Contents

Our Company

3 Welcome letter from Noel Wallace
5 Welcome letter from Ann Tracy
6 Colgate’s 2025 Sustainability & Social Impact Mission
7 2015 to 2020 Strategy
9 2020 Sustainability Commitments Progress
12 UN Global Compact and Sustainable Development Goals
13 Corporate Governance
17 Sustainability Management

Performance

48 Colgate’s Global Brands
49 People-Driven Innovation
51 Product Sustainability at Colgate
52 Improving the Product Sustainability Profile of Our Products
53 Delivering Safe and Sustainable Ingredients
55 Delivering More Sustainable Packaging
65 Providing Access to Affordable Products

People

22 Supporting Colgate People
25 Employee Health and Wellness
26 Our Commitment to Universal Human Rights
27 Diversity, Equity & Inclusion
29 Equal Pay
30 Supplier Diversity
31 Environment, Health & Safety
36 Responsible Sourcing
38 Oral Health Education
42 Handwashing Education
44 Helping Pets Find a Home
45 Community Giving

Planet

67 Our Commitment to No Deforestation
72 Environmental Management
72 Our Climate Commitment
86 Making Every Drop of Water Count
96 Leading with Zero Waste Facilities
98 Reducing Consumer Waste
99 Commitment to Sustainable Buildings

Bookmarks above are clickable when the PDF is downloaded.
Note that the bookmarks will not work on Android mobile devices.
Colgate-Palmolive is reimagining a healthier future for all people, their pets and our planet. With the Colgate brand found in more homes than any other, we embrace our extraordinary opportunity - and responsibility - to make the world a better place. As you will read in the following report, Colgate People are focused on three key ambitions:

● Driving social impact by being a best in class employer and responsible corporate citizen that champions health & wellbeing and advances diversity, equity and inclusion for our people and communities.

● Helping people develop healthier habits through greater transparency and sustainable products that improve their lives and homes - from oral and personal care to home care and pet nutrition.

● Preserving and enhancing our environment by accelerating action on climate change, eliminating waste, decreasing plastic usage and conserving natural resources.

Below are just a few examples of what you will read about in our report:

Driving Social Impact

The tragic events we confronted in the U.S. last summer and other cultural and racial tensions around the world prompted us to reexamine our overall Diversity, Equity and Inclusion (DE&I) efforts in 2020. We are listening, learning, understanding and acting with courage and conviction.

We also continued to champion health & hygiene in our communities through the Colgate Bright Smiles, Bright Futures (BSBF) oral health program. We have reached more than 1.3 billion children and families with education, free toothpaste, toothbrushes, dental screenings and treatment referrals to children in more than 80 countries around the world. We are raising the bar to reach two billion children by 2025.
Helping Millions of Homes

In 2020, Colgate continued to design new, more sustainable products to enhance health and hygiene. Recently, we introduced the Colgate Keep, a reimagined toothbrush with an aluminum handle and replaceable brush head that contains 80 percent less plastic than a similarly sized Colgate toothbrush. We also continued to drive water scarcity awareness through our #SaveWater campaign globally, encouraging everyone to turn off the tap while brushing. Our outreach extended to our furry friends led by Hill’s Pet Nutrition, which provides premium nutrition for dogs and cats and promotes pet adoption to help shelter animals find their forever homes. Looking ahead, engaging with people who choose our products is important to us so we are working on 100% ingredient transparency across all our brands by 2025.

Preserving our Environment

Colgate now has 20 TRUE Zero Waste facilities in 10 countries on 5 continents, more than any other company - and we are aiming to be 100% certified by 2025. We also introduced our first-of-its-kind recyclable toothpaste tube, a technology we are sharing with others to help make all tubes part of the circular economy. Ever focused on the future, we have committed to reduce our use of new (virgin) plastics in packaging by one third, and have set a target for all of our packaging to be recyclable, reusable or compostable by 2025. Finally, we are accelerating action on climate and have set a target in our own operations to achieve net zero carbon by 2040 and 100% renewable energy by 2030, supporting our pledge to the United Nations Business Ambition for 1.5 degrees.

In short, Colgate People are energized by our purpose which incorporates ambitious and measurable sustainability and social impact commitments. Working with customers, suppliers, NGOs, academics, governments and other partners, we’re building a brighter and more sustainable future for all. We are eager to share our progress with you here.

Noel Wallace
Chairman, President & CEO
“Our planet is in trouble,” say Gen Z kids (I have four), and they’re counting on us to do something about it.

Young people — and increasingly consumers of all ages — expect the companies they support to take on the burning issues of the day: climate change, plastic waste and water scarcity, as well as health, education and diversity, equity and inclusion. At Colgate-Palmolive, we are focused on solving big problems. We are proud that our Colgate brand is in more homes than any other, and tackling these issues starts at home. We see that as our superpower, and we have a big responsibility to use our global reach to help the people who buy and use our products live more healthy and sustainable lives.

This year, we report against the final year of our 2020 People, Performance and Planet Strategy that we set in 2015. We are pleased to report that we met or exceeded our energy, greenhouse gas emission, water and waste reduction targets. Our supply chain teams are finding new ways to cut waste and operate in ways that are better for the planet. We’re bringing breakthroughs to market to make our packaging recyclable, to use more recycled plastic, less plastic or no plastic at all as we work toward 100% recyclable, reusable or compostable plastic packaging by 2025. And we’re working with our suppliers to ensure we have strong responsible sourcing programs in place. Finally, in the communities where we live and work, we have reached over 1.3 billion children with our Bright Smiles, Bright Futures oral health education program and helped to find over 11 million shelter pets forever homes through our Hill’s Food, Shelter & Love Program.

This year, we are excited to launch our 2025 Sustainability and Social Impact Strategy. We encourage you to learn more about our results and our future ambitions and actions in this report and on our website.

While we are proud of our progress so far, we recognize there is much more work to be done. And this work cannot be done without collaboration with our consumers, suppliers, retailers, communities and, most importantly, Colgate People. We are working to fully embed sustainability into our strategic growth plan and across all facets of our business. Together we will tackle these problems and inspire people to live more sustainably. Together, we will smile, because we are reimagining a healthier future for all people, their pets and our planet.

Ann Tracy
Chief Sustainability Officer
Reimagining a Healthier Future for All

Colgate 2025: Our Strategy for The Future

We begin this new decade with great momentum and a sense of accomplishment as we finish the last year of our 2015 to 2020 Sustainability Strategy. Looking ahead, we are setting our sights on something even bigger as we begin our journey toward accomplishing our 2025 sustainability mission. Colgate's 2025 Sustainability & Social Impact Strategy focuses on 3 key ambitions. These key ambitions are supported by actionable targets that uphold our continued commitment to building environmental and social consciousness into every decision we make.

2025 Sustainability & Social Impact Mission

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

**SMILE: WE** are reimagining a healthier future for all people, their pets and our planet.

### Key Ambitions

**DRIVING SOCIAL IMPACT**

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

**HELPING MILLIONS OF HOMES**

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

**PRESERVING OUR ENVIRONMENT**

We are accelerating action on climate change and reducing our environmental footprint, working with our partners and operations to eliminate waste, decrease plastic usage, save water and conserve natural resources.
2015 to 2020 Strategy

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

Helping Colgate People and Their Families Live Better

**WE WILL:**

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

Contributing to the Communities Where We Live and Work

**WE WILL:**

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

Delighting Consumers and Sustaining Our World With Our Brands

**WE WILL:**

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

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

Reducing Our Impact on Climate and the Environment

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

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

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

(3) Packages meeting all three criteria are considered recyclable: 1) the package is made of a material that is widely accepted for recycling, 2) the package can be separated into material(s) that can be recycled, and 3) the package material can be reprocessed into a preferred valuable feedstock.
2020 Sustainability Commitments Progress

The Colgate brand is in more homes than any other, so we can and we will create a healthier, more sustainable future for all. We begin this new decade with great momentum and a sense of accomplishment as we reflect on our achievements against our 2015 to 2020 Sustainability Strategy.

We are pleased to report excellent progress against the final year of our 2020 Sustainability Strategy, anchored in the framework of people, performance, and planet. Colgate earned recognition in 2020 on the Dow Jones Sustainability Indices (DJSI) for the fourth consecutive year. We were also named the top performing Household Products company by the DJSI for the second year in a row and achieved Industry Best scores in the Environmental and Social categories. We were also named to the 2020 CDP A List for Climate Change and Water Stewardship, while keeping our position in the Leadership category with an A- in the Palm Oil category. Additionally, we received our 11th consecutive EPA ENERGY STAR® Partner of the Year Award, a U.S. Green Building Council (USGBC) Leadership Award, and recognition on EPA’s Green Power Partnership National Top 100. In addition to the above, we are pleased to share the following highlights as we reflect on our achievements against our 2015 to 2020 Sustainability Strategy:

People

Our values are grounded in giving back to the communities where we live and work.

- As a response to the COVID-19 pandemic, we quickly mobilized five of our manufacturing plants to produce and donate more than 26 million bars of soap specially packaged with instructions on proper handwashing. The soap bars were distributed by our network of partners to communities in 28 countries. We also donated over $20 million in health and hygiene and pet nutrition products to community-based organizations.

- We repurposed our nine U.S.-based Bright Smiles, Bright Futures mobile dental vans to distribute 1.4 million bars of soap, as well as other hygiene products, to school districts and food banks. Colgate Bright Smiles, Bright Futures is our flagship oral health education program. Since the program was established in 1991, we have reached over 1.3 billion children in more than 80 countries.
• Our global handwashing program provides educational materials and sample products to schools and communities, building awareness about proper handwashing. In 2020, we reached more than 28 million people through advertising, in-store activation, social media campaigns, community events and Clean Hands, Good Health preschool educational programs.

• We’re making holistic well-being an organizational priority to ensure our people can thrive and bring their best selves to work, everyday. Our well-being initiatives take both a macro view by serving our more than 34,000 employees and a micro one by offering individual solutions. We’re building a supportive culture and suite of meaningful programs and services that address the diverse needs of Colgate People.

• Since 2002, the Hill’s Food, Shelter & Love program has provided more than $300 million worth of Hill’s brand pet foods to over 1,000 animal shelters and has helped more than 11 million pets find their forever homes.

• We continue to maintain world-class safety performance, while focusing on ensuring higher levels of control for critical risk tasks. Our program has three basic tenets: Leadership at all Levels, Culture & Engagement and Risk Reduction. Our 2020 safety results showed improved performance for our total recordable rate (TRR). Our total recordable rate (TRR) was 0.19, down from 0.20 in 2019. Our lost workday case rate (LWCR) was 0.05, which matched our 2019 results.

**Performance**

We are empowering people to develop healthier habits by choosing sustainable products that improve their lives and homes.

• Through cross functional collaboration across the Colgate world, we continue to make progress and 99 percent of new products in 2020 have improved sustainability profiles.(1)

• We continue working towards our commitment to exit PVC. As of 2020, we have eliminated using PVC in 99.7 percent of our packaging by weight.

• As of 2020, approximately 91 percent of our packaging by weight is technically recyclable in our Personal Care, Home Care and Pet Nutrition categories. When Oral Care packaging (including toothbrushes) is added, our packaging recyclability company-wide is 83 percent.(2)
We have a leading environmental program focused on reduction of carbon emissions, water and energy usage, and waste to landfill.

- In the last several years, we have made great progress to reduce waste in partnership with the USGBC TRUE® Zero Waste program. Our Canelands, South Africa plant achieved TRUE® Zero Waste certification, the first-ever site in Africa to receive this recognition. Our Topeka, Kansas and Cambridge, Ohio plants also achieved certification in 2020. Colgate now has 20 TRUE® Zero Waste facilities in 10 countries on five continents, more than any other company.

- We received our 11th consecutive EPA ENERGY STAR® Partner of the Year Award. 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 signed the “Recover Better” statement from the UN Global Compact (UNGC) and other NGOs, urging governments to align their COVID-19 economic aid and recovery efforts with ambitious action to fight climate change.

- Our recent expansion project at our Global Technology Campus in Piscataway, NJ received LEED Gold certification. We currently have 19 facilities that have achieved 27 LEED Certifications.

- Working toward the Company’s goal of “Zero Waste,” Colgate has reduced the amount of waste per ton of production sent to landfills by 82% since 2010.\(^{(3)}\)

- By 2020, Colgate reduced water use per ton of production by nearly 52% vs. 2002, avoiding enough water use to fill 299 billion gallons of water.\(^{(3)(4)}\)

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

\(^{(2)}\)Excludes our recently acquired eltaMD, Filorga, hello and PCA Skin businesses and co-packers.

\(^{(3)}\)Subject to final verification by a third-party auditor.

\(^{(4)}\)Assuming an 8oz glass of water
**UN Global Compact and SDGs**

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

<table>
<thead>
<tr>
<th>SDG Goals</th>
<th>Executive Summary</th>
<th>People</th>
<th>Performance</th>
<th>Planet</th>
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<tbody>
<tr>
<td>1 No Poverty</td>
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Corporate Governance

Company Profile

Founded in 1806, Colgate-Palmolive Company ("we," “our,” “us,” the “Company” or “Colgate”) is a caring, innovative growth company reimagining a healthier future for all people, their pets and our planet.

Operations

We operate in more than 80 countries, and our products are marketed in more than 200 countries and territories. More than 34,000 Colgate employees drive our success. Headquartered in New York City, Colgate operates through six divisions around the world: North America, Latin America, Europe, Asia Pacific, Africa/Eurasia and Hill's Pet Nutrition.

We have more than 50 manufacturing and research facilities globally. The vast majority of our products are manufactured in Colgate-owned facilities. We also have an extensive supply chain consisting of thousands of suppliers of raw and packing materials, manufacturing operating supplies, capital equipment, and other goods and services.

Business Priorities

We remain focused on delivering long-term shareholder return and building long-term business success through good corporate governance and the design and implementation of our key strategic business priorities—driving organic sales growth through innovation of our core brands, leveraging faster growth in adjacent categories and expanding in high growth channels and markets; delivering margin expansion through operating leverage and productivity; maximizing the impact of our environmental, social and governance programs and leading in the development of human capital, including our sustainability and social impact and diversity, equity and inclusion strategies.

To read more, see our annual report.
Colgate Brands

We manufacture and market a wide variety of products in the U.S. and around the world 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 detergents, fabric conditioners, household cleaners and other similar items. Principal global and regional trademarks include Colgate, Palmolive, elmex, hello, meridol, Sorriso, Tom's of Maine, EltaMD, Filorga, Irish Spring, Lady Speed Stick, PCA Skin, Protex, Sanex, Softsoap, Speed Stick, Ajax, Axion, Fabuloso, Murphy, Soupline and Suavitel, as well as Hill's Science Diet and Hill's Prescription Diet.

Bringing trusted brands — and reasons to smile — to millions of consumers around the world.

Colgate's Corporate Governance Commitment

Governance is an ongoing commitment shared by our Board, management and all Colgate People. Our Board believes that good corporate governance accompanies and greatly aids our long-term business success and that we have consistently been at the forefront of good corporate governance. Reflecting its commitment to continuous improvement, our Board reviews its governance practices on an ongoing basis to ensure that they promote shareholder value. To learn more, visit the Governance section on our website.

Sustainability Governance

We view sustainability as being critically important to our business.

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, 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. Our Chief Sustainability Officer 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. 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.
Our sustainability efforts span all aspects of our business, including supply chain, marketing, innovation, customer development and people development. Networks of senior leaders in each division and local champions support on-the-ground sustainability efforts, communications, and reporting. Moreover, to integrate sustainability tracking and disclosures into our business strategy, operations and employee review process, our global sustainability initiatives are among the individual objectives used to determine the compensation for many of our senior managers.

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 oversees the implementation of our 2025 Sustainability and Social Impact Strategy and receives regular updates on environmental, social and governance matters and considers sustainability matters, risks and opportunities in decision-making. The Governance Committee oversees and receives regular updates on the implementation of sustainability, social responsibility and corporate citizenship matters. 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 as a critical risk facing the company. ERM Committee members provide the Board and its Committees, including the Audit Committee, with regular updates on risks facing the Company.

Please visit Colgate’s Policy Statements for a complete listing.

**Business Integrity**

We are committed to doing business with integrity and respect for all people and for the world around us. With governance and ethics principles embedded into Colgate’s culture as well as standards supporting the well-being of all Colgate people, we ensure that our business success goes hand-in-hand with business integrity.

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

Since 1987, our Code of Conduct has served as a guide for our daily business interactions, reflecting our corporate values and our standard for ethical behavior. Our Code of Conduct is available in 42 local languages. One hundred percent of salaried and clerical Colgate people participate in annual training and certification on
the Code of Conduct. Factory workers certify annually and complete training every other year. Colgate’s Global Business Practices Guidelines provide further information to our employees on key topics in our Code of Conduct. The Guidelines offer clear, practical guidance and illustrate how the values and principles outlined in the Code of Conduct apply to particular business situations.

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

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

In 2020, Ethics and Compliance received 404 contacts through a variety of channels including the EthicsLine, Ethics web tool and ethics@colpal.com, which covered a wide variety of reporting activities including 62 consultations. Allegations reported to Ethics and Compliance, are grouped into the following categories: Accounting related, Conflict of Interest, Discrimination; Financial-related; Harassment; Regulatory/Legal; Retaliation; Work Environment; Miscellaneous Issues; and non-Ethics and Compliance matters. After a thorough investigation has been completed, if the allegations are substantiated, appropriate remedial action is taken.

**BUSINESS PRACTICES GUIDELINES TOPICS:**

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

To read more on the topics addressed by our Business Practices Guidelines, visit Colgate’s Ethics & Compliance Guidelines.
Sustainability Management

Materiality Approach

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

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

We then assessed the interrelations between these sustainability-related topics and our business through the lenses of risks and opportunities. By conducting a large employee survey, we asked our employees where Colgate can make the biggest impact. We held in-depth interviews with Colgate subject matter experts and function leads to align our findings with business priorities and analyzed data from our consumers to identify moving trends in the market. We received nearly 8,000 responses from over 100 countries. As a result, we have developed the “Sustainability Impact Matrix” presented here.
The matrix above shows our key sustainability issues, categorized by the impact on our stakeholders and our business in alignment with our three sustainability pillars under our 2015 to 2020 Sustainability Strategy, People, Performance and Planet. These issues also intersect with the following GRI Standards and define the content of this report: Economic Performance, Materials, Energy, Water, Emissions, Effluents and Waste, Products and Services, Compliance, Transport, Environmental Health and Safety, Training and Education, Diversity and Equal Opportunity, Local Communities, Public Policy, and Service Labeling.

This report also addresses our efforts to respond to the COVID-19 pandemic and to become an even more diverse, equitable and inclusive company. While we have not changed the sustainability impact matrix we created in 2019, we plan to continue our materiality assessment and to update it in light of these events and our 2025 Sustainability and Social Impact Strategy. We plan to include this new matrix in our 2021 Sustainability Report.

Colgate is managing risks and opportunities related to these issues through the implementation of our 2025 Sustainability and Social Impact Strategy. Through our Enterprise Risk Management process, we are focused on sustainability as a critical risk, including the environmental and social impact risk of plastic waste, climate change and water scarcity and access. These same issues also provide an opportunity to drive innovation and growth, strengthen brand reputation and demonstrate our commitment to responsible business practices. Additional detail on each of the issues and our actions to address them is provided throughout the content of the website.

As reflected in the Risk Factors identified in our 2020 Annual Report on Form 10-K and our subsequent Quarterly Reports on Form 10-Q, responsible sourcing and deforestation, the use of plastic, energy and water, the recyclability or recoverability of packaging, including single-use and other plastic packaging, and ingredient transparency are addressed among the sustainability-related risks facing the company.
impact of epidemics, pandemics and other widespread health concerns, including the COVID-19 pandemic; and the adverse impact of climate change and other sustainability matters. Refer to “Risk Factors” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2020 and Part II, Item 1A of subsequent Quarterly Reports on Form 10-Q for additional information. In determining whether information is material, we also consider if there is a substantial likelihood that a reasonable investor would consider such information important in deciding how to vote or make an investment decision, or if the information would alter the total mix of available information.

**Stakeholder Engagement**

Colgate strives to connect with a wide variety of stakeholders so they can provide input on our sustainability strategy, particularly in terms of our goals and targets. We continue to expand the reach and methods of our stakeholder outreach, enabling us to deepen our level of engagement. We have increased employee feedback through mechanisms, such as employee surveys, and opportunities for employees to engage directly with senior leadership on sustainability topics. Additionally, we have a cross-functional team to continuously monitor our external stakeholders in different areas and discuss how we can best engage with them on an increasingly productive basis. Colgate’s main stakeholder groups, with examples of our engagement approach for each group with respect to sustainability, are outlined below.

<table>
<thead>
<tr>
<th>STAKEHOLDERS</th>
<th>METHOD OF ENGAGEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our employees</td>
<td>Frequent internal communication, employee engagement surveys, digital engagement tools, such as MindSpark and LinkedIn-Elevate, geographic sustainability teams, internal subject matter experts, quarterly sustainability steering team reviews.</td>
</tr>
<tr>
<td>Our consumers</td>
<td>Integrated marketing communications, including those addressing “brand purpose,” ongoing consumer dialogue, consumer surveys and social media and digital engagement.</td>
</tr>
<tr>
<td>Our retail customers &amp; partners</td>
<td>Ongoing sustainability network groups, sustainability surveys, partnering with customers to encourage sustainable habits with consumers and promote sustainable products.</td>
</tr>
<tr>
<td>Our shareholders and investor groups</td>
<td>We participate in direct engagement on sustainability with our largest shareholders through virtual and in-person dialogues on these matters as a standalone topic or as part of regular investor interactions. These interactions can include response to direct inquiries, individual or small group meetings, and conferences.</td>
</tr>
<tr>
<td>Government and regulatory bodies</td>
<td>Ongoing monitoring of regulatory activity relevant to Colgate, meetings and</td>
</tr>
</tbody>
</table>
engagement through trade associations.

<table>
<thead>
<tr>
<th>Non-governmental associations</th>
<th>Quarterly direct inquiries and feedback, virtual and in-person meetings, participation in boards, advisory councils and partnership programs, reporting and disclosure expectations.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry trade associations</td>
<td>Ongoing participation in sustainability steering and working groups.</td>
</tr>
<tr>
<td>Local communities and community groups</td>
<td>Direct inquiries and feedback, virtual and in-person meetings, engagement with local communities and schools, including through our Bright Smiles, Bright Futures oral health education program.</td>
</tr>
<tr>
<td>Media</td>
<td>Direct inquiries and feedback.</td>
</tr>
</tbody>
</table>

**About this Report**

We recognize that transparency is important and provides a window into our performance on sustainability. In this report, we provide sustainability information relevant to a broad range of stakeholders, including consumers, customers, investors, non-governmental organizations (NGOs) and our own employees.

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

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

Unless otherwise indicated, this report includes environmental, health and safety data from 100 percent of our manufacturing sites and technology centers around the world, but does not include data from contract manufacturers. Certain information relates to our broader value chain. Supplier Responsible Sourcing Assessment program data includes selected contract manufacturers, warehouses and suppliers; our
greenhouse gas and water footprints include additional data from upstream and downstream in our value chain and progress on our Policy on No Deforestation includes selected suppliers. Financial information is presented on a consolidated basis and in U.S. dollars (see Business Priorities). The report provides data for Colgate’s fiscal year 2020 along with historical information and more recent updates where indicated. We issue our Sustainability Report on an annual basis; our previous report focused on fiscal year 2019.

This report has been prepared in accordance with the GRI Standards: Core option. The alignment of this year’s report to the GRI framework can be found in our GRI Content Index. There are no significant changes in the scope of our report or the key sustainability issues identified. Please see our 2020 GRI Content Index for more details.

For inquiries, please visit Colgate’s Consumer Affairs site at www.colgatepalmolive.com.

Cautionary Statement on Forward-Looking Statements

This report, including our 2015 to 2020 Sustainability Strategy and our 2025 Sustainability and Social Impact Strategy, contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission (SEC) in its rules, regulations and releases. These statements are made on the basis of our views and assumptions as of this time, and we undertake no obligation to update these statements except as required by law. We caution investors that such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from these statements due to a number of factors. For information about factors that could impact our business and cause actual results to differ materially from these forward-looking statements, please refer to our filings with the SEC, including the information set forth under the caption “Risk Factors” in Colgate’s Annual Report on Form 10-K for the year ended December 31, 2020 and subsequent Quarterly Reports on Form 10-Q.

(1) Although we do not include the local operating results of our subsidiaries in Venezuela and Pakistan in our Consolidated Financial Statements, data from these locations are included in the calculations in this report. Recent acquisitions of our skin health and oral care businesses, EltaMD, Filorga, hello and PCA Skin, are not included in calculations referenced throughout this report, but they are consolidated for financial reporting purposes after their respective date of acquisition.
Supporting Colgate People

We believe Colgate People are crucial to our ongoing business success. As such, we are committed to helping our people reach their professional and personal goals, offering an array of resources to help expand their horizons, including career opportunities, access to world-class learning and leadership development programs, well-being initiatives and opportunities to contribute to the communities where we work and live. Through these programs, we help employees stay engaged, motivated and focused on delivering products and services that exceed people's expectations.

We support all of our employees to perform at their fullest potential and recognize the important role organizational diversity and inclusion play in our global success. We work to attract and retain talented individuals who lead with integrity. We align the work of our people to our global strategy through individual and team goals. Our Performance Management process fosters continuous coaching and feedback and ensures that people are focused on the right priorities to drive growth. We continue to build a coaching culture where people feel comfortable coaching others and learning through authentic development conversations. Our robust learning curriculum reaches all Colgate People, with 1,350 certified Colgate instructors and approximately 80 courses plus thousands of others online through LinkedinLearning, Harvard, Bersin and more. Living Colgate’s values, taking personal ownership of one’s development, openness to a variety of experiences and enthusiasm for continuous learning are the broad principles that define a successful career at Colgate.
Building a Future to Smile About

Our social media framework strengthens Colgate's employer branding and digital presence, resulting in the increase of our talent community and a healthy candidate pipeline. More than 1.7 million people visited our career site in 2020 and an increasing number engage with us on social platforms such as LinkedIn, Glassdoor and Facebook.

As a truly global company, our diverse backgrounds enable us to respond to the needs and aspirations of the billions we serve worldwide. We are committed to providing fair opportunities for diversity in gender and ethnic recruitment and advancement to ensure our company reflects the communities in which we live and work. Further, having a diverse set of ideas, approaches and backgrounds helps drive innovation.

Building a Coaching Culture

Ongoing coaching and feedback is a key element of our performance management process. In 2020, we enhanced our coaching culture and skills by partnering with BetterUp, a leading provider of virtual coaching. BetterUp provided 500 Colgate leaders with personalized support, accelerating their individual effectiveness and development. Program participants experience high quality coaching and in turn become champions of coaching within Colgate.

In 2020, we also launched a global learning program: Becoming a People Manager. 300 new people managers completed the program and are now putting their learning into action. We are committed to having all new and existing Colgate People managers participate and leverage this learning content to enable their teams to reach their full potential and perform at their best.

Our ongoing Colgate Leadership Challenge for talented, early-in-career employees provides participants with exposure and interaction with senior management, a greater understanding and connection to the global organization, personal leadership skills training and an opportunity to work on an important strategic issue for the business.

Creating a Learning Mindset at Colgate

We continue to transform our learning strategy to better meet the evolving expectations of the modern workforce and create a continuous learning culture. Our focus is to develop the strategic organizational capabilities that will drive current and future growth for Colgate by offering learning experiences that are closely aligned to our business strategy. One of the key initiatives is digital transformation. We believe in technology and people. We have a learning experience platform called Mindspark, a portal through which Colgate People access multiple modalities of content, including structured, mandatory, functional and
curated. In 2020, salaried and clerical employees completed more than 325,000 pieces of internal and external content (including mandatory training). On average, 37% of employees consistently accessed and actively utilized Mindspark for digital learning during 2020.

As part of our digital strategy, we implemented an in-application digital adoption platform (Walk-me) for our customer development teams for their new planning tool “ATLAS.” ATLAS is a customer collaboration tool designed to effectively plan, monitor and analyze volume and investment to drive real-time decision-making and deliver profitable revenue growth. The team reduced the needed training time from three days of live workshop and 11.5 hours of e-learnings to three hours of virtual workshop and a few drop-in sessions. We are also on a journey to measure the impact of learning on the organization and behavior change. We closely align business needs with learning performance and provide a variety of learning formats and content. We started the digital survey journey in 2019 and collected data from more than 6,000 learning surveys. In 2020, we collected data from 23,000 surveys. This includes 3,000 surveys on pre- and post-application of learning experiences. The average NPS (Net Promoter Score) of all Colgate courses has always exceeded industry average (61%) with a favorable 72%.

We earned two gold awards from the Brandon Hall Group, which recognizes organizations that have successfully deployed learning programs with measurable results.

- The first award recognized the learning experience we developed for field sales representatives across EltaMD, PCA Skin and Colgate Oral Pharmaceuticals for their return to the workplace.

- The second award recognized our “Return to the Workplace” learning solution developed on the EdApp platform as the “best advance in performance support for crisis management.” The app was built in record time, leveraging a new technology, enabling deployment globally and addressing the need to deliver to both Colgate People and external partners.

Engaging Employees

Every two years, we conduct “Colgate Connect,” a global survey to assess key drivers of employee engagement. We partner with an industry-leading vendor to develop the survey, build robust reporting and analytics capabilities and provide managers with a simple tool for reviewing results and action planning with their teams. We also deploy shorter pulse surveys and gather additional insights at critical moments of the employee journey -- at the completion of the recruitment process, during the onboarding process and when leaving Colgate -- to engage people and improve employee experience.
For example, through the 2018 Colgate Connect survey, we learned that our people want to learn more about career opportunities at Colgate. Our European team took the lead and used design thinking to create the “Build Your Best Future” program, which we activated globally in 2020. In early 2020, we conducted a brief COVID-19 response survey with all employees, including our manufacturing plants, to listen and adjust what we were doing in response to the pandemic. In our 2020 bi-annual survey, we heard that conducting effective meetings is a company-wide opportunity, especially in a remote work environment. As a result, we are reinforcing our MeetSmart principles and updating them for a hybrid workplace. 81% of our people believe that their feedback is used to make improvements, a leading result in the industry.

Employee Health and Wellness

At Colgate, we’re making holistic well-being an organizational priority to ensure our people can thrive and bring their best selves to work, everyday. It’s a key action of our 2025 Sustainability and Social Impact Strategy and an expression of living our company’s purpose as a caring, innovative growth company reimagining a healthier future for all people, their pets and our planet.

The multiple impacts of COVID-19 have only accelerated and expanded our longstanding commitment to wellness. With health top of mind for everyone, we’re doing more and transforming our approach.

Colgate's well-being initiatives take both a macro view by serving more than 34,000 employees and a micro one by offering individual solutions. We’re building a supportive culture and suite of meaningful programs and services that address the diverse needs of Colgate People.

We approach well-being from multiple angles beyond physical health. It’s a core component of our workforce strategy, seen as a key influence on attaining business goals. And perhaps most importantly, we’re solving for the “whys” behind challenges to optimal well-being, rather than focusing solely on the “whats.” For example, if stress is leading to smoking or overeating, we need to address that first.

Encouraging Holistic Well-Being

For our people to bring their best selves to work each day, their needs across multiple, interdependent dimensions of well-being must be met. As an employer, Colgate plays a key role in making that happen by supporting, among other things:

- Physical well-being: providing access to comprehensive dental & medical care, safety programs, nutritious food and physical activity opportunities.
- Emotional well-being: supporting a positive sense of self, life/work balance, emotional resilience and coping skills, and access to mental healthcare and counseling.
- Social well-being: fostering social connections with colleagues, inclusivity in spirit and practice, and plenty of joyful laughter.
- Purpose well-being: ensuring one's work feels meaningful and important, goal-setting exercises and many learning opportunities, and recognition throughout the year.
- Financial well-being: providing appropriate compensation, supporting retirement planning, and offering guidance to manage financial challenges and changes like childcare, college expenses, disability, care for aging parents and relocation.
- Environmental well-being: contributing to the success of local communities where we work and live and supporting initiatives toward healthier futures for all people, their pets and our planet.

This work encompasses hundreds of myriad efforts across our business and communities. One highlight is our 10th annual Live Better Month that was held in June 2020. Over the last 10 years our annual event has evolved to not only focus on physical health but also nutrition and emotional health. Given the stresses of 2020 around the world, it was important for Colgate to continue to celebrate Live Better Month to encourage our employees, many of whom were working from their homes, to focus on their overall well-being and the well-being of their loved ones.

We asked employees to find the moments that move them and gave them opportunities to find those moments through various fitness, meditation classes and virtual webinars. To communicate these offerings, we used emails, electronic newsletters, videos, onsite posters as well as our internal social media platform. Due to the popularity, we continued to offer these virtual classes throughout the year.

Our Commitment to Universal Human Rights

We have a long-standing commitment to respecting human and labor rights worldwide and support the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Core Labor Standards. We have also confirmed our support for the UN Global Compact and principles on human rights, labor, environment and anti-corruption. We are a member of the Consumer Goods Forum (CGF) and support the CGF’s Social Resolution on Forced Labor and its supporting Priority Industry Principles that every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work. We work with and seek out business partners who share our commitment to universal human rights. We recognize the responsibility of businesses to respect labor rights and engage with stakeholders adherence to universal human rights. Protecting human and labor rights is one of our key sustainability issues.

To learn more about our human rights strategy and management approach, please see our Human Rights Policy.
Diversity, Equity & Inclusion

Colgate People – more than 34,000 strong based in over 100 countries – reflect the diverse richness of the cultures we serve around the world. As a truly global company, we are working to ensure that our workforce reflects the diversity of the communities in which we live and work. We are committed to act with compassion, integrity, honesty and high ethics in all situations, to listen with respect to others and to value differences. Colgate commits to be recognized as a leader in global diversity, equity and inclusion by Colgate People, customers, consumers, shareholders, industry peers, and the global communities in which we live and work.

We have created a strategy to help us communicate our beliefs and provide a roadmap for evolution and change. This is the first time we’ve published a formal Global Diversity, Equity & Inclusion (DE&I) strategy. It sets the roadmap for our journey to further evolve the culture of our organization into one of belonging. Learn more about how we are taking action below.

- **Our Commitment to Diversity, Equity & Inclusion**
- **Our 2025 Diversity, Equity & Inclusion Strategy**
- **Our Diversity, Equity & Inclusion Results**

We will report the measures of our success and progress annually. Our focus on creating an organization where people feel they belong will be measured by the responses to our annual engagement and pulse surveys, such as the Colgate Connect Survey, as well as our DE&I training mandate and the establishment of DE&I metrics in our managers’ individual objectives.

We also feel a responsibility to support the growth and development of diverse suppliers. We have a supplier diversity program with a goal to increase our spend to 10 percent with Tier 1 North American Suppliers by 2025, with companies owned and operated by minorities, women, veterans, members of the lesbian, gay, bisexual and transgender (LGBT) community, and people with disabilities. It is important our supply base represents the communities in which we work. Supporting diverse suppliers creates jobs with the community and helps us positively impact more people.

“As Colgate People, we commit ourselves to a workplace where we meet one another with respect and treat one another with dignity.” [Hear more](#) from Colgate’s Chairman, President and Chief Executive Officer, Noel Wallace.

We believe DE&I are imperative to the long term success of our company. Our journey has just begun.
TELLING OUR STORY:

- We have joined [CEO Action for Diversity and Inclusion](https://ceoactiondiversity.com), the largest CEO-driven business commitment to advance diversity and inclusion within the workplace. This provides our company with a powerful platform to collaborate with organizations that share our commitment to DE&I while more effectively sharing best practices across the 900+ member companies.

- Colgate honored an important and meaningful day known as Juneteenth or Freedom Day, which commemorates the end of slavery in the United States, with a Town Hall on Racism in America. The session featured a panel of Colgate leaders and external guest speakers in a discussion on racism and how we can better support the Black and African American community.

- Minority Business News USA has recognized our Supplier Diversity team as 2020 Supplier Diversity All-Stars. The team's dedication demonstrates how we're supporting minority and women-owned suppliers, a key pillar of our 2025 DE&I Strategy.

- In honor of Dia da Consciência Negra (Black Conscious Day), Colgate Brazil hosted a Diversity Week, bringing leaders and experts from inside and outside Colgate together to discuss how we can continue improving racial equality and inclusion for our teams and the communities we serve. This work will continue into 2021 with a focus on talent acquisition and awareness building.

- In honor of Women’s History Month, Colgate Women’s Network (CWN) Park Avenue and Global DE&I invited all employees to volunteer with American Corporate Partners (ACP), a national, non-profit organization dedicated to helping military service members transition to the private sector through one-on-one mentoring with business leaders. ACP’s Women’s Program provides specific support to female veterans and military spouses, who face unique challenges in their career development.
The North America Supply Chain has launched a new Colgate “Women in Manufacturing” award program to recognize talented women who contribute outstanding results to our company and who live our values by making time to give back to our communities. Congratulations to Cristi Beyer, Finance Team Lead, Hill’s, Topeka, KS, Rachel Collinge, Factory Performance & Reliability, Hill’s, Emporia, KS, Kristine Luedke, Shift Support, Tom’s of Maine, and Carrie Metzger, Area Leader, Colgate, Cambridge, OH.

Equal Pay

Colgate has long been committed to pay equity and its role in fostering a diverse and inclusive workplace. We pay all Colgate People at a level commensurate with their role, work location, individual performance and experience, irrespective of gender, race, ethnicity, or any other category protected by law. Consistent with these values, Colgate conducts an annual U.S.-based pay analysis for gender and race. Acknowledging that comparing pay based on race/ethnicity is challenging on a global basis, in 2020, Colgate also conducted a global gender-based pay analysis. Our results confirm that in the United States, Colgate has achieved statistical pay equity for gender and race. Globally, there is a less than one percent unexplained difference in pay between women and men, and we are committed to continuing our work to close that gap.
Supplier Diversity

Our Supplier Diversity program is embedded in our U.S.-based organization with clear goals to drive growth. We believe we have a responsibility to support the growth and development of diverse suppliers. We have a supplier diversity program with a goal to increase our spend to 10 percent with Tier 1 North American Suppliers by 2025, with companies owned and operated by minorities, women, veterans, members of the lesbian, gay, bisexual and transgender (LGBT) community, and people with disabilities. We believe a more diverse supplier network is a better network for us. It is important that our suppliers represent the communities in which we work. Additionally, we believe supplier diversity increases the breadth and stability of our supply chain across direct and indirect spend. Supporting diverse suppliers creates jobs within the community and helps us positively impact more people.

We drive performance through our quarterly Supplier Diversity Forums, and we collaborate with our suppliers to support our goals. We encourage our procurement teams to seek suppliers that add value and innovation while also delivering cost savings.

To support our supplier diversity goals, our teams have set objectives, such as inclusion of diversity spend requirements in contracts with first-tier suppliers, maximizing second-tier spend opportunities and executing targeted supplier day forums to engage and build relationships. In 2020, we spent approximately 5.5% percent of our total U.S. procurement spend of nearly $3 billion with diverse suppliers.

We continue to increase the number of diverse suppliers we engage with. In 2020, we facilitated the diverse supplier certification process for one of our main transportation companies, Pohl Transportation, Inc., to be designated as a Disabled Owned Business Enterprise (DOBE). Pohl Transportation provides freight services for Hill's North America business. With our mentoring, guidance and training, Pohl Transportation was able to obtain this certification, continuing to expand our relationship with diverse suppliers.

Supplier Diversity Recognition

Minority Business News USA has recognized our Supplier Diversity team as 2020 Supplier Diversity All-Stars. The team's dedication demonstrates how we're supporting minority and women-owned suppliers, a key pillar of our 2025 DE&I Strategy.
Environment Health and Safety

The health and safety of our employees, our customers, and the communities in which we operate is paramount in all we do—our goal is zero harm. Colgate People around the world are committed to maintaining healthy and safe working conditions in our facilities and to keeping our business operations environmentally sound. We have improved our safety-related incentive mechanisms by linking compensation to leading indicating metrics to drive a robust safety culture. These metrics include training completion, physical inspections, corrective action completion, behavioral observations, and participation in activities that engage employees.

2020 presented unique challenges, as we had to quickly transition our programs and processes to address the COVID-19 pandemic. We modified our Health Incident Management Plan (HIMP) to address COVID-19 and established specific actions related to response, prevention and mitigation. Key elements of the HIMP include requirements for our facilities to protect our workforce, visitors, contractors, and temporary employees, specifically - temperature/symptom screening at entrance, maintain social distancing, use of face masks, handwashing, respiratory hygiene, and cleaning and disinfection.

The HIMP also provides direction on contact tracing, testing, vaccination preparation, and details on minimizing potential exposure. Our response enabled us to support our customers while protecting our workforce.
Our Environment Health & Safety (EHS) & Human Resources teams developed coordinated efforts to educate the families of our employees on the importance of prevention and being vigilant in the community. The campaigns included educational materials, masks, sanitizers, and fun items for children - coloring books, building your own mask kits, and other entertaining activities.

To ensure a consistent, integrated approach, our Executive Crisis Management Team (ECMT) was called to action. The ECMT provides global direction and guidance to our division and site leaders. A People Relations sub-team was also called to action to provide tactical plans and respond to questions and issues as they arose. The ECMT and People Relations’ teams consist of cross-functional representation, and are positioned to make quick decisions to protect our people, our operations, and our business. The People Relations team addresses issues including employee communication, training, technical management of Covid-19 employee cases, coordination of functional responsibilities related to COVID-19, and space and site management.

Despite the pandemic, we continue to maintain world-class safety performance, while focusing on ensuring higher levels of control for critical risk tasks. Our program has three basic tenets: Risk Reduction, Leadership at all Levels, and Culture & Engagement.

To learn more, see our EHS Policy Statement.
We continue to maintain a robust EHS Management System and EHS Global Standards. The EHS Management System contains key provisions for our requirements that includes self assessments and inspection, management of change, training, documentation, and EHS leadership expectations. Other key elements are included as well. We annually evaluate our EHS Management System with a third party vendor to ensure it is equivalent to benchmark consensus standards, such as ISO 45001:2018 or ISO 14001:2015. Sites are required to develop appropriate programs to comply with Company Standards and applicable regulatory requirements. We maintain an EHS audit program that is executed by our employees and a third party provider. During 2020, we transitioned to a virtual audit process for our full and verification audits. We were able to leverage technology solutions to effectively complete five full audits and eight verification audits.

Gaps identified during the audit process are input into a global system, with appropriate actions assigned by the site. Actions are tracked to closure. Sites update their action plans on a quarterly basis. Our operations are evaluated annually to ensure occupational health exposures are well controlled. Any identified exposures are managed using the hierarchy of controls. Closure of previously identified exposures is verified by a global third-party industrial hygiene provider.

Our 2020 safety results showed improved performance for our total recordable rate (TRR). Our total recordable rate (TRR) was 0.19 (80 recordable incidents), down from 0.20 in 2019. Our lost workday case rate (LWCR) was 0.05 (23 lost workday incidents), which matched our 2019 results. In 2020, we experienced 24 accidents – ranging from fractures to hospitalizations – which we consider “serious” according to the Colgate Accident/Incident Reporting and Recordkeeping Standard. During 2020, we unfortunately experienced a fatality involving a third party contractor at a site in India. Colgate accident statistics include employees, temporary workers and tenant contractors. For serious accidents, we also report contractor and visitor incidents.

In 2020, we received independent third party verification of our health and safety data collection and reporting processes as well as the data itself. As part of this project, the number of hours worked, number of lost-time incidents, number of recordable incidents and number of occupational fatalities were verified at select sites to ensure sites are properly recording incidents, and the system properly accounts for those incidents meeting Colgate reporting requirements.
2020 Safety Highlights

Risk-Based Management

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

EHS Technology Solutions

In 2020, we established a cross-functional team to assess, evaluate and fast-track technology solutions. Although the primary focus was for COVID-19 solutions, the team’s charter targeted the selection of technologies that offered post-pandemic applications. For example, the team vetted a contact tracing/social distancing application that also has functionality to alert individuals of at-risk ergonomic positions. This approach enabled quick response to address pandemic technology needs, while establishing longer term solutions that address EHS or operational needs. We were able to quickly leverage available technology solutions to support virtual auditing - this included tools used by the site to present site activities to the virtual auditors, sharing of EHS files between the site and virtual auditors, and conducting virtual interviews with standard owners.

Occupational Health

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

Reducing Noise, Dust and Chemical Exposures

Colgate continues to strive to reduce noise, dust and chemical exposures at our facilities. Our goal is to reduce the number of people who must wear hearing protection or chemical cartridge respirators to reduce their exposure below the applicable acceptable limit.

We continue to push towards reducing mandatory use of hearing and respiratory protection and have included this as an element of the 2025 Sustainability Target, Striving for Zero Harm.
Critical Risk Top 10

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

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

Critical Risk Reduction initiative

Colgate's plant in Rillieux, France provided training on the proper use of platforms for safely accessing the top of raw material trucks during delivery. The platform allows raw materials to offload in a safer manner.

2020 Safety Week Highlights

Each year, we hold a company-wide Safety Week during which we share best practices and refresh our commitment to a robust health and safety culture grounded in our EHS Guiding Principles. 2020 presented unique challenges to implement Safety Week actions, while maintaining social distancing and remaining vigilant of the potential COVID-19 exposure risks. Our sites generated impactful activities that focused on three primary themes: non-standard, non-routine tasks; yard safety; and elevated noise. This week offers an opportunity for our sites to reinforce foundational programs, and address global areas of focus. Each site's own culture drives a platform that helps sites reinvigorate our value of Caring.

Our manufacturing facilities focused on learning about non-standard & non-routine tasks in the manufacturing lines and reinforcing proper use of Jogging Systems & Lockout Tagout
Responsible Sourcing

Colgate’s Third Party Code of Conduct conveys our expectations regarding the ethical conduct we expect from our suppliers and business partners, and all other third parties with whom we work. The strength of our reputation is based, not only on our own conduct, but also on the actions of those with whom we do business. For that reason, we aspire to work only with third parties who share our values and reflect the same high ethical standards.

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

Assessing and Managing Supplier Risk

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

Colgate’s Supplier Responsible Sourcing Assessment (SRSA) program requires selected suppliers and business partners to complete a self-assessment focused on labor practices, human rights, worker health and safety, environmental management and business integrity. Risk factors considered in the selection of suppliers to participate in the program include: geographic risks (using the Verisk Maplecroft Risk Indexes), Colgate’s in-country knowledge, industry-associated risks and business criticality to our operations. Through the use of a supplier risk assessment scorecard, selected suppliers and business partners are scored against critical risk factors to determine the need to conduct a social compliance audit. When a supplier is assessed as high risk, a third-party audit of its facility is required. Through the SRSA program, we have assessed the performance of more than 70 percent of our suppliers in high-risk geographies since 2012, driving improved working conditions for more than 155,000 employees across our external supply chain. To date, there are currently 600 suppliers and service providers in the program and 50% have conducted a social compliance audit.

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

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

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

We do not use forced labor within our own operations, and we strive to eradicate forced labor from our supply and value chains. We are committed to the Consumer Goods Forum (CGF) Resolution on Forced Labor and the Priority Industry Principles (PIP). We believe that every worker should have freedom of movement, no worker should pay for a job and no worker should be indebted or coerced to work. Moreover, it is Colgate's policy not to work with any supplier or contractor known to operate with forced labor.

Our Global Procurement group is composed of dedicated professionals in every division of the company. We strive to develop relationships with suppliers that will help us exceed our stakeholders’ expectations for quality, service, cost effectiveness, sustainability and innovation. To learn more see Colgate's Procurement Policies.

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

**Conflict Minerals**

Colgate has a Policy on Conflict Minerals and supports ending the violence and human rights violations by armed groups in the Democratic Republic of Congo (DRC) and neighboring countries that have been funded in part by proceeds from the mining of cassiterite, columbite-tantalite (coltan), wolframite and gold, including their derivatives tin, tantalum, and tungsten (3TGs).
Oral Health Education

Our Position
As part of our 2020 Sustainability Strategy, we are committed to contributing to the communities where we live and work. As a key part of this commitment, we bring toothpaste, toothbrushes, oral health education, free dental screenings and treatment referrals to more than 80 countries around the world through Colgate Bright Smiles, Bright Futures® (BSBF), our flagship corporate responsibility initiative. In doing so, children and their families benefit from improved health and Colgate builds brand value by engaging with consumers in the communities where they live.

The cornerstone of BSBF is its award-winning educational curriculum. Developed by global experts, the multicultural education materials help illustrate how to maintain healthy teeth and gums and the curriculum is implemented in over 80 countries and 30 languages each year. In several countries, the program materials are part of the permanent school curriculum.

Join our Bright Smiles, Bright Futures® team and see how Colgate is providing underserved children with the skills they need to take care of their smiles around the world.

Through meaningful partnerships with retailers, governments and other key stakeholders, our BSBF program strives to give access to children without basic dental care and oral health education.

Six key initiatives drive the award-winning BSBF program:

1. **In-School** - We partner with local schools, Ministries of Health and Ministries of Education to organize oral health education classes and provide products. In many countries, BSBF materials have become part of the permanent school curriculum.

2. **Community Relations** - In some countries, BSBF is mobile. In the United States, BSBF's fleet of nine mobile dental vans travel to rural and urban communities to provide oral health education, free dental screenings and treatment referrals to underserved children, traveling to over 1,000 towns and reaching more than ten million children and families in a typical year.
3. **Integrated Marketing Communications (IMC)/Trade Partner** - With retail partners, such as Walmart, BSBF engages consumers in stores and online.

4. **Professional Partnerships** - We partner with government health agencies, non-profit organizations (NPOs) and dental associations to expand the reach of oral care education around the world.

5. **Digital** – **Educational resources** are provided both in stores and online, including downloadable *teachers’ guides, story books, wall posters, family take home brochures, videos, songs* and *oral health games*.

6. **Employee Engagement** - We often involve our employees in BSBF programs, providing opportunities to volunteer in the community or to teach their families about oral health. In 2020, our employees worldwide continued to volunteer through BSBF and give back to the local communities where we do business.

**Our Actions**

Thanks to progress made in 2020, BSBF has reached more than 1.3 billion children and their families since 1991. This is made possible by partnering with educators, parents, dental professionals, academic institutions, government and non-profit organizations, such as the Alliance for a Cavity-Free Future (ACFF), the American Dental Association (ADA), the Global Child Dental Fund, the National Dental Association (NDA) and Save the Children, among others.

Our employees ensure programs are tailored to local markets and provide the resources, staff and partnerships needed to make a lasting impact. For example, we partner with Brazil’s Ministry of Health to train “Community Health Agents” to teach oral care and handwashing education in the community. Over 35,000 agents have been trained since the program’s inception in 2014, reaching over 14 million people in 27 cities.

**Our Results**

Each year, we strive to reach over 60 million children in nearly 300,000 schools around the world. In 2020, we exceeded our goal and reached over 100 million children. Over 25,000 dental professionals helped us reach an additional seven million children through professional activities. We have reached over 1.3 billion children since 1991. We are proud that in 2021, we will celebrate 30 years of the BSBF program, which builds “shared value” for both us and society, enabling us to make a significant impact in the communities...
where we live and work while engaging with consumers to build our brand value. The success of the BSBF program makes us optimistic that real advances in oral health are possible – now that’s something to smile about!

2020 Highlights

- **In the United States**, BSBF repurposed its nine U.S.-based mobile dental vans to distribute 1.4 million bars of soap, as well as other hygiene products, to school districts and food banks to help combat the spread of COVID-19.

- **In Brazil**, BSBF worked with São Paulo's Secretary of Education to create free virtual classrooms to teach 3.5 million public school children and their families about the importance of toothbrushing and handwashing. The 25-minute lessons were broadcasted live with demonstrations as part of São Paulo's official class schedule.

- **In North America**, BSBF introduced a new method of education by joining classrooms across the country virtually to continue providing important oral health education. Known as a “Virtual Van Visit,” the program features different educational opportunities, including brushing and flossing demonstrations, handwashing and virtual book reading, all catered to meet the needs of the classroom and community. In less than six months, the team conducted over 500 Virtual Van Visit presentations, educating over 75,000 children and families on the importance of oral health.

- **In the Caribbean**, as classrooms across the islands were shut down due to the pandemic, BSBF was able to bring oral health education to homes through its Sonrisas Brillantes Virtual Club. By partnering with local influencers, the team was able to create a digital community and engage kids and their families in hands-on activities via Facebook, YouTube and other social media channels.
● **Globally**, we are expanding our partnership with [Save the Children](https://www.savethechildren.org), a leading humanitarian organization for children and an expert on child health, education and protection. Together, we're delivering on our BSBF growth goals, bringing more bright smiles and more bright futures to vulnerable children around the world.

**Partnerships**

An important element of our sustainability and social impact strategy is our engagement and collaboration with external partners, which complement our strong internal capabilities. These partnerships are important to us to help us achieve our ambitions in improving children's dental hygiene.
Handwashing Education

The simple act of washing hands with soap is one of the most effective ways to prevent disease transmission, especially among children. However, handwashing with soap is not always widely practiced. As a leading marketer of bar and liquid hand soaps, we, through our Protex, Palmolive and Softsoap brands, are working with public health officials, academia, local schools, and clinics to educate millions of children and their families about the health and hygiene benefits of handwashing with soap. Our global handwashing program provides educational materials and sample products to schools and communities, and builds awareness through advertising and public relations campaigns. In some countries, we teach handwashing as part of our Bright Smiles, Bright Futures (BSBF) oral care education program, building education about proper handwashing into the oral care curriculum and messaging. Like the oral care component of BSBF, the program creates shared value for both our company and society, helping to improve health outcomes while building brand awareness and reputation for our Palmolive and Protex soap brands. In 2020, we reached more than 28 million people through advertising, in store activation, social media campaigns, community events, and Clean Hands, Good Health preschool educational programs.

Our Personal Care Products Global Marketing and Insights team hosted a global segmentation study across the United States, Australia, Brazil and Spain to identify the pain points of people with regards to hand health in the midst of the COVID-19 pandemic. The team spent over 1,000 hours interviewing people online and conducting a deep dive into peoples’ relationships with hand health. This provided key insights to identify unmet user needs. This study led to six global opportunity spaces and a partnership with our research and development team to identify future innovations.

Supporting Our Commitments

Colgate was one of the nine founding members of the Global Handwashing Day campaign with other organizations such as the World Bank and UNICEF. Celebrated on October 15th, Global Handwashing Day drives awareness of the vital importance of handwashing with soap and its impact on health.

- In North America, we conducted campaigns to raise awareness of the importance of handwashing hygiene in preserving good health and provide education in proper handwashing techniques with our Softsoap and Irish Spring brands. We reached 340 million impressions through digital and public relations activity. We partnered with local and national charities to donate health and hygiene products, including #SafeHands bars of soap. We
also worked through the BSBF oral education program to provide educational materials and products to children and their families.

- We are partnering with the Global Handwashing Partnership to help build healthy, sustainable handwashing habits among children. We are featured in their newly-released Handwashing Handbook with a case study on the creation and distribution of our #SafeHands bars of soap and outreach efforts. See the news here.

- In response to the COVID-19 pandemic, we quickly mobilized five of our manufacturing plants on three continents to produce more than 26 million bars of specially packaged with instructions on proper handwashing. The soap bars were distributed by our network of partners to communities in 28 countries. We reached over 1.5 billion people on proper handwashing techniques by encouraging them to take the #SafeHands Challenge.

- In Europe, we reached more than 25 million people through advertising, media campaigns, community events, and educational programs promoting handwashing. One example was our 10 day celebration around Global Handwashing Day with Palmolive and Unicura brands. We partnered with retailers to raise awareness and reinforce good hygiene habits among the community. Handwashing stations were used to teach proper techniques and talk about the importance of hand hygiene in preserving general health. The engagement campaign included hundreds of stores, online and social media, reaching 20,000 people.

- In 2020, we reached 3.3 million people in Australia and New Zealand, through advertising, media campaigns, and educational programs in schools. One example was through our partnership with Woolworth Australia; engagement included in-store campaigns providing education and promoting handwashing awareness around Global Handwashing Day.
● Through the Palmolive brand’s Clean Hands, Good Health program in the United Kingdom, we promote handwashing awareness to children and their families by providing pre-school education kits with posters, storybooks and teachers’ guides. The program also includes communications through web resources and online and social media engagement. Each year, Clean Hands, Good Health builds awareness around Global Handwashing Day. In 2020, we distributed 450,000 pre-school education kits, reaching 15,000 classrooms.

Helping Pets Find a Home

Hill’s mission is to help enrich and lengthen the special relationship between people and their pets. Through the Hill’s Food, Shelter & Love™ program, we partner with animal shelters across the U.S. to provide discounted Hill’s pet food, training, digital tools and content, as well as shelter visuals. For pet owners, Hill’s provides Science Diet adoption kits with coupons and access to a new pet parent website. Hill’s believes the combination of loving shelter care as well as premium nutrition helps to make pets healthy and happy so they are ready to go to their forever home. In 2020, through this partnership with animal shelters, we provided pet food with a retail value of more than $3.9 million, and helped more than 578,000 dogs and cats find new homes.

Hill’s also partners to provide emergency pet food shipments to shelters, veterinary hospitals and other non-profits caring for pets in the aftermath of disasters through its Disaster Relief Network. In 2020, Hill’s responded to 17 emergencies across the U.S. and shipped over 777,000 pounds of pet food to more than 253 unique organizations in the affected communities. This included more than 500,000 pounds of pet food provided directly for COVID-19 relief, much of which was distributed through community pet food pantries to help keep pets with their families during the pandemic.

2020 Highlights

● Hill’s partnered with The Association for Animal Welfare Advancement and Humane Canada to provide over $480,000 in grants to more than 80 animal shelters impacted by COVID-19 in the U.S. and Canada. In Italy, Hill’s has donated 2325 kg of nutritional support to facilities in the northern Lombardy region. In Brazil, we’ve donated six months of food to under-resourced pet shelters. Learn more about the Hill’s response to COVID-19 here.
In 2020, hundreds of Hill’s and Colgate People across the U.S. supported Hill’s efforts to help more than 140,000 pets find loving homes in August as Hill’s again served as a national sponsor of NBCUniversal’s “Clear The Shelters” nationwide pet adoption campaign. Virtual volunteers raised awareness for local shelters and highlighted Hill’s longstanding Food, Shelter & Love program. The program has helped more than 11 million pets find homes since 2002 and aims to reach 15 million by 2025. Check out this LinkedIn article to learn more about Hill’s commitment to pets in need.

Community Giving

Colgate is a caring, innovative growth company that’s reimagining a healthier future for all people, their pets and our planet. To help fulfill our purpose, we provide financial and in-kind donations to nonprofit organizations around the world, and our people contribute their time and talent through Colgate-sponsored volunteer activities, such as our annual “Colgate Cares Day.”

Colgate’s focus areas include:

1. Achieving a zero cavity future;
2. Creating educational pathways for diverse and underrepresented secondary students and professionals, including dentists, dental hygienists and veterinarians;
3. Providing Food, Shelter & Love for pets everywhere;
4. Exercising strong environmental stewardship; and
5. Providing disaster relief & emergency care in Colgate communities.

2020 Contributions approximately $57 million*

* Cash and in-kind contributions to charitable organizations, including spending for the Bright Smiles, Bright Futures program in Colgate's 20 largest subsidiaries (by oral care sales)
Below are some examples of how we are already hard at work pursuing our goals.

- In response to the COVID-19 pandemic, we quickly mobilized five of our manufacturing plants on three continents to produce and donate more than 26 million bars of soap specially packaged with instructions on proper handwashing. The soap bars were distributed by our network of partners to communities in 28 countries. We reached over 1.5 billion people on proper handwashing techniques by encouraging them to take the #SafeHands Challenge.

- $1 million contribution to The University of Pennsylvania Dental School of Medicine to create the Colgate Innovation Laboratory, helping to advance the dental care of people with disabilities.

- $210,000 to initiate the endowed Freeman, Grant, Franklin Scholarship at Harvard School of Dental Medicine, named in recognition of prominent African American dentists and in support of students regardless of their financial means.

- $25,000 to endow The Rutgers School of Dental Medicine's New Horizons Program, in memory of the late Colgate executive Dr. Anthony Volpe, to introduce students to non-traditional oral healthcare careers.

- Founded in 1973, the Colgate Women's Games is the largest indoor amateur track series for girls from elementary school through college and beyond in the U.S. This program has helped young girls and women develop a strong sense of personal achievement and self-esteem, value teamwork and appreciate the importance of education. Colgate covers all costs associated with the games and provides educational grants-in-aid. In 2020, we decided to postpone the games for the health and safety of its community, and our team is working hard to enhance the benefits of the program and stay connected with the Colgate Women’s Games community.
For the past 2 years, Colgate has supported 60 water wells at schools in 5 counties (Kisumu, Siaya, Kakamega, Migori and Kwale) working with WellBoring, a UK Non Governmental Organisation (NGO). The partnership has benefited approximately 60,000 lives. Due to the severity of the water challenge across rural communities, in 2021 Colgate aims to donate a further 30 Water Wells where thousands of pupils, their teachers, and their families may all gain access to clean drinking water.

To help aid healthcare professionals on the front lines, Tom's of Maine donated $60,000 and nearly $500,000 worth of personal care products to Direct Relief, a humanitarian organization providing protective gear and supplies to communities hardest hit by COVID-19. The organization is also supporting 50 small businesses across the U.S. through its #NatureNurtures video experiences to help us all feel more connected, mindful and healthy. Learn more here.

Our caring value was put to work in the wake of the recent hurricanes Iota and Eta in Central America. Our teams in Honduras, Guatemala and Nicaragua mobilized quickly to help those affected, working with local relief organizations to donate much-needed oral care, personal care and home care products. And, in the Philippines, where we endured Typhoon Vamco, our teams donated products through local non-governmental organizations and offered an employee donation match to assist affected families.

Our product donation finds a home in Guatemala.

There was plenty of optimism in action during Colgate Cares Day this year as the U.S. pivoted to virtual volunteering. Hundreds of Colgate People in New York and New Jersey had the opportunity to volunteer in our communities with nonprofit organizations to connect us to our neighbors and to projects that serve those in need. 1,500 New York-area employees had the opportunity to participate in a virtual test-and-learn pilot, including our Chairman of the Board, President and Chief Executive Officer, Noel Wallace.
Our Performance

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

Colgate Global Brands

Oral Care
44% of Net Sales

Personal Care
21% of Net Sales

Home Care
18% of Net Sales

Pet Nutrition
17% of Net Sales
People-Driven Innovation

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

Stronger people engagement begins with better insights. We are committed to listening to and engaging with existing and potential users and buyers around the world. To ensure that our commercial teams stay close to the users of our products, we engaged in virtual “Getting Out of the Office” (GOOTO) programs that help deepen our understanding of local tastes and habits across categories.

Amid our global response to COVID-19, our India insights team explored alternative methods to continue to engage and stay connected with the community. The GOOTO program consisted of virtual home visits, aimed at keeping us connected with people and listening to how these uncertain times were impacting their daily lives. One-on-one interactions took place virtually on a regular basis. Discussions ranged from parenting, work and finances to entertainment and shopping.

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

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

We have state-of-the-art contact centers, where we optimize the latest service tools and training so every person contacting us has the very best individualized experience. In many parts of the world, people can now engage with us via the communication channels that are most accessible and convenient for them - whether via traditional methods, such as phone calls, or newer, real-time methods, such as social media, chat and mobile messaging. Our team regularly captures, evaluates, and responds to people who leave ratings and reviews on our websites and various e-commerce sites, so we can ensure we are always in touch with any feedback people have about our products. As artificial intelligence technology is rapidly developing, we are constantly looking for ways to leverage it to enhance and extend our support programs.
As COVID-19 began to spread, our Consumer Affairs teams were there for people - providing reassurance about our products, directing people to credible sources for information about the pandemic, helping them find the right products to clean themselves and their homes, and being a listening ear for them to express their concerns and questions. Our business continuity plans and state-of-the-art technology ensured that access to our front-line teams was minimally disrupted, and we transitioned quickly to remote working in affected areas, so we could do our part to keep our employees safe. We also shared consumers’ perspectives, wants and needs with the rest of the company so we could act quickly to address them, whether it was optimizing our supply chain to get more product out in the market, updating the information provided on our product labels, conducting testing on our product benefits and performance or developing new products to address emerging needs.

There is increasing attention being given to concerns over consumer data protection and privacy. We know that when people provide us with personal information, we have to safeguard it and treat it responsibly. We are very careful about how we collect, use and store personal data, and have recently updated our Privacy Policy, making it readily available on our websites around the world. Our Privacy Policy can be viewed here.

2020 Highlights

Our Plaqless Pro Smart Electric Toothbrush features optic sensor technology that detects biofilm buildup so it can be removed while brushing. The technology provides precise information in real time that is specific to each mouth and the distinct brushing technique of every individual.

This new generation of Protex is powered by a breakthrough technology -- discovered and developed in-house -- that incorporates flaxseed oil to boost your skin’s natural defenses, working in sync with your body. Protex with flaxseed oil still eliminates 99.9% of bacteria.
Product Sustainability at Colgate

Product sustainability at Colgate means a continued commitment to safe, sustainable, high-quality products that consumers can trust. As part of our sustainability strategy, we are committed to increasing the sustainability profile in all new products. Consumers increasingly demand products that meet their needs, provide a positive social impact and have a reduced environmental footprint.

Driving Sustainability Through Our Categories

We are embedding sustainability across our Oral Care category. Our products and oral health education programs are designed to improve oral health around the world and help reduce cavities, one of the most chronic global diseases.

We also promote water conservation awareness to consumers, encouraging them to turn off the faucet when brushing their teeth. We are also making improvements in our Personal Care category, from improving ingredient biodegradability and moving toward more sustainable preservative systems to optimizing packaging size and improving packaging recyclability. We are educating millions of children and their families around the world about the importance of handwashing with soap, and are also working to reduce our carbon and water footprint.

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

Hill’s Pet Nutrition is working to improve packaging recyclability, reduce its operational footprint, and provide pet food to shelters at a discount to help millions of dogs and cats find their forever homes. Hill’s is also leading the way to Working Towards Zero Waste at Colgate. Our first four “Total Resource Use and Efficiency” Zero Waste certified factories were Hill’s factories. Today, 100% of our Hill’s factories are TRUE® Zero Waste certified.
Colgate's Product Sustainability Scorecard is intended to measure the progress of our goals to increase the sustainability in our products by 2020. Our product sustainability key performance indicators are focused on three areas: Packaging, Formula and Social Impact. Through cross-functional collaboration across the Colgate world, we continue to make progress and 99 percent of new products in 2020 have improved sustainability profiles.\(^{(1)}\)

\(^{(1)}\) The performance results are based on representative products from the product portfolio (excluding our recently acquired EltaMD, Filorga, hello and PCA Skin businesses) evaluated against comparable Colgate products across three impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.
Delivering Safe & Sustainable Ingredients

Product Safety and Quality

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

Product Safety Testing

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

We are a leader in promoting, encouraging and participating in the development, validation and acceptance of non-animal testing methods worldwide, investing more than $1 million dollars annually on research into non-animal alternatives. Globally, there are circumstances when regulatory agencies require animal testing of oral care, personal care and home care products. In such limited instances, the tests are conducted at external testing facilities that meet strict government standards and the rigorous requirements that were established by Colgate with input from animal welfare groups. The exception to this is regulatory agency mandated testing in China which must be conducted in government labs. Our global presence affords us a unique opportunity to help foster acceptance of non-animal alternatives by regulatory agencies around the world.

In addition, we support the European Partnership for Alternative to Animals, the Johns Hopkins Center for Alternatives to Animal Testing and the Institute for In Vitro Science, which are organizations that are focused on developing and/or promoting the use of non-animal methods. We are looking for opportunities to expand and foster non-animal alternative testing research, and Colgate actively shares its work to reduce animal use and develop alternatives so that this information can help others minimize
animal use. Colgate is also a strong supporter of education in this field and partners with the Society of Toxicology to provide grants for student internships, post-doctoral fellowships and research grants to further promote the field of alternatives to animal research.

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

For more information on our Product Safety Research Policy and other policies, visit our website.

Ingredient Transparency

We recognize consumers want to know more about the ingredients in the products they use. Colgate continues to be an active participant in SmartLabel™, a digital platform co-created by the Consumer Brands Association (formerly GMA) and the Food Marketing Institute (FMI) in conjunction with manufacturers and retailers to inform consumers about what is in their products and why. SmartLabel provides a wide range of product details that cannot fit on a package label. It goes beyond the label to tell consumers not just what ingredients are included in their products; it explains what those ingredients are, why they are in the product, and what they do. SmartLabel was designed to match how people use information and technology today. Thus, consumers can access SmartLabel at home and on-the-go while creating a shopping list on their phone or when making a purchase decision in the store.

In 2020, in the United Kingdom and in the United States, we continue to increase transparency in oral care, disclosing all ingredients per regulatory requirements, consumer friendly product descriptions and flavor components that are greater than or equal to 100ppm.
Delivering More Sustainable Packaging

The Colgate brand is in more homes than any other, so we can and we will create a healthier, more sustainable future for all. As we reflect on our achievements against our 2015 to 2020 Sustainability Strategy, we are looking ahead to beginning our journey toward accomplishing our 2025 sustainability mission, with an action aimed at eliminating plastic waste.

Our 2025 packaging sustainability strategy focuses on sourcing packaging responsibly, delivering efficient and beneficial designs, advancing circular systems and inspiring positive behavior. To achieve this we will need unprecedented collaboration with a diversity of partners.

Colgate’s 2025 packaging sustainability strategy centers around the following actions:

● Eliminate unnecessary and problematic packaging
● Make all our packaging recyclable, reusable or compostable
● Reduce use of new (virgin) plastic by a third in packaging
● Use at least 25% post-consumer recycled plastic in packaging
● Minimize the volume and weight of packaging required to label and protect our products.

Information on our progress against our 2020 packaging goals follows, we are providing examples based on the country where we manufacture the products.

EXIT PVC

We continue working towards our commitment to exit PVC. As of year-end 2020, we have eliminated using PVC in 99.7 percent of our packaging by weight. In addition, we have developed plans to exit the remaining uses where there is a technical challenge related to product safety (containers). In 2020, we reduced our PVC use by 547 tons.

EXAMPLES

In 2020, we converted packaging out of PVC:

● In Australia, we changed the pouch material of Fluffy/Cuddly pouches.
- In Pakistan, we changed the sleeves of Max Dish Paste.

- In India and Guatemala, we replaced PVC with PET in toothbrush blisters for individual packs.

- In Mexico, we changed the liner of Palmolive Neutro Balance 450g.

**IMPROVE RECYCLABILITY**

Colgate's targets regarding recyclability (including fiber, plastic, metal and glass) are:

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

As of 2020, approximately 91 percent of packaging by weight is technically recyclable in our Personal Care, Home Care and Pet Nutrition categories. When Oral Care packaging (including for toothbrushes) is added, our packaging recyclability company-wide is 83 percent. This does not, however, include our recently acquired eltaMD, Filorga, hello and PCA Skin businesses, and co-packers.

Transition to monomaterial flexibles and recyclable dispensing systems are industry-wide challenges and we continue working to develop solutions. In addition, we continue the transition out of opaque PET bottles and the implementation of shrink sleeves with perforated tear tabs to direct consumers to remove the sleeve at end of use to improve bottle recycling.

In 2018, we joined the Ellen MacArthur Foundation's (EMF), New Plastics Economy initiative, reflecting our commitment to 100% recyclability of packaging across all of our product categories and our target to achieve 25% post-consumer recycled content in all plastic packaging by 2025. Annually, we report to the EMF on our plastic usage, the percentage of recyclable plastic packaging and the percentage of post consumer recycled content used in our packaging. Read more about our [2019 progress here](#).
In 2020, we replaced opaque colored PET in the following bottles:

- In Brazil, Protex liquid hand soap 250ml moved to a HDPE white bottle and Ola 1L moved to clear PET.

- In the U.S., Murphy's Oil Soap Squirt and Mop Wood Floor Cleaner 32oz moved to tinted green PET and Irish Spring 18oz body wash moved to coloured HDPE bottles.

- In Mexico, Palmolive Optims shampoo 680, 700ml, 400ml, 200ml and 180ml moved to clear PET and Palmolive Hydra Natura body cream 400ml moved to HDPE white.

- In Thailand, Palmolive Expertique Oil moved to clear PET & Serum moved to a HDPE colored bottle. In that same country, we also converted the Mouthwash Colgate Plax Gentle Care & Complete Care 250ml and 500ml bottles to clear PET with perforated shrink sleeves.

- In Europe, Ajax cleaner 1, 1.25 and 1.5L moved from white and yellow colored PET to clear bottles with perforated shrink sleeves.
In 2020, the following packaging design improvements made the following products technically recyclable:

- We included perforations in sleeves of Fabric Softener Cuddly 850ml and 1L in Australia, Suavitel 750ml, 800ml, 1.3L in Mexico and 850ml in Guatemala and Palmolive Combing Cream 150ml in Brazil.

- We removed the plastic lamination from the fiber based cartons used for Protex and Palmolive bar soap in Mexico, Brazil and Thailand and we began the transition to paper wrapper in Turkey for bar soaps.

- In Guatemala, we converted the film used in Axion 115g disc dish bar to monomaterial film.

- In Brazil, we also removed the plastic lamination from fiber based cartons used for Colgate Sensitive and Triple Action Xtra toothpaste.
PLASTIC REDUCTION

To contribute to eliminating plastic waste, our 2025 goal is to reduce our use of new (virgin) plastics in packaging by one third versus our 2019 baseline. Achieving this target will require cross-functional collaboration and the development of alternative materials, establishing new reuse/refill models, innovative new product forms, reducing plastic weight and increasing the use of recycled content. A few recent examples are described below.

In France, Ploof by Ajax was launched offering recyclable packaging. Consumers buy one reusable spray bottle, fill it with water at home and plop in an effervescent tablet that transforms the liquid into an Ajax multipurpose cleaner. When they need more cleaner, they need only to buy more Ajax tablets, packed in paper sachets.

- In the U.S., we have launched Tom’s of Maine Natural Strength deodorant in fiber-based packaging.

- In the U.S., we have launched Swish by Colgate mouthwash in a recyclable aluminium bottle.

INCREASE RECYCLED CONTENT

Colgate’s end of 2020 goal was to increase recycled content in our packaging (all materials including fiber based, plastic, metal and glass) to 50 percent on average, and our 2025 goal focuses on increasing post-consumer recycled content for plastic to 25 percent.
Regarding our 2020 full-year consumption of recycled content in overall packaging, we averaged across the year at 49%, but the snapshot at the end of the year was 52 percent recycled content. Our 2020 full-year consumption of post-consumer recycled plastic in packaging was 10 percent.

As we continue to work to increase post-consumer recycled plastics, we will continue to increase recycled content in our overall packaging.

We increased recycled content in the corrugated boxes we use to ship our:

- Home Care products in the U.S., Guatemala, Italy, Brazil, Greece and France
- Personal Care products in the U.S., Italy, Brazil, Turkey and Thailand
- Oral Care products in Poland, Brazil and Thailand

We increased recycled content in our toothpaste cartons across brands in Guatemala, Brazil, Argentina, Poland, Thailand and Myanmar.

*We implemented 100% recycled content in PET bottles in the following products:*

- Soupline Douceur d’Origine Fabric Softener Végétale 650 mL, 1L and 1.3L bottles in Europe
- Palmolive Ultra Dish Liquid 8, 10, 17, 20, 32.5, 34, 40, 46 and 52oz bottles in the U.S.
● Palmolive Liquid Hand Soap Refill 750ml, Palmolive Body Wash 250ml and 500ml, Palmolive Aquarium 300 and 500ml in Europe

● Ajax 1, 1.25 and 1.5L cleaner bottles in Europe

● Fabuloso and Ajax 500ml, 1L and 2L cleaner bottles in Colombia

● Fabuloso 450ml, 900ml and 2L cleaner bottles in Guatemala

● Colgate Smile for Good mouthwash 500ml bottle in Thailand

*We increased recycled content in PET bottles in the following products:*

We increased recycled content in our PET bottles from 0 to 39% in Shampoo Palmolive Optims 200ml, 400ml and 700ml bottles and Palmolive Caprice 200ml and 760ml bottles and we increased recycled content from 25 to 50% in Dish Liquid Axion 280ml, 400ml, 640, 750 and 900ml bottles and Cleaner Fabuloso 500ml, 22oz, 28oz, 1L, 48oz, 1.7L, 2L and 67oz bottles in Mexico.
We also implemented recycled content in HDPE bottles in the following products:

- We went from 0 to 50% recycled content in Fabric Softener Suavitel Complete Fresh Spring 1L bottles in Colombia.

- We moved from opaque PET bottles with 35% recycled content to HDPE bottles with 50% recycled content for Body Wash Irish Spring 18oz in Mexico.

MINIMIZE WEIGHT AND VOLUME

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

- In the U.S., we worked to optimise the packaging for the Speed Stick Deodorant for Men, this allowed us to reduce our plastic consumption by 920 tons on an annual basis.

  - In Europe, we moved Cleaner Ajax 1, 1.25 and 1.5L to a new bottle that allowed us to include recycled content and to reduce 390 tons of plastic on an annual basis.

- In Mexico, we reduced the weight of the cap used in Fabric Softener Suavitel 450ml, which reduced our plastic consumption by 72 tons.

- In China and Thailand, we were able to reduce 430 tons of the fiber-based packaging used for special packs of Colgate toothpaste.
HIGHLIGHTS

● Colgate’s first-of-its-kind recyclable toothpaste tube, first launched with Tom’s of Maine in the U.S. in November 2019, has so far been introduced in five divisions under the Colgate brand. We are making significant progress in our efforts to transform the toothpaste category and, and, so far, have shared our tube technology through at least 40 sessions with the packaging industry, NGOs and other consumer product companies. Tubes are one of the largest categories of plastic packaging that until now could not be recycled. Colgate engineers created a new plastic laminate tube using high density polyethylene (HDPE), the same plastic used to make bottles. By transforming sheets of this rigid plastic into a soft, squeezable tube that can be recycled along with plastic bottles, we are making the tube a part of the circular economy within the existing recycling infrastructure. Our tube is the first tube to be recognized by the Association of Plastic Recyclers (APR) in North America and RecyClass in Europe.

● This “reverse vending machine” offers Tenda Atacado shoppers in Brazil a convenient place to insert recyclable material and receive benefits like coupons, discounts to their electric bills, cash back or the option to donate to NGOs. It’s also an attractive promotional vehicle for Colgate Natural Extracts toothpaste, now packaged in our first-of-its-kind recyclable tubes which are accepted by the machine.

● In Colombia, we partnered with Ecobot, implementing similar “reverse vending machines,” encouraging consumers to deposit their empty recyclable bottles and flexible packaging, and receive a ticket with a cash discount on their next Colgate-Palmolive product purchase.

● We have been recognized by the Association of Plastic Recyclers (APR) as one of the companies that increased use of post-consumer recycled content contributing to their Recycling Demand Champions program. For more information, please review this link.
We are members of the U.S. Plastics Pact, a collaborative effort led by The Recycling Partnership and World Wildlife Fund, part of the Ellen MacArthur Foundation’s global Plastics Pact network. The U.S. Plastics Pact brings together businesses, government entities, NGOs, researchers and other stakeholders who work collectively toward a common vision of a circular economy for plastics, as outlined by the Foundation’s New Plastics Economy Initiative. This vision aims to ensure that plastics never become waste by eliminating the plastics we do not need, innovating to ensure that the plastics we do need are reusable, recyclable or compostable, and circulating all the plastic items we use to keep them in the economy and out of the environment.

**Partnerships**

We are encouraged by the progress we have made and the fast start we are off to, but creating a sustainable and circular economy is a journey, and our collective work towards our 2020 goals showed us the effort and impact required to transform our portfolio of products. We cannot do it alone, and are proud of the partnerships that have evolved through our strategy work.
Providing Access to Affordable Products

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

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

Our team in Colombia turned to technology to find a better way to connect with smaller convenience stores in the cities, small towns and rural areas throughout the region. Teams based in Cali and Bogotá partnered with two innovative startups to introduce apps that provided a direct, seamless interface between manufacturers like Colgate and local shopkeepers enabling us to provide customized plans using powerful shopper data — improvements that will help us to reach 21,000 small stores owners.

Partnering with Customers

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

To ensure continued success, we track retailer satisfaction in 20 of Colgate’s largest subsidiaries every two years. The Company participates in a widely used industry standard syndicated survey run by the Advantage Group. The objective is to measure our customer engagement with the goal of strengthening our performance across key markets and building robust action plans based on the survey feedback.
Colgate also partners with key customers to advance our mutual sustainability goals. We often partner with retailers to engage consumers with programs, such as our Bright Smiles, Bright Futures oral health education program, Operation Smile and TerraCycle®.

Colgate continues to partner with eco-innovator TerraCycle® in five markets: the United States, Australia, New Zealand, the United Kingdom and China. TerraCycle® recycles oral care packaging collected at schools, stores and other locations into new and affordable eco-friendly products. Through this global partnership, we actively engaged in recycling, helping us to divert waste to landfills. Participating locations are also able to raise funds for schools and charities of their choice as an incentive for recycling.
Our Planet

Learn about the progress we’ve made on our 2020 Sustainability Planet Commitments.

Our Commitment to No Deforestation

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

We continue to make significant progress in policy development on commodity sourcing and our actions toward ending deforestation. Contributing to this progress in 2020 is our active membership in the Consumer Goods Forum’s (CGF) recently established Forest Positive Coalition of Action. As a member of the Coalition, we have been actively engaged in the development of commodity roadmaps, tools and guidance supporting supplier engagement, No Deforestation, No Planting on Peat and No Exploitation (NDPE) policy implementation as well as deforestation monitoring and response with suppliers and our upstream supply chain. We believe the implementation of an effective deforestation program is critical so that we can manage the impact our activities have on ecosystems and habitats, meet stakeholders’ expectations, protect our reputation and comply with regulations.

Driving Sustainable Sourcing

As a global manufacturer we have global value chains and are aware of our responsibility to engage our suppliers in our targets. We have a clear commitment to achieve net zero deforestation and will prioritize two of our main commodities, palm and soy. We strive to accelerate industry transformation through collaboration with our suppliers and partners to improve the entire value chain of our products.

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

Palm oil is the most widely produced vegetable oil in the world and continues to grow in its use, replacing other vegetable oils. More than 80 percent of the world's palm oil comes from Indonesia and Malaysia, where land is sometimes converted from forest to palm plantations, resulting in greenhouse gas emissions, impacts on biodiversity and social issues linked to deforestation.

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

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

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

Eliminating deforestation and exploitation in the palm oil supply chain is very complex and requires many activities working together to create a solution; this includes the sourcing of certified sustainable palm oil, traceability of palm oil back to the mills and plantations, engagement with suppliers and the upstream supply chain on performance against our policy and engagement in on the ground sector or landscape projects working with smallholders and local communities and government to drive sustainable change in the palm oil industry.

For 2020, we continue to increase our percentage of physically certified palm oil, palm kernel oil and palm oil derivatives targeting more than 80 percent of volumes physically certified and more than 95 percent of our direct volumes traceable to the origin mill. Colgate also continues to support on the ground transformation projects in Indonesia, Malaysia and Latin America. To better understand our work on palm oil and for updates on our activities, please see our specific policy on Responsible and Sustainable Sourcing of Palm Oils.
**Soy**

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

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

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

In 2020, we launched a commodity specific Soy Policy, completed an initial mapping of our indirect volume for soy and conducted initial traceability for our soy volumes originating from Latin America. To better understand our work on Soy and for updates on our activities, please see our Responsible Soy Procurement Policy.

**Pulp and Paper**

**Pulp and Paper Approach**

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

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

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

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

**Pulp and Paper Progress**

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

We are focusing first on the following pulp and paper based materials:

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

Our approach to mitigating risk is to give preference to recycled or certified pulp and paper based packaging materials including Forest Stewardship Council (FSC) certified materials.

In 2020, we, with support from Rainforest Alliance, completed a risk assessment of 100 percent of our pulp and paper packaging spend. The assessment process surveyed our suppliers on the recycled content, certification status and country of origin for pulp and paper based packaging sourced to Colgate. Based on the risk assessment we have identified potential high risk materials and are working with our suppliers to develop action plans to mitigate those potential sourcing risks which may include converting to recycled content, sourcing certified materials or sourcing from lower risk geographies.

Currently, approximately 84 percent of Colgate’s paper and board packaging materials by weight globally come from recycled sources. Colgate will continue our long-standing strategy to increase the use of recycled materials as well as our efforts to optimize the use of other packaging materials.
To learn more about our work on pulp and paper and for updates on our activities, please see the Pulp and Paper Responsible Sourcing section in our No Deforestation Policy.

**Tallow**

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

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

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

To learn more about our work on Tallow and for updates on our progress, please see the Tallow section in our No Deforestation Policy.

**Partnerships**

An important element of our sustainability strategy is our engagement and collaboration with external partners, which complement our strong internal capabilities. These partnerships are important to us to help us achieve our ambitions to source sustainability and strive for net zero deforestation, prioritizing palm and soy.
Environmental Management

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

Our Climate Commitment

At Colgate, we’re on a mission to create a healthy and sustainable future. Achieving that future means overcoming the challenge of climate change and its threat to disrupt every aspect of our lives – from food supply to socioeconomic stability. We’ve made concerted efforts and considerable progress to reduce our carbon footprint since we began in 2002.

Accelerating Action on Climate Change is a core action of Colgate’s recently announced 2025 Sustainability Strategy. We aim to reach net zero carbon emissions across our growing business. Our goals align with the Science-Based Targets initiative, our signing of the Business Ambition for 1.5°C and our commitment to Recover Better, working in concert with the UN Global Compact (UNGC) and others. We will get there by reducing CO₂, or carbon dioxide, emissions and addressing Climate Change across every aspect of our value chain.
2020 Progress

Colgate has made great progress with its climate-related goals. Colgate has:

- Reduced absolute greenhouse gas (GHG) emissions from manufacturing (scope 1&2) by approximately 38% vs. 2002\(^{(1)}\)
- Total percentage of electricity obtained from renewable sources, 36%
- Reduced energy intensity in manufacturing by 37% vs. 2002
- Achieved 86 U.S. EPA ENERGY STAR Challenge site recognitions since 2001
- Completed 27 U.S. Green Building Council (USGBC) LEED certified projects
- Reduced GHG intensity of outbound logistics (scope 3) by 3% vs. 2019
- Reduced absolute GHG avoided from consumers saving water to be estimated (scope 3) by more than 17% from 2016-2022\(^{(2)}\)

\(^{(1)}\)Included in our Science-Based Climate Goal, approved in 2017 by the Science-Based Targets Initiative.
\(^{(2)}\)Based on an estimated median value in emissions associated with consumer behaviour, relative to 2016 baseline and based on results of Save Water Campaign's consumer survey conducted in 2020.

Science-Based Targets

Underlying Colgate’s Climate Strategy is our commitment to the Science-Based Targets. Colgate's next generation science-based climate target for scopes 1, 2 and 3 was approved by the Science-Based Target Initiative in 2020.

Colgate has the goal to:

- reduce absolute scope 1 and 2 GHG emissions in global operations 30% by 2025 and 50% by 2030 from a 2018 base year;
- source 100% renewable electricity for its global operations by 2030;
- reduce absolute scope 3 GHG emissions from purchased goods and services 30% by 2025 from a 2018 base year; and
- reduce indirect use phase emissions associated with the consumer use of our products 20% by 2025 from 2016 base year
Joining 155 other companies, Colgate signed the “Recover Better” statement from the UNGC and other NGOs, urging governments to align their COVID-19 economic aid and recovery efforts with ambitious action to fight climate change.

As part of our strategy to track and reduce GHG emissions, Colgate also tracks direct and indirect CO₂ emissions as well as direct nitrous oxide, sulfur hexafluoride, HFC and PFC emissions. We additionally estimate NO, or nitric oxide, emissions from Colgate’s North American and European car fleets and from the trucks that deliver Hill’s Pet Nutrition products to retail customers in vehicles that are controlled by Colgate. We track VOC data as needed to comply with local regulations.

### Colgate’s 2025 Climate Strategy

<table>
<thead>
<tr>
<th>Supply Chain Engagement</th>
<th>Net Zero Carbon Operations</th>
<th>Sustainable Products &amp; Consumers</th>
<th>Climate Resilience</th>
<th>Stakeholder Collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="leaf.png" alt="Leaf" /></td>
<td><img src="wind_turbine.png" alt="Wind Turbine" /></td>
<td><img src="toothbrush_toothpaste.png" alt="Toothbrush+Toothpaste" /></td>
<td><img src="earth.png" alt="Earth" /></td>
<td><img src="handshake.png" alt="Handshake" /></td>
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**Colgate Accelerating Action on Climate Change**
Accelerating Action on Climate Change

To reflect our ambitious 2025 climate actions and targets, we have updated our long standing Climate Strategy.

Supply Chain Engagement

The sourcing and transportation of our ingredients and packaging account for about 9% of Colgate’s total carbon footprint. So we’re working directly with our suppliers to encourage them to assess their climate and water risks, improve energy efficiency and increase their use of renewable energy.

Our science-based target to reduce GHG emissions from purchased goods and services by 30% by 2025 versus 2018 levels reflects this commitment. Specifically, we are focused on:

- Supplier engagement
- Carbon-intensive materials
- No deforestation

Supplier Engagement

We request that our key Tier I suppliers and suppliers of carbon-intensive materials participate in the CDP Supply Chain Program Climate Disclosure to help us understand and address climate effects and associated risks and opportunities in our upstream supply chain. 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.

Carbon-Intensive Materials

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

No Deforestation

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

**Net Zero Carbon Operations**

We have the most control over our own global operations. Though they contribute a relatively small percentage of our total carbon footprint, we’re continuing to encourage every Colgate factory, warehouse and office to do their share. Our core targets are as follows:

- reduce manufacturing energy intensity by 25% [the amount of energy needed to manufacture each metric ton of product] by 2025 versus 2010;
- source 100% renewable electricity for our global operations by 2030; and
- become Net Zero Carbon in our global operations by 2040

Colgate has a longstanding energy and carbon reduction program that has helped us lower GHG emissions and energy use intensity as well as increase financial savings. We are committed to decarbonizing our operations in alignment with limiting global temperature rise to align with limiting global temperature rise to 1.5°C above pre-industrial levels.

To achieve these goals we will continue to focus on improving energy efficiency with our best-in-class energy reduction programs and innovations. We are also transitioning to renewable electricity via on-site generation as well as renewable electricity procurement in line with leading external standards. We will also endeavor to replace non-electric energy with lower carbon alternatives where possible, and any remaining carbon emissions in our operations will be neutralized with high quality and verified carbon removals.

**Energy Efficiency**

Colgate’s 2020 goal was to reduce the energy intensity to manufacture our products by one-third compared to 2002. As of 2020, we exceeded this target and our global energy programs have already resulted in the reduction of energy per ton of products by 37 percent.
Global Energy Management Programs:

Our energy management system is modeled after the U.S. EPA’s ENERGY STAR program and is implemented globally. In 2021, Colgate was named a U.S. EPA ENERGY STAR Partner of the Year for the eleventh year in a row, recognized specifically for Sustained Excellence. The following programs have contributed to the achievement of Colgate’s energy intensity reduction goal:

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

- **5% for the Planet**
  In 2011, Colgate initiated a program to set an annual capital expenditure budget as a way to drive investment in environmental sustainability projects across our global manufacturing sites. Our “5% for the Planet” program helps ensure that sites identify, fund and implement climate, energy, water and waste projects that drive both environmental improvement and cost savings. The program sets an annual goal to invest a minimum of five percent of our manufacturing capital expenditure budget on energy reduction, water conservation and reduction of waste to landfill. Upgrades for environmental compliance and product design are funded separately. A minimum of two percent of the manufacturing capital budget is targeted...
specifically toward energy reduction projects. Since inception, Colgate has invested more than $270 million in over 1,400 planet projects, delivering an estimated savings of more than $69 million.

● **Energy Treasure Hunt Program**

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

- In 2020, amid the COVID-19 pandemic, our Mission Hills facility in Mexico successfully completed an Energy Treasure Hunt. There was participation from both staff that was “on the ground” (while following COVID-19 safety protocols) and staff working virtually. The team was able to identify 69 energy improvement ideas with the potential to reduce the site’s energy consumption by over 7,916 MWh and CO₂ emissions by more than 3,825 metric tonnes.

● **Energy Reduction Teams**

Colgate’s Global Energy Reduction Team leads the technical implementation of Colgate’s energy strategy in our manufacturing sites by setting annual objectives and developing tools and programs to help our sites reach their energy reduction targets. This cross-functional global team is composed of individuals with expertise and passion for reducing Colgate’s energy use and GHG emissions. For 17 years, the Global Energy Reduction Team has continued to focus on supporting our plants with many tools, activities, and initiatives. In 2019, the team supported our global Energy Treasure Hunt program and “Top 10” Energy & Water Actions program.

In 2020, Colgate launched its first Divisional Energy Team in our Latin America Division. This team’s development was spurred by rising energy costs in the region. The team identified four main work streams: energy efficiency, renewable energy, technology solutions and existing projects. The team meets bi-weekly to review the implementation of new technologies, discuss partnerships with third parties and
review trends in energy reduction. Due to Latin America’s success, energy teams are now being launched in all our divisions.

**Sustainable and Efficient Logistics**

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

Our sustainable and efficient logistics efforts in 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%
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.

Renewable Electricity

To achieve 100% renewable electricity across our operations, we have developed a Renewable Electricity Master Plan. This plan has been informed by third party energy experts providing intelligence on the available tactics to obtain renewable electricity in each of our locations. The four tactics we are focusing on are:

- On-Site Solar Generation
- Utility Green Power
- Renewable Energy Certificates
- Virtual Power Purchase Agreements

Our Renewable Electricity Master Plan includes detailed timelines and milestones for each manufacturing site and Colgate-owned warehouse and office, across the four tactics.
In 2020, four new solar installations were completed in Vietnam, the Dominican Republic, Ecuador and Guatemala. Two additional projects began in Greece and India and the expansion of existing solar projects in Piscataway, New Jersey and Cali, Colombia also took place.

My Phuoc, Vietnam
Guayaquil, Ecuador
Piscataway, New Jersey

Colgate has been a U.S. EPA Green Power Partner since 2014, supporting the voluntary use of green power to reduce the environmental effects associated with conventional electricity use. In 2019, Colgate purchased 230,000 MWh of Green-e certified wind power renewable energy certificates generated from wind power farms located in Kansas. This green power purchase was recognized by the U.S. EPA Green Power Partnership Leadership Club, achieving the rank of No. 59 in the United States. The purchase cost of green power is allocated back to our facilities in proportion to their carbon emissions as a way to help assign an internal cost-of-carbon to its source.

**Spotlight:**

We are working hard to reduce our CO₂ emissions across our global operations. Our Mission Hills, Mexico team took a big step toward our renewable energy goals, signing a contract with CEMEX Energy to supply green power via a Power Purchase Agreement (PPA).

We chose to work with Eurus Wind Farm located in the state of Oaxaca, Mexico. Its wind power feeds renewable energy to the national electric grid. Mission Hills will use energy from the same grid.

Now, 40% of Mission Hills’ current electricity needs are met by wind power, reducing the facility’s CO₂ emissions by 30%. That’s equivalent to 22 thousand tons of CO₂ annually. We will continue to innovate toward our goal of sourcing 100% renewable energy.
Improving Refrigerants

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

Sustainable Products & Consumers

The predominance of our GHG emissions is associated with the consumer use of our products — accounting for about 90% of our total carbon footprint. Therefore, our most dramatic opportunity to impact climate 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 by 2025 versus 2016.

To achieve this goal, we are focusing on the following:

- Raising consumer awareness of water conservation
- Designing packaging that either uses less plastic, is made with recycled content, or is recyclable, reusable or compostable
- Designing products that allow consumers to use less water or temperate water
**Save Water Campaign**

One major initiative is Colgate’s “Save Water” consumer awareness campaign. Many people don’t make the connection between water use and carbon emissions. However, water and wastewater treatment systems are energy-intensive, so every drop of water saved means less energy used. Since launching in 2016, “Save Water” has helped consumers avoid an estimated 155 billion gallons of water and 8.3 million metric tons of GHG emissions, proving that individual actions can lead to massive impacts.

**Spotlight on sustainable products**

By 2025, we are aiming to eliminate one-third of new (virgin) plastic in packaging and will make all packaging recyclable, reusable or compostable. For example, in Europe, we replaced the virgin resin in our 250ml and 500ml Palmolive bodywash bottles with post-consumer recycled PET. Based on an internal life cycle analysis conducted, this helped us to reduce by 31 percent the CO₂ emissions involved in the manufacturing of these bottles based on the 2020 volume.

**Climate Resilience**

As we accelerate our actions to reduce CO₂ emissions across our value chain, Colgate teams are building climate resilience into how we do business across the globe. With an eye on both mitigation and adaptation, we seek to understand and address the risks and impacts of climate change.

Colgate has a long-standing operations risk management process that includes managing the effects of episodic climatic events, such as storms, floods, droughts and temperature extremes, to our facilities and supply chain. Climate risk is defined as part of the operational, regulatory and reputational and market risks; therefore, Colgate is committed to developing a long-term strategy to mitigate risks from climatic events. As part of this process, we assess potential climate vulnerabilities and risks to ensure our business is able to respond to and recover from climatic events. As part of our loss-prevention program, our strategic manufacturing sites are mandated to be highly protected against risks. Third-party assessments on property loss control are conducted annually for all strategic sites. Additionally, we develop and routinely update category contingency product sourcing plans.
We’re mitigating risk by reducing CO₂ emissions, using more renewable energy and engaging 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 there is much more work to be done.

Reducing our energy use and GHG emissions also enables Colgate to mitigate costs. Since 2002, our energy reduction program has helped us avoid more than $672 million in energy costs. Managing the risks associated with climatic events, such as storms and droughts, is also important to ensure the continuity of our own operations and that of our supply chain.

**Climate Scenario Analysis**

In 2020, Colgate engaged with TruCost to conduct a climate-related scenario analysis to understand how climate change can impact our business and what type of actions can be taken to avoid climate risks or capture opportunities. The project covers the potential impacts of both physical risks, such as hurricanes or droughts, and the transitional risks, such as carbon pricing, regulatory requirements and impacts on Colgate’s reputation. The information collected through this research will help us prioritize our risk management activities, inform our strategy, create capacity to set an internal carbon price, better assess the return on investment for sustainability-related capital investments, align with new public reporting and disclosure frameworks, and respond in a more complete way to investor requests about the potential climate risks to our business model.

**Stakeholder Collaboration**

What’s it going to take to speed progress and win the race against climate change? Collaborative action across the board. No one company can or should do it alone. This is why an important element of our sustainability strategy is our engagement and collaboration with external partners, which complement our strong internal capabilities. Working together, we can and must turn the tide on climate change, ensuring that our kids will enjoy a healthy future. One worth smiling about.

We are also working with partners to accelerate action on climate change, eliminate waste, lead with zero waste facilities and drive sustainable sourcing. Colgate is proud to be contributing to and learning from the collective intelligence of our partners in sustainability, such as our retail customers with initiatives like Walmart’s Project Gigaton, NGOs like the World Resources Institute, World Business Council for Sustainable Development (WBCSD) and CDP, coalitions like the U.S. Green Building Council, governmental programs like the U.S. EPA’s ENERGY STAR and CPG-industry groups like The Consumer Goods Forum, which are all accelerating progress on a global scale.
In 2020, Colgate continued to work with Walmart’s Project Gigaton to support their goal to work with their suppliers to reduce 1 billion metric tons of GHG emissions from the global value chain by 2030. Through Project Gigaton, Colgate has committed to GHG goals in six areas: emissions, energy, waste, deforestation, packaging and product use. Colgate reports against these goals annually.

We also continued to collaborate with a variety of stakeholders and engaged with leading organizations to inform our climate strategy and drive continuous improvement on a broader basis through 2020. Here are just some of Colgate’s sustainability partners:
Making Every Drop of Water Count

Saving water is a cornerstone of Colgate's 2025 Sustainability & Social Impact Strategy, crucial to our overall mission to create a healthy and sustainable future. Water is an ingredient in many Colgate products and required in almost every phase of products' life cycles. Clean water is also vital to the communities we serve, yet in many regions of the world, it is becoming an increasingly scarce resource. Additionally, other related issues, such as flooding, threaten to have negative consequences on our supply chains and the delivery of raw materials, as well as the finished goods to the customer.

We’re taking action to ensure water stewardship, security and resilience across our value chain, protecting ecosystems and supporting water access in our communities. That means we take care of water and conserve its use, help people gain access to safe water and mitigate risks associated with water scarcity. Between 2002 and 2020, we’ve cut in half the amount of water we use to make our products. We’ve also enlisted our suppliers, NGO partners, customers and consumers in myriad “Save Water” initiatives.

Now we’re expanding on that foundation and setting even more aggressive targets.

By 2025, our goals are to:

- Engage 100% of our priority material suppliers with operations in water-stressed regions to take action on water security
- Achieve Net Zero Water (as defined by USGBC LEED Zero Water) at our manufacturing sites in water-stressed areas (and at 100% of our manufacturing sites by 2030)
- Reduce our manufacturing water intensity by 25% versus 2010
- Design more products with less water
- Promote water conservation awareness with our “Save Water” messaging to 100% of our global consumers, with a strong focus on water-stressed areas
- Provide 1 million people with access to clean, safe water and sanitation systems

To achieve these goals, we’re taking a holistic approach, collaborating with everyone who touches our business.

2020 Progress:

Colgate has made great progress on its water-related goals. Colgate has:

- Reduced our manufacturing water intensity by 52% compared to 2002
- Reached over 500,000 people since 2013 through Water For People Forever Program™
For the past two years, Colgate has supported 60 water wells at schools in five counties in Kenya. Our goal is to donate another 30 water wells in 2021.

Our Water Stewardship Strategy

Our Water Footprint

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

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

Colgate’s 2025 Water Strategy
Supply Chain

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

We invited several of our Tier I suppliers and suppliers of water-intensive materials to participate in the CDP Supply Chain Program Water Disclosure to help us understand and address water consequences and associated risks and opportunities in our upstream supply chain. In 2020, 83 percent of invited suppliers responded to the survey. More specifically, 47 percent of our Tier 1 direct material suppliers, by spend, responded to the survey, including our largest raw material suppliers and contract manufacturers.

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

Our 2025 ambition increases our engagement with suppliers. Our goal is to engage 100% of our material suppliers with operations in water-stressed regions to take action on water security.

We continue to collaborate with the Mint Industry Research Council (MIRC) to gather and analyze data from mint suppliers to better understand the climate and water challenges across North America and share the insights with the industry. We are engaging with MIRC to explore and adopt smart irrigation and other techniques to help ensure farmers can take good care of water resources while producing their crops.

Direct Operations

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

Colgate has had manufacturing water conservation goals since 2002, and since then we have reduced the water consumed per unit of production in the manufacture of our products by 52 percent, exceeding
our target. Our 2025 goal is to reduce our manufacturing water intensity by 25 percent compared to 2010.

Key elements of our Operations program include:

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

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

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

- At Colgate’s manufacturing sites, we remain laser-focused on withdrawing the least amount of water from the environment. Water analytics will influence which new machinery and processes we use as well as inform our future product portfolio. Our plants deploy ever-more-efficient practices as we keep driving down our water manufacturing intensity (amount of water used per ton of product produced). Cleaning processes, for example, now require far less water and energy thanks to single-step sanitization, an innovation we developed with our partners at Ecolab.

- Our Huangpu, China plant is now using a small Clean-in-place (CIP) system to apply water-efficient cleaning & sanitization. The plant has also implemented other water saving technologies that allow it to reuse condensate water in the cooling towers, ultrasonic cleaning in the canteen, and reusing wastewater instead of withdrawing more city water.

Net Zero Water

In regions with high water stress, we continue to assess water risks and implement appropriate resilience measures as a way to anticipate and mitigate the effects. In 2015, Colgate developed a framework project to create replenishment criteria, define geographical boundaries and identify both environmental and community-related options to meet our commitment to replenish water in highly stressed regions.

Subsequently, we leveraged this project’s output by piloting the overall replenishment approach for our manufacturing sites in India. Through this work, we identified future opportunities to maximize on-site water reduction by increasing rainwater harvesting, on-site water treatment and returning water to the environment.

We have now committed to achieving Net Zero Water at all of our manufacturing sites in water stressed areas by 2025, and all other sites by 2030. We will follow the USGBC definition under their LEED Zero program.
Wastewater Management

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

Consumer Use

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

We understand that the water required to use our products represents the largest portion of our overall water footprint. To that end, conserving water is an opportunity for innovation. Colgate’s portfolio now includes a number of products that contain less water and/or allows consumers to use less water at home.

As we embed sustainability into each phase of R&D, we are innovating to develop new products that ship without much water in the package, such as our hello® toothpaste tablets, as well as products that need less water for effective use.

Water Conservation Awareness

With the Colgate brand in more homes than any other on the planet, we have a unique opportunity to inspire people to conserve water. To help consumers conserve water as they use our products, we seek to promote water conservation awareness to all our global consumers. Through actions, such as turning off the faucet while brushing their teeth and washing their hands, much water can be conserved.

Since launching in 2016, our “Save Water” public awareness campaign has led consumers to save an estimated 155 billion gallons of water. The campaign shows how a small change like turning off the tap when you brush your teeth can make a big difference. And since water and wastewater treatment systems are energy-intensive, every drop of water saved means less energy used. We estimate consumers contributed to an avoidance of 8.3 million metric tons of CO₂ emissions thanks to those 155 billion gallons going unused.
Our Save Water campaign 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. All our divisions engage Colgate People around the world regardless of office size or location on World Water Day, inviting them to take a Save Water pledge and spread the word about water conservation. Some locations also hold events with guest speakers and/or employees volunteering in the local community. Thanks to the ongoing efforts of Colgate People around the world, we are helping drive greater awareness of water issues—on World Water Day and every day—among consumers, customers and fellow Colgate People.

Celebrating Our Save Water Commitments

Colgate India won the “Sustainability Partner” award for our efforts towards the “Save Water” Awareness Campaign in partnership with 27 Metro Cash & Carry stores in 17 cities across India. As part of the campaign, proceeds from the purchase of select Colgate toothpaste were provided to water-starved geographies through our NGO partner Water For People India Trust.

For the past two years, Colgate has supported 60 water wells at schools in five counties in Kenya (Kisumu, Siaya, Kakamega, Migori and Kwale) working with WellBoring, an NGO in the United Kingdom. The partnership has helped approximately 60,000 people. Due to the severity of the water challenge across rural communities in Kenya, in 2021, Colgate aims to donate an additional 30 Water Wells in Kenya, where thousands of pupils, their teachers, and their families may all gain access to clean drinking water.
Access to Water, Sanitation and Hygiene

We respect the human right to access water, sanitation and hygiene. One of Colgate’s 2025 Sustainability Strategy goals is to work with local and global organizations to help promote access to clean water and provide oral health and hygiene education in communities around the world.

In that spirit, Colgate is proud to continue our commitment to support water, sanitation and hygiene (WASH) programming through our partnership with Water For People as they pursue their mission to reach Everyone Forever with WASH services across Guatemala, India and Peru. From 2013 through 2020, Colgate’s total support of more than $2.1 million has helped more than 500,000 people in communities, schools and clinics gain access to safe water services.

In 2020, Colgate continued our partnership with Water For People in Guatemala and India to strengthen and support the municipal water and sanitation offices that were established since we began our partnership in 2013. Our partnership exists to promote the development of high-quality drinking water and sanitation services, accessible to all, and sustained by strong communities, businesses and governments.

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

We’re expanding WASH initiatives in key communities where water access will be a key conduit to the success of our oral health and handwashing education programs through Colgate Bright Smiles, Bright Futures. We’re working toward a future free from cavities and other preventable diseases. During the COVID-19 pandemic, we’ve partnered with the World Health Organization (WHO) to bring more than 26 million bars of our #SafeHands soaps to people in need. Instructions for effective handwashing are included with each bar, fostering better health outcomes in vulnerable communities.
**Collaboration and Disclosure**

As a way to inform our water stewardship efforts, Colgate engages with leading water experts. This collaboration helps build expertise, align efforts and ensure that our water programs meet stakeholder expectations. We are also committed to transparency and reporting publicly on our water stewardship and reduction performance. Colgate participates on the United Nations CEO Water Mandate Action Platform as part of our commitment to the United Nations Global Compact (UNGC). Through our participation in the UNGC’s CEO Water Mandate, we’ve recently joined forces with a number of other companies to launch an industry-driven initiative, the Water Resilience Coalition. The Coalition aims to preserve the world’s freshwater resources through shared, ambitious, quantifiable commitments that are meaningful and measurable, many of which mirror Colgate’s targets.

**Ecosystem Protection**

Colgate continues to work to protect water-related ecosystems through our commitment to No Deforestation, water replenishment, aquifer protection, wastewater treatment and community partnerships.

We’re proud to be long-time partners with organizations like The Nature Conservancy (TNC), which is dedicated to conserving the lands and waters on which all life depends. Watershed risk assessments and restoration projects are accelerating progress, especially in areas designated as priority basins. We’re excited to support TNC’s success in restoring river systems, enhancing wildlife habitats while conserving water and improving its quality.

We partner with stakeholders and our communities to help drive water stewardship programs. We are committed to transparency and publicly disclose our water stewardship strategies and goals, and report on our progress. As a way to inform our water stewardship efforts, Colgate engages with leading water experts. This collaboration helps build expertise, align efforts and ensure our water programs meet stakeholder expectations.
Collaboration, Advocacy and Disclosure

An important element of our sustainability strategy is our engagement and collaboration with external partners, which complement our strong internal capabilities. Colgate has many such partnerships with a broad array of organizations, including suppliers, research institutions, universities, industry and nonprofit organizations. Here are just some of Colgate's sustainability partners:
Leading with Zero Waste Facilities

Colgate sites are reducing, reusing and recycling waste. As part of our 2020 Sustainability Strategy, our target was to halve our manufacturing waste sent to the landfill per ton of product compared to 2010, working toward our goal of Zero Waste. Our 2025 ambition takes us further in the direction of reaching 100% Total Resource Use and Efficiency (TRUE®) Zero Waste certification for our global operations.

In 2017, Colgate initiated a new relationship with the Green Business Certification Inc. (GBCI) on its TRUE® Zero Waste certification program, adopting it as our global platform to drive Zero Waste. Currently, manufacturing facilities in all geographies are using the TRUE® Zero Waste approach and tools. Additionally, we are aligning our global waste data management systems with TRUE® Zero Waste to ensure uniform measurement of results.
The TRUE® Zero Waste program goes beyond just looking at diversion rates. It is a whole system approach that encourages companies to find ways to reduce waste throughout their supply chain. For example, it encourages facilities to work with vendors to identify alternatives to non-recyclable packaging and inspires facilities to implement strategies to reduce the amount of packaging for outbound materials.

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

**Our commitments in action:**

Our Canelands, South Africa plant achieved TRUE® Zero Waste certification, the first-ever site in Africa to receive this recognition.

*Samuel Binda, Anesh Naidoo, Clive Dunn*

With a 99.29% diversion rate, our Cambridge, Ohio plant became our 19th plant to be certified. One key aspect of their waste program is working with suppliers. For example, by eliminating individual boxes for shipping shrink labels, the plant was able to save over 7,000 pounds of cardboard each year.

In recognition of our sustainability efforts to achieve TRUE® Zero Waste certification across our global operations, Gartner awarded Colgate “Social Impact of the Year” honors, part of their [2020 Power of the Profession Awards](https://www.gartner.com/en).
Reducing Consumer Waste

We recognize the importance of reducing waste at every stage of the product lifecycle, including at the end-of-life of our products and packaging. We have committed to making all of our packaging in all categories recyclable, reusable or compostable by 2025.

- Our investments in innovation continue to bear fruit. Colgate Bamboo Toothbrushes feature compostable handles made from natural bamboo. All packaging for the line is plastic free, made from recyclable cardboard.

- Innovative product formats that allow for plastic-free packaging -- like these toothpaste tablets from our hello brand packaged in a refillable and recyclable tin container.

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

In 2014, we became one of the initial investors in the Closed Loop Infrastructure Fund to develop local recycling infrastructure and sustainable manufacturing technologies that advance the circular economy. In the United States, municipalities often lack access to the capital to invest in recycling programs and infrastructure. The Closed Loop Infrastructure Fund provides zero-interest loans to municipalities and below-market loans to private companies with a goal to develop infrastructure and improve recycling rates. The fund also seeks to co-invest with local private and public entities to magnify its impact. The fund has invested in the collection, sorting and processing of recyclables. To learn more, visit Closed Loop Partners' website here.
Since its inception, the Closed Loop Infrastructure Fund has invested in 30 projects and deployed $61.3M to date, with an additional $222M contributed by co-investors. The Closed Loop Infrastructure Fund’s $3 million loan to the City of Phoenix, helps improve the capacity and material capture of its North Gateway recycling facility, enabling a greater diversion of plastics from landfill and improving the quality of baled paper produced. The city has already seen improvements, with an 18% increase in tons of residential recycled materials collected during the COVID-19 pandemic. To learn more, read Closed Loop Partners’ 2020 Impact Report.

Commitment to Sustainable Buildings

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

Currently, Colgate has 19 facilities that have achieved 27 LEED Certifications. Our LEED projects have been conducted in the United States, Latin America, Asia and Europe. In addition, we use several LEED-certified third-party distribution centers. Colgate has been a member company of the USGBC since 2007. Colgate continues to collaborate and engage with USGBC in the advancement of LEED and green building practices for the global manufacturing sector. Further information about Colgate’s LEED-certified buildings is available on the USGBC Green Building Information Gateway.

In 2018, Colgate achieved three new LEED certifications at our Burlington, New Jersey Oral Care manufacturing site (LEED Silver), our Greenwood, South Carolina Personal Care manufacturing site (LEED Certified), and at our Sri City, India Toothbrush manufacturing site (LEED Gold). In 2019, our Burlington, New Jersey flavors facility was the first site in the world to achieve LEED Zero Certification by the USGBC for net zero carbon, energy, water and waste. In 2020, our expansion project at our Global Technology Campus in Piscataway, New Jersey received LEED Gold certification. This expansion features low
emitting materials, indoor air quality sensors, ultra efficient LED lighting, ample daylight views, and the ability for occupants to control their own personal thermal comfort.

Guided by our overarching sustainability goals, the Global Energy Reduction Team leads the technical implementation of Colgate's energy strategy within its manufacturing sites across the world. More rooftops across Colgate are sporting solar panels as we strive to reach our goal of 100% renewable electricity in our global operations by 2030. Our Technology Campus in Piscataway, New Jersey, is setting the bold ambition to become a 'Net Zero' campus, and has made significant progress thanks to a recent installation of Phase II and III of on-site solar which included an additional 4,000 solar panels, equivalent to reducing over 1,600MT of CO$_2$ annually. Additionally, the site now features over 30 different electric vehicle charging stations to enable our employees to charge their electric vehicles.

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