

Colgate Announces 2nd Quarter 2021 Results

- Net sales increased 9.5%, Organic sales* increased 5.0%
- On a GAAP basis, EPS grew 12% to \$0.83; On a Base Business basis, EPS* grew 8% to \$0.80
- GAAP Gross profit margin and Base Business Gross profit margin* decreased 80 basis points to 60.0%
- Net cash provided by operations was \$1,225 million for the first six months of 2021
- Colgate's leadership in toothpaste continued with its global market share at 39.3% year to date
- Colgate's leadership in manual toothbrushes continued with its global market share at 30.8% year to date
- The Company updated its financial guidance for full year 2021

| Second Quarter Total Company Results (GAAP) | | | |
|--|---------|---------|--------|
| (\$ in millions except per share amounts) | 2021 | 2020 | Change |
| Net Sales | \$4,260 | \$3,897 | +9.5% |
| EPS (diluted) | \$0.83 | \$0.74 | +12% |

| Second Quarter Total Company Results (Base Business - Non-GAAP)* | | | |
|---|--------|--------|--------|
| (\$ in millions except per share amounts) | 2021 | 2020 | Change |
| Organic Sales Growth | | | +5.0% |
| Base Business EPS (diluted) | \$0.80 | \$0.74 | +8% |

*Indicates a non-GAAP financial measure. Please refer to "Non-GAAP Financial Measures" later in this release for definitions of non-GAAP financial measures and to "Table 6 - Geographic Sales Analysis Percentage Changes" and "Table 8 - Non-GAAP Reconciliations" included with this release for a reconciliation of these non-GAAP financial measures to the related GAAP measures.

New York, New York, July 30, 2021...Colgate-Palmolive Company (NYSE:CL) today reported results for second quarter 2021. Noel Wallace, Chairman, President and Chief Executive Officer, commented on the second quarter results, "We are pleased that our strong growth momentum continued in the second quarter, even as we operated in an environment marked by significant

volatility. Net sales increased 9.5% and organic sales grew 5.0% driven by both volume growth and higher pricing. This is our tenth consecutive quarter delivering organic sales growth either in or above our targeted range of 3% to 5%.

“Despite significant raw material and logistics cost headwinds, we delivered another quarter of increased operating profit, net income and earnings per share on a Base Business basis. We expect the difficult cost environment to continue in the back half of the year and we remain sharply focused on our funding the growth and revenue growth management initiatives.

“As we look around the world, there is still much uncertainty stemming from the COVID-19 pandemic, including volatility in consumer demand and currencies and supply chain disruptions. In the face of these challenges, Colgate people everywhere remain committed to achieving our business goals by driving premium innovation, executing with agility and leveraging digital in all areas of our business. I am confident that our investment choices and growth strategies will help us manage through this difficult time.”

Full Year 2021 Guidance

Based on current spot rates:

- The Company still expects net sales to be up 4% to 7% including a low-single-digit benefit from foreign exchange.
- The Company still expects organic sales to be up within its long-term targeted range of 3% to 5%.
- On a GAAP basis, the Company now expects a decline in gross profit margin, increased advertising investment and earnings-per-share growth at the lower end of its low to mid-single-digit range.
- On a non-GAAP (Base Business) basis, the Company now expects a decline in gross profit margin, increased advertising investment and earnings-per-share growth at the lower end of its mid to high-single-digit range.

Divisional Performance

The following are comments about divisional performance for second quarter 2021 versus the year ago period. See attached "Table 6 - Geographic Sales Analysis Percentage Changes" and "Table 5 - Segment Information" for additional information on net sales and operating profit by division.

| Second Quarter Sales Growth By Division (% change 2Q 2021 vs. 2Q 2020) | | | | | | |
|--|-----------|----------------|--------------------|----------------|---------|--------|
| | Net Sales | Organic Sales* | As Reported Volume | Organic Volume | Pricing | FX |
| North America | -4.0% | -4.5% | -8.5% | -8.5% | +4.0% | +0.5% |
| Latin America | +12.5% | +8.5% | +2.5% | +2.5% | +6.0% | +4.0% |
| Europe | +15.0% | +5.0% | +7.0% | +7.0% | -2.0% | +10.0% |
| Asia Pacific | +7.5% | +1.0% | +3.5% | +3.5% | -2.5% | +6.5% |
| Africa/Eurasia | +15.5% | +13.0% | +9.5% | +9.5% | +3.5% | +2.5% |
| Hill's | +18.0% | +15.0% | +10.5% | +10.5% | +4.5% | +3.0% |
| Total Company | +9.5% | +5.0% | +2.5% | +2.5% | +2.5% | +4.5% |

*Indicates a non-GAAP financial measure. Please refer to "Non-GAAP Financial Measures" later in this release for definitions of non-GAAP financial measures and to "Table 6 - Geographic Sales Analysis Percentage Changes" included with this release for a reconciliation of these non-GAAP financial measures to the related GAAP measures.

| Second Quarter Operating Profit By Division (\$ in millions) | | | | |
|--|---------|---------------------|----------------|--|
| | 2Q 2021 | % Change vs 2Q 2020 | % to Net Sales | Change in basis points vs 2Q 2020 % to Net Sales |
| North America | \$200 | -21% | 21.9% | -490 |
| Latin America | \$254 | 11% | 28.0% | -40 |
| Europe | \$166 | 5% | 23.4% | -220 |
| Asia Pacific | \$200 | 14% | 29.7% | +150 |
| Africa/Eurasia | \$55 | -2% | 20.8% | -370 |
| Hill's | \$212 | 11% | 26.7% | -170 |
| Total Company, As Reported | \$996 | 5% | 23.4% | -90 |
| Total Company, Base Business* | \$970 | 3% | 22.8% | -150 |

*Indicates a non-GAAP financial measure. Please refer to "Non-GAAP Financial Measures" later in this release for definitions of non-GAAP financial measures and to "Table 8 - Non-GAAP Reconciliations" included with this release for a reconciliation of these non-GAAP financial measures to the related GAAP measures.

North America (21% of Company Sales)

- The organic sales decline was largely driven by the United States. Within the United States, organic sales declines in personal care and home care were partially offset by organic sales growth in oral care.
- In the United States, Colgate's share of the toothpaste market is 34.2% year to date and its share of the manual toothbrush market is 39.3% year to date.
- The decrease in Operating profit as a percentage of Net sales was primarily due to significantly higher raw and packaging material costs, higher overhead expenses, largely

driven by higher logistics costs, and increased advertising investment, partially offset by cost savings from the Company's funding-the-growth initiatives and higher pricing.

Latin America (21% of Company Sales)

- Organic sales growth in Mexico, Brazil and Argentina was partially offset by an organic sales decline in Colombia.
- The decrease in Operating profit as a percentage of Net sales was primarily due to significantly higher raw and packaging material costs and higher overhead expenses, primarily driven by higher logistics costs, partially offset by cost savings from the Company's funding-the-growth initiatives, higher pricing and decreased advertising investment.

Europe (17% of Company Sales)

- Organic sales growth was led by the United Kingdom, Germany, Poland and the Nordic region.
- The decrease in Operating profit as a percentage of Net sales was primarily due to higher raw and packaging material costs, increased advertising investment and lower pricing, partially offset by cost savings from the Company's funding-the-growth initiatives and lower overhead expenses.

Asia Pacific (16% of Company Sales)

- Organic sales growth in India and Thailand was partially offset by organic sales declines in the Greater China region.
- The increase in Operating profit as a percentage of Net sales was primarily due to cost savings from the Company's funding-the-growth initiatives, decreased advertising investment and lower overhead expenses, partially offset by lower pricing and higher raw and packaging material costs, net of foreign exchange transaction benefits.

Africa/Eurasia (6% of Company Sales)

- Organic sales growth was led by Turkiye, Nigeria and Russia.
- The decrease in Operating profit as a percentage of Net sales was primarily due to significantly higher raw and packaging material costs and increased advertising investment, partially offset by cost savings from the Company's funding-the-growth

initiatives, higher pricing and lower overhead expenses despite significant increases in logistics costs.

Hill's Pet Nutrition (19% of Company Sales)

- Organic sales growth was led by the United States, Latin America and Europe.
- The decrease in Operating profit as a percentage of Net sales was primarily due to higher raw and packaging material costs and increased advertising investment, partially offset by higher pricing and cost savings from the Company's funding-the-growth initiatives.

Webcast Information

At 8:30 a.m. ET today, Colgate will host a conference call regarding second quarter results. To access this call as a webcast, please go to Colgate's website at www.colgatepalmolive.com.

About Colgate-Palmolive

Colgate-Palmolive Company is a caring, innovative growth company reimagining a healthier future for all people, their pets and our planet. Focused on Oral Care, Personal Care, Home Care and Pet Nutrition, the Company sells its products in more than 200 countries and territories under brands such as Colgate, Palmolive, elmex, hello, meridol, Sorriso, Tom's of Maine, EltaMD, Filorga, Irish Spring, PCA Skin, Protex, Sanex, Softsoap, Speed Stick, Ajax, Axion, Fabuloso, Soupline and Suavitel, as well as Hill's Science Diet and Hill's Prescription Diet. The Company is recognized for its leadership and innovation in promoting environmental sustainability and community well-being, including its achievements in saving water, reducing waste, promoting recyclability and improving children's oral health through its Bright Smiles, Bright Futures program, which has reached more than 1.3 billion children since 1991. For more information about Colgate's global business and how the Company is building a future to smile about, visit www.colgatepalmolive.com. CL-E

Market Share Information

Management uses market share information as a key indicator to monitor business health and performance. References to market share in this press release are based on a combination of consumption and market share data provided by third-party vendors, primarily Nielsen, and internal estimates. All market share references represent the percentage of the dollar value of sales of our products, relative to all product sales in the category in the countries in which the Company competes and purchases data (excluding Venezuela from all periods).

Market share data is subject to limitations on the availability of up-to-date information. In particular, market share data is currently not generally available for certain retail channels, such as eCommerce and certain club retailers and discounters. The Company measures year-to-date market shares from January 1 of the relevant year through the most recent period for which market share data is available, which typically reflects a lag time of one or two months. The Company believes that the third-party vendors it uses to provide data are reliable, but it has not verified the accuracy or completeness of the data or any assumptions underlying the data. In certain limited circumstances, the COVID-19 pandemic has impacted the ability of our third-party vendors to provide the Company with reliable updated market share data. In addition, market share information reported by the Company may be different from market share information reported by other companies due to differences in category definitions, the use of data from different countries, internal estimates and other factors.

Cautionary Statement on Forward-Looking Statements

This press release and the related webcast may contain forward-looking statements (as that term is defined in the U.S. Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission (SEC) in its rules, regulations and releases) that set forth anticipated results based on management's current plans and assumptions. Such statements may relate, for example, to sales or volume growth, net selling price increases, organic sales growth, profit or profit margin growth, earnings per share levels, financial goals, the impact of foreign exchange, the impact of COVID-19, cost-reduction plans, tax rates, new product introductions, commercial investment levels, acquisitions, divestitures, share repurchases, or legal or tax proceedings, among other matters. These statements are made on the basis of the Company's views and assumptions as of this time and the Company undertakes no obligation to update these statements whether as a result of new information, future events or otherwise, except as required by law or by the rules and regulations of the SEC. Moreover, the Company does not, nor does any other person, assume responsibility for the accuracy and completeness of these statements. The Company cautions investors that any such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from those statements. For more information about factors that could impact the Company's business and cause actual results to differ materially from forward-looking statements, investors should refer to the Company's filings with the SEC (including, but not limited to, the information set forth under the captions "Risk Factors" and "Cautionary Statement on Forward-Looking Statements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 and

subsequent Quarterly Reports on Form 10-Q). Copies of these filings may be obtained upon request from the Company's Investor Relations Department or on the Company's website at www.colgatepalmolive.com.

Non-GAAP Financial Measures

The following provides definitions and other information regarding the non-GAAP financial measures used in this press release and/or the related webcast, which may not be the same as or comparable to similar measures presented by other companies:

- **Base Business:** Base Business refers to non-GAAP measures of operating results that exclude certain items. Base Business operating results exclude, as applicable, a value-added tax matter in Brazil, acquisition-related costs and a benefit related to a reorganization of the ownership structure of certain foreign subsidiaries and a new operating structure implemented within one of the Company's divisions.
- **Organic sales growth:** Net sales growth excluding the impact of foreign exchange, acquisitions and divestments.
- **Free cash flow before dividends:** Net cash provided by operations less Capital expenditures.

This press release discusses Net sales growth (GAAP) and Organic sales growth (non-GAAP). Management believes the organic sales growth measure provides investors and analysts with useful supplemental information regarding the Company's underlying sales trends by presenting sales growth excluding the external factor of foreign exchange as well as the impact from acquisitions and divestments. See "Geographic Sales Analysis Percentage Changes" for the three and six months ended June 30, 2021 versus 2020 included with this release for a comparison of Organic sales growth to Net sales growth in accordance with GAAP.

Worldwide Gross profit, Gross profit margin, Other (income) expense, net, Operating profit, Operating profit margin, Effective income tax rate, Net income attributable to Colgate-Palmolive Company and Diluted earnings per common share are disclosed on both an as reported (GAAP) and Base Business (non-GAAP) basis. These non-GAAP financial measures 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. Investors and analysts use these financial measures

in assessing the Company's business performance, and management believes that presenting these financial measures on a non-GAAP basis provides them with useful supplemental information to enhance their understanding of the Company's underlying business performance and trends. These non-GAAP financial measures also enhance the ability to compare period-to-period financial results. See "Non-GAAP Reconciliations" for the three and six months ended June 30, 2021 and 2020 included with this release for a reconciliation of these financial measures to the related GAAP measures.

The Company uses these financial measures internally in its budgeting process, to evaluate segment and overall operating performance and as factors in determining compensation. While the Company believes that these financial measures are useful in evaluating the Company's underlying business performance and trends, this information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP.

As management uses free cash flow before dividends to evaluate the Company's ability to satisfy current and future obligations, pay dividends, fund future business opportunities and repurchase stock, the Company believes that it provides useful information to investors. Free cash flow before dividends is not a measure of cash available for discretionary expenditures since the Company has certain non-discretionary obligations such as debt service that are not deducted from the measure. See "Condensed Consolidated Statements of Cash Flows" for the six months ended June 30, 2021 and 2020 for a comparison of free cash flow before dividends to Net cash provided by operations as reported in accordance with GAAP.

(See attached tables for second quarter results.)

Table 1

Colgate-Palmolive Company

Condensed Consolidated Statements of Income

For the Three Months Ended June 30, 2021 and 2020

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

| | 2021 | 2020 |
|---|----------|----------|
| Net sales | \$ 4,260 | \$ 3,897 |
| Cost of sales | 1,704 | 1,528 |
| Gross profit | 2,556 | 2,369 |
| Gross profit margin | 60.0 % | 60.8 % |
| Selling, general and administrative expenses | 1,568 | 1,395 |
| Other (income) expense, net | (8) | 28 |
| Operating profit | 996 | 946 |
| Operating profit margin | 23.4 % | 24.3 % |
| Non-service related postretirement costs | 18 | 20 |
| Interest (income) expense, net | 25 | 35 |
| Income before income taxes | 953 | 891 |
| Provision for income taxes | 212 | 216 |
| Effective tax rate | 22.2 % | 24.2 % |
| Net income including noncontrolling interests | 741 | 675 |
| Less: Net income attributable to noncontrolling interests | 38 | 40 |
| Net income attributable to Colgate-Palmolive Company | \$ 703 | \$ 635 |
| Earnings per common share | | |
| Basic | \$ 0.83 | \$ 0.74 |
| Diluted | \$ 0.83 | \$ 0.74 |
| Supplemental Income Statement Information | | |
| Average common shares outstanding | | |
| Basic | 845.6 | 857.4 |
| Diluted | 849.4 | 858.9 |
| Advertising | \$ 494 | \$ 439 |

Colgate-Palmolive Company

Condensed Consolidated Statements of Income

For the Six Months Ended June 30, 2021 and 2020

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

| | 2021 | 2020 |
|---|----------|----------|
| Net sales | \$ 8,604 | \$ 7,994 |
| Cost of sales | 3,411 | 3,160 |
| Gross profit | 5,193 | 4,834 |
| Gross profit margin | 60.4 % | 60.5 % |
| Selling, general and administrative expenses | 3,173 | 2,868 |
| Other (income) expense, net | 20 | 68 |
| Operating profit | 2,000 | 1,898 |
| Operating profit margin | 23.2 % | 23.7 % |
| Non-service related postretirement costs | 36 | 41 |
| Interest (income) expense, net | 54 | 71 |
| Income before income taxes | 1,910 | 1,786 |
| Provision for income taxes | 441 | 363 |
| Effective tax rate | 23.1 % | 20.3 % |
| Net income including noncontrolling interests | 1,469 | 1,423 |
| Less: Net income attributable to noncontrolling interests | 85 | 73 |
| Net income attributable to Colgate-Palmolive Company | \$ 1,384 | \$ 1,350 |
| Earnings per common share | | |
| Basic ⁽¹⁾ | \$ 1.63 | \$ 1.58 |
| Diluted ⁽¹⁾ | \$ 1.63 | \$ 1.57 |
| Supplemental Income Statement Information | | |
| Average common shares outstanding | | |
| Basic | 847.0 | 857.1 |
| Diluted | 850.4 | 858.6 |
| Advertising | \$ 1,029 | \$ 923 |

Note:

(1) Basic and diluted earnings per share are computed independently for each quarter and any year-to-date period presented. As a result of changes in shares outstanding during the year and rounding, the sum of the quarters' earnings per share may not equal the earnings per share for any year-to-date period.

Colgate-Palmolive Company

Condensed Consolidated Balance Sheets

As of June 30, 2021, December 31, 2020 and June 30, 2020

(Dollars in Millions) (Unaudited)

| | June 30, 2021 | December 31, 2020 | June 30, 2020 |
|---|------------------|----------------------|------------------|
| Cash and cash equivalents | \$ 937 | \$ 888 | \$ 997 |
| Receivables, net | 1,443 | 1,264 | 1,231 |
| Inventories | 1,700 | 1,673 | 1,524 |
| Other current assets | 572 | 513 | 460 |
| Property, plant and equipment, net | 3,665 | 3,716 | 3,483 |
| Goodwill | 3,753 | 3,824 | 3,628 |
| Other intangible assets, net | 2,787 | 2,894 | 2,787 |
| Other assets | 1,142 | 1,148 | 1,031 |
| Total assets | <u>\$ 15,999</u> | <u>\$ 15,920</u> | <u>\$ 15,141</u> |
| | | | |
| Total debt | \$ 7,966 | \$ 7,601 | \$ 7,392 |
| Other current liabilities | 4,188 | 4,137 | 4,072 |
| Other non-current liabilities | 2,983 | 3,081 | 2,945 |
| Total liabilities | <u>15,137</u> | <u>14,819</u> | <u>14,409</u> |
| Total Colgate-Palmolive Company shareholders' equity | 464 | 743 | 268 |
| Noncontrolling interests | 398 | 358 | 464 |
| Total liabilities and equity | <u>\$ 15,999</u> | <u>\$ 15,920</u> | <u>\$ 15,141</u> |
| | | | |
| Supplemental Balance Sheet Information | | | |
| Debt less cash, cash equivalents and marketable securities ⁽¹⁾ | \$ 6,959 | \$ 6,676 | \$ 6,370 |
| Working capital % of sales | (3.2)% | (4.4)% | (5.5)% |

Note:

(1) Marketable securities of \$70, \$37 and \$25 as of June 30, 2021, December 31, 2020 and June 30, 2020, respectively, are included in Other current assets.

Table 4

Colgate-Palmolive Company
Condensed Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2021 and 2020
(Dollars in Millions) (Unaudited)

| | 2021 | 2020 |
|--|----------|----------|
| Operating Activities | | |
| Net income including noncontrolling interests | \$ 1,469 | \$ 1,423 |
| Adjustments to reconcile Net income including noncontrolling interests to Net cash provided by operations: | | |
| Depreciation and amortization | 274 | 266 |
| Restructuring and termination benefits, net of cash | (15) | (35) |
| Stock-based compensation expense | 58 | 32 |
| Deferred income taxes | (65) | (147) |
| Cash effects of changes in: | | |
| Receivables | (188) | 121 |
| Inventories | (39) | (176) |
| Accounts payable and other accruals | (254) | 347 |
| Other non-current assets and liabilities | (15) | (37) |
| Net cash provided by (used in) operations | 1,225 | 1,794 |
| Investing Activities | | |
| Capital expenditures | (237) | (159) |
| Purchases of marketable securities and investments | (80) | (48) |
| Proceeds from sale of marketable securities and investments | 46 | 42 |
| Payment for acquisitions, net of cash acquired | — | (352) |
| Other investing activities | (18) | — |
| Net cash provided by (used in) investing activities | (289) | (517) |
| Financing Activities | | |
| Short-term borrowing (repayment) less than 90 days, net | 451 | (493) |
| Proceeds from issuance of debt | 25 | — |
| Dividends paid | (796) | (784) |
| Purchases of treasury shares | (713) | (228) |
| Proceeds from exercise of stock options | 151 | 353 |
| Other financing activities | (2) | 11 |
| Net cash provided by (used in) financing activities | (884) | (1,141) |
| Effect of exchange rate changes on Cash and cash equivalents | (3) | (22) |
| Net increase (decrease) in Cash and cash equivalents | 49 | 114 |
| Cash and cash equivalents at beginning of the period | 888 | 883 |
| Cash and cash equivalents at end of the period | \$ 937 | \$ 997 |
| Supplemental Cash Flow Information | | |
| Free cash flow before dividends (Net cash provided by operations less Capital expenditures) | | |
| Net cash provided by operations | \$ 1,225 | \$ 1,794 |
| Less: Capital expenditures | (237) | (159) |
| Free cash flow before dividends | \$ 988 | \$ 1,635 |
| Income taxes paid | \$ 542 | \$ 349 |

Colgate-Palmolive Company

Segment Information

For the Three and Six Months Ended June 30, 2021 and 2020

(Dollars in Millions) (Unaudited)

| | Three Months Ended June 30, | | Six Months ended June 30, | |
|------------------------------------|-----------------------------|-----------------|---------------------------|-----------------|
| | 2021 | 2020 | 2021 | 2020 |
| Net Sales | | | | |
| Oral, Personal and Home Care | | | | |
| North America | \$ 912 | \$ 949 | \$ 1,835 | \$ 1,878 |
| Latin America | 907 | 805 | 1,814 | 1,694 |
| Europe | 709 | 617 | 1,426 | 1,292 |
| Asia Pacific | 673 | 625 | 1,412 | 1,258 |
| Africa/Eurasia | 265 | 229 | 537 | 481 |
| Total Oral, Personal and Home Care | 3,466 | 3,225 | 7,024 | 6,603 |
| Pet Nutrition | 794 | 672 | 1,580 | 1,391 |
| Total Net Sales | \$ 4,260 | \$ 3,897 | \$ 8,604 | \$ 7,994 |
| Operating Profit | | | | |
| Oral, Personal and Home Care | | | | |
| North America | \$ 200 | \$ 254 | \$ 402 | \$ 512 |
| Latin America | 254 | 229 | 526 | 478 |
| Europe | 166 | 158 | 346 | 312 |
| Asia Pacific | 200 | 176 | 424 | 337 |
| Africa/Eurasia | 55 | 56 | 109 | 112 |
| Total Oral, Personal and Home Care | 875 | 873 | 1,807 | 1,751 |
| Pet Nutrition | 212 | 191 | 427 | 393 |
| Corporate ⁽¹⁾ | (91) | (118) | (234) | (246) |
| Total Operating Profit | \$ 996 | \$ 946 | \$ 2,000 | \$ 1,898 |

Note:

(1) Corporate operations include costs related to stock options and restricted stock units, research and development costs, Corporate overhead costs and gains and losses on sales of non-core product lines and assets.

Corporate Operating profit (loss) for the three and six months ended June 30, 2021 included a benefit related to a value-added tax matter in Brazil of \$26. Corporate Operating profit (loss) for the three and six months ended June 30, 2020 included charges for acquisition-related costs of \$0 and \$6, respectively.

Colgate-Palmolive Company

Geographic Sales Analysis Percentage Changes

For the Three Months Ended June 30, 2021 vs. 2020

(Unaudited)

COMPONENTS OF SALES CHANGE

| <u>Region</u> | <u>Sales</u> | <u>Organic</u> | <u>As Reported</u> | <u>Organic</u> | <u>Pricing</u> | <u>Foreign</u> |
|---------------------------------|--------------------|---------------------|--------------------|----------------|-----------------------|-----------------|
| | <u>Change</u> | <u>Sales Change</u> | <u>Volume</u> | <u>Volume</u> | <u>Coupons</u> | <u>Exchange</u> |
| | <u>As Reported</u> | | | | <u>Consumer &</u> | |
| | | | | | <u>Trade</u> | |
| | | | | | <u>Incentives</u> | |
| Total Company | 9.5 % | 5.0 % | 2.5 % | 2.5 % | 2.5 % | 4.5 % |
| North America | (4.0)% | (4.5)% | (8.5)% | (8.5)% | 4.0 % | 0.5 % |
| Latin America | 12.5 % | 8.5 % | 2.5 % | 2.5 % | 6.0 % | 4.0 % |
| Europe | 15.0 % | 5.0 % | 7.0 % | 7.0 % | (2.0)% | 10.0 % |
| Asia Pacific | 7.5 % | 1.0 % | 3.5 % | 3.5 % | (2.5)% | 6.5 % |
| Africa/Eurasia | 15.5 % | 13.0 % | 9.5 % | 9.5 % | 3.5 % | 2.5 % |
| Total CP Products | 7.5 % | 3.0 % | 1.0 % | 1.0 % | 2.0 % | 4.5 % |
| Hill's | 18.0 % | 15.0 % | 10.5 % | 10.5 % | 4.5 % | 3.0 % |
| Emerging Markets ⁽¹⁾ | 11.5 % | 7.0 % | 4.0 % | 4.0 % | 3.0 % | 4.5 % |
| Developed Markets | 7.5 % | 3.0 % | 1.0 % | 1.0 % | 2.0 % | 4.5 % |

Note:

(1) Emerging Markets include Latin America, Asia (excluding Japan), Africa/Eurasia and Central Europe.

Colgate-Palmolive Company

Geographic Sales Analysis Percentage Changes

For the Six Months Ended June 30, 2021 and 2020

(Unaudited)

COMPONENTS OF SALES CHANGE

| <u>Region</u> | <u>Sales Change As Reported</u> | <u>Organic Sales Change</u> | <u>As Reported Volume</u> | <u>Organic Volume</u> | <u>Pricing Coupons Consumer & Trade Incentives</u> | <u>Foreign Exchange</u> |
|----------------------------------|---------------------------------|-----------------------------|---------------------------|-----------------------|--|-------------------------|
| Total Company ⁽¹⁾ | 7.5 % | 5.0 % | 1.5 % | 1.5 % | 3.5 % | 2.5 % |
| North America ⁽¹⁾ | (2.5)% | (3.5)% | (7.5)% | (8.0)% | 4.5 % | 0.5 % |
| Latin America | 7.0 % | 9.0 % | 1.5 % | 1.5 % | 7.5 % | (2.0)% |
| Europe | 10.5 % | 1.5 % | 1.5 % | 1.5 % | — % | 9.0 % |
| Asia Pacific | 12.0 % | 6.0 % | 7.0 % | 7.0 % | (1.0)% | 6.0 % |
| Africa/Eurasia | 12.0 % | 13.0 % | 7.0 % | 7.0 % | 6.0 % | (1.0)% |
| Total CP Products ⁽¹⁾ | 6.5 % | 4.0 % | 0.5 % | 0.5 % | 3.5 % | 2.5 % |
| Hill's | 13.5 % | 10.5 % | 6.5 % | 6.5 % | 4.0 % | 3.0 % |
| Emerging Markets ⁽²⁾ | 10.0 % | 9.5 % | 5.0 % | 5.0 % | 4.5 % | 0.5 % |
| Developed Markets ⁽¹⁾ | 6.0 % | 1.5 % | (1.0)% | (1.0)% | 2.5 % | 4.5 % |

Notes:

(1) The impact of the previously disclosed acquisition of the hello oral care business on as reported volume was 0.5% for North America and 0.0% for Total Company, Total CP Products and Developed Markets.

(2) Emerging Markets include Latin America, Asia (excluding Japan), Africa/Eurasia and Central Europe.

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended June 30, 2021 and 2020

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

| Other (Income) Expense, Net | 2021 | 2020 | |
|---------------------------------------|---------------|---------------|---------------------------|
| Other (income) expense, net, GAAP | \$ (8) | \$ 28 | |
| Value-added tax matter in Brazil | 26 | — | |
| Other (income) expense, net, non-GAAP | <u>\$ 18</u> | <u>\$ 28</u> | |
| | | | |
| Operating Profit | 2021 | 2020 | % Change |
| Operating profit, GAAP | \$ 996 | \$ 946 | 5 % |
| Value-added tax matter in Brazil | (26) | — | |
| Operating profit, non-GAAP | <u>\$ 970</u> | <u>\$ 946</u> | <u>3 %</u> |
| | | | |
| Operating Profit Margin | 2021 | 2020 | Basis Point Change |
| Operating profit margin, GAAP | 23.4 % | 24.3 % | (90) |
| Value-added tax matter in Brazil | (0.6)% | — % | |
| Operating profit margin, non-GAAP | <u>22.8 %</u> | <u>24.3 %</u> | <u>(150)</u> |

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 | \$ 953 | \$ 212 | \$ 741 | \$ 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>\$ 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.

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Six Months Ended June 30, 2021 and 2020

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

| | 2021 | 2020 | |
|---------------------------------------|-----------------|-----------------|--------------------|
| Gross Profit | | | |
| Gross profit, GAAP | \$ 5,193 | \$ 4,834 | |
| Acquisition-related costs | — | 4 | |
| Gross profit, non-GAAP | <u>\$ 5,193</u> | <u>\$ 4,838</u> | |
| | | | Basis Point |
| Gross Profit Margin | 2021 | 2020 | Change |
| Gross profit margin, GAAP | 60.4 % | 60.5 % | (10) |
| Acquisition-related costs | — % | — % | |
| Gross profit margin, non-GAAP | <u>60.4 %</u> | <u>60.5 %</u> | <u>(10)</u> |
| | | | |
| Other (Income) Expense, Net | 2021 | 2020 | |
| Other (income) expense, net, GAAP | \$ 20 | \$ 68 | |
| Value-added tax matter in Brazil | 26 | — | |
| Acquisition-related costs | — | (2) | |
| Other (income) expense, net, non-GAAP | <u>\$ 46</u> | <u>\$ 66</u> | |
| | | | |
| Operating Profit | 2021 | 2020 | % Change |
| Operating profit, GAAP | \$ 2,000 | \$ 1,898 | 5 % |
| Value-added tax matter in Brazil | (26) | — | |
| Acquisition-related costs | — | 6 | |
| Operating profit, non-GAAP | <u>\$ 1,974</u> | <u>\$ 1,904</u> | <u>4 %</u> |
| | | | |
| Operating Profit Margin | 2021 | 2020 | Basis Point |
| Operating profit margin, GAAP | 23.2 % | 23.7 % | (50) |
| Value-added tax matter in Brazil | (0.3)% | — % | |
| Acquisition-related costs | — % | 0.1 % | |
| Operating profit margin, non-GAAP | <u>22.9 %</u> | <u>23.8 %</u> | <u>(90)</u> |

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Six Months Ended June 30, 2021 and 2020

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

| | 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 | \$ 1,910 | \$ 441 | \$ 1,469 | \$ 1,384 | 23.1 % | \$ 1.63 |
| Value-added tax matter in Brazil | (26) | (6) | (20) | (20) | — % | (0.03) |
| Non-GAAP | \$ 1,884 | \$ 435 | \$ 1,449 | \$ 1,364 | 23.1 % | \$ 1.60 |

| | 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 | \$ 1,786 | \$ 363 | \$ 1,423 | \$ 1,350 | 20.3 % | \$ 1.57 |
| Subsidiary and operating structure initiatives | — | 71 | (71) | (71) | 4.0 % | (0.08) |
| Acquisition-related costs | 6 | 2 | 4 | 4 | — % | — |
| Non-GAAP | \$ 1,792 | \$ 436 | \$ 1,356 | \$ 1,283 | 24.3 % | \$ 1.49 |

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.