

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended June 30, 2022 and 2021

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

	2022	2021	
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	\$ 1,657	\$ 1,568	
2022 Global Productivity Initiative	(3)	—	
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,654</u>	<u>\$ 1,568</u>	
			Basis Point
Selling, General and Administrative Expenses as a Percentage of Net Sales	2022	2021	Change
Selling, general and administrative expenses as a percentage of Net sales, GAAP	37.0 %	36.8 %	20
2022 Global Productivity Initiative	(0.1)%	— %	
Selling, general and administrative expenses as a percentage of Net sales, non-GAAP	<u>36.9 %</u>	<u>36.8 %</u>	<u>10</u>
Other (Income) Expense, Net	2022	2021	
Other (income) expense, net, GAAP	\$ 13	\$ (8)	
2022 Global Productivity Initiative	(10)	—	
Value-added tax matter in Brazil	—	26	
Other (income) expense, net, non-GAAP	<u>\$ 3</u>	<u>\$ 18</u>	
Operating Profit	2022	2021	% Change
Operating profit, GAAP	\$ 884	\$ 996	(11)%
2022 Global Productivity Initiative	13	—	
Value-added tax matter in Brazil	—	(26)	
Operating profit, non-GAAP	<u>\$ 897</u>	<u>\$ 970</u>	<u>(8)%</u>
Operating Profit Margin	2022	2021	Basis Point Change
Operating profit margin, GAAP	19.7 %	23.4 %	(370)
2022 Global Productivity Initiative	0.3 %	— %	
Value-added tax matter in Brazil	— %	(0.6)%	
Operating profit margin, non-GAAP	<u>20.0 %</u>	<u>22.8 %</u>	<u>(280)</u>
Non-Service Related Postretirement Costs	2022	2021	
Non-service related postretirement costs, GAAP	\$ 12	\$ 18	
2022 Global Productivity Initiative	5	—	
Non-service related postretirement costs, non-GAAP	<u>\$ 17</u>	<u>\$ 18</u>	

Table 8
Continued

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	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>
	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	\$ 953	\$ 212	\$ 741	\$ 38	\$ 703	22.2 %	\$ 0.83
Value-added tax matter in Brazil	(26)	(6)	(20)	—	(20)	— %	(0.03)
Non-GAAP	<u>\$ 927</u>	<u>\$ 206</u>	<u>\$ 721</u>	<u>\$ 38</u>	<u>\$ 683</u>	<u>22.2 %</u>	<u>\$ 0.80</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.