

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Twelve Months Ended December 31, 2022 vs. 2021

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

	<u>2022</u>	<u>2021</u>	
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	\$ 6,565	\$ 6,407	
2022 Global Productivity Initiative	(5)	—	
Selling, general and administrative expenses, non-GAAP	<u>\$ 6,560</u>	<u>\$ 6,407</u>	
Other (Income) Expense, Net			
Other (income) expense, net, GAAP	\$ 69	\$ 65	
2022 Global Productivity Initiative	(90)	—	
Gain on the sale of land in Asia Pacific	47	—	
Acquisition-related costs	(19)	—	
Value-added tax matter in Brazil	—	26	
Other (income) expense, net, non-GAAP	<u>\$ 7</u>	<u>\$ 91</u>	
Operating Profit			
Operating profit, GAAP	\$ 2,893	\$ 3,332	(13)%
Goodwill and intangible assets impairment charges	721	571	
2022 Global Productivity Initiative	95	—	
Gain on the sale of land in Asia Pacific	(47)	—	
Acquisition-related costs	19	—	
Value-added tax matter in Brazil	—	(26)	
Operating profit, non-GAAP	<u>\$ 3,681</u>	<u>\$ 3,877</u>	(5)%
Operating Profit Margin			
Operating profit margin, GAAP	16.1 %	19.1 %	(300)
Goodwill and intangible assets impairment charges	4.0 %	3.4 %	
2022 Global Productivity Initiative	0.5 %	— %	
Gain on the sale of land in Asia Pacific	(0.2)%	— %	
Acquisition-related costs	0.1 %	— %	
Value-added tax matter in Brazil	— %	(0.2)%	
Operating profit margin, non-GAAP	<u>20.5 %</u>	<u>22.3 %</u>	(180)
Interest (Income) Expense, Net			
Interest (income) expense, net, GAAP	\$ 153	\$ 175	
Loss on early extinguishment of debt	—	(75)	
Interest (income) expense, net, non-GAAP	<u>\$ 153</u>	<u>\$ 100</u>	
Non-service related post retirement cost			
Non-service related post retirement cost, GAAP	\$ 80	\$ 70	
2022 Global Productivity Initiative	(15)	—	
Non-service post retirement cost, non-GAAP	<u>\$ 65</u>	<u>\$ 70</u>	

Table 9
Continued

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For the Twelve Months Ended December 31, 2022 vs. 2021

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

	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	\$ 2,660	\$ 693	\$ 1,967	\$ 182	\$ 1,785	26.1 %	\$ 2.13
Goodwill and intangible assets impairment charges	721	101	620	—	620	(2.6)%	0.74
2022 Global Productivity Initiative	110	22	88	1	87	(0.1)%	0.10
Gain on the sale of land in Asia Pacific	(47)	(11)	(36)	(21)	(15)	— %	(0.02)
Acquisition-related costs	19	3	16	—	16	(0.1)%	0.02
Non-GAAP	<u>\$ 3,463</u>	<u>\$ 808</u>	<u>\$ 2,655</u>	<u>\$ 162</u>	<u>\$ 2,493</u>	<u>23.3 %</u>	<u>\$ 2.97</u>
	2021						
	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	\$ 3,087	\$ 749	\$ 2,338	\$ 172	\$ 2,166	24.3 %	\$ 2.55
Goodwill and intangible assets impairment charges	571	53	518	—	518	(2.1)%	0.61
Loss on early extinguishment of debt	75	20	55	—	55	(0.3)%	0.07
Value-added tax matter in Brazil	(26)	(6)	(20)	—	(20)	0.1 %	(0.02)
Non-GAAP	<u>\$ 3,707</u>	<u>\$ 816</u>	<u>\$ 2,891</u>	<u>\$ 172</u>	<u>\$ 2,719</u>	<u>22.0 %</u>	<u>\$ 3.21</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.