

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended June 30, 2023 and 2022

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

Selling, General and Administrative	2023	2022	
Selling, general and administrative expenses, GAAP	\$ 1,768	\$ 1,657	
2022 Global Productivity Initiative	(2)	(3)	
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,766</u>	<u>\$ 1,654</u>	
			Basis Point
Selling, General and Administrative Expenses as a Percentage of Net Sales	2023	2022	Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	36.7 %	37.0 %	(30)
2022 Global Productivity Initiative	(0.1)%	(0.1)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>36.6 %</u>	<u>36.9 %</u>	<u>(30)</u>
Other (Income) Expense, Net	2023	2022	
Other (income) expense, net, GAAP	\$ 45	\$ 13	
2022 Global Productivity Initiative	(16)	(10)	
Other (income) expense, net, non-GAAP	<u>\$ 29</u>	<u>\$ 3</u>	
Operating Profit	2023	2022	% Change
Operating profit, GAAP	\$ 974	\$ 884	10 %
2022 Global Productivity Initiative	18	13	
Operating profit, non-GAAP	<u>\$ 992</u>	<u>\$ 897</u>	<u>11 %</u>
			Basis Point
Operating Profit Margin	2023	2022	Change
Operating profit margin, GAAP	20.2 %	19.7 %	50
2022 Global Productivity Initiative	0.4 %	0.3 %	
Operating profit margin, non-GAAP	<u>20.6 %</u>	<u>20.0 %</u>	<u>60</u>
Non-Service Related Postretirement Costs	2023	2022	
Non-service related postretirement costs, GAAP	\$ 29	\$ 12	
2022 Global Productivity Initiative	(3)	5	
Non-service related postretirement costs, non-GAAP	<u>\$ 26</u>	<u>\$ 17</u>	

Table 8
Continued

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For the Three Months Ended June 30, 2023 and 2022

(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	\$ 887	\$ 353	\$ 534	\$ 32	\$ 502	39.8 %	\$ 0.60
Foreign tax matter	—	(126)	126	—	126	(14.2)%	0.15
2022 Global Productivity Initiative	21	4	17	1	16	(0.2)%	0.02
Non-GAAP	<u>\$ 908</u>	<u>\$ 231</u>	<u>\$ 677</u>	<u>\$ 33</u>	<u>\$ 644</u>	<u>25.4 %</u>	<u>\$ 0.77</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	\$ 841	\$ 202	\$ 639	\$ 36	\$ 603	24.0 %	\$ 0.72
2022 Global Productivity Initiative	8	2	6	1	5	— %	—
Non-GAAP	<u>\$ 849</u>	<u>\$ 204</u>	<u>\$ 645</u>	<u>\$ 37</u>	<u>\$ 608</u>	<u>24.0 %</u>	<u>\$ 0.72</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 adjustment on Income before income taxes and Provision for income taxes.