

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Six Months Ended June 30, 2023 and 2022

(Dollars in Millions Except Per Share Amounts) (Unaudited)

	2023	2022	
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	\$ 3,526	\$ 3,298	
2022 Global Productivity Initiative	(2)	(3)	
Selling, general and administrative expenses, non-GAAP	<u>\$ 3,524</u>	<u>\$ 3,295</u>	
Selling, General and Administrative Expenses as a Percentage of Net Sales	2023	2022	Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	36.8 %	37.1 %	(30)
2022 Global Productivity Initiative	(0.1)%	— %	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>36.7 %</u>	<u>37.1 %</u>	<u>(40)</u>
Other (Income) Expense, Net	2023	2022	
Other (income) expense, net, GAAP	\$ 90	\$ 84	
Product recall costs	(25)	—	
2022 Global Productivity Initiative	(21)	(73)	
Other (income) expense, net, non-GAAP	<u>\$ 44</u>	<u>\$ 11</u>	
Operating Profit	2023	2022	% Change
Operating profit, GAAP	\$ 1,883	\$ 1,744	8 %
Product recall costs	25	—	
2022 Global Productivity Initiative	23	76	
Operating profit, non-GAAP	<u>\$ 1,931</u>	<u>\$ 1,820</u>	<u>6 %</u>
Operating Profit Margin	2023	2022	Basis Point Change
Operating profit margin, GAAP	19.6 %	19.6 %	—
Product recall costs	0.3 %	— %	
2022 Global Productivity Initiative	0.2 %	0.9 %	
Operating profit margin, non-GAAP	<u>20.1 %</u>	<u>20.5 %</u>	<u>(40)</u>
Non-Service Related Postretirement Costs	2023	2022	
Non-service related postretirement costs, GAAP	\$ 323	\$ 50	
ERISA litigation matter	(267)	—	
2022 Global Productivity Initiative	(4)	(14)	
Non-service related postretirement costs, non-GAAP	<u>\$ 52</u>	<u>\$ 36</u>	

Table 9
Continued

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(Dollars in Millions Except Per Share Amounts) (Unaudited)

2023							
	Income Before Income Taxes	Provision For Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share
As Reported GAAP	\$ 1,448	\$ 500	\$ 948	\$ 74	\$ 874	34.5 %	\$ 1.05
ERISA litigation matter	267	55	212	—	212	(2.2)%	0.25
Foreign tax matter	—	(126)	126	—	126	(7.3)%	0.15
2022 Global Productivity Initiative	27	5	22	1	21	(0.1)%	0.03
Product recall costs	25	6	19	—	19	— %	0.02
Non-GAAP	<u>\$ 1,767</u>	<u>\$ 440</u>	<u>\$ 1,327</u>	<u>\$ 75</u>	<u>\$ 1,252</u>	<u>24.9 %</u>	<u>\$ 1.50</u>
2022							
	Income Before Income Taxes	Provision For Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share
As Reported GAAP	\$ 1,636	\$ 394	\$ 1,242	\$ 80	\$ 1,162	24.1 %	\$ 1.38
2022 Global Productivity Initiative	90	19	71	1	70	(0.2)%	0.08
Non-GAAP	<u>\$ 1,726</u>	<u>\$ 413</u>	<u>\$ 1,313</u>	<u>\$ 81</u>	<u>\$ 1,232</u>	<u>23.9 %</u>	<u>\$ 1.46</u>

The impact of non-GAAP adjustments may not necessarily equal the difference between “GAAP” and “non-GAAP” as a result of rounding.

Notes:

(1) The income tax effect on non-GAAP items is calculated based upon the tax laws and statutory income tax rates applicable in the tax jurisdiction(s) of the underlying non-GAAP adjustment.

(2) The impact of non-GAAP items on the Company’s effective tax rate represents the difference in the effective tax rate calculated with and without the non-GAAP adjustments on Income before income taxes and Provision for income taxes.