

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended December 31, 2022 and 2021

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

	2022	2021	
Selling, General and Administrative Expenses			
Selling, general and administrative expenses, GAAP	\$ 1,633	\$ 1,598	
2022 Global Productivity Initiative	(1)	—	
Selling, general and administrative expenses, non-GAAP	<u>\$ 1,632</u>	<u>\$ 1,598</u>	
Other (Income) Expense, Net			
Other (income) expense, net, GAAP	\$ 18	\$ 25	
2022 Global Productivity Initiative	(14)	—	
Acquisition-related costs	(3)	—	
Other (income) expense, net, non-GAAP	<u>\$ 1</u>	<u>\$ 25</u>	
Operating Profit			
Operating profit, GAAP	\$ 202	\$ 365	(45)%
Goodwill and intangible assets impairment charges	721	571	
2022 Global Productivity Initiative	15	—	
Acquisition-related costs	3	—	
Operating profit, non-GAAP	<u>\$ 941</u>	<u>\$ 936</u>	<u>1 %</u>
Operating Profit Margin			
Operating profit margin, GAAP	4.4 %	8.3 %	(390)
Goodwill and intangible assets impairment charges	15.5 %	13 %	
2022 Global Productivity Initiative	0.3 %	— %	
Acquisition-related costs	0.1 %	— %	
Operating profit margin, non-GAAP	<u>20.3 %</u>	<u>21.3 %</u>	<u>(100)</u>
Non-service related post retirement cost			
Non-service related post retirement cost, GAAP	\$ 15	\$ 18	
2022 Global Productivity Initiative	(2)	—	
Non-service post retirement cost, non-GAAP	<u>\$ 13</u>	<u>\$ 18</u>	

Table 8
Continued

Colgate-Palmolive Company

Non-GAAP Reconciliations

For the Three Months Ended December 31, 2022 vs. 2021

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

	2022					
	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	\$ 132	\$ 89	\$ 43	\$ 5	67.4 %	\$ 0.01
Goodwill and intangible assets impairment charges	721	101	620	620	(45.1)%	0.74
2022 Global Productivity Initiative	17	3	14	14	(0.1)%	0.02
Acquisition-related costs	3	1	2	2	— %	—
Non-GAAP	<u>\$ 873</u>	<u>\$ 194</u>	<u>\$ 679</u>	<u>\$ 641</u>	<u>22.2 %</u>	<u>\$ 0.77</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	\$ 324	\$ 136	\$ 188	\$ 148	42.0 %	\$ 0.18
Goodwill and intangible assets impairment charges	571	53	518	518	(20.9)%	0.61
Non-GAAP	<u>\$ 895</u>	<u>\$ 189</u>	<u>\$ 706</u>	<u>\$ 666</u>	<u>21.1 %</u>	<u>\$ 0.79</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.