

# BUILDING A FUTURE TO SMILE ABOUT

Colgate Corporate Social Responsibility  
and Sustainability Report 2019



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# 2019 Sustainability at Colgate-Palmolive

Welcome to our 2019 Sustainability Report, where you'll learn about our Sustainability Strategy and commitments to People, Performance and Planet. You'll also find highlights about the progress we've made this year.



## A welcome letter from President and CEO, Noel Wallace

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We are Colgate, a caring, innovative growth company reimagining a healthier future for people, their pets, and our planet. This purpose unites Colgate-Palmolive People all around the world and energizes our sustainability efforts.

The world looks to Colgate for health and hygiene products to enable the well-being of their families and cleaner, greener living. We leverage the power and potential of science, purposeful packaging and long-trusted brands to build a brighter future for people around the world. For Colgate, our company purpose and the value of our products are directly tied to how well we execute on sustainability. Especially now, as we focus on our health and homes in the face of the [COVID-19 pandemic](#), the implications of our actions on Climate and Waste is that much more important and the call to action even louder.

Highlighted in this report are the recent steps we have taken toward building a healthier planet:

### **Increasing Recyclability**

Colgate introduced a first-of-its kind recyclable toothpaste tube and is openly sharing our innovation with other companies. We're also educating packaging and recycling stakeholders to gain acceptance for the tube. We're ready for the work ahead to transform one of the most widely used forms of plastic packaging that until now could not be recycled.

### **Decreasing Waste, Emissions at Manufacturing Centers**

As of 2019, a total of 16 Colgate manufacturing facilities on four continents have achieved TRUE Zero Waste certification from the U.S. Green Building Council. That's more facilities in more regions than any other company, and the list grows year after year. Our Burlington, N.J. flavors facility is the first in the world to achieve LEED Zero certification not just for waste, but also for carbon, energy and water. A four time winner!

## Saving Water

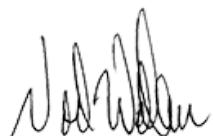
Since its 2016 launch, our 'Save Water' program to encourage conservation has helped avoid the use of an estimated 99 billion gallons of water. Less water also means less energy usage and a reduction of an estimated 5.5 million metric tons of greenhouse gas emissions. During Climate Week at the United Nations, Colgate hosted a panel discussion to share our learnings and further gain support for water conservation. Recognizing that people use water to brush their teeth, wash their bodies and clean their homes, we continued our public awareness campaign to inform consumers and encourage daily habit changes to preserve this natural resource.

Colgate People are proud that we're a leader in these and other areas. And we know it's important to the people we serve. The new Responsibly Made icon on our packaging shows consumers that our products are made at Colgate-Palmolive facilities that are increasing energy and water efficiency, driving towards zero waste, striving for no workplace accidents, and adhering to ethical labor practices.

Our leadership is being recognized. We're now listed as a leader within the UN Global Compact—the world's largest corporate sustainability initiative. We were named to both the 2019 Dow Jones Sustainability World and North America Indices and for the first time ever was the Household Industry Sector Leader. Most recently, Colgate received a 2020 U.S. EPA Energy Star Partner of the Year Award for the 10th consecutive year.

Colgate People care, and we are more determined than ever to innovate and make products that bring greater health and wellness to people, their pets and our planet. We are working hard with our partners – customers, suppliers, NGOs, academics and governments – to make faster progress for the greater good and a brighter and more sustainable future for all.

Together, we will.



Noel Wallace  
Chairman, President & CEO

# What's New

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## NEW: Recognized for Our Sustainability Commitments

Discover the latest news on how Colgate has been recognized for our sustainability leadership, commitments and progress.



### 2020 ENERGY STAR® Partner of the Year:

Colgate was named a 2020 ENERGY STAR® Partner of the Year for the 10th consecutive year and has received the Sustained Excellence Award for our continued leadership and superior contributions to ENERGY STAR.



### Named Industry Leader:

For the third year in a row, Colgate-Palmolive was named to the 2019 Dow Jones Sustainability Indices. For the first time, Colgate was named Household Products Industry Sector Leader.



### A First for the World:

Colgate's Burlington, New Jersey, manufacturing facility was the first site in the world to achieve LEED Zero certification by the U.S. Green Building Council for net zero carbon, energy, water and waste.



### Fostering Disability Inclusion:

Disability:IN named Colgate one of the "Best Places to Work for Disability Inclusion," recognized as part of the 2019 Disability Equality Index. The evolving index scores companies on their disability policies and practices.



### Advancing Women of Diverse Backgrounds to Leadership Roles:

Diversity MBA named Colgate-Palmolive a Best Place for Women & Diverse Managers to Work.



### Among the World's Most Ethical:

For the 10th year in a row, Colgate-Palmolive was named one of the World's Most Ethical Companies for 2020 by Ethisphere, a global leader in defining and advancing the standards of ethical business practices.

### First-of-its-kind:

Colgate's design for a first-of-its-kind recyclable toothpaste tube was the first to be recognized by the Association of Plastic Recyclers—an important step toward reaching our goal of 100% recyclable packaging by 2025.

### Winning with Water:

Colgate-Palmolive's Save Water campaign at Walmart won a Silver Effie Award in the Single-Retailer Program: Mass Merchants Category

### UN Global Compact LEAD:

The UN Global Compact—the world's largest corporate sustainability initiative—designated Colgate a LEAD Company for our commitment to its Sustainable Development Goals.

### Recognized for Recycling:

The Association of Plastic Recyclers, a leading international trade association representing the plastics recycling industry, presented Colgate with a "Showcase Award" for our creation of the first recyclable dish soap packaging, Palmolive Oxy.

### Helping Working Parents Succeed at Home and Work:

We were recognized by Working Mother magazine as a 100 Best Company, and a Best Company for Multicultural Women.

### Helping Women Climb the Corporate Ladder:

In 2020, the National Association for Female Executives (NAFE) named Colgate-Palmolive a Top Company for Executive Women, for the 17th consecutive year earning this recognition.

# Colgate 2025: Our Strategy for The Future

As we embark upon a new decade, Colgate is presented with tremendous opportunities and new challenges in the area of sustainability. We begin this new decade with great momentum and a sense of accomplishment as we finish the last year of our 2015 to 2020 sustainability strategy. We are now determined to position ourselves for further growth and are setting our sights on something even bigger as we announce our 2025 Sustainability & Social Impact Mission, our 3 Key Ambitions, and several new important Actions & Targets. We will be sharing more soon.



## 2025 Sustainability & Social Impact Mission

At Colgate-Palmolive, we are really proud that Colgate is in more homes than any other, so we can and we will create a healthier, more sustainable future for all.

### Key Ambitions

#### DRIVING SOCIAL IMPACT

We are committed to ensuring the wellbeing of those we serve, building a culture of inclusivity and creating meaningful opportunities for all people to succeed inside and outside Colgate.

#### HELPING MILLIONS OF HOMES

We are empowering people to develop healthier habits by choosing sustainable products that improve their lives and homes from oral and personal care to pet nutrition and home care.



#### PRESERVING OUR ENVIRONMENT

We are accelerating action on climate change and reducing our environmental footprint, working with our partners and operations to eliminate waste, decrease plastic usage, save water and conserve natural resources.

# Building a Future to Smile About

## 2015 to 2020 Strategy

Colgate's 2015 to 2020 Sustainability Strategy maintains our emphasis on People, Performance and Planet with focused, measurable goals that align with the Company's business objectives.

### Helping Colgate People and Their Families Live Better

#### WE WILL:

- Continuously improve employee health and reduce health risks by 15%<sup>(1)</sup>
- Encourage healthier living for Colgate People and their families
- Ensure a safe and healthy work environment with a goal of zero lost-time incidents
- Provide education and tools to Colgate People to elevate financial awareness and planning

### Contributing to the Communities Where We Live and Work

#### WE WILL:

- Expand Bright Smiles, Bright Futures™ program to reach 1.3 billion children
- Invest in the improvement of health, education, and environment for thousands of people in communities around the globe
- Partner with animal shelters to help over 2 million dogs and cats find homes
- Reach 60 million people annually with handwashing education
- Expand Colgate Cares Day globally to be a leader in volunteerism

### Delighting Consumers and Sustaining Our World With Our Brands

#### WE WILL:

- Improve the sustainability profile in our new products and product updates<sup>(2)</sup>
- Commit \$250 million to drive sustainability with breakthrough product and process innovation
- Increase the recyclability of our packaging and increase recycled content to 50%<sup>(3)</sup>
- Have a positive impact by expanding access to affordable health and wellness products for millions of people in underserved communities
- Use the power of our brands to build awareness and drive engagement in product sustainability

## Making Every Drop of Water Count

### WE WILL:

- Reduce our manufacturing water intensity by half compared to 2002
- Replenish water withdrawn in highly stressed regions
- Increase supplier participation in our water stewardship program
- Partner with local and global organizations to bring clean water to underserved areas of the world
- Promote water conservation awareness to all our global consumers

## Reducing Our Impact on Climate and the Environment

### WE WILL:

- Responsibly source forest commodities to reach zero net deforestation
- Promote use of renewable energy and reduce absolute greenhouse gas emissions from manufacturing by 25% compared to 2002
- Reduce our manufacturing energy intensity by one-third compared to 2002
- Halve our manufacturing waste sent to landfill per ton of product compared to 2010, working toward our goal of “Zero Waste”
- Partner with key suppliers, customers and consumers to reduce energy, greenhouse gas emissions, and waste

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<sup>(1)</sup> 15% risk reduction will be measured considering a 2013 baseline, using the Global Health Risk Assessment tool, available to countries with 100 or more employees.

<sup>(2)</sup>The performance results will be based on representative new products and product updates evaluated against comparable Colgate products, considering a 2015 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

<sup>(3)</sup> Packages meeting all three criteria are considered recyclable: 1) the package is made of a material that is widely accepted for recycling, 2) the package can be separated into material(s) that can be recycled, and 3) the package material can be reprocessed into a preferred valuable feedstock.

# 2019 At A Glance

Colgate People around the world are coming together to align behind our sustainability commitments and continue to make progress. Below are some highlights and accomplishments of our progress over the past year.

## People

- Reached over **1.2 billion** children with oral health education since 1991 through our Bright Smiles Bright Futures program
- Colgate People achieved **23 million** Healthy Activity Minutes
- More than **1.5 million** people reached with handwashing education in 2019
- Supplier Responsible Sourcing Assessments program in 2019 assessed more than **80%** of our “at risk” spend
- More than **11 million** pet adoptions since 2002 through our Hill’s Food, Shelter & Love™ program
- With a continued emphasis on foundational health and safety programs and critical risk management, in 2019, Colgate had the lowest number of recordable and lost work day accidents in our Company’s history.

## Performance

- To date, our Save Water program has helped avoid using an estimated **99 billion** gallons of water and an estimated **5.5 million** metric tons of greenhouse gas emissions.<sup>(1)</sup>
- Through our partnership with TerraCycle, more than 54,000 locations engaged in recycling, helping us divert nearly **9 million** pieces of oral care waste from landfills
- Improved the sustainability profile of over **99%** of new products and product updates<sup>(2)</sup>
- Approximately **43%** of our packaging materials by weight are from recycled sources
- Approximately **83%** of our packaging is recyclable (personal care, home care, and pet nutrition)
- **54%** of scientists at Colgate are women

## Planet

- **450,000** people reached with water and sanitation and/or health and hygiene education since 2013
- **46%** reduction in water use per ton of product manufactured versus 2002<sup>(3)</sup>
- **41%** reduction in waste sent to landfill per ton of product manufactured versus 2010<sup>(3)</sup>
- **30%** reduction in greenhouse gas emissions versus 2002
- **31%** reduction in energy intensity versus 2002<sup>(3)</sup>
- **70%** of palm oil, palm kernel oil and palm oil derivatives purchases are certified
- To date, **11** Colgate manufacturing facilities have achieved GBCI TRUE Zero Waste certification

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<sup>(1)</sup> Estimated through delivered impressions on earned and social media, television and online video.

<sup>(2)</sup>The performance results will be based on representative new products and product updates evaluated against comparable Colgate products, considering a 2015 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

<sup>(3)</sup> Subject to final verification by a third-party auditor.

# 2020 Sustainability Commitments Progress

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Highlights of the progress we made on our sustainability commitments this year are described below. Colgate was named to both the 2018 Dow Jones Sustainability World and North America Indices, was recognized as a U.S. EPA ENERGY STAR 2018 Partner of the Year for the 8th year in a row, and was named to the CDP Supplier A List in 2018. Read further to learn more about the progress we have made on Colgate's Sustainability Strategy.

## People

### Helping Colgate People and Their Families Live Better

- In 2018, the Global Health Risk Assessment (HRA) tool was available in 50 countries, providing access to 60% of Colgate's workforce. The HRA tool helps Colgate employees self-evaluate health status and understand health risks and provides confidential feedback to motivate behavioral change.
- In each of the past six years, more than 60% of Colgate employees participated in our Global Healthy Activity Challenge. In 2018, employees logged 26 million minutes of healthy activity.
- Colgate is working to support employees in their effort to be financially secure at every stage of their lives. Employees in more than 100 countries now have access to a financial wellness toolkit, available in seven languages.

### Contributing to the Communities Where We Live and Work

- Colgate's Bright Smiles, Bright Futures® (BSBF) is our flagship oral health education program, reaching children in more than 80 countries. In 2018 we passed an extraordinary milestone: since the program was established in 1991, we have reached one billion children and their families with free dental screenings and oral health education.
- Since 2002, Hill's Food, Shelter & Love™ program has provided more than \$290 million in pet food to more than 1,000 pet shelters and helped more than ten million pets find their forever homes across North America.

- Colgate is working with public health officials, academia and local schools and clinics to educate millions of children and their families about the health and hygiene benefits of handwashing with soap. Colgate teaches handwashing as part of our BSBF program. Building the steps for proper handwashing into the oral care component of BSBF, the program creates shared value for both Colgate and society, helping to improve health outcomes while building brand awareness for and the reputation of Colgate's Protex soap brand.

## Performance

### Delighting Consumers and Sustaining Our World With Our Brands

- 96% of the products evaluated with Colgate's Product Sustainability Scorecard were determined to be "more sustainable," showing an improvement in at least one of the following areas: responsible sourcing and raw materials, energy and greenhouse gases, water, waste, ingredient profile, packaging and social metrics.<sup>(1)</sup>
- Colgate has made great strides in its commitment to improving the sustainability profile of our products by eliminating the use of microbeads, phthalates, and parabens as ingredients. In 2018, we have proactively eliminated the use of triclocarban, globally, and all chromium-containing pigments from our products. We no longer manufacture products containing triclosan as of the second quarter 2019.
- Approximately 43% of our packaging materials by weight globally now come from recycled sources and approximately 83% of our packaging is considered recyclable. We have removed 99% of PVC from our packaging and plan to completely eliminate it in 2019.
- At Colgate, we believe in sharing what goes into our products so that consumers can make the best decisions about what is right for them and their families. That's why we are proud to embrace [SmartLabel](#), a digital platform that goes beyond the label to put the power of information in consumers' hands. Consumers can simply scan the barcode on Colgate-Palmolive products or visit SmartLabel website to find information on product allergens, sourcing, sustainability, ingredients and more.

## Planet

### Making Every Drop of Water Count

- In 2018, Colgate reduced water use per ton of production by nearly 46% vs. 2002, avoiding enough water use to fill 250 billion glasses of water.<sup>(1)</sup>
- Colgate continues to scale up our Save Water campaign globally to promote water conservation awareness with on-package messaging, in-store communications and social media and through a partnership with the Nature Conservancy in the United States.
- Colgate's contributions to the Water For People's Everyone Forever program helped the organization reach more than 450,000 people since 2013 with water, sanitation systems and/or health and oral hygiene education in Guatemala, Peru and India.

### Reducing Our Impact on Climate and the Environment

- Colgate continues to reduce its absolute greenhouse gas emissions. So far, we have reduced our absolute greenhouse gas emissions by approximately 30% compared to 2002.<sup>(2)</sup>
- Working towards the Company's goal of "Zero Waste," Colgate has reduced the amount of waste per ton of production sent to landfills by nearly 41% since 2010.<sup>(2)</sup>
- Colgate continues to make progress on its commitment to mobilize resources to achieve zero net deforestation by 2020 as stated in our policy on No Deforestation.

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<sup>(1)</sup>The performance results are based on representative products from the product portfolio evaluated against comparable Colgate products across three impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

<sup>(2)</sup>Subject to final verification by a third-party auditor.

# UN Global Compact and SDGs

## UN Global Compact and Sustainable Development Goals

Colgate-Palmolive supports the Sustainable Development Goals (SDGs). The table below shows how initiatives described in each section of this report addresses specific UN SDGs.

<b>SUSTAINABLE DEVELOPMENT GOALS</b>	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
<b>SUSTAINABLE DEVELOPMENT GOALS</b>	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH
<b>✓ EXECUTIVE SUMMARY</b>								
BUSINESS STRENGTH					✓	✓		
GOVERNANCE AND BUSINESS INTEGRITY			✓		✓	✓		
<b>✓ PEOPLE</b>								
SUPPORTING COLGATE PEOPLE	✓		✓	✓	✓	✓		
EMPLOYEE HEALTH AND WELLNESS & OHS		✓		✓	✓			
OUR COMMITMENT TO UNIVERSAL HUMAN RIGHTS	✓			✓	✓	✓		
ORAL AND HANDWASHING EDUCATION		✓	✓	✓	✓			
<b>✓ PERFORMANCE</b>								
CONSUMER DRIVEN INNOVATION		✓			✓	✓		
PRODUCT SUSTAINABILITY		✓	✓	✓	✓	✓	✓	✓
DELIVERING SAFE AND SUSTAINABLE INGREDIENTS			✓		✓	✓	✓	✓
DELIVERING MORE SUSTAINABLE PACKAGING		✓	✓		✓		✓	✓
<b>✓ PLANET</b>								
OUR COMMITMENT TO NO DEFORESTATION						✓	✓	✓
OUR CLIMATE COMMITMENT		✓		✓	✓	✓	✓	✓
MAKING EVERY DROP OF WATER COUNT		✓		✓	✓	✓	✓	✓
WORKING TOWARDS ZERO LANDFILL AND REDUCING CONSUMER WASTE COMMITMENT		✓			✓	✓	✓	✓
COMMITMENT TO SUSTAINABLE BUILDINGS		✓			✓	✓	✓	✓

# Company Profile

Founded in 1806, Colgate-Palmolive Company is a publicly traded consumer products company with \$15.7 billion of worldwide net sales in 2019, serving people around the world with well-known brands that make their lives healthier and more enjoyable.

## Operations

Colgate operates in more than 80 countries, and our products are marketed in more than 200 countries and territories. Approximately 34,500 Colgate employees drive our success. Headquartered in New York City, Colgate operates through six divisions around the world: North America, Latin America, Europe, Asia Pacific, Africa/Eurasia, and Hill's Pet Nutrition. The Company has more than 50 manufacturing and research facilities globally. The vast majority of Colgate products are manufactured in Colgate-owned facilities. Colgate also has an extensive supply chain consisting of thousands of suppliers of raw and packing materials, manufacturing operating supplies, capital equipment, and other goods and services.

## Colgate Brands

Colgate is a leading global consumer products company, focused on Oral Care, Personal Care, Home Care, and Pet Nutrition. Colgate manufactures and markets its products under trusted brands such as Colgate, Palmolive, elmex, Tom's of Maine, Sorriso, Speed Stick, Lady Speed Stick, Softsoap, Irish Spring, Protex, Sanex, EltaMD, PCA Skin, Ajax, Axion, Fabuloso, Soupline and Suavitel, as well as Hill's Science Diet, Hill's Prescription Diet.

## Business Strength

We remain sharply focused on our key priorities—driving organic sales growth, maximizing productivity across the income statement, effective deployment of cash flow and leading to win in order to drive sustainable, profitable growth worldwide over the long term. To read more, see our [annual report](#).



# Sustainability Management

Sustainability is integrated into Colgate's business model and aligned with our core values: Caring, Global Teamwork and Continuous Improvement. Our sustainability efforts help ensure our business grows consistently and responsibly, benefits those we serve and promotes the well-being of future generations.

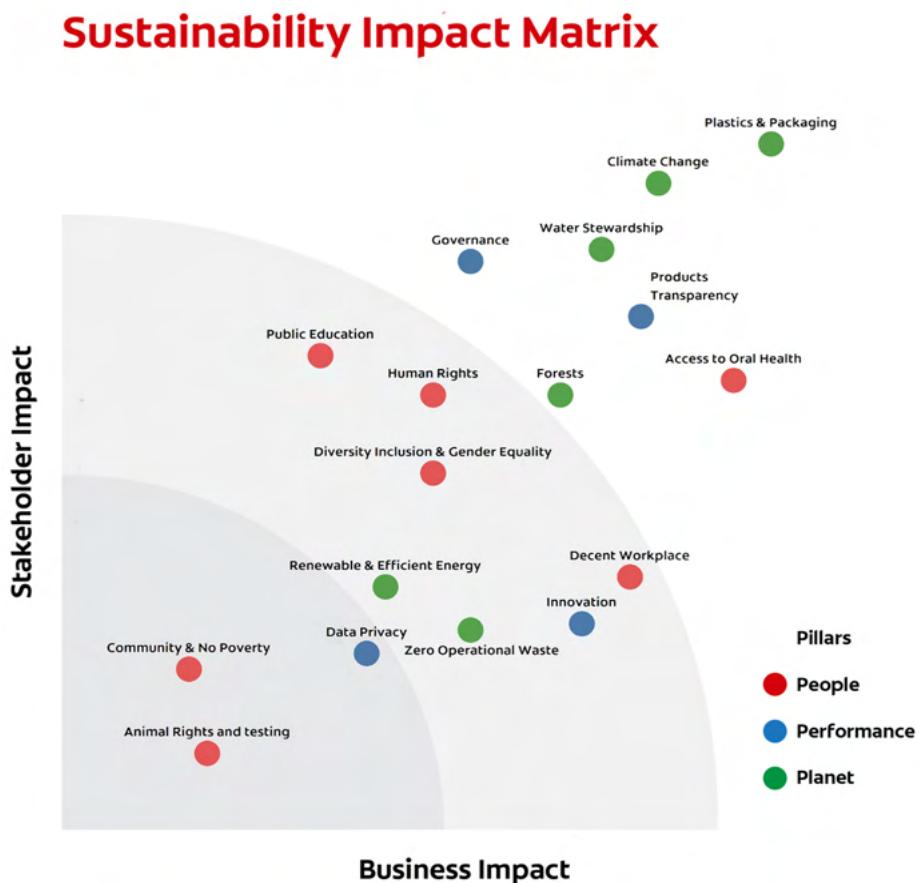
## Materiality Approach

In order to further refine and build upon Colgate's sustainability strategy, in 2019, Colgate conducted a Stakeholder versus Business Impact assessment. This assessment is recognized by the Global Reporting Initiative (GRI) as a Materiality assessment. We refer to this as a Sustainability Impact Assessment<sup>(1)</sup>.

In 2019, we updated our Sustainability Impact Assessment to meet the expectations of our external stakeholders and to help inform our business decisions. To do so, we first created an extensive list of sustainability-related issues by examining a large number of internal and external sources including the United Nations Sustainable Development Goals (UNSDGs), Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), Environmental, Social, and Governance rating tools (Dow Jones Standards Indices (DJSI), CDP, Institutional Shareholder Services (ISS), Just Capital, Sustainalytics and Morgan Stanley Capital International (MSCI)), peer reviewed scientific research, industry reports, consumer insights data and employee feedback.

We then assessed the interrelations between these sustainability-related topics and our business through the lenses of risks and opportunities. By conducting a large employee survey, we asked our employees where Colgate can make the biggest impact. We held in-depth interviews with Colgate subject matter experts and function leads to align our findings with business priorities and analyzed

data from our consumers to identify moving trends in the market. As a result, we have developed the "Sustainability Impact Matrix" presented below.



The matrix above shows our key sustainability issues, categorized by the impact on our stakeholders and our business in alignment with our three sustainability pillars, People, Performance and Planet. These issues also intersect with the following GRI Standards and define the content of this report: Economic Performance, Materials, Energy, Water, Emissions, Effluents and Waste, Products and Services, Compliance, Transport, Environmental Health and Safety, Training and Education, Diversity and Equal Opportunity, Local Communities, Public Policy, and Service Labeling.

Colgate is managing risks and opportunities related to these issues through the implementation of our 2015 to 2020 Sustainability Strategy. Through our Enterprise Risk Management process, we are focused on the environmental and social impact risk of plastic waste, climate change and water scarcity and

access. These same issues also provide an opportunity to drive innovation and growth, strengthen brand reputation and demonstrate our commitment to responsible business practices. Additional detail on each of the issues and our actions to address them is provided throughout the content of the website.

As reflected in the Risk Factors identified in our 2019 Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q, Product Stewardship, Climate Change and Water, Plastic and Energy Use are among our top sustainability risks.

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<sup>(1)</sup>This report reserves the term “materiality” only to address issues that are deemed material from the point of view of the U.S. Securities and Exchange Commission (SEC). Topics that are important from a sustainability point of view in relation to our business, as defined in the GRI Guidelines and other reporting frameworks, are listed under the Key Sustainability Issues section. As a publicly traded company, Colgate files required reports with the U.S. Securities and Exchange Commission (SEC). Our 2019 Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q highlight risks material to an investment in the Company’s securities, including, but not limited to, those relating to sustainability, namely: volatility in commodity prices; changes in regulatory requirements relating to ingredients in our products; changes in policies or practices of retail trade partners, such as with respect to the environment or sustainability; damage to our reputation relating to environmental impacts or other sustainability issues; disruption to our global supply chain or key office facilities by environmental events; disruptions in logistics; damage from industrial accidents or other occupational health and safety issues; losses caused by natural disasters, including climate events; the impact of epidemics, pandemics and other widespread health concerns, including COVID-19; and the adverse impact of climate change. Refer to “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2019 and Part II, Item 1A of subsequent Quarterly Reports on Form 10-Q for the material risks relating to an investment in our securities.

# Stakeholder Engagement

Colgate strives to create and maintain transparent communication with a wide variety of stakeholders. Our sustainability commitments and goals are developed with the input from our stakeholders, and we continue to engage with stakeholders to inform our sustainability strategy. As part of our new prioritization assessment, we have expanded the reach and methods of our stakeholder engagement, improved our feedback mechanisms through an employee survey, introduced new internal engagement tools, such as MindSpark and LinkedIn-Elevate, and encouraged direct feedback from our employees. Additionally, we have established a cross-functional team to continuously monitor our external stakeholders in different areas and discuss how we can best engage with them on an ongoing basis. Colgate's main stakeholder groups and examples of our engagement approach with respect to sustainability are outlined below. Read more on Colgate's partnerships and details on our engagement.

STAKEHOLDERS	METHOD OF ENGAGEMENT
Our employees	Frequent internal communication, employee engagement surveys, digital engagement tools (MindSpark & LinkedIn-Elevate), geographic sustainability teams, internal subject matter experts, quarterly sustainability steering team reviews
Our consumers	Integrated marketing communications including those addressing “brand purpose,” ongoing consumer dialogue, consumer surveys, social media postings
Our retail customers & partners	Ongoing sustainability network groups, sustainability surveys, trade partner supplier expectations
Our peers and suppliers	Peer benchmarking annually via Consumer Goods Forum (CGF) membership, supplier engagement meetings, assessments and disclosure requests
Our shareholders and investor groups	Direct inquiries and feedback on an ongoing basis, face-to-face meetings, investor conferences
Government and regulatory bodies	Ongoing monitoring of regulatory activity relevant to Colgate, face-to-face meetings
Non-governmental	Quarterly direct inquiries and feedback, face-to-face meetings, participation in boards,

<b>associations</b>	advisory councils and partnership programs, reporting and disclosure expectations
<b>Industry trade associations</b>	Ongoing participation in sustainability steering and working groups
<b>Local communities and community groups</b>	Direct inquiries and feedback, face-to-face meetings annually
<b>Media</b>	Direct inquiries and feedback

## About this Report

We recognize that transparency is important and provides a window into the Company's performance on sustainability. Colgate provides the sustainability information relevant to a broad range of stakeholders, including consumers, customers, investors, non-governmental organizations (NGOs), and our own employees.

Colgate acknowledges the importance of data verification and is obtaining third-party assurance for our primary environmental and social Key Performance Indicators: percentage of products with an improved sustainability profile; number of zero-waste certified sites; manufacturing carbon reduction per ton (of production); manufacturing energy reduction per ton (of production); manufacturing water consumption per ton (of production); waste-to-landfill per ton (of production); outbound logistics carbon per ton (of goods shipped); number of hours worked; number of lost-time incidents; number of recordable incidents and number of occupational fatalities.

In this report and other channels, Colgate discloses information on our sustainability progress and responds to several rating organizations, including CDP Climate, CDP Water, CDP Forest and CDP Supply Chain, RobecoSAM (to inform the Dow Jones Sustainability Index rankings), JUST Capital, MSCI and Sustainalytics. Colgate's sustainability information and the KPI table annexed also informs various ESG data sources including the Bloomberg Terminal.

Unless otherwise indicated, this report includes environmental, health and safety data from 100 percent of Colgate's manufacturing sites and technology centers around the world, but does not include data from

contract manufacturers.<sup>(1)</sup> Certain information relates to our broader value chain. Supplier Responsible Sourcing Assessment program data includes selected contract manufacturers, warehouses and suppliers; our greenhouse gas and water footprints include additional data from upstream and downstream in our value chain and progress on our Policy on No Deforestation includes selected suppliers. Financial information is presented on a consolidated basis and in U.S. dollars (see Business Strength). The report provides data for Colgate's fiscal year 2019 along with historical information and more recent updates where indicated. We issue our Sustainability Report on an annual basis; our previous report focused on fiscal year 2018.

This report has been prepared in accordance with the GRI Standards: Core option. The alignment of this year's report to the new framework can be found in our GRI Content Index. There are no significant changes in the scope of our report or the key sustainability issues identified. Please see our 2019 GRI Content Index for more details.

For inquiries, please visit [Colgate's Consumer Affairs](http://Colgate's Consumer Affairs) site at [www.colgate palmolive.com](http://www.colgate palmolive.com).

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#### *Cautionary Statement on Forward-Looking Statements*

This report, including our 2015 to 2020 Sustainability Strategy, contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission (SEC) in its rules, regulations and releases. These statements are made on the basis of Colgate's views and assumptions as of this time, and Colgate undertakes no obligation to update these statements except as required by law. Colgate cautions investors that such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from these statements due to a number of factors. For information about factors that could impact Colgate's business and cause actual results to differ materially from these forward-looking statements, please refer to our filings with the SEC, including the information set forth under the caption "Risk Factors" in Colgate's [Annual Report on Form 10-K](#) for the year ended December 31, 2019 and subsequent [Quarterly Reports on Form 10-Q](#).

<sup>(1)</sup>Although Colgate does not include the local operating results of CP Venezuela and CP Pakistan in its Consolidated Financial Statements, data from these locations are included in the calculations in this report. Recent acquisitions of our skin health and oral care businesses, PCA Skin, eltaMD, Filorga and hello are not included in calculations referenced throughout this report, but they are consolidated for financial reporting.

# Governance

## Colgate's Governance Principles

Colgate's Board believes that good corporate governance accompanies and greatly aids Colgate's long-term business success. Colgate's key strategic business priorities are growing sales through engaging with consumers, developing world-class innovation and working with retail partners; driving efficiency on every line of the income statement to increase margins; generating strong cash flow performance and utilizing that cash effectively to enhance total shareholder return; and leading to win by staying true to the Company's culture, developing Colgate people and focusing on all of its stakeholders. Colgate's Board has been at the center of these key strategies, helping to design and implement them, and seeing that they guide the Company's operations. The Board believes that the Company has consistently been at the forefront of good corporate governance. Reflecting its commitment to continuous improvement, the Board reviews its governance practices on an ongoing basis to ensure that they promote shareholder value. To learn more, visit the [Governance section](#) on Colgate's website.

## Sustainability Governance

Sustainability Steering Committee composed of Colgate's Senior Vice President and Chief of Staff; President, North America & Global Sustainability; Chief Sustainability Officer; Chief Technology Officer; Chief Human Resources Officer; Vice President, Global Compensation and Benefits; Chief Marketing Officer; Chief Communications Officer; Chief Legal Officer and Secretary; and Chief Supply Chain Officer makes strategic decisions related to sustainability and guides the organization to meet sustainability goals. Colgate's Chief Sustainability Officer has direct responsibility for implementing sustainability and EHS programs. For our annual corporate social responsibility report, the Global Sustainability team gathers the content cross-functionally and the Sustainability Steering Committee reviews the final report content.

Additionally, networks of senior leaders in each division and local champions support on-the-ground sustainability efforts, communications, and reporting. Global functions, such as Human Resources, Packaging, Procurement and Technology, coordinate certain aspects of the program where global consistency is appropriate. Moreover, to integrate sustainability tracking and disclosures into our business strategy, operations and employee review process, Colgate's global sustainability initiatives have been added to team goals and individual objectives used to determine the compensation for many of Colgate's senior managers.

Colgate's Board of Directors is kept informed of the Company's progress via regular updates and considers sustainability matters, risks, and opportunities in decision-making. Sustainability is considered a critical risk as part of our Enterprise Risk Management process. Additionally, Colgate's Chief Financial Officer provides the Audit Committee of the Board of Directors with an update on the Company's Enterprise Risk Management Program. The Personnel and Organization Committee of the Board reviews the Company's sustainability and social responsibility programs and other public interest matters, including cultural diversity, equal opportunity, charitable giving, and international human rights. Please visit [Colgate's Policy Statements](#) for a complete listing.

## **Business Integrity**

Colgate is committed to doing business with integrity and respect for all people and for the world around us. With governance and ethics principles embedded into Company culture as well as standards supporting the well-being of all Colgate people, Colgate ensures its business success goes hand-in-hand with business integrity.

## **CODE OF CONDUCT AND GLOBAL BUSINESS PRACTICES GUIDELINES**

Since 1987, our Code of Conduct has served as a guide for our daily business interactions, reflecting our corporate values and our standard for ethical behavior. Our Code of Conduct is available in 40 different languages. One hundred percent of salaried and clerical Colgate people participate in annual training and certification on the Code of Conduct. Factory workers certify annually and complete training every other year. Our audit firm, PricewaterhouseCoopers LLP, audits a cross-section of these certifications. Colgate's Global Business Practices Guidelines provide further information to our employees on key topics in our

Code of Conduct. The Guidelines offer clear, practical guidance and illustrate how the values and principles outlined in the Code of Conduct apply to particular business situations. Refer to our [Business Practices Guidelines](#) for a full list of topics addressed.

The Colgate EthicsLine provides a means for employees and external parties to ask questions, obtain guidance or report any suspected violations of the Code of Conduct. We work to create a workplace free of inappropriate or unlawful behavior in which people are encouraged to share their concerns with the Company without fear of retaliation. Consequently, at Colgate no adverse action will be taken against any employee, former employee, agent, or third party for complaining about, reporting, participating in or assisting in the investigation of a suspected violation of the Company's Code of Conduct, Company policy or applicable law unless the allegation made or information provided is found to be intentionally false or was not made in good faith.

All reporting activity provided when Colgate People "Speak Up" is reviewed and, if deemed to be a potential violation of the Code of Conduct, the matter is promptly and thoroughly investigated by Global Ethics & Compliance and/or the Global Legal Organization.

In 2019, Ethics and Compliance received 422 contacts through a variety of channels including the EthicsLine, Ethics web tool and [ethics@colpal.com](mailto:ethics@colpal.com), which covered a wide variety of reporting activities including 57 consultations. Allegations reported to Ethics and Compliance, are grouped into the following categories: Accounting related, Conflict of Interest, Discrimination; Financial-related; Harassment; Regulatory and Legal Retaliation; Work Environment; Miscellaneous Issues ("Other"); and non-Ethics and Compliance matters. After a thorough investigation has been completed, if the allegations are substantiated, appropriate remedial action is taken.

Our Business Practices Guidelines illustrate how the values and principles outlined in the Colgate-Palmolive Code of Conduct apply to particular business situations. Our guidelines detail not only Colgate-Palmolive policies but also our Company's compliance with specific laws, regulations and practices.

For more information on all of the above, visit [Colgate's Ethics & Compliance Guidelines](#).

# Our People

Learn about the progress we've made on our 2020 Sustainability People Commitments in 2019.

## Supporting Colgate People

Supporting Colgate People is the most important driver of our business success. As such, Colgate is committed to helping our people reach their professional and personal goals, offering an array of resources to help expand their professional and personal horizons: from providing career opportunities, access to world-class learning and leadership development programs, wellness initiatives, and opportunities to contribute to the communities where we work and live. Through these programs, Colgate helps employees stay engaged, rewarded, and focused on delivering products and services that exceed our consumers' expectations.



## Our Approach

We support all Colgate employees to perform at their fullest potential and recognize the important role organizational diversity and inclusion plays in our global success. We work to attract and retain talented individuals who lead with integrity. We align the work of our people to our global strategy through individual and team goals. Our Performance Management process fosters coaching and feedback and ensures that people are focused on the right priorities to drive growth. Our strong learning curriculum reaches all functions worldwide, with 3,000 certified Colgate instructors and more than 300 courses relating to functional areas of expertise, ethics and compliance, and leadership. We continue to support

our internal coaching initiatives to help build a coaching culture where people feel comfortable teaching others and learning through honest development conversations.

We are constantly finding new and innovative ways to communicate our employer brand to strengthen our talent attraction efforts and to share our value proposition with the global talent pool. Communicating a consistent, global message about who we are as an employer helps us to attract potential candidates that share our values and vision. It also helps our current employees feel proud about where they work, ultimately improving workplace fulfillment and productivity.

## **Building a Future to Smile About**

### **DIVERSE EXPERIENCES**

We are truly global. Our diverse perspectives, work experiences and cultures make us strong. We work with our global colleagues across borders, boundaries and functions to learn, grow, and win together.

### **COLLABORATION**

We work together globally, to perform at our best locally, always with unwavering integrity. Colgate People welcome each day as an opportunity to improve on the last by building trust with one another and sharing new ideas.

### **AUTHENTICITY**

Our work environments encourage everyone to participate and be their authentic selves. Our caring culture fuels a passionate workplace that drives innovation and our enduring success.

### **WHO WE ARE**

- TRULY GLOBAL
- FORWARD THINKING
- TEAM PLAYERS
- CARING
- CONSUMER FOCUSED
- COLLABORATIVE
- PURPOSE-DRIVEN
- TRUSTWORTHY
- DIVERSE

Our social media framework strengthens Colgate's employer branding and digital presence, resulting in the increase of our talent community and a healthy candidate pipeline. More than 2.3 million people visited our job portal in 2019 and an increasing number engage with us on social platforms like LinkedIn, Glassdoor, and Facebook.

As a truly global company, our diverse backgrounds enable us to respond to the needs and aspirations of the billions we serve worldwide. We strive to ensure that we maintain a focus on diversity and minority recruitment to reflect internally the communities in which we live and work. By doing so, innovation is driven through a diverse set of ideas, approaches and backgrounds and through engaging with various affinity groups and diversity organizations.

## **Building a Coaching Culture**

In 2019, we continued our focus on building a coaching culture by partnering with BetterUp, a leading provider of virtual coaching. BetterUp Coaching provided 200 Colgate leaders with personalized support that helps broaden and deepen the skills for success and accelerate individual effectiveness and development.

In 2018, one of our goals was to improve the quality of decisions for better performance and greater diversity and inclusion company-wide. To help Colgate People make more informed, effective and confident decisions about people and business, we launched the “DECIDE: The Neuroscience of Breaking Bias” program. In 2019, 2,500 managers globally completed the “DECIDE” program and are now using the strategies to mitigate biases. We are committed to having all Colgate People managers participate and to share their learning with their teams.

## **Creating a Continuous Learning Environment**

We continue to transform our learning strategy to better meet the evolving expectations of the modern workforce and create a continuous learning culture. Our focus is to develop the strategic organizational capabilities that will drive current and future growth for Colgate by offering learning experiences that are closely aligned to our business strategy. A continuous learning culture at Colgate is where Colgate People learn through being curious, through the coaching of their leaders, from reverse mentoring programs and through collaborating and sharing with each other. It is where Colgate People learn through experimentation, external partnerships and through the various roles and experiences they have throughout their diverse careers.

One of the key initiatives includes digital transformation. We believe in technology and people. We have a learning experience platform called Mindspark, a portal through which Colgate People access multi modalities of content including structured, mandatory, functional and curated content. Colgate People have completed a total of 455,000 pieces of internal and external content (including mandatory training) with an average monthly

consumption of 22,000 pieces of content. On average, 40% of employees consistently accessed and actively utilized Mindspark for digital learning in 2019.

In April 2019, we launched Metrics that Matter (MTM), our online survey analytics platform. This platform is key in our journey of understanding how learning is impacting our people and their behaviors. Colgate closely aligns business needs with learning performance and provides a variety of learning formats and content. The average learning satisfaction of all Colgate courses has always exceeded industry average with a favorable 66%, with 74% of the learning content judged to be applicable, critical and engaging. With Mindspark and MTM, Colgate continues to drive better learning experiences for all Colgate People and promotes a learning culture that we can smile about.

### *Engaging Employees*

In 2016, we launched “Colgate Connect,” a global survey to assess key drivers of employee engagement at Colgate. We partnered with an industry-leading vendor to develop the survey, build robust reporting and analytics capabilities and provide managers with a simple tool for reviewing results and action planning with their teams. This survey is conducted every other year. In 2019, we added a shorter “pulse” survey focused on key improvement areas. Combined with additional insights gathered at critical moments of the employee journey -- at the completion of the recruitment process, during the onboarding process and when leaving Colgate -- we are leveraging employee input and analytics to drive engagement.

Through the 2018 Colgate Connect survey, we learned that our people want to learn more about career opportunities at Colgate. Our European team took the lead and conducted in-depth interviews with Colgate People across many functions and geographies. We learned that people are looking for continuous opportunities to learn, make an impact and be challenged. The team used design thinking to reframe and reshape career opportunities and created a “Build Your Best Future” at C-P Europe program, which we are now activating globally for the entire company.

### **Colgate Learning Strategy Recognized as Best of the Best**

The Global Learning Team was recognized by industry experts for the development of its Commercial Selling Skills learning program. This new way of learning was introduced as a ‘pop-up’ session, which is a form of blending traditional instructor-led classes with experiential learning. The learning experience made complex laws and obligations Colgate must adhere to easy for the commercial organization to understand.



## **Employee Health and Wellness**

Supporting our global Colgate employees includes a serious commitment to health and wellness. By creating a healthy work environment and encouraging Colgate People to develop healthy habits, we are helping our employees live longer, more fulfilling lives.

### **Our Approach**

We promote physical, emotional, and financial wellness for Colgate People and their families. Just as we create products that build brighter futures for everyone, our goal is to help our people live better every day by providing support and resources to help them make healthy choices at work and at home to live a more balanced, thriving life.

#### **Key elements of our Employee Health and Wellness Strategy include:**

##### ***Prevention Awareness***

We offer our people the opportunity to take time for their health in a variety of ways. Since 2013, we have offered our Health & Well-being Assessment to employees around the world. This assessment allows our employees to evaluate their health status, understand their risks and provide confidential feedback to motivate behavior change. We also provide Colgate People and their families with access to preventive immunizations, dental care and confidential HIV testing. This is achieved in a variety of ways, including onsite medical clinics and competitive employer-funded benefit plans and government-provided plans.

##### ***Highlights***

Colgate's commitment in the fight against HIV/AIDS is based on our values and our sustainability commitments to "Promote Healthier Lives" and "Contribute to the Communities Where We Live and Work."

***Every year, on the occasion of World AIDS Day***, Colgate India invites children to their office in Mumbai to salute their spirits, celebrate their courage and engage with them throughout the day. Every year, a 'wish tree' is provided consisting of wishes from each child and through the generosity of our employees, each wish is fulfilled.

**Supporting Children Living with HIV:** Throughout the year, Colgate India's Positive Step Program, in partnership with the Network in Thane of People Living with HIV, supports a group of 83 children infected or affected by HIV/AIDS to help provide for their nutrition and education. Colgate's Business Leadership Program Associates and Volunteers engage with these children through activity based learning sessions, which helps them gain confidence. In 2019, in addition to financial support, Colgate India enhanced its partnership by launching a mentorship program with quarterly face-to-face meetings between children pursuing higher studies and their Colgate mentors. Colgate is proud of the heartwarming success stories, including two women who graduated from the program - one is now a law graduate and is taking her judgeship exams and another is now employed by a top media company in the country.

**Educating Healthcare Professionals:** Colgate supports HIVDent, a global non-profit coalition of healthcare professionals committed to ensuring access to high quality oral health care services for adults, adolescents and children living with HIV. The organization educates professionals about the oral manifestations of HIV and provides information on infection control, post-exposure protocols, and pediatric/adolescent care, and is a resource to disseminate treatment best practices.

**Commemorating World AIDS Day:** Colgate is committed to AIDS prevention and education around the world. Our West Africa hub made a monetary donation to an orphanage, helping children who are victims of AIDS. Colgate People took time out to volunteer with the children, deliver products, help cook nutritious meals and have some fun playing games.

**Remembering Loved Ones:** Colgate remembers those who have lost their lives to AIDS by displaying a portion of the AIDS Memorial Quilt in our Park Avenue headquarters each December. The Quilt was conceived in 1985 by an AIDS activist who asked people to write the names of loved ones lost to AIDS-related causes on signs, which were then displayed during a candlelight demonstration.



## **Healthy Lifestyles**

To support healthy lifestyles, we offer many programs focused primarily on physical activity, nutrition and tobacco usage. Through these programs, we are able to educate our employees to help them make better decisions both at work and at home with their families.

As one of our major focus areas, nutrition is very important to Colgate. Our strategy includes providing nutrition education in the form of lunch and learns, weight loss counseling and cooking demonstrations. We also partner with our global facility partners Sodexo and JLL to provide healthy food options onsite, increase food labeling and provide dedicated days or sections featuring healthy food.

As a leading oral care company, Colgate continues to focus on tobacco cessation as part of Live Better. Our culture of caring supports good health and encourages our people to quit tobacco use via local cessation programs. While Colgate prohibits smoking within all our buildings, including all manufacturing facilities, warehouses, technology centers and office buildings, we continue to expand the number of smoke-free campuses around the world, local laws permitting.

Since 2013, Colgate has offered a global Health & Well-being Assessment. In 2019, employees from 67 countries took the assessment. Colgate donated a Bright Smiles, Bright Futures oral care kit to a child-in-need for every completed assessment received, providing children with the tools and education they need to maintain a healthy smile.

Over the past nine years, our Live Better Global Healthy Activity Challenge has encouraged all Colgate employees to track and log at least 500 minutes of healthy activity in one month. Colgate People engage colleagues, family, and friends to get active and earn minutes through a range of activities.

In 2019, more than 18,000 Colgate People from 80 countries participated in a variety of healthy activities that ranged from yoga classes and basketball tournaments to stress management workshops. Participants tracked over 23 million minutes of healthy activity. In addition to the tracking tool, we incorporated a social media campaign asking employees to share ‘What Moves Them.’ Employees from around the globe shared their stories and pictures on our Global Live Better community located on our intranet site.



*"Liver Better" through aerial yoga classes in Hong Kong*

## **Organizational Support**

Around the world, we are committed to creating a culture of health and wellness through our benefit packages and employee reward and recognition programs, which help measure progress and encourage engagement. Colgate also remains committed to a safe and healthy work environment with a goal of zero workplace accidents.

## **Resilience & Stress**

Colgate works to provide opportunities for employees to achieve work-life balance. While they vary by geography, programs include:

- Flexible/work-from-home arrangements
- Onsite yoga
- Access to gyms
- Stress management programs
- Subsidized back-up child care
- Elder care assistance and access to counseling services via Employee Assistance Programs
- Company-sponsored medical programs or government-sponsored programs

Colgate is committed to ensuring the financial well-being of our employees at every stage of their lives. Our financial well-being programs aim to help Colgate people learn to live within a budget, fund their children's education, finance their homes and manage their debt. We also continue to offer comprehensive education to both our salaried and non-salaried personnel in the U.S., including classroom training, webinar programming and personal financial counseling sessions via a third-party provider.

## **Benefits**

Recognizing that the success of our company is driven by our talented and dedicated employees, we offer market-competitive benefit programs including:

- |   |  |   |
|---|--|---|
| <ul style="list-style-type: none"><li>• Retirement savings</li><li>• Healthcare and wellness plans</li><li>• Flexible work and work-from-home arrangements</li><li>• Subsidized tuition benefits</li><li>• Subsidized adoption benefits</li></ul> | <ul style="list-style-type: none"><li>• Subsidized back-up adult/elder care</li><li>• Subsidized back-up child care</li><li>• Subsidized maternity and paternity leave</li><li>• Employee assistance program</li></ul> | <ul style="list-style-type: none"><li>• Employee recognition programs and networking groups</li><li>• Disability insurance</li><li>• Financial counseling</li><li>• Lifestyle programs</li><li>• Critical illness benefit</li></ul> |
|---|--|---|

## Our Commitment to Universal Human Rights

Colgate has a long-standing commitment to respecting human and labor rights worldwide and supports the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Core Labor Standards. Colgate works with and seeks out business partners who share our commitment to universal human rights. We recognize the responsibility of businesses to respect labor rights and engage with stakeholders adherence to universal human rights. Protecting human and labor rights is one of our key sustainability issues.

To learn more about our human rights strategy and management approach, please see our [Human Rights Policy](#).

## Diversity & Inclusion

### Workplace Diversity

Colgate-Palmolive People -- more than 34,000 strong -- reflect the diverse richness of the cultures we serve around the world. As a company, we celebrate differences, promote an inclusive environment and value the contributions of all Colgate People. As we begin to reimagine Colgate and prepare for the future, we must also reimagine how we innovate as a key to catalyze growth and deliver long-term value to our consumers, customers, stockholders and other stakeholders. Colgate is committed to providing employees with an inclusive work environment, training programs and learning opportunities, promotion and growth opportunities, to wellness initiatives and opportunities to contribute to the communities where we live and work.

We believe that our culture and values afford opportunities for everyone to have an impact on our business success. All employees worldwide are provided with a series of training programs focused on building leadership skills. Valuing Colgate People, Managing With Respect and Leading in a Diverse Workplace are a few examples of our training programs. Leading in a Diverse Workplace delivers on the company's commitment to creating and sustaining a diverse workplace.

A critical piece of our diversity strategy is to ensure that our talent management process incorporates the professional development of women and people of all cultures. Colgate also partners with organizations such as Catalyst, the Conference Board, Diversity Best Practices, National Association for Female Executives, Working Mother Media, DiversityInc., Diversity MBA, the American Association for People with Disabilities, National Organization on Disability, Disability:IN, Human Rights Campaign, Live Out Loud (LGBTQ+ youth), American Corporate Partners (veteran mentorships), Odyssey Media, United Negro College Fund (UNCF), Latina Style magazine, Proud To Be Latina, Hispanic Alliance for Career Enhancement (HACE), Red Shoe Movement, New York Urban League (NYUL), and the Asian American Business Development Center to develop an effective and supportive work environment.

Driven by Colgate's core value of Caring and supported by the involvement of Colgate People, our diversity and inclusion strategy helps to make a difference in the communities we serve by supporting organizations that address educational disparities, some of which are listed below:

- Determined To Educate
- Springboard Foundation
- Live Out Loud
- NYC Hispanic Chamber of Commerce
- National Association of Black Accountants (NABA)
- Futures and Options

In 2018, Colgate piloted the Advancing Critical Capabilities Empowers Leaders (ACCEL) program, a cross-functional leadership development program for black leaders within the Colgate community. The ACCEL program is designed to provide participants with a greater understanding of:

- Growing personal skills to further enable technical mastery,
- Building strong bonds with others to help achieve organizational goals,
- Identifying new ways to perform roles to achieve improved business results,
- Accelerating leadership development to support future organizational growth, and
- Improving capabilities to be more globally competitive and influential.

In 2019, ACCEL welcomed its second cohort of 21 participants, expanding the focus to leaders in the non-technical functions, including finance, human resources, marketing and customer development. A key component of the program was the planned interaction between the first two years' participants.

Participants are challenged in a safe and supportive environment to identify personal strengths, growth opportunities and strategies to accelerate their careers at Colgate. This experience has provided employees with the concepts, skills, tools and practices to be valued partners in order to drive improved business outcomes. This leadership development program has been instrumental to retain and enhance the professional opportunities of the community of future black leaders within the Colgate-Palmolive family.

To help foster inclusiveness, Colgate supports employee resource groups made up of team members representing many different diversity dimensions, such as sexual orientation, gender equality, gender expression, cultural backgrounds and ways of life. Each of these resource groups contributes to Colgate's inclusive work environment by developing and implementing programming to promote business and community involvement as well as cultural awareness. The co-chairs of the employee resource groups make up the Inclusive Leadership Council.

**A selection of Colgate national employee resource groups includes:**



The **Asian Action Network (AAN)** mission is to foster an environment of caring and global teamwork by valuing cultural diversity through programs that share the richness of Asian cultures. AAN seeks to provide opportunities for achievement and professional development for Colgate people of Asian descent in order to maximize their full potential and contribution to our business.



The **Latinx Leadership Network (LLN)** is committed to build an inclusive community that encourages professional development, provides meaningful networking opportunities, and celebrates leaders making an impact, all while providing possibility, presence and professional development for Hispanic/Latinx Colgate People and Allies.



The **Colgate Parents Network (CPN)** supports our quest to raise safe, happy, healthy, educated children - while balancing our commitments to our professions.



The **Black Leadership Network (BLN)** promotes Colgate-Palmolive's strategic initiatives by maximizing the potential of Black Professionals through leadership and career development, relationship building, fostering inclusiveness and community engagement.



The **Colgate JumpStart Network (CJN)** provides an outlet for Early-at-Colgate professionals to actively engage with the community, develop professionally and positively contribute to Colgate's business objectives.



The **Lesbian, Gay, Bisexual, Transgender and Allies Network (LGBT&A)** provides opportunities for visible collaboration, advocacy, professional development, and social networking for Colgate people. This will enable us to be recognized as we contribute our unique talents and skills to Colgate's global business success and community goals.



The **Colgate Abilities Network (CAN)** ensures Colgate's business goals are connected to the global disability market and serves as a valued resource to our Colgate colleagues around the world. In doing so, we will foster Colgate's inclusive environment that cares deeply for and provides an equal opportunity for people with disabilities.



The **Colgate Women's Network (CWN)** develops and supports the advancement of women to drive Colgate's innovative growth strategy that is reimagining a healthier future for all people, their pets and our planet.

In addition to the employee resource groups, senior management has formed Diversity Leadership Councils which are committed to driving our diversity & inclusion strategy in support of the Company's business

objectives. Each leadership council consists of mid-senior level, cross-functional management teams appointed by the division/function leader. The councils operate under established charters with a mission and set of operating and decision-making standards. They are helping drive a culture of diversity and inclusion by:

- Providing regional and functional leadership with a framework to establish more effective/efficient talent management and inclusive leadership practices
- Establishing clear diversity objectives and accountability
- Driving a more focused approach to managing high-potential, high-performance career enhancement and upward mobility of women and diverse talent
- Encouraging people to lead, utilizing their diverse backgrounds, leadership competencies and varying perspectives
- Creating opportunities for cross-functional and cross-generational work teams and interactions
- Driving strategies and initiatives to support Colgate People en route to a truly inclusive world-class workforce at all levels

### **Celebrating Diversity and Inclusion:**



- Colgate-Palmolive is a founding member of Women Unlimited, Inc., which provides mentoring, education, and networking to women leaders. To celebrate the 25th anniversary of our partnership, in 2019, we rang the closing bell at the New York Stock Exchange with program alumni.

- Recognizing a lack of inclusive content about oral health for hearing-impaired children, Colgate UK created [Sign Language Tales](#), a collection of stories lasting two minutes that make teeth brushing enjoyable for children.



- Colgate continues its commitment to American Corporate Partners (ACP), a national non-profit organization dedicated to helping post-9/11 veterans successfully transition back into the private sector. Since 2014, more than 104 Colgate employees have volunteered with ACP to help 214 returning veterans through one-on-one mentoring, networking and providing online career advice.

- In 2019, WORLDPRIDE came to New York City to mark the 50th anniversary of the Stonewall uprising. Colgate People in New York's tri-state area volunteered at World Pride events and the NYC Pride Parade where we reached over 350,000 people with our #SmileWithPride message.



- The Colgate Jumpstart Network (CJN) featured Marie Morcie, head of sustainable finance at the UN Global Compact, as a guest speaker to celebrate Earth Day. The agenda included a presentation on how businesses can use financial tools to address some of the most important sustainability challenges, bringing Colgate experts from different functions to discuss sustainability-related matters. The Earth Day event also included a Recycling Challenge, a fun activity for Colgate People to learn the best practices of recycling in the office.

- C-P Brazil celebrated 10 years of partnership with the APAE DE SÃO PAULO (Association of Parents and Friends of Exceptional Children) which promotes the health, education and skill development of people with intellectual disabilities. C-P Brazil currently has 55 professionals who are part of the APAE program working at the company.
- The Hispanic Action Network led a workshop reaching about 150 students at the Hispanic Alliance for Career Enhancement (HACE) annual NYC STEM conference. Colgate is committed to educating employees about the dangers of drug overdose. In 2018, Colgate launched Opioid Awareness seminars and webinars to ensure Colgate People were informed on this topic. Employees were provided with the company policy on alcohol and substance abuse and information on our employee assistance program.

## Equal Pay

Colgate is committed to pay equity and its role in fostering a diverse and inclusive workplace. It is our policy to select, place, and pay all Colgate People on the basis of qualification for the work performed, without discrimination. Consistent with these values, Colgate has committed to conducting an annual company-wide gender pay analysis across occupations in the United States, along with other steps to promote equal pay and fairness. This annual pay analysis covers race and ethnicity in addition to gender, in accordance with Colgate's policy, to compensate each individual at a level commensurate with his or her role, work location, individual performance, and experience irrespective of gender, race, ethnicity, or any other category protected by law. Colgate also complies with all applicable laws and regulations related to fair pay practices.

## Supplier Diversity

Established in 1998, our Supplier Diversity program is embedded in our U.S.- based organization with clear goals to drive growth. We drive performance through our quarterly Supplier Diversity Forums, and we collaborate with our suppliers to support our goals. Our procurement teams are encouraged to seek suppliers that add value and innovation while also delivering cost savings.

### Approach

We maintain accountability by incorporating high standards and objectives for Supplier Diversity for procurement buyers and managers. Our competitive proposal processes include fostering a continuously diverse network of suppliers. Suppliers interested in doing business with us may register and upload their current certification documents to our supplier diversity database. As part of the registration process, the supplier provides content including basic company information, capabilities, and certification documents. The database is a highly efficient way for suppliers to share their capabilities and learn about business opportunities. We also collaborate with our internal stakeholders to identify needs and research diverse suppliers with relevant capabilities.

## **Progress**

We have made progress toward these goals in 2019:

- To support our supplier diversity goals, our teams have set objectives such as inclusion of diversity spend requirements in contracts with first-tier suppliers, maximizing second-tier spend opportunities and executing targeted supplier day forums to engage and build relationships. In 2019, Colgate spent 5.9 percent of our total U.S. procurement spend of \$3 billion with diverse suppliers.

We have expanded our supplier partners to bring value and mitigate risk:

- We began work on a program in North America related to Maintenance, Repair and Operations (MRO) procurement for our Hill's and Colgate manufacturing facilities. In partnership with Turtle & Hughes Integrated Supply (THIS), a certified women-owned business that prides itself on diversity, we piloted this program at two manufacturing facilities, Cambridge, Ohio and Emporia, Kansas, with an estimated spend of \$5 million. Expansion of this program to additional locations could increase our spend up to \$30 million, helping our suppliers grow.
- We facilitated the diverse supplier certification process for our temporary labor agency, Nextsource, to be designated as a woman-owned-and-operated entity. Nextsource provides us with factory workers and accounts for approximately \$10 million of our annual budget.

## **Supplier Diversity Recognition**

Colgate has been recognized and awarded for various achievements in supplier diversity, including these 2019 recognitions:

- Top 50 Corporations for Diversity by DiversityInc.com
- Women's President Education Organization [WPEO] recognized for commitment to the success of women-owned business enterprises

## Environment Health and Safety

Colgate is committed to ensuring the financial well-being of our employees at every stage of their lives. Our financial well-being programs aim to help Colgate people learn to live within a budget, fund their children's education, finance their homes and manage their debt. We also continue to offer comprehensive education to both our salaried and non-salaried personnel in the U.S., including classroom training, webinar programming and personal financial counseling sessions via a third-party provider.

Colgate's global health and safety program is grounded in our Environmental, Health and Safety (EHS) Standards. Although we do not participate in the ISO 45001: 2018 and ISO 14001:2015 certification systems, our management system and technical standards expectations are well aligned with them. Our EHS Management System is assessed annually by Apex Service (formerly Bureau Veritas). We have received an Equivalency Statement from Apex that the content and approach for the Colgate EHS Management System are equivalent to ISO Standards 14001:2015 and ISO 45001:2018. Each Colgate-Palmolive facility/organization develops appropriate EHS site-specific management system elements to ensure ongoing compliance, reduce future risks/liabilities and respond to changing requirements. Management systems should meet or exceed all applicable local, regional, and national laws and regulations, in addition to meeting the Company Standards.

Colgate leverages risk assessments and a hierarchy of controls in the following standards: management systems, personal protective equipment and exposure assessment standards, material handling, and walk-working surfaces to identify higher levels of control based on the level of risk potentially present.

Colgate sites are expected to self-assess conformance with our standards and local regulations at 18-month intervals. Corporate audits are conducted every three to five years, closure progress is reported quarterly and verification audits are conducted to provide closure assurance. In 2019, we commenced conducting blended EHS audits with a third-party vendor. The objective was to complete a deeper review of regulatory compliance and adherence to critical risk standards and elements. We have a global partnership with a third-party industrial hygiene firm. Our operations are evaluated annually to ensure occupational health exposures are well controlled. Any identified exposures are managed using the hierarchy of controls. Closure of previously identified exposures is verified by the third-party industrial hygiene provider.

We also provide numerous safety training programs as an important part of our safety management strategy. We offer 150 e-learning courses, which are available in as many as eight languages. Courses cover a range of topics, such as EHS incident management, hearing conservation, ergonomics in the workplace, confined space entry, fire safety emergency, safe work practices and industrial hygiene. We augment e-learning with site-and operational-specific on-the-job training to ensure thorough understanding of expectations and requirements. We also conduct evacuation and emergency preparedness drills across our sites to ensure we are prepared in the event of unforeseen circumstances.

In 2019, our Home Care liquids plant in Cambridge, Ohio completed an emergency response drill with local emergency responders including representatives from the local fire department, police department, emergency services, ambulance, as well as site participants. The drill simulated a chemical release/spill in the base plant that required clean-up and responding to “injured” personnel.



The Colgate EHS Management System contains specific provisions for identifying EHS training needs and establishing corresponding tracking processes to ensure all required training is completed. Training is also mandated when there are new chemicals, equipment and/or processes implemented in the Management of Change-Planning section of the Colgate EHS Management System.

Our 2019 safety results showed improved performance in both our total recordable rate (TRR) and lost workday case rate (LWCR). Our total recordable rate (TRR) was 0.20 (84 recordable incidents), down from 0.22 in 2018. This represents the lowest number of recordable accidents reported in one calendar year in the history of Colgate. Our lost workday case rate (LWCR) was 0.05 (21 lost workday incidents), which was a slight reduction versus 2018. In 2019, we experienced 15 accidents – ranging from fractures to hospitalizations –

which Colgate considered “serious” according to the Colgate Accident/Incident Reporting and Recordkeeping Standard. This represents a slight improvement versus 2018 results for serious accidents. We are proud to report zero work-related fatalities in 2019 across all facilities and operations.

In 2019, we received independent third-party verification of our health and safety data collection and reporting processes as well as the data itself. As part of this project, the number of hours worked, number of lost-time incidents, number of recordable incidents and number of occupational fatalities were verified at select sites.



The **President's Safety Award Program** recognizes Colgate sites when they achieve specific milestones of time in years and/or hours without a Lost Workday Injury or Illness. In 2019, 28 of our manufacturing facilities, global technology centers and warehouse facilities received one or more awards. Our Baddi plant in India achieved 11 years without a lost workday incident by focusing on foundational EHS program elements: Ergonomics, Electrical Safety, Noise Conservation and Training programs.

To continue to maintain our world-class safety performance, we evolved our critical risk programs in 2019 to focus on identification, mitigation and elimination of critical risk incidents, accidents and tasks. Our approach involves establishing foundational culture and engagement, ensuring visible and active leadership, having sound technical programs and solutions to control hazards and reduce/mitigate risks.

Our Hill's Hustopece plant developed an electronic Safe Work Permit (SWP) tool to help ensure critical risk tasks are properly reviewed and evaluated before the commencement of work activities. The SWP system ensures all key requirements are properly documented, with defined controls established for each risk identified. The individual SWP data points are collected in a database, which enables the site to evaluate issues, trends, and areas for improvement.

## 2019 Safety Highlights

### **Risk-Based Management**

We continue to sharpen our focus on risk-based safety management with a goal to eliminate serious incidents and fatalities. This approach involves evaluating the risk severity for tasks conducted in our operations, and ensuring the appropriate controls are in place to prevent an adverse outcome. In 2019, our program emphasized establishing and communicating appropriate controls to reduce and mitigate critical risks and serious incidents and fatalities. This expectation has been formally incorporated into our EHS Management System and Audit Program.

Colgate's EHS Management System requires all sites to conduct an annual risk assessment of site critical risks and establish a corresponding corrective action plan that is reviewed by site leadership. The plan is also reviewed during business reviews with senior leadership twice yearly. All employees are obligated to report at-risk conditions, behaviors and/or near misses. These incidents are either tracked in the company-wide Incident Management System or are tracked locally. As an element of the Colgate EHS Management System, sites are also expected to develop inspection programs involving all levels of site leadership (salaried and clerical) and shop floor employees to identify gaps related to conditions/physical systems and behaviors and establish appropriate mechanisms to provide feedback and address corrective actions.

### **EHS Technology Solutions**

Colgate is embracing technology solutions to reduce EHS risks. Our North America and Latin America EHS Teams have developed the platform that will become our global approach when assessing technology applications to align with our business needs and EHS risks. The platform is based on the following criteria:

Pod 1	Pod 2	Pod 3	Pod 4
<p><b>Scope:</b> <b>Ergo risk reduction - posture, movements, etc</b></p> <ul style="list-style-type: none"><li>• Exoskeleton</li><li>• Wearables</li><li>• Belts</li></ul>	<p><b>Scope:</b> <b>Reduction of repetitive / heavy lifting tasks</b></p> <ul style="list-style-type: none"><li>• Vacuum assists</li><li>• Lift assists</li><li>• Cobots</li><li>• Smart glasses</li></ul>	<p><b>Scope:</b> <b>Reduction of critical risk activities, planet empowerment, and data management and analytics</b></p> <ul style="list-style-type: none"><li>• Drones</li><li>• AGVs</li><li>• Apps / softwares / analytics</li><li>• Smart conveyors</li></ul>	<p><b>Scope: Sustainability and resiliency (planet)</b></p> <ul style="list-style-type: none"><li>• Smart / sub meters / optimized utilities</li><li>• Integrated smart building sensors</li><li>• Renewables innovation</li><li>• BMS integration</li></ul>

In 2019, Colgate hosted a special benchmarking session entitled: "Wearable & Evolving Technologies" through our partnership with ORCHSE Strategies that was attended by 11 external companies. Innovative technologies were presented that included wearable sensors for:

- Ergonomic risks
- Lone worker and heat stress
- Machine guarding circuit reliability
- Driver monitoring
- Body positioning kinetics

Colgate will continue to leverage platforms like this going forward to 'get external' and share learnings with peer companies.

## **Occupational Health**

Colgate has established appropriate Occupational Medical Standards designed to assess medical surveillance requirements/needs for employees potentially exposed to chemical, physical and/or biological agents. The Occupational Medical Standards work in concert with the Colgate Industrial Hygiene Standards. Additionally, our sites are expected to adhere to all applicable local legislative requirements.

## **Reducing Noise, Dust and Chemical Exposures**

Colgate continues to strive to reduce noise, dust and chemical exposures at our facilities. Our goal is to reduce the number of people who must wear hearing protection or chemical cartridge respirators to reduce their exposure below the applicable acceptable limit. In 2019, we observed improvements in the percentage of employees required to wear mandatory hearing and respiratory protection as compared to 2018:

	% Required to use in 2014 (Baseline)	% Required to use in 2018	% Required to use in 2019
Hearing Protection	49%	43.3%	41.1%
Respiratory Protection	5.3%	3.0%	2.1%

While we have not significantly reduced the need to use hearing protection, our toothbrush manufacturing and stand-alone warehouse facilities have eliminated the use of mandatory respiratory protection. We continue to push towards reducing mandatory use of hearing and respiratory protection.

### Critical Risk Top 10

In 2019, Colgate launched an enterprise-wide, integrated EHS risk reduction strategy directed at minimizing impacts of elements that have been historically linked to adverse events and outcomes. The program challenges our sites globally to assess the state of the current programs, assess risk and controls in-place and ensure the process is sustainable. Wherever possible, sites are expected to leverage higher levels of control to mitigate risk - engineering, substitution and/or elimination.

The Critical Risk Top 10 are focused on these themes:

- |   |                                    |
|---|------------------------------------|
| 1. Assessments & Inspections                    | 6. Forklifts & Yard Safety         |
| 2. Critical Risk Training                       | 7. Machine Guarding                |
| 3. Working at Heights                           | 8. Spill Containment               |
| 4. Electrical Safety & LOTO                     | 9. Water Compliance & Conservation |
| 5. Job Safety Analysis /<br>Job Hazard Analysis | 10. Waste Vendors                  |

Our global sites are working on a multi-year plan to ensure that robust systems and controls are in place to address and mitigate potential risks. Updates will be reported into a Corporate tracking system and presented at budget and business reviews.

### Safety Incentives

We have improved our safety-related incentive mechanisms by linking compensation to behaviors that drive a robust safety culture. These behaviors include training completion, physical inspections, corrective action

completion, behavioral observations, and participation in activities that engage employees. We do not link compensation to recordable rates and lost-time accidents.

Colgate records all work-related injuries and illnesses in an Incident Management System (IMS). All site-related incidents involving employees, temporary employees, tenant contractors, contractors and/or visitors are reported in the system. The IMS is assessed annually by Apex Services (formerly Bureau Veritas). Apex has indicated that Colgate Palmolive has established appropriate systems for the collection, aggregation and analysis of quantitative data. Colgate leverages risk assessments and hierarchy of controls in the following Standards: Management Systems, Personal Protective Equipment, Exposure Assessment Standard, Material Handling and Walk-Working Surfaces to identify higher levels of control based on the level of risk potentially present.

### **2019 Safety Week Highlights**

Each year, Colgate holds a company-wide Safety Week during which we share best practices and refreshes our commitment to a robust health and safety culture grounded in our EHS Guiding Principles. This week remains a cornerstone of our safety culture and provides an opportunity to focus on fundamentals. Each facility's own creativity delivers a solid and exciting week and often includes Colgate families in fun and educational activities.

The themes for Safety Week 2019 at our manufacturing sites included: hand safety campaigns and chemical and process safety. Specific themes were also executed for our warehouses, Global Technology Centers and office locations. Some of the activities addressed by our sites included chemical spill and emergency evacuation drills, hand 'trap' assessments, assessment of site chemical hazards and risks and engaging external speakers to address key points of safety important to Colgate people at all of our facilities.

Our site in Bangpapong, Thailand, had an engaging Safety Week in 2019 that included a Children's Hand Safety Art Contest, Emergency Evacuation Drills, Safety Culture Enhancement, a team-based Critical Risk Assessment and other engaging EHS activities ranging from training to personal protective equipment demonstrations from local suppliers.



# Responsible Sourcing

## Third Party Code of Conduct

Colgate People are committed to the highest standards of integrity and full compliance with the Company's Code of Conduct. It is our goal to ensure that our relationships with our suppliers and business partners reflect and support those same high ethical standards.

Colgate's Third Party Code of Conduct establishes the company's expectations for suppliers and business partners in a number of critical areas, including labor practices and universal human rights, protecting the environment, health and safety, and ethical dealings. Sections of the Third Party Code are modeled on, or contain language from, the Universal Declaration of Human Rights and the standards of the International Labor Organization.

The Code is provided to suppliers and business partners, and Colgate's contracts and purchase orders typically require suppliers to abide by the Code's standards (or suppliers' comparable code standards), including applicable labor and equal employment laws as well as environmental, occupational health and safety regulations, the Foreign Corrupt Practices Act, and Colgate's Anti-Bribery policy.

## SUPPLIER RESPONSIBLE SOURCING ASSESSMENTS

Through the Supplier Responsible Sourcing Assessment program, Colgate has assessed the performance of more than 80 percent of our suppliers in high-risk geographies since 2012, driving improved working conditions for more than 60,000 employees across our external supply chain.

## Assessing and Managing Supplier Risk

As a multinational company with a global supply chain, adverse actions and events associated with our supply chain could affect Colgate's reputation as a responsible company. To manage the risk to the company and to the workers in our supply chain, Colgate has a formal process to identify and manage social, ethical and environmental risks in our supply chain and with other business partners.

Colgate's Supplier Responsible Sourcing Assessment (SRSA) program requires selected suppliers and business partners to complete a self-assessment focused on labor practices, human rights, worker health and

safety, environmental management and business integrity. Risk factors considered in the selection of suppliers to participate in the program include: geographic risks (using the Verisk Maplecroft Risk Indexes), Colgate's in-country knowledge, industry-associated risks and business criticality to our operations. Through the use of a supplier risk assessment scorecard, selected suppliers and business partners are scored against critical risk factors to determine the need to conduct a social compliance audit. When a supplier is assessed as high risk, a third-party audit of its facility is required. To date, there are currently 610 suppliers and service providers in the program and 50% have conducted a social compliance audit.

As a member of the Supplier Ethical Data Exchange (Sedex), Colgate uses the Sedex Members Ethical Trade Audit (SMTA) protocol when required to assess suppliers' compliance with laws covering freedom of association, forced and child labor, health and safety, wages and benefits, working hours and discrimination as well as environmental and business ethics matters. Since the program's inception in 2012, Colgate has assessed more than 80 percent of our spend, including: raw material and packaging suppliers, contract manufacturers, co-packing facilities and warehousing operations. Beginning in late 2018, we expanded our risk assessment scope to include third-party labor providers in our Asia operations with other regions to be included in subsequent years. Internally, Colgate has also completed assessments of all manufacturing facilities and conducted social compliance audits at all facilities located in high-risk geographies.

Colgate is also a member of AIM-PROGRESS, a global industry forum dedicated to the promotion of responsible sourcing practices and sustainable production systems. Through the principle of mutual audit recognition, suppliers share noncompetitive audit data with other manufacturing companies that often use the same suppliers, enabling us to gain information more efficiently and relieving the burden of "audit fatigue" on suppliers.

To further drive improvement in our supply chain, Colgate has participated in capacity-building sessions AIM-PROGRESS that are designed to improve supplier's social and environmental performance. We have participated in events in Latin America and North America. In addition, Colgate conducts similar independent, responsible sourcing training events for our suppliers.

## **Forced Labor**

Colgate does not use forced labor within our own operations, and we strive to eradicate forced labor from our supply and value chains. We are committed to the Consumer Goods Forum (CGF) Resolution on Forced Labor and the Priority Industry Principles (PIP). We believe that every worker should have freedom of movement, no

worker should pay for a job and no worker should be indebted or coerced to work. Moreover, it is Colgate's policy not to work with any supplier or contractor known to operate with forced labor.

In June 2017, Colgate published our disclosure statement, "[Respecting Human Rights and Labor Rights: Disclosure Statements](#)," in compliance with requirements of the California Transparency in Supply Chains Act and the UK Modern Slavery Act and consistent with the CGF Social Resolution. In 2018, to further strengthen our actions on fighting forced labor, we revised our employee [Code of Conduct](#) and our [Third Party Code of Conduct](#) to incorporate additional language reflecting our expectations on respecting human and labor rights and commitment to the CGF PIP. In addition, we published a [Third-Party Labor Provider Recruitment and Employment Standard](#) and a labor provider risk assessment methodology with the objective of establishing expectations and evaluating the risk of forced labor where third party employees, such as temporary workers, are working in Colgate's operations.

## **Conflict Minerals**

Colgate supports ending the violence and human rights violations by armed groups in the Democratic Republic of Congo (DRC) and neighboring countries that have been funded in part by proceeds from the mining of cassiterite, columbite-tantalite (coltan), wolframite and gold, including their derivatives tin, tantalum, and tungsten (3TGs). Conflict minerals are sourced from the Democratic Republic of Congo and adjoining countries like Angola, Republic of Congo, Central African Republic, Rwanda, Tanzania, Zambia, Burundi, South Sudan and Uganda.

All of our suppliers that currently use 3TGs in our products have been assessed. Our suppliers are expected to only source 3TGs to Colgate that are sourced from mines outside the DRC and neighboring countries or from smelters and refiners that have been designated as Conflict-Free by the Responsible Minerals Sourcing Initiative (formerly known as the Conflict-Free Sourcing Initiative).

For more information, see Colgate's [Policy on Conflict Minerals](#).

# Oral Health Education

## Background

Providing oral health education is a Colgate tradition dating back to 1911. Today, Colgate's flagship Bright Smiles, Bright Futures (BSBF) program is among the most far-reaching, successful children's oral health initiatives in the world. With progress in 2018, BSBF has reached more than 1 billion children and their families in over 80 countries since 1991. This is made possible by partnering with educators, parents, dental professionals, academic institutions, government, and non-governmental organizations (NGOs), such as the Alliance for a CavityFree Future, the American Dental Association, the Global Child Dental Fund, the National Dental Association and Save the Children, among others. The cornerstone of BSBF is its award-winning educational curriculum. Developed by global experts, the multicultural education materials help illustrate how to maintain healthy teeth and gums, and are implemented in more than 80 countries in 30 languages each year. In several countries, the program materials are part of the permanent school curriculum.

## Approach

We have an ambitious target to educate 1.3 billion children through our BSBF program by the year 2020. To date, we have grown BSBF through leveraging our six-point plan:

***In School*** – Colgate partners with local schools, ministries of health and ministries of education to organize oral health educational classes, and provide free oral health products. In the U.S., 3.5 million children across all 50 states, nearly nine out of every 10 kindergarten students, participated in BSBF's classroom curriculum.

***Community Relations*** – In some countries, BSBF is mobile. In the U.S., BSBF provides a fleet of nine mobile dental vans based in hub-cities working with dental professionals, non-professional volunteers, and the community to provide education, dental screenings and treatment referrals annually. Each year, the BSBF dental vans reach over 10 million children in under-served rural and urban communities. Of those reached, 1.8 million children received \$57 million in donated dental care.

***Employee Engagement*** – In 2019, over 23% of Colgate employees worldwide volunteered through BSBF and gave back to the local communities where we do business.

**Integrated Marketing Communications (IMC)/Trade Partner** – With retail partners, such as Walmart in the U.S. and Tesco in the U.K., BSBF engages consumers at local stores and online. Educating consumers about the importance of improving oral health is a priority in each market where we do business because making good oral health a reality is also good for business.

**Digital** – Educational resources are provided online, including downloadable teachers' guides, videos, oral health games and apps, which are available in the Apple iTunes and Google Play stores.

**Professional Partnerships** – Colgate partners with government health agencies, NGOs and dental associations to expand the reach of oral care education around the world.

## Highlights



- In 2019, Colgate's Bright Smiles, Bright Futures® program, held the largest ever toothbrushing participation event in Malaysia. In partnership with the Ministry of Education, State Education Office, and the Alliance for a Cavity-Free Future, a total of 3,245 students came together to brush their teeth simultaneously, pledging for a 'Brighter Future with Zero Cavities.' Since 2010, BSBF has reached nearly 4 million children in Malaysia with oral health education.



- In October 2019, BSBF launched its Smile Agents volunteer online training program, which trains employees on the BSBF initiative, oral health and correct brushing techniques, to equip them with the knowledge required to participate in BSBF activities and continue improving children's oral health around the world. After completion, all participants receive a certificate to become an official BSBF Smile Agent.

- In Ghana, our BSBF team partnered with SOS Children's Villages International to celebrate World Oral Health Day with 2,000 school children, celebrating the theme: "Say Ahh! Act on Mouth Health."

- [C-P India Limited](#) joined hands with the Indian Association of Public Health Dentistry (IAPHD) and Kalinga Institute of Social Sciences (KISS), Bhubaneswar, to raise Oral Health awareness in India, setting a new Guinness World Record for the largest number of people brushing their teeth simultaneously at a single venue. To create this new Guinness World Record, 26,382 people including students, Institute staff and children from local communities gathered at KISS, to brush at the same time with Colgate Strong Teeth toothpaste and Colgate toothbrushes.



- Colgate's commitment to increasing access to children's oral health and education in the community includes a strategic partnership with Save the Children, an international nonprofit organization that seeks to give children a healthy start in life, the opportunity to learn and protection from harm. Since 2017, the partnership has reached over 300,000 children around the world. In 2019 alone, BSBF and Save the Children reached more than 175,000 children with oral health education in Bolivia, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Laos, Mexico, Myanmar, Tanzania, Thailand and the U.S.



- In July 2019, in the U.S., Colgate launched its new [Colgate® Magik](#) augmented reality toothbrush and app that helps children ages 5-10 develop healthy brushing habits to bring out their best smile. This interactive experience entertains kids to brush effectively and allows parents to track their progress. Colgate® Magik partnered with BSBF to donate a toothbrush to a child in need for every Magik brush sold.

- For National Tooth Brushing Day, C-P Papua New Guinea brought 430,000 people together to brush their teeth for three minutes as part of our BSBF program.
- After C-P Mexico helped pioneer a Daily Toothbrushing Law requiring Mexico City public schools to include oral care in the curriculum, Veracruz State joined the effort. To support this public policy, Colgate provides students with toothbrushes and toothpaste for school and home use. Four more Mexican states aimed to join in 2019 as Colgate advocated for a nationwide standard. Colgate's Latin American Division would also like to replicate this approach in other countries in the region.

## Handwashing Education

The simple act of washing hands with soap is one of the most effective ways to prevent disease transmission, especially among children. However, handwashing with soap is not always widely practiced. As a leading marketer of bar and liquid hands soaps, Colgate-Palmolive, through its brands Protex, Palmolive and Softsoap, is working with public health officials, academia, local schools, and clinics to educate millions of children and their families about the health and hygiene benefits of handwashing with soap. Our global handwashing program provides educational materials and sample products to schools and communities, and builds awareness through advertising and public relations campaigns. In some countries, Colgate teaches handwashing as part of our Bright Smiles, Bright Futures® (BSBF) oral care education program, building education about proper handwashing into the oral care curriculum and messaging. Like the oral care component of BSBF, the program creates shared value for both Colgate and society, helping to improve health outcomes while building brand awareness and reputation for Colgate's Palmolive and Protex soap brands.

We recognize we have a profound responsibility — now more than ever — to protect people. In response to the COVID-19 pandemic, Colgate committed its support to the World Health Organization (WHO) on its #SafeHands effort, mobilizing a number of its production facilities around the world to produce and donate 25 million soap bars to help stop the spread of the COVID-19 virus in the regions facing acute needs. Colgate mobilized five of its manufacturing plants on three continents to produce the new soap. The soap is specially packaged with instructions on proper handwashing to amplify the WHO #SafeHands message.



Colgate also committed to provide \$20 million in health and hygiene products to community-based organizations in the U.S. and abroad that have the infrastructure to distribute the donated product to those most in need in local communities. Local Colgate teams support frontline medical and emergency care workers, and the most vulnerable populations, including in New York, where Colgate donated health and hygiene products to local hospitals, medical professionals, and nonprofit organizations serving the homeless. The Company's Tom's of Maine subsidiary has provided more than \$500,000 in product and

cash to support local COVID-19 relief efforts. Hill's Pet Nutrition is also supporting animal shelters and pet fostering efforts through product and financial donations.

In addition, the Company launched an employee matching gift campaign for all 34,000 Colgate employees around the world. Colgate will match \$1 million in employee donations, which will go to nonprofit partners supporting those in need, such as WHO, Save the Children and CARE, among others.

## Highlights

- Colgate was one of the nine founding members of the Global Handwashing Day campaign, among other organizations such as the World Bank and UNICEF. Celebrated October 15th, Global Handwashing Day drives awareness of the vital importance of handwashing with soap and its impact on health.
- For many years, Protex has been carrying out a handwashing campaign in Latin America, to raise awareness about the importance of handwashing hygiene in preserving good health. Children are taught proper handwashing techniques along with reinforcing our global commitment to "Making Every Drop of Water Count."
- Supporting WASH [water, sanitation and hygiene] programs is part of Colgate's Water Stewardship Strategy and our commitment to partner with local and global organizations to bring clean water to underserved areas of the world. Through our partnership with Water For People, Colgate supports programs that provide access to clean water, sanitation systems, and health and hygiene education, including handwashing. Colgate has contributed to the Water For People's "Everyone Forever" program, helping them to reach over 460,000 people since 2013.



Water For People - Santa Cruz del Quiché, Guatemala

## Helping Pets Find a Home



Hill's mission is to help enrich and lengthen the special relationship between people and their pets. Through the Hill's Food, Shelter & Love™ program, Colgate partners with animal shelters across the U.S. to provide discounted Hill's pet food, training, digital tools and content, as well as shelter visuals. For pet owners, Hill's provides Science Diet adoption kits with coupons and access to a new pet parent website. Hill's believes the combination of loving shelter care as well as premium nutrition helps to make pets healthy and happy so they are ready to go to their forever home. In 2019, through this partnership with animal shelters, we provided pet food with a retail value of more than \$3.2 million, and helped more than 724,000 dogs and cats find new homes.

Hill's also partners to provide emergency food shipments to shelters and veterinary hospitals in the event of a disaster through its Disaster Relief Network. In 2019, Hill's responded to 20 emergencies across the U.S. and shipped over 33,000 pounds of pet food to more than 56 unique organizations in communities affected by the disaster.

### Highlights



- In 2019, Hill's was proud to return as a national sponsor of NBCUniversal's "Clear The Shelters" nationwide pet adoption campaign. Over 1,900 shelters participated and more than 161,000 pets were adopted during this campaign. Over 400 Colgate and Hill's People volunteered to work at participating shelters near them on Clear The Shelters Day, Saturday, August 17.

- In addition to Colgate donating relief funds to the American Red Cross and products to Americares, Hill's donated food to Florida shelters and worked with the International Fund for Animal Welfare, and others, to get food to pets affected by hurricanes in the Bahamas.

# Community Giving

Colgate contributes both funding and products to a wide range of charities and community organizations around the world. Colgate also partners with retailers, consumers, and our employees to raise funds. Driven by Colgate's core value of Caring and supported by the involvement of Colgate People, our Global Giving Program makes a difference in the communities we serve by supporting organizations that address health and educational disparities.

## ***Colgate's giving priorities are:***

1. Creating educational opportunities
2. Advancing health and well-being
3. Engaging Colgate people

**2019 Contributions \$54 million\***

\* Cash and in-kind contributions to charitable organizations, including spending for the Bright Smiles, Bright Futures program in Colgate's 20 largest subsidiaries (by oral care sales)

## **Creating Educational Opportunities**

- Community has always been a top priority at Colgate. One of our proudest initiatives is Estrellas Colgate in Mexico, a non-profit fully funded by Colgate since 1980 to help low-income children foster good habits and gain education through athletic and health programs.
- Colgate is proud to partner with the YMCA to help Black and Hispanic teens from underserved communities and schools have access to quality educational programs like Y Scholars. We are a proud sponsor of the Hispanic Achiever Awards and College Scholarships.
- In 2019, Colgate-Palmolive India under its Keep India Smiling Mission launched the [Keep India Smiling Foundational Scholarship program](#), in partnership with the ShikshaDaan Foundation and technology partner Buddy4Study. This initiative aims to reach more deserving people by offering not just financial aid but also mentorship at a foundation level for academics, sports, and community betterment programs. To date, the program has received 65,000 applications.



- To promote the importance of education among Latinos and help them on the path to higher education, Colgate in partnership with the Hispanic Heritage Foundation sponsors the Haz la U educational grant program. This program awards 31 educational grants totaling \$100,000. This initiative is committed to preparing future generations of Latinos and to giving them the tools to become leaders in their communities.



- The Colgate Women's Games continues to be the largest amateur women's indoor track and field series in the U.S. For 46 years, this program has helped young girls and women develop a strong sense of personal achievement and self-esteem, value teamwork and appreciate the importance of education. Open and free to all participants, Colgate Women's Games has awarded more than \$2.6 million in educational grants-in-aid. And to date, 26 Colgate Women's Games alumni have gone on to compete in the Olympics!

- Started in 2016, [Colgate's Seva Mandir Education Scholarship Program](#), today provides 50 Indian children from the tribal villages of Udaipur, Rajasthan, with a quality education. This program supports the entire education cost, hostel stay, travel and bridge classes, including sports initiatives for each child enrolled in the program.



## Advancing Health and Well-being



- Colgate's Bright Smiles, Bright Futures program which began in India in 1976 in partnership with the Indian Dental Association (IDA), is committed to spreading awareness and education among children about oral care. BSBF has touched the lives of approximately 170 million school children between the ages of 6 through 14 across rural and urban India. With the use of visual aids, BSBF volunteers teach children about the importance of oral care and the right techniques of brushing.

- In South Africa, Colgate sponsors the dental clinic within the two Phelophepa Trains, treating over 23,000 people in many communities where medical services and infrastructure are unavailable. More than 125,000 people were reached through outreach programmes where screening and education took place.

## Engaging Colgate People

- Tom's of Maine continues its practice of donating 10% of profits each year to nonprofit organizations committed to causes, such as environmental sustainability, human health and education, and environmental sustainability. In 2019, Tom's of Maine donated over \$1 million to the Nature Conservancy, with funding directed towards water conservation efforts. The funded projects support important regional needs, including dam removal in the Northeast, watershed restoration along the Mississippi River, and water conservation in the West. In 2019, Tom's of Maine also began supporting watershed education and protection efforts in Canada.
- Colgate People at our corporate headquarters in New York City participated in the Cotton's Blue Jeans Go Green™ Recycling Program. We collected 200 pounds of denim that will be transformed into home insulation. Denim is made mostly from cotton, a sustainable fiber, which can be broken down to its natural state and transformed into something new. By diverting denim away from landfills, where it would otherwise join the millions of pounds of textiles thrown out every year, the Cotton's Blue Jeans Go Green™ program strives to make the world a little greener.
- Colgate partners with ActionAid to support communities in times of natural disasters. The incessant rains of 2019 caused severe floods in many states in India, including Karnataka, Maharashtra, Bihar and MP. These floods resulted in many casualties, loss of crops and damage to households, which also impacted children's education. CP-India along with ActionAid provided much needed support to these areas in the form of dry ration kits, oral hygiene kits, supply of drinking water, nutrition kits and other household goods for 1,582 families. Rehabilitation support was also provided to 626 families in the form of repairing their homes, providing educational materials to their children and livelihood support of tricycles.



# Our Performance

Learn about the progress we've made on our 2020 Sustainability Performance Commitments in 2019.

## Colgate Global Brands



## Consumer-Driven Innovation

Colgate delights people with innovative products that meet their needs, exceed their expectations and add value to their lives. Our six consumer innovation centers rely on local insights from around the world to launch more than 600 new products and product updates every year.

To ensure that the products we develop are placed in stores, Colgate is committed to listening to and engaging with existing and potential users and buyers around the world. To ensure that our commercial teams stay close to the users of our products, we undertake “Getting Out of the Office” programs that help deepen our understanding of local tastes and habits across categories.

Our oral care team in the Philippines enlisted a popular social media celebrity, Joyce Pring, to promote the Colgate Total relaunch. The influential “vlogger” visited our Global Technology Center in China to learn first hand from our scientists how the formula is made and what makes it so effective. [She documented her trip in a vlog](#) and shared several posts on social media about her experience.



People are at the center of everything we do. Colgate’s Consumer Affairs teams act as consumer advocates, providing consumers’ perspectives, desires and concerns to the rest of the organization. Colgate’s marketing executives are able to hear consumer calls so they can get closer to consumers’ wants and needs, and ensure company activities are designed to meet them. We have even set up a “listening post” in our research center; our scientists can “listen” to social media interactions in real time, enabling them to get closer to the people for whom they develop products.

Colgate’s Consumer Affairs teams manage consumer relations around the world. This team strives to provide the very best consumer care, so that it is easy for consumers to reach us, have their messages heard and problems solved.

We have state-of-the-art contact centers, where we optimize the latest consumer service tools and training so every person contacting us has the very best individualized experience. In many parts of the world, people can now engage with us via the communication channels that are most accessible and convenient for them -

whether via traditional methods, such as phone calls, or newer, real-time methods, such as social media, chat and mobile messaging. Our team regularly captures, evaluates, and responds to people who leave ratings and reviews on our websites and various e-commerce sites, so we can ensure we are always in touch with any feedback people have about our products. As artificial intelligence technology is rapidly developing, we are constantly looking for ways to leverage it to enhance and extend our support programs.

There is increasing attention being given to concerns over consumer data protection and privacy. We know that when consumers provide us with personal information, we have to safeguard it and treat it responsibly. We are very careful about how we collect, use and store personal data, and have recently updated our Privacy Policy, making it readily available on our websites around the world. Our Privacy Policy can be viewed [here](#). In addition, we regularly monitor key performance indicators for service around the world. In 2019, over three-quarters of consumers reported being “satisfied” or “very satisfied” with our service.



## Highlights

- Colgate has innovated with exciting developments in connected oral health. This technology enables consumers to use their mobile devices while caring for their teeth, providing real-time feedback on their brushing behaviors, leading to improved oral health routines. We have partnered with Apple on their research kit initiative, which leverages the anonymized data we collect to improve oral health outcomes. We are also working with dental professionals to enable them to use these platforms to provide more customized care for their patients.
- In Nigeria, Colgate entered into a strategic joint venture with Tolaram Group Inc. to bring innovative oral care, personal care and home care products to Nigerian consumers. The joint venture strengthens Colgate’s presence in Africa’s largest economy and expects to leverage Tolaram’s significant local manufacturing presence, marketing expertise and distribution strength with Colgate’s product formulations and R&D capabilities.
- Our Asia Pacific Consumer Innovation Center co-innovated with Alibaba, China’s leading e-commerce company, to develop “Bursting Beads,” a new oral care product line in just six months. The product features a toothpaste and a mini toothbrush targeting young male consumers. We used a bold new testing tool to iterate on prototypes – getting results back from our target audience in just three hours. The products are available exclusively on Tmall (a business-to-consumer online retailer operated in China by Alibaba.)



- C-P Spain launched the Sanex brand's first-ever equity campaign for Skin Health Month. The campaign included engaging in-store events tailored to the retail environment, a contest on social media to connect with consumers on an emotional level about skin care and promotions to elevate the brand's distinctiveness.
- Beginning in 2019, Tom's of Maine became a '[Certified B Corporation](#)', with the non-profit B Lab, making the company part of an elite group of businesses that meet higher levels of social and environmental performance, transparency and accountability. Tom's of Maine is one of a select number of natural personal care companies to become a Certified B Corporation. Through this accreditation, [Tom's of Maine](#) publicly commits to upholding a purpose-driven business that creates benefits for all stakeholders.



## Product Sustainability at Colgate

Product sustainability at Colgate means a continued commitment to safe, sustainable, high-quality products that consumers can trust. As part of our 2020 Sustainability Strategy, we are committed to increasing the sustainability profile in all new products. Consumers increasingly purchase products that both meet their needs and have a social impact and reduced environmental footprint. At Colgate, we are working to meet that expectation by:

### **Driving Sustainability Through Our Product Categories**

We continue to implement product category sustainability strategies that align with and support our 2015 to 2020 Sustainability Strategy.

### **Improving the Product Sustainability Profile of Our Products**

Teams across the Colgate world collaborate to develop products with improved sustainability profiles. Opportunities to improve product sustainability are considered throughout the product development process by multiple functions (from formulation to packaging). Annually, we apply the criteria in our product sustainability scorecard to the new products we plan to launch.

## **Delivering Safe and Sustainable Ingredients**

Colgate remains committed not only to making safe products, but also to making those products with ingredients and processes that have minimal impact on the world around us.

## **Providing Access to Affordable Products**

We continue to expand access to affordable health and wellness products for millions of people in underserved communities.

### **Driving Sustainability Through Our Categories**

Colgate is embedding sustainability across our Oral Care category. Our products and oral health education programs improve oral health around the world and help reduce cavities, one of the most chronic global diseases. We also promote water conservation awareness to consumers, encouraging them to turn off the faucet when brushing their teeth. We are improving the ingredient sustainability profile of our products, removing PVC from toothbrush packaging, and reducing the environmental footprint of our oral care factories.

Colgate is also making improvements in our Personal Care category, from improving ingredient biodegradability and moving toward more sustainable preservative systems to optimizing packaging size and improving packaging recyclability. We are educating millions of children and their families around the world about the importance of handwashing with soap, and are also working to reduce our carbon and water footprint.

In our Home Care category, Colgate is increasing the use of recycled and recyclable plastics in our packaging and improving the ingredient sustainability profile of our products, including eliminating formaldehyde donors and reducing volatile organic compounds to improve air quality. We are also helping consumers save energy and water with our cleaning products.

Hill's Pet Nutrition is working to source its ingredients responsibly, reduce its operational footprint, and provide pet food to shelters at a discount to help millions of dogs and cats find their forever homes. Hill's is also leading the way to Working Towards Zero Waste at Colgate. The first four "Zero Waste to Landfill" factories are Hill's factories. Today, 100% of Hill's dry pet food is produced at a Zero Waste to Landfill plant.

# Improving the Product Sustainability Profile of Our Products

Colgate's Product Sustainability Scorecard is intended to measure the progress of our goals to increase the sustainability in our products by 2020. Our product sustainability key performance indicators are focused on three areas: Packaging, Formula and Social Impact. Through cross-functional collaboration across the Colgate world, we continue to make progress and 96 percent of new products in 2019 have improved sustainability profiles.<sup>(1)</sup>

*(1) The performance results are based on representative products from the product portfolio evaluated against comparable Colgate products across three impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.*



## 2019 Product Highlights

### SP Canine Small & Mini

	No PVC content	✓
	Contains no ingredients of concern	✓
	Special antioxidant blend to support immunity in adult small dogs.	✓

### Plax Ice Fusion

	No PVC content Recyclable package	✓
	Contains no ingredients of concern	✓
	Save water message on the label How2Recycle message on the label	✓



### Palmolive Pure & Delight Liquid Hand Soap

	No PVC content Recyclable bottle	✓
	Smaller usage amount with the same efficacy BHT removal; statement to confirm yellowing as a sign of natural aging Contains no ingredients of concern	✓
	Save water message on the label Recycling message on the label	✓

### Softsoap Gentle Body Wash

	No PVC content Recyclable package	✓
	Contains no ingredients of concern	✓
	Save water message on the label Hypoallergenic/for sensitive skin How2Recycle message on the label Smartlabel transparency program	✓



# Delivering Safe & Sustainable Ingredients

## Product Safety and Quality

We continuously monitor and evaluate the safety of our ingredients, and we actively engage with outside experts and resources to understand emerging science and deepen our knowledge. We also comply with all aspects of the European Union's REACH regulation (Registration, Evaluation, Authorization, and Restriction of Chemical substances). To learn more about the science behind our products, please visit the [Scientific Excellence](#) section of our website, and learn more about our [Ingredient Safety Policy](#) and progress updates, please visit the [Ingredient Safety](#) section.

## Product Safety Testing

Colgate has a longstanding policy to minimize and ultimately eliminate animal testing associated with development of oral care, personal care, and home care products. Central to this commitment are our 35-year-long efforts to encourage the development of alternatives that are scientifically valid and can be accepted by scientific regulators.

We are a leader in promoting, encouraging, and participating in the development, validation, and acceptance of non-animal testing methods worldwide, investing more than \$1 million dollars annually on research with non-animal alternatives. Globally, there are circumstances when regulatory agencies require animal testing of oral care, personal care, and home care products. In such limited instances, the tests are conducted at external testing facilities that meet strict government standards and the rigorous requirements that were established by Colgate with input from animal welfare groups. We work closely with worldwide regulatory agencies to examine how non-animal tests can be incorporated into their safety requirements for consumer products. In addition, we support the European Partnership for Alternative to Animals, the Johns Hopkins Center for Alternatives to Animal Testing, and the Institute for In Vitro Science which are organizations that are focused on developing and/or promoting the use of non-animal methods.

Colgate actively shares its work to reduce animal use and develop alternatives so that this information can help others minimize animal use. Colgate is also a strong supporter of education in this field and partners

with the Society of Toxicology to provide grants for student internships, post-doctoral fellowships and research grants to further promote the field of alternatives to animal research.

Hill's uses only non-invasive, humane research methods to develop superior nutritional technology so that dogs and cats live longer, healthier lives. Importantly, Hill's believes that any procedure that causes pain to people also causes pain to animals and therefore, is not permitted. Hill's does not create or simulate disease conditions in animals and does not conduct a study where euthanasia is the end point. Hill's breakthroughs in pet nutrition are unmatched in the pet food industry, and it has built its business and reputation on always practicing the highest ethical standards. Hill's publishes its animal welfare policy on its website, which governs all studies they conduct or support.

We look forward to the day when all necessary safety studies for oral care, personal care, and home care products can be performed without the use of animals. We will continue our unwavering efforts toward the development, validation, and scientific and regulatory acceptance of alternative non-animal methods of product safety research, while remaining steadfast in our commitment to the highest standards of product safety for our consumers. For more information on our Product Safety Research Policy and other policies, visit [our website](#).

## Ingredient Transparency

Our business is subject to extensive legal and regulatory requirements in the U.S. and abroad. Such legal and regulatory requirements apply to most aspects of our products, including their development, ingredients, manufacture, packaging, labeling, storage, transportation, distribution, export, import, advertising, sales and environmental impact. U.S. federal authorities, including the U.S. Food and Drug Administration (the "FDA"), the Federal Trade Commission, the Consumer Product Safety Commission and the Environmental Protection Agency, regulate different aspects of our business, along with parallel authorities at the state and local levels and comparable authorities overseas.

We recognize consumers want to know more about the ingredients in the products they use. Colgate continues to be an active participant in SmartLabel™, a digital platform co-created by the Consumer Brands Association (formerly GMA) and the Food Marketing Institute (FMI) in conjunction with manufacturers and

retailers to inform consumers about what's in their products and why. SmartLabel provides a wide range of product details that cannot fit on a package label. It goes beyond the label to tell consumers not just what ingredients are included in their products; it explains what those ingredients are, why they are in the product, and what they do. SmartLabel was designed to match how people use information and technology today. Thus, consumers can access SmartLabel at home and on-the-go while creating a shopping list on their phone or when making a purchase decision in the store.

In 2019, we completed adding all categories in the U.S. to the SmartLabel platform.



*Colgate participates in SmartLabel in the U.S. and Canada. The program continues to grow and today 64 companies, 945 brands, and approximately 74,000 products participate in this program.*

## Delivering More Sustainable Packaging

Colgate's packaging organization regularly evaluates materials, processes, and delivery systems that can improve the sustainability profile of our packages. Colgate's packaging sustainability strategy centers around the following actions:

- Minimizing the volume and weight of our packaging required to label and protect our products
- Using recycled content and evaluating new materials and sources
- Designing products for recyclability and materials reduction while ensuring product integrity
- Assessing the human health and environmental impact of our packaging
- Expanding refill package systems in product categories where feasible
- Collaborating to inspire, incentivize, and educate people on recycled content and recyclability
- Supporting innovative efforts to improve local recycling systems

Information on our work to exit polyvinyl chloride (PVC), improve recyclability, increase recycled content and minimize weight and volume of packaging follows.

## EXIT PVC

We continue working towards our commitment to exit PVC by 2020. Currently, we have eliminated using PVC in 99.5 percent of our packaging by weight. In addition, we have developed plans to exit the remaining uses of PVC in blisters, shrink sleeves, labels, bottles and pouches. In 2019, we reduced our PVC use by 2,250 tons.



### EXAMPLES

***In 2019, we converted packaging out of PVC:***



In Brazil, our Protex liquid hand soap 250ml & 1L tamper evident seals and Palmolive Combing Cream labels.

In Malaysia, Colombia and Guatemala, we changed Axion Dish Paste labels. In Malaysia, the Softlan refill 2L label was also replaced.



Colombia and Thailand worked to change sleeves / shrink wrap used for special packs:

- Speed Stick deodorant in Colombia
- Care, Protex Talcum and Palmolive in Thailand

- We have replaced PVC with PET in toothbrush blisters for individual and special packs globally.



## IMPROVE RECYCLABILITY

Colgate's goals are to achieve:

- All packaging recyclable in Personal Care, Home Care, and Pet Nutrition by 2020
- All packaging recyclable, refillable or compostable for all categories by 2025

As of year-end 2019, approximately 88 percent of our packaging by weight is technically recyclable in Personal Care, Home Care and Pet Nutrition. When Oral Care packaging is added, our packaging recyclability company-wide is 81 percent. This does not, however, include our recently acquired skin health and oral care businesses, PCA Skin, eltaMD, Filorga and hello.

We continue the transition from opaque to clear PET bottles, redesigning multi-material film packaging, and improving recyclability of dispensing systems.

We continue the implementation of shrink sleeves with perforated tear tabs, and we direct consumers to remove the sleeve at end of use to improve bottle recycling. We continue to focus on deploying our breakthrough innovation in new shrink sleeve technology and pressure-sensitive label systems that are preferred by recycling facilities.



### EXAMPLES

***The following are examples of how Colgate People successfully replaced colored PET with more recyclable packaging:***



In Australia, Ajax Spray 500ml and 750ml bottles moved to clear PET.

In Mexico, Ajax Ammonia bottles moved to clear PET.





In the U.S., Irish Spring 32oz bottles moved to HDPE bottles.



In Greece and France, Soupline Fabric Softener bottles moved to clear PET bottles.

In Turkey, Palmolive, Protex and Haci Sakir liquid hand soap and Palmolive Men body wash moved to HDPE bottles.



## EXAMPLES

**The following packaging design improvements made the following products technically recyclable:**



In Pakistan, we converted the film used in Max Laundry bar to monomaterial film.

In the U.S., we replaced the shrink sleeve in Softsoap Foaming hand soap and Softsoap body wash with pressure sensitive labels.





In the U.S., we converted Speed Stick deodorant containers from mixed resins to an all polypropylene container.



We launched a first-of-its-kind recyclable toothpaste tube, the first oral or personal care tube to be recognized by the Association of Plastic Recyclers. The recyclable toothpaste tube debuted under the Tom's of Maine brand in the United States and the Colgate Smile for Good brand in Europe. [Read more](#).

## INCREASE RECYCLED CONTENT

Colgate's 2020 goal is to increase recycled content in our packaging to 50 percent on average, and our 2025 goal focuses on increasing recycled content for plastic to 25 percent. As of year-end 2019, approximately 45 percent of our packaging materials are from recycled sources. We have worked in 2019 to procure resources to meet our 2020 goals.



Palmolive Dish Eco Respect is Colgate's first bottle using 100% post-consumer recycled PET in Europe. Hypoallergenic, biodegradable formula free from fragrance and dyes; effective usage in cold water; EU 'Ecolabel Certified' seal on-pack.

Palmolive Eco Dish Liquid launched in Australia and New Zealand using 100% post-consumer recycled PET bottles, biodegradable formula, no added dyes. Palmolive Ultra and Ajax Spray n' Wipe also moved to 100% post-consumer recycled PET bottles.





In Guatemala, Fabuloso and Azistin gallon bottles moved from 25% to 50% post-consumer recycled PET.



In Colombia, Fabuloso 500ml bottles moved from 25% to 100% post-consumer recycled PET.



In Mexico, Axion 280ml, 400ml, 640ml, 750ml & 900ml bottles moved from 0% to 25% post-consumer recycled PET.



In the U.S., Tom's of Maine launched 16oz mouthwash with 100% post-consumer recycled PET.

## MINIMIZE WEIGHT AND VOLUME

Colgate strives to use the minimum amount of packaging required to label and protect our products. We recognize the importance of reducing waste at every stage of the product life-cycle, including at the end-of-use of our products and packaging. Read more on our programs to collect packaging waste and our commitment to work with stakeholders to drive continuous improvement in local recycling systems in [Reducing Consumer Waste](#).



### EXAMPLES

In Colombia, we worked to reduce the height of the 200ml and 400ml stand up pouches reducing plastic consumption.





In Italy, we eliminated a carton pad that was included as tertiary packaging for Palmolive 250ml and 500ml bottles, and a shrink film that was used for Palmolive Shampoo reducing 43 tons of fiber packaging and 17 tons of plastic used on an annual basis. We also reduced the amount of adhesive needed to close cases across different products, reducing an additional 15 tons of plastic.



In France, we launched a new Soupline Concentrated 800ml bottle, replacing the previous 1.2L bottle. The new format reduced plastic consumption by 170 tons on an annual basis.



In Colombia, we reduced eight tons of plastic from Colgate Triple Action and Anticavity Toothpaste tubes.



In China, we reduced fiber based packaging by 3.5 tons with projects in Colgate Kayu Sugi and Travel Kit.



In Mexico, we reduced the weight of the cap used in Suavitel 450ml saving 72 metric tons of plastic per year.

In Malaysia, we improved the fiber based packaging used for Axion Dish Paste 350g and 750g, Softlan Fabric Conditioner 1, 2 and 3L and Softlan 2L refill reducing 40 tons of fiber based packaging considering annual volumes. An improved bottle weight of Softlan Ultra 1L and Refill 2L led to a plastic reduction of 16 tons.





The redesign of Palmolive Foaming hand soap packaging, 250ml bottle, reduced 9 tons of plastic and 17 tons of fiber based packaging on an annual basis.



A redesign of the Softlan Fine Fabric Liquid Detergent packaging, allowed us to reduce 86 tons of plastic and 36 tons of fiber based packaging on an annual basis.



## Highlights

- We are committed to making recycling easier for Colgate consumers! In addition to design changes and increasing our on-pack labeling, we have launched a [searchable database](#) to help Colgate consumers find the best ways to recycle our packaging and products in the United States. We hope to expand this resource to other geographies in the future.



In Australia we partnered with TerraCycle® in the country's first recycling program for electric toothbrushes, which have traditionally been hard to recycle. As part of the innovative program, consumers can recycle any brand of electric toothbrush handles or bases at no cost. TerraCycle® will separate the parts and transform the plastic into recycled products such as garden beds and park benches. Read more about the [Electric Toothbrush Recycling Program](#) here.



Colgate worked with The Recycling Partnership to found the new Pathway to Circularity initiative. The Pathway to Circularity starts with a stage-gate process to determine needed steps for a package to realize true recyclability. The Pathway to Circularity will outline, address, and successfully navigate current and future packaging and recycling system challenges that limit the recycling of packaging materials today to make progress toward circularity. The initial funding has not only created this stage-gate process, but also launches an industry council to gain the consensus needed to realize measurable change throughout the packaging industry. [Read the media coverage here.](#)



- With Hill's as a Founding Member, we also helped kick off the Recycling Partnership's Film and Flexibles Taskforce, to help solve the ongoing challenges of recyclability for flexible packaging.
- Tom's of Maine announced a new toothbrush with a handle made from 80% post-consumer recycled plastic. The soft, BPA-free bristles are colored with food-grade, mineral-based pigments and the toothbrush is recyclable through Tom's collection program with partner TerraCycle. [Read the press release here.](#)
- Colgate-Palmolive participated in the first Ocean Plastics Leadership Summit, an effort to mobilize organizations in the plastic value chain to showcase solutions, highlight new initiatives that can address pressing challenges facing our oceans, and inspire partnerships, joint ventures, and R&D initiatives. [Read more.](#)
- As a Member of the Ellen MacArthur Foundation (EMF), we continue to take part in EMF's New Plastics Economy initiative. Together with others, we are pushing for unprecedented collaborative action in the field of sustainability, in particular towards eliminating plastic waste. As part of EMF's Plastics Pact Network, Colgate joined the [Portugal Plastics Pact](#).

## **Providing Access to Affordable Products**

Product sustainability at Colgate also means a commitment to providing affordable product options in our portfolio. We have a 2020 goal to expand access to affordable health and wellness products for millions of people in underserved communities. We make products more affordable while maintaining quality with smaller sizes, refill packages and value options. We distribute our products broadly to give more consumers access to Colgate goods. Offerings are customized to best reach consumers within their socioeconomic level, available household income and specific consumer needs. We are also finding ways to offer the benefits of more premium products at affordable price points.

Globally, we strategically balance Colgate's portfolio between base and premium tiers as appropriate for the particular region. This starts with consumer panels and research that gives us an in-depth understanding of the local market. Many people around the world do not have access to basic dental care and education. As a leading provider of oral care products, Colgate has the unique ability to address this major social issue and to improve the oral health of families around the world.

In June 2019, we introduced a revolutionary new formula for cavity protection with the relaunch of India's #1 toothpaste brand. The new Colgate Strong Teeth, now with "Amino Shakti," is specially formulated to deliver the best ever cavity protection (compared to the previous formula), while maintaining the same great taste and experience of the old Colgate Strong Teeth. This new technology is now available for consumers at the lowest price point in certain markets, such as India, where dental access is a challenge, providing kids in rural markets with access to the best ever cavity protection.

## **Partnering with Customers**

We partner with hundreds of thousands of retail stores to sell Colgate products around the world. Treating all retail customers with fairness and integrity is a priority. We engage our customers worldwide by sharing unique shopper insights, providing innovative in-store marketing communications and merchandising techniques, and developing and executing joint business planning initiatives. These activities ensure the right product assortment at each location and help to make shopping a consumer-friendly, enjoyable experience that drives increased sales for both Colgate and the retailer.

To ensure continued success, we track retailer satisfaction in 20 of Colgate's largest subsidiaries every two years. The Company participates in a widely used industry standard syndicated survey run by the Advantage Group. The objective is to measure our customer engagement with the goal of strengthening our performance across key markets and building robust action plans based on the survey feedback.

Colgate also partners with key customers to advance our mutual sustainability goals. We often partner with retailers to engage consumers with programs, such as our Bright Smiles, Bright Futures oral health education program, Operation Smile and TerraCycle®.

- Colgate continues to partner with eco-innovator TerraCycle® in five markets: the United States, Australia, New Zealand, the United Kingdom and China. TerraCycle® recycles oral care packaging collected at schools, stores and other locations into new and affordable eco-friendly products. Through this partnership, in 2019, more than 54,000 locations were engaged in recycling, helping us to divert nearly 10 million pieces of waste from landfills. Participating locations are also able to raise funds for schools and charities of their choice as an incentive for recycling.
- To engage consumers to recycle Colgate oral care packaging, in 2019, Colgate and TerraCycle® partnered with ShopRite, Meijer and CVS stores to run recycled playground giveaways. In-store displays drove awareness of the Colgate oral care recycling program and publicized the contests. At ShopRite and Meijer, schools competed to win a playground made from recycled toothbrushes and toothpaste tubes by getting votes for their community and recycling oral care waste. At CVS, shoppers were asked to recycle oral care waste to help win a recycled playground for a children's hospital in their state. To date, Colgate has made 23 donations consisting of recycled playgrounds, gardens and park furniture to communities in the United States.



# Our Planet

Learn about the progress we've made on our 2020 Sustainability Planet Commitments in 2019.

## Our Commitment to No Deforestation

Deforestation is one of Colgate's key sustainability issues. It is critical from a business, social, environmental and reputational risk standpoint. Our policies and commitments help us manage the deforestation risks in our supply chain for pulp and paper, palm oil and its derivatives, soy and soy oil, and beef tallow. In line with Colgate's values, we are committed to protecting the global environment, enhancing the communities where people live, and operating in compliance with government laws and regulations. Because we share a vision with our key stakeholders for a future without deforestation, we are committed to being transparent with our employees, shareholders, suppliers and NGOs about our commitments, challenges and the progress we have made in this area.

Colgate has made significant progress in policy development on commodity sourcing and deforestation over the past three years. Contributing to this progress is the company's active membership in the Consumer Goods Forum (CGF), a large network of retailers, manufacturers and service providers dedicated to a vision of "better lives through better business." Colgate is a member of the CGF's recently established [Forest Positive Coalition of Action](#) and has been actively engaged in the development of commodity roadmaps supporting Coalition actions. Colgate believes the implementation of an effective deforestation program is critical so we can manage the impact our activities have on ecosystems and habitats, meet stakeholders' expectations, protect our reputation and comply with regulations.

Included below are the key elements detailing our approach and progress for the key commodities included under Colgate's no deforestation program: palm oil, soy, pulp and paper, and tallow.

## **1. Palm Oil, Palm Kernel Oil and Derivatives**

### **Palm Oil, Palm Kernel Oil and Derivatives Approach**

Palm oil is the most widely produced vegetable oil in the world and continues to grow in its use, replacing other vegetable oils. More than 85 percent of the world's palm oil comes from Indonesia and Malaysia, where land is sometimes converted from forest to palm plantations, resulting in greenhouse gas emissions, impacts on biodiversity and social issues linked to deforestation.

Colgate uses palm oil, palm kernel oil and palm oil derivatives in some of our soap products, toothpastes, antiperspirants, deodorants and household cleaners.

In July 2016, Colgate published a stand-alone policy on the Responsible and Sustainable Sourcing of Palm Oils. This policy addresses the key requirements for our suppliers to build global supply chains that meet Colgate's palm oil policy criteria. Colgate continues working in partnership with Earthworm Foundation to move the palm oil responsible sourcing strategy to the next level by executing transformation projects and engaging with stakeholders from government, civil society and palm oil producers.

Colgate has specific commitments to source palm oil, palm kernel oil and palm derivatives that are responsibly produced and that can be traced from plantation to product. As we strive for zero deforestation in our palm oil operations and activities, we will partner with stakeholders and our suppliers to build a transparent global supply chain that meets the following criteria:

- No deforestation of High Carbon Stock (HCS) forest
- No deforestation of High Conservation Value (HCV) areas
- No use of fire for land clearance
- No new development on peat lands, regardless of depth
- Reduction of greenhouse gas emissions
- No exploitation of people or local communities

For additional information on our work and regular progress updates on our activities on Palm Oil, please see our specific policy on [Responsible and Sustainable Sourcing of Palm Oils](#)

## **2. Soy**

Colgate uses soy and soy oil as ingredients in certain products. Colgate currently sources these materials from the United States and South America. The United States, Brazil and Argentina account for more than 70 percent of the global soy supply. In Brazil, soy production has been linked to deforestation of highly biodiverse forest regions and its cultivation has contributed significantly to the clearance of the Amazon forest, the Cerrado, the Atlantic Forest, the Gran Chaco and the Chiquitano.

We are committed to using responsibly and sustainably sourced soy products from South America, which is considered the highest risk area for soy products. We will procure soy products that are responsibly and sustainably sourced and are certified by credible certification schemes, including Roundtable for Responsible Soy, Proterra or equivalent organizations to verify that the soy Colgate sources pose a low risk of contributing to deforestation.

For material procured in Brazil, our primary source, we use soy and soy oil suppliers that are in compliance with the Brazil Forest Code, including registration in the Rural Environmental Registry.

Colgate has completed an initial mapping of our indirect volume for soy. To support our current sourcing strategy for soy we have initiated the following critical actions:

- Supported efforts, such as the Soy Moratorium, that help minimize deforestation from soy expansion and increase transparency in the soy sector
- Completed mapping of our soy footprint for indirect soy, following CGF and RTRS guidelines
- Engaged with our suppliers in Brazil and other high-risk areas to assess the availability of soy that does not contribute to deforestation in our soy supply chain, such as soy certified by the Roundtable on Responsible Soy or Proterra, and will continue to increase our purchase from these suppliers (Ongoing)
- Increased usage of certified sources to 100 percent for the volume sourced from Brazil
- Incorporated sustainability and responsible sourcing requirements in the supplier selection criteria and process
- Included soy suppliers in our Supplier Responsible Sourcing Assessment (SRSA) program
- Joined efforts on supporting the Cerrado Manifesto through the Consumer Goods Forum (CGF) to minimize deforestation from soy expansion in Brazil and increase transparency in the soy sector

- Began a partnership with Earthworm Foundation to continue the traceability work back to the origin, risk assess our supply chain and identify transformation opportunities in collaboration with our suppliers in South America (ongoing)

### **3. Pulp and Paper**

#### **Pulp and Paper Approach**

Colgate is committed to sourcing paper and packaging from recycled sources and responsibly managed forests that do not contribute to deforestation. Much of Colgate's packaging materials utilize wood-derived or paper-based products. Approximately 92 percent of our pulp and paper is recycled and/or certified as sourced from responsibly managed forests.

As part of our responsible sourcing strategy, we continue working with our partner, Rainforest Alliance, an international non-profit organization, to assess our supply network for paper-based materials. We are also actively working with our suppliers to implement our longstanding strategy to increase the volume of certified or recycled pulp and paper-based materials each year, setting a goal to source 100 percent by the end of 2020. Our partnership with Rainforest Alliance helps us engage with our suppliers to increase the use of certified materials, giving preference to suppliers that use pulp and paper compliant with Forest Stewardship Council (FSC) certification standards. Rainforest Alliance also supports mapping our supply chain to identify hot spot areas, which present the highest risk to our business, the environment or the local community.

We will continue partnering with our suppliers to build a low-risk global supply chain that meets the following criteria for pulp and paper:

- No illegally harvested wood
- No exploitation of people or local communities
- No deforestation of High Conservation Value (HCV) areas
- No sourcing wood from forests that were converted to plantations or non-forest use after December 31, 2010

In addition, we have taken additional steps to ensure compliance with the U.S. Lacey Act, which requires all product and disposable packaging to be composed of legally sourced wood or other plant-based material.

## Pulp and Paper Progress

Our partnership with Rainforest Alliance will support the execution of our responsible sourcing strategy for pulp and paper and drive transformation in our supply chain.

As part of the work plan with Rainforest Alliance, Colgate is focusing first on the following pulp and paper based materials:

- Paper-based cartons
- Corrugated materials for shipping
- Paper-based labels
- Corrugated materials for displays
- Dryer sheet products and cleaning wipes

Due to the complexity in the pulp and paper portfolio, Colgate has prioritized policy implementation with the suppliers of these products representing 80 percent of our spend, with a long-term goal of reaching suppliers representing 100 percent of spend.

The following actions were identified to support our current responsible sourcing strategy for pulp and paper:

- Issued a commodity-specific Policy on Responsible and Sustainable Sourcing of Pulp and Paper
- Communicated our policy to our direct suppliers
- Map pulp and paper supply chain to country of origin to identify any controversial sources and drive actions toward policy conformance (Ongoing)
- Requested information on traceability to the mill level from the suppliers that represent 80% of our spend
- Conduct risk assessment analysis to determine areas of focus and develop a roadmap for policy implementation, with the support of Rainforest Alliance (Ongoing)
- Launched second phase on traceability request, focusing on the suppliers that represent the remaining 20% of our spend
- Increased awareness of policy commitments by conducting supplier webinars
- Increased awareness of policy commitments and requirements to suppliers by conducting webinars for procurement professionals and packaging teams
- Purchase increasing volumes of certified or recycled pulp- and paper-based materials each year with a goal to source 100 percent by the end of 2020, using the Forest Stewardship Council and other respected certification schemes as geography and availability necessitate (Ongoing)

- Included pulp and paper suppliers in our Supplier Responsible Sourcing Assessment (SRSA) program
- Incorporated sustainability and responsible sourcing requirements in the supplier selection criteria and process
- Report and communicate performance and progress against policy (Ongoing)

[See list of Pulp and Paper Suppliers for more detail](#)

We have also set packaging targets for 2020, including increasing the recycled content of our packaging to 50 percent. Currently, approximately 44 percent of Colgate's paper and board packaging materials by weight globally come from recycled sources. Colgate will continue our long-standing strategy to increase the use of recycled materials as well as our efforts to optimize the use of other packaging materials.

#### 4. Tallow

Tallow, a cattle byproduct, is a key ingredient in bar soap production. Colgate sources tallow from suppliers in North America, Latin America and Europe. In Brazil, there are concerns that rising demand for beef as a food source is prompting farmers to clear parts of the Amazon rainforest for cattle ranching.

As a result, we mainly focus on the tallow sourced from Brazil, and work with our Brazilian suppliers to transform practices in our tallow supply chain. We require our suppliers in Brazil to meet the following criteria:

- Certify that suppliers follow environmental and social requirements set forth by the Brazilian Institute of Environment and Renewable Natural Resources
- Confirm that their operations are conducted in conformance with the Minimum Criteria for Industrial Scale Cattle Operations in the Brazilian Amazon Biome, which aims to stop deforestation in the Brazilian Amazon

To support our program and commitment we have initiated the following important actions:

- Developed a risk assessment tool to evaluate and assess the sustainability performance of 100 percent of our tallow suppliers
- Incorporated sustainability and responsible sourcing requirements in the supplier selection criteria and process
- Included tallow suppliers in our Supplier Responsible Sourcing Assessment (SRSA) program
- Certified that our suppliers operate in compliance with the environmental and social requirements set forth by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA)

- Confirmed that 100 percent of our suppliers' operations conform with the Minimum Criteria for Industrial Scale Cattle Operations in the Brazilian Amazon
- Exclude suppliers that do not meet our policy criteria and requirements
- Work with our suppliers on verification by using satellite systems to proactively address issues linked to deforestation and assure the material is sourced responsibly

We are publishing below the list of our primary beef tallow suppliers. This snapshot reflects our primary supply network refresh as of year end 2019. We optimized our supply network to only source from suppliers that meet our policy requirements and operate in compliance with IBAMA and the Cattle Amazon sourcing criteria.

<b>Beef Tallow Suppliers</b>	<b>Industry Type</b>	<b>Sourcing Region / States</b>	<b>Location - City</b>
IRMÃOS GONÇALVES COM.IND.LTDA	Slaughter house	Rondônia	- Jaru
MARFRIG GLOBAL FOODS S.A.	Slaughter house	- Goiás - Mato Grosso do Sul	- Mineiros - Bataguassu
VALE GRANDE IND COM ALIMENTOS SA	Slaughter house	Mato Grosso	- Matupá - Nova Canaã
NATURAFRIG ALIMENTOS LTDA	Slaughter house	- Mato Grosso - São Paulo - Mato Grosso do Sul	- Barra dos Bugres - Pirapozinho - Rochedo
ADASEBO IND.COM. PROD. ANIMAL LTDA	Rendering	São Paulo	- Adamantina
IND DE RACOES PATENSE LTDA	Rendering	Minas Gerais	- Itaúna - Patos de Minas

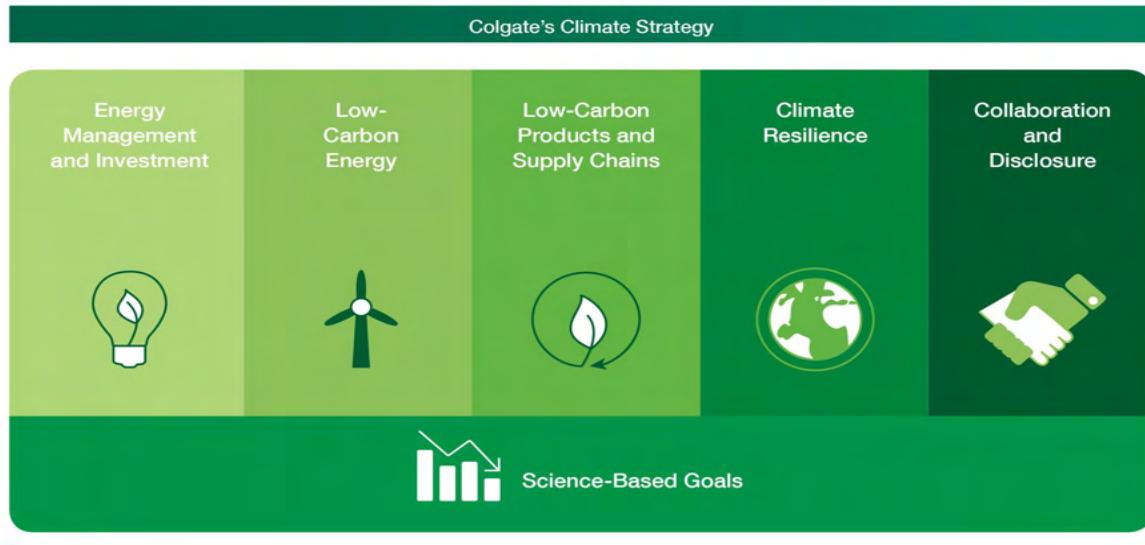
## Environmental Management

It is Colgate's worldwide policy to manufacture and market our products and operate our facilities so that we conform to, and often exceed, applicable environmental rules and regulations. Our environmental standards, including the management systems standard, define environmental performance expectations for Colgate facilities. All Colgate facilities have a fully implemented Environmental Health and Safety (EHS) Management System covering a wide range of categories, including energy, water and waste management. Colgate's manufacturing environmental performance goals are included in our Global Supply Chain annual objectives, which are cascaded to site-level facility managers, energy managers and EHS managers. Colgate facilities are expected to self-assess compliance with our standards and local regulations every 18 months. Corporate audits are conducted every three to five years, closure progress is reported quarterly and verification audits are conducted to provide closure assurance.

## Our Climate Commitment

At Colgate, we are aware of the potential consequences of climate change. We are committed to acting responsibly and conscientiously to protect people and the environment wherever we operate. We recognize that businesses and their suppliers, customers and consumers along with other stakeholders have a vital role to play in addressing the global issue of climate change. Climate change is one of Colgate's key sustainability issues. It is a key focus for our business from both a reputational and an operational standpoint. Consumers, non-governmental organizations and other external stakeholders expect companies to do their part to mitigate climate change. Reducing our energy use and greenhouse gas emissions also enables Colgate to mitigate costs. Since 2002, our energy reduction program has helped us avoid more than \$613 million in energy costs. Managing the risks associated with climatic events, such as storms and droughts, is also important to ensure the continuity of our own operations and that of our supply chain. [See "Climate Resilience"](#) for more information. Our approach for climate change management and reporting is based on the guidelines of the GHG Protocol, covering about 95 percent of operations and sales where we have financial control.

## Approach



**Key elements of our Climate Strategy include:**

### Science-Based Goals

We set science-based climate goals to reduce greenhouse gas emissions.

### Energy Management and Investment

We continue to improve our global energy management system and invest in planet-related improvements via our manufacturing capital program.

### Low-Carbon Energy

We promote the use of renewable energy and support the development of low-carbon energy supply.

### Low-Carbon Products and Supply Chains

We quantify greenhouse gas emissions throughout our value chain and focus on reducing the most significant emissions. Colgate ensures responsible sourcing of the forest commodities associated with deforestation.

## Climate Resilience

We integrate climate resilience into our risk management process.

## Collaboration and Disclosure

We collaborate with stakeholders to demonstrate business leadership on climate. We are also committed to transparency. We publicly disclose our climate strategies and goals, and report on our progress.

In 2019, Colgate continued to work with Walmart's Project Gigaton to support their goal to work with their suppliers to reduce 1 billion metric tons of greenhouse gas emissions (GHG) from the global value chain by 2030. Through Project Gigaton, Colgate has committed to GHG goals in six areas: emissions, energy, waste, deforestation, packaging and product use. Colgate reports against these goals annually.

## Progress

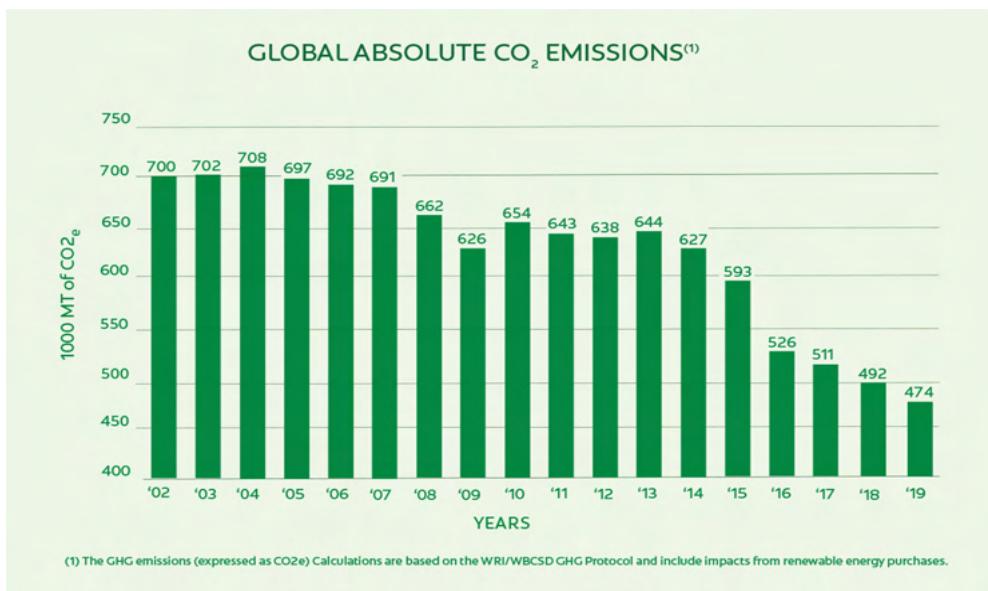
2020 Target	Goal	2019 Progress
Absolute GHG emissions reduction from manufacturing (Scope 1 & 2) versus 2002 <sup>(1)</sup>	25%	32%
% Purchased Electricity from Renewable Sources	25%	28%
Energy intensity reduction in manufacturing versus 2002	33%	33%
# U.S. EPA ENERGY STAR Challenge site recognitions since 2011	Increase	74
# USGBC LEED certified projects completed	Increase	19
GHG Intensity reduction of Outbound Logistics (Scope 3) versus 2015	Reduce	42%
Absolute GHG avoided reduction from consumers saving water to be estimated (Scope 3) from 2016-2022 <sup>(2)</sup>	Up to 5%	12%

<sup>(1)</sup> Included in our Science-Based Climate Goal, approved in 2017 by the Science-Based Targets Initiative.

<sup>(2)</sup> Based on an estimated median value in emissions associated with consumer behavior, relative to a 2016 baseline and based on consumer survey results from 2019.

## SCIENCE-BASED TARGETS

Colgate commits to reduce absolute Scope 1 and 2 GHG emissions from manufacturing by 25 percent from 2002 to 2020, with a longer term goal of a 50 percent reduction by 2050. As a way to reduce our most significant Scope 3 GHG emissions, Colgate is committed to promoting water conservation awareness to 100 percent of our global consumers and reducing emissions associated with consumer behavior by up to five percent from 2016 to 2022, and increasing the recycled content of our packaging to 50 percent by 2020.



Our climate strategy is anchored in setting and achieving science-based goals to reduce greenhouse gases.

In 2017, Colgate's science-based climate goal for Scopes 1, 2 and 3 was approved by the Science Based Targets initiative.



As part of our strategy to track and reduce GHG emissions, Colgate also tracks direct and indirect CO<sub>2</sub>, or carbon dioxide, emissions as well as direct nitrous oxide, sulfur hexafluoride, HFC and PFC emissions. We additionally estimate NO<sub>X</sub>, or nitric oxide, emissions from Colgate's North American and European car fleets and from the trucks that deliver Hill's Pet Nutrition products to retail customers in vehicles that are controlled by Colgate. We track VOC data as needed to comply with local regulations.

## Energy Management and Investment

Colgate has a longstanding energy reduction program that has helped us lower GHG emissions and energy use intensity as well as increase financial savings. Our energy management system is modeled after the U.S. EPA's ENERGY STAR program and is implemented globally. In 2020, Colgate was named a U.S. EPA ENERGY STAR Partner of the Year for the tenth year in a row, recognized specifically for Sustained Excellence.

To date, U.S. EPA ENERGY STAR has issued 74 Challenge for Industry site recognitions to Colgate facilities worldwide.



Key elements of Colgate's energy management program include:

- **"Top 10" Energy Actions**

For the past several years, as a way to help our global sites prioritize the most effective energy reduction activities, we have used our Top 10 Energy Actions program. Implemented over two-year increments, this program tracks progress against our ten best global energy reduction opportunities.

- **5% for the Planet**

In 2011, Colgate initiated a program to set an annual capital expenditure budget as a way to drive investment in environmental sustainability projects across our global manufacturing sites. Our "5% for the Planet" program helps ensure that sites identify, fund and implement climate, energy, water, and waste projects that drive both environmental improvement and cost savings. The program sets an annual goal to invest a minimum of five percent of our manufacturing capital expenditure budget on energy reduction, water conservation, and reduction of waste to landfill. Upgrades for environmental compliance and product design are funded separately. A minimum of two percent of the manufacturing capital budget is targeted specifically toward energy reduction projects. Since inception, Colgate has invested more than \$248 million in more than 1,300 planet projects, delivering an estimated savings of more than \$59 million.

- **Energy Treasure Hunt Program**

We engage people across Colgate's operations to participate in the Energy Treasure Hunt program. Over a three-day period, 30 to 50 participants visit all areas of a facility, searching for energy waste and brainstorming opportunities to drive continuous improvement.

"At Colgate-Palmolive, fighting climate change isn't about one big idea. It's about seeking out, hunting down and implementing hundreds of ideas across our business, including manufacturing," said Vance Merolla, Worldwide Director, Global Sustainability of Colgate-Palmolive. "As an ENERGY STAR® Partner company, Colgate's global manufacturing sites have been taking the U.S. Environmental Protection Agency's ENERGY STAR® Challenge for Industry since 2011." [Read more on how our global teams hunt down energy waste and fight climate change.](#)



To date, we have sponsored 34 events. Approximately 1,150 Colgate employees have participated in the Energy Treasure Hunt program, raising 2,318 energy reduction ideas resulting in an estimated savings of over \$29 million.

- Our factories in Boksburg, South Africa, Cali, Colombia, Guatemala City, Guatemala and Rillieux, France earned ENERGY STAR® Challenge for Industry Achiever status for 2019 by reducing their energy intensity by at least 10% within 5 years.

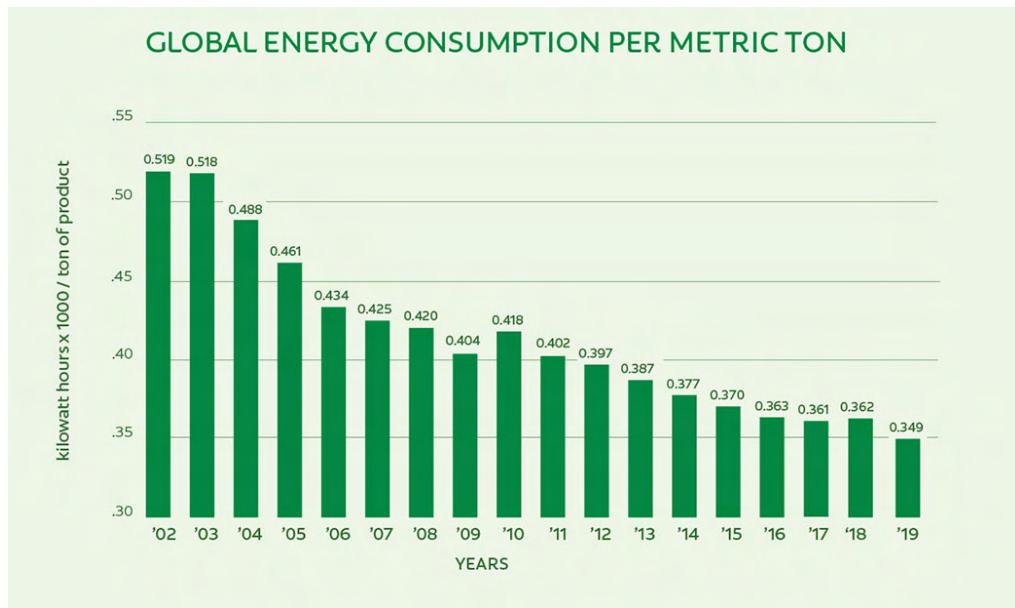
#### • **Global Energy Reduction Team**

Colgate's Global Energy Reduction Team leads the technical implementation of Colgate's energy strategy in our manufacturing sites by setting annual objectives and developing tools and programs to help our sites reach their energy reduction targets. This cross-functional global team is composed of individuals with expertise and passion for reducing Colgate's energy use and GHG emissions. For 17 years, the Global Energy Reduction Team has continued to focus on supporting our plants with many tools, activities, and

initiatives. In 2019, the team supported our global Energy Treasure Hunt program and “Top 10” Energy & Water Actions program.

## Energy Intensity Goal

Colgate’s 2020 goal is to reduce the energy intensity of manufacturing our products by one-third compared to 2002. As of 2019, our global energy programs have already resulted in the reduction of energy per ton of products by 33 percent.



## Low-Carbon Energy

As part of our strategy to achieve a 25 percent absolute reduction in GHG by 2020, we are working to promote the use of renewable energy and support the development of a low-carbon energy supply.

As a way to further develop our balanced approach to renewable energy, Colgate developed a Renewable Energy Master Plan, which helps the company identify and prioritize renewable energy opportunities at our facilities around the world. In 2019, Colgate implemented phase I of a multi-phase solar project at our Global Technology Campus in Piscataway, New Jersey. Phase I will generate 903 kWh and when complete, the total project is expected to generate 3.2 MWh.

Colgate has been a U.S. EPA Green Power Partner since 2014, supporting the voluntary use of green power to reduce the environmental effects associated with conventional electricity use. In 2019, Colgate purchased

230,000 MWh of Green-e certified wind power renewable energy certificates generated from wind power farms located in Kansas. This green power purchase was recognized by the U.S. EPA Green Power Partnership Leadership Club, achieving the rank of No. 51 in the United States. The purchase cost of green power is allocated back to our facilities in proportion to their carbon emissions as a way to help assign a cost-of-carbon to its source.

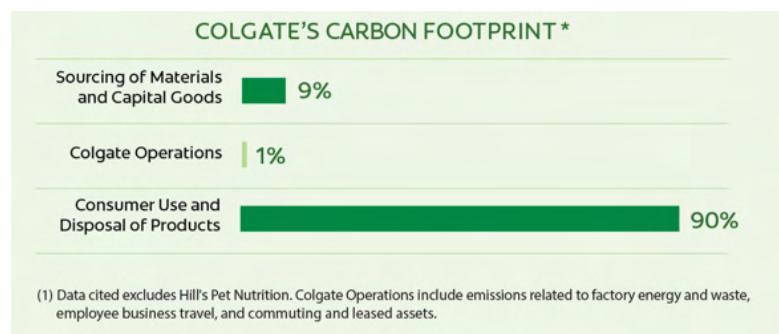
In 2019, Colgate hosted an Environmental Defense Fund (EDF) Climate Corps fellow whose primary objective was to develop a global strategy for electric vehicle (EV) charging station implementation and to evaluate WELL Building certification at our Piscataway, New Jersey technology campus.

## Improving Refrigerants

Although Colgate uses only a small quantity of refrigerants in our air conditioning and chilled water systems, we continue to take steps to minimize refrigerant losses and transition to lower global warming potential refrigerants over time. Colgate has aligned with the Consumer Goods Forum's resolution on refrigerants, which calls on Food and Beverage supply chains to phase out hydrofluorocarbons. Although Colgate is not in the Food and Beverage sector, we have proactively aligned our global refrigerant standard to meet the intent of the CGF's resolution as a way to support these efforts. In addition, we developed an associated e-learning training tool to assist our global facilities in transitioning toward less carbon-intensive refrigerants.

## Low-Carbon Products and Supply Chain

Each year, Colgate works to assess the carbon consequences and opportunities across our value chain. We have expanded our knowledge into areas beyond our own direct energy (Scope 1 emissions) and indirect electricity (Scope 2 emissions) to include areas such as raw material procurement, transportation and logistics, business travel, waste, employee commuting, consumer use of products, and product end-of-life.

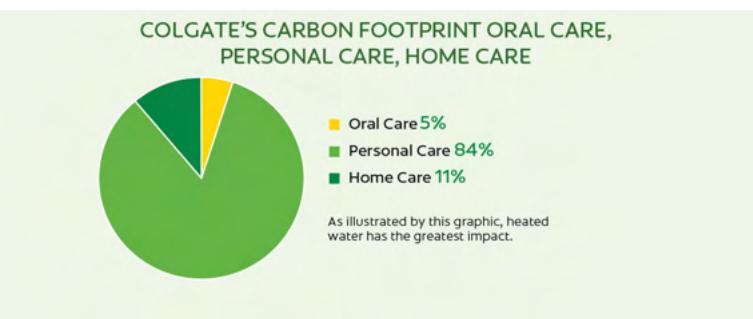


## Low-Carbon Products

The predominance of our GHG emissions is associated with the consumer use of our products. Our category GHG footprint indicates that the impact of brushing, showering, washing hands, and washing dishes differs greatly.

To reduce GHG emissions associated with our products we are focused on:

- Raising consumer awareness of water conservation
- Designing products that allow consumers to use less water or temperate water
- Designing packages that can be recycled



## Low-Carbon Supply Chain

We are also focused on GHG emissions in our supply chain. To reduce these emissions we are focused on:

- Supplier engagement
- Carbon-intensive materials
- No deforestation
- Sustainable and efficient logistics

## Supplier Engagement

We request that our key Tier I suppliers and suppliers of carbon-intensive materials participate in the CDP Supply Chain Program Climate Disclosure to help us understand and address climate effects and associated risks and opportunities in our upstream supply chain. In 2019, 42 percent of our Tier I direct material suppliers, by spend, responded to the survey, including our largest raw material suppliers and contract manufacturers.

We achieved 82 percent supplier participation.

### ***Carbon-Intensive Materials***

We have identified the oral care, personal care, and home care raw and packaging materials that have the highest carbon footprint. This information has been shared with our Research and Development and Procurement teams to help them identify and prioritize opportunities through material and supplier choices without negatively affecting consumer experience, quality or cost.

### ***No Deforestation***

We also recognize that deforestation and forest degradation contribute significantly to the release of GHG. Our No Deforestation policy commits to sourcing forest commodity materials responsibly and sustainably by 2020. See "[Our Commitment to No Deforestation](#)" for more details on Colgate's progress on policy implementation.

### ***Sustainable and Efficient Logistics***

Customer Service and Logistics teams at Colgate continue to focus on sustainable and efficient logistics initiatives around the world. Through these efforts, we are reducing costs as well as our carbon footprint, all while improving customer service.

Our sustainable and efficient logistics efforts in 2019 included initiatives such as:

- Load Optimization: Through the use of SAP Transportation Management—a tool currently in place in Canada, the United States, Mexico, Brazil and Vietnam—we are automatically planning shipments to their optimal capacity. This has led to more efficient load planning and minimization in the number of shipments to deliver our products in a timely fashion. In 2020, we will be rolling out this technology for Hill's exports, which will continue to drive freight planning efficiencies.
- Route Optimization: By analyzing trends in lane level detail, using internal tools and partnering with third parties, we are identifying transport solutions aimed at reducing transit time, emissions and costs.

- Distribution Network Optimization: By using a customer location study, which reorganizes the freight to customers through a buffer warehouse and/or new warehouse location, we reduce costs, better serve our customers and reduce our carbon footprint.
- Co-Loading Trailers: Colgate is working to minimize the number of trucks on the road by co-loading trailers with other companies. This creative freight load-sharing program enables us to minimize the number of our trucks on the road as well as wasted space in our trailers.
- Improving Vehicle Fuel Efficiency: Our logistics providers are upgrading their fleets to include more aerodynamic and efficient vehicles, resulting in improved miles-per-gallon fuel efficiency.
- Intermodal Shipping: We are using intermodal shipping globally to drive reductions in CO2 emissions, diesel consumption and cost. Hill's has been a prime example of our commitment to this initiative and has reached 100 percent utilization on lanes set up for transport by rail two years in a row.

## **Climate Resilience**

Colgate has a long-standing operations risk management process that includes managing the effects of episodic climatic events, such as storms, floods, droughts and temperature extremes, to our facilities and supply chain. Climate risk is defined as part of the operational, regulatory and reputational and market risks; therefore, Colgate is committed to developing a long-term strategy to mitigate risks from climatic events. As part of this process, we assess potential climate vulnerabilities and risks to ensure our business is able to respond to and recover from climatic events. As part of our loss-prevention program, our strategic manufacturing sites are mandated to be highly protected against risks. Third-party assessments on property loss control are conducted annually for all strategic sites. Additionally, we develop and routinely update category contingency product sourcing plans.

## **Collaboration and Disclosure**

Colgate is committed to transparency and has reported publicly on our carbon and energy reduction performance since 2004. Through these disclosures, we report on financial, regulatory, physical and reputational risks as well as savings associated with eco-efficiency. In 2019, we continued to collaborate with

a variety of stakeholders and engaged with leading organizations to inform our climate strategy and drive continuous improvement on a broader basis.



Further details of our risk management strategies related to climate change, water availability and forest commodity risk can be found in our response to CDP's annual climate change, water and forest surveys. Please go to our Reporting for more details.



WORLD  
RESOURCES  
INSTITUTE

Colgate Quantifying Scope 3 emissions and goals



Colgate was recognized as a U.S. EPA ENERGY STAR Partner of the Year for the tenth year in early 2020



U.S. EPA's Green Power Partnership National Top 100 List



Global LEED commitment for new construction of all owned facilities

# Making Every Drop of Water Count

Water is an ingredient in many Colgate products and required in almost every phase of the product lifecycle. Clean water is also vital to the communities we serve, yet it is becoming an increasingly scarce resource in many regions of the world. Additionally, other related issues such as flooding threaten to have negative consequences on our supply chains and the delivery of raw materials and, as well as the finished goods to customers.

Water Stewardship is one of our Key Sustainability Issues. These challenges define the boundaries of Colgate's Water Stewardship Strategy, which covers the following areas where we have the opportunity to manage impact and create a better environment for communities: Direct Operations, Supply Chain, Consumer Use, Water and Sanitation Access, Ecosystem Protection, and Collaboration and Disclosure.



## Key elements of our Water Stewardship Commitment include:

### Direct Operations

We continue to invest in water conservation and assess water risks associated with our global operations. We replenish water in highly stressed regions and manage our wastewater appropriately.

## **Supply Chain Management**

We are increasing the participation of our suppliers in our water stewardship standard to identify opportunities and mitigate water risks.

## **Consumer Use**

We strive to develop innovative products that enable consumers to use less water while meeting or exceeding efficacy expectations. Colgate also promotes water conservation awareness globally.

## **Water and Sanitation Access**

We respect the human right to water, sanitation and hygiene. We partner with local and global organizations to offer clean water to underserved areas around the world. We also provide health and hygiene education in our communities.

## **Ecosystem Protection**

Colgate continues to work to protect water-related ecosystems through our commitment to No Deforestation, water replenishment, aquifer protection, wastewater treatment and community partnerships. In the U.S., Colgate continues to support [The Nature Conservancy](#) in its mission to protect and restore the health of rivers, lakes, wetlands and forests as well as to educate consumers about the importance of clean, accessible water for people and nature. This includes helping to protect the 2.9 million miles of rivers that cover the United States through projects like ensuring abundant water in the Colorado River basin (which provides clean drinking water to 40 million Americans and irrigates more than five million acres of cropland) and safeguarding clean water along the Ohio River (which provides hydropower navigation, water supply, flood protection and recreation to communities across 14 U.S. states).

## **Collaboration and Disclosure**

We partner with stakeholders and our communities to help drive water stewardship programs. We are committed to transparency and publicly disclose our water stewardship strategies and goals, and report on our progress.

As a way to inform our water stewardship efforts, Colgate engages with leading water experts. This collaboration helps build expertise, align efforts and ensure our water programs meet stakeholder expectations.

## Progress

2020 Target	Goal	2019 Progress
Reduce our manufacturing water intensity by 50% compared to 2002	50%	50%
Replenish water withdrawn in highly stressed regions, using our water replenishment stressed model	Improve	We reached 116% replenishment related to our manufacturing in India.
Increase supplier participation in our water stewardship program via CDP Supply Chain Water Survey	Increase	68%
Increase number of people reached since 2013 through Water For People's Forever Program™	Increase	Reached over 460,000 people since 2013
Increase number of Play Pumps sponsored in South Africa	Increase	We continue to sponsor and maintain 26 Play Pumps

## Our Water Footprint

Colgate's water use footprint consists of the water used by our suppliers to produce the raw and packaging materials we purchase, the water used by our facilities to manufacture our products, and the water associated with consumer use of our products.

Although we continue to focus on reducing the water used in our own operations, increasingly we are making efforts to help manage water use along each step of our value chain. The results of our ongoing water footprint exercises have helped quantify the opportunity to have a positive water impact beyond our own operations.

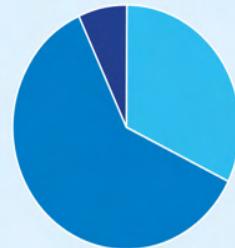
### COLGATE'S WATER USE FOOTPRINT \*

Raw and Packaging Material Supply  9%

Product Manufacture  <1%

Consumer Use  90%

### COLGATE'S WATER USE FOOTPRINT ORAL CARE, PERSONAL CARE, HOME CARE



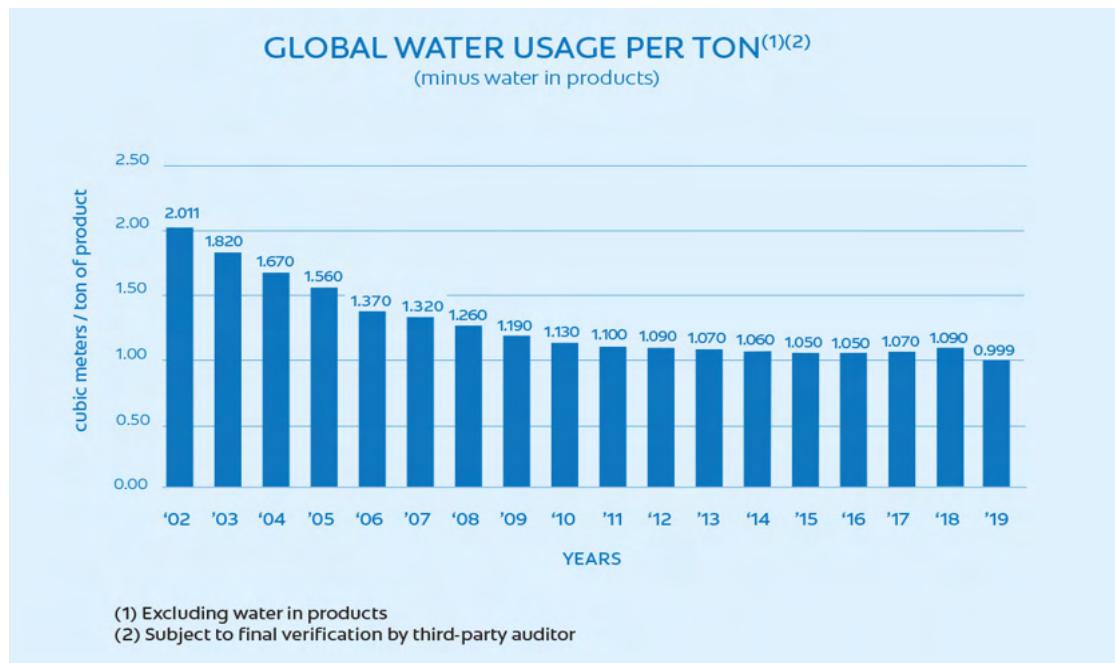
Oral Care 32%  
Personal Care 61%  
Home Care 7%

Oral and personal care products have the largest water footprint.

(1) Excluding Hill's Pet Nutrition

## Direct Operations

Colgate has had manufacturing water conservation goals since 2002, and since then we have reduced the water consumed per unit of production in the manufacture of our products by 50 percent.<sup>(1)</sup> Our goal is to reduce our manufacturing water intensity by half compared to 2002 and find ways to replenish water withdrawn in highly stressed regions.



## Key elements of our program include:

- **5% for the Planet**

Colgate invests in water conservation strategies at our global facilities through our manufacturing capital expenditure program, 5% for the Planet, and by implementing our Water Stewardship Strategy. A minimum of one percent of the manufacturing capital expenditure budget is targeted specifically toward water conservation projects.

- **True Cost of Water**

Colgate's True Cost of Water Toolkit, developed with Rutgers University Business School's Supply Chain Management Program, is a manufacturing-based tool designed to help sites quantify some of the hidden costs of water, such as pretreatment, pumping, and wastewater treatment, thereby increasing both economic and environmental opportunities for reduction.

- **Water Stewardship Standard**

Colgate's global Water Stewardship Standard is intended to help ensure that all of our manufacturing facilities and technology centers develop responsible and appropriate programs to ensure that water-related risks are understood and managed, and that water conservation opportunities are continuously evaluated and implemented in support of Colgate's environmental and sustainability goals. Water Stewardship Strategy expectations vary by the level of geographic water stress.

### **Guatemala City, Guatemala facility**

The team at our Guatemala City facility implemented a strategy to control and reduce water consumption focusing on a systematic control of daily water consumption in every area of the site to identify and repair leaks and the decommissioning of obsolete piping. Their focused efforts helped save the facility nearly 4,000 m<sup>3</sup> per month.



### **Canelands, South Africa facility**

In 2019, the Canelands, South Africa facility began to realize savings from a recently completed multi-faceted project that reduced its water and energy consumption, reduced absolute material losses, improved product quality and increased capacity. The Canelands team replaced four poor-performing dryers with one highly efficient dryer. This reduced the facility's fuel consumption by over 60%. The team also upgraded its boiler to include a condensate recovery system which recovers an estimated 750 liters of water/hour. The project also included decommissioning an old highly inefficient cooling tower with a new cooling tower with an estimated water savings of 500 liters/hour. This is a great example of a facility project that supports our global water, energy, CO<sub>2</sub> and waste reduction goals.



## **Water Replenishment**

In regions with high water stress, we continue to assess water risks and implement appropriate resilience measures as a way to anticipate and mitigate the effects. In 2015, Colgate developed a framework project to create replenishment criteria, define geographical boundaries and identify both environmental and community-related options to meet our commitment to replenish water in highly stressed regions. Subsequently, we leveraged this project's output by piloting the overall replenishment approach for our manufacturing sites in India. Through this work, we identified future opportunities to maximize on-site water reduction by increasing rainwater harvesting and community water projects.

## **Supply Chain Management**

We continue to address supply chain water risks in several ways. We are increasing supplier engagement in our Water Stewardship Strategy by participating in programs such as the CDP Supply Chain Program. Additionally, we are helping our product developers and procurement teams understand and identify our most water-intensive raw and packaging materials.

We requested several of our Tier I suppliers and suppliers of water-intensive materials to participate in the CDP Supply Chain Program Water Disclosure to help us understand and address water consequences and associated risks and opportunities in our upstream supply chain. In 2019, 40 percent of our Tier I direct material suppliers, by spend, responded to the survey, including our largest raw material suppliers and contract manufacturers. We achieved 68 percent supplier participation.

To help reduce the water associated with the production of raw materials, we are working to identify the most water-intensive materials in each of our product categories. With this information, we are able to engage our suppliers to better assess where there are opportunities to reduce the water footprint of our products through feedstock choices and conversion efficiency, particularly in markets under high water stress.

In 2018, we collaborated with the Mint Industry Research Council (MIRC) to gather and analyze data from mint suppliers to better understand the climate and water challenges across North America and share the insights with the industry. In 2019, Colgate continued to engage with MIRC on sustainable mint farming. MIRC invited Colgate to present our mint farmer marketing campaign at their annual meeting to demonstrate our shared commitment to North America's mint farming industry. Colgate collaborated with North America's mint farmers to create a marketing campaign that featured MIRC member mint farmers on displays in retail stores.

Colgate also has representatives on the MIRC Scientific Affairs Committee and the MIRC Board of Directors. We support the identification and financial support of new research on improving the growth and use of North American mint oils. An example of this type of research is in the support of methods of irrigation. Understanding the position of sprinkler heads to get closer to the roots and reducing evaporation while providing enough water needed and not over watering. The research measures the water savings versus more traditional overhead watering. Much of overhead watering can be evaporated and can cause mint oils in the leaves to be washed away. New methods reduce evaporation, increase yields and save overall water used to irrigate the crop.



## Our Products

Colgate understands that the water required to use our products represents the largest portion of our overall water footprint. To that end, water scarcity is an opportunity for innovation. Colgate's portfolio now includes a number of products that allow consumers to use less water and we're developing more



Palmolive Dish Eco-Respect is Colgate's first bottle using 100% post-consumer recycled PET in Europe. It has an improved sustainability profile, allowing for effective use with cold water, is hypoallergenic with a biodegradable formula free from fragrance and dyes. It also carries the EU 'Ecolabel Certified' seal on-pack.

## **Water Conservation Awareness**

To help consumers conserve water as they use our products, Colgate seeks to promote water conservation awareness to all our global consumers. Through actions, such as turning off the faucet while brushing their teeth and washing their hands, much water can be conserved. In 2019, Colgate continued to expand our Save Water campaign globally with messaging around World Water Day on March 22 and beyond.



Colgate's Save Water campaign, launched worldwide in 2016, continues to increase consumer awareness through messaging on our packaging, online and in stores. Thanks to the ongoing efforts of Colgate People around the world, we are helping drive greater awareness of water issues—on World Water Day and every day—among consumers, customers and fellow Colgate People.

All our divisions engage Colgate People around the world regardless of office size or location on World Water Day, inviting them to take a Save Water pledge and spread the word about water conservation. Some locations also hold events with guest speakers and or employees volunteering in the local community. The Save Water message appears on our toothpaste and toothbrush packaging, soaps and cleaning products. Thanks to the ongoing efforts of Colgate People around the world, we are helping drive greater awareness of water issues—on World Water Day and every day—among consumers, customers and fellow Colgate People.

## **Celebrating Our Save Water Commitments**

Colgate hosted a media event panel at the United Nations headquarters in NYC during 2019 Climate Week to share insights from our ongoing Save Water campaign, launched in 2016. To date, our Save Water program has helped avoid using an estimated 99 billion gallons of water and an estimated 5.5 million metric tons of greenhouse gas emissions.

In celebration of World Water Day, we asked children related to Colgate People working in our plants why they think saving water is important.

[Hear what they had to say.](#)





Colgate presented ["Running Dry: Saving the Verde River"](#). As part of Colgate's Save Water campaign, we partnered with The Nature Conservancy scientist Kari Vigerstol and water activist and ultra-runner Mina Guli to bring attention to the Verde River basin which provides water to the Phoenix metropolitan area. The water quantity has been decreasing in the last 15 to 20 years.

Colgate partners with a number of organizations, including Water for People in Latin America and Asia, to provide underserved communities with access to clean water.

In 2019, Colgate India, continued its partnership with Water For People India Trust, and its Amravati Water initiative in the villages of Amravati District of Maharashtra. This expansion of Colgate's partnership with Water For People continues as a result of their successful collaboration in Bihar and West Bengal, since 2013. The program aims to support projected cumulative coverage to 36 villages by 2022. Collaborations and engagement with local communities, local and district level government authorities and stakeholders have played a vital role in building the infrastructure, operation and maintenance of water facilities and ownership. Innovative solution to water testing is executed through water quality testing toolkits which are handy to test bacterial contamination. Local youth and women are trained to carry out these tests. See how [our partnership in India is changing lives](#).



Colgate continues to raise public awareness of the global water crisis and the importance of water conservation because #EveryDropCounts. Around the Colgate World viewings were held of the charity event One Night for One Drop, a performance by Cirque du Soleil sponsored by Colgate. The show aired on national television in the U.S. on March 16th, 2019.

## Water and Sanitation Access

One of Colgate's 2020 Sustainability Strategy goals is to work with local and global organizations to help promote access to clean water and provide oral health and hygiene education in communities around the world. In that spirit, Colgate is proud to continue our commitment to support water, sanitation and hygiene (WASH) programming through our partnership with Water For People as they pursue their mission to reach Everyone Forever with WASH services across Guatemala, India and Peru. From 2013 through 2019, Colgate's total support of more than \$1.8 million has helped more than 322,000 people in communities and 207,000 people in public schools and health clinics gain access to safe water services, more than 245,000 people gain access to improved sanitation and more than 460,000 people learn about proper hygiene.

In 2019, Colgate continued our partnership with Water For People in Guatemala and India to strengthen and support the municipal water and sanitation offices that were established since we began our partnership in 2013. Our partnership exists to promote the development of high-quality drinking water and sanitation services, accessible to all, and sustained by strong communities, businesses and governments.

We also recognize that communities facing inadequate access to safe water often do not have sufficient sanitation services and that handwashing is not widely practiced. Colgate continues to work with public health officials, academia, local schools and clinics to educate millions of children and their families about the health and hygiene benefits of handwashing. Further, as a matter of long-standing practice, Colgate provides safe water, sanitation and hygiene to all people in our workplaces.



**Water For People - San Andrés Sajcabajá, Guatemala**

## **Wastewater Management**

Wastewater discharges from Colgate's operations are generally treated on site and/or by the local municipality prior to discharge to a body of water. We continue to work to reduce pollutant-loading in our wastewater discharges prior to treatment. In selected locations where water stress is high, Colgate treats wastewater to tertiary levels, allowing it to be reused for cooling, toilet flushing, gardening and other purposes.

## **Collaboration and Disclosure**

As a way to inform our water stewardship efforts, Colgate engages with leading water experts. This collaboration helps build expertise, align efforts and ensure our water programs meet stakeholder expectations. We are also committed to transparency and reporting publicly on our water stewardship and reduction performance. Colgate participates on the United Nations CEO Water Mandate Action Platform as part of our commitment to the United Nations Global Compact (UNG). This initiative seeks to mobilize business leaders to advance water stewardship, sanitation and the United Nations Sustainable Development Goals (SDGs). Colgate is working with the UNG to leverage the SDGs in the ongoing development of our water stewardship and sustainability strategies. Additionally, we have joined the UNG Action Platform on climate related Pathways to Low-Carbon and Resilient Development.

## **Working Toward Zero Landfill Waste**



(1) Total landfill waste intensity  
(2) Subject to final verification by third-party auditor

Colgate sites are reducing, reusing and recycling waste. As part of our 2020 Sustainability Strategy, we have committed to halve our manufacturing waste sent to the landfill per ton of product compared to 2010, working toward our goal of Zero Waste.

In 2017, Colgate initiated a new relationship with the [Green Business Certification Inc.](#) (GBCI) on its TRUE (Total Resource Use and Efficiency) Zero Waste certification program, adopting it as our global platform to drive Zero Waste. Currently, manufacturing facilities in all geographies are using the TRUE Zero Waste approach and tools. Additionally, we are aligning our global waste data management systems with TRUE Zero Waste to ensure uniform measurement of results.

**As of 2019, a total of 16 Colgate manufacturing facilities achieved GBCI TRUE Zero Waste certification. Colgate has the first TRUE Zero Waste facilities in Latin America, continental Europe, India, China and Vietnam. Colgate is truly a global leader in this space with more TRUE Zero Waste projects than any other company in any industry. As a result, Colgate received a U.S. Green Building Council (USGBC) 2019 Leadership Award in recognition of exemplary work and leadership in the green building industry.**



The TRUE Zero Waste program goes beyond just looking at diversion rates. It is a whole system approach that encourages companies to find ways to reduce waste throughout their supply chain. For example, it encourages facilities to work with vendors to identify alternatives to non-recyclable packaging and inspires facilities to implement strategies to reduce the amount of packaging for outbound materials.



## TRUE ZERO WASTE CERTIFICATIONS

16 certifications in 8 countries on 4 continents



An aspect of the TRUE Zero Waste program that embeds the concept of waste diversion at our facilities is the high level of employee engagement. From “Green Teams” to “Trash to Treasure Dumpster Dive” events, our employees are engaged to achieve zero waste every day.



### **Our commitments in action:**

- **Trash-to-Treasure Exercise, Goa, India**

Colgate is the first company in India to be recognized for having TRUE Zero Waste facilities and is finding innovative ways to reduce, reuse and recycle waste at our four Indian manufacturing sites.

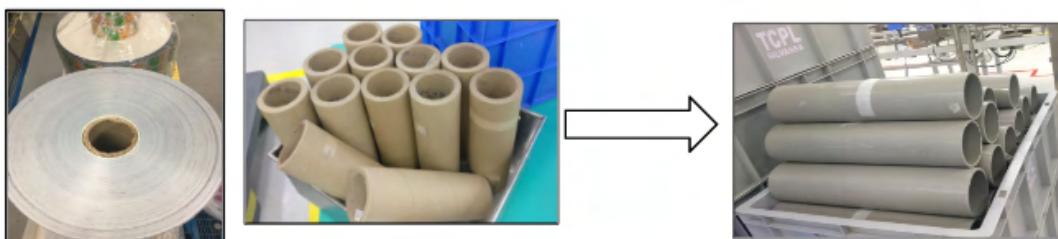
### **How we support our brands**

- The Green Business Certification Institute (GBCI) has approved a new on-pack certification mark for all Colgate products manufactured in any of our TRUE Zero Waste facilities. With this TRUE mark on-pack, we can share our sustainability commitment with consumers and customers.



- Multiple Colgate sites have worked with suppliers to replace cardboard cores on materials, such as shrink wrap rolls and label rolls, with reusable cores that are returned to the supplier for reuse.

### **Finding ideas that can be replicated across multiple sites**



## Reducing Consumer Waste

We recognize the importance of reducing waste at every stage of the product lifecycle, including at the end-of-life of our products and packaging. We have committed to delivering 100 percent recyclable packaging in our Personal Care, Home Care and Hill's Pet Nutrition categories by 2020 and 100 percent recyclable packaging in all categories, including Oral Care, by 2025.

Our investments in packaging innovation continue to bear fruit. In 2019, we launched a first-of-its-kind recyclable toothpaste tube, the first oral or personal care tube to be recognized by the Association of Plastic Recyclers.

The recyclable toothpaste tube debuted under the Tom's of Maine brand in the United States and the Colgate Smile for Good brand in Europe. Consistent with the Company's commitment to sustainability, Colgate is making this innovative technology available to interested third parties as part of its campaign to increase recyclability of toothpaste tubes. Read more information on our packaging commitments and progress.

We believe building a circular economy in which industrial materials and packaging can be recycled and reused is an important part of a sustainable future. In addition to commitments for our own packaging, Colgate has committed to work with stakeholders to drive continuous improvement in local recycling systems.

In 2014, we became one of the initial investors in the Closed Loop Infrastructure Fund to develop local recycling infrastructure and sustainable manufacturing technologies that advance the circular economy. In the United States, municipalities often lack access to the capital to invest in recycling programs and infrastructure. The Closed Loop Infrastructure Fund provides zero-interest loans to municipalities and below-market loans to private companies with a goal to develop infrastructure and improve recycling rates. The fund also seeks to co-invest with local private and public entities to magnify its impact. The fund has invested in the collection, sorting and processing of recyclables. To learn more, visit ClosedLoop Partners' website [here](#).



Since its inception, the Closed Loop Infrastructure Fund has invested in 27 projects and deployed \$58M to date, with an additional \$220M contributed by co-investors. One of Closed Loop Infrastructure Fund's investments – to Eureka Recycling in Minneapolis-Saint Paul – has enabled Eureka to triple their recovery of polypropylene (the commonly used plastic in to-go containers). Eureka sorts 100,000 tons of recyclables every year, diverting valuable materials from landfill. To learn more, read the [Closed Loop Fund's 2019 Impact Report](#).

## Commitment to Sustainable Buildings

Colgate has committed to the U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) certification for all of our new construction projects around the world. We have used the LEED green building rating system to help design and construct our manufacturing sites, technology centers, warehouses and offices as one way to help reduce our overall exposure to water and climate change-related issues and offer a healthier, more comfortable work environment.



Currently, Colgate has 19 facilities that have achieved 26 LEED Certifications, with one additional project underway. Our LEED projects have been conducted in the United States, Latin America, Asia and Europe. In addition, we use several LEED-certified third-party distribution centers. Colgate has been a member company of the USGBC since 2007. Colgate continues to collaborate and engage with USGBC in the advancement of LEED and green building practices for the global manufacturing sector. Further information about Colgate's LEED-certified buildings is available on the USGBC [Green Building Information Gateway](#).



In 2018, Colgate achieved three new LEED certifications at our Burlington, New Jersey Oral Care manufacturing site (LEED Silver), our Greenwood, South Carolina Personal Care manufacturing site (LEED Certified), and at

our Sri City, India Toothbrush manufacturing site (LEED Gold). In 2019, Colgate's Burlington, N.J. flavors facility was the first site in the world to achieve LEED Zero Certification by the U.S. Green Building Council for net zero carbon, energy, water and waste.



More rooftops across Colgate are supporting solar panels as we strive to reach our goal of 100% renewable electricity in our global operations by 2030. Our Technology Campus in Piscataway, NJ, is the latest facility that's harnessing the power of the sun.

- The renewable energy generated by the project's phase 1 is equivalent to the greenhouse gas emissions saved by nearly 1,600,000 miles driven by an average passenger vehicle, 74 homes' energy use for one year or our Technology Campus Datacenter Building being offset 100%.
- This also equates to the greenhouse gas emissions avoided by 217 tons of waste recycled instead of landfilled or 24,300 incandescent lamps switched to LED.

## Responsibly Made



Our products are made at Colgate-Palmolive facilities that are increasing energy and water efficiency, driving towards zero waste, striving for no workplace accidents, and adhering to ethical labor practices. Visit [Responsibly Made](#) to learn more about Colgate's commitment to responsibly made products.

## Committed to Responsible Sourcing



COMMITTED TO  
RESPONSIBLE SOURCING\*

\*TO LEARN MORE,  
VISIT [WWW.COLGATEPALMOLIVE.COM/COMMITTED-TO-RESPONSIBLE-SOURCING](http://WWW.COLGATEPALMOLIVE.COM/COMMITTED-TO-RESPONSIBLE-SOURCING)

Colgate-Palmolive is committed to source materials and services, responsibly, meaning with the goal of not causing harm to or exploiting people or the environment. To support our commitment to Responsible Sourcing we focus on four key pillars: protection of the environment, ethical labor practices, the health & safety of people, and business integrity.

Through execution of the Colgate programs, policies and initiatives shared here; we continue to make steady progress along our responsible sourcing journey. Colgate is continuously assessing and benchmarking its policies and evaluating our suppliers and the industries in which they operate to ensure our ingredients continue to be responsibly sourced.

Fundamental to our commitment are four key policies and initiatives; our third party code of conduct, ensuring the safety of our ingredients, our due diligence practices with third parties and our focus on climate change & water stewardship. To learn more visit [Committed to Responsible Sourcing](#).

## Sustainability Reporting

For a complete list of Colgate sustainability reports, visit [sustainability report archives](#).

## Partnerships

An important element of Colgate's sustainability strategy is our engagement and collaboration with external partners, which complement our strong internal capabilities. Colgate partners with a broad array of organizations, including suppliers, customers, research institutions, universities, industry, and nonprofits. These partnerships are important to us to help us achieve our ambitions, particularly in the areas of climate, plastic waste, water, no deforestation, oral health and other key areas of sustainability impact.

### Partnerships: Take Action on Climate Change



## Partnerships: Plastic Waste Reduction



## Partnerships: Water Stewardship



## Partnerships: Source Sustainably



## Partnerships: Improving Children's Dental Hygiene



## Partnerships: Collaborate on Sustainability

