Colgate Palmolive Company - Climate Change 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Founded in 1806, Colgate-Palmolive Company (the “Company,” “Colgate-Palmolive,” “we” or “us”) is a publicly-traded caring, innovative growth company reimagining a healthier future for all people, their pets and our planet, with approximately $16.5 billion of worldwide net sales in 2020.

We operate in two product segments: Oral, Personal and Home Care; and Pet Nutrition. Oral, Personal and Home Care products include toothpaste, toothbrushes, mouthwash, bar and liquid hand soaps, shower gels, shampoos, conditioners, deodorants and antiperspirants, skin health products, dishwashing liquids, fabric conditioners and household cleaners. These products are sold to a variety of traditional and eCommerce retailers, wholesalers and distributors worldwide. Pet Nutrition products include specialty pet nutrition products for dogs and cats manufactured and marketed by Hill’s Pet Nutrition. Pet Nutrition products are sold by authorized pet supply retailers, veterinarians and eCommerce retailers. Principal global and regional trademarks include Colgate, Palmolive, elmex, hello, meridol, Sorriso, Tom’s of Maine, EltaMD, Filorga, Irish Spring, PCA Skin, Protex, Sanex, Softsoap, Speed Stick, Ajax, Axion, Fabuloso, Soupline and Suavitel, as well as Hill’s Science Diet and Hill’s Prescription Diet.

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.

In 2014, Colgate made a bold commitment to reduce carbon emissions on an absolute basis by 25% compared to 2002, with a longer term goal of a 50% absolute reduction by 2050 compared to 2002. These goals are in line with the CDP and World Wildlife Fund report – The 3% Solution - and will allow us to play our part in limiting global warming to 2°C, as recommended by the Intergovernmental Panel on Climate Change.

Colgate also expanded this commitment to include Scope 3 emissions. Specifically, Colgate also commits, as a way to reduce our most significant Scope 3 greenhouse gas emissions, to promote water conservation to 100% of our global consumers and reduce emissions by up to 5% from 2016 to 2022, and eliminate one-third of our New Plastics by 2025. Additionally, we have set a goal to reduce our carbon emission intensity from our suppliers by 30% by the ton of products purchased. This goal was approved by the Science-Based Targets initiative.

While these commitments are more recent, we started collecting and analyzing energy use data in 1998 and completed our first carbon emissions inventory in 2002. We have reported publicly on our efforts to CDP since 2004 and we were recognized as a member of the Carbon Disclosure Leadership Index in 2008, 2009, 2010, 2013, 2015 and we were on the Climate A List in 2016, 2017, and 2020. Colgate-Palmolive has been recognized as a US EPA Energy Star Partner of the Year for 11 consecutive years for our commitment to energy efficiency on a company-wide basis. We have also reduced absolute greenhouse gas (GHG) emissions from manufacturing (scope 1&2) by approximately 38% vs. 2002, and reduced energy intensity in manufacturing by 37% since 2002.

We continued to drive improvement to achieve our Sustainability 2020 targets and, to maintain momentum, set new ambitions looking forward to 2025. As part of these ambitions, we set two major related targets: (1) Net Zero Carbon Emissions in our operations by 2040 and (2) Achieve 100% Renewable Electricity for our global operations by 2030.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2020	December 31 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina
Australia
Brazil
Cameroon
China
Colombia
Czechia
France
Greece
Guatemala
India
Italy
Malaysia
Mexico
Morocco
Myanmar
Netherlands
Pakistan
Papua New Guinea
Poland
Saudi Arabia
South Africa
Switzerland
Thailand
Turkey
United States of America
Venezuela (Bolivarian Republic of)
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	i. Climate-related responsibilities: Oversight of environmental, social and governance initiatives is a key priority of our Board of Directors, particularly through the Nominating, Governance and Corporate Responsibility (Governance) Committee, which was reconstituted in 2020 to heighten the Board's focus on these areas. The Governance Committee receives regular updates on environmental, social and governance matters, considers sustainability matters, risks and opportunities (including those related to climate) in decision-making and will oversee the implementation of our 2025 Sustainability and Social Impact Strategy. It also monitors the sentiment of various constituencies regarding our environmental and social footprint. Our Enterprise Risk Management (ERM) Committee, which includes Colgate's Chairman, President and Chief Executive Officer, Chief Financial Officer, Chief Sustainability Officer and other members of Colgate's senior management, monitors current and emerging risks facing our company and has identified sustainability and climate change as critical risks facing the company. ERM Committee members provide the Board and its Committees, including the Governance Committee, with regular updates on risks facing the Company. ii. Climate-related decisions: The Board approved the financial statements for inclusion in the Annual Report on Form 10-K, which, in turn, includes our risk factors related to climatic and sustainability risks. The Governance Committee also reviewed our strategy as related to our sustainability efforts, providing input into Colgate's development of our new 2025 Sustainability Mission, announced in July 2020. As sustainability is an underlying topic that helps drive our strategy, and therefore is considered by all committees, the committee approved moving forward with a restructuring of our board-level governance, whereby sustainability matters are formally included in the Nominating, Governance and Corporate Responsibility Committee's charter, which was adopted in March 2020. These matters may include climate-related issues. This approach was undertaken in part to align with Task Force on Climate-related Financial Disclosure (TCFD) reporting.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	<Not Applicable>	Sustainability related issues are discussed in quarterly board meetings, which may or may not include issues that are directly or indirectly related to climate change. Climate related risks and opportunities are included as appropriate during reviews with the board. This may include progress updates on climate and energy goals, supply chain programs, such as energy efficiency, renewable energy and progress against science-based climate targets. Also included are relevant NGO and regulatory activities. At the recommendation of the Audit Committee, the Board approves the Company's financial statements for inclusion in the Company's Annual Report on Form 10-K, which includes risk factors relating to an investment in the Company's common stock. Such risk factors include risks relating to sustainability and climate change. Colgate's Nominating, Governance and Corporate Responsibility Committee Charter clearly states that the Committee is responsible for reviewing the Company's sustainability program and goals and the Company's progress toward achieving those goals. The Committee also monitors the sentiment of various constituencies, including investors and non-governmental organizations, regarding the Company's environmental and social footprint. These responsibilities are reported publicly under our Charter Documents and Colgate's website. The Committee meets at least three times each year and at such other times as it deems necessary to carry out its responsibilities. In 2020, the Committee met five times. The Committee makes regular reports of its proceedings to the Board, which may include issues related to sustainability and climate change.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly
Sustainability committee	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Not reported to the board

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Chief Sustainability Officer

i) Responsibilities with regard to the assessment and monitoring of climate-related issues: At the beginning of 2020, Colgate developed the new role of Chief Sustainability Officer (CSO). Our CSO has direct responsibility for implementing sustainability and environment, health and safety programs; she has accountability to our Group President, Global Innovation Group and to our Chief Supply Chain Officer. Our CSO's performance-based compensation is determined, in part, by high impact (material) targets and our achievements against them, including climate-related initiatives. The CSO is a key leader of the Sustainability Steering Committee, along with Colgate's Chief of Staff, Group President, Global Innovation Group, Chief Sustainability Officer, Chief Technology Officer, Chief Human Resources Officer, Vice President, Global Compensation and Benefits, Chief Communications Officer, Chief Legal Officer and Secretary, Chief Supply Chain Officer and Chief Investor Relations Officer, which makes strategic decisions related to sustainability and guides the organization to meet sustainability goals. The CSO, together with the Worldwide Director of Global Sustainability, is directly responsible for implementing these decisions on a day-to-day basis to manage our environmental and product sustainability, with the support of our Global Sustainability and EHS teams who execute our energy and climate change strategies. The CSO is also responsible for managing external relationships, safety, and helping to shape the company's Supply Chain Strategy, which may be impacted by climate-related issues. The CSO currently performing this role has worked across all four of Colgate's categories in manufacturing, quality and customer service & logistics roles and has experience in each of the Colgate divisions, so has broad insight into the overall company and the underpinning of sustainability in company strategy. This position is responsible for providing quarterly reports to the Board of Directors on sustainability issues and Colgate's performance, including visibility into progress against climate and energy goals and other action plans to achieve our sustainability objectives.

Colgate's Sustainability Steering Committee

i) Responsibilities with regard to the assessment and monitoring of climate-related issues: Our Sustainability Steering Committee makes strategic decisions related to sustainability and guides the organization in its efforts to meet sustainability goals. The committee is composed of Colgate's Chief of Staff, Group President of Global Innovation Group, Chief Sustainability Officer, Chief Technology Officer, Chief Human Resources Officer, Chief Communications Officer, Chief Legal Officer and Secretary, Chief Supply Chain Officer, Chief Financial Officer and Chief Investor Relations Officer. The members of the Sustainability Steering Committee were chosen due to their broad expertise and insight into various parts of the business. As sustainability is integrated into our core strategy, the various responsibilities of the team members help to ensure all perspectives are captured. Colgate's Chief Sustainability Officer has direct responsibility for implementing sustainability and EHS programs and is responsible for providing quarterly reports on these issues to the Board of Directors. 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.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target	Our sustainability efforts span all aspects of our business, including supply chain, marketing, innovation, customer development and people development. To provide incentives for Colgate people to integrate sustainability into business strategy and operations, our global sustainability initiatives are among the individual objectives used to determine the compensation for many of our senior managers, including the CSO. Our CSO's performance-based compensation is, in part, determined by high impact (material) targets and our achievements against them, including climate-related initiatives.
Chief Procurement Officer (CPO)	Monetary reward	Emissions reduction target	Our sustainability efforts span all aspects of our business, including supply chain, marketing, innovation, customer development and people development. To provide incentives for Colgate people to integrate sustainability into business strategy and operations, our sustainable sourcing initiatives are among the individual objectives used to determine the compensation for many of our senior managers, including the Chief Procurement Officer.
Facilities manager	Monetary reward	Emissions reduction project	Our sustainability efforts span all aspects of our business, including supply chain, marketing, innovation, customer development and people development. To provide incentives for Colgate people to integrate sustainability into business strategy and operations, our global sustainability initiatives are among the individual objectives used to determine the compensation for many of our senior managers, including facility managers whose responsibilities include sustainability matters.
All employees	Non-monetary reward	Behavior change related indicator	Recognition for climate change issues may occur through The Chairman's "You Can Make a Difference Award" Program. Introduced in 1986, the program was created to reward Colgate people all over the world and at all levels who exhibit innovation, ingenuity and performance excellence. Many winning teams have made process changes to reduce energy, water and waste, or make other sustainability improvements. Note the program includes both monetary and non-monetary rewards.
All employees	Monetary reward	Behavior change related indicator	Recognition for climate change issues may occur through The Chairman's "You Can Make a Difference Award" Program. Introduced in 1986, the program was created to reward Colgate people all over the world and at all levels who exhibit innovation, ingenuity and performance excellence. Many winning teams have made process changes to reduce energy, water and waste, or make other sustainability improvements. Note the program includes both monetary and non-monetary rewards.
Energy manager	Monetary reward	Energy reduction project	The achievement of Colgate's global sustainability initiatives and targets, including energy and climate change-related targets, are among the individual objectives used to determine the compensation for many of Colgate's energy managers whose responsibilities include sustainability matters (where individual performance is a component of their compensation).
Environment/Sustainability manager	Monetary reward	Emissions reduction target	The achievement of Colgate's global sustainability initiatives and targets, including climate change-related targets, are among the individual objectives used to determine the compensation for the Worldwide Director, Global Sustainability (where individual performance is a component of their compensation).
Management group	Monetary reward	Energy reduction target	The achievement of Colgate's global sustainability initiatives and targets, including climate change-related targets, are among the individual objectives used to determine the compensation for many of Colgate's managers whose responsibilities include sustainability matters (where individual performance is a component of their compensation).

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	6	
Long-term	6	20	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

i. Definition: Colgate evaluates matters on a case-by-case basis to determine whether they have a substantive financial or strategic impact on our business. As a U.S. public company, we always have in mind, pursuant to U.S. federal securities laws, the materiality standard and what information would be considered “material” to a reasonable investor, which does not have absolute dollar value or percentage thresholds. When evaluating particular matters, we would consider, among other factors, the size of the business units impacted; the size of the impact on those business units; whether the impact to the Company's business is continuing and whether the Company is able to offset such impact and the potential for shareholder or reputational impact. From this perspective, we define “material” risks as those that should they occur, our business, results of operations, cash flows and financial condition could be materially and adversely impacted, which might cause the value of our securities to decline.

An important part of sustainability management at Colgate is to understand which issues have the biggest impact on the environment, society and our business. From a “materiality assessment” perspective as compliant with key sustainability reporting frameworks such as GRI, potentially substantive financial or strategic impact of a topic is defined as being assessed as high priority for our external stakeholders and our business from a risk and opportunity perspective. In 2019, we conducted a new materiality assessment called “Sustainability Prioritization Assessment” (SPA) to attain compliance with sustainability reporting frameworks, address investors’ interests, and inform our 2025 sustainability strategy and goal-setting.

ii. Quantitative indicators: Colgate uses an Enterprise Risk Management (ERM) Program to identify, prioritize and manage risks. Risks are collectively identified across the organization and are classified within the Strategic, Financial, Operational, IT, Legal & Compliance and Emerging Risk Categories. Each Risk Category is assigned to a member of Colgate's ERM Committee, who is ultimately accountable for managing the identified risk. As mentioned above, we consider quantitative indicators to define substantive impacts including the size of the business units impacted, the size of the impact on those business units, whether the impact to the Company's business is continuing and whether the Company is able to offset such impact and the potential for shareholder or reputational impact.

As part of the ERM process, we use multiple tools, some of which include GIS data by translating climatic and water related scenarios into geospatial indicators, such as Colgate’s Natural Hazard Map, or WRI Water Stress assessment tool (Aqueduct). These tools also provide quantifiable indicators that may be mapped to the above factors; for example the Aqueduct results are screened to identify manufacturing sites (direct operations) meeting the CDP guidance for "substantive" as follows: 1) sites indicated as "High" or "Extremely High" overall water risk per WRI Aqueduct, and 2) which are either considered strategic sites or those which account for >2% of global production volume.

Additionally, we use our Impact Assessment results to inform Colgate’s senior management and to define our Sustainability Strategy, which includes actions to mitigate risks and promote opportunities. Our 2019 Impact Assessment process used data from multiple sources and quantified it through statistical analysis to understand which topics have the highest impact potential for our business and the external stakeholders. These sources include: (1) sustainability frameworks and rating systems, (2) industry reports and scientific research, (3) Colgate employee survey results, (4) consumer preferences, and (5) in-depth interviews with subject matter experts within Colgate. Through this research and during these interviews, we included questions directly addressing potential risks and opportunities related to climate change and water risks. The results were quantified to rank the potential impacts of the sustainability-related topics and published in our Sustainability Report. We plan to update the Sustainability Impact Assessment in 2021.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
i. Description of process: Colgate uses an Enterprise Risk Management (ERM) Program to identify, prioritize and manage risks across our value chain. Risks are collectively identified across the organization on a continuous basis and are classified within the Strategic, Financial, Operational, IT, Legal & Compliance and Emerging Risk Categories. Each Risk Category is assigned a risk sponsor on Colgate's ERM Committee, who is ultimately accountable for managing the identified risk. As it relates to climate risks, the risk sponsors engage with our Sustainability and Supply Chain Groups, and other internal and external stakeholders, to understand the level of importance and potential climate-related impacts related to brand reputation, operational disruption, supply availability and cost, customer/consumer awareness and NGO/regulatory activity. Colgate evaluates matters on a case-by-case basis to determine whether they have a substantive financial or strategic impact on our business over the short, medium, and long-term. As a U.S. public company, we always have in mind, pursuant to U.S. federal securities laws, the materiality standard and what information would be considered “material” to a reasonable investor, which does not have absolute dollar value or percentage thresholds. When evaluating particular matters, we may consider, among other factors, the size of the business units impacted; the size of the impact on those business units; whether the impact to the Company's business is continuing and whether the Company is able to offset such impact and the potential for stakeholder or reputational impact. For each risk identified the appropriate teams are engaged to develop and implement a plan that includes process definition, communication plan requirements, ongoing measurement/monitoring as well as improvement plans and training to enhance risk mitigation. Each risk sponsor updates the ERM committee on their respective risks mitigation plans and results for discussion and oversight. ii. Physical Risk case study: Situation: The risk of natural disasters, including climatic events, can significantly impact business operations and has been included in the company's risk factors, which are disclosed in the Company’s Annual Report on Form 10-K. Natural disasters are categorized as an Operational risk in the ERM program. The Operational risk sponsor outlines for the ERM committee the identified exposure, the assessed business impact should an event occur, mitigation plans, if required, along with prioritization of any capital spend. Task: To ensure mitigation strategies are in place and contingency plans are reviewed and tested regularly by the Supply chain and EHS teams, along with other internal and external partners, and reported back to the ERM committee. Action: Managing the risk of natural disasters includes actions such as: - Property Loss Control third party assessments are conducted for all natural disaster hazards on a rotational basis, including at least annually for all strategic sites. - Contingency plans for product sourcing, customer service and logistics for each site are developed and reviewed regularly. - Best-in-class climatic and seismic standards are applied to new sites as well as existing site expansions. - Progress against these actions is reported to, and discussed with, the ERM committee by the Operational risk sponsor. Result: Strategic and tactical sites natural disaster assessments completed on schedule. Contingency plans in place and reviewed annually or as needed. New construction is built with latest seismic and climatic considerations. The results of our actions to mitigate against the risk of natural disasters are reported to, and discussed with, our ERM committee by the Operational risk sponsor. iii. Transitional Risk case study: Situation: Colgate is on a mission to create a healthy and sustainable future. For Colgate, we have determined that our company purpose and the value of our products are directly tied to how well we execute on sustainability. Sustainability is classified as a Strategic risk. The Strategic risk sponsor outlines for the ERM committee the Sustainability priority areas and goal progress, informed by input from the Sustainability and Supply Chain Groups and other internal/external stakeholders. We recognize that there is also increased focus, including by governmental and non-governmental organizations, investors, customers, consumers and other stakeholders on our ability to achieve our sustainability goals and other sustainability matters, including deforestation and the use of plastic, energy and water. Our reputation could be damaged if we do not (or are perceived not to) act responsibly with respect to sustainability matters. When the Science-Based Targets Initiative published updated guidance as to how companies can mitigate their climate impact, we recognized that aligning with this new ambition would also align with stakeholder interests. Task: We recently set new targets aiming to reach net zero carbon emissions across our growing business by 2040. Our goals align with the Science-Based Targets initiative, our signing of the Business Ambition for 1.5℃ and our commitment to Recover Better, working in concert with the UN Global Compact and others. Action: Our most dramatic opportunity to impact climate change - accounting for 90% of our total carbon footprint - is in how we design our products and how consumers act when using them. Our target is to avoid 10 million metric tons of carbon emissions associated with consumer use of our products over 10 years 2016-2025. We’re mitigating risk by designing actions to reduce CO2 emissions, use more renewable energy and engage our suppliers. Through these actions, we’re also mitigating reputational risks associated with investor, NGO and consumer expectations. Additionally, we see significant opportunity with a sharpening focus on building adaptation to protect against climate change impacts, and we are pursuing more work in this area. Progress against these actions is reported to, and discussed with, the ERM committee by the Strategic risk sponsors. Result: We have created a robust suite of longer-term programs to achieve our goals. a) Improving product design - By 2025, our goal is to eliminate one-third of our use of new plastic and to make all packaging recyclable, reusable or compostable. b) Influencing consumer behavior - Another major initiative is Colgate’s “Save Water” consumer awareness campaign. Since launching in 2016, “Save Water” has helped consumers save an estimated 115 billion gallons of water and avoid 8.3 million metric tons of GHG emissions, showing that individual actions can lead to massive impacts. The results and progress against our Sustainability goals are reported to, and discussed with, our ERM Committee by the Strategic risk sponsors.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Example of the risk type: Colgate's EHS Policy states that we will comply with or exceed applicable environmental, health and safety regulations, including regulations that relate to the climate. One example of a current regulatory risk that Colgate considers in our assessments is that of carbon taxes. Many countries, particularly in Europe, have introduced Emission Trading Schemes in the form of cap and trade or others to constrain actions that contribute to the adverse effects of climate change. For example, two of our plants in Europe (Anzio, Italy and Compiegne, France) were affected by the European EU Emissions Trading Scheme in the past. Sites that emit over the allowance threshold would need to purchase allowances, which would have the potential to increase operating costs over time. While it is our policy and practice to comply with all legal and regulatory requirements applicable to our business, a finding that we are in violation of, or out of compliance with, applicable laws or regulations could subject us to civil remedies, including fines, damages, injunctions or product recalls, or criminal sanctions, any of which could adversely affect our business, results of operations, cash flows and financial condition. Therefore, risks related to current regulation are always included in our climate-related risk assessments.
Emerging regulation	Relevant, always included	Example of the risk type: As part of Colgate's efforts to track and monitor regulations, we seek to identify emerging regulations which may be applicable to the Company. One example of an emerging regulation that we continually assess is that of newly established or expected emissions trading schemes, which include cap and trade or other schemes to constrain actions that contribute to the adverse effects of climate change. In particular, we track emerging regulations in India, China, Mexico and the US, which we expect may implement climate-related trading and/or tax schemes in the future, including increasing taxes on fuel or GHG emissions. This has the potential to increase operating costs over time. While it is our policy and practice to comply with all legal and regulatory requirements applicable to our business, a finding that we are in violation of, or out of compliance with, applicable laws or regulations could subject us to civil remedies, including fines, damages, injunctions or product recalls, or criminal sanctions, any of which could adversely affect our business, results of operations, cash flows and financial condition. We also include the impacts of climatic events in site selection and building design guidelines. Therefore, risks related to emerging regulation are always included in our climate-related risk assessments.
Technology	Relevant, sometimes included	Example of the risk type: Conducting a full value chain carbon footprint analysis has provided more insight into technological risks and opportunities related to climate. One example of a technological risk that we assess is that of the selection of materials in the formulation process. In particular, we pay close attention to high-carbon materials which have the largest impact on our products' overall footprint. This information was also shared with our Technology organization for better understanding of the impacts of the selection of materials in the product formulation process. As the goal of our continuous innovation efforts is to maintain the health and safety of our customers and our planet, technology and its implications are therefore included in our climate-related risk assessments.
Legal	Relevant, always included	Example of the risk type: Colgate's EHS Policy states that we will comply with or exceed applicable environmental, health and safety regulations, which includes regulations associated with climate. Our 2020 Annual Report on Form 10-K states that "Concern over climate change may result in new or additional legal and regulatory requirements to reduce or mitigate the effects of climate change on the environment. Despite our sustainability efforts, any failure to achieve our sustainability goals, including those aimed to reduce our impact on, improve or preserve the environment, or the perception (whether or not valid) that we have failed to act responsibly with respect to the environment or to effectively respond to new or additional legal or regulatory requirements regarding climate change could result in adverse publicity and adversely affect our business and reputation." Accordingly, Colgate monitors developments of and complies with climate-related laws and regulations at various regional levels. While it is our policy and practice to comply with all legal and regulatory requirements applicable to our business, a finding that we are in violation of, or out of compliance with, applicable laws or regulations could subject us to civil remedies, including fines, damages, injunctions or product recalls, or criminal sanctions, any of which could adversely affect our business, results of operations, cash flows and financial condition. Therefore, legal risks are always included in our climate-related risk assessments.
Market	Relevant, sometimes included	Example of the risk type: Consumers are increasingly purchasing products that meet their needs and have a reduced environmental and social footprint. Additionally, these consumers want to buy products from brands that they trust and increasingly expect transparency about their environmental impact. We have seen significant changes in expectations from these consumers and believe they will continue to represent a growing market. Colgate takes the changes in consumer preferences into account in our efforts to understand how climate-change related topics can impact our market growth and to continue to innovate to meet the needs of evolving consumer trends and expectations. For example, we have developed soaps that use less water for rinsing to respond to consumer preferences. Therefore, market risks and opportunities are included in our climate-related assessments.
Reputation	Relevant, always included	Example of the risk type: Where applicable, Colgate integrates climate-related aspects of the Company's brands and reputation in our climate-related risk assessments. Consumers, nongovernmental organizations (NGOs) and other external organizations expect companies to do their part in the fight against climate change. CDP, representing more than 590 investors as of 2021, requests our disclosure of climate change strategy and energy and greenhouse gas emissions data each year. We stay informed of developments in this landscape, including evaluating stakeholder responses to and perspectives on our climate change strategy, to understand their positive and negative reputational impacts on our Company. We recognize that any negative publicity from these stakeholders about us, our brands, our products, our supply chain, our ingredients, our packaging, our environmental, social and governance practices, or our employees, whether or not deserved, could jeopardize our reputation. Such negative publicity could relate to environmental impacts (including deforestation, packaging, plastic, energy and water use and waste management) or other sustainability or policy issues. For example, companies that use forest-risk commodities (Pulp & Paper, Palm Oil, Tallow, Soy) are exposed to reputational risks if their sourcing strategy contributes to loss of natural habitat and increased climate-risk. Financial impacts of changes in consumer perception about products containing these materials are not clearly quantifiable, but we acknowledge that damage to our reputation or loss of consumer confidence in our products for these or any other reasons could adversely affect our business, results of operations, cash flows and financial condition, as well as require resources to rebuild our reputation. Therefore, reputational risks are always included in our climate-related risk assessments.
Acute physical	Relevant, always included	Example of the risk type: Predominant acute physical risks related to climate change for Colgate include: operational disruption (to our facilities, suppliers, utilities, logistics and customers) from events such as severe storms, flooding, and droughts/water scarcity. We include acute physical risks, such as disruptions due to water, energy, floods, droughts, and sea level rise in our site contingency and recovery planning and global risk management processes. Resiliency investments are made in accordance with our Loss Prevention and 3rd party engineering and insurance assessments to address learnings from acute events. As the impacts of these acute physical risks could adversely affect our business and global supply chain, results of operations, cash flows and financial condition, we therefore always include them in our climate-related risk assessments.
Chronic physical	Relevant, sometimes included	Example of the risk type: Changes in weather patterns and warming of the climate have the potential to impact the cost and availability of agricultural commodities. As an example, the 2016 El Nino resulted in severe drought in South East Asia impacting supply and increased cost of coconut oil, palm oil and palm kernel oil prices. In Brazil, drought can affect herd sizes, limiting material availability in low risk areas and triggering the high cost of tallow material. The predicted effects of climate change may also exacerbate challenges regarding the availability and quality of water. As the impacts of these chronic physical risks could adversely affect our business and global supply chain, results of operations, cash flows and financial condition, we therefore always include them in our climate-related risk assessments.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Increased pricing on greenhouse gas emissions may increase our operating costs over time. We own or lease approximately 320 properties, which include manufacturing, distribution, research and office facilities worldwide. Major manufacturing and warehousing facilities used by the Oral, Personal and Home Care product segment of our business are located in Australia, Brazil, China, Colombia, France, Greece, Guatemala, India, Italy, Mexico, Poland, South Africa, Thailand, Turkey, the U.S., and Venezuela. The European EU Emissions Trading Scheme (EU ETS) is a cap and trade scheme that has affected two of our plants in Europe (Anzio, Italy and Compiegne, France) in the past, where sites that emit over the allowance threshold would need to purchase allowances. We expect that additional countries in which we operate, such as Mexico and the United States, may also implement climate-related trading and/or tax schemes in the future that may directly impact our operations in those countries. This policy risk could adversely impact our business, results of operations, cash flows and financial condition.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
120000

Potential financial impact figure – maximum (currency)
210000

Explanation of financial impact figure
Colgate's sites did not participate in the EU ETS in 2020 due in part to the beneficial impact of previous energy reduction projects. Had Colgate not implemented the energy reduction programs outlined in "Description of response" below, we would have been required to participate in the EU ETS to ensure compliance. The estimated potential financial impact of participating would have been (avg.) from $120K to $210K USD/year from 2018 onwards, calculated with a CO2 price of about $7/ton (current) to about $11/ton (max. est.). This estimate is provided as a representative financial impact should we be required to participate in these schemes in the future.

Cost of response to risk
11700000

Description of response and explanation of cost calculation
i) Case study to address the risk: Our strategy to reduce the need to participate in cap and trade schemes is to set emissions reduction goals and pursue energy reduction projects to achieve them. All Colgate sites have energy and carbon reduction goals and we are committed to investing 5% of our manufacturing capital program in "planet" related projects annually. Our "5% for the Planet" program sets an annual goal to invest a minimum of 5% of our manufacturing capital expenditure budget to ensure that sites identify, fund and implement climate, energy, water, and waste projects that drive both environmental improvement and cost savings. Additionally, a minimum of 2% of the manufacturing capital budget is targeted specifically toward energy reduction projects. Since 2011, Colgate has invested more than $270 million in more than 1,400 planet projects, delivering an estimated savings of more than $69 million to date. For example, in 2020, Colgate allocated approximately $11.7 million in energy-related planet projects. The rest was allocated to water and waste related projects which also help reduce GHG emissions onsite. We also conduct an "Energy Top 10" program across all manufacturing operations, as well as Energy Treasure Hunts at our largest strategic sites. In 2020, due to Covid-19 only the Mission Hills facility conducted a full Energy Treasure Hunt. The facility generated 69 energy reduction ideas that could potentially reduce their energy consumption by an estimated 7,916 MWh, decrease their CO2 emissions by an estimated 3,826 metric tons, and lower their energy costs. An additional five smaller, more focused Energy Treasure Hunts were completed in the United States, China and Brazil. While our actions may not reduce the likelihood of regulation, they can reduce the magnitude of the impact for Colgate sites. ii) Cost calculation: As a cost example for investments that have a climate change mitigation component and contribute to our emissions reduction goals, we summed all energy-related planet project investments made in 2020 for a total of $11.7 million. Energy Treasure Hunt programs are not included.

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Hurricanes, typhoons and other natural disasters have the potential to damage/disrupt our material supply, facility operations and logistics networks. Specific to hurricanes (e.g. Katrina), we have experienced historical disruptions in petroleum-derived materials sourced from the Gulf of Mexico. In recent years, we have experienced temporary disruptions in production, distribution and sales due to: Tropical Cyclone Nida, Tropical Cyclone Vardah, Super Typhoon Nepartak and heavy rains and flooding in Hyderabad and Secunderabad, India. These events can interrupt our supply and operations, thereby disrupting production and decreasing revenues.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
300000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
In the past, there have been disruptions in petroleum-derived materials sourced from the Gulf of Mexico due to climatic events. In recent years, we experienced temporary disruptions in production, distribution and sales as a result of these events. In one case, lost sales were estimated at $300,000, which can provide insights as to the potential impacts of these events. We have calculated our estimated financial impact based on this one-time historical loss of sales.

Cost of response to risk
500000

Description of response and explanation of cost calculation
i) Case study to address the risk: Colgate uses an Enterprise Risk Management (ERM) Program to identify, assess, prioritize and manage physical risks. We define Natural Disasters to include the physical risks associated with water and climate change that could disrupt our commercial and supply chain operations. Risks associated with tropical cyclones are categorized as Natural Disasters and reside within the Operational Risk Category. Natural Disaster mitigation efforts are addressed specifically within the Operations Risk Management Committee, a subcommittee of our ERM program. This subcommittee provides oversight on our Product Category Contingency Sourcing Plans, site selection protocols that consider climatic risk, Environmental and Loss Prevention Design Standards, Global Procurement Risk Management Strategy, Hurricane Contingency Planning, Logistics “Plan B” and Business Readiness Planning. Specific to tropical cyclones, we implement the Hurricane Contingency Sourcing Plan annually for feedstock sourced from the Gulf of Mexico and Mexico, which entails an inventory build of feedstock prior to the annual hurricane season to minimize risk associated with supply disruption. ii) Cost calculation: There are limited costs associated with planning activities, such as Product Category Contingency Sourcing Plans, Business Readiness Plans and Logistics “Plan B”. For example, we have hurricane contingency plans in the Gulf of Mexico and in Mexico, where we have experienced disruption of key materials from Hurricanes Katrina and Patricia. One of the most significant ongoing costs is associated with the Gulf of Mexico Hurricane Contingency Plan. Each year, working capital is increased by 1% for a three-month period and approximately $500,000 in incremental operating cost is incurred for material pre-build and storage, which is reported above as our cost of managing this risk.

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Forest-risk commodities are linked to climate change through historical change in land use/deforestation of tropical forests. There is increased focus, including by governmental and nongovernmental organizations, investors, customers, consumers, our employees and other stakeholders on various sustainability matters, including responsible sourcing and deforestation. As a consumer products company that uses forest-risk commodities, such as Pulp and Paper, Palm Oil, Tallow and Soy, we have identified potential reputational risks associated with forest-risk commodities due to the financial impacts associated with pressure groups’ impact on consumers’ perception and purchase intent relating to our products containing these materials. Maintaining our strong reputation with consumers and our trade partners globally is critical to selling our branded products. To increase transparency with our stakeholders and manage this risk, Colgate issued a No Deforestation Policy in March 2014 and has reported progress against our action plans in our CDP Forests response and annual Sustainability Report. The resulting impact of managing this risk is multi-fold, and includes increasing our cost of goods sold in order to procure the necessary amounts of sustainable commodities, as well as investment in programs, initiatives, and support to progress against our policies.

Time horizon
Medium-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
8000000

Potential financial impact figure – maximum (currency)
34000000

Explanation of financial impact figure
The financial impact associated with pressure groups' impact on consumers' perception and purchase intent relating to our products containing forest-risk commodities is not clearly quantifiable. As a proxy, we have quantified the impact on our procurement costs of mitigating risks of negative consumer perception. The cost to procure certified palm oil and palm kernel oil for 100% of our tier-1 volume is estimated to be $8-9 million annually. The cost to procure certified palm oil, PKO and palm derivatives for 100% of our tier-1 and tier-2 volumes is estimated to be approximately $34 million annually. The potential financial impact provided is the range of these estimates.

Cost of response to risk
8000000

Description of response and explanation of cost calculation
i) Case study to address the risk: We established a Palm Oil Sourcing Team of procurement professionals to implement the palm oil sourcing commitments and to develop palm oil sourcing guidelines. We are engaging the broader sourcing teams globally which manage the suppliers of commodities to ensure understanding, communication, and execution of our commitments. Examples by commodity: - Palm: We completed our annual assessment and scoring in partnership with The Earthworm Foundation, and monitor the Engagement for Policy Implementation (EPI) metrics as part of our ongoing risk management program for palm oil suppliers. - Tallow: 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. - Paper and Board: We set packaging targets for 2020, including increasing the recycled content of our packaging to 50 percent (achieving 52% by year-end 2020), and have set a new target to make all our packaging recyclable, reusable or compostable by 2025. Currently, approximately 84 percent of Colgate's paper and board packaging materials by weight globally come from recycled sources. - Soy: We continued our partnership with Earthworm Foundation to conduct initial traceability of our highest volume soy suppliers in Latin America, risk assess our supply chain and identify transformation opportunities in collaboration with our suppliers in Latin America. Due to these efforts, we are better positioned to understand deforestation-related risks and opportunities. Additionally, efforts to provide transparent reporting of our progress support our responsiveness to the concerns of our stakeholders. ii) Cost Calculation: The total cost of implementing all of these commitments has not been quantified. However, we are able to provide approximate costs related to palm oil certificates and tallow-related plant improvements. The cost of Green Palm certificates and physical certified oils is market-driven and will increase the cost of palm oil and derivatives. Historical costs to purchase Green Palm Certificates and Physical Certified Oil for Palm and PKO were in the range of $3-4 million. We have invested $4.6 million in a tallow refining system at our soap plant in Brazil to increase our ability to source tallow from low-risk region suppliers. We are reporting the costs of these two risk-management initiatives of approximately $8 million.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Regulations that require reporting of emissions present a competitive opportunity for Colgate given our long-standing commitment to emissions reporting and reduction. We have been collecting and analyzing our manufacturing consumption data since 1998 and have long-standing emissions reduction programs in place. We have also begun capturing carbon emissions data associated with movement of our finished goods. These actions have also prepared us to minimize any costs associated with cap and trade schemes and fuel/energy taxes. Regulatory emissions reporting under EU ETS and voluntary emissions reporting to US EPA Energy Star and CDP have helped engage the organization and drive program development.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
734000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The Company has estimated that the energy cost avoidance associated with the implementation of energy conservation projects across our manufacturing sites globally is

approximately $734 million from 2002-2020. This number has been calculated by looking at our energy efficiency in 2002 (energy/ton) then applying this number to each subsequent year's energy use and applicable unit costs to estimate how much we "would have spent" versus what we actually spent toward our production processes.

Cost to realize opportunity
11700000

Strategy to realize opportunity and explanation of cost calculation
i) Case study to realize the opportunity: Our approach to energy efficiency is multi-pronged. Colgate has 100% achievement of LEED NC, integrating energy efficiency from the start for new sites. Additionally, 90% of sites have achieved the US EPA ENERGY STAR Challenge for Industry; through this initiative, 38 Colgate factories in 25 countries have collectively avoided using more than 3.6 trillion BTUs of energy through their efforts. We completed a fourth iteration of our "Energy Top 10" program across all manufacturing operations and are conducting Energy Treasure Hunts at our largest strategic sites. Select Colgate sites have solar, cogeneration and/or are participating in demand response programs. These initiatives are undertaken in support of our emissions reduction targets, enabling us to maintain emission levels below regulatory thresholds in most geographies and avoid costs associated with cap and trade schemes and/or fuel/energy taxes. ii) Cost Calculation: Colgate has a 5% Capital Investment for the Planet program. In 2020, Colgate invested approximately $11.7 million in energy-related planet projects.

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Reduced water usage and consumption

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
The Colgate brand is in more homes than any other, so we can and we will create a healthier, more sustainable future for all. 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 teeth, showering, washing hands, and washing dishes differs greatly. 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. We also committed to increasing the recycled content of our packaging to 50 percent by 2020, achieving 52% recycled content by the end of 2020, and have set a new target to make all our packaging recyclable, reusable or compostable by 2025 alongside other packaging goals. By influencing consumer behavior during product use and reducing consumer waste, we have the opportunity to help reduce both our water and carbon footprint, while consumer messaging will help to enhance and grow our brands and therefore increase demand for our products.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
1150000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Colgate's consumer messaging program is intended to drive awareness of water conservation while enhancing brand equity and growing brand preference. The impact of this campaign varies by geography and scale/scope of execution, but an indicative estimate can be derived based on a recent execution. As an example, a partnership with one of the biggest retailers to encourage consumers to Save Water contributed to incremental net sales of approximately USD $1.15 million in U.S. stores activating the campaign in 2018, and is therefore provided as the estimate of financial impact.

Cost to realize opportunity
187000

Strategy to realize opportunity and explanation of cost calculation
i) Case study: In 2020, our Save Water campaign continued to increase consumer awareness through messaging on our packaging, online and in stores. The Save Water message appeared on our toothpaste and toothbrush packaging, soaps and cleaning products. Colgate continued partnerships with Water For People, The Nature Conservancy, and WellBoring. The campaign was activated around the world including countries such as the US, Brazil, Colombia, Kenya, and South Africa, communicating that water is easily wasted every day and offered a simple solution to save water in day-to-day routines. Colgate also conducts annual consumer insight surveys to track the impacts of our Save Water messaging and estimate resulting water and GHG reductions. It asks consumers if they are aware of our Save Water campaign and if it influenced their personal behavior. In 2020, we surveyed in the US, Brazil, Colombia and Kenya. Results show that 49% of the surveyed consumers were aware of the campaign and influenced by it. This is an increase vs. 2019 results. We estimate consumers have contributed to an avoidance of 10.8 million MTCO2e emissions due to saving 206 billion gallons of water since the launch of our Save Water campaign in 2016. In 2019, we also 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, that debuted under the Tom's of Maine brand in the United States and the Colgate Smile for Good brand in Europe. We are making this innovative technology available to interested third parties to help increase recyclability of toothpaste tubes. ii) Cost Calculation: Costs to implement our Save Water campaign are based on historical efforts given a transition in programming during Covid. For several years, a global celebrity brand ambassador promoted the 'Save Water' message in mass advertising campaigns as well as PR across markets. Colgate invested approx. $1.7 million per year for the celebrity's endorsement fee and the costs to produce and disseminate the Save Water campaign. Based on this fee and the fact that Colgate's largest retail customer at the time represented 11% of our net sales, we estimate that the annual cost to promote the "Save Water" messaging at certain of such

customer's stores was approximately USD $187,000 per store.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Colgate's strategy to reduce our operational emissions by 25% by 2020, which has now been succeeded with new targets to reduce absolute scope 1 and 2 GHG emissions in global operations 30% by 2025 and 50% by 2030 from a 2018 base year, is driven by several goals: to facilitate our transition to low-carbon technology, increase our resiliency, and to help avoid carbon tax schemes that may affect facilities in certain regions. As stated in our Annual Report on Form 10-K, increases in the costs of energy and transportation have adversely affected and may continue to adversely affect our profit margins; therefore, it is in our best interests to source energy that will be resilient to these cost increases. Additionally, there is an opportunity to avoid carbon tax schemes through investment in energy saving initiatives at facilities such as those located in the EU to reduce their impacts, as well as in additional markets that may be impacted by new schemes in the future such as in Mexico and the U.S. While the opportunity of shifting to lower emission sources of energy eventually translates to lower operating costs once the return on investment has been achieved, we also believe that investments in renewable energy are a strategic imperative in order to meet our emissions target and decrease reliance on fossil fuels, thereby increasing the resilience of our company.

Time horizon
Medium-term

Likelihood
Very likely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
222400

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The investment in renewable energy often requires financial paybacks beyond typical savings projects, however with the advancement in technologies, combined with higher electricity rates and improved government financial incentives, the return on investment continues to improve over time. We are working to estimate the overall financial benefits of using renewable energy in our value chain. However, to provide an example, the estimated savings from solar power-related projects approved in 2020 was calculated to be $222,400 per year. This number represents estimated annual savings that will eventually meet ROI objectives; savings are expected to be much higher when more projects on the roadmap are completed.

Cost to realize opportunity
1838000

Strategy to realize opportunity and explanation of cost calculation
i) Case study: 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 2020, Colgate purchased 215,179 MWh of Green-e certified wind power renewable energy certificates generated from wind power farms in Kansas. The purchase is allocated back to our facilities in proportion to their carbon emissions to help assign a cost-of-carbon to its source. To further develop our balanced approach to renewable energy, Colgate developed a Renewable Energy Master Plan to help identify and prioritize renewable energy opportunities at more than 20 facilities around the world. In 2020, four new solar installations were completed in Vietnam, the Dominican Republic, Ecuador and Guatemala and existing solar projects in Piscataway, New Jersey and Cali, Colombia were expanded. The My Phuoc, Vietnam facility installation is expected to generate 1,350 MWh annually. The Dominican Republic warehouse installation is expected to generate 159 MWh annually. The installation in Guatemala is anticipated to generate 14.5 MWh annually and in Ecuador, the solar installation is expected to generate 39 MWh. In 2019, we implemented phase I of a multi-phase solar project at our Global Technology Campus in Piscataway, New Jersey. Phase I is expected to generate 903 kWh. Phase II and III of the Piscataway solar project installed in 2020 is expected to generate 2.373 MWh with the total project expected to generate 3.2 MWh. These projects join the 2018 implementations in Sri City, India and Burlington, NJ, USA. We are currently developing and implementing additional renewable energy activities identified in this Roadmap, including installing onsite solar electricity and purchasing renewable energy from our electricity providers. In addition to lowering our operating costs, other key impacts include meeting our SBT commitments, increased site resiliency due to less dependence on grid energy via on-site renewables, and increased engagement potential with consumers around the use of renewables to make our products. ii) Cost calculation: Our energy efficiency and renewable energy roadmap has many components. Our solar project capital spend for the Vietnam installation totaled over $295,000 in 2020. Additionally, renewable energy projects approved in 2020 as part of our total planet capital expenditure budget had an estimated cost of $1,543,000, for a sum of $1,838,000.

Comment

Identifier
Opp4

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
Colgate has recognized the continual need to invest in supply chain logistics in response to shifting consumer demand, potential disruptions from weather events, and the opportunity to decrease our environmental impacts. A more efficient way of managing roundtrips allows us to prevent having zero empty miles by partnering with other fast-moving consumer goods companies (such as Lala, a Mexican Dairy Company). This increase in productivity reduces costs and CO2 emissions.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
26000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Since inception, the program has generated over $26,000 in upstream supply chain savings. To determine these savings, we calculated the cost of a one-way trip (lower tariff rate), instead of a roundtrip. Colgate pays for the Queretaro (Point A) - Torreon (Point B) and Lala pays for the Point B to Point A portion. We assessed specific metrics, e.g. Empty Miles (Accessorial Costs) and truck availability prior to implementation and then calculated the delta gained post-implementation.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
i) Case study to realize the opportunity: In order to realize the opportunity, Colgate introduced our distribution model to our Top Carriers in 2019 to optimize the efficiencies in our distribution network. The objective was to find benefits for both companies (Colgate-Lala) by implementing the Zero Empty Miles Project. The project has many elements for continual improvement including: CO2 emissions reduction, savings, a Carrier Risk Management Strategy and the ability to find additional routes. This has resulted in multi-year emission reductions, and eliminated 131K miles travelled in 2020. ii) Cost Calculation: No capital has been invested since inception. These savings are included among Colgate's Funding the Growth initiatives.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?
Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

	Is your low-carbon transition plan a scheduled resolution item at AGMs?	Comment
Row 1	No, and we do not intend it to become a scheduled resolution item within the next two years	Colgate regularly holds focused discussions with investors across the board; we find this to be a productive approach to gaining the feedback and insight required to understand our investors' expectations related to our approach to sustainability and climate change.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?
Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 2.6 RCP 4.5 RCP 8.5 IEA NPS Other, please specify (IEA 66% 2C Scenario (High Scenario) IEA 66% 2C Scenario – (Moderate) - Adjusted using Climate Action Tracker (CAT) delayed action scenario)	i. How selected scenarios were identified: Colgate engaged Trucost to conduct a climate scenario analysis in alignment with TCFD recommendations. The selected scenarios provided a range of possible future states, from low, moderate, and high levels of potential impacts, to conduct a thorough assessment of transitional (including policy, market, reputation, and technology) as well as physical risks. ii. Time horizon & relevance: The analysis covered a range of time horizons depending on the risk type. For example, policy risk was evaluated using 10, 20, and 30 year timeframes to align with Colgate's renewable energy net zero emissions targets. Physical risk was evaluated using 2020 as a baseline, as well as 2030 and 2050 aligned with the call for the "Decisive Decade" and to achieve Net Zero, respectively. iii. Areas of organization considered: We considered our global operations in the analysis, with particular attention to manufacturing sites and global technology centers. We also considered our suppliers. iv. Case study, including results and influence on business strategy: Key results include finding carbon pricing related risks are mostly associated with purchased goods and services, and that this risk may impact our Mexico and US operations. Colgate was also found to have moderate reputational risk exposure, and low technology exposure. In terms of physical risk, while many plants exposed to water stress are located in Asia and the Middle East, the analysis validated our previously reported findings for water-stressed sites in strategic locations, specifically in Mexico and India. We are using this information to underscore the need for ambitious progress and continued investment in our sustainability programs, including for renewable energy and capital budgets for planet projects. The analysis underscored our renewable energy and carbon commitments, leading to a fuller understanding of how our Net Zero commitment (target specifics currently in development) could help mitigate potential policy and reputational risks; for example, our exposure to scope 1 and 2 carbon pricing risk reduces significantly by 2040, the target date for our Net Zero commitment. Therefore the identified risks will be considered as we finalize our Net Zero target and associated boundaries. We are continuing to pursue direct investment in several renewable energy projects including in the U.S., China, Vietnam and Mexico toward achievement of our 100% renewable energy goal. Additionally, the results of the analysis validated our new targets that will help reduce water-related physical risk exposure: 1) Engage 100% of our priority material suppliers with operations in water-stressed regions to take action on water security, 2) Achieve Net Zero Water Factories in water-stressed areas, and 3) Reduce our manufacturing water intensity by 25% by 2025 vs 2010. Similar to our energy and emissions-related targets, we are working to make strategic investments to achieve these targets as well as continue our consumer awareness initiatives, particularly in water-stressed regions.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	i) Description & time horizon: As described in 2.3a/2.4a, consumers are increasingly choosing products that have lower climate impacts and are better for the environment. We have identified potential reputational risks associated with climate aspects of deforestation, which influence the attributes of the commodities we use in our products and packaging; we are modifying our sourcing approach to prioritize certified commodities. Additionally, the majority of our GHG emissions are associated with the consumer use of our products. Our category GHG footprint indicates that the impact of brushing teeth, showering, washing hands, and washing dishes differs greatly; therefore our Research and Development and Procurement teams are working to identify and prioritize opportunities through material and supplier choices without negatively affecting consumer experience, quality or cost. We evaluate the potential of reputational impacts affecting our sales and therefore strategize our approach to product development through to marketing over both the short- and medium-term time horizons. ii) Most substantial business decisions: Colgate has made significant progress in policy development on commodity sourcing and deforestation over the past four years. We published a No Deforestation Policy covering the following forest commodities: palm, soy, beef tallow and paper based materials. Colgate also has a standalone policy on the Responsible and Sustainable Sourcing of Palm Oils, and established a Responsible Soy Procurement Policy in 2020. Our global sourcing teams which manage the suppliers of commodities work to ensure understanding, communication, and execution of our commitments. As a result of these efforts, we are better placed to understand deforestation-related risks and opportunities and reflect those in our approach to product development and packaging. Colgate also created a Product Sustainability Scorecard, intended to measure the progress of our goals to increase the sustainability in our products by 2020 with a focus on three areas: Packaging, Formula and Social Impact. Through cross-functional collaboration across the Colgate world, 99 percent of new products in 2020 had improved sustainability profiles. Additionally, efforts to provide transparent reporting of our progress support our responsiveness to the concerns of our stakeholders.
Supply chain and/or value chain	Yes	i) Description & time horizon: Colgate's approach to climate change considers our supply chain and broader value chain. For example, our goal-setting and marketing efforts consider where we can make the most impact with consumers. Therefore we have set targets that promote water conservation among our customer base, which then results in reduced emissions. We also routinely consider resilience in our procurement strategy, as climate-related natural disasters such as hurricanes, cyclones, and typhoons are increasing in frequency and may damage or disrupt material supply. We also recognize that deforestation risk is one of our key sustainability issues that requires close management of our supply chain. The time horizon of influence is primarily in the short-term, though our procurement decisions may relate to longer timeframes particularly when considering shifting sourcing from certain regions. ii) Most substantial business decisions: Consumers are a key stakeholder within our value chain. As a way to reduce our most significant Scope 3 GHG emissions, Colgate 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. Colgate's Save Water campaign, launched worldwide in 2016, continues to increase consumer awareness through messaging on our packaging, online and in stores. 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 among consumers, customers and fellow Colgate People. To date, our Save Water program has helped avoid using an estimated 115 billion gallons of water and an estimated 8.3 million metric tons of greenhouse gas emissions. Colgate has also made significant progress in policy development on commodity sourcing and deforestation over the past four years. Our continued attention to developing policies and progressing on our 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.
Investment in R&D	Yes	i) Description & time horizon: 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 teeth, showering, washing hands, and washing dishes differs greatly. As a way to reduce our most significant Scope 3 GHG emissions, Colgate first committed to increasing the recycled content of our packaging to 50 percent by 2020, achieving 52% recycled content by the end of 2020. We then enhanced our target, committing to design and deliver zero plastic waste solutions for Colgate-Palmolive products to eliminate one third of our New Plastics by 2025. Our R&D and Procurement organizations also help design and manage product formulations to minimize both risk and costs. We are designing products that allow consumers to use less water or temperate water, evaluating options to replace carbon intensive materials, and strategically sourcing and using commodities in a way that minimize deforestation risk. These efforts require significant investment in R&D to achieve, with the time horizon of influence ranging from the short- to long-term depending on the effort . ii) Most substantial business decisions to date: Conducting a full value chain carbon footprint analysis has provided us valuable insight into the environmental impacts of our products. One of the resulting outcomes was our pledge for all of our packaging to be recyclable, reusable or compostable by 2025, and to commit $250 million to drive sustainability with breakthrough product and process innovation. After five years in the making, we launched a first-of-its-kind recyclable toothpaste tube in 2019, 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. We are continuing with our research to convert all of our caps into a more compatible material with the HDPE stream. Consistent with the Company's commitment to sustainability, Colgate is making this innovative technology available to interested third parties as part of our campaign to increase recyclability of toothpaste tubes.
Operations	Yes	i) Description & time horizon: Climate-related risks and opportunities have influenced our operational strategy in terms of increasing the overall sustainability of facilities, implementing energy efficiency programs, and pursuing renewable energy. These efforts allow Colgate to avoid ETS emissions cap and trade schemes, significantly reduce operational costs, and increase operational resiliency. We evaluate the impacts of regulations and strategize our approach to sustainable operations over the short- to long-term time horizons. ii) Most substantial business decisions: In 2020, Colgate set a new goal to achieve net zero carbon in our operations by 2040 and 100% renewable electricity for our global operations by 2030. Several initiatives, many already in progress, will drive progress toward this target. Benchmarking the sustainability of our operations through third party certifications and recognitions give our efforts more credibility. To date, Colgate has 19 facilities that have achieved 27 LEED Certifications and since 2011, 86 U.S. EPA ENERGY STAR® Challenge for Industry Awards have been achieved by Colgate manufacturing sites, with 12 awards achieved in 2020. Colgate also has 20 TRUE® Zero Waste facilities in 10 countries on five continents, more than any other company. In 2011, Colgate initiated the "5% for the Planet" program, which 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. A minimum of 2% of the budget is allocated to energy reduction projects. Since 2011, Colgate has invested more than $270 million in 1,400+ planet projects, delivering an estimated savings of more than $68 million. Finally, Colgate developed a Renewable Energy Master Plan to help identify and prioritize renewable energy opportunities at our facilities. In 2019-2020, we implemented a multi-phase solar project at our Global Technology Campus in Piscataway, New Jersey, toward its ambition to become a 'Net Zero' campus. The project included 4,000 solar panels to generate 3.2 MWh, equivalent to reducing over 1,600MT of CO_2 annually. The site also features over 30 different electric vehicle charging stations. This project joins four other solar power installations implemented in 2020, bringing our total number of installations to six.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Indirect costs Capital expenditures Capital allocation Assets Liabilities	i) Case studies - capital expenditures/allocation: The emergence of carbon trading schemes in different geographies might require us to update our existing capital to be more energy-efficient and reduce emissions. For example, we have continually pursued capital upgrades and investments to improve our energy efficiency at manufacturing sites and avoid carbon tax schemes. As part of Colgate's 5% for the Planet initiative, facilities are expected to invest a minimum of 5% of their annual capital budgets towards projects which reduce energy, water, and waste. Since 2011, Colgate has invested more than $270 million in more than 1,400 planet projects, delivering an estimated savings of more than $68 million. In 2020, Colgate invested over $11.7 million specifically directed toward energy investments. Planet projects deliver energy and carbon reduction, enabling us to maintain emission levels below regulatory thresholds in most geographies. We expect this level of investment to be similar in the coming years, as part of our "5% for the Planet" annual capital expenditure budget goal. Additionally, Colgate developed a Renewable Energy Master Plan in 2017, which helps the Company identify and prioritize renewable energy opportunities at our facilities around the world. We began project implementation in 2018, with solar projects pursued in Sri City, India, as well as Burlington and Piscataway, New Jersey, in the United States. We are continuing to develop and implement additional renewable energy activities identified in this Roadmap. This exercise helped us identify and prioritize renewable energy opportunities at more than 20 facilities around the world, and required significant planning for capital allocations and investment in the coming years. ii) Time horizon: Our financial planning related to revenues, indirect (operating) costs, capital allocation/expenditure, access to capital, assets, and liabilities as impacted by climate-related risks and opportunities extends to the long term, for example when considering investments in significant capital upgrades. Several elements are also continually assessed in the short-term, such as the operational costs required to conduct Energy Treasure Hunts and to implement more immediate planet projects.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

N/A

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Year target was set
2016

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

It is noted that our 2020 Science-Based emissions target (25% reduction of Scope 1 + Scope 2 market-based emissions) does not include fugitive emissions as fugitive emissions were not included in our base year emissions (2002) and because fugitive emissions are a small fraction (1.1%) of our Scope 1 + Scope 2 market-based emissions.

Base year
2002

Covered emissions in base year (metric tons CO2e)
699761

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
95

Target year
2020

Targeted reduction from base year (%)
25

Covered emissions in target year (metric tons CO2e) [auto-calculated]
524820.75

Covered emissions in reporting year (metric tons CO2e)
442230

% of target achieved [auto-calculated]
147.210833413122

Target status in reporting year
Achieved

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
2°C aligned

Please explain (including target coverage)
Through 2020, we achieved a 37% reduction in our Scope 1 (without fugitive emissions) + Scope 2 (Market Based) emissions versus our 2020 goal of 25% reduction. Fugitive emissions are not included in our 2020 goal as they are a small fraction of our Scope 1 + Scope 2 market-based emissions (1.1%) and are not included in the approved Science-Based targets. However, fugitive emissions are measured, third party reviewed and included in our reported emissions. Approximately 95% of our Scope 1 + Scope 2 (Market Based) emissions are included in this target. The emission sources that are not covered by this target include a number of Colgate owned offices, warehouses and mobile sources (cars and trucks). These sources are included in our new commitment with the Science Based Targets and future reports. Our climate strategy is anchored in setting and achieving science-based goals to reduce greenhouse gases. As part of our 2015 to 2020 Sustainability Strategy, Colgate developed 2020 and 2050 science-based goals to reduce absolute greenhouse gas emissions by 25% and 50%, respectively, compared to 2002. Colgate collaborated with CDP to develop these goals. Early on, CDP reviewed these goals and indicated that the 2020 and 2050 targets exceeded the requirements of the “Linear Approach” to a science-based goal, which is based on the Intergovernmental Panel on Climate Change’s “RCP 2.6 Carbon Pathway,” one of the climate trajectories used for modeling and research. Our 2020 target also exceeds the requirements of the “Sectoral Decarbonization Approach” to a science-based goal, which is based on the 2°C change in global average temperature scenario developed by the International Energy Agency (IEA). This target was officially approved by SBTi in 2017. Now, Colgate is joining the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition’s Business Ambition for 1.5°C campaign and has received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels. This is the last year of CP reporting against the SBT above. A new set of 1.5°C aligned SBTs were approved in 2020 and are also reported in this response.

Target reference number
Abs 2

Year target was set
2016

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

It is noted that our 2050 Science-Based emissions target (50% reduction of Scope 1 + Scope 2 market-based emissions) does not include fugitive emissions as fugitive emissions were included not in our base year emissions (2002) and because fugitive emissions are projected to be a small fraction (1.1%) of our 2050 Scope 1 + Scope 2 market-based emissions.

Base year
2002

Covered emissions in base year (metric tons CO2e)
699761

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
95

Target year
2050

Targeted reduction from base year (%)
50

Covered emissions in target year (metric tons CO2e) [auto-calculated]
349880.5

Covered emissions in reporting year (metric tons CO2e)
442230

% of target achieved [auto-calculated]
73.6054167065612

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
2°C aligned

Please explain (including target coverage)
Our climate strategy is anchored in setting and achieving science-based goals to reduce greenhouse gases. As part of our 2015 to 2020 Sustainability Strategy, Colgate developed 2020 and 2050 science-based goals to reduce absolute greenhouse gas emissions by 25% and 50%, respectively, compared to 2002. Colgate collaborated with CDP to develop these goals. Early on, CDP reviewed these goals and indicated that the 2020 and 2050 targets exceeded the requirements of the “Linear Approach” to a science-based goal, which is based on the Intergovernmental Panel on Climate Change’s “RCP 2.6 Carbon Pathway,” one of the climate trajectories used for modeling and research. Our 2020 target also exceeds the requirements of the “Sectoral Decarbonization Approach” to a science-based goal, which is based on the 2°C change in global average temperature scenario developed by the International Energy Agency (IEA). This target was officially approved by SBTi in 2017. To meet the 50% reduction goal of Scope 1 + Scope 2 emissions by 2050 with 2002 base year, we should have achieved the percent reduction of Scope1 + Scope 2 emissions that we attained through 2020 by 2033 indicating that we are ahead of schedule to accomplish that goal. Now, Colgate is joining the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition’s Business Ambition for 1.5°C campaign and has received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels. This is the last year of CP reporting against the SBT above. A new set of 1.5°C aligned SBTs were approved in 2020 and are also reported in this response.

Target reference number
Abs 3

Year target was set
2016

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 3: Use of sold products

Base year
2016

Covered emissions in base year (metric tons CO2e)
47200000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
90

Target year
2022

Targeted reduction from base year (%)
5

Covered emissions in target year (metric tons CO2e) [auto-calculated]
44840000

Covered emissions in reporting year (metric tons CO2e)
35158423

% of target achieved [auto-calculated]
510.236313559322

Target status in reporting year
Achieved

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
2°C aligned

Please explain (including target coverage)
In 2017, the SBTi approved Colgate's science based target which included a Scope 3 aspect related to consumer use of our products: “Colgate-Palmolive Company commits to reduce absolute Scope 1 and 2 greenhouse gas emissions from manufacturing by 25% from 2002 to 2020, with a longer term goal of a 50% reduction by 2050. Colgate also commits, as a way to reduce our most significant Scope 3 greenhouse gas emissions, to promote water conservation awareness to 100% of our global consumers and reduce emissions associated with consumer behaviour by up to 5% from 2016 to 2022, and increase the recycled content of our packaging to 50% by 2020.” We achieved a median value of 5% reduction in emissions associated with consumer behaviour, relative to a 2016 baseline and based on consumer survey results from 2020. Reduction estimates range from 3-8% due to inherent variability in consumer behaviours.

Target reference number
Abs 4

Year target was set
2020

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2018

Covered emissions in base year (metric tons CO2e)
555000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2025

Targeted reduction from base year (%)
30

Covered emissions in target year (metric tons CO2e) [auto-calculated]
388500

Covered emissions in reporting year (metric tons CO2e)
458463

% of target achieved [auto-calculated]
57.9801801801802

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
Colgate joined the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition’s Business Ambition for 1.5°C campaign and received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels.

Target reference number
Abs 5

Year target was set
2020

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2018

Covered emissions in base year (metric tons CO2e)
555000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2030

Targeted reduction from base year (%)
50

Covered emissions in target year (metric tons CO2e) [auto-calculated]
277500

Covered emissions in reporting year (metric tons CO2e)
458463

% of target achieved [auto-calculated]
34.7881081081081

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
Colgate joined the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition's Business Ambition for 1.5°C campaign and received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels.

Target reference number
Abs 6

Year target was set
2020

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 3: Purchased goods & services

Base year
2018

Covered emissions in base year (metric tons CO2e)
4315000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2025

Targeted reduction from base year (%)
30

Covered emissions in target year (metric tons CO2e) [auto-calculated]
3020500

Covered emissions in reporting year (metric tons CO2e)
4348260

% of target achieved [auto-calculated]
-2.56933178833526

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
Colgate joined the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition's Business Ambition for 1.5°C campaign and received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels.

Target reference number
Abs 7

Year target was set

2020

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 3: Use of sold products

Base year
2016

Covered emissions in base year (metric tons CO2e)
47200000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2025

Targeted reduction from base year (%)
20

Covered emissions in target year (metric tons CO2e) [auto-calculated]
37760000

Covered emissions in reporting year (metric tons CO2e)
35158423

% of target achieved [auto-calculated]
127.559078389831

Target status in reporting year
New

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
1.5°C aligned

Please explain (including target coverage)
Colgate joined the Science Based Targets initiative, UN Global Compact and the We Mean Business Coalition's Business Ambition for 1.5°C campaign and received approval for a new SBTs including Scope 1, 2 and 3 targets for 2025 and 2030, using 2018 as baseline that are aligned with limiting global temperature rise to 1.5°C above pre-industrial levels.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2016

Target coverage
Business activity

Target type: absolute or intensity
Absolute

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)
Percentage

Target denominator (intensity targets only)
<Not Applicable>

Base year
2016

Figure or percentage in base year
21.5

Target year
2020

Figure or percentage in target year
25

Figure or percentage in reporting year
34.8

% of target achieved [auto-calculated]
380

Target status in reporting year
Achieved

Is this target part of an emissions target?
Abs1, Abs2

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
Colgate has 2020 goals to promote the use of renewable energy and reduce absolute greenhouse gas emissions. By 2020, Colgate will seek to obtain a minimum of 25% of its global purchased electricity from renewable energy sources and in doing so reduce our GHG emissions. For this target, renewable energy sources include unbundled RECs and GOs that Colgate purchases. Our renewable energy target is internal and supports our absolute greenhouse gas reduction goal. Colgate achieved this goal reaching 35.8% of its global purchased electricity from renewable energy in 2020.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2015

Target coverage
Business activity

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy productivity	Other, please specify (Total Global Energy Consumption at Manufacturing Sites (MWh))

Target denominator (intensity targets only)
metric ton of product

Base year

2002

Figure or percentage in base year
0.519

Target year
2020

Figure or percentage in target year
0.343

Figure or percentage in reporting year
0.3265

% of target achieved [auto-calculated]
109.375

Target status in reporting year
Achieved

Is this target part of an emissions target?
Abs1, Abs2

Is this target part of an overarching initiative?
Science Based Targets initiative

Please explain (including target coverage)
Our 2020 Energy Efficiency Goal is to reduce our manufacturing energy intensity (MWh/MT) by 33% from our 2002 base year and in doing so reduce our GHG emissions. Our manufacturing intensity in the base year (2002) was 0.519 MWh/MT. Our 2020 goal was 0.343 MWh/MT and in 2020 we exceeded that goal by 9.4% (0.3265MWh/MT).

Target reference number
Oth 2

Year target was set
2015

Target coverage
Business activity

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Waste management	Other, please specify (Mass of Landfill Waste (kg) Landfilled wastes include wastes that are disposed in a landfill, wastes that are treated and disposed offsite and the solids in aqueous wastes that are hauled offsite)

Target denominator (intensity targets only)
metric ton of product

Base year
2010

Figure or percentage in base year
10.68

Target year
2020

Figure or percentage in target year
5.34

Figure or percentage in reporting year
1.9

% of target achieved [auto-calculated]
164.419475655431

Target status in reporting year
Achieved

Is this target part of an emissions target?
No

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain (including target coverage)
Our 2020 goal on landfill waste is to halve our manufacturing waste sent to landfill per ton of product compared to 2010, working toward our goal of 'Zero Waste' and in doing so reduce the GHG emissions associated with landfilling our wastes. We achieved this goal in 2019 and continued reducing the waste to landfill during 2020 achieving a total progress of 164% of the original goal.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs4
Abs5
Abs6
Abs7

Target year for achieving net zero
2040

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain (including target coverage)
Colgate Palmolive has set the target of become net zero carbon in our global operations by 2040. We are committed to decarbonizing our operations in alignment with limiting global temperature rise to 1.5°C above pre-industrial levels. We will prioritize energy efficiency and renewable energy to achieve this. Colgate Palmolive is monitoring the SBTi guidance on Net Zero and intend to adapt/align our target once it is officially published. Any potential neutralization or compensation measures that our company pursues would follow the SBTi's standards.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	653
To be implemented*	20	239
Implementation commenced*	23	4904
Implemented*	42	3929
Not to be implemented	5	204

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
1104

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
252763

Investment required (unit currency – as specified in C0.4)
878416

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)
549

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
189635

Investment required (unit currency – as specified in C0.4)
385887

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Maintenance program

Estimated annual CO2e savings (metric tonnes CO2e)
117

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
21300

Investment required (unit currency – as specified in C0.4)
27588

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Low-carbon energy generation	Other, please specify (low-carbon energy generation)

Estimated annual CO2e savings (metric tonnes CO2e)
100

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
55000

Investment required (unit currency – as specified in C0.4)
320000

Payback period
4-10 years

Estimated lifetime of the initiative
16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Automation

Estimated annual CO2e savings (metric tonnes CO2e)
98

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
24600

Investment required (unit currency – as specified in C0.4)
104000

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e)
170

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
538600

Investment required (unit currency – as specified in C0.4)
2374825

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (electromagnetic filters)

Estimated annual CO2e savings (metric tonnes CO2e)
906

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
174000

Investment required (unit currency – as specified in C0.4)
428805

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (transformer replacement)

Estimated annual CO2e savings (metric tonnes CO2e)

266

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
29650

Investment required (unit currency – as specified in C0.4)
165525

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Building Energy Management Systems (BEMS)

Estimated annual CO2e savings (metric tonnes CO2e)
183

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
90100

Investment required (unit currency – as specified in C0.4)
226218

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Reuse of water

Estimated annual CO2e savings (metric tonnes CO2e)
133

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
34000

Investment required (unit currency – as specified in C0.4)
107000

Payback period
4-10 years

Estimated lifetime of the initiative
3-5 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)

1

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
35000

Investment required (unit currency – as specified in C0.4)
228000

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment

Initiative category & Initiative type

Energy efficiency in buildings	Insulation

Estimated annual CO2e savings (metric tonnes CO2e)
228

Scope(s)
Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
17000

Investment required (unit currency – as specified in C0.4)
72000

Payback period
4-10 years

Estimated lifetime of the initiative
3-5 years

Comment

Initiative category & Initiative type

Low-carbon energy generation	Solar heating and cooling

Estimated annual CO2e savings (metric tonnes CO2e)
35

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
13600

Investment required (unit currency – as specified in C0.4)
49658

Payback period
4-10 years

Estimated lifetime of the initiative
16-20 years

Comment

Initiative category & Initiative type

Energy efficiency in production processes	Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)
40

Scope(s)

Scope 1
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
5900

Investment required (unit currency – as specified in C0.4)
25330

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal finance mechanisms	Colgate seeks to invest 5% of our capital budget in projects that reduce energy and water consumption and waste generation. Since inception, Colgate has invested more than $270 million in more than 1,400 planet projects, delivering an estimated savings of more than $69 million to date.
Employee engagement	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. Since 2012, this program has identified nearly 2,400 energy savings projects with the potential to reduce Colgate's energy consumption by about 400,000 MWh and CO2 emissions by more than 140,000 metric tons.
Internal incentives/recognition programs	In 2020, Colgate-Palmolive Company received a 2020 ENERGY STAR® Partner of the Year Award for Sustained Excellence for our continued leadership and superior contributions to ENERGY STAR. This marked the 10th year that Colgate has been recognized as a leader in energy efficient practices and 8th year receiving the sustained excellence designation. Colgate presented each of our North American facilities with "ENERGY STAR Partner of the Year" flags to proudly display at their facilities, increasing the visibility of Colgate's ENERGY STAR commitment in the communities in which we operate. Colgate uses the US EPA ENERGY STAR Challenge for Industry as our energy reduction recognition program. Nearly all of our eligible Colgate manufacturing sites are enrolled in the Challenge, and 86 of our Plants have achieved the Challenge since 2001. This award recognizes sites that achieve a 10% reduction in source energy intensity within 5 years. Winning sites are provided with a certificate of recognition from the USEPA and an Achievement Banner from the Vice President Global Supply Chain and Chief Sustainability Officer. Winning sites are also recognized on the Company's Intranet site.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Group of products

Description of product/Group of products
Colgate's "fast dry" technology available in fabric softener products, such as Suavitel Fast Dry fabric softener and Suavitel Complete products, brings a unique technology that wicks away water from fabric to help clothes dry faster, saving consumers time and energy. All in all, Fast Dry™ technology not only cuts drying time considerably, but since clothes spend less time in the dryer, it could also save energy at home, which in turn helps the environment. Based on faster drying times, U.S. consumers using Fast Dry™ could benefit from lower energy consumption by their electric dryers. With additional research, Colgate-Palmolive's fabric conditioner product development team also found that Fast Dry™ use resulted in a reduction of wrinkles. Less wrinkles means less energy expended on ironing. In addition to the Suavitel brand that introduced it, the integrated, Fast Dry™ technology product portfolio was expanded to Fleecy, another Colgate-Palmolive brand enabling more people to save time and reduce their environmental footprint.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (Internal methods)

% revenue from low carbon product(s) in the reporting year
1

% of total portfolio value
<Not Applicable>

Asset classes/ product types
<Not Applicable>

Comment
Other: We estimated base energy consumption (kwh) without use of the fabric softener by dividing the estimated quantity of clothing treated (kgs) by the expected energy consumption for an electric dryer (3.01 kgs clothing dried/ kwh). This value is based upon Department of Energy Standard for residential dryers. To estimate energy savings from product use, we multiplied the estimated energy consumption (kwh) without product use by the percent reduction of dryer time achieved during the residential scale electric dryer tests with use of the product. To calculate the avoidance in CO2 emissions, we multiplied the reduction in electricity consumption (kwh) in the United States times the average CO2 emission factor (kgs CO2/ kwh of electricity). Note: revenue from associated products is unknown.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2002

Base year end
December 31 2002

Base year emissions (metric tons CO2e)
286001

Comment
Between 2002 and 2010, our manufacturing sites reported the use of fuel oil, natural gas and coal with no distinction as to the type of oil, e.g. fuel oil or residual oil nor the type of coal e.g., bituminous or anthracite. Furthermore, during this period our manufacturing sites did not report the use of LPG nor did they report fugitive losses including refrigerant and SF6 losses. Our 2002 base year emissions do not include fugitive emissions. In 2010, our manufacturing sites started reporting the type of oil that was combusted, e.g., residual oil and gas oil, the type of coal that was used, e.g., anthracite and bituminous and also LPG usage and of course natural gas usage. Fugitive emissions were reported in subsequent years.

Scope 2 (location-based)

Base year start
January 1 2002

Base year end
December 31 2002

Base year emissions (metric tons CO2e)
413760

Comment
We have been collecting purchased electricity consumption (MWh) since the 2002 base year. We used updated 2002 IEA emission factors (using the 2017 IEA publication), e.g. kgs CO2/MWh of purchased electricity consumed) to calculate base year Scope 2 emissions. We did not have purchased steam data covering that period so purchased steam emissions are not known. We used the latest eGRID factors for facilities located in the United States.

Scope 2 (market-based)

Base year start
January 1 2002

Base year end
December 31 2002

Base year emissions (metric tons CO2e)
413760

Comment
In 2002, the methodology to determine Scope 2 emissions via the market-based method had not been issued. Accordingly, we have assumed that the Scope 2 emissions for the location-based and market-based method are the same.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
191143

Start date
<Not Applicable>

End date
<Not Applicable>

Comment
Reported scope 1 emissions include fugitives emissions.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
386536

Scope 2, market-based (if applicable)
251087

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
There are a number of Colgate owned offices and warehouses and owned vehicles that are within our reporting boundary which are not included in our disclosure.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
Data to estimate energy consumption from these sources and the methodology to calculate the related emissions has been evaluated for the first time this year to improve our reporting methodology. The estimated Scope 1 and 2 emissions from offices, warehouses and owned vehicles account for less than 3.7% of Colgate Scope 1 and 2 emissions, and are therefore not relevant to our total footprint. These sources will be incorporated in our results in future reports.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
4348260

Emissions calculation methodology
The quantity of each purchased raw material (MT) was determined by the Colgate procurement team. Where available, a mass-based emission factor was identified in the Ecoinvent database for each raw material. When an emission factor was not available for a specific raw material, a surrogate emission factor was identified that is representative for the given material. The mass purchased was multiplied by the corresponding emission factor (typically expressed in kg CO2eq/kg material), to obtain a mass-based CO2e estimate for that material. The results for each raw material were summed to obtain a total CO2 emissions for this category. The methodology for quantifying impacts in this category has been updated from prior years' estimates. In prior years, packaging spend data and economic input-output emission factors were used to estimate impacts from packaging. For the 2020 CDP report (2019 data), Colgate used packaging data based on mass purchased of each packaging material type, as well as percentage (%) of virgin and recycled contents. Thus, packaging material contributions to Category 1 are now considered more representative.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
10

Please explain
For our Oral Care business, approximately 25% of overall Scope 1 + 2 + 3 emissions are based on some data provided by suppliers/value chain partners. This data is specific to the energy used during manufacturing processes for the largest contributors for oral care to Category 1: Purchased Goods and Services), as well as feedstocks for these raw materials. However, these estimates are also updated using publicly available data that has been published, as well as LCI/LCA data available in both GaBi, SimaPro, and EcoInvent. The emissions estimates for the Personal Care and Home Care product categories are based on internal data, including procurement data for purchased raw materials and packaging not on data provided by our suppliers. Overall, approximately 10% of the emissions attributable to this category are based upon data provided by suppliers/ value chain partners.

Capital goods

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
126170

Emissions calculation methodology
Colgate’s 2020capital goods spending was broken down into the following categories: machinery/equipment, buildings, construction, and real estate. The capital goods emissions were estimated using an economic input-output model developed by Carnegie Mellon Green Design Institute (2008). The boundary of the model is the cradle, e.g., oil well, agricultural field to Colgate operations. The model output is CO2 emissions (MT) per million dollars of 2002 expenditures. We ran the model for the four different categories of capital spending. The producer price indices and RS Means construction cost indices were used to adjust Colgate's 2020 capital goods expenditures back to the 2002 dollars. The model outputs, CO2 Emissions (MT)/ 2002 capital expenditures ($) for each category was multiplied by Colgate's 2020 capital goods expenditures (converted using Means cost indices to 2002 dollars) for each category. The calculated emissions from the four categories were summed to yield the estimated CO2 emissions for this category.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
We use an economic input-output model to determine the CO2 emissions (MT)/ Million Dollars ($) of spending. We did not use data provided by our suppliers/ value chain partners to estimate the emissions from this category.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
133890

Emissions calculation methodology
Well to tank (WTT) emissions which are associated with the extraction, processing, and refining of the fossil fuels used at Colgate’s manufacturing sites and the transportation of these fuels to Colgate sites were estimated using WTT emission factors provided by the Department of Food, Rural Affairs and Environment (2020) (DEFRA). The WTT factors for each of the fuels used at Colgate’s manufacturing sites, e.g., natural gas, residual oil were multiplied by the consumption of the various fuels at Colgate global manufacturing sites. For purchased electricity, the WTT emissions associated with the extraction, processing, refining, and transportation of the primary fuels used at power stations that generate electricity used by Colgate manufacturing sites were based upon a different set of DEFRA WTT emission factors which vary by country. Colgate’s electricity consumption was broken down by country and multiplied by the country-specific WTT emission factor to obtain the WTT emissions. Finally, the emissions attributable to the loss of energy in the grids that distribute electricity to Colgate manufacturing sites, so-called Transmission and Distribution (T&D) Losses, were estimated using country-specific Transmission and Distribution emission factors provided by DEFRA.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
We use fuel and electricity purchase records provided by our energy suppliers to calculate Scope 1 and Scope 2 emissions and other fuel and energy-related emissions. We also use DEFRA WTT and Transmission and Distribution factors to calculate fuel and other energy-related emissions not included in Scope 1 and Scope 2. While we use DEFRA WTT and Transmission and Distribution loss factors, we use fuel and electricity consumption data provided by energy suppliers/ value chain partners to calculate the emissions from this category.

Upstream transportation and distribution

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
699345

Emissions calculation methodology
Category 4 calculations use the New Global Colgate Methodology based on “GLEC factors” from the Global Logistics Emissions Council. Colgate began to report under this methodology in 2019. The emissions associated with the transportation and distribution of products manufactured by and for Colgate to Colgate customers were estimated using data provided by Colgate’s accounting software (SAP). SAP data include the tons shipped, the origin and destination of the shipment, the mode of shipment, e.g., rail, road. The distance for each shipment is obtained from Google Maps or from the transporter. For each shipment, the quantity shipped (MT) is multiplied by the distance shipped (km) to obtain the product of weight.distance (MT.km). This value is multiplied by the GLEC emission factor (kgs CO2/MT.km) to yield CO2 emissions. The new methodology considers round trip travels, Well-to-tank and Tank-to-Wheel impacts.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Our transporter/value chain partners provide information that we use to calculate this category's emissions including vehicle size, maximum payload (MT) mode of transport, e.g., rail, sea and in some cases, the distance between the origin and destination that Colgate will use later to apply the GLEC emission factors.

Waste generated in operations

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
33745

Emissions calculation methodology
As part of the “Zero Waste” initiative, Colgate has improved its waste management database increasing the level of detail of waste materials and end of life (EoL) treatment including the quantity of each waste material (MT) by type of treatment. Where available, a mass-based emission factor was identified in the Ecoinvent database for each material and EoL fate. When an emission factor was not available, a surrogate emission factor was identified that is representative for the given material and process. The mass of waste sent to each type of treatment was multiplied by the corresponding emission factor (typically expressed in kg CO2eq/kg material), to obtain mass-based CO2e estimates that are aggregated later on to obtain a total CO2 emissions for this category. Colgate uses the methods presented in Methodologies for Biogenic Emissions from Selected Source Categories: Solid Waste Disposal Wastewater Treatment to calculate methane and CO2 emissions from the wastes that are landfilled and liquid wastes that are sent to offsite anaerobic treatment systems for energy recovery. Waste management companies provide information on whether the landfill is covered and whether the landfill gas is vented or captured and combusted for energy recovery. To increase our understanding of the aspects which control the emissions, we surveyed 33 manufacturing sites in 2015 to obtain information on the characteristics, e.g., percent plastics, the waste treatment methods, e.g., incineration, for the landfilling the percent of degradable carbon and the fraction of the landfill gas that is captured and burned for energy recovery.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Each manufacturing site obtains information from their waste management contractors regarding the methods used to treat their wastes, the quantity of waste that are treated, and for cases where wastes are landfilled, whether the landfill is covered and whether the methane gas is collected and burned for energy recovery. The waste management contractors do not provide the GHG emissions emitted to treat and dispose of each waste stream. Rather Colgate, using the aforementioned information provided by its waste management contractors calculates the emissions using emission factors that are specific for the treatment technologies.

Business travel

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
8849

Emissions calculation methodology
American Express provides a breakdown of business travel including the mode of travel e.g., road, rail or air, the class of air travel, e.g., economy, business economy, first class, and the distance traveled. Using DEFRA business travel emission factors for air, road and rail including WTT and radiant forcing factors (air), we estimate business travel emissions. Colgate estimates that the American Express Report accounts for approximately 90% of Colgate’s business travel.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
American Express provides the distance between the origin and destination for air travel, the class of air travel, e.g., economy or business class, the number of hotels overnight stays from travel records, rental car and rail trips. Neither the airlines nor rail nor auto fleet companies provide the emissions for each travel route. Rather American Express calculates emissions using DEFRA emission factors, e.g., kgs CO2/ km for air travel multiplied by an activity level, e.g., air travel distance also provided by American Express. It is noted that the DEFRA emission factors vary with the class of air travel, e.g., economy, premium economy, business, and first class and the type of flight, e.g., short haul, international.

Employee commuting

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
85187

Emissions calculation methodology
Colgate based its estimate of employee commuting on an employee survey conducted for one of its business units. The survey covered the travel habits of employees working at manufacturing sites and offices located in Poland, United States, China, Brazil, India, Thailand, Mexico and Vietnam. The survey assessed the fraction of commuting traveled by bus, train, car, motorcycle and bicycle and distance travelled. 2020 DEFRA emission factors (kgs CO2/ km for various modes of travel. WTT factors were used to estimate emissions. The survey results were then scaled up to estimate the employee commuting emissions for the entire company.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
The commuting distance and the mode of the commute are generated by Colgate's employee data. The emissions factors are developed by DEFRA. It is noted that to develop the emission factors, DEFRA must be in contact with its value chain partners, e.g., car fleet managers, motorcycle, bus and rail companies.

Upstream leased assets

Evaluation status
Not relevant, calculated

Metric tonnes CO2e
66631

Emissions calculation methodology
Colgate leased assets include offices, warehouses, its worldwide car fleet and a fleet of small trucks which deliver pet nutrition products to customers. Colgate maintains a record of the floor area in each of its leased offices and warehouses. Colgate uses factors published by the US Department of Energy to estimate fuel consumption, e.g., natural gas per square meter of office or warehouse area and electricity consumption (kwh) per square meter of office or warehouse area. Colgate used average country-specific grid factors (kgs CO2/ MWh) to estimate emissions associated with electricity consumption. WTT and T&D losses are accounted for in the calculation Standard fossil fuel factors (kgs CO2/ liter of fuel oil) were used to estimate emissions from fossil fuel consumption. Car fleet emissions were determined by multiplying the distance each vehicle travels times a DEFRA (2020) emission factor (grams CO2/ km traveled). It is noted that the emission factor is a function of the engine displacement. Truck emissions were determined by multiplying fuel consumption (liters of diesel used by the truck fleet) times a published emission factor for diesel fuel (grams CO2/ liter of diesel). The emissions from offices, warehouses, car fleet and truck fleet were then added to yield the estimated emissions from this category.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
For car fleet emissions, the number of vehicles, vehicle size and emission factors are provided by Colgate's car fleet managers. For leased offices and warehouses, the leased areas and locations are provided by the lessors. Diesel fuel consumption for Colgate's leased trucks is provided by companies that sell diesel fuel. It is noted that the suppliers and business chain partners do not generate the estimated emissions rather the information provided by the value chain partners is used by Colgate to estimate the emissions for this category.

Downstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The emission sources in this category include the emissions associated with the transport of Colgate products from our customers' warehouses to the consumers of our products. The distances between our customer's warehouses and the consumers of our products are significantly less than the distances in the upstream transportation category. For example, in the US, Colgate has one manufacturing plant that produces personal care products. The distance involved in shipping product from this one manufacturing sites to US customers is greater than the distance from the location of our customers, e.g., retail warehouses to the consumers, e.g., retail outlets. The magnitude of the emissions for this category will be less than for the upstream transportation category. Furthermore, the potential for emissions reduction that could be influenced by Colgate is limited. Once in hand, the customer has exclusive control of the product. Colgate views the risks associated with our customers' distribution of its products to the consumer to be minimal.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The sale of Colgate products and intermediates that require additional processing, e.g. the sale of off-spec detergent solution to a company that further processes the material to produce a product for sale to a car wash is minimal and not relevant. Colgate almost exclusively produces products that are directly used by the consumer, e.g. toothpaste, liquid hand soap. Furthermore, the potential for emissions reduction that could be influenced by Colgate is limited. This is not a relevant category for Colgate.

Use of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
35158423

Emissions calculation methodology
For our oral care products, consumer use impacts are estimated based on time spent brushing teeth extrapolated into water and electricity use (for lights) for that time period. For Personal and Home Care: - Consumer use impact numbers have a wide range of possible values, and are determined by a variety of underlying assumptions per use event including product type, product quantity use, energy use, water use, electricity grid factors, incoming tap water temperature, water temperature used during product use, regional consumer habits, and appliance efficiency. Once these assumptions were determined (based on information available from CP's Consumer Insights Team, market surveys, and publicly available information), estimates were developed for kg CO2e per product use and multiplied by the total number of product uses (based on company sales data) in order to determine a mass based CO2e estimate for each product sub-category. This year the Category 11. Use of Sold Products calculation methodology was updated to reflect the impacts of the Save Water campaign. Annually, consumers are surveyed to assess the impact of the campaign in changing behaviors related with water and energy use. Those changes are translated into water and carbon impacts that are now included in the category results.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
The assumptions used to estimate emissions, of consumer use of sold products are based upon surveys of Colgate's consumers, input from Colgate's consumer insight teams and publicly available information. As in other Scope 3 categories, the consumers and other value chain partners do not provide CO2 emissions per use. Rather the consumers and value chain partners provide information that allows Colgate to calculate emissions attributable to product use.

End of life treatment of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
1051612

Emissions calculation methodology
The methodology for quantifying impacts in this category are based on packaging materials purchase data, which accounts for mass purchased of each packaging material type, as well as percentage (%) of virgin and recycled content. Packaging material type and industry average end of life treatment (landfill, recycling, incineration) pathways, along with corresponding emission factors were used to estimate impacts. This category also includes the impact of the treatment of the water used by the final consumer. This year the Category 12. End of Life Treatment calculation methodology was updated to reflect the impacts of the Save Water campaign. Annually, consumers are surveyed to assess the impact of the campaign in changing behaviors related with water and energy use. Those changes are translated into water and carbon impacts that are now included in the category results.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
25

Please explain
The additional information obtained from the packaging suppliers on our packing materials allows us to determine with more accuracy the mode of treatment and disposal of our sold products and hence the emissions. Similar to the purchased goods and services category, we estimate that 25% of the information is provided by suppliers/ value chain partners.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The emissions from this category are not relevant. The emissions attributable to Colgate products from our customer's warehouses and leased automobiles and offices will be significantly less than the emissions from Colgate's leased assets.

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Colgate does not operate franchises, therefore this source of Scope 3 emissions is not relevant.

Investments

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Colgate does not make significant investments that would meet the significance threshold for inclusion in the analysis, therefore this source of Scope 3 emissions is not relevant.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This source of Scope 3 emissions is not applicable to Colgate.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
This source of Scope 3 emissions is not applicable to Colgate.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0268

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
442230

Metric denominator
unit total revenue

Metric denominator: Unit total
16471000

Scope 2 figure used
Market-based

% change from previous year
12

Direction of change
Decreased

Reason for change
During the reporting year, Colgate increased use of renewable energy via REC purchases and implemented several energy efficiency improvements such as lighting retrofits, process optimization, cooling technologies, etc. as reported in 4.3b. The related emissions reductions resulted in a decrease in emissions which, concurrent with a 5% increase in revenue, led to the overall decrease in intensity.

Intensity figure
0.0794

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
442230

Metric denominator
metric ton of product

Metric denominator: Unit total
5572315

Scope 2 figure used
Market-based

% change from previous year
14

Direction of change
Decreased

Reason for change
During the reporting year, Colgate increased use of renewable energy via REC purchases and implemented several energy efficiency improvements such as lighting retrofits, process optimization, cooling technologies, etc. as reported in 4.3b. The related emissions reductions resulted in a greater decrease in emissions compared to a 7% increase in manufactured product tonnage, leading to the overall decrease in intensity.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	185940	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	108	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	118	IPCC Fifth Assessment Report (AR5 – 100 year)
HFCs	4877	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	97	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Africa	6566
Asia, Australasia	24936
Europe	42373
Latin America (LATAM)	59060
United States of America	58209

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division
By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Home Care	66052
Oral Care	22902
Personal Care	47001
Pet Nutrition	50699
Other: R&D	4490

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Production Related	186654
Research & Development	4490

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Africa	8976	8976	10679	0
Asia, Australasia	166568	164964	329965	5007
Europe	38717	21143	97703	71360
Latin America (LATAM)	56304	43803	213857	27290
United States of America	115971	12201	243538	217280

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division
By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Home Care	8976	8976
Oral Care	38717	21143
Personal Care	166568	164964
Pet Nutrition	56304	43803
Other: R&D	115971	12201

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Production Related	375450	247587
Research & Development	11086	3500

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	34661	Decreased	7	COlgate increased its consumption of renewable energy via onsite generation, renewable electricity purchase agreements and RECs and GOs purchases. These actions resulted in an increase of ~95,000MWh of renewable energy used in 2020, equivalent to a reduction of 34,661 mtCO2e that contributed to an 11.4% reduction of Scope 2 (market based) emissions between 2019 and 2020. Our S1 and S2 emissions in 2019 totaled 480,812 mtCO2e, therefore we arrived at -7% reduction by dividing the decrease in emissions associated with increased renewable energy by our 2019 total emissions: (34,661/480,812) = 7% (i.e. a 7% decrease in emissions). The change in renewable energy consumption emissions was calculated by estimating the carbon emissions that would have been generated if additional RECs and GOs were not purchased, and if the additional renewable energy were not generated and used on site comparing 2020 vs 2019 using market based emission factors for each country. Since 2014, we have been purchasing Green-e certified renewable electricity certificates generated from wind farms in the state of Kansas, USA and RECs are allocated back to our US facilities. In 2020 we purchased GOs for a set of our European facilities.
Other emissions reduction activities	3921	Decreased	1	Colgate implemented several emissions reduction projects listed in C4.3b, such as lighting retrofits, process optimizations, and cooling technologies. The electricity and fossil fuel reductions were estimated by the project teams. A database multiplied the projected reduction of electricity consumption (MWh) for each project times average grid factor (kgs CO2/MWh) for the country/ region and the projected fuel savings, e.g., cubic meters of natural gas times the average emission factor, e.g., kgs CO2/ cubic meters of natural gas. The database added the projected reduction in CO2 from fuel savings and electricity savings. The associated emissions reductions totaled 3,921 mtCO2e. Our S1 and S2 emissions in 2019 totaled 480,812 mtCO2e, therefore we arrived at -2.9% through (-3,921/ 480,812)= -1% (i.e. a 1% decrease in emissions).
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	919755	919755
Consumption of purchased or acquired electricity	<Not Applicable>	320936	512577	833513
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	62228	62228
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	3695	<Not Applicable>	3695
Total energy consumption	<Not Applicable>	324631	1494560	1819191

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

868971

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
127125

MWh fuel consumed for self-generation of steam
508501

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
233345

Emission factor
1.88679

Unit
kg CO2 per m3

Emissions factor source
World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion Version 4.0

Comment
We do not collect data which breaks down the usage of fossil fuel, i.e., to generate steam or to produce heat. To answer C8.2c, we surveyed several manufacturing sites in different businesses to determine how fossil fuels are used. The MWh of fuel consumed for self-generation of heat and the self-generation of steam is based upon the survey results.

Fuels (excluding feedstocks)
Residual Fuel Oil

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
17082

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
3416

MWh fuel consumed for self-generation of steam
13666

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
2.94857

Unit
kg CO2 per liter

Emissions factor source
World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion Version 4.0

Comment
We do not collect data which breaks down the usage of fossil fuel, i.e., to generate steam or to produce heat. To answer C8.2c, we surveyed several manufacturing sites in different businesses to determine how fossil fuels are used. The MWh of fuel consumed for self-generation of heat and the self-generation of steam is based upon the survey results.

Fuels (excluding feedstocks)
Fuel Oil Number 2

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
16493

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
3299

MWh fuel consumed for self-generation of steam
13194

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
2.68526

Unit
kg CO2 per liter

Emissions factor source
World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion Version 4.0

Comment
We do not collect data which breaks down the usage of fossil fuel, i.e., to generate steam or to produce heat. To answer C8.2c, we surveyed several manufacturing sites in different businesses to determine how fossil fuels are used. The MWh of fuel consumed for self-generation of heat and the self-generation of steam is based upon the survey results.

Fuels (excluding feedstocks)
Liquefied Petroleum Gas (LPG)

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
5150

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
1030

MWh fuel consumed for self-generation of steam
4120

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
1.61309

Unit
kg CO2 per liter

Emissions factor source
World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion Version 4.0

Comment
We do not collect data which breaks down the usage of fossil fuel, i.e., to generate steam or to produce heat. To answer C8.2c, we surveyed several manufacturing sites in different businesses to determine how fossil fuels are used. The MWh of fuel consumed for self-generation of heat and the self-generation of steam is based upon the survey results.

Fuels (excluding feedstocks)
Bituminous Coal

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
12060

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
2412

MWh fuel consumed for self-generation of steam
9648

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
2.45816

Unit
metric tons CO2e per metric ton

Emissions factor source
World Resources Institute (2008) GHG Protocol Tool for Stationary Combustion Version 4.0

Comment
We do not collect data which breaks down the usage of fossil fuel, i.e., to generate steam or to produce heat. To answer C8.2c, we surveyed several manufacturing sites in

different businesses to determine how fossil fuels are used. The MWh of fuel consumed for self-generation of heat and the self-generation of steam is based upon the survey results.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	73678	68552	3807	3695
Heat	68641	68641	0	0
Steam	546096	546096	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method
Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
215179

Comment
The source of the purchased Green Power is wind farm electricity in the state of Kansas, USA

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
France

MWh consumed accounted for at a zero emission factor
32382

Comment
AIB GoO - WIND

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Greece

MWh consumed accounted for at a zero emission factor
15962

Comment
AIB GoO - WIND

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Italy

MWh consumed accounted for at a zero emission factor
24849

Comment
AIB GoO - WIND

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Netherlands

MWh consumed accounted for at a zero emission factor
8370

Comment
AIB GoO - WIND

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Mexico

MWh consumed accounted for at a zero emission factor
27290

Comment
Self-supply contract

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Energy usage

Metric value
0.32

Metric numerator
Total Energy Consumption (MWh)

Metric denominator (intensity metric only)
Net Manufactured for Shipment (MT)

% change from previous year
6.7

Direction of change
Decreased

Please explain
Our 2020 Energy Efficiency Goal is to reduce our manufacturing energy intensity (MWh/MT) by 33% from our 2002 base year and in doing so reduce our GHG emissions. Our manufacturing intensity in the base year (2002) was 0.519 MWh/ MT and 0.33 MWh/MT in 2020. Our 2020 goal was 0.343 MWh/MT, so we accomplished and exceeded our goal.

Description
Waste

Metric value
1.9

Metric numerator
Total Waste to Landfill (kgs)

Metric denominator (intensity metric only)
Net Manufactured for Shipment (MT)

% change from previous year
49

Direction of change
Decreased

Please explain
Our 2020 goal on landfill waste is to: Halve our manufacturing waste sent to landfill per ton of product compared to 2010, working toward our goal of 'Zero Waste' and in doing so reduce the GHG emissions associated with landfilling our wastes. In 2020 we reduced 82% of the waste sent to landfill compared with 2010 exceeding our goal. Additionally, our metric in 2019 was 3.7 vs 1.9 in 2020 showing the progress of the Zero Waste program.

Description
Other, please specify (Normalized Water Used to Make Product)

Metric value
0.96

Metric numerator
Total Incoming Water (m3)- Water in Products (m3)

Metric denominator (intensity metric only)
Net Manufactured for Shipment (MT)

% change from previous year
4

Direction of change
Decreased

Please explain
Our 2020 manufacturing water use goal is to reduce 50% of our manufacturing water intensity by 50% from our 2002 base year. By 2020 we reduced 52% of the water intensity from our baseline.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
colgate-scope-1-and-2-ghg-emissions-verification-statement-2020.pdf

Page/ section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
colgate-scope-1-and-2-ghg-emissions-verification-statement-2020.pdf

Page/ section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
colgate-scope-1-and-2-ghg-emissions-verification-statement-2020.pdf

Page/ section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Capital goods

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Waste generated in operations

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

Scope 3 category
Scope 3: Upstream leased assets

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Colgate Scope 3 Verification Opinion 2020.pdf

Page/section reference
Pages 1 & 2

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
95

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C9. Additional metrics	Other, please specify (Metrics associated with manufacturing operations: energy consumption, water consumption, and waste/wastewater; Scope 1 & 2 emissions associated with manufacturing operations, offices, and warehouses)	International Standard on Assurance Engagements (ISAE) 3000 Revised	Other environmental indicators were independently verified by a third party including energy consumption, incoming water and the sources of that water, e.g., municipal water supplies, ground water and quantity of wastes disposed and how these wastes were disposed. e.g, via landfill, via offsite treatment followed by disposal.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

Henrico County Landfill Gas Combustion Project (VA): The project reduces greenhouse gas emissions from the installed gas collection and destruction systems which destroys the landfill gas in an on-site power generation facility. The facility uses the gas in its 12 electricity generator engines, providing power (up to 4MW) at peak times.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

400

Number of credits (metric tonnes CO2e): Risk adjusted volume

400

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price
Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Identify and seize low-carbon opportunities

GHG Scope
Scope 2

Application
The cost of Colgate's REC and GO purchases is charged back to Colgate's businesses in proportion to their Scope1 plus Scope 2 emissions. The cost of carbon shown below is the current cost for 287,000 RECs divided by the achieved CO2 reduction in MT. Our energy reduction initiatives are part of the "5% to Planet" initiative, aiming to reduce energy, CO2, water, and waste as part of our capital investments. It is noted that the minimum financial rate of return to implement a planet project is in effect a surrogate for an internal price of carbon, i.e., $/ MT of carbon reduced. By requiring that a minimum of 5% of Colgate's capital budget be allocated to planet projects, the internal rate of return for planet projects can be less than the rate of return for other projects. Our planet projects are tracked as to their approval status, the year of implementation, the fuel and electricity savings in MWh, the CO2 reduction (MT/ year), the cost savings and project costs.

Actual price(s) used (Currency /metric ton)
2.33

Variance of price(s) used
A number of factors are considered in assessing an investment including but not limited to the age of the equipment being replaced, needs to meet production demands, projected growth, the location of the project, utility costs, labor costs and projected cost savings. CO2 reductions are also a factor in the evaluation. The end result is differentiated pricing: a price that varies by region, business unit or type of decision.

Type of internal carbon price
Internal fee
Offsets

Impact & implication
In support of our 2020 Sustainability Climate goal of reducing absolute CO2 emissions from our global factories by 25%, Colgate purchases appropriate quantities of green power in the form of green-e certified US-based Renewable Energy Certificates (RECs) and European Guarantees of Origin (GOs). As indicated, the cost of this green power purchase is then internally charged back to our global sites directly in proportion to their Scope 1 & 2 CO2 emissions. Although the REC and GO costs are relatively modest compared to energy costs, we believe this sends yet another important financial signal to our sites, and further, incentivizes them to consider the potential opportunities associated with reducing their carbon emissions.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect climate change and carbon information at least annually from suppliers

% of suppliers by number
5

% total procurement spend (direct and indirect)
51

% of supplier-related Scope 3 emissions as reported in C6.5
0

Rationale for the coverage of your engagement
Rationale: We have prioritized suppliers to engage based on several criteria, relative to either their significance to our business in terms of spend or risk, or where we see opportunity to increase positive impact. These criteria include: suppliers representing approximately 80% of our total global spend, suppliers from high emitting sectors (for example manufacturers and logistics providers), suppliers connected with our agricultural materials where we would like to see significant emissions reductions, and all our forest commodities suppliers (these responses are mandatory). Every year we assess the pool of suppliers selected and evaluate if we need to add any additional supplier in our engagement plan. For CDP Supply Chain, we focus on our largest suppliers by spend level. For raw material engagement, we began engaging key suppliers of raw materials which have been determined to be our most carbon-intensive in our oral care value chain. In 2016, Colgate estimated or updated the carbon and water footprints for our Oral Care, Personal Care and Home Care categories. We are beginning to use this data to engage with our suppliers in the areas where we can have the greatest impact.

Impact of engagement, including measures of success
i. Measure of success: 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 impacts and associated risks and opportunities in our upstream supply chain. We consider ongoing engagement with these suppliers and a strong CDP Supply Chain program survey response rate to be measures of success. ii. Impact of engagement according to measures of success: We have participated in CDP's Supply Chain Leadership Collaboration Project since 2008. In 2020, a total of 94 percent of invited suppliers responded to the survey. More specifically, 51 percent of our Tier I direct material suppliers, by spend, responded to the survey, including our largest raw material suppliers and contract manufacturers.

Comment

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

i. Partners in the value chain: Colgate works closely with our third party logistics providers on a number of climate related initiatives. We have focused our efforts on key strategic larger-scale providers, as Colgate has the greatest potential to initiate change and drive transformation with its principal provider.

ii. Case study: In the logistics area (category #4 Upstream Transportation & Distribution), Colgate has worked closely with its third party logistics providers for several years on a number of climate related initiatives including: use of natural gas instead of diesel to fuel the transport vehicles; the use of collaborative shipping where products from Colgate and other companies that are going to the same customer are combined to produce fully loaded vehicles; encouraging the use of energy efficient lighting in the warehouses owned by third party logistics providers; working with customers to promote the environmental benefits intermodal shipments (rail). Additionally, Colgate is a member of the EPA Smartway program, a market-driven partnership aimed at helping businesses move goods in the cleanest, most efficient way possible. To track our progress on conversion to natural gas, we have developed a scorecard that measures tons shipped, distance, origin and destination for natural gas shipments. All of these collective efforts have led to a reduction in logistics emissions, which is a key measure of success.

Our sustainable and efficient logistics efforts in 2020 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 2021, we will be rolling out this technology for additional locations in Latin America (Andina

and Central America), which will continue to drive freight planning efficiencies.

● Zero empty miles: Colgate has recognized the continual need to optimize our supply chain logistics in response to a more sustainable and environmentally friendly way to distribute our products. We have partnered with other consumer goods companies to manage roundtrips in a more efficient way, which has increased productivity and reduced costs and CO2 emissions.

● Container Utilization: Hill's Europe adjusted the stackability factor based on the product specifications and was able to implement double stacking in their ocean freight shipments, driving a decrease in the number of shipped containers.

● Paperwork reduction: During the COVID-19 pandemic, Colgate expanded e-invoicing to more subsidiaries which helped reduce the need for customers to print invoices and streamlined the delivery of shipments.

● Energy Efficiency: Colgate is working to start tracking the energy consumption for our owned warehouses. As part of this initiative, for example, we started increasing temperature control of our warehouses from 24°C to 28°C (75.2°F to 82.4°F) in our Africa-Eurasia division.

● Improving Fuel Efficiency: Colgate globally has implemented the IMO2020 new regulations for Ocean Shipping in January 2020, which reduced our sulfur oxide emission from 3.5% 79 m/m to 0.5% m/m. Airborne sulfur oxide is a dangerous pollutant, especially near population centers, and is a leading cause for acid rain. These new emission standards lead to significant improvements in pollution derived from ships. In addition to the above, some

divisions, such as Europe, have started using trucks with a mixture of diesel and biodiesel to help reduce GHGs.

● 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.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations
Funding research organizations
Other

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association
Consumer Goods Forum

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
CGF states publicly that climate change is a major strategic threat, one which could affect our customers and their habitats, our businesses and the wider economy and society. As disclosed in their public website, CGF notes that with deforestation, refrigeration and waste being significant sources of greenhouse gas emissions, as well as negatively impacting the health of people and the planet, there is a need for the consumer goods industry to address these and other sustainability challenge, that the private sector is well-placed to show leadership and CGF members understand the role they need to play and are committed to taking action on the most pressing environmental challenges facing our industry. The mission of CGF's environmental sustainability work is to position the consumer goods industry as a leader in tackling climate change, reducing waste and improving environmental stewardship in global supply chains.

How have you influenced, or are you attempting to influence their position?
Colgate's Chairman, President and Chief Executive Officer serves on the Board of the CGF and actively participates in sustainability-related decision-making.

Trade association
AISE - International Association for Soaps, Detergents and Maintenance Products

Is your position on climate change consistent with theirs?
Consistent

Please explain the trade association's position
A.I.S.E. is involved in various EU efforts relating to the Europe 2020 strategy on smart, sustainable and inclusive growth. A.I.S.E. is engaged with the European Commission's Resource Efficiency Roadmap, which includes climate change milestones. A.I.S.E. has been selected to conduct one of 14 pilot studies to test how an environmental footprint for products and organisations could work for the liquid laundry detergents sector. A.I.S.E. is a campaign partner of DG Climate's "a world you like with a climate you like" campaign. This "I prefer 30°" multi-stakeholder campaign promotes low temperature washing.

How have you influenced, or are you attempting to influence their position?
Colgate is on the Board of the A.I.S.E. We participate actively in decision making and have signed on to their Charter for Sustainable Cleaning.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?
No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

U.S. EPA ENERGY STAR: Colgate is an Energy Star Partner Company in the EPA's industrial sector, furthering emissions reduction in manufacturing and targeting energy efficiency and carbon footprint. We strive to achieve Energy Star Partner status and have enrolled all Colgate manufacturing sites globally in the USEPA Energy Star Challenge for Industry. We were named an Energy Star Partner of the Year several years in a row (2011, 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019, 2020) and 90% of our sites have achieved ENERGY STAR Challenge for Industry status. We have sponsored Energy Star events with our suppliers to increase awareness and engagement.

USGBC: Colgate is an active member of the U.S. Green Building Council, committed to a sustainable future through cost-efficient and energy-saving green buildings. We have 19 facilities around the world which have achieved 27 Energy and Environmental Design (LEED) Certifications, and we've committed to LEED for all new construction. Colgate is a Charter Member of the USGBC LEED User Group: Industrial Facilities. We review proposed Standards and discuss real world practicalities regarding design in the construction of facilities globally and contributed to the development of a tool to share LEED certified building details.

The Sustainability Consortium (TSC): Colgate is an active member of The Sustainability Consortium and sits on the Corporate Advisory Council. We contribute to the development of key metrics to measure sustainability efforts, a crucial first step for product sustainability and emissions reductions over the product lifecycle. Colgate contributes to the development of a standardized framework for the communication of sustainability-related information throughout the product sustainability value chain downstream to consumers.

Roundtable on Sustainable Palm Oil (RSPO): Colgate is an RSPO member company, contributing to the development of standards in conjunction with governments and owners to ensure palm oil is grown and harvested in a sustainable manner. We have disclosed progress on our palm oil sourcing via our RSPO Annual Communication of Progress since 2012, and issued our responsible and sustainable palm oil sourcing policy in 2016, which extends to the sources of all Colgate's operations.

We Mean Business: Colgate made a public commitment to climate-related initiatives and committed to adopt a science-based emissions reduction target and remove commodity-driven deforestation from all supply chains through the We Mean Business Take Action Platform, demonstrating support for a low-carbon economy.

United Nations: In May 2017, Colgate became a member of the United Nations Global Compact (UNGC) and currently we are a UN Global Compact LEAD member, supporting the Sustainable Development Goals (SDGs). In our 2020 CSR report, we describe how our initiatives can be linked to specific UN SDGs. Colgate is working with the UNGC to leverage the SDGs in the ongoing development of our climate stewardship and sustainability strategies. Additionally, we are part of two UNGC Action Platforms that are related to climate change and water: “Business Ambitions for Climate and Health” and “Water Security through Stewardship.”

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

A central Colgate team engages with various external stakeholder groups (e.g. USEPA, TSC, ACI, AISE, USGBC, WRI, UNGC) and our internal stakeholders to ensure our direct and indirect activities that influence policy are consistent with our overall climate strategy. We believe our commitment and performance demonstrate business support for climate. Global Sustainability and EHS is also consulted in the event of proposed policy engagement of relevance to climate change.

Additionally, Colgate manages multiple engagement activities around climate change across business divisions/categories and geographies by including Climate Change Strategies and commitments in our Global Sustainability Strategy. These commitments are cascaded into Division specific Sustainability Plans and goals. Function specific strategies and goals are coordinated at the global level and are also included in Global Growth and Efficiency, Global Technology and Global Supply Chain strategic plans. Progress on our climate change commitments and KPIs are reported on twice a year as part of our Environmental Performance and Sustainability progress report and our New Products Sustainability progress report. Many strategies are led globally. Global manufacturing drives 5% for the Planet capital investment program, engagement in US EPA Energy Star Challenge for Industry, achievement of manufacturing energy and carbon reduction goals, Business Readiness Planning, and LEED NC certification for all new manufacturing plants. Global logistics drives carbon reduction relating to movement of finished goods through network optimization, low carbon transportation and efficient load building. Our marketing team leads development of consumer engagement campaigns to reduce water/energy associated with use of our products, often with support of our Global Sustainability and EHS team. Clarity of purpose, inclusion in our goal alignment process and regular progress reporting drives alignment.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
Colgate 2020 AR.pdf

Page/Section reference
PDF pages listed. Strategy: 5, 7, 27 Other metrics: 5 Risks & Opportunities: 9, 11, 15

Content elements
Governance
Strategy
Risks & opportunities
Other metrics

Comment
Annual Report: https://investor.colgatepalmolive.com/static-files/1d8483af-a8b5-485f-9cff-992592a92b3b

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Publication
In mainstream reports

Status
Complete

Attach the document
COLGATE 2021 Proxy.pdf

Page/Section reference
PDF pages listed. Strategy: 2, 5, 14 Governance: 11 Other metrics: 85

Content elements
Governance
Strategy
Other metrics

Comment
Proxy: https://investor.colgatepalmolive.com/static-files/8a568b5d-cad4-4654-acc7-b53207e96763

Publication
In voluntary sustainability report

Status
Complete

Attach the document
colgate-sustainability-and-social-impact-report-2020_compressed.pdf

Page/Section reference
Governance: 14-15 Strategy: 6-8, 72-85 Risks & Opps: 18-19 Emissions figures: 73, 77, 82 Emissions targets: 73, 76 Other metrics: 72-98

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Online sustainability report: https://www.colgatepalmolive.com/content/dam/cp-sites/corporate/corporate/en_us/corp/locale-assets/pdf/colgate-sustainability-and-social-impact-report-2020.pdf

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C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chairman of the Board, President & Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	16500000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	1941621039

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Please select

Scope of emissions

Please select

Allocation level

Please select

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

Uncertainty (±%)

Major sources of emissions

Verified

Please select

Allocation method

Please select

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

N/A

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Other, please specify (Supply chain is complex)	Supply chain is complex and emissions are not allocated to unique customers at the technical level. Given the complexity of the supply chain, a decision was made to allocate greenhouse gas emissions based on revenue. This is not a calculation of the specific emissions and sources attributable to our customers.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

Yes

SC1.4a

(SC1.4a) Describe how you plan to develop your capabilities.

We will continue to allocate based on revenue and expand the number of retailers to which this information is supplied, upon request.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below

I have read and accept the applicable Terms