

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Nine Months Ended September 30, 2021 and 2020

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

	2021	2020	
Gross Profit			
Gross profit, GAAP	\$ 7,816	\$ 7,374	
Acquisition-related costs	—	4	
Gross profit, non-GAAP	<u>\$ 7,816</u>	<u>\$ 7,378</u>	
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	\$ 4,809	\$ 4,386	
Global Growth and Efficiency Program	—	3	
Selling, general and administrative expenses, non-GAAP	<u>\$ 4,809</u>	<u>\$ 4,389</u>	
Other (Income) Expense, Net			
Other (income) expense, net, GAAP	\$ 40	\$ 72	
Value-added tax matter in Brazil	26	—	
Global Growth and Efficiency Program	—	13	
Acquisition-related costs	—	(2)	
Other (income) expense, net, non-GAAP	<u>\$ 66</u>	<u>\$ 83</u>	
Operating Profit			
Operating profit, GAAP	\$ 2,967	\$ 2,916	2 %
Value-added tax matter in Brazil	(26)	—	
Global Growth and Efficiency Program	—	(16)	
Acquisition-related costs	—	6	
Operating profit, non-GAAP	<u>\$ 2,941</u>	<u>\$ 2,906</u>	1 %
Operating Profit Margin			
Operating profit margin, GAAP	22.8 %	24.0 %	(120)
Value-added tax matter in Brazil	(0.2)%	— %	
Global Growth and Efficiency Program	— %	(0.1)%	
Operating profit margin, non-GAAP	<u>22.6 %</u>	<u>23.9 %</u>	(130)
Interest (Income) Expense, Net			
Interest (income) expense, net, GAAP	\$ 152	\$ 107	
Loss on early extinguishment of debt	(75)	—	
Interest (income) expense, net, non-GAAP	<u>\$ 77</u>	<u>\$ 107</u>	

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2021						
	Income Before Income Taxes	Provision For Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share
As Reported GAAP	\$ 2,763	\$ 613	\$ 2,150	\$ 2,018	22.2 %	\$ 2.38
Loss on early extinguishment of debt	75	20	55	55	0.1 %	0.06
Value-added tax matter in Brazil	(26)	(6)	(20)	(20)	— %	(0.02)
Non-GAAP	<u>\$ 2,812</u>	<u>\$ 627</u>	<u>\$ 2,185</u>	<u>\$ 2,053</u>	<u>22.3 %</u>	<u>\$ 2.42</u>
2020						
	Income Before Income Taxes	Provision For Income Taxes ⁽¹⁾	Net Income Including Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate ⁽²⁾	Diluted Earnings Per Share
As Reported GAAP	\$ 2,753	\$ 585	\$ 2,168	\$ 2,048	21.2 %	\$ 2.38
Global Growth and Efficiency Program	(16)	(3)	(13)	(13)	— %	(0.02)
Subsidiary and operating structure initiatives	—	71	(71)	(71)	2.7 %	(0.08)
Acquisition-related costs	6	2	4	4	— %	0.01
Non-GAAP	<u>\$ 2,743</u>	<u>\$ 655</u>	<u>\$ 2,088</u>	<u>\$ 1,968</u>	<u>23.9 %</u>	<u>\$ 2.29</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.