



***Barclays 2022  
Global Consumer Conference***

***Sept 7, 2022***



September 2022

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Our presentation contains non-GAAP financial measures, which differ from our reported results prepared in accordance with U.S. generally accepted accounting principles (GAAP). These non-GAAP financial measures of operating results, such as gross profit margin and operating profit, exclude items that, either by their nature or amount, management would not expect to occur as part of the Company's normal business on a regular basis, such as restructuring charges, charges for certain litigation and tax matters, gains and losses from certain acquisitions, divestitures and certain other unusual, non-recurring items. We may also refer to organic sales growth, which is Net sales growth excluding the impact of foreign exchange, acquisitions and divestments, or to free cash flow before dividends, which we define as Net cash provided by operations less Capital expenditures. A complete, quantitative reconciliation between our reported results and these non-GAAP financial measures is available in the Investor Center section of our website at [www.colgatepalmolive.com](http://www.colgatepalmolive.com) and in Tables 8 and 9 of the earnings press release for the quarter ended June 30, 2022.

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***What can your smile do?***



# ***Our Message Today***

- We are executing the right strategy and driving growth across our portfolio
- We are leveraging our improved capabilities across the company to drive growth
- We are investing in our brands, our businesses and our people



# *Today*

- Our Focused Portfolio
- Building and Scaling Our Capabilities Across Our Businesses
- Driving Productivity and Investing Our Cash Flow to Deliver Growth
- What We Said on the Q2 Call

# Tightly Focused on Four Attractive Core Categories



Oral Care



Pet Nutrition



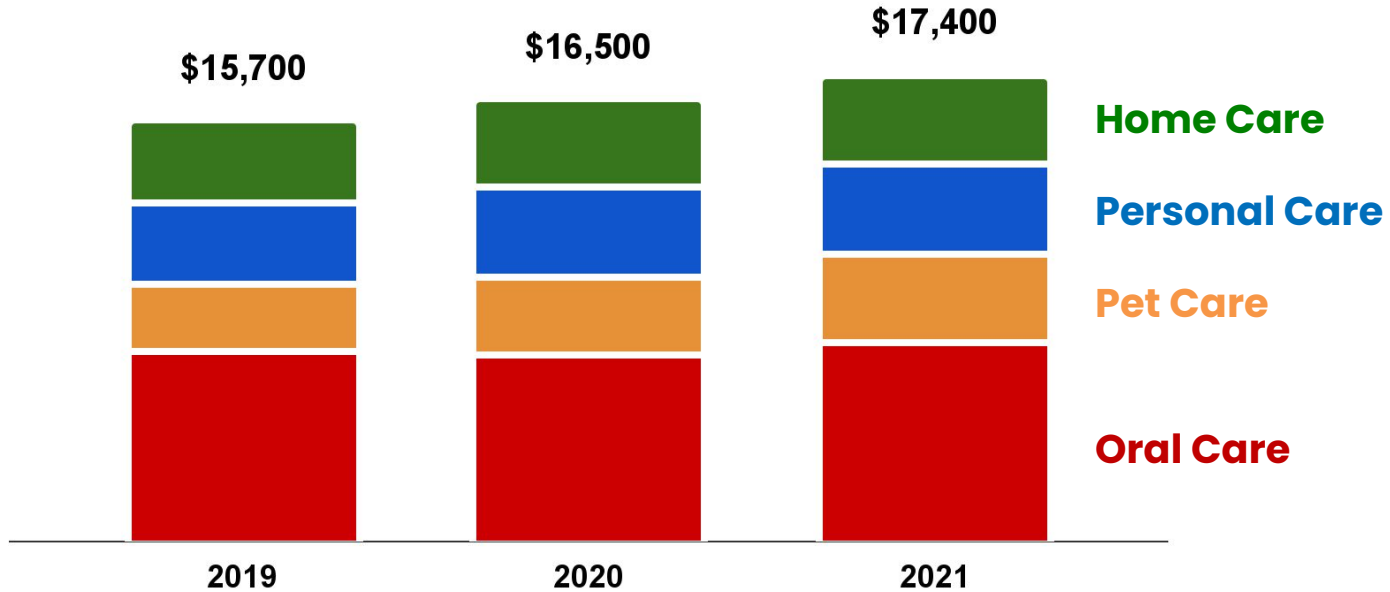
Personal Care

Home Care



# Attractive Core Categories

- Growing all four categories



*Global Net Sales*

# **Global Leaders**



**#1**

**Toothpaste**  
**Manual Toothbrushes**  
**Vet Clinics\* (U.S.)**  
**Liquid Hand Soap**

**#2**

**Mouthwash**  
**Bar Soap**  
**Liquid Body Cleansing**  
**Liquid Fabric Conditioners**  
**Hand Dishwashing**

*Based on markets where we compete and purchase shares*

*\*Based on IDEXX market share data*



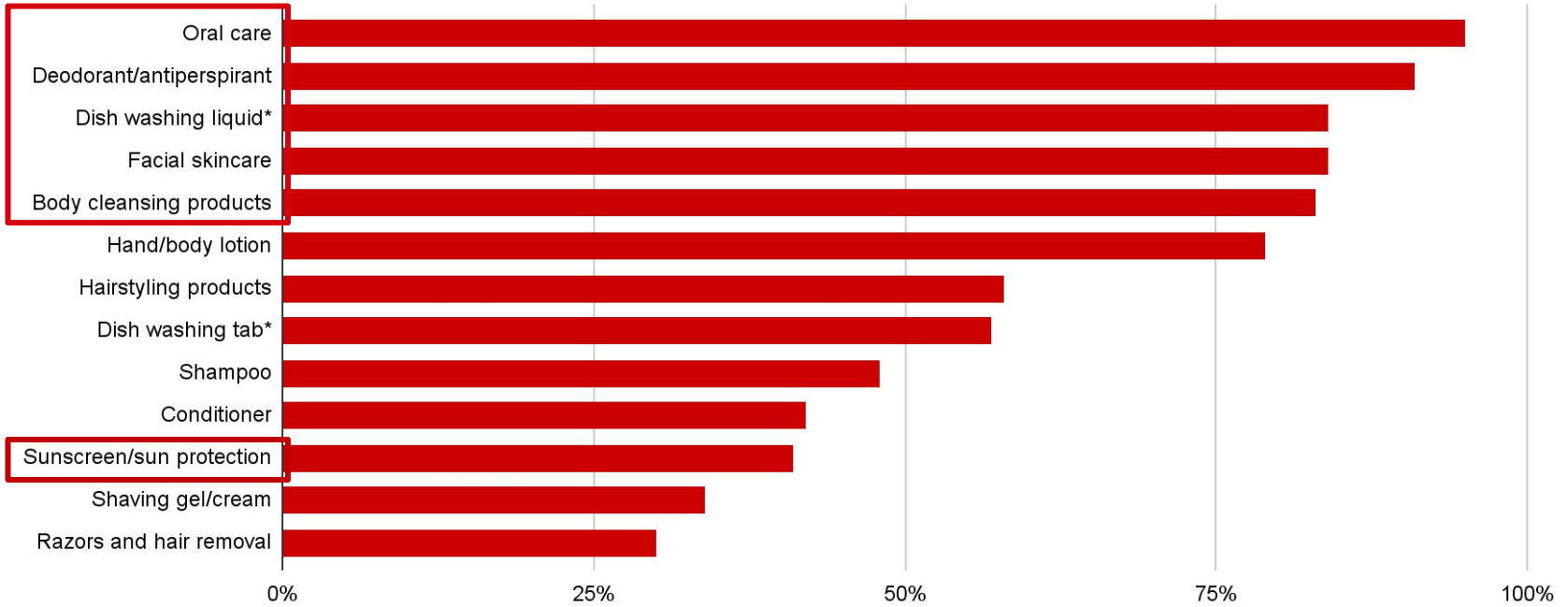


# ***Attractive Core Categories***

- Growing all four categories
- Everyday usage



# Our Products Are Used on a Daily Basis



Sources: Lightspeed/Mintel (2021) "How often do you typically use the following personal care products at home?", US data  
\* Home Care: Per CP's Usage & Attitudes Study (2019) in the US



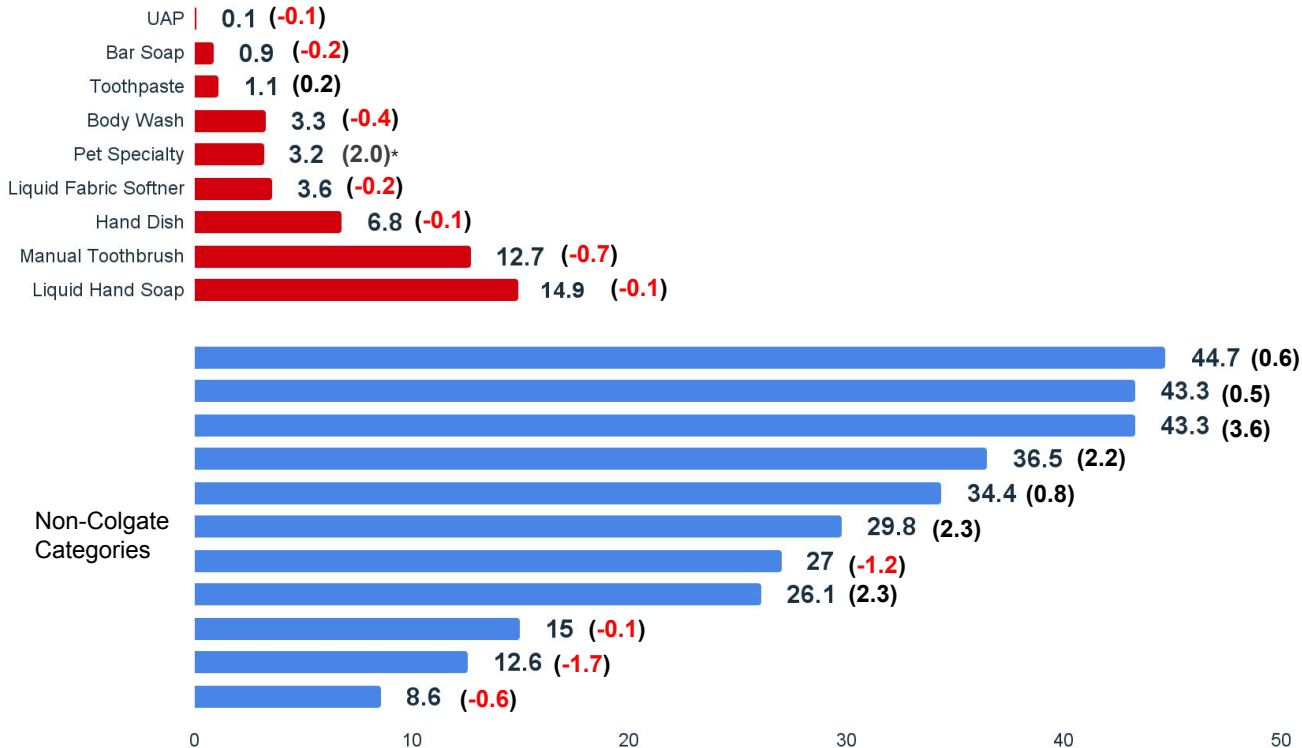
# ***Attractive Core Categories***

- Growing in all four categories
- Everyday usage
- Limited private label



# Private Label Generally Not Gaining Share

U.S. Private Label \$ Share is generally lower where C-P competes vs other HPC categories



Source: Nielsen AOC, YTD July 2022

\* Nielsen Rakuten for ECOM; Nielsen Connect for Pet, xAOC B&M; IDEXX for Vet Independents, YTD through July 2022

( ) indicates % change vs prior year



# ***Attractive Core Categories***

- Growing in all four categories
- Everyday usage
- Limited private label
- Recommendation models across categories

# Strong Professional Engagement



***Scaling  
Our Capabilities***



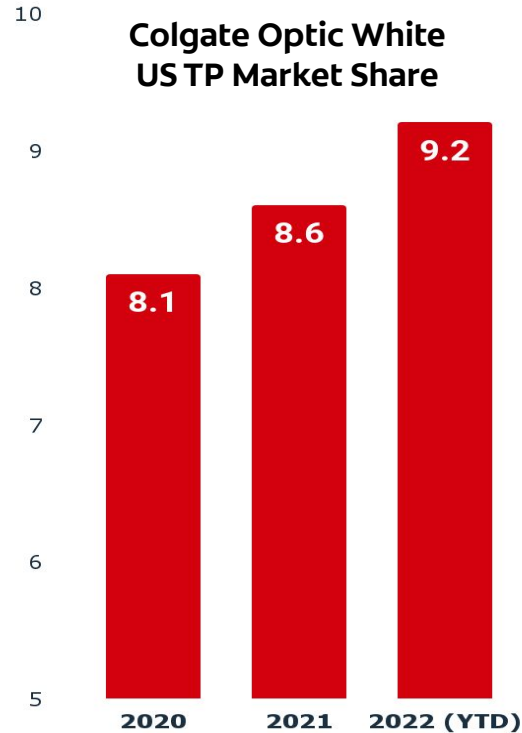
# *Scaling Our Capabilities*

- Driving science-led, core and premium, breakthrough and transformational innovation



***Science-Led Innovation***

# Advances in U.S. Whitening Segment Through Hydrogen Peroxide



- Our highest level of hydrogen peroxide in a whitening toothpaste
- 5% hydrogen peroxide formula removes 15 years of stains\*
- Continuing Optic White franchise market share momentum

\* When brushing twice daily for 2 weeks.

# Hill's Prescription Diet Derm Complete



- Breakthrough nutrition to manage food and environmental sensitivities
- Supported by multiple clinical trials
- Utilized wearable technology to measure scratching and sleep

*Clinicals relate to adult food*

# Expanding Sunscreen Into New Forms



- First EltaMD UV stick
- Zinc oxide formula rubs in without residue
- Antioxidants to help mitigate UV damage
- 50+ SPF and water resistant

***Driving Innovation in  
Our Core Businesses***

# Sorriso Relaunch



- #2 toothpaste brand in Brazil
- Reshaped brand purpose to focus on Brazilian heritage
- New packaging and emotional equity campaign
- +120 bps share growth\*

# *Prescription Diet Relaunch - 2022*



- Redesigned pack with simple language
- Optimized kibble
- New digital tools support better nutrition conversations with veterinarians

# Driving The Core In South Africa



- New formulations, fragrances and packaging through extensive consumer testing
- Improved sustainability footprint through concentration and refills
- Drives premiumization at a 150 index versus the category





# ***Scaling Our Capabilities***

- Driving science led, core and premium breakthrough and transformational innovation
- Accelerating growth through digital, eCommerce and data analytics across our businesses



# ***Accelerating Digital Capabilities***

- Digital transformation is a never ending journey, as technology and consumer expectations keep advancing
  - We are scaling **enterprise-wide digital tools**, capabilities and scorecards to measure our progress
  - We have created **award-winning upskilling** programs for existing teams and recruited expert digital talent across all regions
  - We are sharing **best practices** across categories and geographies



# ***Sharing Across the Enterprise***

- Implementing best practices from digitally developed businesses, across media, search, social, content and digital creative
- **Global Digital Summits** where all teams participate, actively learn and share:
  - Hill's digital shelf and IP data activation
  - China premiumization and eComm innovation strategy
  - Europe's search strategy and website optimizations
- **Brand Experience Planning (BEP)** process for omni-channel, fully connected marketing planning



# Impacting Our Digital Results

- eCommerce **up 150 bps** as % of net sales in Q2
- China eCommerce toothpaste value share **up 430 bps** YTD
- Improved digital media buying and content, driving optimized ROI's across digital touchpoints
- 16,000\* Colgate people completed digital training and 14,000\*\* completed data literacy training



# ***Scaling Our Capabilities***

- Driving science led, core and premium breakthrough and transformational innovation in
- Accelerating growth through digital, eCommerce and data analytics across our businesses
- Revenue Growth Management

# RGM Example - Hill's Unique Nutrition Campaign



Leveraged new campaign to optimize promotion; reduced duration (50%) and deal depth (25%)



SHIPMENTS  
**+24%**



CONSUMPTION  
**+25%**



HH's  
**+27k**



SOM  
**+150bps**



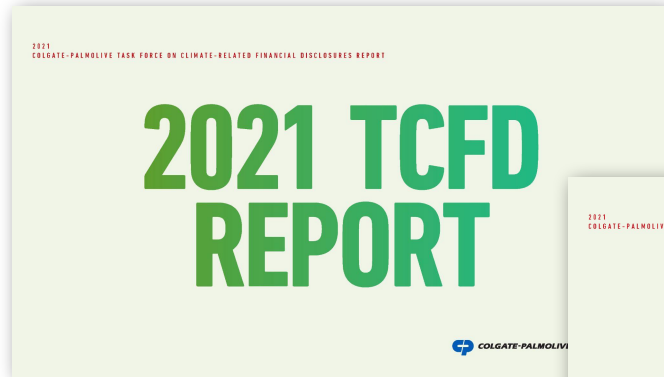
# *Scaling Our Capabilities*

- Driving science led, core, and premium breakthrough and transformational innovation
- Accelerating growth through digital, eCommerce and data analytics across our businesses
- Revenue Growth Management
- **ESG**



# ESG

- Significant progress on our ESG initiatives
- Released first TCFD and SASB reports







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- Released first TCFD and SASB reports
- Continued roll-out of recyclable toothpaste tube



# Investment in Recyclable Toothpaste Tubes



Your community may not yet accept tubes for recycling. Check locally. Learn more at [colgate.com/goodness](http://colgate.com/goodness).



# ESG

- Significant progress on our ESG initiatives
- Released first TCFD and SASB reports
- Continued roll-out of recyclable toothpaste tube
- Growth in Colgate Bright Smiles, Bright Futures and Hill's Food, Shelter & Love



***Driving Productivity  
and Leveraging Cash  
to Drive Growth***



# ***Delivering on Productivity***

- Funding the Growth continues to deliver across the P&L in 2022, with strong visibility on next year
- 2022 Global Productivity Initiative on target for annualized savings of \$90-\$110 million
- Delivering leverage on overheads ex-logistics, with less logistics inflation expected in the balance of the year



# ***Using Cash For Growth and Returns***

- Increase in capital expenditures to fund capacity for faster growth, productivity and ESG
- Acquisitions of wet and dry pet food capacity to meet heightened demand for our premium diets

# 2022 - Announced Agreement to Acquire Dry Food Facilities - Hill's (U.S.)



**Clinton, Oklahoma**



**Orangeburg, South Carolina**



**Washington Court House, Ohio**

*\*August 1, 2022 the Company announced that it plans to purchase three dry pet food manufacturing plants in the U.S. from Red Collar Pet Foods. Deal is subject to regulatory approval and other closing conditions and is expected to close later this year.*



# ***Using Cash For Growth and Returns***

- Increase in capital expenditures to fund capacity for faster growth (primarily Hill's), productivity and ESG
- Acquisitions of wet and dry pet food capacity to meet heightened demand for our premium diets
- **Returning cash to shareholders**





# Returning Cash to Shareholders



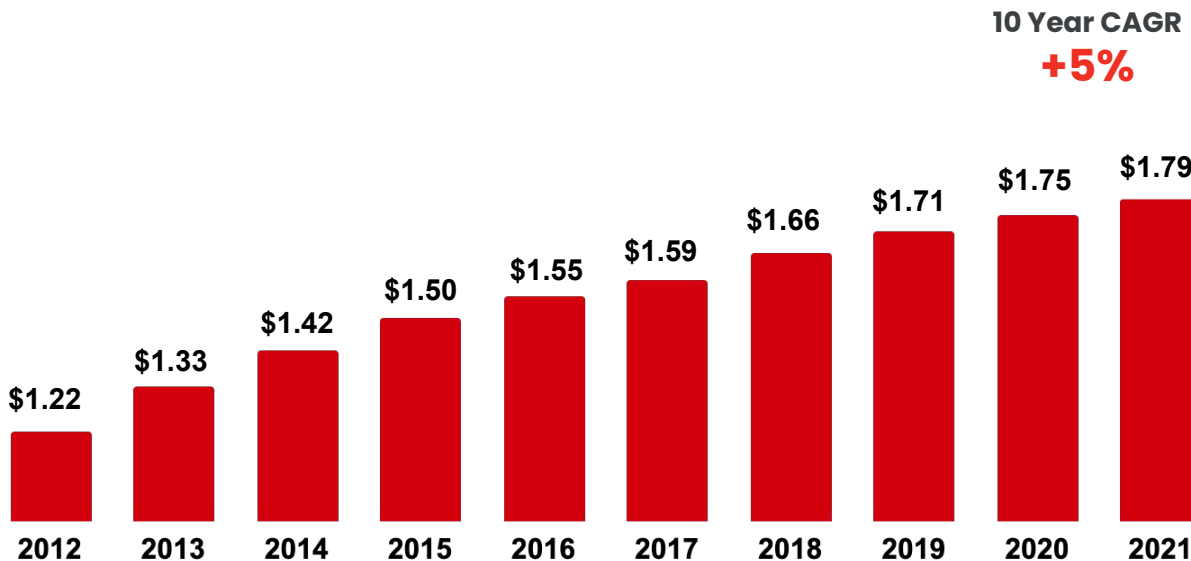
**127 years**  
of dividend  
payments



**59 years**  
of dividend  
increases



**\$30 billion**  
cash returned  
to shareholders  
last 10 years



***Dividends Paid Per Share***

***What We Said  
on the Q2 Call***



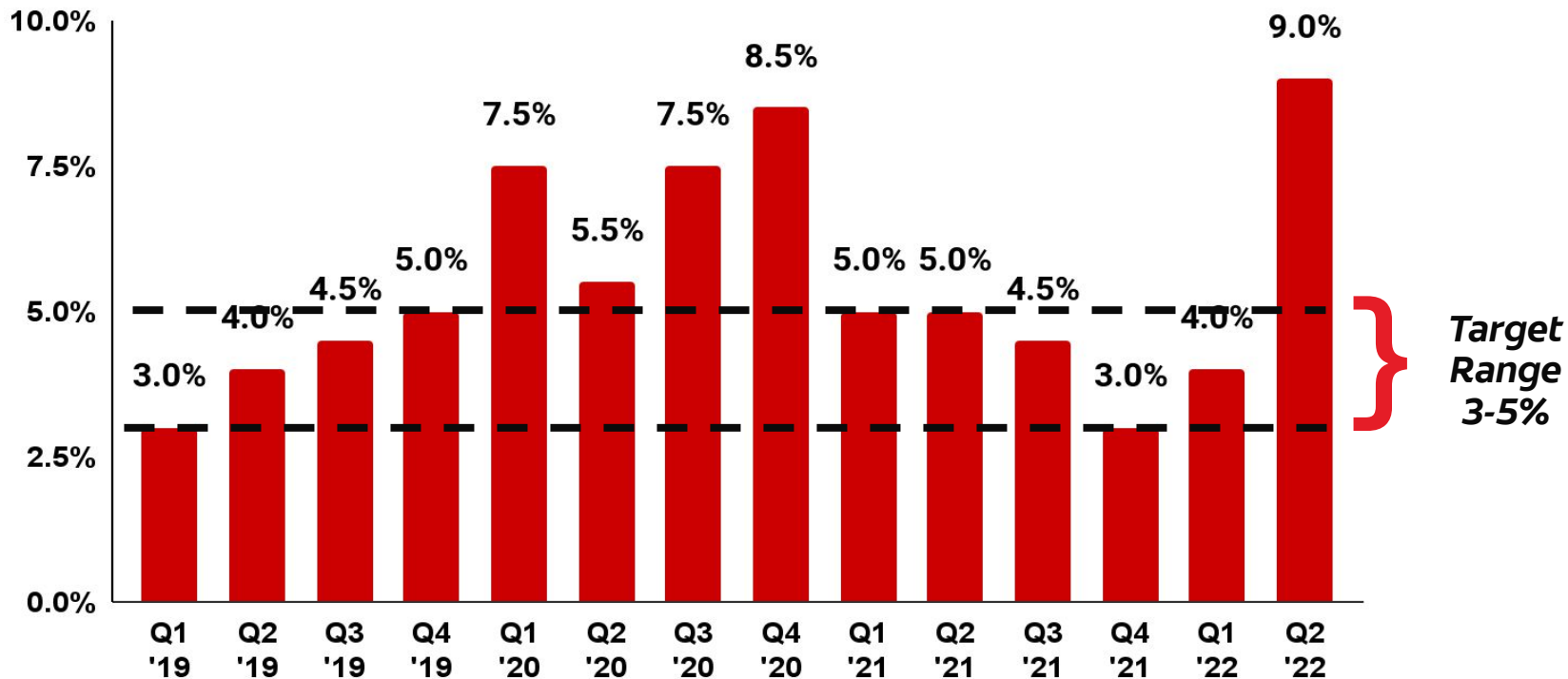
# ***Q2 2022 Highlights***

- Net sales grew 5.5%
- Organic sales growth of 9.0% is our highest quarterly growth rate since Q4 2008



# 14th Straight Quarter At or Above Our Target Range

## Organic Sales Growth %



Non-GAAP



# Q2 2022 Highlights

- Net sales grew 5.5%
- Organic sales growth of 9.0% is our highest quarterly growth rate since Q4 2008
- Organic sales growth in every division
- Organic sales growth in all four categories
  - Led by double-digit growth in Oral Care and Pet Nutrition



# Q2 2022 Highlights

- Net sales grew 5.5%
- Organic sales growth of 9.0% is our highest quarterly growth rate since Q4 2008
- Organic sales growth in every division
- Organic sales growth in all four categories
  - Led by double-digit growth in Oral Care and Pet Nutrition
- Global market shares for Toothpaste and Manual Toothbrushes up YTD



# 2022 Guidance\*

- Maintained net sales growth guidance of 1-4%
- Raised organic sales growth guidance to 5-7%\*\*
- Gross profit margin expected to be down for the year
- Advertising expected to be up on a dollar basis and roughly flat as a % to sales
- Base Business EPS expected to be down mid-single digits\*\*

*\*As provided on Q2 2022 Earnings Call*

*\*\* Non-GAAP*



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# Q & A