

Table 9

## Colgate-Palmolive Company

## Non-GAAP Reconciliations

For the Nine Months Ended September 30, 2023 and 2022

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

	2023	2022	
<b>Gross Profit</b>			
Gross profit, GAAP	\$ 8,376	\$ 7,674	
2022 Global Productivity Initiative	1	—	
Gross profit, non-GAAP	<u>\$ 8,377</u>	<u>\$ 7,674</u>	
<b>Selling, General and Administrative Expenses</b>	2023	2022	
Selling, general and administrative expenses, GAAP	\$ 5,348	\$ 4,932	
2022 Global Productivity Initiative	(2)	(4)	
Selling, general and administrative expenses, non-GAAP	<u>\$ 5,346</u>	<u>\$ 4,928</u>	
<b>Selling, General and Administrative Expenses as a Percentage of Net Sales</b>	2023	2022	Basis Point Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	36.9 %	37.0 %	(10)
2022 Global Productivity Initiative	— %	(0.1)%	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>36.9 %</u>	<u>36.9 %</u>	<u>—</u>
<b>Other (Income) Expense, Net</b>	2023	2022	
Other (income) expense, net, GAAP	\$ 116	\$ 51	
Product recall costs	(25)	—	
2022 Global Productivity Initiative	(22)	(75)	
Gain on the sale of land in Asia Pacific	—	47	
Acquisition-related costs	—	(17)	
Other (income) expense, net, non-GAAP	<u>\$ 69</u>	<u>\$ 6</u>	
<b>Operating Profit</b>	2023	2022	% Change
Operating profit, GAAP	\$ 2,912	\$ 2,691	8 %
Product recall costs	25	—	
2022 Global Productivity Initiative	25	79	
Gain on the sale of land in Asia Pacific	—	(47)	
Acquisition-related costs	—	17	
Operating profit, non-GAAP	<u>\$ 2,962</u>	<u>\$ 2,740</u>	<u>8 %</u>
<b>Operating Profit Margin</b>	2023	2022	Basis Point Change
Operating profit margin, GAAP	20.1 %	20.2 %	(10)
Product recall costs	0.2 %	— %	
2022 Global Productivity Initiative	0.1 %	0.6 %	
Gain on the sale of land in Asia Pacific	— %	(0.4)%	
Acquisition-related costs	— %	0.1 %	
Operating profit margin, non-GAAP	<u>20.4 %</u>	<u>20.5 %</u>	<u>(10)</u>
<b>Non-Service Related Postretirement Costs</b>	2023	2022	
Non-service related postretirement costs, GAAP	\$ 338	\$ 65	
ERISA litigation matter	(267)	—	
2022 Global Productivity Initiative	(4)	(13)	
Non-service related postretirement costs, non-GAAP	<u>\$ 67</u>	<u>\$ 52</u>	

Table 9  
Continued

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Nine Months Ended September 30, 2023 and 2022

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

	2023						
	Income Before Income Taxes	Provision For Income Taxes <sup>(1)</sup>	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate <sup>(2)</sup>	Diluted Earnings Per Share
As Reported GAAP	\$ 2,404	\$ 709	\$ 1,695	\$ 113	\$ 1,582	29.5 %	\$ 1.90
ERISA litigation matter	267	55	212	—	212	(0.9)%	0.26
Foreign tax matter	—	(126)	126	—	126	(4.7)%	0.15
2022 Global Productivity Initiative	29	5	24	1	23	(0.1)%	0.03
Product recall costs	25	6	19	—	19	— %	0.02
Non-GAAP	<u>\$ 2,725</u>	<u>\$ 649</u>	<u>\$ 2,076</u>	<u>\$ 114</u>	<u>\$ 1,962</u>	<u>23.8 %</u>	<u>\$ 2.36</u>
	2022						
	Income Before Income Taxes	Provision For Income Taxes <sup>(1)</sup>	Net Income Including Noncontrolling Interests	Less: Income Attributable to Noncontrolling Interests	Net Income Attributable To Colgate-Palmolive Company	Effective Income Tax Rate <sup>(2)</sup>	Diluted Earnings Per Share
As Reported GAAP	\$ 2,528	\$ 604	\$ 1,924	\$ 144	\$ 1,780	23.9 %	\$ 2.12
2022 Global Productivity Initiative	92	19	73	1	72	(0.1)%	0.08
Gain on the sale of land in Asia Pacific	(47)	(11)	(36)	(21)	(15)	— %	(0.02)
Acquisition-related costs	17	2	15	—	15	(0.1)%	0.02
Non-GAAP	<u>\$ 2,590</u>	<u>\$ 614</u>	<u>\$ 1,976</u>	<u>\$ 124</u>	<u>\$ 1,852</u>	<u>23.7 %</u>	<u>\$ 2.20</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.