIVER:
INCREASING HOUSEHOLD PENETRATION IN U.S.



U.S. DRY SHAMPOO EXPECTED TO DOUBLE



U.K. Population: ~67 million



U.S. Population: ~330 million

U.S. Dry Shampoo Category:

$225M today growing to

$450 million!

Source: Nielsen 12/28/19

NEW

BATISTE waterless cleansing **foam** for drier hair with instant hair refresh.



strengthen hydrate shine smooth



74% of women have normal to dry hair.

“Ready, set, FOAM!”



Batiste™

OUR PRODUCTS ARE ON-TREND

CONVENIENCE

- Dry Shampoo
- Waterless Hair Removal

SELF-CARE

- Water Flossers
- Gummy Vitamins
- Hair Thinning Solutions

FINISHING TOUCH®

FLAWLESS®

#1 women's electric hair remover



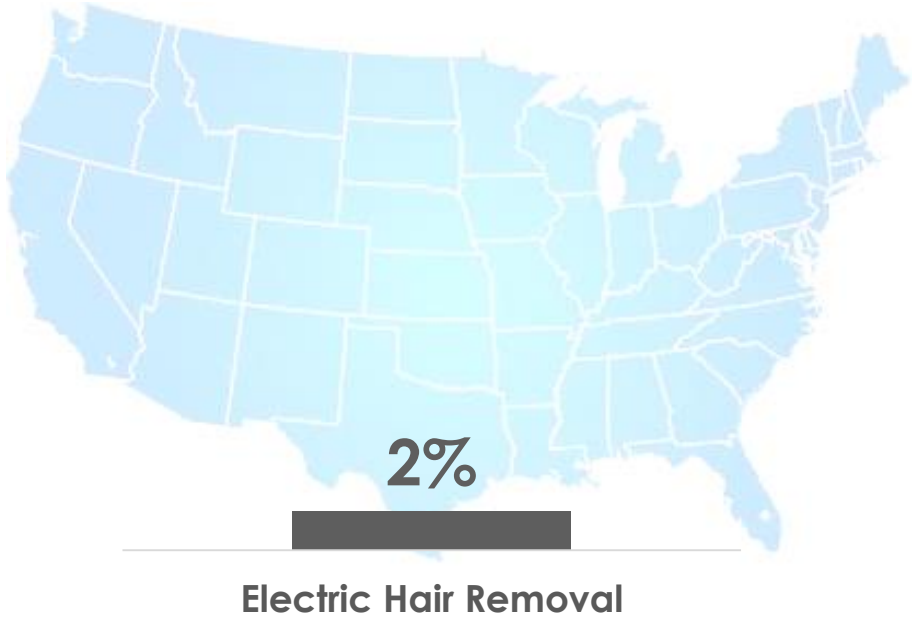




US women have less time to take care of grooming needs.

Source: 2018 American Time Use Survey

GROWTH DRIVER:
INCREASING HOUSEHOLD PENETRATION IN U.S.



GROWTH DRIVER:
INTERNATIONAL EXPANSION



<2%

Electric Hair Removal:
Rest of World

NEW

FLAWLESS Nu Razor

The waterless whole-body hair removal for women. Anywhere, anytime.



conserves water

OUR PRODUCTS ARE ON-TREND

CONVENIENCE

- Dry Shampoo
- Waterless Hair Removal

SELF-CARE

- Water Flossers
- Gummy Vitamins
- Hair Thinning Solutions

waterpik®

ADA Accepted
American Dental Association®

#1 power flosser and recommended by the American Dental Association



Water Flossers



Whitening



Complete Care



Sonic-Fusion®

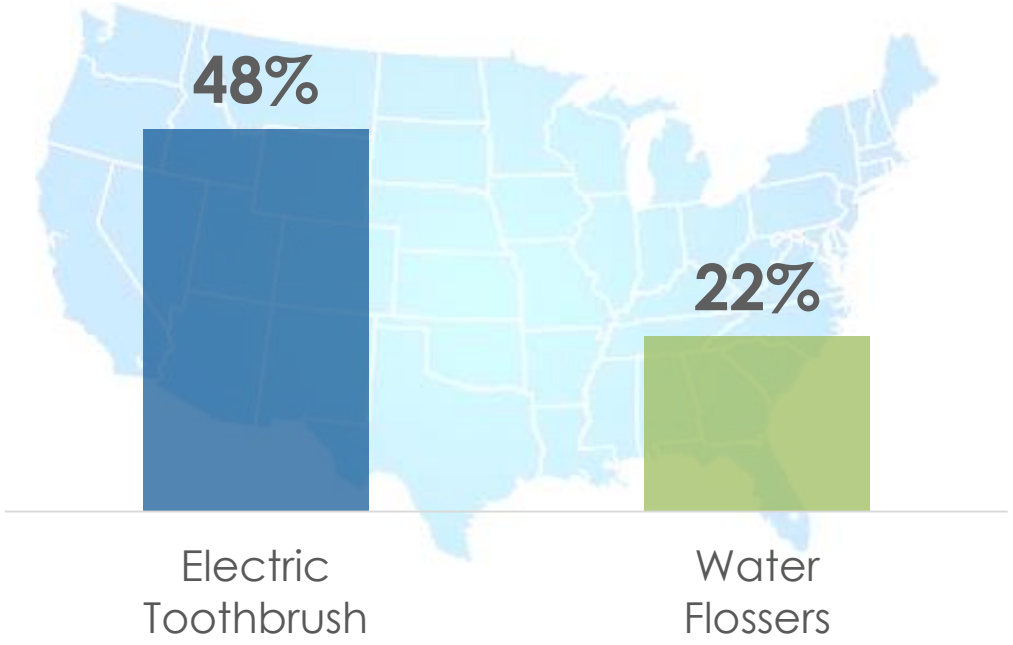




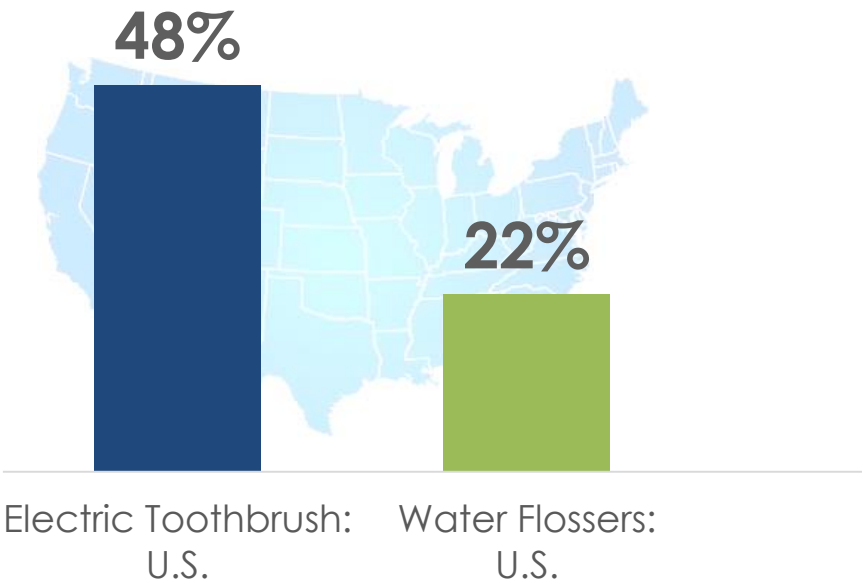
Brushing and flossing with Waterpik is **2x** more effective than brushing and string flossing.

Source: Academic Center for Dentistry, Amsterdam

GROWTH DRIVER:
INCREASING HOUSEHOLD PENETRATION IN U.S.



GROWTH DRIVER:
INTERNATIONAL EXPANSION



OUR PRODUCTS ARE ON-TREND

CONVENIENCE

- Dry Shampoo
- Waterless Hair Removal

SELF-CARE

- Water Flossers
- Gummy Vitamins
- Hair Thinning Solutions

#1 Adult Gummy Vitamin









Gummy form is more appealing than pills and capsules.

Adult VMS gummy form has increased from **3%** to **18%** since 2012.



Source: Nielsen 12/28/19

VITAFUSION LINE EXTENSIONS
ADDRESSING EVEN MORE NEED STATES

NEW

2020 — **17** new items



2019 — **22** new items



2018 — **5** new items



2017 — **7** new items



OUR PRODUCTS ARE ON-TREND

CONVENIENCE

- Dry Shampoo
- Waterless Hair Remover
- Water Flossers

SELF-CARE

- Gummy Vitamins
- Hair Thinning Solutions

Toppik

#1 Hair Fiber



Viviscal™

#1 Hair Thinning Supplement





Source: Nielsen 12/28/19





40% of men & women have noticeable hair loss by age 40.



TOPPIK HAIR FIBERS
INSTANT SOLUTION FOR FINE OR THINNING HAIR



“Reclaim the hair that makes YOU fully YOU.”



Viviscal™



MORE POWER TO YOU

03

Master Brand Update



a **BILLION** dollar brand.


CHD
LISTED
NYSE
ARM & HAMMER
THE STANDARD OF PURITY
#MorePowerToYou

THE NEW CAMPAIGN IS WORKING

2.6 million more households are buying ARM & HAMMER products, an increase of **3%**.



Source: 2018 – 2019 Numerator Panel

THE NEW CAMPAIGN IS WORKING

Since the launch of the campaign, consumers are spending **5%** more on ARM & HAMMER products.



THE OLDEST BRAND SHOWING UP IN ONE OF THE NEWEST WAYS.



MORE POWER TO YOU

“Removes up to 5x more plaque.”



ARM & HAMMER

MORE POWER TO YOU™

ARM & HAMMER Clean & Simple

CLEAN. SIMPLE. SMART. POWERFUL.



CONSUMERS WANT "BETTER FOR ME" PRODUCTS

ESTABLISHED → **EMERGING**

IN ME



ON ME



AROUND ME



Source: Label Insight Blog & Survey Nielsen Global Sustainability, Survey 2017; 2017 Nielsen Company "Who's Buying Clean Label Products? It's Clear: Transparency is Winning in the US Retail Market"

6

essential ingredients

plus water

- hard working cleaner
- active stain remover
- laundry booster
- baking soda
- water softener
- fragrance



ARM & HAMMER CLEAN & SIMPLE HAS **FEWER** INGREDIENTS THAN THE TYPICAL LIQUID LAUNDRY DETERGENT





6 ingredients

15 to **30** ingredients

Clean&Simple™ Ingredients

75 Loads per bottle 131 FL OZ

Hard-Working Cleaner, Active Stain Remover, Laundry Booster, Pure Baking Soda, Water Softener, Gentle Fragrance, ~~Catalyst, Dye, Optical Brightener, Preservatives, Rheology Modifier, Dye Transfer Inhibitor, Color Care Agent, Antiredeposition Agent, Soil Release Polymer, Dispersant Foam Regulator, Foam Booster, Antifoam Agent, Corrosion Inhibitor, Solvents, Hydrotopes~~



MORE POWER TO YOU™

New Clean & Simple™ Just 6 essential ingredients and water for a powerful clean – no unnecessary chemicals, dyes, or preservatives.

NO OTHERS PROVIDE A NO-COMPROMISE POWERFUL CLEAN WITH A **SIMPLE** INGREDIENT LIST

NATURAL



SENSITIVE



REGULAR



Fewer Ingredients But No Compromise

Clean & Simple™



AS POWERFUL AS

Plus OxiClean™



*And Water

(hard-working cleaner), sodium carbonate (laundry booster), sodium bicarbonate (baking soda), trisodium dicarboxymethyl alaninate (water softener), fragrances. Contains no phosphates.

OUR PROMISE TO YOU AND THE PLANET

PROUD SUPPORTER OF Arbor Day Foundation®

We help plant **millions of trees** in the Mississippi River Valley for **cleaner air & water**

SAFER CHOICE Meets U.S. EPA Safer Product Standards

epa.gov/saferchoice

Meets EPA Safer Choice Standards for **safer ingredients**

CERTIFIED RENEWABLE ENERGY Green-e Made with 100% certified renewable electricity.

Made with **100% certified renewable electricity**

Empty & Replace Cap

PLASTIC BOTTLE

how2recycle.info

Recycle friendly package

For questions call or visit [illegible] 5:00 am – 5:00 pm ET or www.cleansimple.com

*Based on medium loads when measured as directed.

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CHURCH & DWIGHT SCIENCE-BASED INNOVATION

FutureWorks

Innovation Culture

Risk-taking

Speed





Archana Gupta,
Church & Dwight Research & Development



“Did we just hack laundry? Yeah we did!”



ARM & HAMMER

MORE POWER TO YOU™



04

International Story

INTERNATIONAL EVERGREEN TARGET: 6%

3%

2% United States

6% International 

5% Specialty Products

INTERNATIONAL NET SALES:
ACHIEVING GLOBAL SCALE



INTERNATIONAL ORGANIC NET SALES: FASTER GROWTH

Net Sales Average Growth

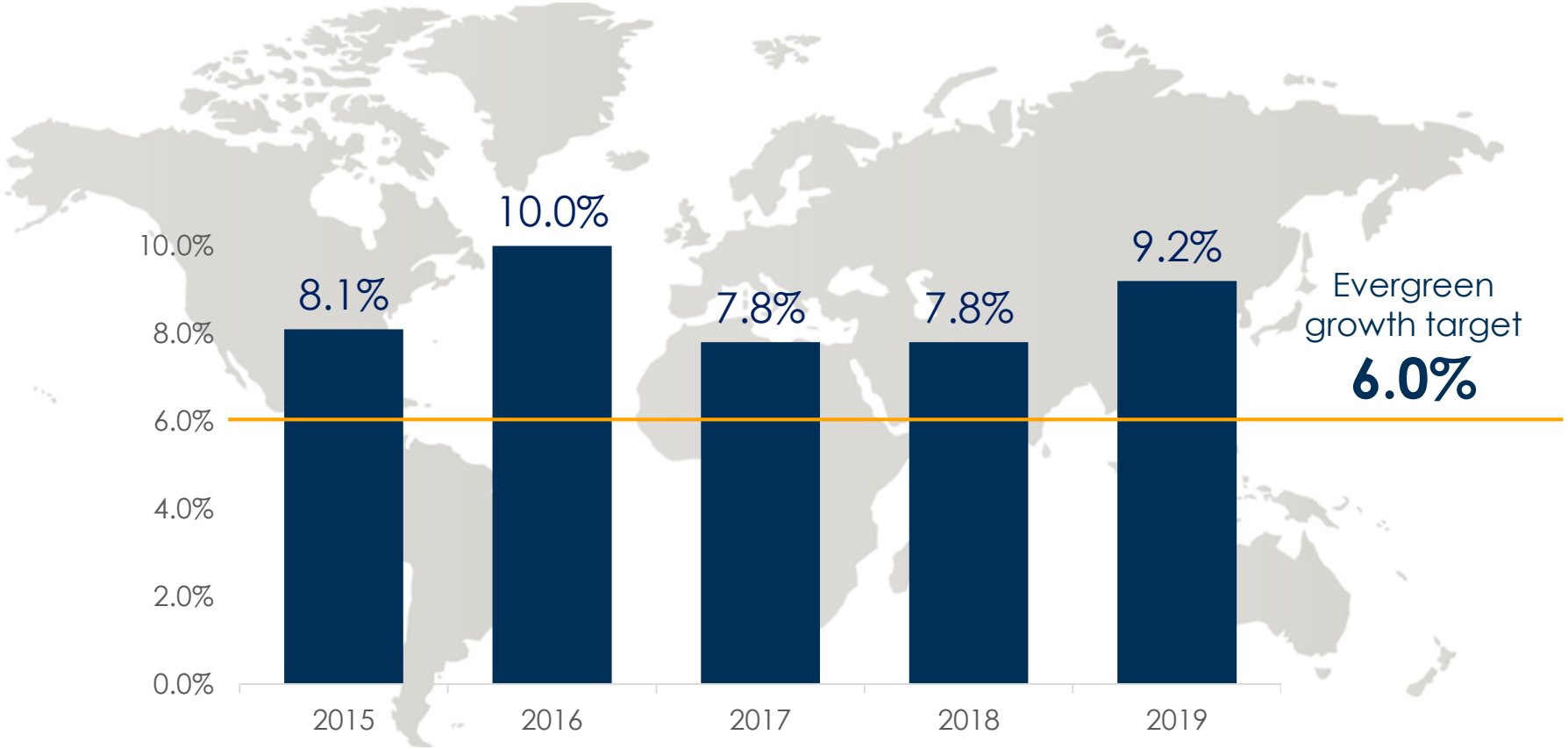
2012 - 2014

~+3%

2015 - 2019

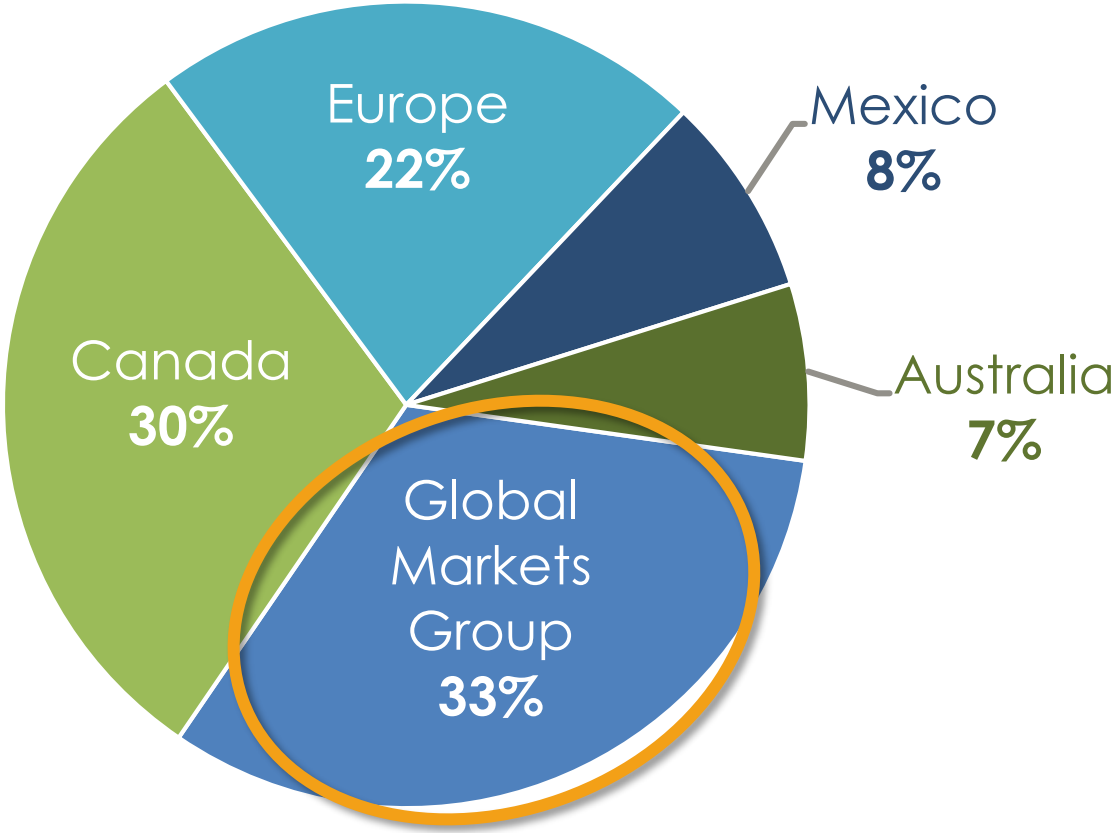
~+9%

INTERNATIONAL BUSINESS IS GROWING ORGANICALLY

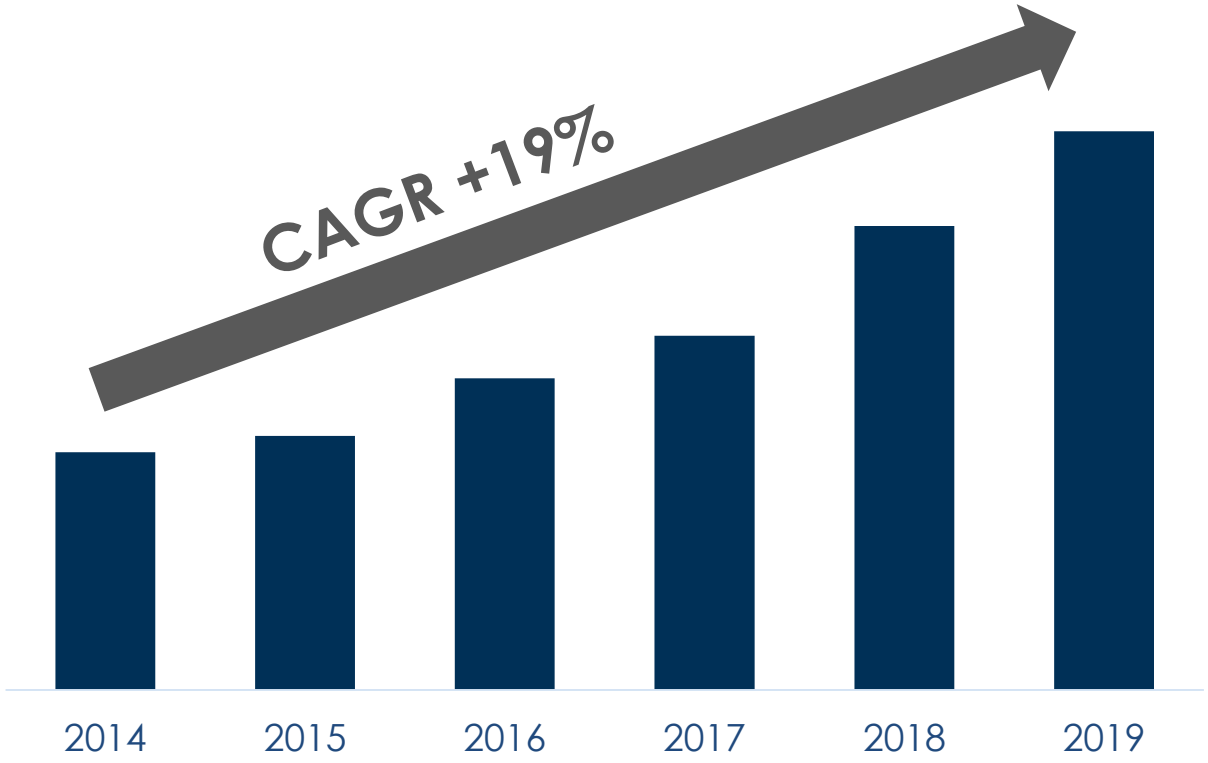


Note: Organic sales growth is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most directly comparable GAAP measure.

INTERNATIONAL NET SALES COMPOSITION



GLOBAL MARKET GROUP NET SALES 2014 TO 2019



2019 INTERNATIONAL ORGANIC GROWTH IS BROAD

Subsidiaries: **+5.2%**



Global Markets Group*: **+19.2%**



*Exports business to 130 countries

BUILDING GLOBAL CAPABILITIES

Expanding Resources



China



SE Asia



Germany



Central America

Investing



localizing brands

technology

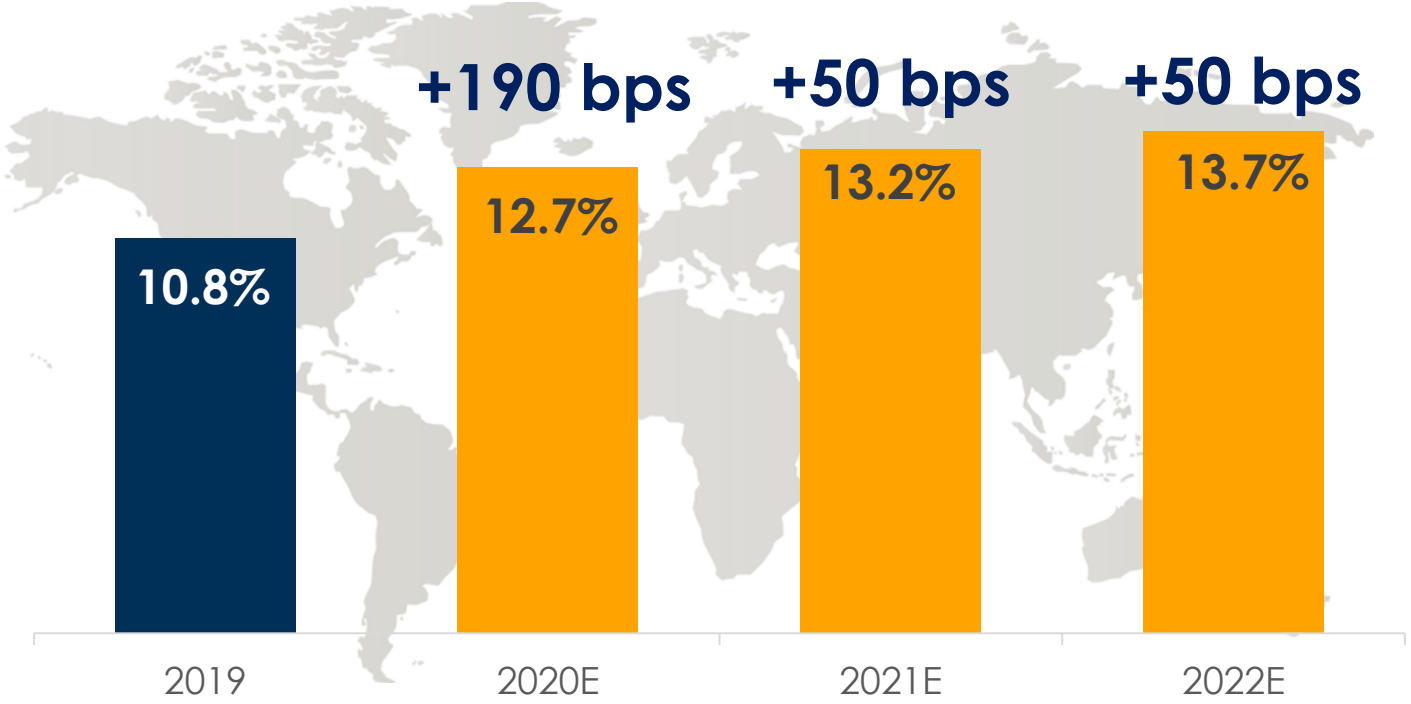


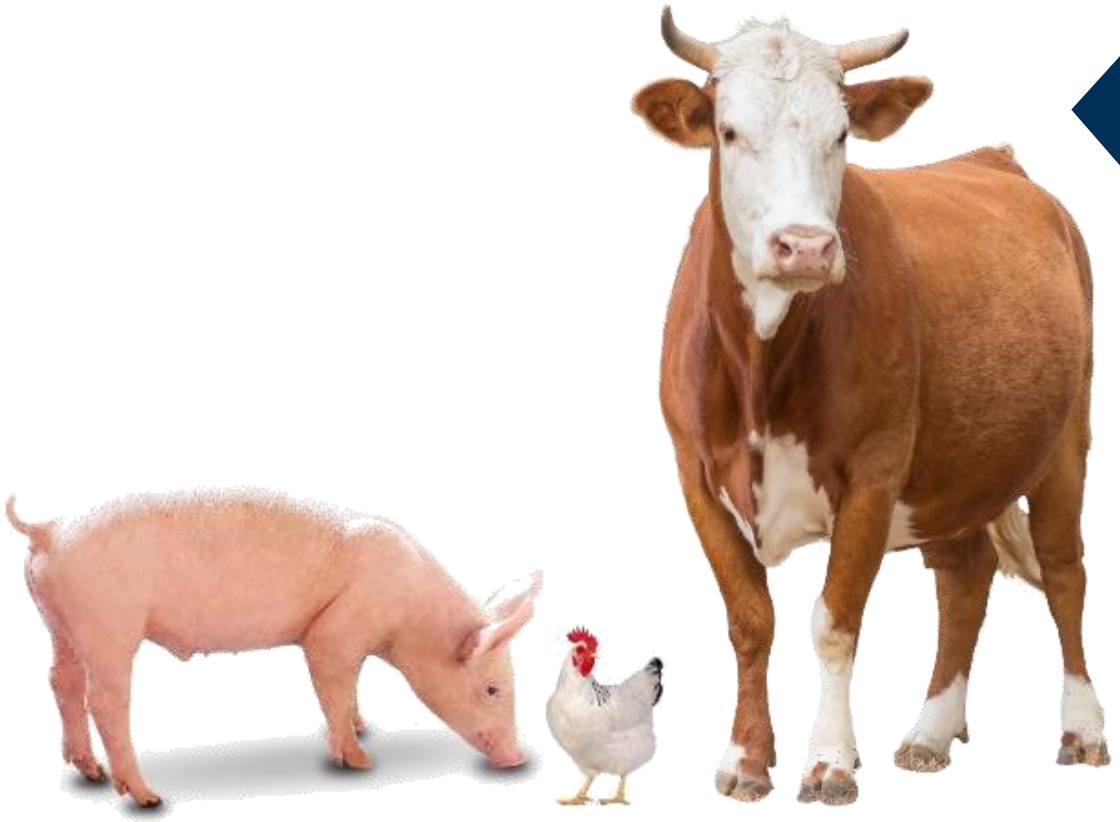
training and regulatory support for distributors

COMMITTED TO 6% ORGANIC GROWTH…

- Runway for existing brands 
- Grow acquired brands waterpik® FINISHING TOUCH® FLAWLESS®
- Global Markets Group to sustain double digit growth 
- Investments in Fast Growing Markets 

… AND OPERATING MARGIN EXPANSION INCLUDING FUTURE INVESTMENTS!





05

Animal Productivity Story

SPECIALTY PRODUCTS EVERGREEN TARGET: 5%

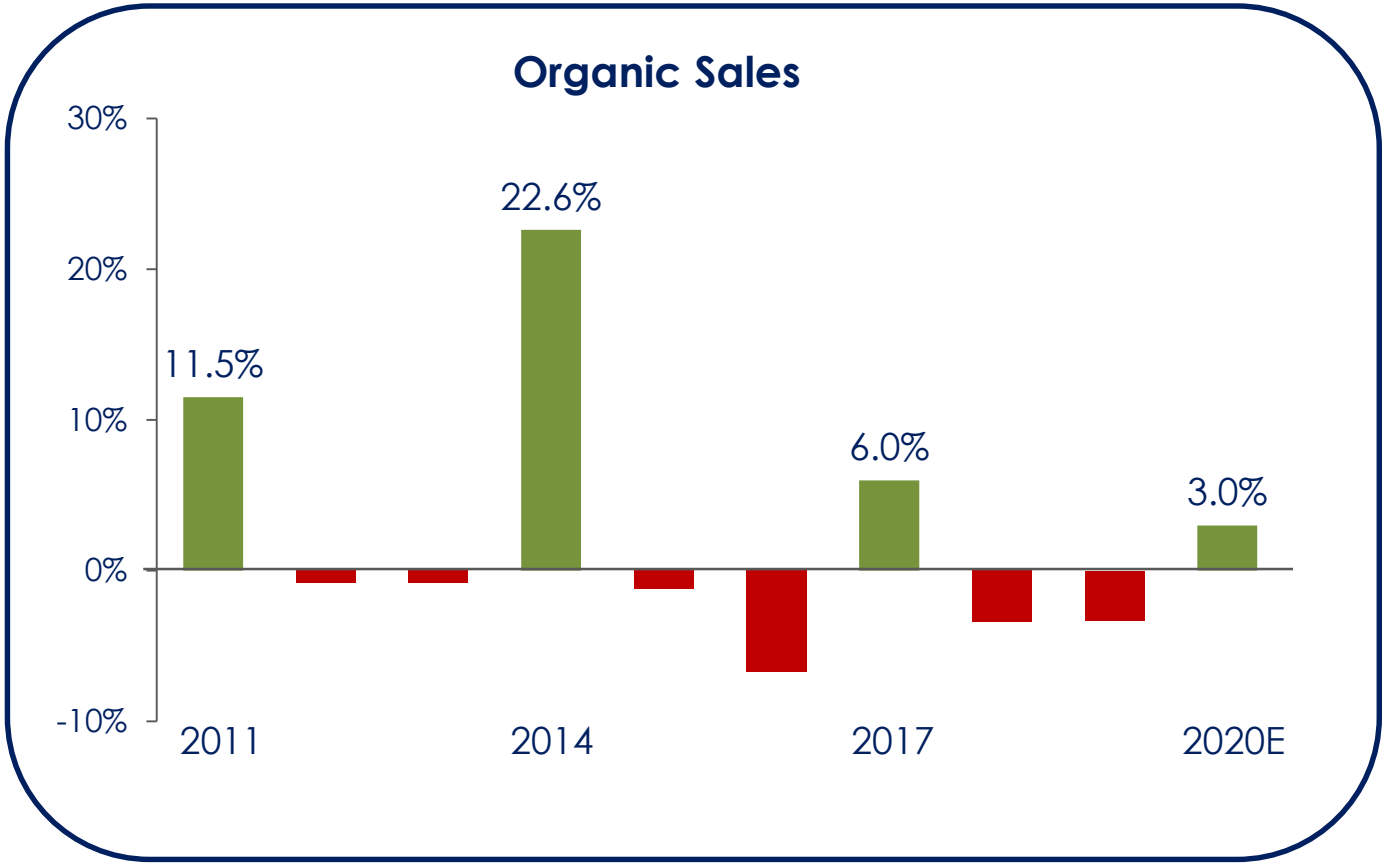
3%

2% United States

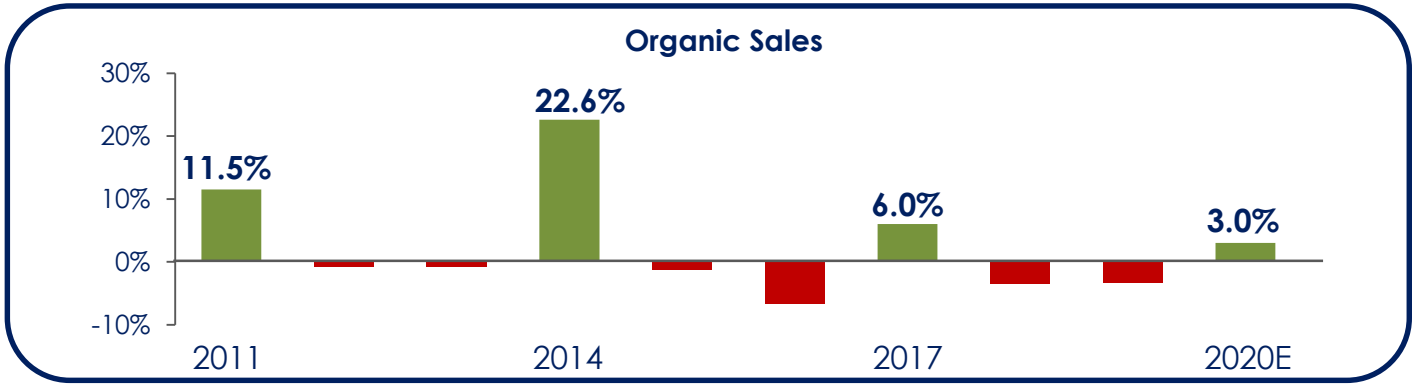
6% International

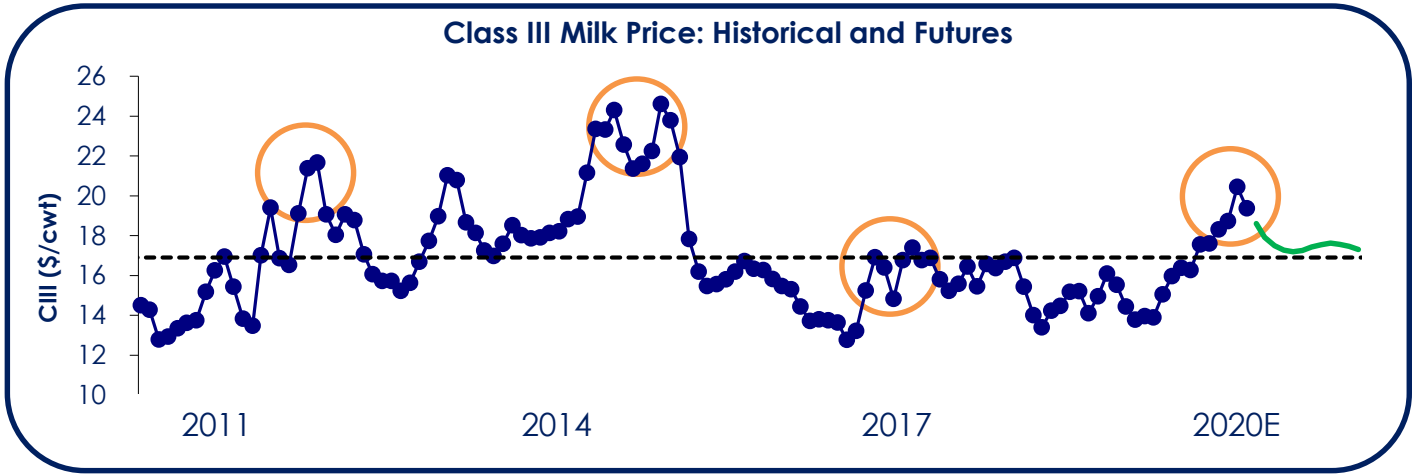
5% Specialty Products 

SPD ORGANIC REVENUE HISTORY



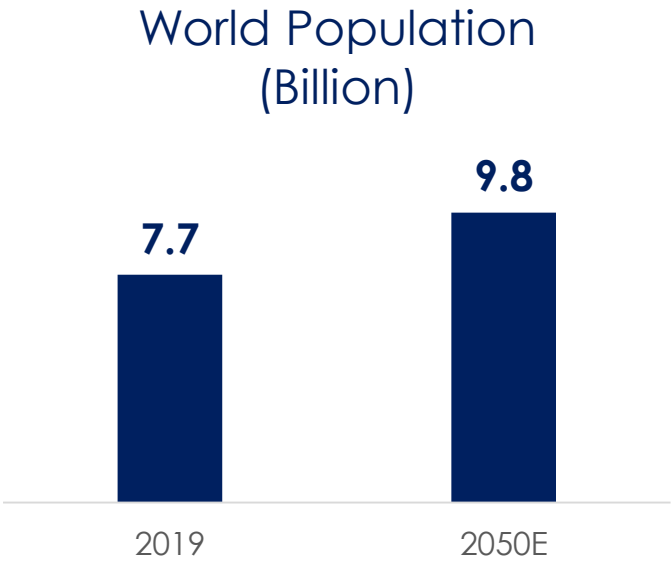
CYCLICAL DAIRY INDUSTRY DRIVES SPD ORGANIC REVENUE





GLOBAL POPULATION GROWTH DRIVES DEMAND FOR PROTEIN





Source: World Wild Life Fund and the Global Footprint Network

ANTIBIOTICS ARE OUT OF FAVOR

Consumers



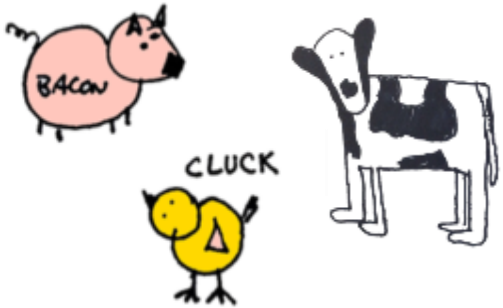
Retailers

Chick-fil-A

Walmart

Panera

Farmers



- no antibiotics ever
- no added hormones
- no chemicals added

There has been a **40%** decrease in the use of animal antibiotics since 2015.



Source: US FDA

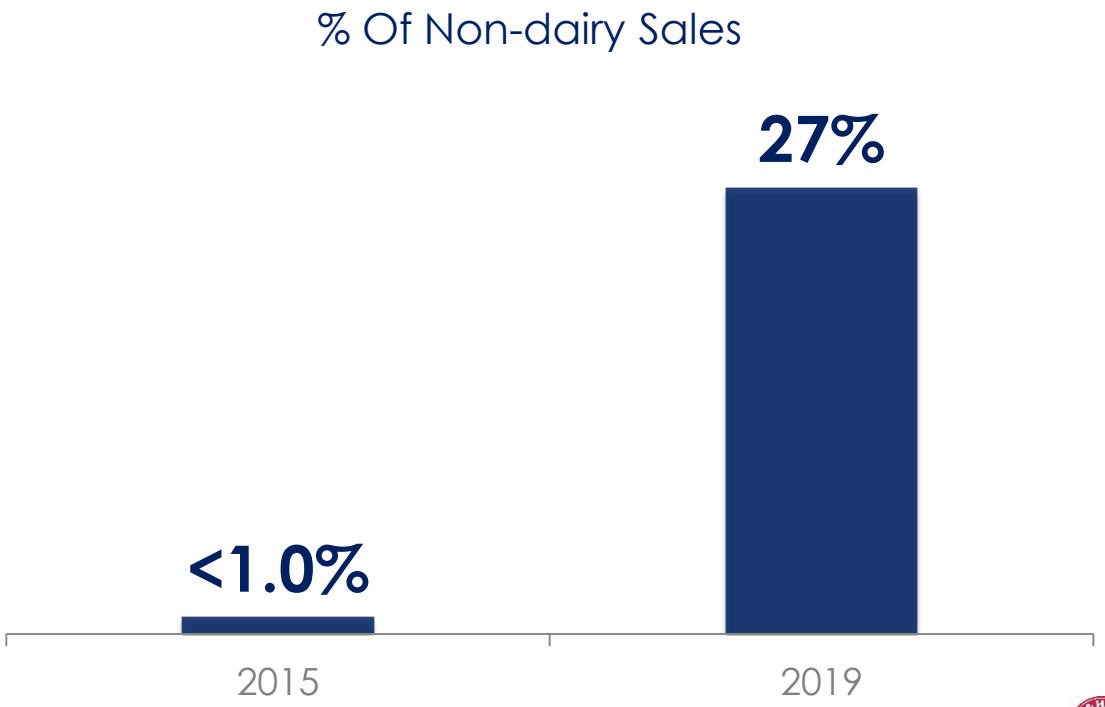
NATURAL SOLUTIONS



NUTRITIONAL SUPPLEMENTS

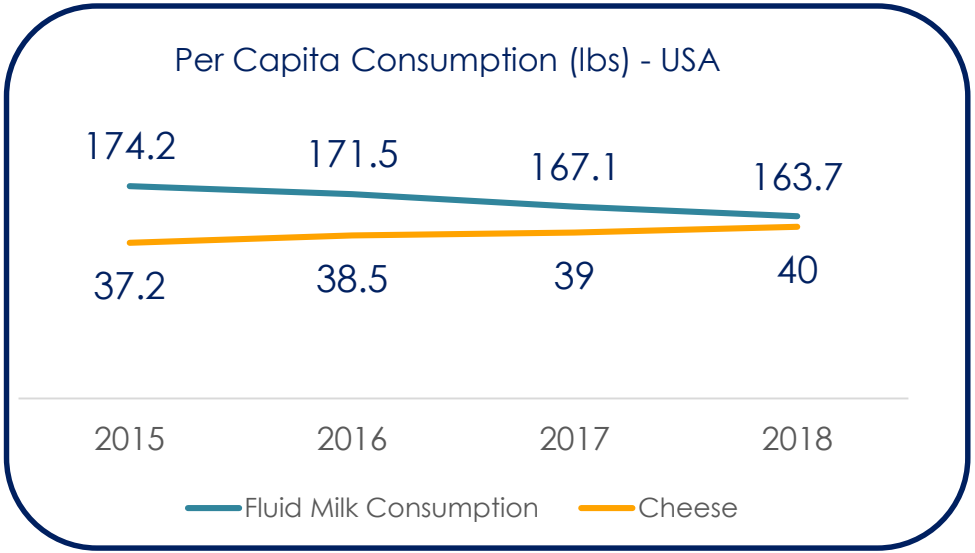
NON-DAIRY CREATED A MORE BALANCED BUSINESS…





INCREASE IN CHEESE CONSUMPTION MORE THAN OFFSETS DECLINE IN FLUID MILK CONSUMPTION

It takes **10** pounds of milk  to make just **1** pound of cheese 



POSITIONED FOR 5% ORGANIC GROWTH

- Trusted brand
- Aligned with consumers trend 
- Multiple species 
- Global growth 



06

How We Run the Company

WE HAVE FIVE OPERATING PRINCIPLES

1. Leverage Brands



2. Friend of the Environment



3. Leverage People

Highly productive people in a place where people matter



4. Leverage Assets

Asset Light



5. Leverage Acquisitions

GOOD shareholder returns become **GREAT** shareholder returns

BRANDS CONSUMERS LOVE



FRIEND OF THE ENVIRONMENT

83% of consumers are mainstream or extreme **green**.

Source: Nielsen Total U.S. AOC

FRIEND OF THE ENVIRONMENT: THEN



1888

Company introduces **pro-environmental** wall charts & trading cards as product promotion.

Company institutes the use of **recycled paperboard** to package household products.

1907



1970s

Sole sponsor of **first Earth Day**.

Launches **first non-polluting, phosphate-free laundry detergent**.

FRIEND OF THE ENVIRONMENT: NOW



Approximately **5 million trees** were planted last year by Church & Dwight through the Arbor Day Foundation.

2016

50% of global electricity demand supplied by renewable energy sources.

Green-e

2018

100% of global electricity demand supplied by renewable energy sources.

2019

Arbor Day Foundation

WATER

GOAL: *To reduce water and/or wastewater by* **25%** *by 2022 using 2016 as a baseline.*



SOLID WASTE

GOAL: *To increase solid waste recycling to* **75%** *by the end of 2020.*



AIR

GOAL: *To achieve* **100%** *carbon neutral status for all global operations by end of 2025.*



ESG RECOGNITION

EPA GREEN POWER PARTNER
2020 NATIONAL TOP 100

FTSE4Good

AMERICA'S MOST JUST COMPANIES
Forbes 2020

AMERICA'S MOST RESPONSIBLE COMPANIES 2020
Newsweek
POWERED BY statista

HIGHLY PRODUCTIVE PEOPLE IN A PLACE WHERE PEOPLE MATTER



Revenue per Employee

Source: Most recent 10K filings

SIMPLE COMPENSATION STRUCTURE

1. Bonuses are tied 100% to business results.
2. Equity compensation is 100% stock options.
3. Management is required to be heavily invested in company stock.



ALL CHURCH & DWIGHT EMPLOYEES FOCUS ON GROSS MARGIN

Gross margin is 25% of all employees' annual bonus.



KEY GROSS MARGIN GROWTH DRIVERS





07
Financials

Rick Dierker
Chief Financial Officer

WE HAVE AN EVERGREEN BUSINESS MODEL

3% Organic Sales Growth

8% EPS Growth



EVERGREEN MODEL

	TSR Model
Organic Net Sales Growth	+3.0%
Gross Margin	+25 bps
Marketing	FLAT
SG&A	-25 bps
Operating Margin Δ	+50 bps
EPS Growth	8%

FULL YEAR 2019 HIGHLIGHTS

Organic sales growth	+4.4%
Gross Margin	45.5%, +110 bps
Marketing %	11.8%, +10 bps
Adjusted SG&A	14.2%, +60 bps
Adjusted EPS	+8.8% to $2.47
Cash from Operations	$865MM
FCF Conversion	128%

- *Domestic* *4.0%*
- *International* *9.2%*
- *SPD* *-3.3%*

+60 bps excluding acquisition

Organic sales, adjusted gross margin and adjusted EPS are non-GAAP measures. Please refer to the Appendix for a reconciliation to the most directly comparable GAAP measures.

2020 Outlook



2020: 7-9% EPS GROWTH

	2020 Outlook
Reported Sales	~6.5%
Organic Sales	~3.5%
Gross Margin	+10 bps
Marketing	+10 bps
SG&A	-10 bps
Adjusted Operating Margin	+ 10 bps
Effective Tax Rate	~21%
EPS	+7-9%
Cash From Operations	~$890

Domestic **+3%**
International **+7%**
SPD **+3%**

+50 bps excluding prior year acquisition accounting

+50 bps excluding prior year acquisition accounting

Outlook as of December 31, 2019. Organic sales and adjusted operating margin.

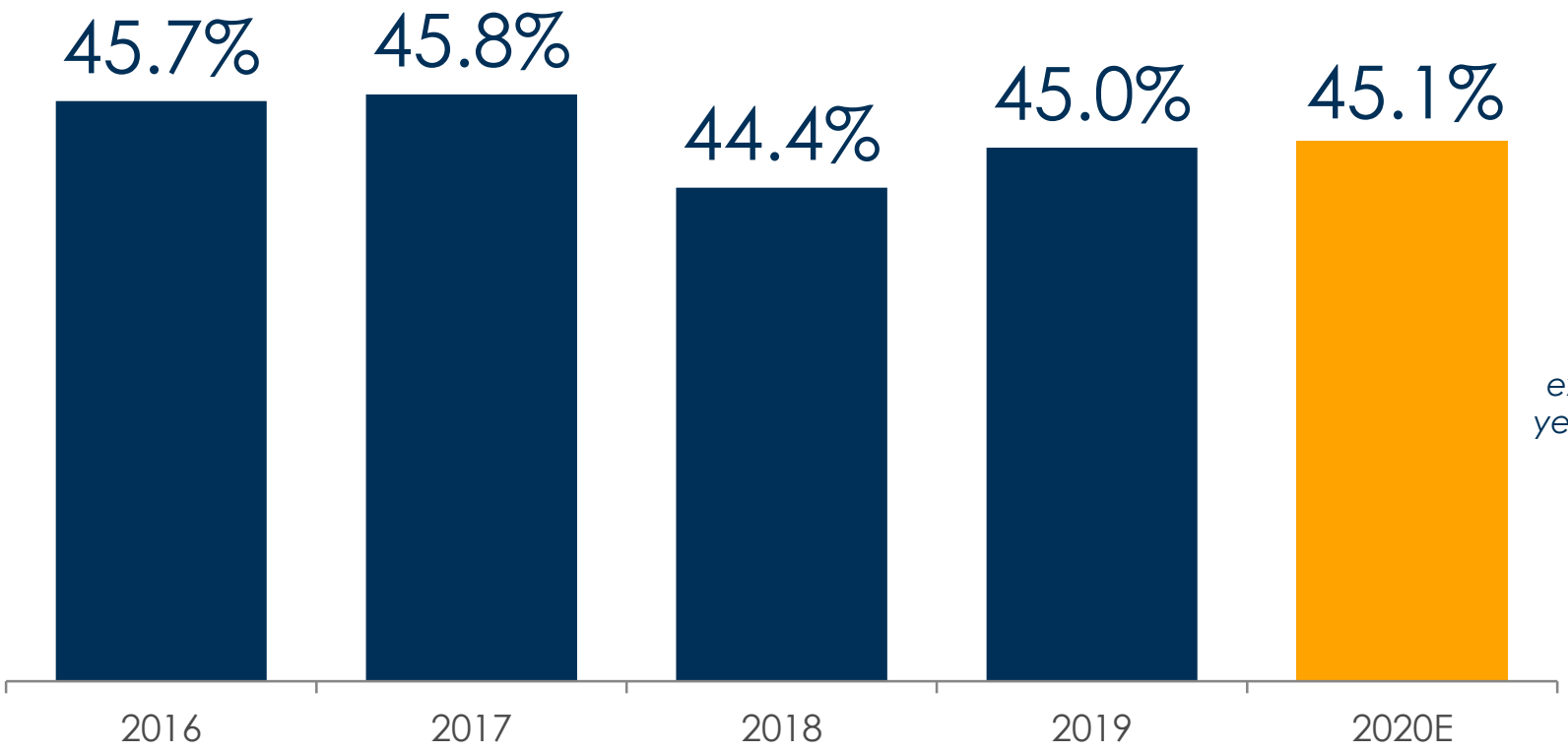
FULL YEAR 2020 ORGANIC SALES OUTLOOK

Organic Sales Growth	4.5%
Exit Private Label Vitamins	*-1.0%*
Lower Promotions on OxiClean LLD	
2020 Net Organic Growth	3.5%

FULL YEAR 2020 EPS OUTLOOK

EPS Evergreen Model	8%
Flawless	+2%
Tariffs	-1%
Marketing Investments for New Launches	-1%
EPS Growth Midpoint of 7-9%	8%

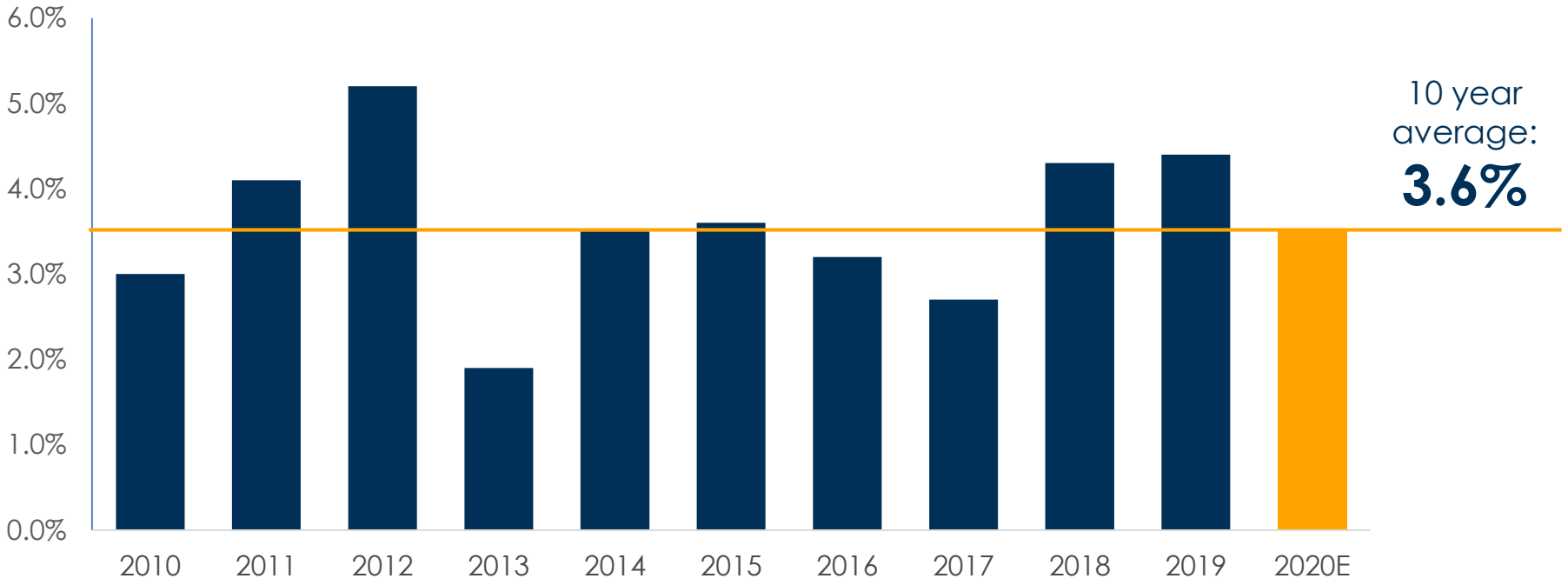
FOCUS ON ADJUSTED GROSS MARGIN



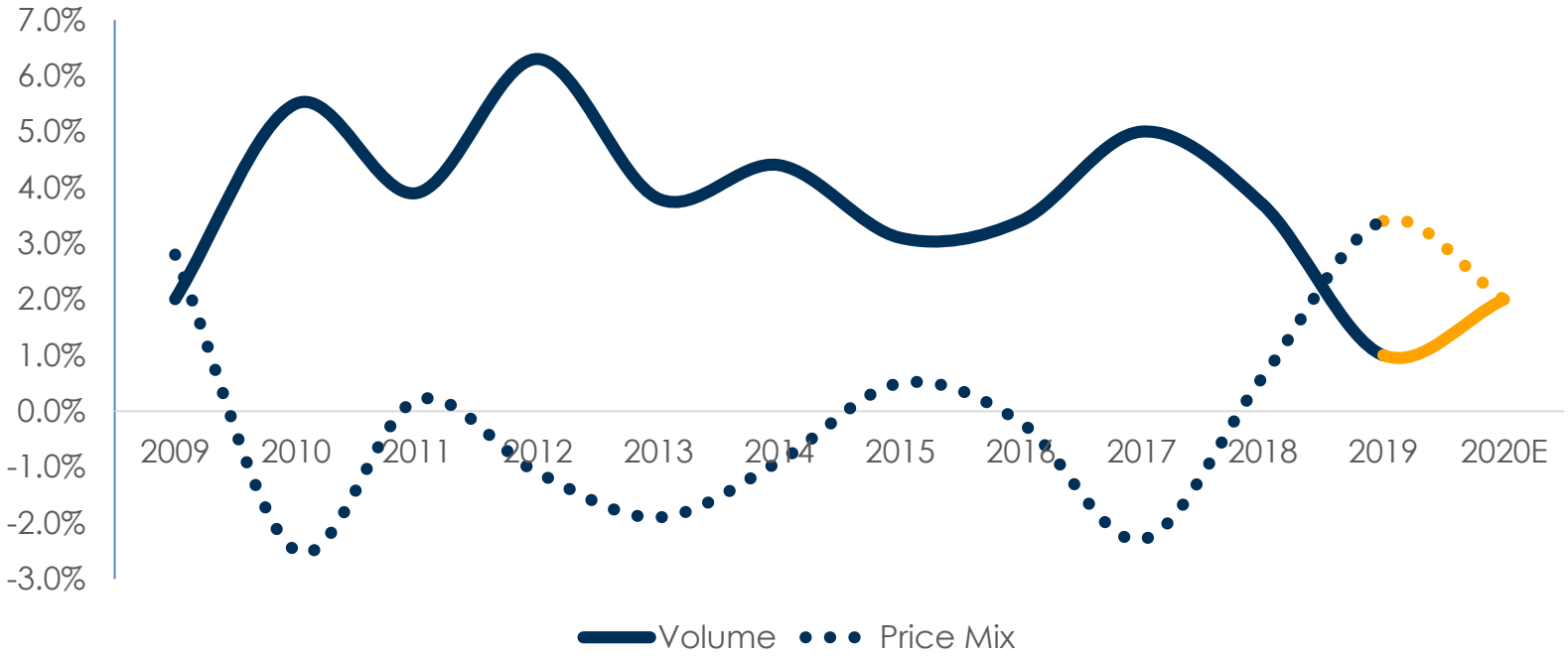
+50 bps
to 45.5%
excluding prior year acquisition accounting

Note: Percentages are adjusted gross margin, a non GAAP measure. See appendix for adjustments to gross margin presented in accordance with GAAP.

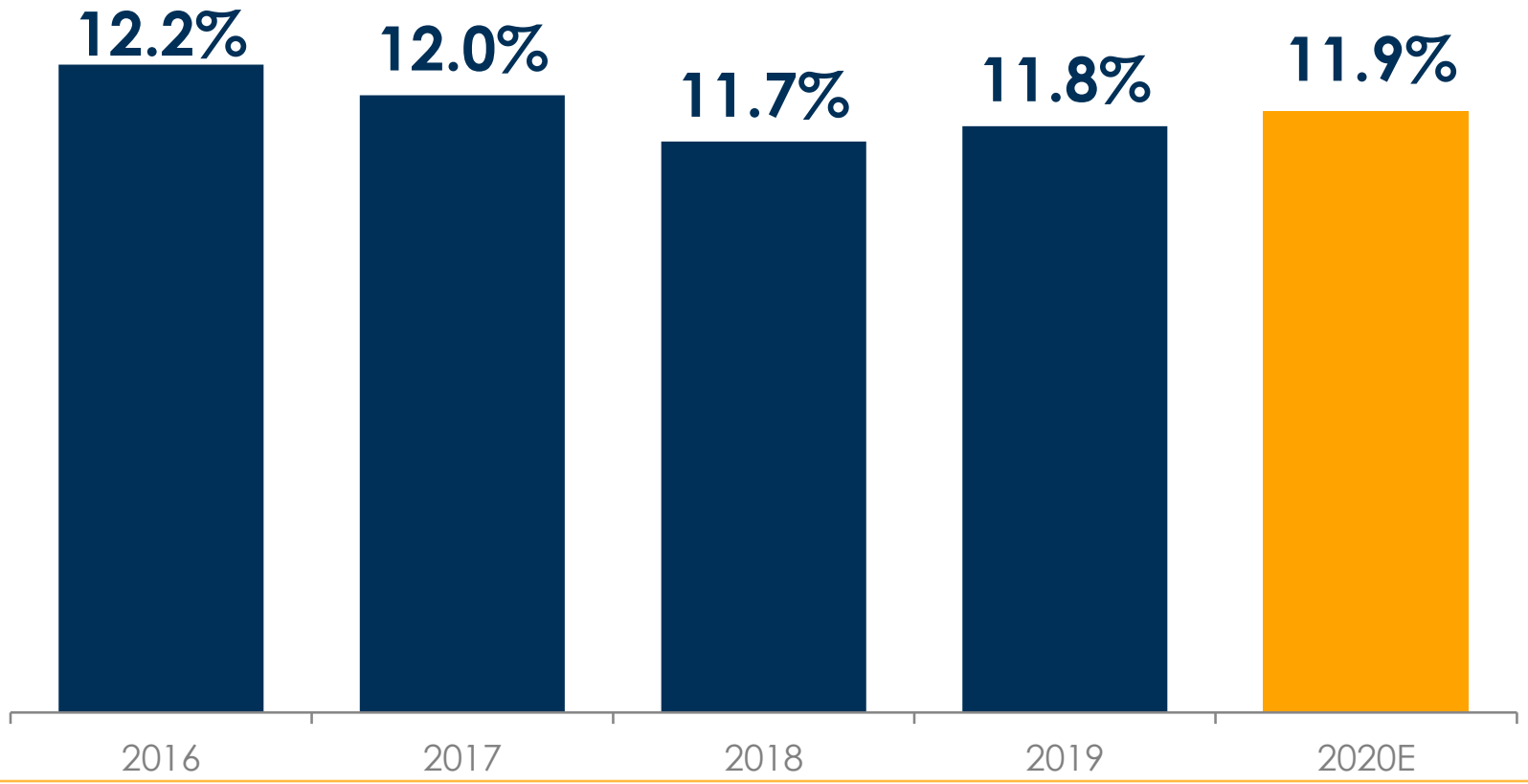
ORGANIC SALES – 10 YEAR TREND



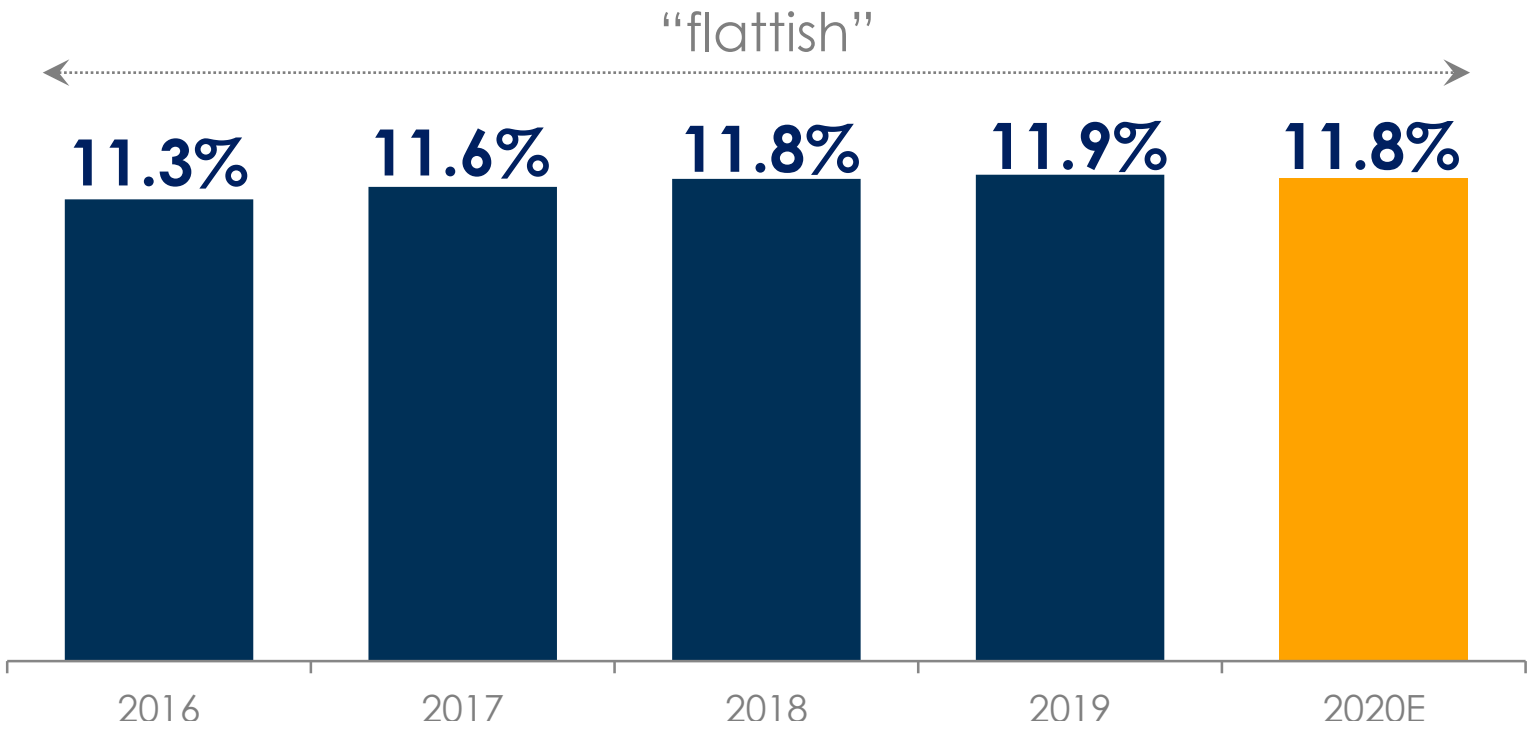
VOLUME/PRICE MIX – TEN YEAR TREND



MARKETING SPEND

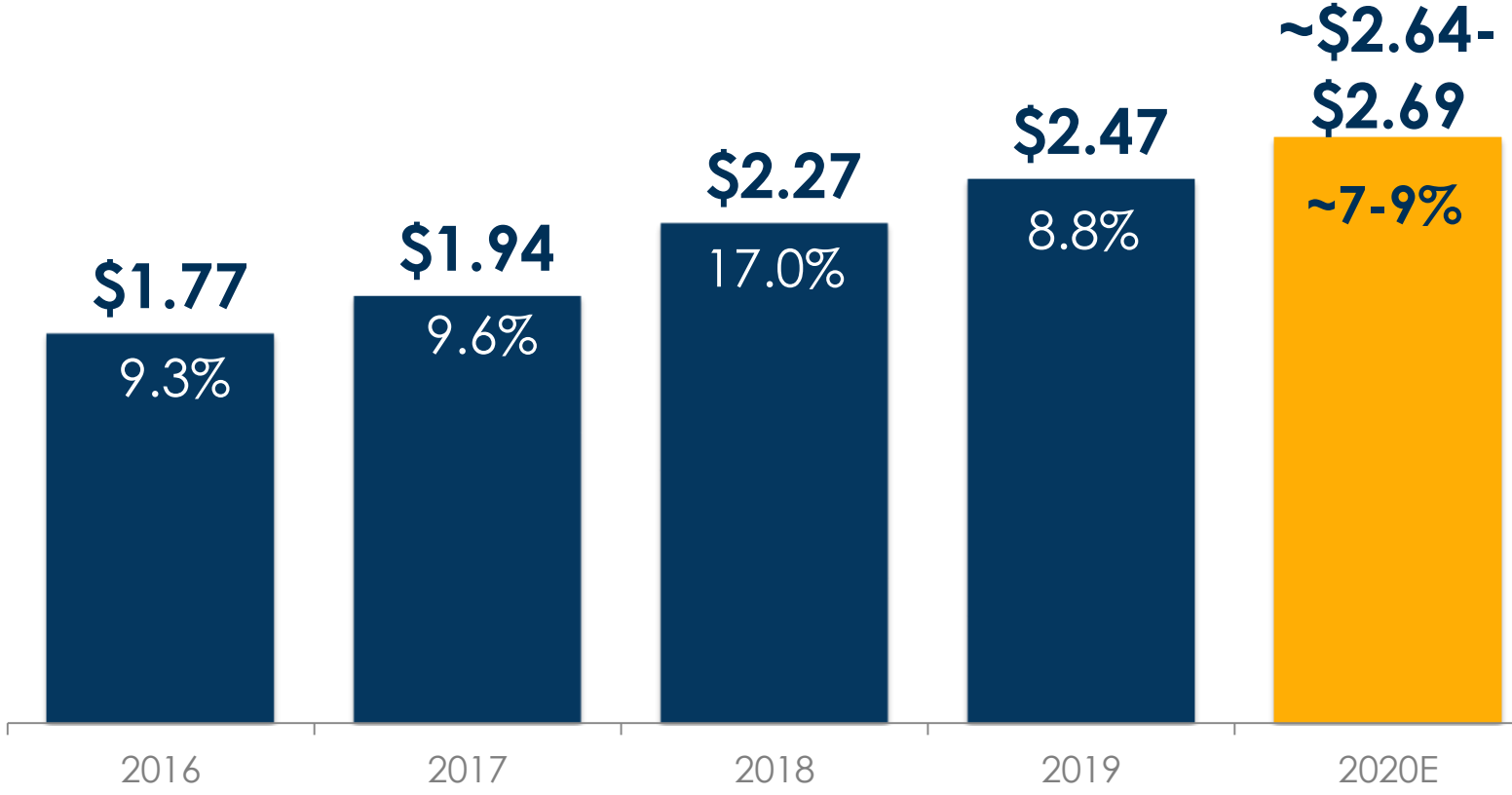


“SG&A” MOSTLY FLAT EXCLUDING AMORTIZATION



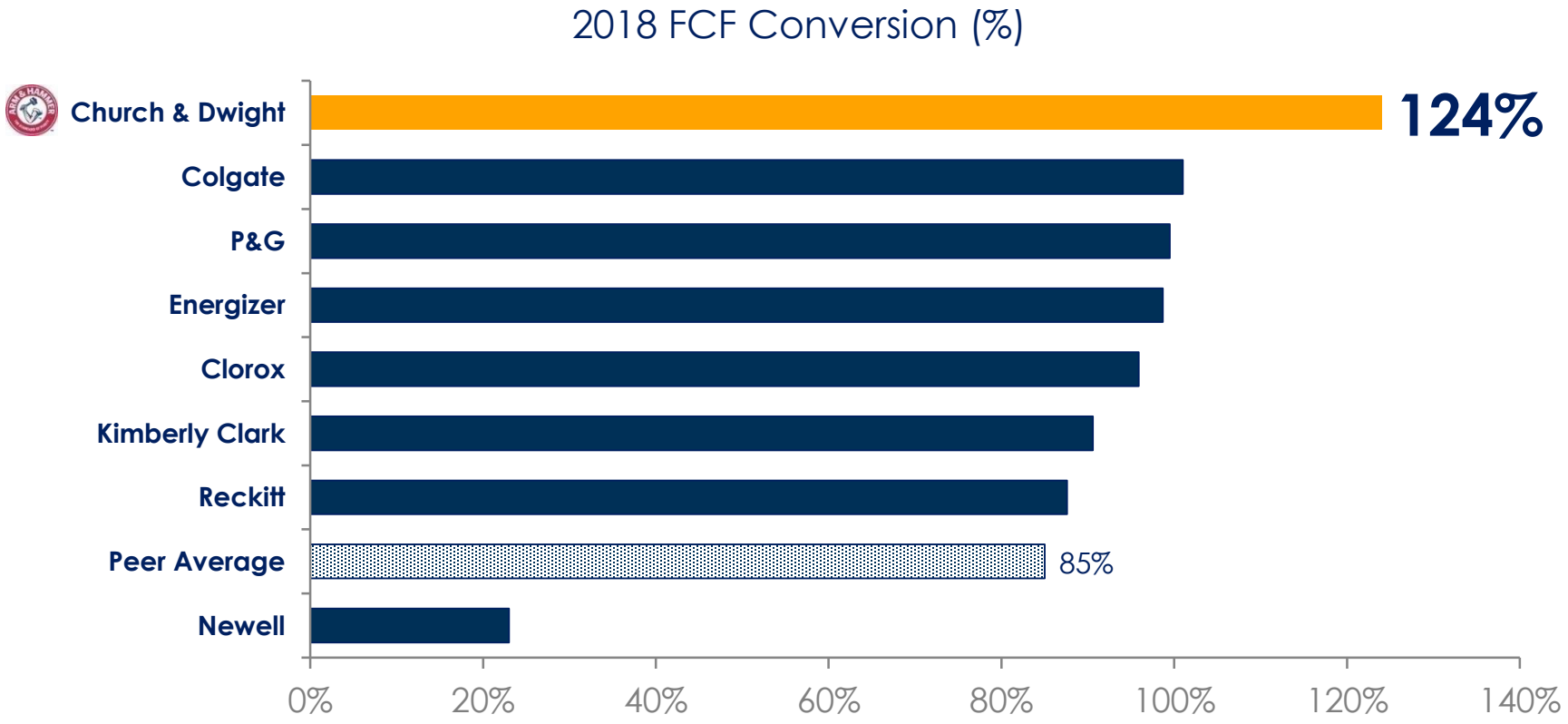
Note: Adjusted SG&A is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measures.

CONSISTENT STRONG ADJUSTED EPS GROWTH



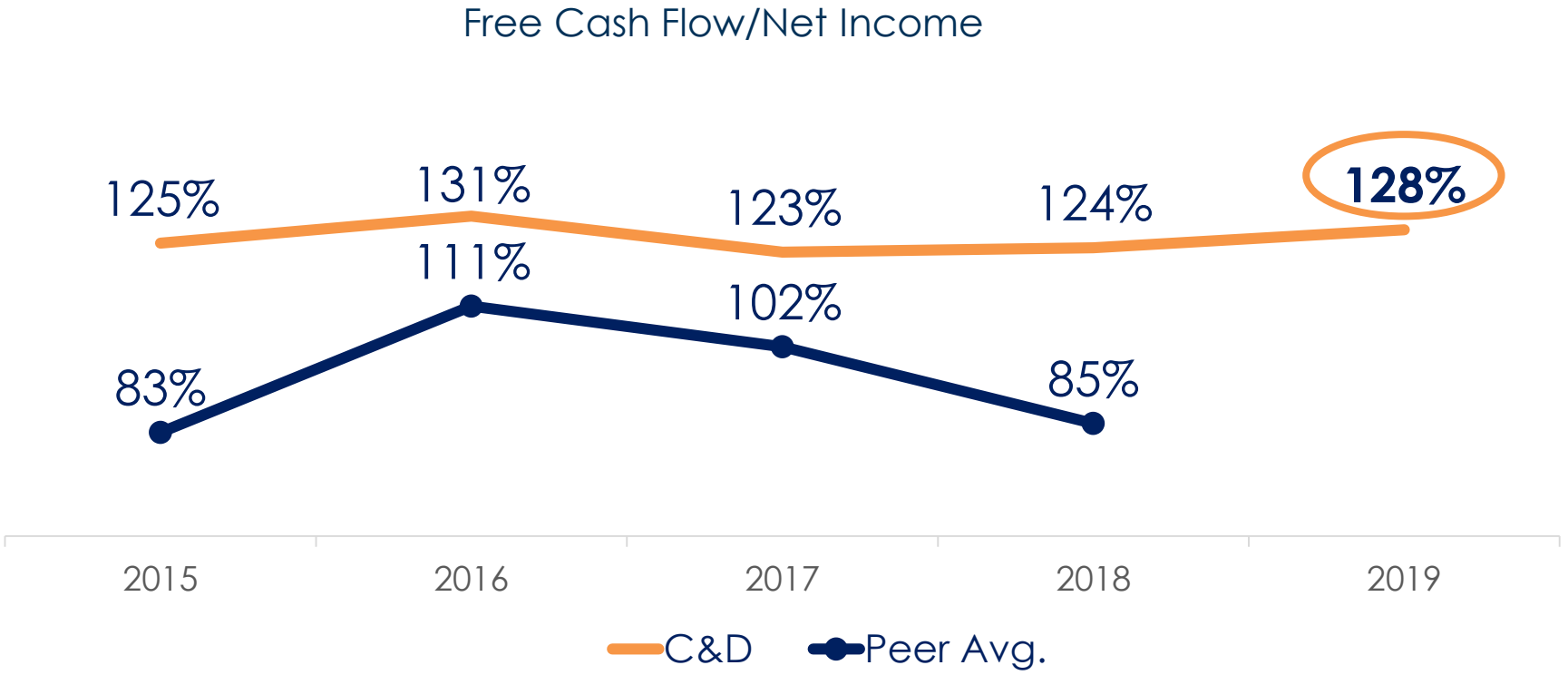
Note: Adjusted EPS growth is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measures. Excludes Waterpik.

“BEST IN CLASS” FCF CONVERSION



Sources: Nasdaq. FCF/Net Income

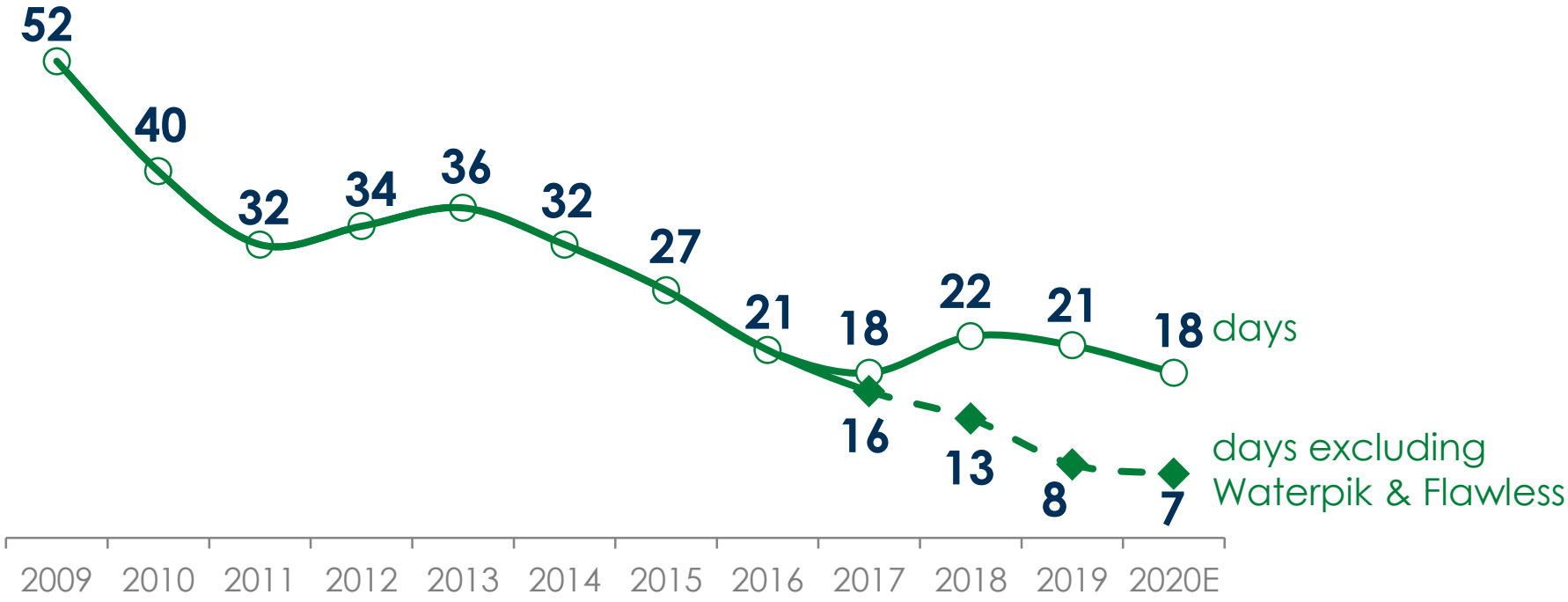
LONG TERM FCF CONVERSION VS. PEERS



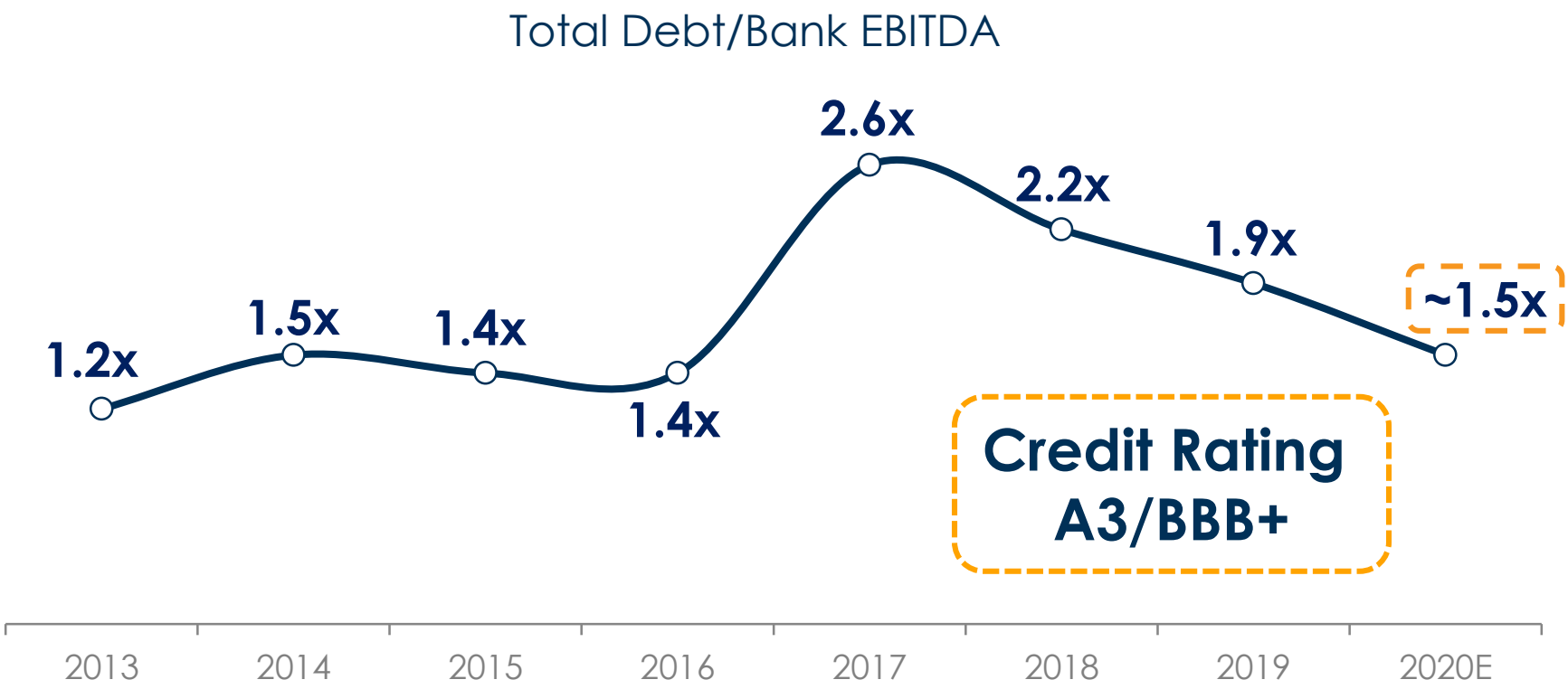
Source: Bloomberg

CASH CONVERSION CYCLE

TIGHT CONTROL OF WORKING CAPITAL DRIVES CCC IMPROVEMENT



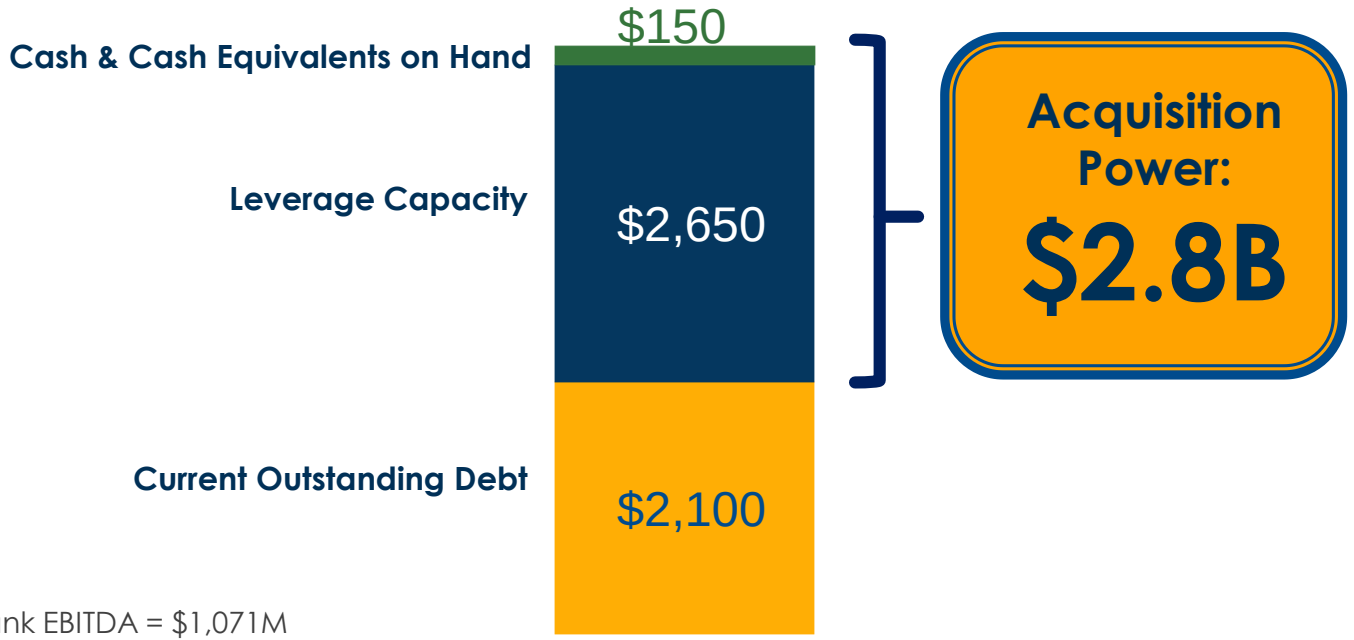
STRONG BALANCE SHEET



Note: Total debt/EBITA is a non-GAAP measure. Refer to the Appendix for a reconciliation to the most comparable GAAP measures.

SIGNIFICANT FINANCIAL CAPACITY

as of December 31, 2019 (in $millions)

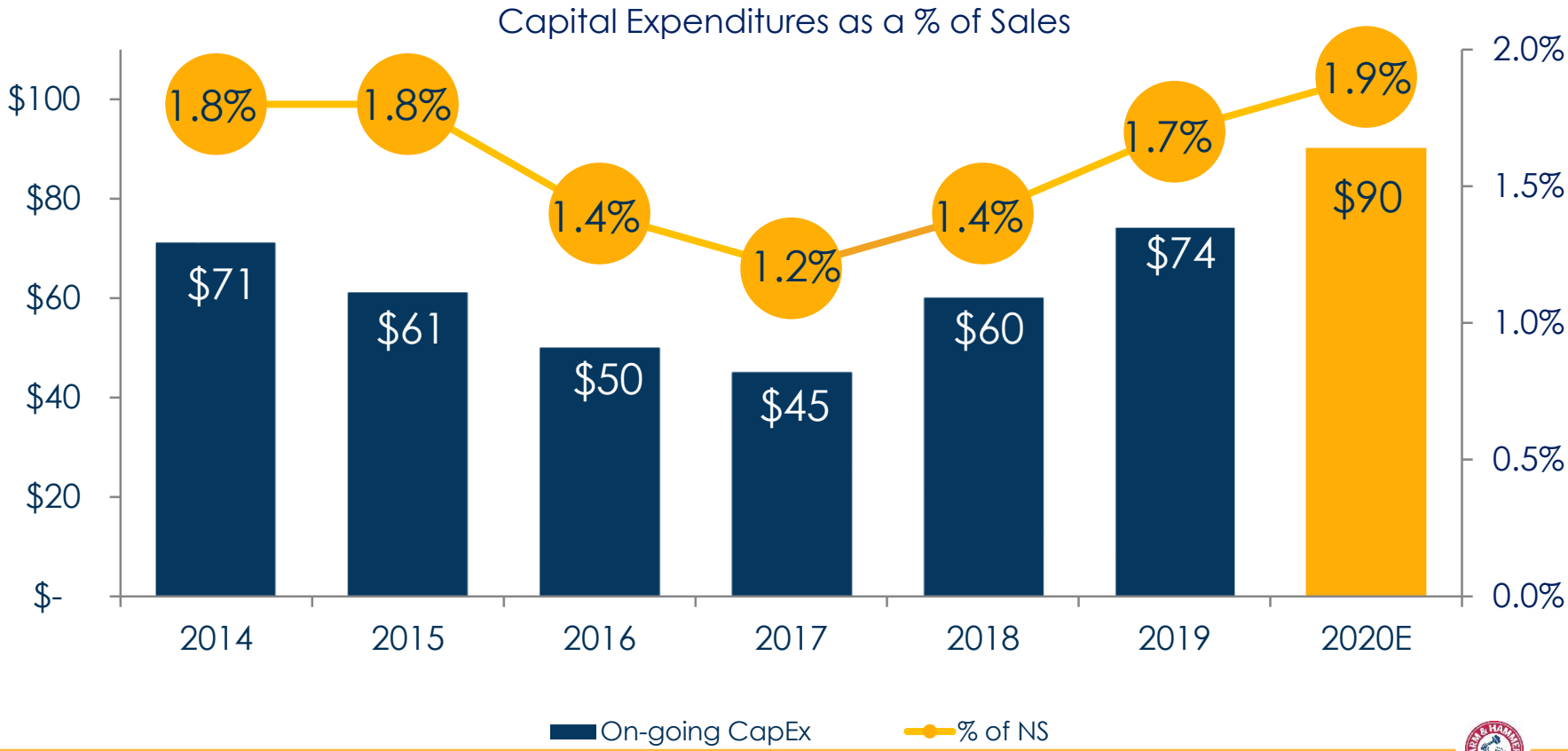


- 2019 TTM Bank EBITDA = $1,071M
- Leverage capacity to 3.75x EBITDA
- Example: Acquisition EBITDA multiple of 12x

PRIORITIZED USES OF FREE CASH FLOW

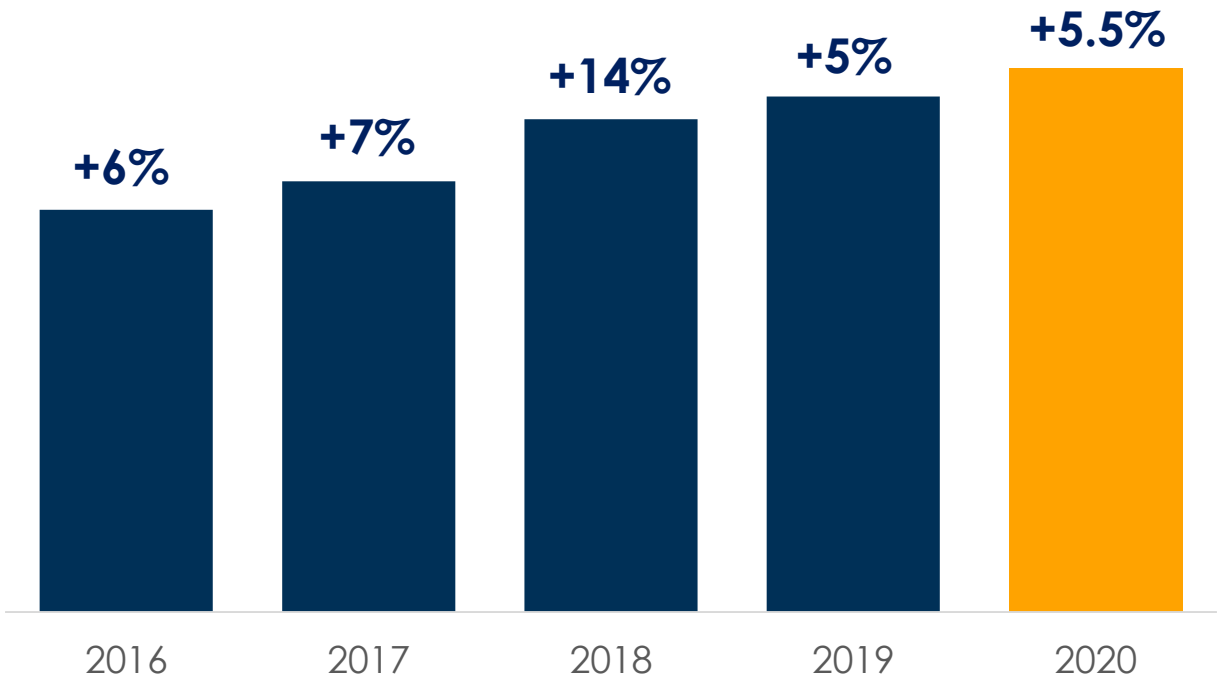
1. TSR-Accretive M&A
2. Debt Reduction
3. New Product Development
4. Capex For Organic Growth & G2G
5. Return Of Cash To Shareholders

MINIMAL CAPITAL INVESTMENT



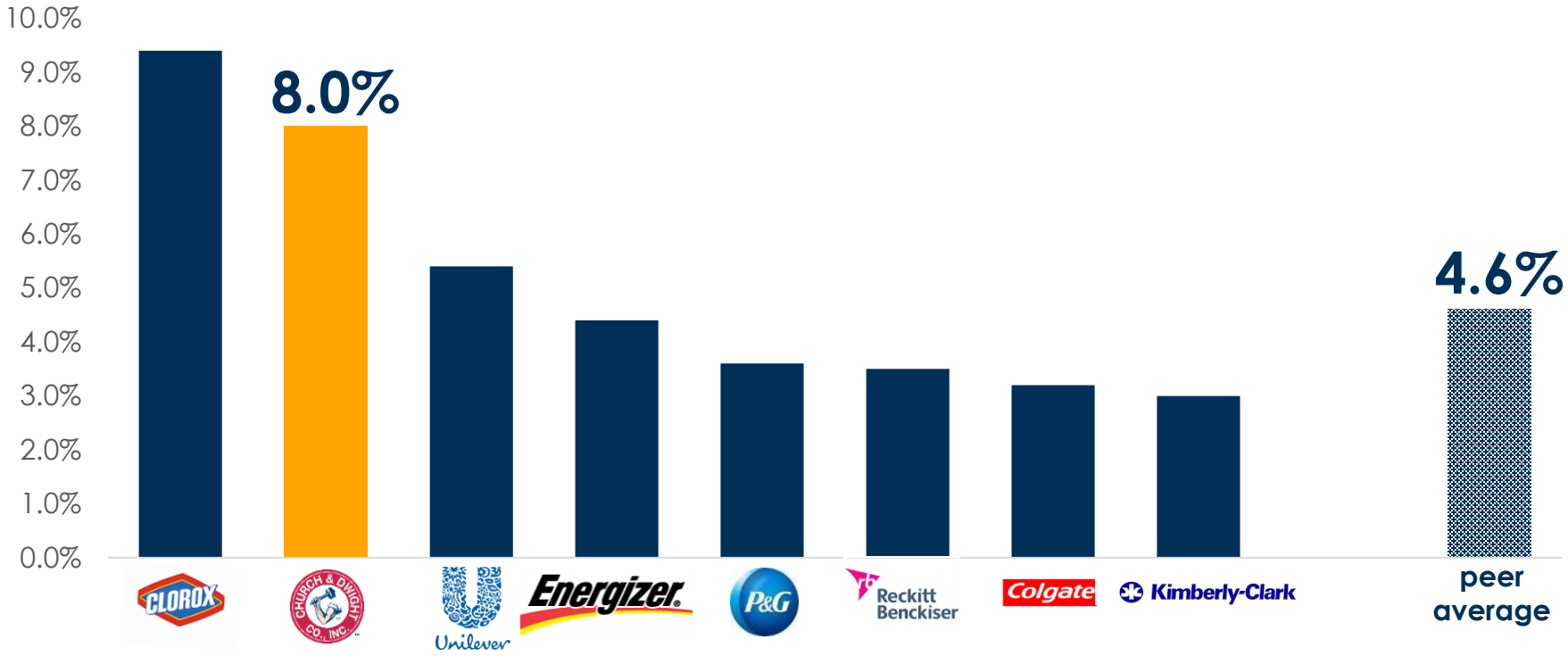
5.5% DIVIDEND INCREASE IN 2020

119
consecutive **years** of dividends



HIGH ANNUAL DIVIDEND GROWTH RATE VS. PEERS

Average Annual Dividend Growth Rate: 2017, 2018, 2019




Q
A

Reconciliations

www.churchdwight.com

Acquisition Accounting Impact

Organic Sales	May-Jun	Q3	Q4	May-Dec.
2019 Reported Sales	$8	$20	$26	$53
2019 Proforma Sales	$28	$60	$43	$131
Organic Adjustment	$20	$40	$17	$78
Gross Margin	Q2	Q3	Q4	FY
2020 bps impact	(30) bps	(90) bps	(30) bps	(40) bps

Reconciliation of Non-GAAP Measures

Church & Dwight Co., Inc.'s Reconciliation of Non-GAAP Measures:

The following pages provide definitions of the non-GAAP measures used in this presentation and reconciliations of these non-GAAP measures to the most directly comparable GAAP measures. These non-GAAP financial measures should not be considered in isolation from or as a substitute for the comparable GAAP measures, but rather as supplemental information to more fully understand our business results. The following non-GAAP measures may not be the same as similar measures provided by other companies due to differences in methods of calculation and items and events being excluded.

The measures provided are (1) organic sales growth, (2) adjusted EPS, (3) adjusted SG&A and adjusted SG&A as a percentage of sales, (4) adjusted operating profit and margin, (5) free cash flow, (6) free cash flow as a percentage of net income, (7) EBITDA and EBITDA margin and (8) Total Debt to Bank EBITDA .

As described in more detail below, we believe these measures provide useful perspective of underlying business trends and results and provide a more comparable measure of year over year results.

Reconciliation of Non-GAAP Measures

Organic Sales Growth:

The presentation provides information regarding organic sales growth, namely net sales growth excluding the effect of acquisitions, divestitures and foreign exchange rate changes, from year-over-year comparisons.

Management believes that the presentation of organic sales growth is useful to investors because it enables them to assess, on a consistent basis, sales trends related to products that were marketed by the Company during the entirety of relevant periods, without the effect of the change in the fiscal calendar and foreign exchange rate changes that are out of the control of, and do not reflect the performance of, management.

Reconciliation of Non-GAAP Measures

Adjusted Gross Profit and Gross Profit Margin

This presentation discloses the Company's Gross Profit and Gross Profit Margin. Adjusted Gross Profit and Gross Profit Margin , as used in this presentation, is defined as gross profit excluding significant one-time items that is not indicative of the Company's period to period performance. We believe that this metric further enhances investors' understanding of the Company's year over year gross profit and gross profit margin, excluding certain significant one-time items. These excluded item is as follows:

2016: Excludes the impact of a plant impairment charge of $4.9 million (pre and post-tax) at the Company's Brazilian subsidiary

2017: Excludes the impact of a charge of $1.3 million relating to the sale of the Company's chemical business in Brazil

Reconciliation of Non-GAAP Measures

Adjusted EPS:

This presentation discloses reported EPS excluding the following, namely, earnings per share calculated in accordance with GAAP adjusted to exclude significant one-time items that are not indicative of the Company's period to period performance. We believe that this metric provides investors a useful perspective of underlying business trends and results and provides useful supplemental information regarding our year over year earnings per share growth. The excluded items are as follows:

2015: Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax) and the pre and post - tax Natronx Impairment charge of $17 million.

2016: Excludes the impact of a plant impairment charge of $4.9 million at the Company's Brazilian subsidiary.

2017: Excludes a ($0.12 per share) charge associated with the settlement of a foreign pension plan, a ($0.01 per share) charge associated with the sale of the Company's chemical business in Brazil, a tax benefit of $0.03 per share from a prior year joint venture impairment charge and a one time tax benefit (non-cash) of $1.06 per share to adjust deferred tax accounts and reflect deemed repatriation of foreign subsidiary earnings as a result of the Tax Cuts and Jobs Act (TCJA)

2019: Excludes a $0.02 positive impact from an earn-out reversal from the acquisition of Passport Food Safety Solutions, Inc., $0.03 negative impact from the loss on the sale of the consumer Brazil business, and $0.02 negative impact from the FLAWLESS acquisition earn-out estimate.

Reconciliation of Non-GAAP Measures

Adjusted SG&A:

This presentation discloses the Company's SG&A expenses as a percent of net sales. Adjusted SG&A, as used in this presentation, is defined as selling, general and administrative expenses excluding significant one-time items that is not indicative of the Company's period to period performance. We believe that this metric further enhances investors' understanding of the Company's year over year expenses, excluding certain significant one-time items. These excluded items are as follows:

2015: Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax).

2017: Excludes the impact of the settlement of a foreign pension plan of $39.2 million ($31.5 post tax), and a charge of $2.2 million relating to the sale of the Company's chemical business in Brazil

2019: Excludes a $7.3 million positive impact from an earn-out reversal from the acquisition of Passport Food Safety Solutions, Inc., $7.6 million negative impact from the loss on the sale of the consumer Brazil business, and a $10.0 negative impact from the FLAWLESS acquisition earn-out estimate.

Reconciliation of Non-GAAP Measures

Adjusted Operating Profit and Margin:

The presentation discloses Operating Income and margin (a GAAP measure) and Adjusted Operating Income and margin (a non-GAAP measure) which excludes significant one time items. We believe that excluding the significant one-time items provides a useful measure of the Company's ongoing operating performance growth. These items are:

2015 - Excludes the impact of the settlement of a foreign pension plan of $8.9 million ($6.6 post tax).

2016 - Excludes the impact of a plant impairment charge of $4.9 million at the Company's Brazilian subsidiary.

2017 - Excludes the impact of the settlement of a foreign pension plan of $39.2 million ($31.5 post tax), the impact of a $3.5 million charge relating to the sale of the Company's chemical business in Brazil

2019: Excludes a $7.3 million positive impact from an earn-out reversal from the acquisition of Passport Food Safety Solutions, Inc., $7.6 million negative impact from the loss on the sale of the consumer Brazil business, and a $10.0 negative impact from the FLAWLESS acquisition earn-out estimate.

Reconciliation of Non-GAAP Measures

Free Cash Flow:

Free cash flow (a non-GAAP measure) is defined as cash from operating activities (a GAAP measure) less capital expenditures (a GAAP measure). Management views free cash flow as an important measure because it is one factor in determining the amount of cash available for dividends and discretionary investment.

Free Cash Flow as Percent of Net Income:

Free cash flow as percent of net income is defined as the ratio of free cash flow to net income. Management views this as a measure of how effective the Company manages its cash flow relating to working capital and capital expenditures.

Reconciliation of Non-GAAP Measures

Total Debt to Bank EBITDA:

Total Debt to Bank EBITDA is a ratio used in our debt agreements. Bank EBITDA (a non-GAAP measure) is a form of adjusted EBITDA, and represents earnings from Income (a GAAP measure), excluding interest income, interest expense, and before income taxes, depreciation, and amortization (EBITDA) and certain other adjustments per the Company's Credit Agreement.

Total Debt is defined as short and long term debt as defined by GAAP, plus items that are classified as debt by the Company's credit agreement. These items include Letters of Credit, Capital and Synthetic Lease Obligations, and certain Guarantees.

Management believes the presentation of Total Debt to Bank EBITDA provides additional useful information to investors about liquidity and our ability to service existing debt.

Total Company Organic Sales Reconciliation

Year	Reported	FX	Acq/Div	Organic
2019	5.1%	-0.5%	-1.2%	4.4%
2018	9.8%	0.0%	-5.5%	4.3%
2017	8.1%	0.0%	-5.4%	2.7%
2016	2.9%	1.2%	-0.9%	3.2%
2015	2.9%	2.7%	-2.0%	3.6%

Reported & Adjusted Non Gaap Reconciliations

	For the year ending December 31,			
	2019	2018	2017	2016
Adjusted Gross Margin Reconciliation				
Gross margin Reported	45.5%	44.4%	45.8%	45.5%
Brazil Charge	0.0%	0.0%	0.0%	0.2%
Gross Margin - Adjusted (non-gaap)	**45.5%**	**44.4%**	**45.8%**	**45.7%**
Adjusted SG&A Reconciliation				
SG&A - Reported	14.4%	13.6%	14.4%	12.4%
Pension Settlement Charge	0.0%	0.0%	-1.0%	-0.3%
Brazil Charge	-0.2%	0.0%	-0.1%	0.0%
Flawless Earnout Adjustment	-0.2%	0.0%	0.0%	0.0%
Passport Earnout Reversal	0.2%	0.0%	0.0%	0.0%
SG&A Adjusted (non-gaap)	**14.2%**	**13.6%**	**13.3%**	**12.1%**
Adjusted Operating Profit Margin Reconciliation				
Operating Profit Margin - Reported	19.3%	19.1%	19.4%	19.9%
Pension Settlement Charge	0.0%	0.0%	1.0%	0.3%
Brazil Charge	0.2%	0.0%	0.1%	0.0%
Flawless Earnout Adjustment	0.2%	0.0%	0.0%	0.0%
Passport Earnout Reversal	-0.2%	0.0%	0.0%	0.0%
Operating Profit Margin - Adjusted (non-gaap)	**19.5%**	**19.1%**	**20.5%**	**20.1%**

Reported & Adjusted Non Gaap Reconciliations

	For the year ending December 31,			
	2019	2018	2017	2016
Adjusted EPS Reconciliation				
EPS - Reported	$ 2.44	$ 2.27	$ 2.90	$ 1.75
Pension Settlement Charge	$ -	$ -	$ 0.12	$ -
Brazil Charge	$ 0.03	$ -	$ 0.01	$ 0.02
Joint Venture Impairment Tax Benefit	$ -	$ -	$ (0.03)	$ -
Natronx Charge	$ -	$ -	$ -	$ -
U.S. TCIA Tax Reform	$ -	$ -	$ (1.06)	$ -
Passport Earn-out Reversal	$ (0.02)			
Flawless Earn-out Adjustment	$ 0.02			
EPS - Adjusted (non-gaap)	**$ 2.47**	**$ 2.27**	**$ 1.94**	**$ 1.77**

Church & Dwight Co., Inc. and Subsidiaries
SG&A less Amortization Expense Reconciliation

	2019	2018	2017	2016	2015	2014	2013
SG&A as % of Net Sales - Reported	14.4%	13.6%	14.4%	12.6%	12.4%	12.0%	13.0%
Pension Settlement Charge	-	-	-1.0%	0.0%	-0.3%	0.0%	0.0%
Brazil Charge	-0.2%	-	-0.1%				
Passport Earn-out Reversal	0.2%						
Flawless Earn-out Adjustment	-0.2%						
Amortization Expense	-2.3%	-1.8%	-1.7%	-1.3%	-1.2%	-1.0%	-0.9%
SG&A as % of Net Sales - Adjusted (non-gaap)	11.9%	11.8%	11.6%	11.3%	10.9%	11.0%	12.1%

Church & Dwight Co., Inc
Total Debt to Bank EBITDA Reconciliation
($ in millions)

	2019	2018	2017	2016	2015	2014	2013
Total Debt as Presented (1)	$ 2,063.1	$ 2,107.1	$ 2,374.3	$ 1,120.1	$ 1,050.0	$ 1,086.6	$ 797.3
Other Debt per Covenant (2)	15.9	56.7	59.2	75.1	83.5	88.0	90.3
Total Debt per Credit Agreement	$ 2,079.0	$ 2,163.8	$ 2,433.5	$ 1,195.2	$ 1,133.5	$ 1,174.6	$ 887.6
Net Cash from Operations	$ 864.6	$ 763.6	$ 681.5	$ 655.3	$ 606.1	$ 540.3	$ 499.6
Interest Paid	70.6	74.9	33.3	25.6	29.0	25.7	26.4
Current Tax Provision	152.2	139.8	186.9	222.0	201.0	198.3	192.3
Excess Tax Benefits on Option Exercises	-	-	-	30.0	15.8	18.5	13.1
Change in Working Capital and other Liabilities	(33.2)	(14.2)	(0.8)	(74.4)	(38.6)	(13.5)	16.1
Adjustments for Significant Acquisitions/Dispositions (net)	17.9	-	50.2	-	-	-	-
Adjusted EBITDA (per Credit Agreement)	$ 1,072.1	$ 964.1	$ 951.1	$ 858.5	$ 813.3	$ 769.3	$ 747.5
Ratio	1.9	2.2	2.6	1.4	1.4	1.5	1.2

Notes:

(1)Net of Deferred Financing Costs per ASC 2015-03, "Simplifying the Presentation of Debt Issuance Costs"

(2) Includes Letters of Credit, Capital and Synthetic Lease Obligations, and certain Guarantees.