



Consumer Analyst Group of New York Conference

February 24, 2017

February 2017

Notice for Investor Presentation

Our presentation and the related webcast contain non-GAAP financial measures, which differ from our reported results prepared in accordance with U.S. generally accepted accounting principles (GAAP). These non-GAAP financial measures of operating results, as applicable, exclude the impact of the following: a charge resulting from the deconsolidation of the Company's Venezuelan operations, gain on sales of non-core product lines and assets, charges and benefits from tax matters, charges from litigation matters, charges related to devaluations in Venezuela, restructuring charges and certain other items. We may also refer to organic sales growth, which is Net sales growth excluding the impact of foreign exchange, acquisitions, divestments and the deconsolidation of the Company's Venezuelan operations, or to free cash flow before dividends, which we define as Net cash provided by operations less Capital expenditures. A complete, quantitative reconciliation between our reported results and these non-GAAP financial measures is available in the "Investor Center" section of our website at <http://www.colgatepalmolive.com>.

Our presentation and the related webcast are integrally related and are intended to be presented and understood together. In addition, they may contain forward-looking statements. These statements are made on the basis of our views and assumptions as of this time and we undertake no obligation to update these statements except as required by law. We caution investors that forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. Investors should consult the Company's filings with the Securities and Exchange Commission (including the information set forth under the caption "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2016) for information about certain factors that could cause such differences. Copies of these filings are available in the "Investor Center" section of our website at <http://www.colgatepalmolive.com>.

Today

- **Solid results in a turbulent environment**
- **Driving growth in 2017**



Ram Raghavan

**Marketing Director
Asia Pacific Division**

Global Journey



Global Journey



Lucknow

Mumbai

Hong Kong

Global Journey



Lucknow

Mumbai

Guangzhou
Hong Kong

Global Journey

A world map with a blue background and green landmasses. A red dot marks Toronto in North America. Grey dots mark Lucknow, Mumbai, Guangzhou, and Hong Kong in Asia. The cities are labeled with text.

Toronto

Lucknow

Mumbai

Guangzhou
Hong Kong

Global Journey



Global Journey

 ***Toronto***
 ***Mexico City***

Lucknow 

 ***Mumbai***

 ***Guangzhou***
 ***Hong Kong***



Global Journey

A stylized world map with a green landmass and blue oceans. Five red dots mark specific cities, each with a label. The cities are Toronto, Mexico City, Lucknow, Mumbai, and Guangzhou/Hong Kong. The map is centered on the Atlantic Ocean.

Toronto

Mexico City

Lucknow

Mumbai

Guangzhou
Hong Kong

2016

- **Macroeconomic challenges**
- **Continued Foreign Exchange volatility**

Foreign Exchange Volatile



2016

- Macroeconomic challenges
- Continued Foreign Exchange volatility
- Slowing category growth

***Despite this environment,
solid results***

Topline Growth*

	<u>2000-11</u> <u>CAGR</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Volume	+4.8%	+3.5%	+5.0%	+3.0%	+2.0%	+1.5%

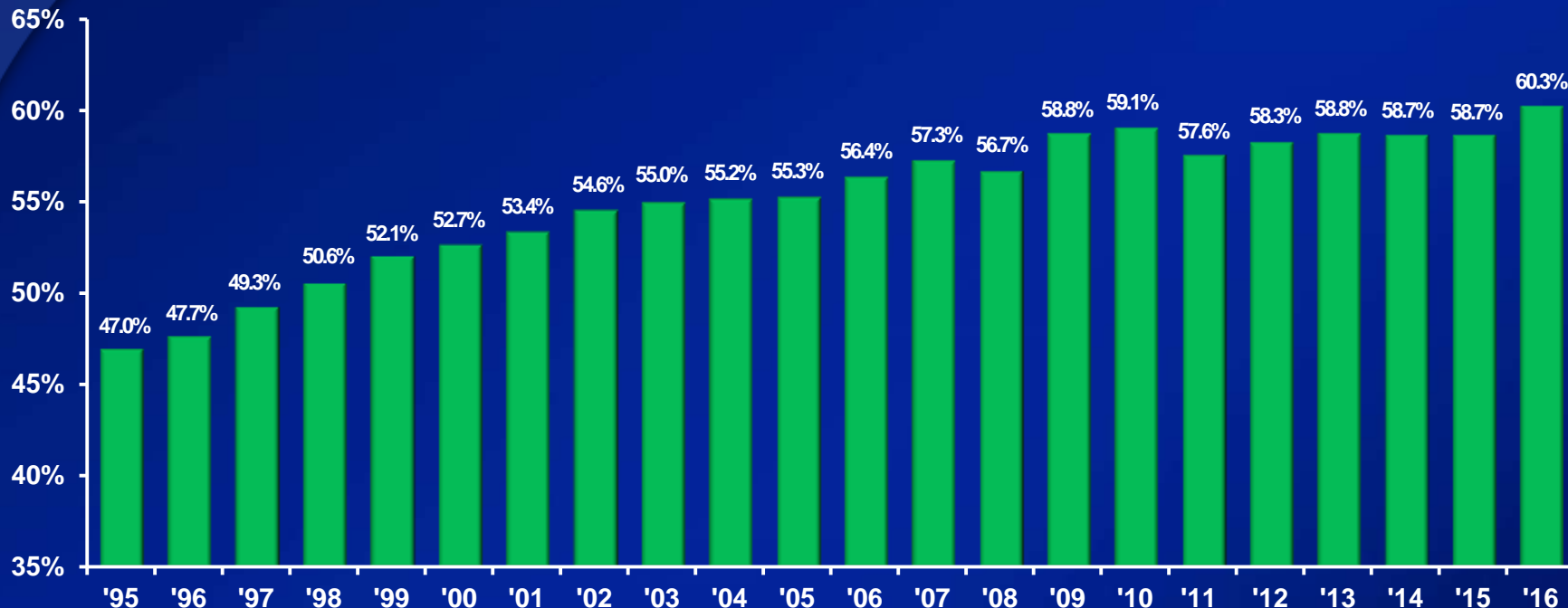
*Excluding divestitures and deconsolidation of the Company's Venezuelan operations

Topline Growth*

	<u>2000-11</u> <u>CAGR</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Volume	+4.8%	+3.5%	+5.0%	+3.0%	+2.0%	+1.5%
Organic Sales Growth	+5.7%	+6.0%	+6.0%	+5.0%	+5.0%	+4.0%

*Excluding divestitures and deconsolidation of the Company's Venezuelan operations

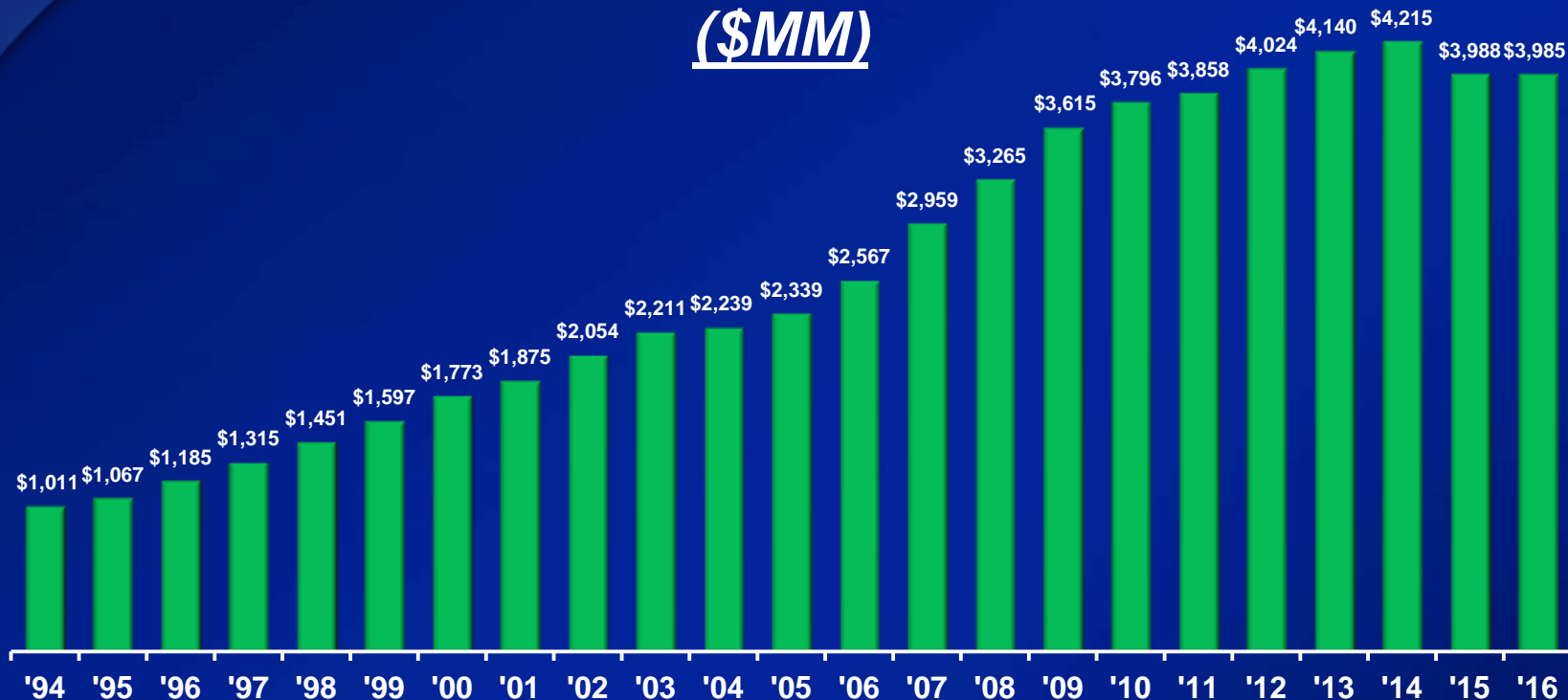
Gross Margin



2004-2008, 2010-2016 exclude restructuring charges and/or other items

Operating Profit

(\$MM)



Compound Growth +6.5%

2004-2008, 2010-2016 exclude restructuring charges and/or other items

Dividends Paid

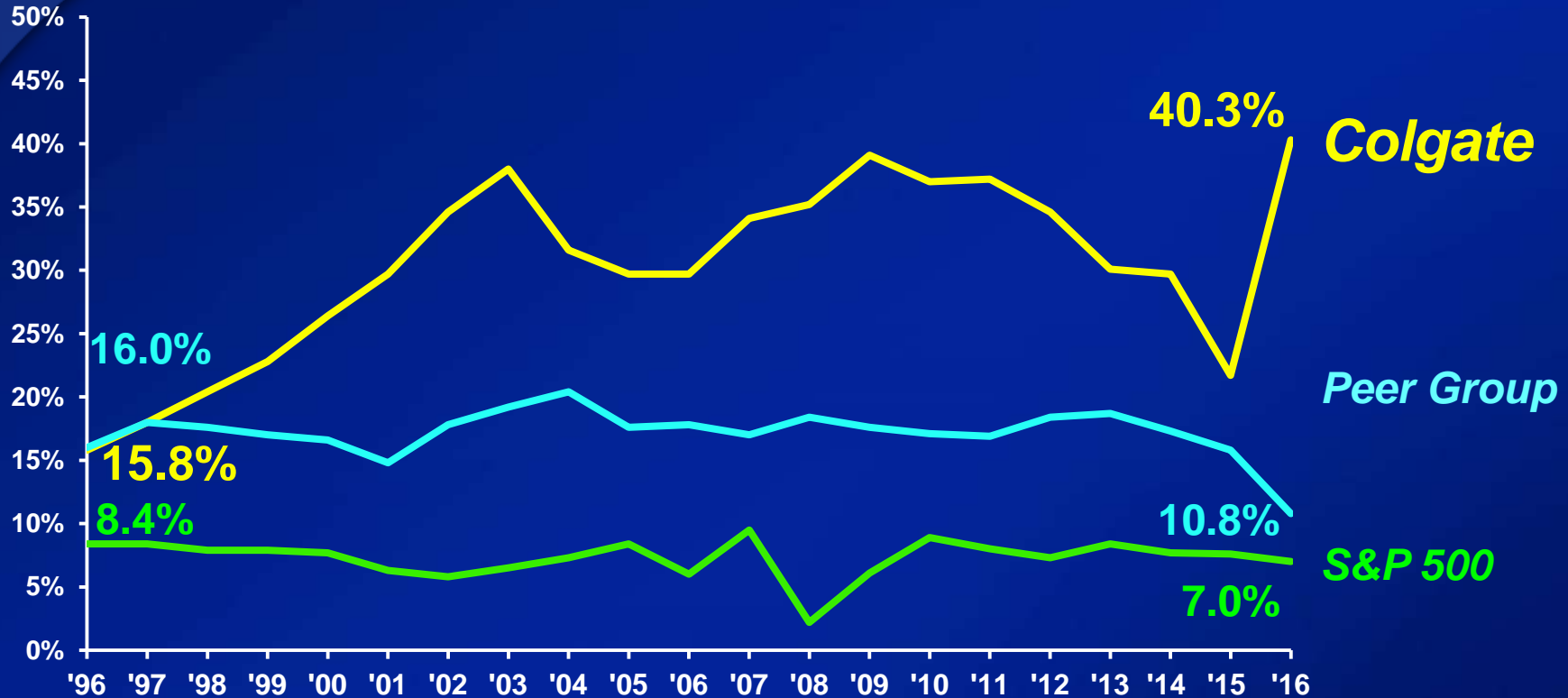
Per Common Share

**Increased for
54 consecutive years**



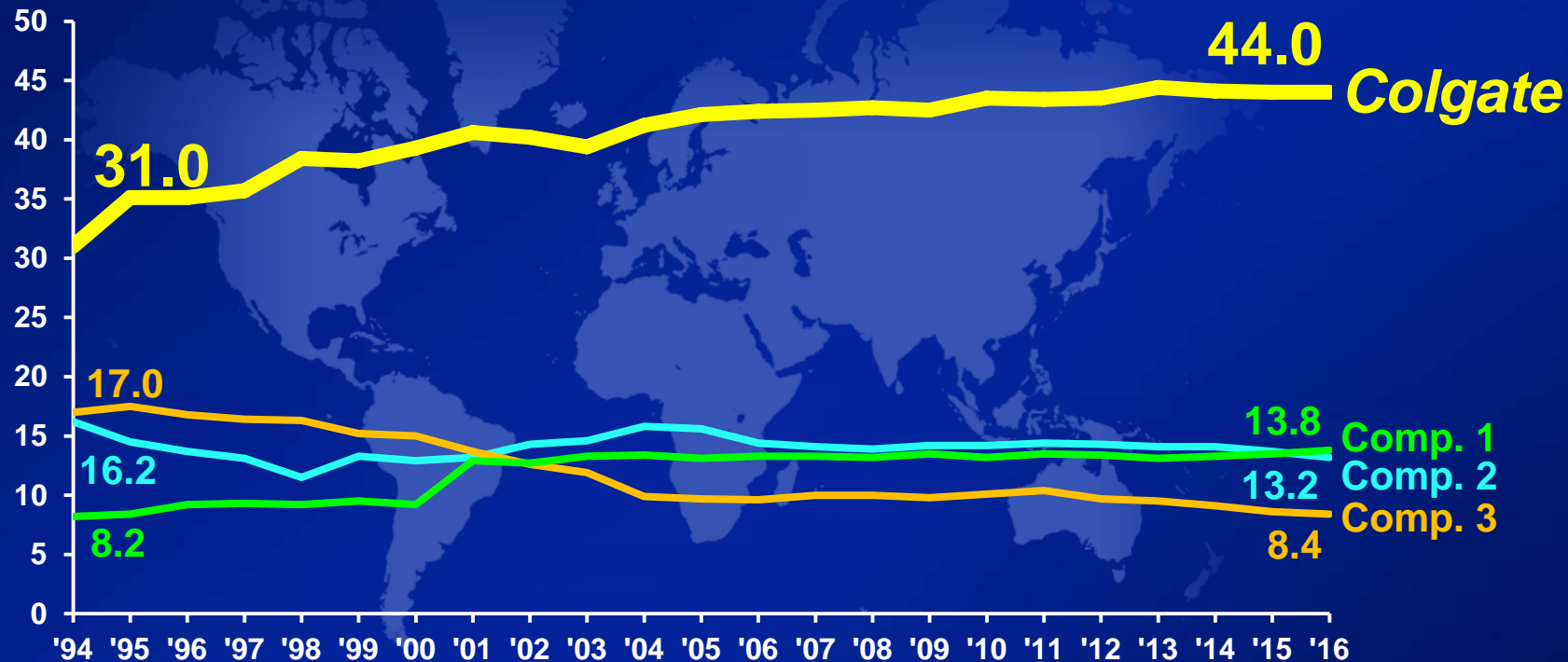
Amounts adjusted for two-for-one stock split in 1997, 1999 and 2013

After-Tax Return On Capital

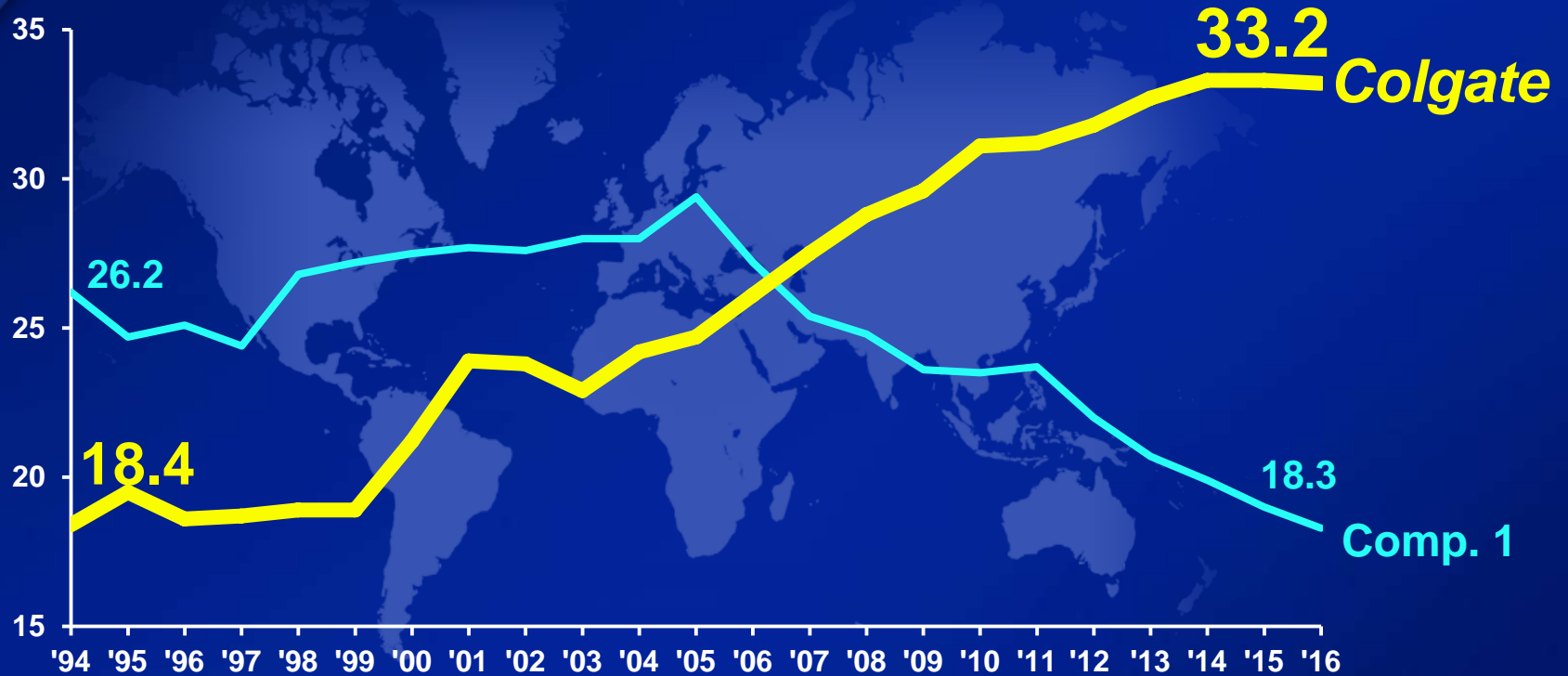


***Continued
market share leadership***

Worldwide Toothpaste Shares



Worldwide Manual Toothbrush Shares



Today

- Solid results in a turbulent environment

- Driving growth in 2017

Driving Growth in 2017

- **Unwavering commitment to our proven strategy**
- **Stronger engagement everywhere**
- **Sharpening commercial strategies**
- **Continued focus on innovation and capabilities**
- **Rigorous cost-saving discipline**

Driving Growth in 2017

- **Unwavering commitment to our proven strategy**
- **Stronger engagement everywhere**
- **Sharpening commercial strategies**
- **Continued focus on innovation and capabilities**
- **Rigorous cost-saving discipline**

Strategic Initiatives

- **Engage to Build Our Brands**
- **Innovation for Growth**
- **Effectiveness and Efficiency**
- **Leading to Win**

Driving Growth in 2017

- Unwavering commitment to our proven strategy
- Stronger engagement everywhere
- Sharpening commercial strategies
- Continued focus on innovation and capabilities
- Rigorous cost-saving discipline

Engagement Everywhere

- **Bring consumers closer to our brands by connecting emotionally**
 - **Connection built upon a strong brand purpose**

Brand Purpose

**Emotional engagement with consumers
that gives people something not just to buy,
but to buy into**



Colgate®

Everyone deserves a future they can smile about

Bringing the Brand Purpose to Life



Bringing the Brand Purpose to Life

Colgate Brasil
8 de outubro às 19h

Some friends deserve your brightest smiles. Why don't you share your puppy picture with us at comments and let's smile together? #ColgateSmile

Colgate



Curte · Comentar · Compartilhar

68 pessoas curtiram isso.

Escreva um comentário...

Nelson Alexandre
Curte · Responder · 8 de outubro às 20:41

Colgate Brasil
8 de outubro às 19h

A new dream is about to come true. Everyone's lives are changing for the better. Can you imagine how big is the smile of the one becoming the older sibling? #ColgateSmile

Colgate



Curte · Comentar · Compartilhar

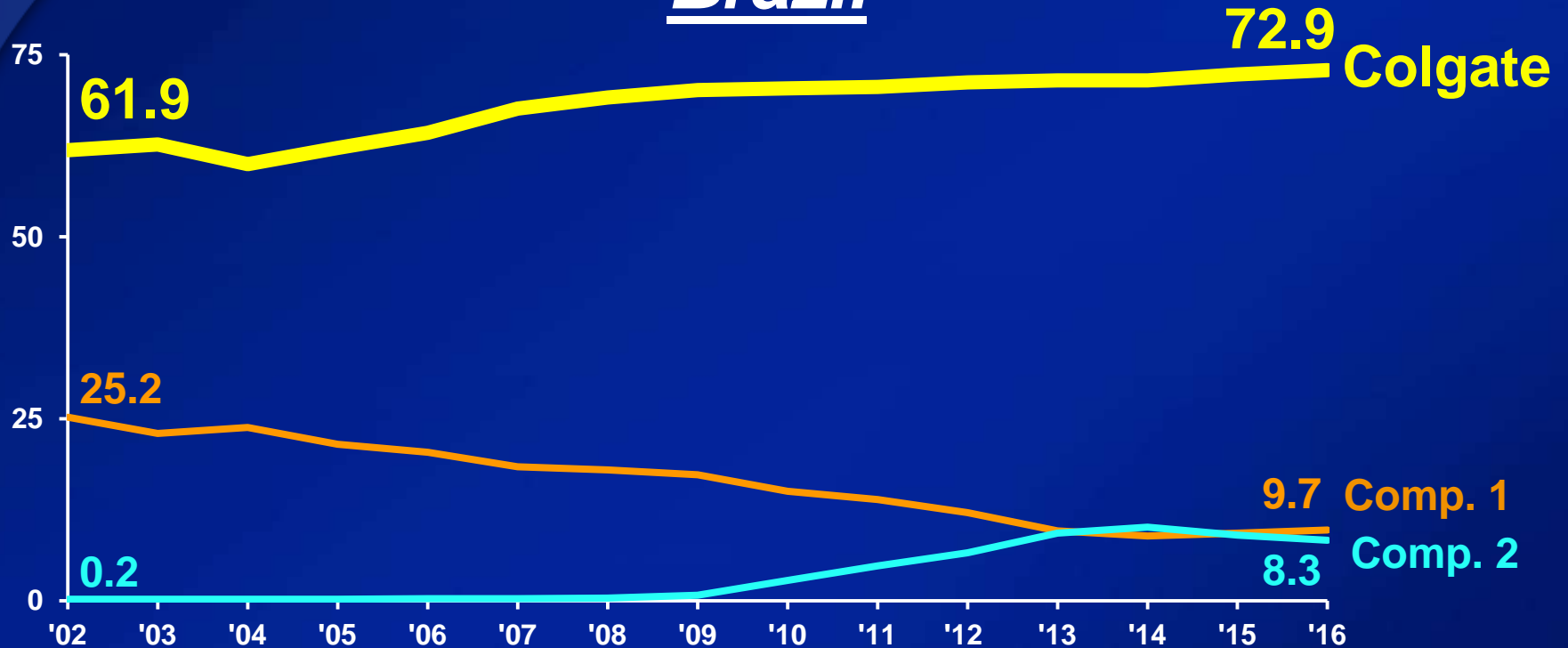
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Toothpaste Market Shares

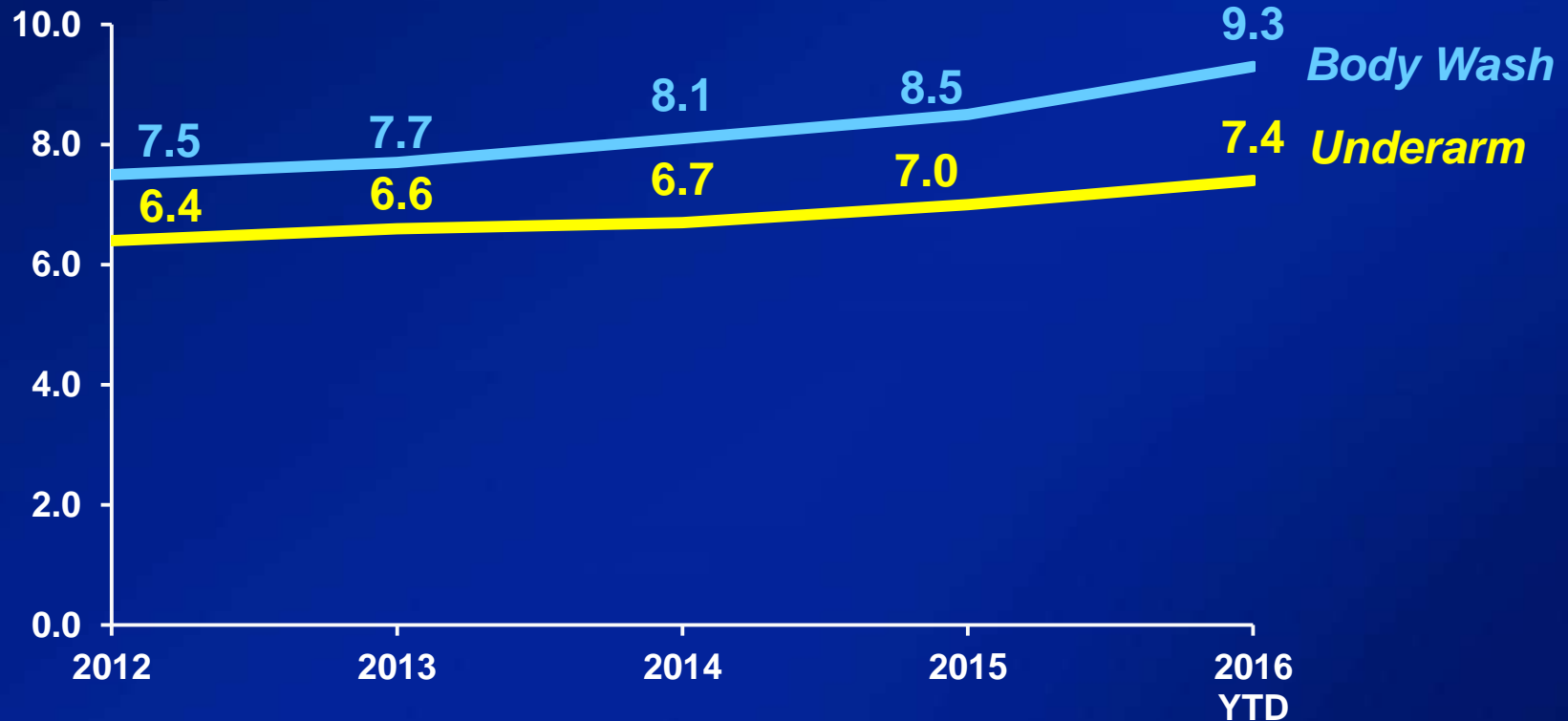
Brazil





Keeps Skin Healthy

Share Gains Across Sanex Countries



*Nielsen EU Database MAT Nov '16, constant \$'000

Engagement Everywhere

- **Bring consumers closer to our brands by connecting emotionally**
 - **Connection built upon a strong brand purpose**
 - **Supported by a commitment to strong advertising**

Focus on Proven Vehicles

- **Traditional media**
- **Digital**

Investment in Digital

Digital % of Working Media

2017 Target

20.0%+

Focus on Proven Vehicles

- Traditional media
- Digital
- Equity advertising

***Consistent Advertising
every quarter***

***Focus where it makes
a clear difference***

2017 Advertising Investment

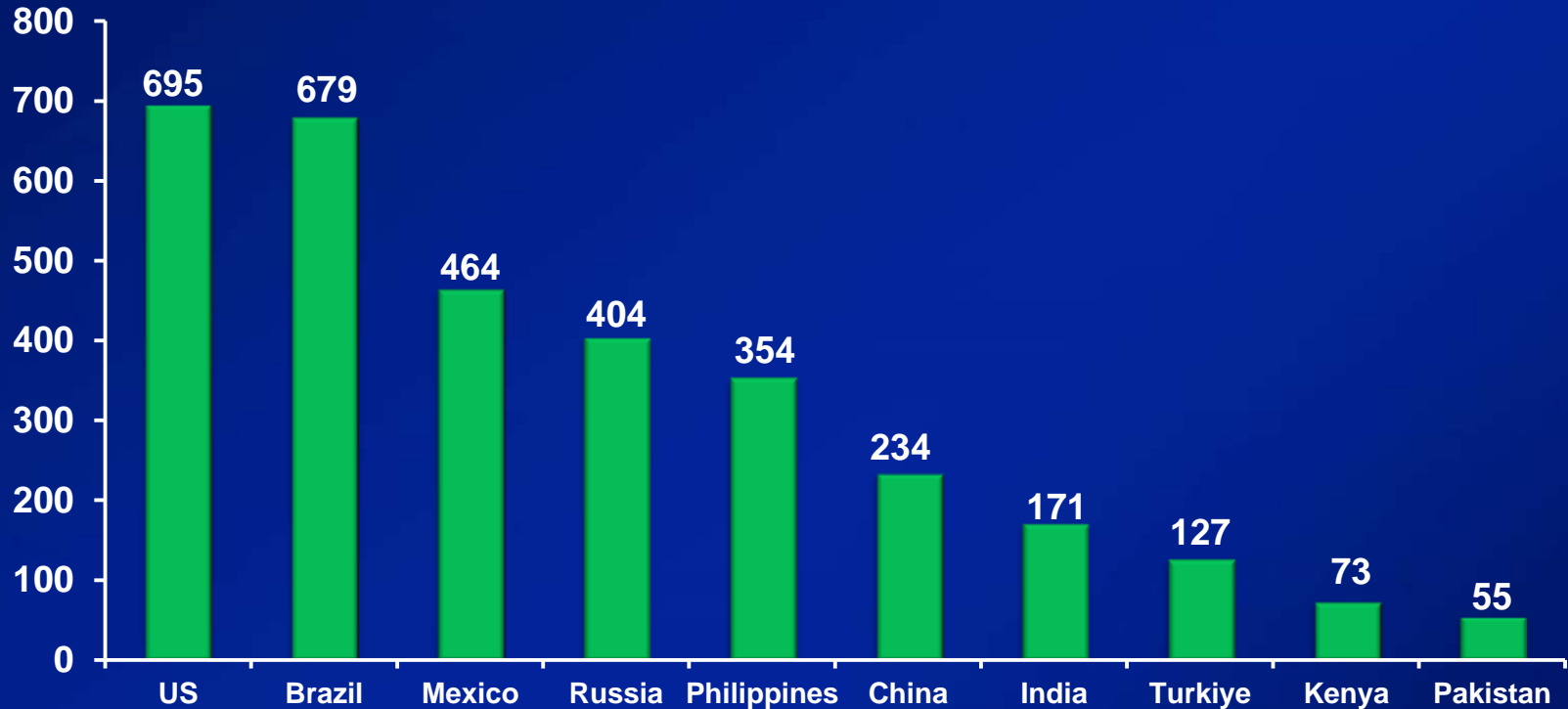
- **Consistent Advertising every quarter**
- **Behind key brands driving growth**
- **Increased digital and equity advertising**

Engagement Everywhere

- Bring consumers closer to our brands by connecting emotionally
- Increase consumption and build loyalty

Toothpaste Consumption

Grams



Engagement Everywhere

- Bring consumers closer to our brands by connecting emotionally
- Increase consumption and build loyalty
 - Long-standing community programs that improve consumers' lives

Bright Smiles, Bright Futures

- **Worldwide Community Health Initiative**
- **Address the global problem of children's cavities**
- **850MM kids by 2016**
- **1.3 billion kids by 2020**



Increasing Our Reach

Futuros Brillantes in Latin America

- **Bright Smiles, Bright Futures integrated into program**
- **Focus on children's educational achievement**

Futuros Brillantes in Latin America



Transform their passion into a bright future

Integrated Campaign



In-store materials

Engagement Everywhere

- Bring consumers closer to our brands by connecting emotionally
- Increase consumption and build loyalty
 - Long-standing community programs that improve consumers' lives
 - Reach consumers new to brushing

Reaching New Consumers in Kenya

- **Spent month with low-income, rural families to determine oral care habits**
- **Sampled Colgate toothpaste and toothbrushes**
- **Recorded valuable insight into their potential needs and preferences**
- **Valuable in determining accurate pricing for this population**

Colgate

**Prevent holes
in teeth**



GIVE HER A FUTURE TO SMILE ABOUT

Engagement Everywhere

- Bring consumers closer to our brands by connecting emotionally
- Increase consumption and build loyalty and trust

Economic Times – India



Colgate

#1

***Most Trusted Brand
2016***

Engagement Everywhere

- Bring consumers closer to our brands by connecting emotionally
- Increase consumption and build loyalty and trust
- **Maintain our strong professional partnerships**

One Goal with the Profession



Be the #1 partner to generate active use and recommendation of our products by every professional, to every consumer, every time

Remote Digital Detailing to Dentists

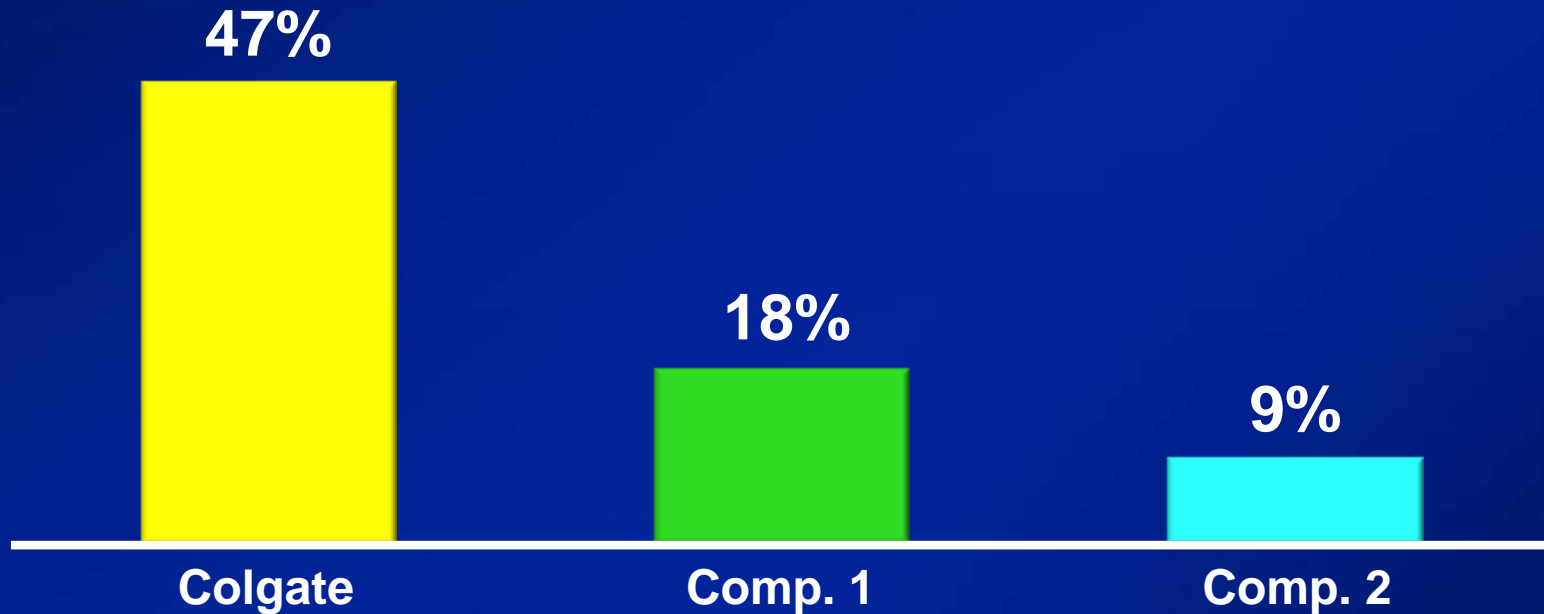
Latin America

- **Virtual visit**
- **Same detailing content and dentists engagement**
- **More efficient, lower cost per dentist and visit**



Toothpaste Recommended Most Often by Dentists Worldwide

2015



Source: Annual Dentist Tracking Study
Note: By Corporation

Driving Growth in 2017

- Unwavering commitment to our proven strategy
- Stronger engagement everywhere
- Sharpening commercial strategies
- Continued focus on innovation and capabilities
- Rigorous cost-saving discipline

Sharpening Commercial Strategies

- Enrich shopper experience **in-store** and online

In-Store Experience – Australia

“Perfect Match”

- Promoters use iPad questionnaire to identify shoppers best toothbrush choice
- Drove trade-up and consumption
 - Colgate market share: +1.5% pts



In-Store Experience – China

Slimsoft Spiral Toothbrush Experience Zone

- Impactful display and promoter detailing to drive purchase
- Product benefit information via interactive Virtual Reality



In-Store Experience – China

Results

Conversion Rate	67%
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Toothbrush Sales Uplift	200%
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(vs. regular day w/o in-store activation)

Sharpening Commercial Strategies

- Enrich shopper experience in-store and **online**

e-Commerce

Hill's US

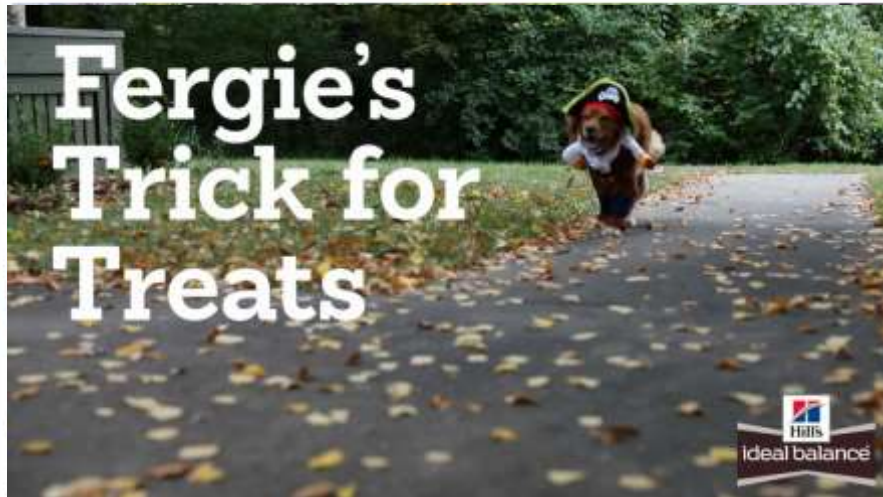
- Simplifying search and optimizing mobile to make shopping easier
- Driving brand awareness and shopper engagement



Hill's Pet Nutrition

October 28 at 10:30am · 🌐

No tricks, just treats. Shop treats now and take 20% off: <http://hills.us/treats>



1.8M Views

👍 Like 💬 Comment ➦ Share

👍 😂 ❤️ Erin Nied Jurado and 23K others

Top Comments ▾

7,958 shares

Amazon Campaign

**Ideal Balance Treats-
Amazon e-Commerce link**

e-Commerce

Hill's US

- Simplifying search and optimizing mobile to make shopping easier
- Driving brand awareness and shopper engagement
- Growing loyalty through subscription and improved delivery

Collaborative Packaging





Hill's Global e-Commerce Net Sales

+200% since 2013

Hill's Global e-Commerce Net Sales

+200% since 2013

Hill's U.S. Subscription

> 50%

Sharpening Commercial Strategies

- Enrich shopper experience in-store and online
- Continue to drive penetration in key markets

Driving Penetration in Key Markets

Adapting Naturals Trends Across Regions



China



Russia



India

Driving Penetration in Key Markets

Affordable Sachets

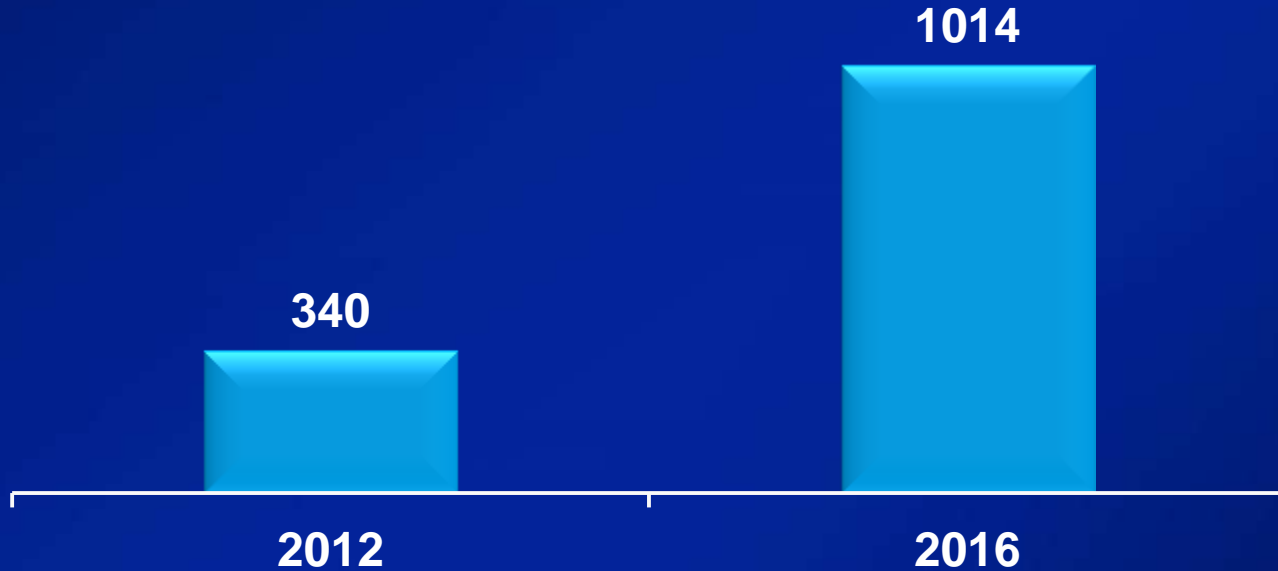


Rural Vans in India



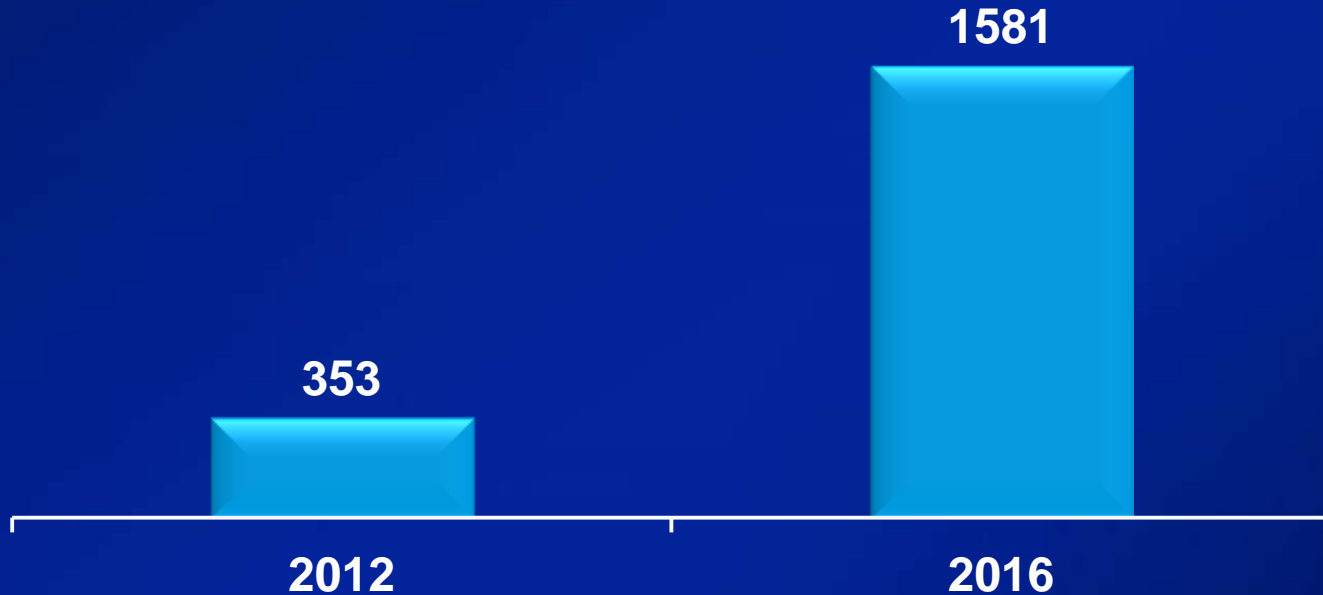
Rural India

Number of Rural Vans



Rural India

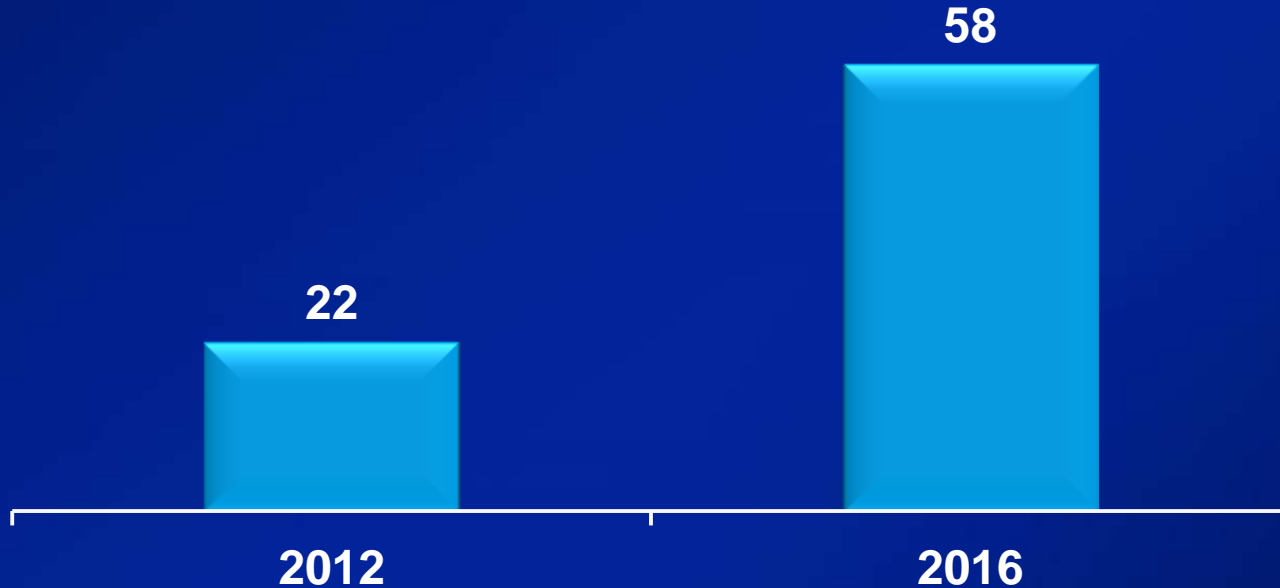
Number of Rural Distributor Sales Reps



Rural India

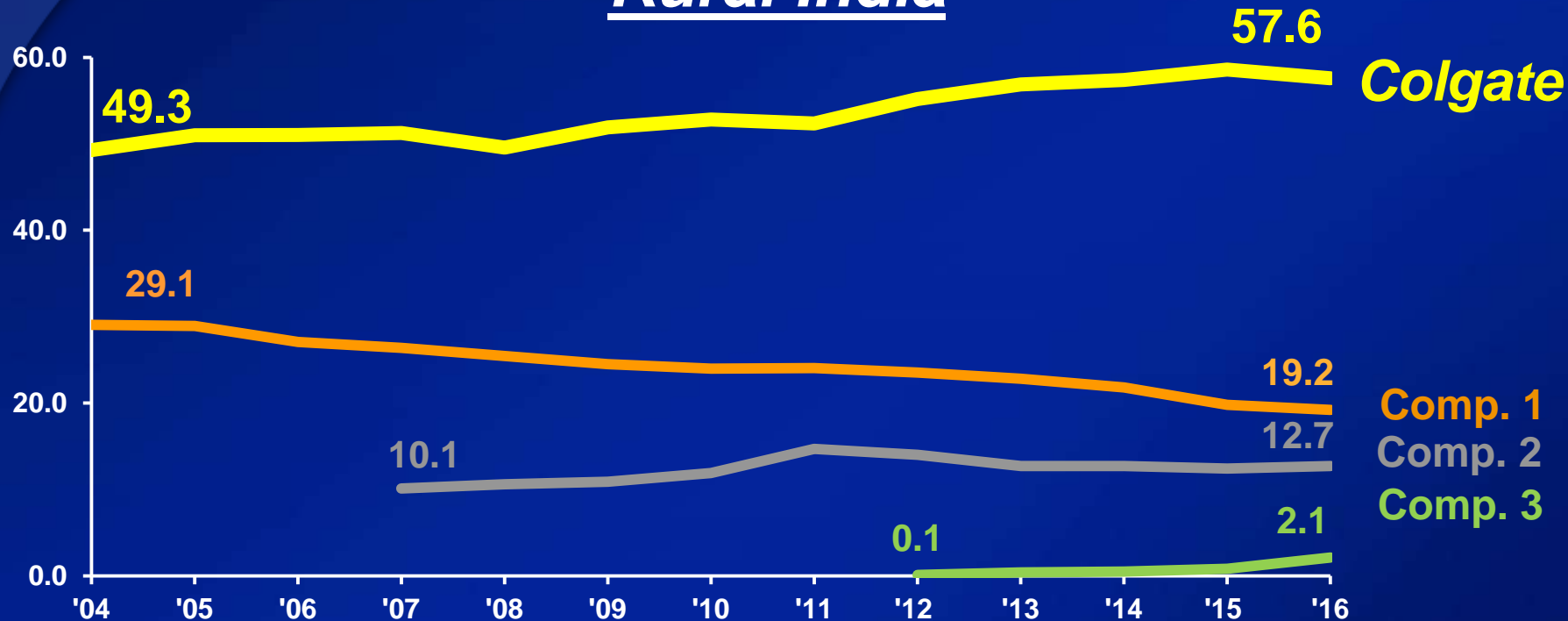
Number of Villages Under Direct Coverage

('000)



Toothpaste Market Shares

Rural India

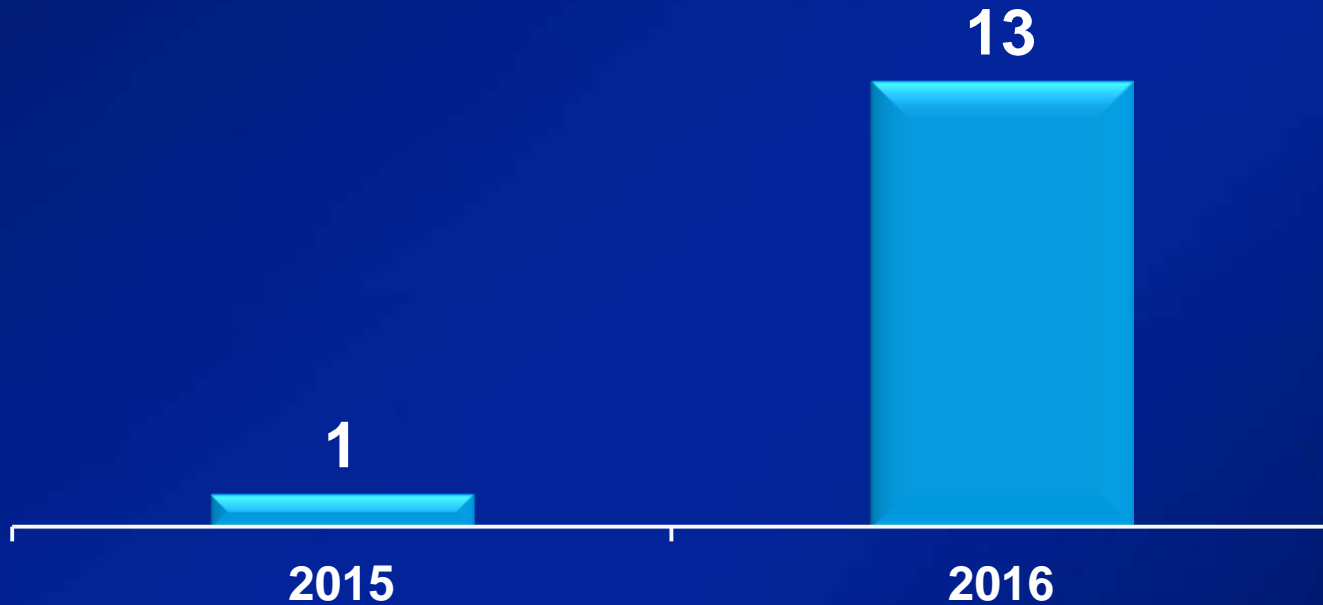


Mozambique



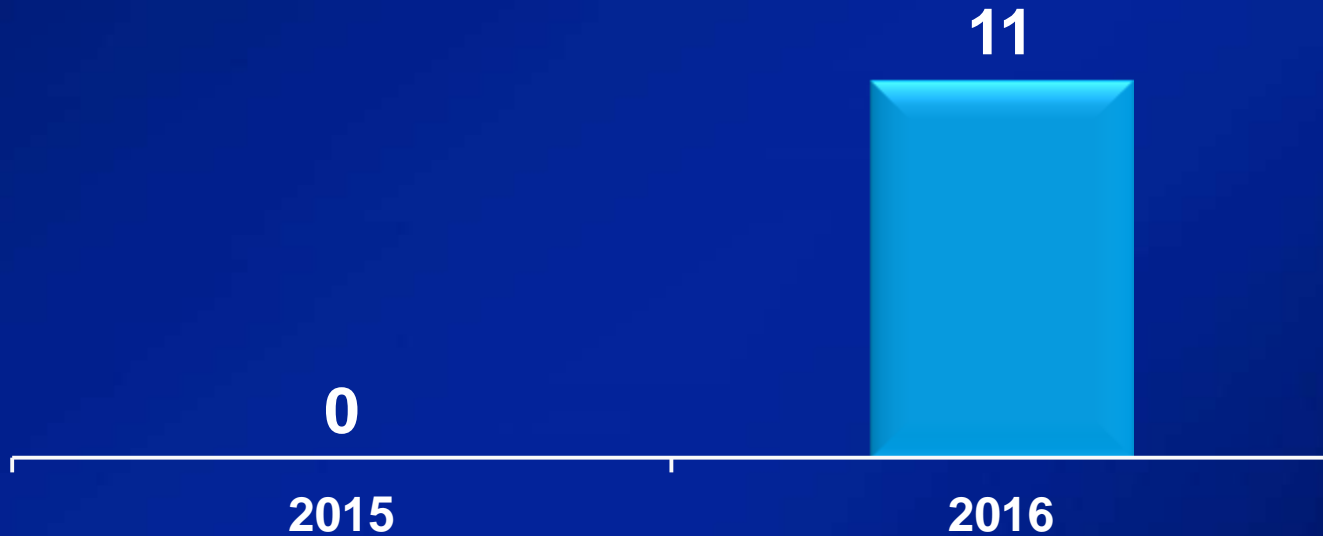
Mozambique

Dedicated Resources



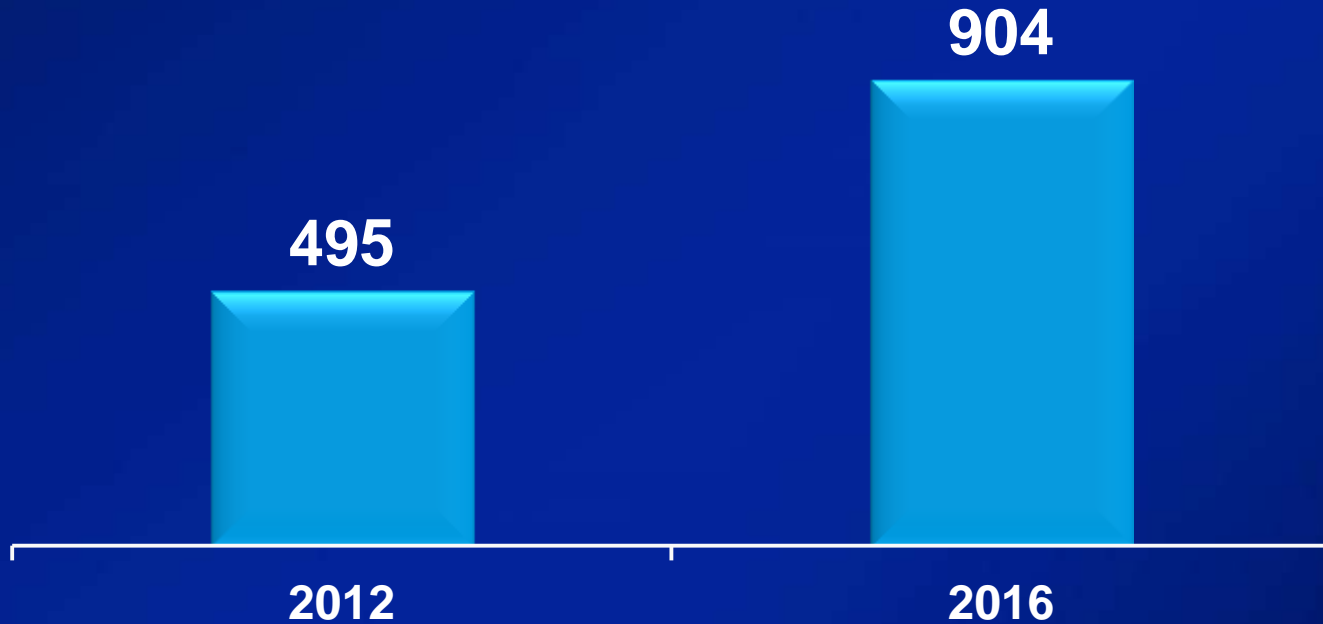
Mozambique

Open Market Promoters



Mozambique

of Points of Sale Covered



Sharpening Commercial Strategies

- Enrich shopper experience in-store and online
- Continue to drive penetration in key markets
- **Drive retail distribution and efficiencies**

Efficiencies Through Technology

Zing in India

- App developed to track:
 - Share of space
 - Stock availability
 - In-store assets (point of purchase)
- Enables superior communication
- Customer agreements formalized electronically



Efficiencies Through Technology

Zing in India

- Efficiency tracking of 3x number of stores
- >20,000 Customer agreements moved from paper to electronic
- Savings of \$1.4MM in display costs in store
- Increased engagement of field team

Driving Growth in 2017

- Unwavering commitment to our proven strategy
- Stronger engagement everywhere
- Sharpening commercial strategies
- Continued focus on innovation and capabilities
- Rigorous cost-saving discipline



Ram Raghavan

**Marketing Director
Asia Pacific Division**

Consumer Innovation Center – Mexico



Consumer Innovation Center – Mexico

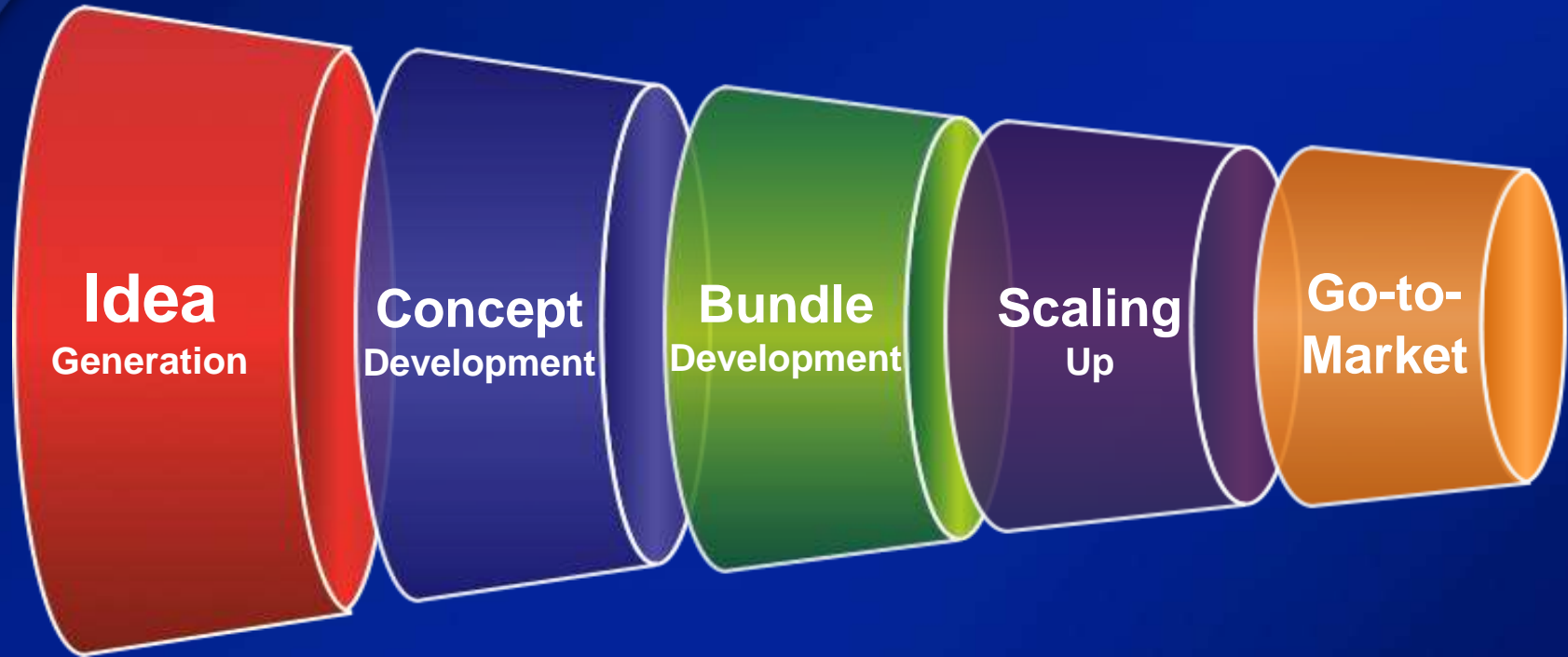


***Innovating
for Growth***

Agenda

- **Our framework and structure**
- **Our approach**
- **Winning innovation**

Innovation Framework



Consumer Innovation Centers



Consumer Innovation Center Role

- **Define category innovation strategy**
- **Translate consumer knowledge into insights**
- **Create winning new products**
- **Develop compelling communication**
- **Strengthen innovation capabilities**

Agenda

- **Our framework and structure**

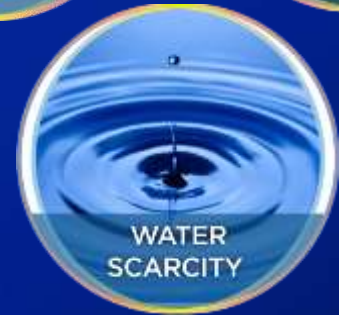
- **Our approach**

- **Winning innovation**

Our Approach



Opportunity Spaces



***Deep understanding of our
consumers***

Understanding Consumers

- **Listening to them**
- **Observing what they do**
- **Living their lives**

Immersions – Country “Deep Dives”

Mexico



China



The Pet World



India



Immersions – Consumer-Specific



Low-Income Consumers

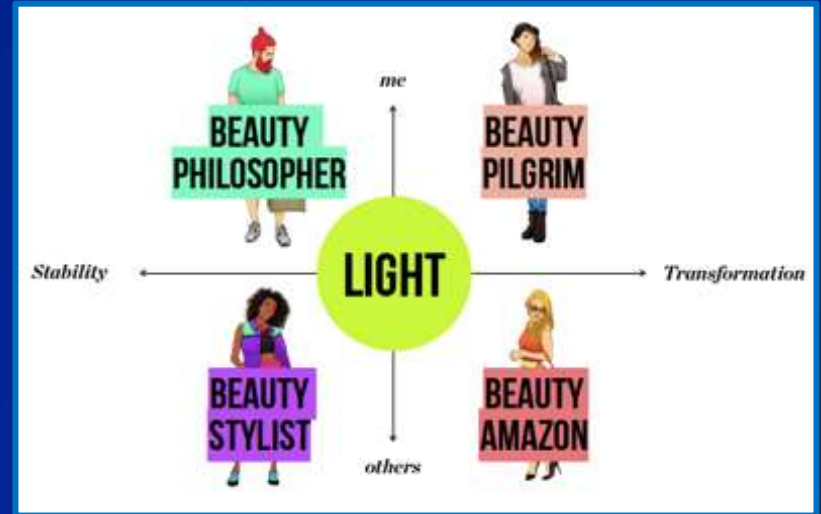


Millennials

Immersions – Topic-Specific



The Dishwashing Process



New World of Beauty

Immersions – In and Out of Home



***Shopping for Cleaners
Mom & Pop Stores***

Agenda

- **Our framework and structure**

- **Our approach**

- **Winning innovation**

Winning Solutions

- **Amplify existing platforms**

Optic White Radiant

Redefining Beauty



***“When I am beautiful on the inside
it shows on the outside. A whiter
smile that comes from within is
more beautiful.”***

Optic White Radiant

Whitens Inside & Out for a Radiant Smile



***Advanced whitening technology
that deeply whitens to reveal
a radiant smile***

Mouthwash Category

Consumer Learning



“You’ve always believed that your mouthwash is working when you feel the intense burn in your mouth! But it never was pleasurable”

Plax Ice Infinity

***Intense and long-lasting freshness
without the burn!***



***Releases millions of freshness
crystals without burning
your mouth!***

Winning Solutions

- Amplify existing platforms
- Offer delightful experiences

Personal Care

Consumer Learning



“My skin is very demanding and I’m looking for products that can help improve it.

I often buy products in pharmacy, but they are very expensive. I wish I could find the right solution in my regular store.”

Sanex Advanced Range



AtopiCare

With skin-identical lipids
and emollients
Soothes itchy skin



Hydrate 24H

Reinforces the hydrolipidic film
to retain water



DermoRepair

Re-establishes natural pH and
skin comfort

Winning Solutions

- Amplify existing platforms
- Offer delightful experiences
- **Address unmet needs for everyone**

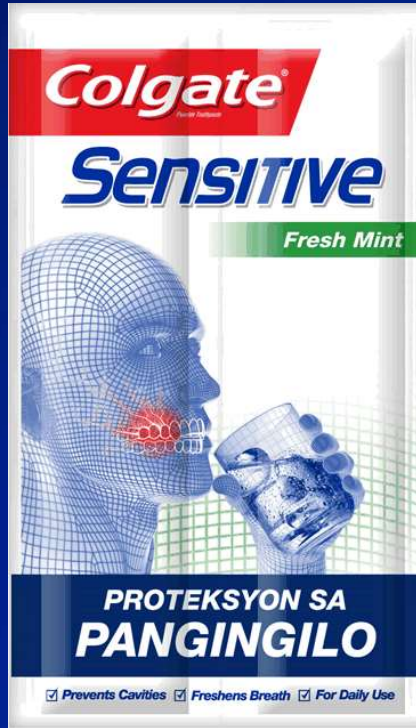
Philippines Sensitivity Segment

Consumer Learning



“I only experience tooth sensitivity occasionally. But most sensitive toothpastes come in large tubes, and are quite pricey.”

NEW Sensitive Toothpaste Sachet



***Affordable solution for
your sensitive teeth***

***Now available in
popular sachet format***

Winning Solutions

- Amplify existing platforms
- Offer delightful experiences
- Address unmet needs for everyone
- **Bring local ingredients to life**

Natural Toothpaste

Consumer Learning



***“Ingredients associated with nature
and free from artificial chemical
additives are safe and make me feel
relaxed and relieved”***

New Colgate Natural Range



*Innovative toothpaste with
natural extracts offering
basic oral health benefits
with an enjoyable sensorial experience*

Winning Solutions

- Amplify existing platforms
- Offer delightful experiences
- Address unmet needs for everyone
- Bring local ingredients to life
- Create new categories / segments

Wellness Pet Food Category

Consumer Learning



***“I’m aware my pet is getting older,
but I never realized it until I started
thinking about the way we used to
interact, but no longer do.”***

Hill's Science Diet Youthful Vitality

Specifically Created for Aged 7+ Pets



***Using cutting-edge food
science to fight the effects
of aging***

Post-Launch Measures

- Trial and repeat rates
- Communication tracking
- In-store execution
- Market share – incrementality
- Financial performance – Sales, Margin



My Personal Perspective

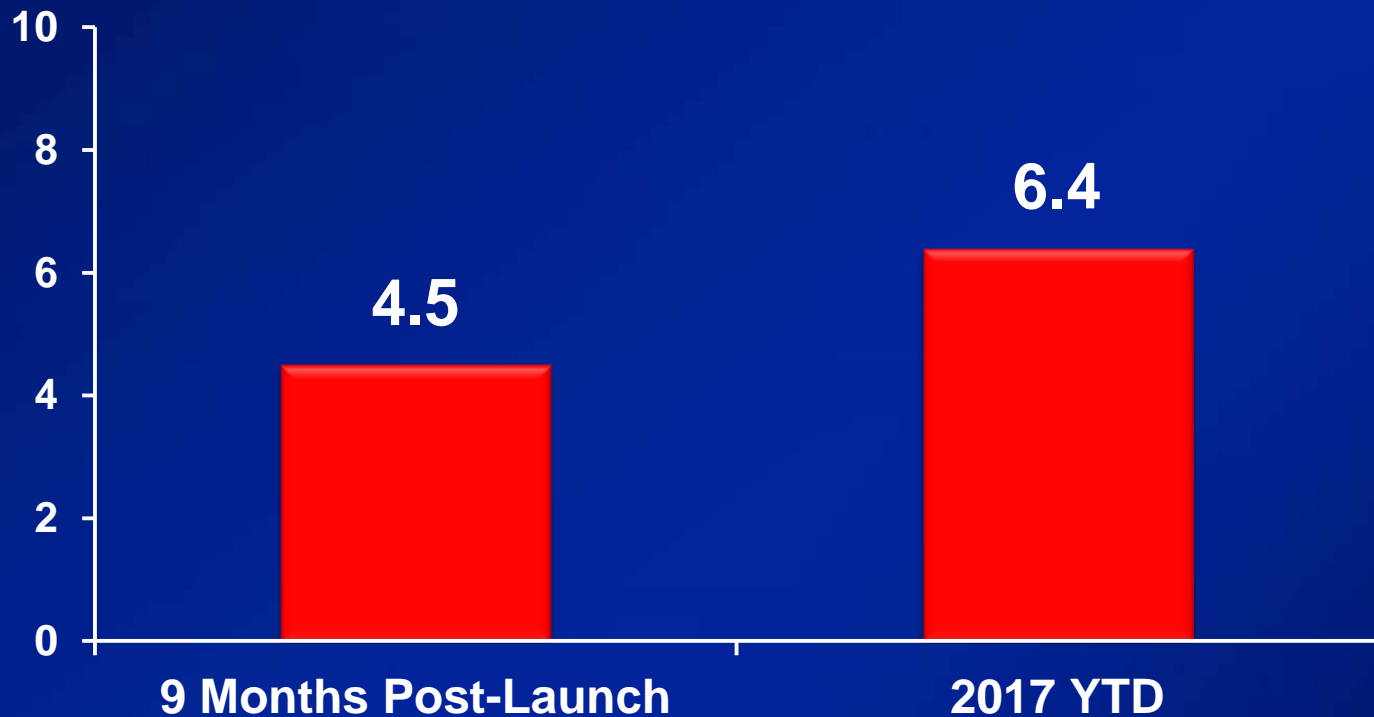
- Starts with people and how they live their lives
- Requires an external mindset and philosophy
- Focuses on incrementality and value creation
- Supports an iterative learning process
- Demands global teamwork and cross-functional collaboration

Focus on Innovation

**Allows the establishment
of great, enduring brand platforms**



Optic White Market Share Growing



Driving Growth in 2017

- Unwavering commitment to our proven strategy
- Stronger engagement everywhere
- Sharpening commercial strategies
- Continued focus on innovation and capabilities
- Rigorous cost-saving discipline

Savings Opportunities

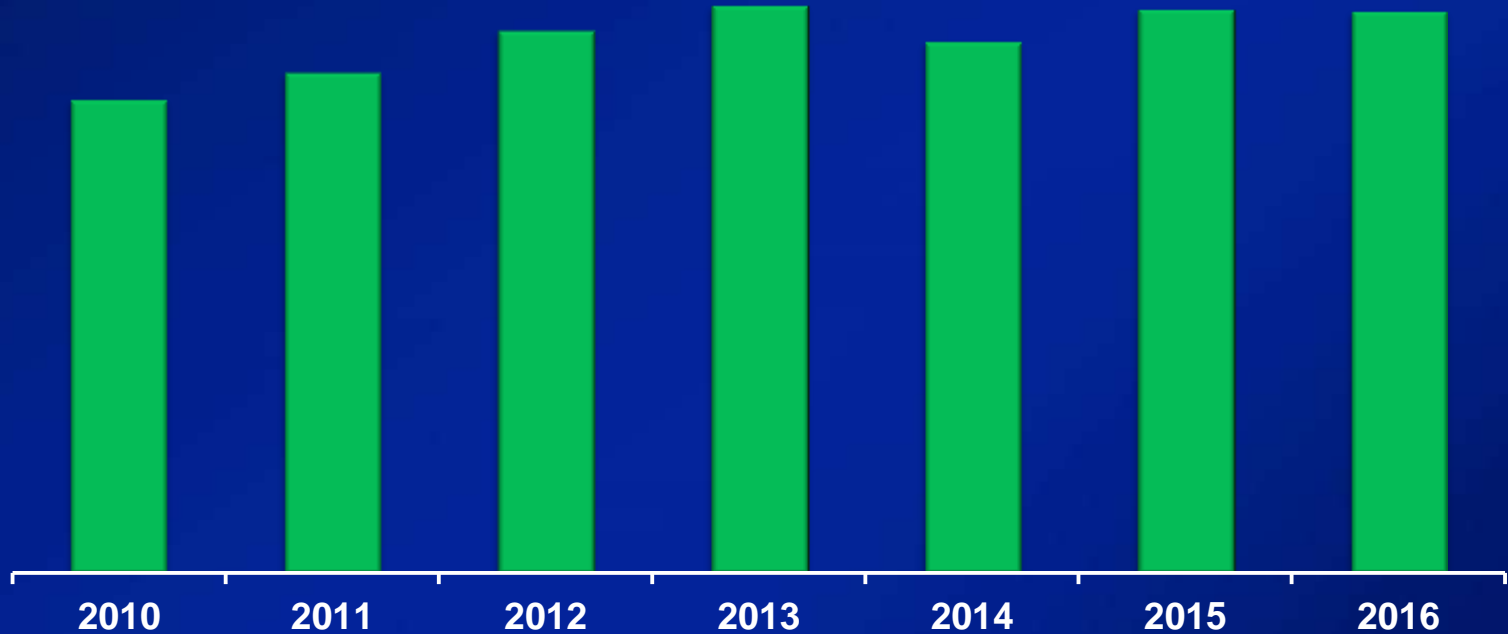
- **Funding the Growth**

Funding the Growth Overview

- **Key component of Colgate's financial strategy**
- **Sustained global process with systematic tracking of savings initiatives**
- **Generates funds to reinvest in the business for growth**
- **Deeply ingrained way of working that gives Colgate a competitive advantage**

Funding the Growth

\$MM



Excl. Venezuela

Conversion Cost Continuous Improvement

Mexico Soap Plant



State-of-the-art soap production

Conversion Cost Continuous Improvement

Mexico Soap Plant

Throughput	+22%
Productivity	+39%
Customer Service	96.7% to 99.3%

\$1.8MM Annual Savings

High Speed Toothbrush Manufacturing Line



- Automated toothbrush tufting line joint-developed by Colgate and Boucherie Belgium
- Increased efficiency and output

\$1MM Annual Savings

Savings Opportunities

- Funding the Growth
- Global Growth and Efficiency Program

Program Components

- **Expand commercial hubs**
- **Extend Colgate Business Services and streamline global functions**
- **Optimize Global Supply Chain and Facilities**

Program Savings and Status

\$MM After-Tax

2012-2017E

Costs

\$1,050–\$1,170

Savings

\$400-\$475

Driving Growth in 2017

- **Unwavering commitment to our proven strategy**
- **Stronger engagement everywhere**
- **Sharpening commercial strategies**
- **Continued focus on innovation and capabilities**
- **Rigorous cost-saving discipline**

2017 and Beyond

- **We will build even stronger brands that:**
 - **Connect deeply with consumers**
 - **Are supported by strong, consistent advertising across all media**
- **Our innovation will strengthen our brands and drive premium innovation**
- **Rigorous cost-saving discipline will fund growth and position us to take advantage of every growth opportunity**

