



Colgate Sustainability Report 2015

Giving the World Reasons to Smile



Giving the World Reasons to Smile



About This Report

Unless otherwise indicated, this report includes environmental, occupational health and safety data from 100 percent of Colgate's manufacturing sites and technology centers around the world excluding contract manufacturers. Certain information relates to our broader value chain: Supplier Responsible Sourcing Assessment Program data includes selected contract manufacturers and suppliers; our greenhouse gas and water footprints include additional data from upstream and downstream in our value chain; progress on our Policy on No Deforestation includes selected suppliers. Financial information is presented on a consolidated basis and in U.S. dollars. The report provides data for Colgate's fiscal year 2015 along with prior history and more recent updates where indicated.

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.

For feedback, questions and comments related to Colgate's 2015 Sustainability Report, please contact csr@colpal.com. For all other inquiries, please visit Colgate's Consumer Affairs site at ColgatePalmolive.com.

Contents:

| | |
|---|-----|
| Message from Ian Cook | 3 |
| Company Profile | 4 |
| Sustainability Management | 6 |
| Awards and Recognition | 9 |
| 2011 to 2015 Strategy | 10 |
| 2015 to 2020 Strategy | 12 |
| Driving Sustainability Through Our Product Categories | 17 |
| ■ People | 26 |
| ■ Performance | 60 |
| ■ Planet | 84 |
| Partnerships | 121 |
| Key Performance Indicators | 124 |
| Global Reporting Initiative (GRI) Index | 126 |
| Reconciliation of Non-GAAP Financial Measures | 130 |

Cautionary Statement on Forward-Looking Statements

This report, including our 2011 to 2015 and our 2015 to 2020 Sustainability Strategies, contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the Securities and Exchange Commission (SEC) in its rules, regulations and releases. These statements are made on the basis of Colgate's views and assumptions as of this time, and Colgate undertakes no obligation to update these statements except as required by law. Colgate cautions investors that such forward-looking statements are not guarantees of future performance and that actual events or results may differ materially from these statements due to a number of factors. For information about factors that could impact Colgate's business and cause actual results to differ materially from forward-looking statements, consult 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, 2015).

Message from Ian Cook



At Colgate, our long-term commitment to sustainability helps drive our strong performance as we partner with our consumers, suppliers and customers to advance our business success and Give the World Reasons to Smile.

As 2015 ended, we moved to our next phase Sustainability goals for 2020 with gratitude to the Colgate people everywhere who helped us advance our strategy from 2011 to 2015. Through their efforts, we have improved the health and well-being of our communities, made our products more sustainable and helped to conserve the planet's vital resources.

At the same time, our journey has made clear to us how much more there is to do and how vital it is that

we continue our progress. Recognizing this, our 2015 to 2020 Sustainability Strategy involves more Colgate people, engages more of our consumers and partners and sets more ambitious goals for our performance. These new goals build on existing commitments, taking us deeper into the areas where we can truly make a difference.

In this 2015 Sustainability Report, you will see highlights of our progress in all areas of our strategy, including our Bright Smiles, Bright Futures (BSBF) oral education program, which is celebrating its 25th Anniversary in 2016. Colgate people take great pride in this initiative, which is among the most successful children's oral health initiatives in the world. Through long-standing partnerships with governments, schools and communities, BSBF has reached more than 850 million children and their families across 80 countries with free dental screenings and oral health education.

Colgate people can also take pride in the other critical 2011 to 2015 accomplishments:

- We improved the sustainability profile in 85 percent of new products.
- We surpassed our 2015 targets for greenhouse gas and energy reduction and continue to work towards our goal of a 25 percent absolute greenhouse gas reduction by 2020, which will help us do our part in the fight against climate change.
- We are educating millions of consumers about the importance of saving water through our Save Water campaigns, bringing a 2016 World Water Day message to "Turn Off the Faucet" to over 60 countries.

Colgate people remain deeply committed to the 2020 goals we outline in this report. All of us are excited to help make a difference for our communities and the planet by advancing these efforts. With their help, I am confident that Colgate will continue Giving the World Reasons to Smile.

Thank you,

Ian Cook

Chairman, President and Chief Executive Officer

Company Profile

Founded in 1806, Colgate-Palmolive is a \$16.034 billion consumer products company that serves people around the world with well-known brands that make their lives healthier and more enjoyable.

Colgate Brands

Colgate manufactures and markets Oral Care, Personal Care, Home Care and Pet Nutrition products under trusted brands such as Colgate, Palmolive, Speed Stick, Lady Speed Stick, Sanex, Softsoap, Irish Spring, Protex, elmex, Tom's of Maine, Ajax, Fabuloso, Soupline, Suavitel, Hill's Science Diet, Hill's Prescription Diet and Hill's Ideal Balance.

Operations

Colgate operates in over 80 countries, and our products are marketed in over 200 countries and territories.

Approximately 37,900 Colgate employees drive our success.

Headquartered in New York City, Colgate operates through six divisions around the world:



North America



Latin America



Europe



Africa/Eurasia



Asia/South Pacific

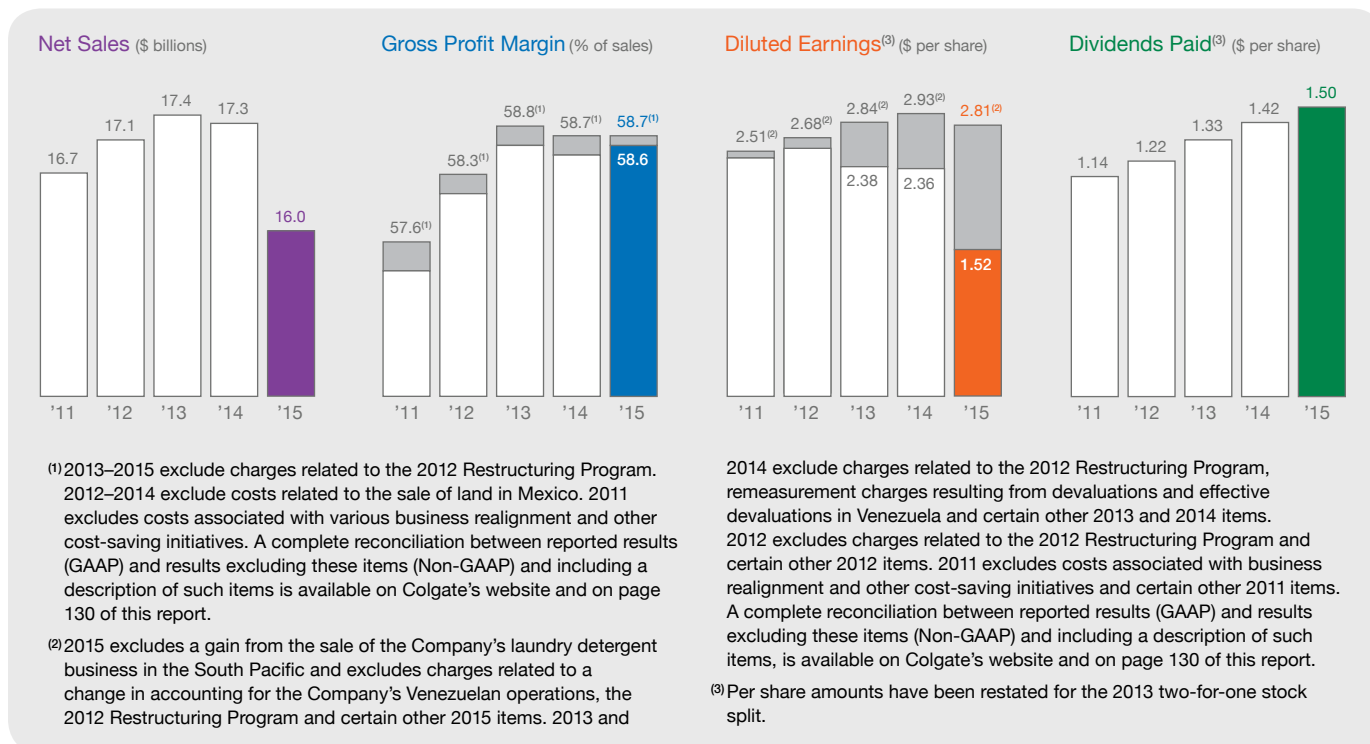


Hill's Pet Nutrition

Six Divisions

The Company has over 50 manufacturing and research facilities globally. The vast majority of Colgate products are manufactured in Colgate-owned facilities.

Business Strength



Colgate Values

Colgate's success is linked to the Company's values of Caring, Global Teamwork and Continuous Improvement.

■ Caring

The Company cares about people: Colgate people, customers, shareholders and business partners. Colgate is committed to act with compassion, integrity, honesty and high ethics in all situations and to listen with respect to others and to value differences. The Company is also committed to protect the global environment, to enhance the communities where Colgate people live and work and to be compliant with government laws and regulations.

■ Global Teamwork

All Colgate people are part of a global team, committed to working together across countries, and throughout the world. Only by sharing ideas, technologies and talents can the Company achieve and sustain profitable growth.

■ Continuous Improvement

Colgate is committed to getting better every day in all it does as individuals and as teams. By better understanding consumers' and customers' expectations and continuously working to innovate and improve products, services and processes, Colgate will become the best.

Colgate External Policy Statements

- Environmental, Occupational Health & Safety Policy Statement
- Code of Conduct
- Third-Party Code of Conduct
- FCPA and Anti-Bribery Policy
- Non-Retaliation Policy
- Political Contributions Policy
- Ingredient Safety Policy
- Quality Policy Statement
- Product Safety Research Policy
- Hill's Pet Nutrition Commitment to Animal Welfare
- Policy on No Deforestation
- State of California Disclosure: Supply Chain Transparency
- Policy on Conflict Minerals
- Global HIV/AIDS Policy Statement

Sustainability Management

Approach to Reporting

We recognize that transparency is important and provides a window into the Company's performance on sustainability. It is important to Colgate to provide the sustainability information relevant to a broad range of stakeholders, including consumers, non-governmental organizations (NGOs) and our own employees. In selecting reporting topics, we work to align with the GRI Sustainability Reporting Guidelines. Each year, we strive to build the capacity to report on more indicators. As such, this report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines. A GRI Content Index is provided on page 126. We additionally have identified the key sustainability issues of importance to Colgate and our stakeholders (see page 7). It is also our goal to provide context for our reporting; for example, our discussion of our water stewardship practices is written within the context of global water stress. Finally, we include the stories and photographs that bring our sustainability commitment to life, highlighting the enthusiasm and commitment of Colgate people around the world.

Many Colgate people across multiple geographies contribute to the development of this report each year. A process is in place to manage the flow of information and help ensure accuracy. Colgate has also obtained third-party assurance for our primary environmental Key Performance Indicators: percentage of products with an improved sustainability profile, manufacturing carbon reduction per ton (of production), manufacturing energy reduction per ton, manufacturing water consumption per ton, waste-to-landfill per ton and outbound logistics

carbon per ton. We also disclose information on our sustainability progress to several organizations. Colgate has provided information to CDP for over a decade. We have responded to the Climate Disclosure since 2004, the Water Disclosure since 2010 and the Forest Disclosure since 2012. Colgate also joined the CDP Supply Chain Program in 2008 to engage our suppliers. Colgate provides information to RobecoSAM to inform the Dow Jones Sustainability Index rankings as well as to several other ratings organizations. Colgate's sustainability information is also available on the Bloomberg Terminal.

Key Issues, Risks and Opportunities

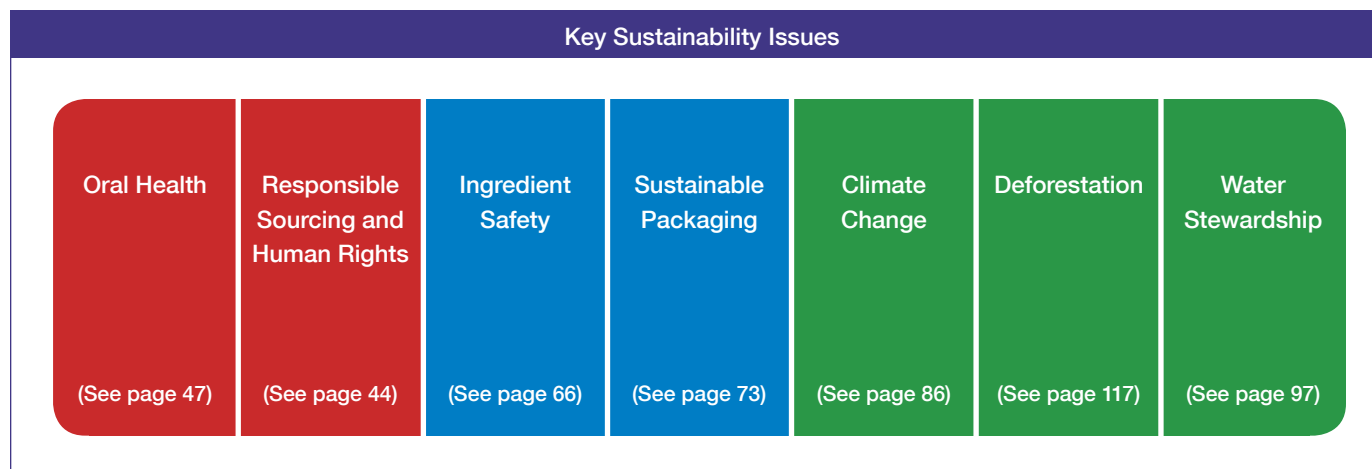
Materiality Approach

As a publicly-traded U.S. company, Colgate files required reports with the Securities and Exchange Commission. Our Annual Report on Form 10-K highlights risks material to an investment in the Company, including those relating to sustainability, namely trade expectations, volatility in material costs, reputational impact, changes in regulatory requirements, industrial accidents or other occupational health and safety issues, environmental events, disruptions in logistics, loss or impairment of key manufacturing sites, raw material and product quality or safety issues and natural disasters (e.g., climatic events). Colgate has also identified a set of key sustainability issues for the Company, taking into account the issues of interest to our stakeholders.

To determine the sustainability issues of interest to our stakeholders, we evaluated information from sources such as:

- Industry trade groups such as the American Cleaning Institute (ACI), the Grocery Manufacturers Association (GMA) and the Consumer Goods Forum (CGF), including the industry-wide materiality assessment performed by the ACI
- Retail partner surveys and inquiries
- Consumer inquiries
- NGO feedback
- Sustainability investor group inquiries and feedback
- Current and future regulatory requirements
- Leading sustainability surveys and rating agencies
- Media inquiries and interest
- Sustainability Accounting Standards Board
- Global Reporting Initiative
- Industry benchmarking
- Internal subject matter expert and Sustainability Steering Committee feedback

We then categorized and prioritized the issues with the most potential to impact our operations or supply chain or to create regulatory or reputational risk. In addition to risk, we considered whether an issue has potential to create shared value for both Colgate and society. From this process, seven key sustainability issues were identified:



Colgate is managing risks and opportunities related to these issues through the implementation of our 2015 to 2020 Sustainability Strategy as well as through our Enterprise Risk Management process. These same issues also provide an opportunity to drive innovation and growth, strengthen brand reputation and demonstrate our commitment to responsible business—to Giving the World Reasons to Smile. Additional detail on each of the issues and our actions to address them is provided in the body of the report.

Stakeholder Engagement

A wide variety of stakeholders help to inform our approach to sustainability. We engage with stakeholders on an ongoing basis to communicate Colgate's sustainability progress and listen to feedback. In fact, our sustainability commitments and goals were developed with the input of these stakeholders. See page 121 for a full list of Colgate's partnerships and detail on our engagement. Colgate's main stakeholder groups include:

- Our employees
- Our consumers
- Our retail customers and partners
- Our suppliers
- Our shareholders and investor groups
- Government and regulatory bodies
- Non-governmental associations
- Industry trade associations
- Local communities and community groups

Sustainability Governance

A Sustainability Steering Committee made up of Colgate's Chief Operating Officer, North America, Europe, Africa/Eurasia and Global Sustainability; Vice President, Global Sustainability and EHS; Chief Technology Officer; Senior Vice President of Global Human Resources; Vice President of Global Compensation and Benefits; Chief Marketing Officer; and Chief Supply Chain Officer makes strategic decisions related to sustainability and guides the organization to meet sustainability goals. Colgate's Vice President of Global Sustainability and EHS has direct responsibility for implementing sustainability and EHS programs.

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

Colgate's Chairman, President and CEO and full Board of Directors are kept abreast of the Company's progress via regular updates and consider sustainability matters, risks and opportunities in decision-making. Sustainability is considered an emerging risk as part of our Enterprise Risk Management planning; as part of that process, the Board is briefed on key sustainability issues. Additionally, Colgate's Chief Financial Officer provides the Audit Committee of the Board of Directors with an update on the Company's Risk and Crisis Management Program. The Personnel and Organization Committee of the Board reviews the Company's social responsibility programs and other public interest matters, including cultural diversity, equal opportunity, charitable giving and international human rights.

Colgate's values of Caring, Global Teamwork and Continuous Improvement guide the actions of our people and are the foundation of Colgate's commitment to sustainability. Several Company-wide policies outline Colgate's commitments to responsible business, from our Code of Conduct to our Ingredient Safety Policy. For a full list of external policy statements, see page 5.

Awards and Recognition

Colgate continues to be recognized for efforts in Sustainability and Social Responsibility:

Colgate named to
2014/2015 Dow Jones
Sustainability North
America Index

People



2016 World's Most
Ethical Companies from
Ethisphere Magazine

Top 50 Companies for
Executive Women 2016 from
National Association for
Female Executives

No. 38 in Top 50
Companies for Diversity 2015

2015 Working Mother
100 Best Companies and
Best Companies for
Multicultural Women

Job search engine Indeed.com and
Forbes recognized Colgate as one
of the 25 Big Companies with
Best Work-Life Balance
for the third consecutive year

Colgate named one of the
50 Best Employers in America
by Business Insider

Colgate named to
2016 Fortune
World's Most Admired
Companies list

Performance



Brandz Top 100
No. 57

Best Global Brands
Colgate was ranked in 2015
by Interbrand as one of the
Best Global Brands

In 2015 Forbes named
Colgate one of the
World's Most Valuable Brands,
Most Innovative Companies
and 25 Most Reputable Companies

Ranked No. 9 in
Global Supply Chain Top 25
by IT research and advisory
company Gartner

Colgate named No. 1 Most Trusted
Brand in India by The Economic
Times Brand Equity

Ranked by Advantage Group in the
top tier of suppliers in 12 of 17
markets when assessed for our
ability to work with retailers to meet
goals on social and environmental
sustainability

Colgate ranked on No.76
Corporate Responsibility
Magazine's 100 Best
Corporate Citizens list

Planet



U.S. EPA ENERGY STAR
Partner of the Year 2016 for the
6th year in a row, with recognition
for Sustained Excellence

72% of Colgate's manufacturing
facilities have achieved

U.S. EPA ENERGY STAR
Challenge for Industry recognition

Colgate was ranked as one of
the Best Global Green Brands
in 2015 by Interbrand

Colgate ranked in
Newsweek Green Rankings
2015 - No. 49 in U.S.,
No. 79 global

Colgate was named to the CDP
Climate Disclosure Leadership Index
for the fifth time in 2015

Colgate was one of eight companies
globally named to the CDP Water
A List in 2015 for leadership in
water stewardship

Colgate was presented with USGBC's
2015 Ray Anderson Radical
Industrialism Award for exemplifying
sustainability leadership in the
evolution of green manufacturing

2011 to 2015 Strategy



Promoting Healthier Lives

We Will

- Promote health and wellness to reduce employee health risks by 15%⁽¹⁾
- Achieve a 5% reduction in health costs and an improvement in early diagnosis of chronic and treatable disease
- Continue to focus on safety to achieve the goal of zero lost-time incidents



Contributing to the Communities Where We Live and Work

We Will

- Commit over \$300 million to increase our impact in the community
- Partner with dental professionals to improve community oral health care
- Expand Bright Smiles, Bright Futures program externally to reach one billion children by 2020
- Provide hand-washing awareness to over 50 million households
- Work with 250,000 veterinarians worldwide to educate pet owners and provide over \$100 million in pet food to shelters
- Continue to provide Colgate products after natural disasters
- Involve more Colgate volunteers in our community programs



Delivering Products That Delight Consumers and Respect Our Planet

We Will

- Increase the sustainability profile in all new products we produce and in the balance of our portfolio
- Ensure that ingredients continue to meet or exceed all recognized standards for safety, quality and environmental compliance and biodegradability
- Reduce the environmental impact of our products and packages by 20% by increasing the use of sustainable materials and recycled content



Making Every Drop of Water Count

We Will

- Reduce the water consumed⁽²⁾ in the manufacture of our products by 40% vs. 2005 consumption
- Reduce the use of water associated with our products by 15%
- Work with local and global organizations to help promote access to clean water
- Promote water conservation awareness among over two billion consumers



Reducing Our Impact on Climate and the Environment

We Will

- Reduce energy consumption⁽²⁾ and carbon emissions⁽²⁾ associated with the manufacture⁽³⁾ and distribution⁽⁴⁾ of our products by 20%
- Reduce waste^{(2)/(5)} sent to landfills from our operations by 15%
- Request that all key suppliers measure and disclose climate change information

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

⁽²⁾ Per unit of production

⁽³⁾ Vs. 2005

⁽⁴⁾ Baseline year varies by geography

⁽⁵⁾ Vs. 2010

Progress to Date

Colgate is pleased to report excellent progress on the Company's 2011 to 2015 Sustainability Strategy. The Company was again named to the 2014–2015 Dow Jones Sustainability North America Index, recognized as a U.S. EPA ENERGY STAR Partner of the Year for the sixth year in a row and was one of eight companies globally to be named to the CDP Water A List in 2015 for leadership in Water Stewardship. In addition to the highlights below, more about Colgate's Sustainability Strategy progress is available on Colgate's Sustainability website at ColgatePalmolive.com/Sustainability.



- Over half of Colgate employees have been invited to take advantage of a Health Risk Assessment tool to help them self-evaluate health status and understand risks, and to provide confidential feedback to motivate behavior change.
- Over 21,000 Colgate employees reached the goal of at least 500 minutes of healthy activity during the June Global Healthy Activity Challenge, together logging in over 23 million minutes.
- Colgate celebrated World AIDS Day at many sites around the world to increase awareness and improve education on the subject of HIV/AIDS. Free and confidential testing was also available in some locations.

- The World Health Organization identifies caries, or cavities, as the most chronic global disease. Colgate has the unique ability to address this issue and improve the oral health of children and their families around the world. In 2016, Colgate's Bright Smiles, Bright Futures oral health education program celebrates 25 years of educating children and improving oral health. Bright Smiles, Bright Futures reached over 50 million children in 2015, for a total of over 850 million children since its inception in 1991.
- Hill's Pet Nutrition has contributed pet food with a retail value of nearly \$285 million to nearly 1,000 pet shelters since 2002. These donations have helped more than eight million dogs and cats find their forever homes.

- Approximately 85% of the products evaluated with Colgate's Product Sustainability Scorecard were determined to be "more sustainable," having an improvement in at least one of the following areas: responsible sourcing and raw materials, energy and greenhouse gases, water, waste, ingredient profile, packaging and social metrics.⁽¹⁾
- 37% of our packaging materials, by weight globally, now come from recycled sources.
- Colgate has made great strides in meeting our commitment to eliminate phthalates, microplastic beads, formaldehyde donors and parabens from our products. For more information see Colgate's Policy on Ingredient Safety on the Company's Sustainability website.

- From 2005 to 2015, Colgate reduced water use per ton of production by over 33%, avoiding enough water use to fill approximately 7,700 Olympic-sized swimming pools.⁽²⁾
- Colgate continues to roll out our Save Water campaign globally to promote water conservation awareness, with on-package messaging, in-store communications and a partnership with The Nature Conservancy in the U.S.
- Colgate's contributions to Water For People's Everyone Forever program helped them to reach nearly 100,000 people in 2015 with water, sanitation systems and/or health and hygiene education in Guatemala, Peru and India.

- From 2005 to 2015, Colgate reduced greenhouse gas emissions per ton of production by over 26%, exceeding our 2015 goal and avoiding emissions equivalent to removing over 200,000 passenger cars from the road for one year.⁽²⁾
- Colgate was presented the 2015 Ray Anderson Radical Industrialism Award by the U.S. Green Building Council as recognition for exemplifying sustainability leadership in the evolution of green manufacturing.
- Working toward the Company's goal of Zero Waste, Colgate has reduced the amount of waste per ton of production sent to landfills by over 40% since 2010.⁽²⁾
- Colgate continues to progress on our commitment to mobilize resources to achieve zero net deforestation by 2020 as stated in our Policy on No Deforestation.

⁽¹⁾ The performance results are based on representative new products and product updates evaluated against comparable Colgate products, considering a 2010 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

⁽²⁾ Subject to final certification by a third-party auditor.

2015 to 2020 Strategy

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



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

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 a home
- Reach 60 million people annually with handwashing education
- Expand Colgate Cares Day globally to be a leader in volunteerism

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%
- 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

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

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

⁽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 and product updates evaluated against comparable Colgate products, considering a 2015 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

Beginning the 2020 Journey

Colgate is beginning the journey to meet the commitments of our 2015 to 2020 Sustainability Strategy. Colgate people around the world are coming together to align behind the commitments and begin to make progress. Below are highlights of our progress for each of our Strategy commitments.



Helping Colgate People and Their Families Live Better

Our Goals

Continuously improve employee health and reduce health risks by 15%

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

Highlights

Colgate uses the Health Risk Assessment (HRA), a voluntary, confidential survey, to assess health risk status. The HRA contains questions on employee health habits and biometric data (e.g., blood pressure) and is adapted to local language and culture. To date, we have provided the HRA to employees in 34 countries; work is ongoing to expand participation to all countries with over 100 employees. We continue to target our Live Better programming to align with our top four opportunity areas: nutrition, stress, physical activity and body weight.

We are developing plans to provide Colgate people with increased access to healthy food, preventive oral care and immunizations that address top local health concerns. Our buildings are smoke-free and we are piloting smoke-free campuses in some locations.

This commitment respects our long-standing commitment to health and safety, and we continue to exhibit world class performance. We continue to sharpen our focus on opportunity areas such as risk-based safety programming, driver safety, electrical safety and truck and traffic safety.

In the U.S., Colgate currently offers a comprehensive financial education suite to both our salaried and non-salaried personnel that includes classroom training, webinar programming and personal financial telephonic counseling sessions. We continue to increase financial education programming outside of the U.S.



Contributing to the Communities Where We Live and Work

Our Goals

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 the communities around the globe

Highlights

Each year, we reach over 50 million children in more than 320,000 schools around the world. Over 35,000 dental professionals help Colgate reach an additional six million children through professional activities. Colgate has reached a total of 850 million children since 1991. We are proud that in 2016, Colgate now celebrates 25 years of the Bright Smiles, Bright Futures (BSBF) program.

Contributions focus areas include arts and culture, community development, disaster response, education, social services, basic oral health, BSBF, health and hygiene, handwashing, access to clean water and environment and climate. In 2015, Colgate contributed \$28.28 million.



Contributing to the Communities Where We Live and Work

Our Goals

Partner with animal shelters to help over two million dogs and cats find a home

Reach 60 million people annually with handwashing education

Expand Colgate Cares Day globally to be a leader in volunteerism

Highlights

The Hill's Food, Shelter and Love program was created in 2002 to support homeless pets in U.S. shelters. Through this partnership, the Company provided pet food with a retail value of more than \$3.2 million in 2015, which adds up to almost \$285 million to nearly 1,000 shelters since the program's inception in 2002. These donations have helped more than eight million dogs and cats find their forever homes.

Colgate is working with public health officials, academia and local schools and clinics to educate millions of children and their families about the health and hygiene benefits of handwashing with soap. Colgate's global handwashing program provides educational materials and sample products to schools and communities and builds awareness through advertising and public relations campaigns. In 2015, Colgate reached 35 million people through advertising, media campaigns, community events and educational programs in schools.

We have completed our third annual Colgate Cares Day in four locations with 800 volunteers participating in 35 volunteer activities. Outside the U.S., there are many additional volunteer activities, such as BSBF, Operation Smile, Adopt a School and our Water For People partnership in Guatemala.



Brands That Delight Consumers and Sustain Our World

Our Goals

Improve the sustainability profile in our new products and product updates

Commit \$250 million to drive sustainability with breakthrough product and process innovation

Increase the recyclability of our packaging and increase recycled content to 50%

Highlights

We measure improvement in the sustainability profile of our products using a Product Sustainability Scorecard that evaluates new products and key platform changes against 25 sustainability parameters. The scorecard and outcomes are validated by a third party. In 2015, 85% of the products evaluated were determined to have an improved sustainability profile.

Colgate continues to commit resources to drive sustainability innovation, including next generation preservative systems, improving the ingredient sustainability profile of our products and packaging improvements. A formal process is in place for Colgate teams around the world to research and ideate on Colgate's Innovation Opportunity Spaces, including the area of water scarcity as well as the area of naturals and well-being.

Today approximately 37% of the materials in our packages are from recycled sources. In the near term, we are working to improve recyclability of our packages through development of perforated shrink sleeves and phasing out the use of PVC in our toothbrush packaging.



Brands That Delight Consumers and Sustain Our World

Our Goals

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

Highlights

Colgate makes products more affordable, while maintaining quality, with smaller sizes, refill packages and value options. We work for strong penetration and wide distribution so that more consumers have access to Colgate products. We are also finding ways to offer the benefits of more premium products at affordable price points, to provide products that yield more product per use and to help consumers to dose properly to eliminate waste. For example, in 2015, Colgate launched a toothbrush with the premium benefit of a tapered bristle at an affordable price point in Vietnam, Taiwan and China.

We are strengthening the linkage between sustainability and brand value. Several of our sustainability programs such as our Save Water messaging, BSBF and handwashing programs build awareness and drive engagement.



Making Every Drop of Water Count

Our Goals

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

Highlights

We have a long-standing commitment to reduce Colgate's water intensity and have a robust program across our operations. So far, we have already reduced our manufacturing water intensity by over 48% compared to 2002.

We have completed water risk mapping to identify operations located in areas of high water stress. In 2015, Colgate hosted a student project in the MIT Sloan School of Management's Action Learning Sustainability Lab to identify factors that should be considered as we work to meet our commitment to replenish water in highly stressed regions.

We are working to increase supplier engagement in our water stewardship program in two ways:

- 1) participating in the CDP Supply Chain Program; and
- 2) identifying and engaging suppliers on our most water intensive raw and packaging materials.

Colgate's contributions to Water For People's Everyone Forever program helped them to reach nearly 100,000 people in 2015 with water, sanitation systems and/or health and hygiene education in Guatemala, Peru and India. Colgate also sponsors 25 PlayPumps in South Africa, which help villages obtain clean water from wells.

Colgate continues campaigns to increase consumer awareness through Save Water messaging on our packaging, online and in stores. In 2016, Colgate aired our award-winning Save Water video message during football's Big Game. This campaign alone has reached over 2.7 billion people through earned and social media and views of the television and online video. Colgate expanded the Save Water campaign globally with messaging around World Water Day on March 22, 2016. Our video and message to Make Every Drop of Water Count was live in more than 60 countries around the world.



Reducing Our Impact on Climate and the Environment

| Our Goals | Highlights |
|--|---|
| <p>Responsibly source palm oil and other forest commodities to reach zero net deforestation</p> | <p>Colgate is partnering with our suppliers, The Forest Trust, RSPO and the CGF Palm Oil Working Group to meet our commitments. All palm oil, palm kernel oil and derivatives are now from certified sources or covered by GreenPalm certificates. We have contributed nearly \$8 million to support sustainable palm oil production since 2013, and currently 77% of palm oil and palm kernel oil purchases are of physical certified sustainable oils with the balance covered by GreenPalm certificates.</p> |
| <p>Promote use of renewable energy and reduce absolute greenhouse gas emissions from manufacturing by 25% compared to 2002</p> | <p>An absolute greenhouse gas reduction goal has moved us into areas beyond energy conservation, including installation of electric car chargers in select locations, purchasing of Renewable Energy Credits and evaluation of new technologies such as fuel cells. Colgate was ranked #77 on U.S. EPA's Green Power Partner List in 2015. So far, we have reduced our absolute greenhouse gas emissions by 18.7% compared to 2002.</p> |
| <p>Reduce our manufacturing energy intensity by one-third compared to 2002</p> | <p>We continue to reduce our footprint and drive savings via factory energy reduction initiatives, including our EOHS Energy Management Standard, 5% for the Planet investment, Colgate Global Energy Reduction Team, Energy Treasure Hunt Program and Top 10 Energy Actions. Since 2002, we have achieved a 29.7% energy intensity reduction and avoided nearly \$500 million in energy expenditures.</p> |
| <p>Halve our manufacturing waste sent to landfill per ton of product compared to 2010, working toward our goal of Zero Waste</p> | <p>Colgate has reduced the amount of waste per ton of production sent to landfills by over 40% since 2010. Our Zero Waste program continues to mature, with Trash to Treasure waste-sorting events and a recognition program for sites that are leading or have achieved Zero Waste to Landfill. Three of our sites have achieved Zero Waste to Landfill status with nine sites achieving Waste to Landfill Performance Leader recognition.</p> |
| <p>Partner with key suppliers, customers and consumers to reduce energy, greenhouse gas emissions and waste</p> | <p>We continue to reduce our footprint and drive savings through efficient and sustainable logistics. More recently, we have estimated the carbon footprint of the materials used in our products in both our Personal and Home Care categories, in addition to the work recently completed in our Oral Care category.</p> |

Driving Sustainability Through Our Product Categories

Colgate is embedding sustainability in each of our product categories, from the raw materials we purchase, to our own operations, to the end-of-life of our packaging. With a focus on responsible sourcing, ingredient sustainability, reducing our operational footprint, educating consumers and improving our packaging, we are improving the sustainability profile of our Oral Care, Personal Care, Home Care and Pet Nutrition offerings. We are engaging with suppliers, retailers, consumers and the community to bring our Sustainability Strategy to life in each category.



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Oral Care

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



Supply of Raw and Packaging Materials

- Reducing the carbon footprint of Oral Care ingredients
- Sustainable palm oil and derivatives
- Using recycled content and FSC-certified paper board in our cartons⁽¹⁾
- Supplier Responsible Sourcing Assessments



Product Development and Design

- Improving ingredient sustainability profile
- No use of microbeads
- Product Sustainability Scorecard
- Partnering to develop alternatives to animal safety testing
- Improving product-to-package ratio

⁽¹⁾ Approximately 37% of Colgate's packaging materials by weight globally come from recycled sources. Over 90% of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests.

Driving Sustainability Through Our Product Categories



Reducing Our Operational Footprint

- Climate change commitment
 - 88% of Oral Care manufacturing plants have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition
- Water Stewardship
- Working Towards Zero Waste. Three Oral Care plants are Waste to Landfill Performance Leaders
- Five LEED-NC Oral Care manufacturing plants
- World-class safety performance

Consumers and the Community

- Oral health education through Bright Smiles, Bright Futures
- Encouraging proper toothbrushing and use of toothpaste in remote areas
- Promoting water conservation awareness
- Improving affordability and access to oral care products
- Toothbrush and toothpaste donations in times of need
- Ingredient transparency



Product End-of-Life

- Approximately 65% of toothpaste cartons are recyclable
- Commitment to breakthrough innovation in oral care packaging recyclability
- Removing PVC from toothbrush packaging
- Partnering to build recycling infrastructure
- Partnering with Terracycle®

Personal Care

Colgate is making improvements in our Personal Care category, from improving ingredient biodegradability and moving towards 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. We are also working to reduce our carbon and water footprint, both in our supply chain and our own operations.

Supply of Raw and Packaging Materials

- Reducing the carbon footprint of Personal Care ingredients
- Responsible sourcing of palm oil and beef tallow
- Supplier Responsible Sourcing Assessments
- Engaging suppliers on green chemistry



Product Development and Design

- Improving ingredient biodegradability
- Developing sustainable preservative systems
- Eliminated use of phthalates
- Eliminated use of microbeads
- Eliminated use of parabens
- Eliminating use of formaldehyde donors in a limited number of remaining Personal Care products
- Product Sustainability Scorecard

Driving Sustainability Through Our Product Categories

Reducing Our Operational Footprint

- Climate change commitment
- 82% of Personal Care manufacturing plants have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition
- Water Stewardship
- Working Towards Zero Waste. Two Personal Care plants are Waste to Landfill Performance Leaders
- World-class safety performance



Consumers and the Community

- Handwashing education through Palmolive and Protex brands
- Promoting water conservation awareness
- Partnering to promote WASH support: water access, sanitation and hygiene
- Ingredient transparency
- Innovating to help consumers use less water

Product End-of-Life

- Optimizing packaging volume and weight
- Partnering to build recycling infrastructure
- Tom's of Maine leading innovation with recyclable deodorant packaging



Home Care

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



Supply of Raw and Packaging Materials

- Reducing the carbon footprint of Home Care ingredients
- Increasing use of recycled plastics
- Supplier Responsible Sourcing Assessments
- Engaging suppliers on green chemistry



Product Development and Design

- Improving ingredient biodegradability
- Developing sustainable preservative systems
- Eliminating use of formaldehyde donors in a limited number of remaining Home Care products
- Reducing Volatile Organic Compounds
- Product Sustainability Scorecard
- Concentrated product offerings



Reducing Our Operational Footprint

- Climate change commitment
 - 71% of Home Care manufacturing plants have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition
- Water Stewardship
 - Working Towards Zero Waste. Two Home Care plants are Waste to Landfill Performance Leaders
- World-class safety performance

Consumers and the Community

- Saving consumers time and energy with fast dry technology and cold water wash formulas
- Helping consumers save water with no rinse fabric softener and easy rinse cleaners
- Ingredient transparency
- Providing cleaning products during health epidemics



Product End-of-Life

- Increasing use of recyclable plastic bottles and exploring options for recyclable and removable bottle sleeves
- Expanding refill package options
- Optimizing packaging volume and weight
- Partnering to build recycling infrastructure

Driving Sustainability Through Our Product Categories

Pet Nutrition

Hill's Pet Nutrition is working to responsibly source its ingredients, 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 in Working Towards Zero Waste at Colgate. The first three Zero Waste to Landfill factories are Hill's factories.

Supply of Raw and Packaging Materials

- Supplier energy efficiency initiatives
- Responsible sourcing of soy
- Responsible sourcing of seafood
- Supplier Responsible Sourcing Assessments



Product Development and Design

- Dedication to providing high-quality ingredients with the proper balance of essential nutrients
- More than 180 veterinarians, PhD nutritionists and food scientists creating new products and improving existing ones
- Product Sustainability Scorecard

Reducing Our Operational Footprint

- First three Zero Waste to Landfill factories in Colgate world
- Climate change commitment
- Water Stewardship
- World-class safety performance



Consumers and the Community

- Food, Shelter, Love: almost \$285 million provided to animal shelters since 2002, helping more than eight million dogs and cats find their forever homes
- Hill's Disaster Relief Network, a first of its kind formalized U.S. emergency network for pets
- Online Pet Care Resource Center
- Community volunteering

Product End-of-Life

- Optimizing primary and secondary packaging
- Increasing recycled content of corrugate materials
- Engaging with packaging suppliers to improve logistics efficiencies
- Encouraging consumers to recycle its wet food cans with on-package labels



People

2015
AT A
GLANCE

37,900

Employees
around the world

850

Million
children reached in 80 countries
by Colgate's Bright Smiles,
Bright Futures oral
health education program
since 1991

35

Million
people reached in 2015
about the health and hygiene
benefits of handwashing
with soap

8

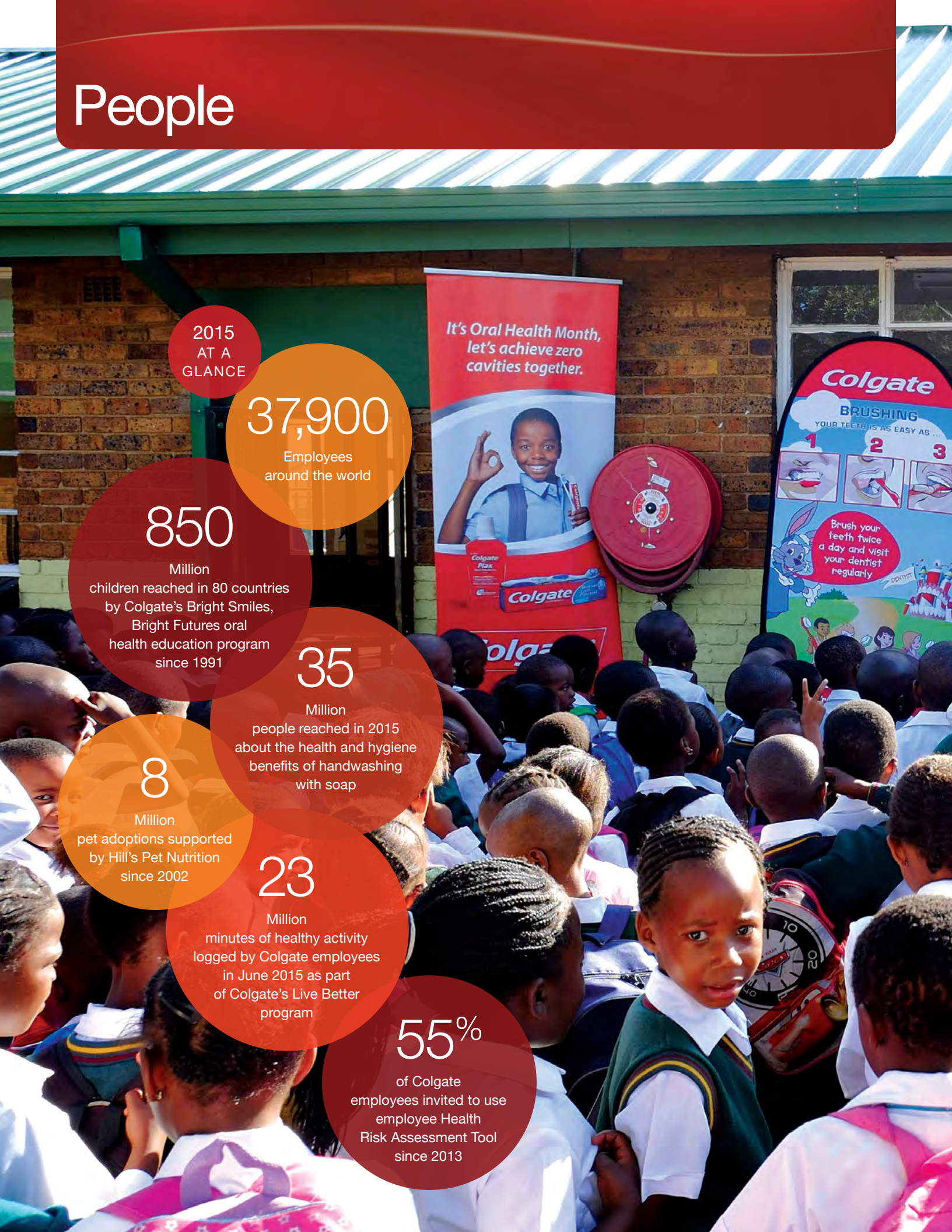
Million
pet adoptions supported
by Hill's Pet Nutrition
since 2002

23

Million
minutes of healthy activity
logged by Colgate employees
in June 2015 as part
of Colgate's Live Better
program

55%

of Colgate
employees invited to use
employee Health
Risk Assessment Tool
since 2013





For over 200 years, Colgate has been committed to *People*. From the nearly 38,000 employees around the world who run our business to the billions of consumers who use our products, people are at the heart of what we do and how we do it.

2015 Awards Highlights

In 2015, Forbes named Colgate one of the World's Most Reputable Companies, Most Innovative Companies and the No. 1 Best Company for Work/Life Balance



Business Insider 50 Best Companies to Work for in America



World's Most Ethical Companies by Ethisphere Magazine



Corporate Responsibility Magazine's 100 Best Corporate Citizens

Supporting Colgate People

Thousands of people around the world work together to make Colgate successful. In turn, the Company is committed to the success of our people throughout their careers. Through training and career development programs, Colgate helps employees stay engaged, rewarded and focused on delivering products and services that meet or exceed our consumers' expectations. To support the development of our people and ensure job satisfaction, we proudly offer global career opportunities, access to world-class training and education programs and continuous coaching and feedback.

Striving to Be an Employer of Choice

We are committed to attracting, developing and retaining talented and dedicated people by:

- Maintaining a culture based on our core values of Caring, Global Teamwork and Continuous Improvement
- Committing to our sustainability strategy focused on People, Performance and Planet
- Providing stimulating careers with training, education and growth opportunities
- Creating an exciting and motivating work environment
- Ensuring that people feel recognized and rewarded
- Promoting fundamental values and ongoing communication
- Providing cornerstone training programs: Valuing Colgate People, Ethics and Compliance and Leading with Respect
- Recruiting and retaining people of all backgrounds in our global workforce
- Promoting healthier lives for our employees
- Encouraging a healthy balance between work and personal responsibilities



Professional Development

Colgate is committed to helping every Colgate person reach his or her maximum potential. We have a strong, global leadership development foundation to build upon and are expanding the reach of our current programs to meet the evolving leadership challenges that we face. We keep pace with the rate of change in the marketplace and provide a sustainable competitive advantage for Colgate through the development and maintenance of a robust, industry leading talent pipeline of future Colgate leaders.

We are continuously building a learning and development culture that drives employee engagement and supports delivery of our commitments to one another, the professions we serve, our consumers, our customers and our shareholders. Colgate's training programs provide opportunities for Colgate people to keep current in their assignments and to gain valuable new skills. In 2015, Colgate people completed over 356,000 total hours of training in our global curriculum as well as additional hours of locally required safety, environmental and other regulatory training.

Developing Leaders

We believe that Colgate people at all levels and functions need to have a clear understanding of what it takes to demonstrate Personal Leadership. Personal Leadership is about who one is as an individual, what one contributes to the Company's results and how one achieves those results and treats others. It is about being the best Colgate person one can be. Demonstrating Colgate's Leadership Essentials is an important aspect of Personal Leadership. Colgate's Leadership Essentials are:

- Inspiring Leadership in Everyone
- Acting Courageously
- Providing a Strategic Perspective
- Building a Collaborative Environment
- Delivering Outstanding Results

Key leadership courses at Colgate include Valuing Colgate People, Coaching Essentials, Fundamentals of Colgate Leadership and Driving Team Effectiveness in the Organization. Several programs additionally provide opportunities for exceptional Colgate talent to approach new and exciting challenges and hone their skills.

- Global Leadership 2030 is a 12-month innovative executive education and development experience conducted by a consortium of the Tuck School of Business at Dartmouth College and a select number of global companies. The goal is to build global competitiveness within industries and organizations and to develop personal leadership skills among program participants.
- Developed in partnership with the Stanford Graduate School of Business, the Colgate Leadership Program @ Stanford combines leading academic thinking and practical advice with learnings from Colgate's 2014 General Managers Forum, which was held in partnership with Stanford and conveyed practical lessons to sharpen leadership capabilities and strengthen networks and partnerships.
- The Colgate Leadership Challenge for early-in-career talented 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 Company.

Training Highlights

- We are committed to providing marketers with the tools necessary to build digital marketing capabilities in a rapidly-evolving marketplace. As part of this commitment, we are implementing Essentials of Digital Marketing in 2016, an online digital training that provides custom-learning paths based on level of proficiency. The platform has a fresh, engaging interface with interactive lessons developed by industry-leading practitioners. The training spans a variety of topics related to digital marketing and lessons evolve to keep pace with industry trends.
- For our Customer Development Organization that engages with our retail partners, Core Selling Skills is a two-and-a-half-day program that explains the Colgate Core Selling Process and teaches the strategic selling skills required to determine the needs and priorities of each and every unique customer, regardless of retail environment, in order to execute a successful sales call.

- Colgate's Global Supply Chain Organization has leveraged Accenture Academy for nearly a decade to provide foundational functional learning content. The Accenture Academy contains over 1,200 courses, aligned across business, and specialty and functional skills, developed by leading academic and industry experts.
- Colgate has a global license for SCM World, making SCM World's content and knowledge base available to all Colgate people. Starting in 2016, Colgate

has also engaged SCM World to facilitate two new leadership development programs that will combine formal and experiential learning based on the latest strategic thinking, trends, technology developments and best practices. The C Level program is targeted to current senior supply chain leaders while the Supply Chain Core Talent Development Program is aimed at next level leaders. These programs will help us develop a vision for The Future of Work in Colgate's Supply Chain.



Colgate Leadership Challenge

Participants in the Colgate Leadership Challenge have an opportunity to work on an important strategic issue for the Company, such as sustainability.

In addition to training and leadership development programs, Colgate has a structured Individual Development Planning (IDP) process for Colgate people to reflect upon their own career aspirations. In most cases, Colgate people participate in this process annually to create a plan between the employee and the manager for development actions based upon their strengths, opportunities for improvement and goals. The IDP process helps facilitate a two-way discussion on long-term

career development opportunities as well. Colgate also has a company-wide succession planning process that focuses on identifying key organizational talent needs and provides management with an opportunity to discuss and plan employee development and career progression. During this process, short-term assignment, long-term assignment and special project opportunities are identified that allow our talent to broaden their leadership and functional competencies.

Health and Wellness

Supporting Colgate people includes an important commitment to supporting the health and wellness of our employees around the world. Through our Live Better programs, we promote physical, emotional and financial wellness for Colgate people and their families. Our goal is to help our people Live Better every day by providing the resources to help them make healthy choices at work and at home and by providing the support they need to live a more balanced, healthy life. Colgate's Live Better programs focus on the areas of prevention and awareness, healthy lifestyles, resilience and stress and organizational support.

Our Live Better focus areas are grounded in our 2020 Sustainability Strategy commitments to continuously improve employee health and reduce health risks by 15 percent; to encourage healthier living for Colgate people and their families; to ensure a safe and healthy work environment with a goal of zero lost-time incidents; and to provide education and tools to Colgate people to elevate financial awareness and planning. Building on the groundwork laid in our 2015 Sustainability Strategy, our 2020 goals will help us to reach more Colgate people with support for the health and wellness issues that matter the most. We are engaging our sites around the world in the following activities:



Colgate's Live Better Focus Areas

| Prevention and Awareness | Healthy Lifestyles | Resilience and Stress | Organizational Support |
|--------------------------|---------------------------|------------------------------|------------------------|
| Health Risk Assessments | Physical Activity | Employee Assistance Programs | Employee Engagement |
| Immunizations | Nutrition Education | Financial Wellness | Safety Culture |
| HIV/AIDS Policy | Weight Management | Resiliency Programs | Leadership Engagement |
| Health Screenings | Healthy Cafeteria Options | Work/Life Services | Community Partnerships |
| Preventive Oral Care | Smoking Cessation | | |

Health Risk Assessments

When anonymously aggregating HRA data, we found that the highest risk factors for Colgate people are:

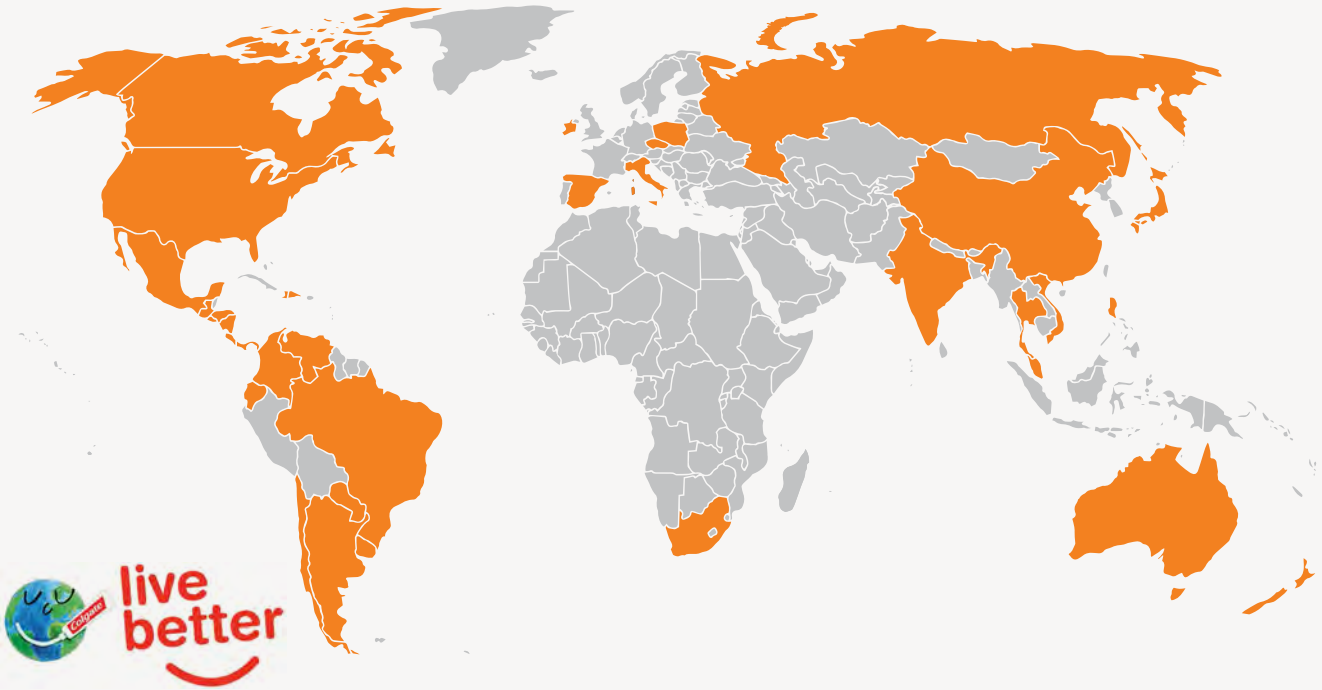
- ✓ Nutrition
- ✓ Physical Activity
- ✓ Stress
- ✓ Body Weight

Prevention and Awareness

Since 2013, Colgate has offered over 55 percent of our employees access to a Health Risk Assessment (HRA) tool to help them self-evaluate health status, understand risks and provide confidential feedback to motivate behavior change. The assessment is a powerful, online tool that includes questions on biometric measures such as blood pressure and cholesterol. Colgate also aggregates this data anonymously to focus our Live Better programs on the highest risk factors for Colgate people such as nutrition, physical activity, stress and body weight. According to the World Health Organization, physical inactivity and unhealthy diets are risk factors for cardiovascular disease, diabetes and cancer. We continue to expand the program with a goal to reach all countries with 100 or more employees by 2020. In 2015, we expanded access to 15 new countries. We are also working to increase participation rates in the countries that currently offer the program.

We are also making plans to ensure that all Colgate people are able to obtain the immunizations they need in order to stay healthy. Additionally, we are developing an approach to address any gaps in dental care access globally and ensure continued oral health awareness for our people.

Helping Colgate People Assess Health Risks



Colgate has offered over 55 percent of our employees across 34 countries access to a Health Risk Assessment tool since 2013, with a goal to reach all countries with 100 or more employees by 2020.

Healthy Lifestyles

Colgate has many programs around the world to support healthy lifestyles. Programs vary by geography but include those to support physical activity, nutrition education, weight management and smoking cessation as well as to provide healthy cafeteria options.

A key Live Better program is the annual Healthy Activity Challenge, which encourages employees to track and log at least 500 minutes of healthy activity in one month, in line with medical experts' recommendations for minimum physical activity to sustain good health.

During the month, we sponsor activities from yoga classes to ping pong tournaments for Colgate people. Many locations hold health and wellness events to educate and motivate employees on the topics of nutrition, weight loss and a healthy body and mind. In 2015, over 21,000 employees reached their goal, and Colgate people logged over 23 million minutes. Colgate's Asia region had the highest participation rate in 2015 at 82 percent. Our Latin America region had the highest rate of employees reach their 500 minute goal at 70 percent. Over the past five years, Colgate people have accumulated over 73 million minutes of healthy activity.



Vietnam



Start your day with a fresh piece of fruit!



Colgate is working to encourage healthy food choices and make more healthy options available.

Smoking Cessation in Brazil



Through campaigns and resources in São Paulo, Brazil, Colgate helped reduce the number of employees who smoke from 15% in 2010 to 5% in 2015.

Colgate locations often include nutrition education and resources in their Live Better programs and as part of the Healthy Activity Challenge, with events such as healthy cooking demonstrations, nutrition workshops, educational information, labeling of healthy options and serving of healthy breakfasts and lunches. A Nutrition Toolkit is also available to Colgate people on the Company's intranet site. Moving forward, we will also work with our global facilities service providers for Colgate cafeterias to ensure healthy options are provided and communicated to employees.

A more recent area of focus for Live Better at Colgate is smoking cessation. Colgate prohibits smoking within all Company buildings, including all manufacturing facilities, warehouses, technology centers and office buildings. A next step is to expand programs to help our employees quit smoking. Currently, nine Colgate sites offer smoking cessation support. A recent program in Brazil has been particularly successful. With anti-smoking campaigns, medical education, counseling options and partially subsidized smoking cessation medication, the smoking population of the São Paulo site went from 15 percent in 2010 to 5 percent in 2015.

Resilience and Stress

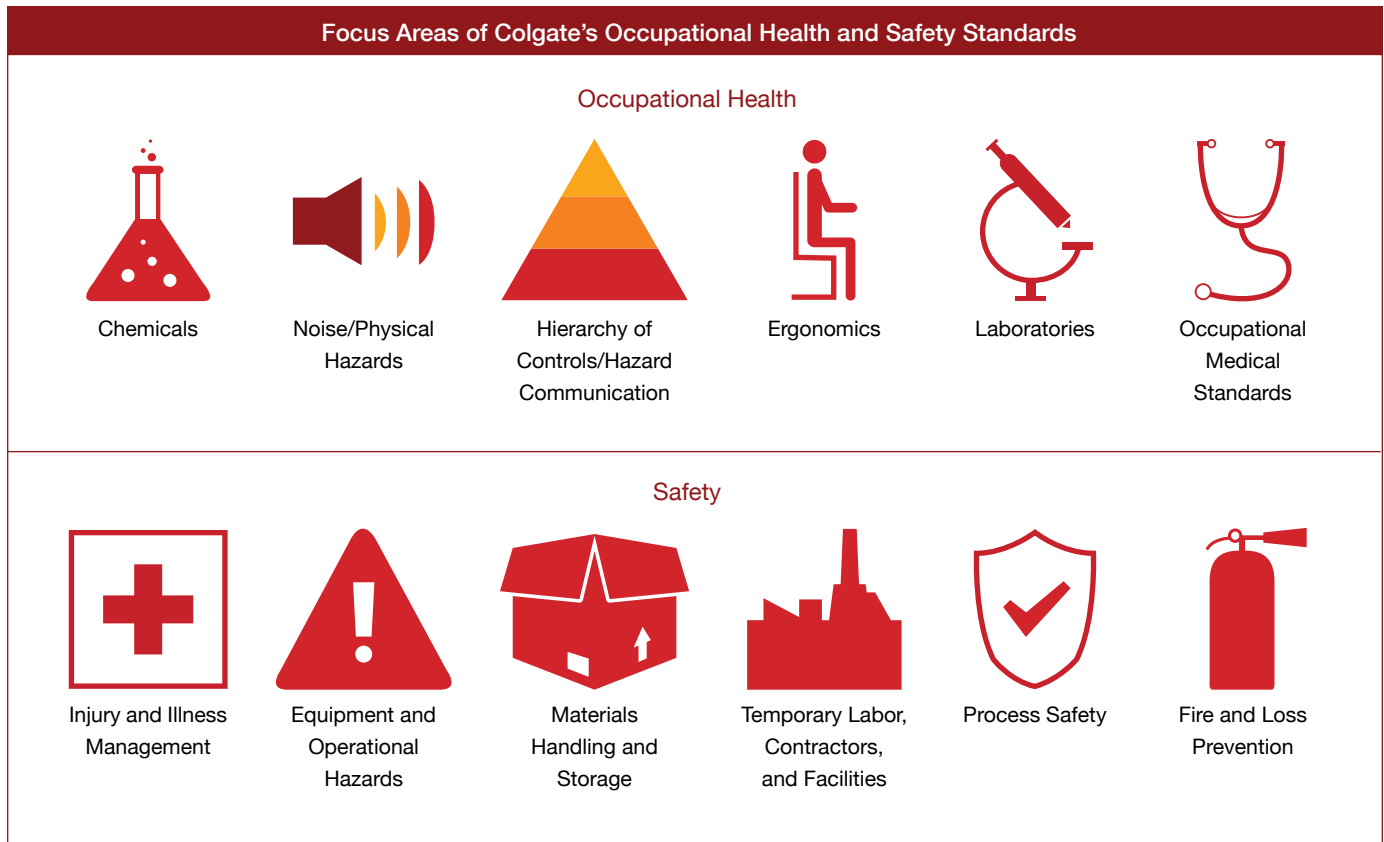
Colgate works to provide opportunities for employees to obtain a balance between work and life. Programs vary by geography but include flexible work arrangements, adoption benefits, tuition benefits and back-up child care options. Live Better events include seminars on resilience and stress management.

Colgate is also committed to ensuring the financial well-being of our employees. We are rolling out financial education materials and planning tools in 20 select subsidiaries. In the U.S., Colgate people have access to financial planning workshops, web resources and personal financial planning support from Ernst & Young, LLP at no cost.

In 2015, Forbes named Colgate the No.1 Best Company for Work-Life Balance.

Occupational Health and Safety

The health and safety of our employees and the communities in which we operate is paramount in all we do; our goal is zero incidents. Colgate people around the world are committed to being “Colgate Careful” by maintaining a robust safety culture and healthy and safe working conditions.



Colgate’s global occupational health and safety program is grounded in our Environmental, Occupational Health and Safety (EOHS) standards. While we do not participate in the OHSAS 18001 certification system, our management system and technical standards expectations are well-aligned with that system.

Colgate sites are expected to self-assess conformance with our standards at eighteen-month intervals. Corporate audits are conducted every three to five years, a closure progress is reported quarterly and verification audits are conducted to provide closure assurance. Third-party industrial hygiene firms also review our operations annually to ensure occupational health exposures are well controlled. Any identified exposures

are managed using the hierarchy of controls and closure progress is reported quarterly. Closure of previously identified exposures is verified by the third-party industrial hygiene provider.

Colgate also provides numerous safety training programs as an important part of our safety management strategy. We offer 150 e-learning courses available in as many as eight languages. Courses cover a range of topics such as EOHS incident management, hearing conservation, ergonomics in the workplace, confined space entry, fire safety emergency, safe work practices and industrial hygiene. We also conduct evacuation drills across our sites ensuring we are prepared in the event of unforeseen circumstances.

President's Safety Awards

The President's Safety Award Program recognizes Colgate sites as they achieve specific milestones of time in years and/or hours without a Lost Workday Injury or Illness. In 2015, 68% of our manufacturing facilities received one or more awards.

Global Safety Statistics



In 2015, our safety results were not statistically different from prior years. However, there were two on-site fatalities of non-Colgate employees. The first was a supplier employee fatality that occurred during the course of unloading a tractor trailer at a factory. The second incident was a contractor fatality, which occurred during the course of pipe fitting at a plant construction site. In the spirit of continuous improvement, each incident has been reviewed, and we are creating action plans to strengthen hazard mitigation strategies.

2015 Safety Highlights

■ Electrical Safety

As part of our safety risk management plan, Electrical Safety has been identified as one of our highest risks to life safety. To address this risk, Colgate contracted with Jacobs Engineering to assess the safety of our power distribution systems at our operations worldwide. Assessed sites have developed action plans to manage risk and are taking immediate corrective action to address highest risk exposures. We are also incorporating the learnings from these assessments into the update of our global Electrical Safe Practices Standard.

environment with appropriate resources and procedures in place to effectively respond to and mitigate any potential incidents. A training program was also developed to help Colgate people identify, report and respond to workplace violence should it occur. In 2016, all U.S.-based employees are required to participate in this training.

■ Workplace Violence

Recognizing the recent tragedies in workplaces, schools and public locations in the U.S., we have developed a Workplace Violence Prevention Policy to ensure we maintain a safe and respectful work

■ Occupational Health

We continue Colgate's long-standing commitment to reduce occupational health exposure to chemicals, noise, physical hazards, dust and ergonomics risk in the manufacturing process. We partner with third-party industrial hygienists to assess our exposure levels and follow the hierarchy of controls to reduce exposure. Each year, we are reducing the number of Colgate people who are required to wear respiratory and hearing protection.

■ Risk-Based Management

We have continued to sharpen our focus on risk-based safety with a goal to eliminate fatalities and serious incidents. This approach involves an assessment of the severity of an event as well as the degree of control over the outcome. Beginning in 2015, an annual risk assessment is now required for all sites as part of Colgate's Management System Standard.

■ Yard Safety

Recognizing the Life Safety risk associated with movement of trucks, cars and people in factory and warehouse yards, Colgate has formalized our expectations via a new Yard Safety Standard that includes expectations for pedestrian walkways, appropriate lighting, clear traffic paths and safe procedures for loading and unloading. A training module has also been launched to support implementation.



■ Ergonomics

In 2015, Colgate rolled out a new global program to reduce ergonomics risk. Manufacturing sites and technology centers are expected to achieve 100% completion of the Ergo Top 5 actions over a two-year period:

- 1) Complete ergonomic risk assessments of job tasks
- 2) Reduce or eliminate ergonomic hazards associated with manual bag dumping stations
- 3) Reduce or eliminate ergonomic hazards associated with manual palletizing
- 4) Implement appropriate control strategies for high-risk ergonomic tasks
- 5) Complete annual ergonomics training

We are making progress. As we closed 2015, our completion rate was 56 percent.



■ Occupational Medicine

In 2016, Colgate partnered with "International SOS" to launch a Standard for Health Incident Plans at our sites, which includes guidance on incident/illness management, pandemic preparedness and employee and community communications. The guidance identifies actions for our sites to ensure the safe and effective management and communication of the occurrence of 13 diseases in the workplace and community, including Cholera, Hepatitis, Influenza (seasonal), Legionella, Measles, Meningitis, MRSA, Mumps, Norovirus/Pertussis, SARS, Tuberculosis, Varicella, Ebola and Pandemic Influenza. For each disease, we have developed a detailed protocol for management of an incident or illness, reference and background materials, communication materials and cleaning guidelines.

“Cathy Colgate,” our global safety champion helps communicate our Minimum Safe Behaviors and other safety programs to Colgate people.

BE COLGATE CAREFUL

MINIMUM SAFE BEHAVIORS



Protect Yourself
Against a Fall When
Working at Heights



Machine Guards
Should Not Be Disabled
or Bypassed



Obtain a Permit Before
Entering a Confined Space



No Distractions
While Driving or
Operating Machinery



Obtain a Permit Before
Performing Hot Work



No Unauthorized
Discharges to
the Environment



Obtain a Permit Before
Breaking a Line



No Horseplay or Fighting



Buckle Up for Safety



No Drugs or Alcohol



Use Proper
Personal Protective Equipment



No Smoking



Verify Equipment Is De-energized
or Isolated Before Beginning Work
Lock It Out



Each March, Colgate holds a Company-wide Safety Week, sharing best practices and refreshing our focus on health and safety. This week remains a cornerstone of our safety culture and provides an opportunity to focus on fundamentals. Several Safety Week events also include Colgate families in fun and educational activities. Colgate's 2015 Safety Week themes were electrical safety, yard safety and risk-based safety management, which are important for Colgate people at all of our facilities. March 2016 Safety Week themes were fork truck safety, working at elevated sites and lockout/tagout.

2015 Safety Week Highlights

- In Aurangabad, India, employees opened Safety Week with a pledge to work safely, took a safety quiz and completed training on Colgate's Minimum Safe Behaviors and electrical safety.
- In addition to training, quizzes and activities, the Swidnica, Poland factory held an electrical safety poster contest for children of employees. In Halinow, Poland, employees also attended a first aid workshop.
- The Hill's Pet Nutrition plant in Emporia, Kansas, kicked off Safety Week with a celebration of six years without a lost-time accident. In addition to workshops on Colgate's Minimum Safe Behaviors, yard safety and forklift safety, a Spot the Hazard contest tested employee knowledge of hazards.
- In Argentina, the San Luis plant practiced proper fire extinguishing and reviewed electrical safety, yard safety and industrial hygiene.



- Colgate's Bangpakong, Thailand plant opened their Safety Week activities with a celebration of three million hours without a lost workday and a traditional Thai dancing show to commemorate the achievement. Employees also played a game to test their electrical safety knowledge and attended an electrical and yard safety exhibition.

- Colgate's plant in Guatemala opened their week with a presentation about the importance of electrical safety from a local Olympian who had been injured in an electrical accident. In another engaging presentation, a local scientist demonstrated how electricity works, how to use it safely and why it can be dangerous. Colgate people around the world were able to share in the safety message—a video about Colgate Guatemala's safety activities was awarded the Most Popular Video award for 2015 among all videos on the Company's internal intranet website.



Colgate's HIV/AIDS Policy Statement



Helps limit the impact of HIV/AIDS in the workplace and personal lives of Colgate people and their families

Helps create an environment that is conducive to openness, disclosure and acceptance among all employees

Ensures non-discrimination

Identifies and protects individual rights and outlines the responsibilities of Colgate people related to HIV/AIDS

Promotes access to treatment

Details awareness and preventive training programs to reduce the possibility of contracting HIV/AIDS

HIV/AIDS Commitment

Colgate recognizes the continuing seriousness of the global HIV/AIDS epidemic and its impact on the workplace and society. Colgate's global HIV/AIDS strategy and policy focus on non-discrimination and confidentiality, prevention, access to treatment, partnerships with third parties and proactive organizational support. Colgate holds World AIDS Day programs around the world each December and provides ongoing opportunities for confidential testing and awareness education—especially in Colgate regions with high incidence rates of HIV/AIDS.

Through our programs around the world, we are working to limit the impact of HIV/AIDS and maintaining an environment at Colgate that is conducive to openness and acceptance. For example, Colgate's Latin America Division conducts internal HIV/AIDS awareness campaigns in each of the Division's subsidiaries. In Central America, Colgate educates employees and their families through training and awareness campaigns. In South Africa, Colgate holds an AIDS Week in early December with events such as a candle-lighting commemoration, a family day with employees and their families and free confidential testing. Colgate Headquarters in New York City recognizes World AIDS Day by displaying a section of the AIDS Memorial Quilt and by inviting a guest speaker.

Some programs involve the community. Under the Positive Step program in India, together with employees, Colgate supports a group of children living with HIV/AIDS by providing special nutrition and sponsoring their school fees. Children who have gone through the program show improvement in their overall well-being, morale and academic performance.



Caring In Brazil

In Brazil, Colgate partners with CENAIDS (National Business Council on HIV/AIDS) and participates in ongoing discussions with a group of companies and businesses to develop or update strategies and HIV/AIDS campaigns. For example, together Colgate, CENAIDS, local media groups and celebrities held an awareness campaign for both employees and the community with the theme of "AIDS—Lack of Information Has a Cure." At Colgate, this included presentations, posters and training sessions. Colgate also provides educational programs for Colgate people throughout the year during holidays such as Carnival, International Women's Day, Mother's Day, Father's Day, Valentine's Day and World AIDS Day.

Diversity and Inclusion

Colgate's objective is to foster an inclusive workplace that reflects the diversity of the global marketplace. Such an environment provides all Colgate people with the opportunity to make unique contributions to our business success. Colgate is committed to providing employment, training, compensation, promotional opportunities and all other terms and conditions of employment without regard to race, color, religion, age, gender, sexual orientation, gender identity, national origin, disability, veteran status or any other basis protected by law. Colgate's Diversity and Inclusion Strategy consists of six key components:

- Objective Setting & Review
- Talent Management
- Diversity Recruiting
- People Development & Training
- Diversity and Inclusion Leadership Councils
- Compliance

Colgate's training program Valuing Colgate People is taught in every Colgate subsidiary globally. Colgate also partners with organizations such as the Conference Board, Diversity Best Practices, the National Association for Female Executives (NAFE), Working Mother Media, DiversityInc, LatinaStyle and Catalyst to develop an effective and supportive work environment. Additionally, a critical piece of our diversity strategy is to ensure that our talent management process incorporates the professional development of women and minorities.

To help foster an atmosphere of inclusiveness, Colgate supports network and affinity groups representing many different perspectives and ways of life. Each group contributes to Colgate's inclusive work environment by developing and implementing activities and programs to promote work and community involvement as well as cultural awareness.

A Selection of Colgate Network Groups

- Asian Action Network
- Black Action Committee
- Colgate Women's Network
- Colgate LGBT and Allies
- Colgate Parents Network
- Hill's Diversity Council
- Hill's Women Empowerment Network
- Hispanic Action Network
- New Employee Organization
- Colgate Abilities Network

2015 Working
Mother 100 Best
Companies

DiversityInc
Top 50 Companies
for Diversity 2015

Diversity at Colgate

37%
women in
global workforce

35%
women in
management positions
(global)

39%
women in
management positions
(U.S.)

32%
minorities in U.S.
workforce

34%
of all
U.S. managers
are minorities

27%
women on
Board of Directors

27%
minorities on
Board of Directors

In 2015, the Colgate Abilities Network (CAN) was introduced during Disability Awareness Month. The mission of the network is to:

- Recruit, retain, engage, develop and provide an equal opportunity for success at work for individuals with disabilities
- Be a resource for internal business partners in the development of products, packaging, technologies, policies and processes to support Colgate's strategic initiatives
- Have a positive impact on the culture and community both within and outside of Colgate

CAN enhances Colgate's culture of inclusion, provides an opportunity for professional development, is a cross functional resource and promotes physical and virtual accessibility. Therefore, CAN also contributes to creating more efficient and effective business processes.

Equal Pay

Colgate complies with all applicable laws and regulations related to fair pay practices. It is our policy to select, place and pay all Colgate people on the basis of qualifications for the work to be performed

and without discrimination. Colgate also conducts remuneration studies periodically on a local basis to ensure alignment with our Code of Conduct, Company policies and the law.

Supplier Diversity

Our Supplier Diversity team in the U.S. drives increased and expanded business relationships with minority-owned and women-owned businesses, developing mutually beneficial supply relationships. Colgate works with selected diverse suppliers to build their business capabilities and to improve their ability to respond to requests for proposals and their understanding of the business requirements of corporate customers in order to support their potential for business growth. Colgate participates in a leadership role in the New York/New Jersey Minority Supplier Development Council and as a member of the National Minority Supplier Development Council, the Women's Business Enterprise National Council and the City of New York Corporate Alliance program in mentoring women-owned and diverse-owned suppliers. One of our key priorities has been the execution of Supplier Days, when we invite suppliers to Colgate for an exchange of information on capabilities and business opportunities.



Colgate participated in a panel on measurement and metrics at a Sustainability Summit held by the New York/New Jersey Minority Supplier Development Council.

Business Integrity

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

Code of Conduct and Global Business Practices Guidelines

Since 1987, our Code of Conduct has served as a guide for our daily business interactions, reflecting our corporate values and our standard for ethical behavior. One hundred percent of salaried and clerical Colgate people participate in annual training and certification on the Code of Conduct. Hourly employees complete this training and certification process every other year. Our audit firm, PricewaterhouseCoopers LLP, audits a cross-section of these certifications. Colgate's Global Business Practices Guidelines provide further information to our employees on key topics in our Code of Conduct. The Guidelines offer clear, practical guidance and illustrate how the values and principles outlined in the Code of Conduct apply to particular business situations.

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.

Colgate investigates all potential Code of Conduct violations and ensures that the appropriate actions are taken. In 2015, we received approximately 292 contacts through the EthicsLine, covering a wide variety of questions and topics. We categorize Code of Conduct

investigations into the following categories: general work environment, discrimination, harassment, retaliation, accounting-related, financial-related, conflict of interest, regulatory and legal and miscellaneous other issues. In each instance of a potential violation of the Company's Code of Conduct in 2015, the matter was thoroughly investigated and, when necessary, appropriate remedial action, from formal coaching up to termination, was taken.

No Political Contributions

Colgate has a long-standing policy against making contributions to political parties or candidates, which is set forth in our Code of Conduct and Global Business Practices Guidelines. These policies prohibit contributions to any political party or candidate whether federal, state or local. We also prohibit U.S. trade associations from using any portion of Colgate dues for political contributions, and we conduct an annual reminder and certification process to ensure trade association awareness and compliance.

Anti-Bribery

Colgate has a strict policy prohibiting bribery of governmental officials and private commercial parties anywhere we do business. This policy is outlined in the Code of Conduct and Global Business Practices Guidelines. Colgate also mandates that the third parties with whom we work comply with our anti-bribery policy, which is included in our Third Party Code of Conduct and further communicated to third parties through our global Due Diligence Process.

Training

Colgate's Ethical Leadership Training program uses a mixture of classroom and online training and covers numerous priority ethical topics, including Anti-Bribery and Competition Law as well as the Code of Conduct certification referenced above. The Code training includes up to six topic areas every year, and the scenarios are updated on an annual basis. These courses have run continuously for over seven years. Training is mandatory and is linked to compensation for certain employee populations.

Privacy and Data Protection

Colgate respects the privacy of its employees, consumers, customers, suppliers and other third parties with whom we have a business relationship, and therefore, we handle personal data responsibly and in accordance with all applicable data privacy and data protection laws. With respect to all personal data in its possession, it is Colgate's policy to:

- Only collect, process, use and retain personal data for the reason it was provided to us, unless we have obtained consent for other uses, and as necessary for our recordkeeping purposes;

- Take all reasonable steps to safeguard personal data to prevent unauthorized disclosure or use;
- Not share personal data with third parties other than service providers of ours who assist us in managing our business and then, only if that party has agreed to comply with our privacy standards and all applicable privacy laws; and
- Comply with all applicable privacy laws.

This policy is outlined in Colgate's Code of Conduct and Business Practices Guidelines.

Social Responsibility

Human Rights

Colgate has a long-standing commitment to respecting human rights and labor rights worldwide and supports the United Nations Universal Declaration of Human Rights.

Colgate practices and seeks to work with business partners who promote the following standards: equal opportunity for employees at all levels; a safe and healthy workplace protecting human health and the environment; providing employees the opportunity to improve their skills and capabilities; respecting employees' lawful freedom of association; and working with the governments and communities in which we do business to improve the educational, cultural, economic and social well-being in those communities.

Colgate manages labor and ethical conformance through a third-party Ethical Compliance Audit Program for Colgate manufacturing facilities, using the Sedex Members Ethical Trade Audit (SMETA) protocol. The audit protocol investigates criteria covering freedom of association, child labor, hazards, health and safety, wages and benefits, working hours, discrimination as well as environmental and business ethics matters. A corrective action plan is in place to remedy any potential areas of concern.

Responsible Sourcing

Third Party Code of Conduct

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

Colgate's Third Party Code of Conduct sets the Company's expectations for suppliers and business partners in a number of critical areas, including labor practices and universal human rights, protecting the environment, health and safety and ethical dealings. The Code is provided to suppliers and business partners, and Colgate's contracts and purchase orders typically require suppliers to abide by the Code's standards (or suppliers' comparable code standards), including applicable labor and equal employment laws as well as Environmental, Occupational Health and Safety regulations, and to the Foreign Corrupt Practices Act and Anti-Bribery Policy.

Assessing and Managing Supplier Risk

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

Assessment Program requires selected suppliers and contract manufacturers to complete a self-assessment focused on labor practices, health and safety, environmental management and business integrity. The selection process for suppliers in this program includes factors including geographic risk (using the Verisk Maplecroft Risk Indexes along with Colgate's in-country knowledge) as well as criticality to our operations and material type.

As a member of the Supplier Ethical Data Exchange, or Sedex, Colgate uses the audit protocol to further assess suppliers' compliance with laws covering freedom of association, child labor, hazards, health and safety, wages and benefits, working hours and discrimination as well as environmental and business ethics matters. When suppliers are assessed as high risk, we perform third-party audits of their facilities. If any areas of noncompliance are detected, we work with the supplier to ensure these concerns are promptly remedied and the closure of all such noncompliances is independently verified. Typical noncompliances relate to health and safety, working hours and management systems. This assessment program is part of our supplier qualification process.

Forced Labor

In line with the Consumer Goods Forum's (CGF's) recently announced Social Resolution on Forced Labor, Colgate joins CGF in acknowledging the broad societal problem of modern slavery and will strive to eradicate forced labor from our value chains. Colgate complies with the California Transparency in Supply Chains Act, and our disclosure statement is available on ColgatePalmolive.com/Sustainability. Later in 2016, we will also meet the disclosure requirements of the United Kingdom 2015 Modern Slavery Act.

Conflict Minerals

Colgate supports ending the violence and human rights violations by armed groups in the Democratic Republic of Congo (DRC) and neighboring countries that has 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). For more information, see Colgate's Policy on Conflict Minerals.

Since the program's inception in 2012, Colgate has assessed more than 73 percent of our suppliers in high-risk geographies. Colgate is also a member of AIM-PROGRESS, a global industry forum to promote responsible sourcing practices and sustainable production systems. Through these programs, suppliers share assessment and audit data with other manufacturing companies that often share the same suppliers, enabling us to gain information more efficiently and relieving the burden of "audit fatigue" on suppliers. Through the Supplier Responsible Sourcing Assessment program, Colgate has driven improved working conditions for more than 26,000 employees across our external supply chain.

We have also participated in capacity building sessions through the AIM-PROGRESS forum that are designed to improve suppliers' social and environmental performance. The sessions explain the responsible sourcing assessment process and prepare suppliers for assessments and audits of their facilities. We have participated in events in Latin America and North America. In addition, Colgate conducts similar supplier responsible sourcing training events for our suppliers.

Supplier Responsible Sourcing Assessments

Through the Supplier Responsible Sourcing Assessment Program, we have assessed the performance of more than 73% of Colgate's suppliers in high-risk geographies since 2012, driving improved working conditions for more than 26,000 employees across our external supply chain.

According to the World Health Organization, tooth decay and dental caries (cavities) are among the most chronic diseases, affecting 60 to 90 percent of school children and nearly every adult in the world. Many children around the world do not have access to the basic dental care and education that can help prevent oral health diseases.



Contributing to Communities

Promoting Oral Health

As a leading provider of oral care products, Colgate has the unique ability to educate and improve the oral health of children and their families. Colgate’s flagship Bright Smiles, Bright Futures (BSBF) program is among the most far-reaching, successful children’s oral health initiatives in the world. With long-standing partnerships with governments, schools and communities, BSBF has reached more than 850 million children and their families in over 80 countries since 1991, with a new goal to reach 1.3 billion children by 2020.

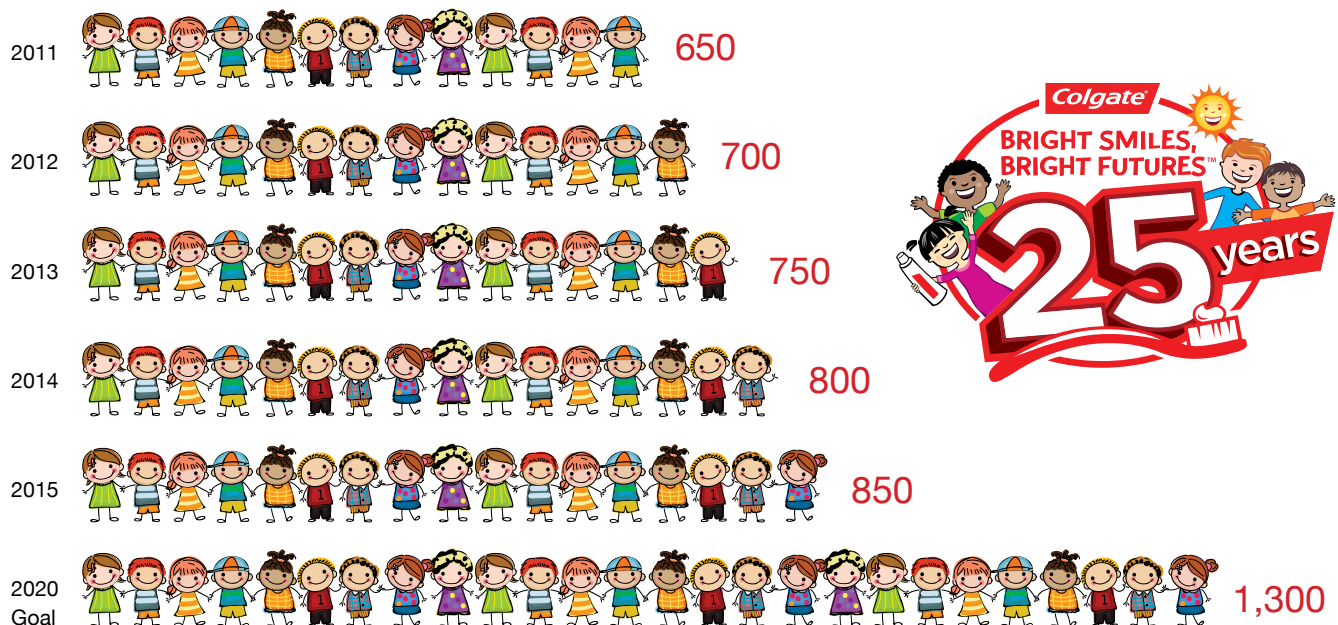
Through BSBF, volunteer dentists visit local communities to conduct free dental screenings and educate children and their families about the importance of maintaining good oral health. Colgate also distributes toothpaste and toothbrushes as well as award-winning educational materials, including videos, books, software and activities in over 30 languages for use in the classroom or at home. In many countries, the materials have become part of the permanent school curriculum.

BSBF builds on a long legacy of oral health education. Colgate has provided school programs since 1911. In 1991, we launched BSBF, reaching 25,000 children in the U.S. In 2016, Colgate is celebrating 25 years of the BSBF program. We are celebrating our anniversary all year long with our consumers, educators, retail partners, dental professionals and children.



The World Health Organization calls cavities “the most chronic global disease.”

Millions of Children Reached Through Bright Smiles, Bright Futures



Brighter Smiles Around the World

- Colgate partners with government health agencies, non-governmental associations (NGOs) and dental associations to expand the reach of oral care education around the world. As a founding sponsor of the Alliance for a Cavity-Free Future (ACFF), Colgate has joined a worldwide group of experts seeking to promote integrated clinical and public health action in order to stop caries initiation and progression and to move towards a cavity-free future for all age groups. To date, ACFF has launched 26 chapters around the world, with more planned for 2016.
- In early 2016, Colgate launched a partnership with Save the Children to bring oral health care to marginalized children in the U.S. and globally. The partnership focuses on increasing access to oral health care and products and will benefit nearly 3,000 children in the U.S. and over 35,000 children in low-resource environments, including Bolivia, Egypt, El Salvador, Honduras, Malawi, Mozambique and Zambia.
- Colgate partners with the Brazil Ministry of Health to train Community Health Agents to teach oral care and handwashing education in the community. Over 25,000 agents have been trained since the program's inception, reaching over 14 million people in more than 27 cities in the country.

- In India, Colgate is working with Jeevika, a women's empowerment organization, to provide oral health education and access to products in rural communities in rural Bihar (Eastern India), where as little as 50 percent of people use toothpaste. Initially supported by the World Bank and now by the Government of Bihar, Jeevika works at the village and household level to improve livelihood and reduce vulnerability of the rural population of Bihar. The Jeevika network reaches over two million households in Bihar through various village organizations. Through this partnership, Colgate has the ability to leverage women's roles as change agents to improve oral care habits. "Maukhik Swasthya Mitras" in the Jeevika village organizations receive oral care certification and act as ambassadors to teach village organizations about proper oral care and drive behavior change in the community. At the same time, Colgate is reaching children and their families in the region through the BSBF program as well as engaging rural retailers.



- In 2014, Colgate expanded the BSBF program to the United Kingdom where over 45 percent of eight-year-olds have experienced decay in their primary teeth. Since its inception, we have reached 300,000 children in 2,500 schools and 9,000 dentists.

Brighter Smiles Around the World

■ At the end of 2014, Colgate extended the BSBF program to the Southeast Asian nation of Timor-Leste. The prevalence of dental decay in the region is very high—over 70 percent of the young generation has dental decay or dental-related problems. Colgate launched BSBF in Timor-Leste in partnership with the Ministry of Health, Ministry of Education and other partners with a goal to provide 100,000 children with sufficient oral health education.



■ Colgate partners with the American Dental Association Foundation each year to sponsor the Give Kids A Smile® program, providing oral health education and free preventive and restorative care to children from low-income families. Each year, approximately 350,000 underserved children benefit from more than 1,500 events, thanks to the efforts of 40,000 or more annual volunteers.

■ In some countries, BSBF is mobile. In the U.S., Colgate's fleet of mobile dental vans travel to rural and urban communities to provide free dental screenings and oral health education to children in need, reaching over 1,000 towns and more than ten million children each year. In 2015, Colgate launched a new van program in Baltimore, Maryland, where over 30 percent of the population has untreated dental caries.

■ Colgate often involves our employees in BSBF programs, providing opportunities to volunteer in the community or to teach their families about oral health. In Swidnica, Poland in 2015, Colgate held a two-day event for employees and their families with dental checkups, fun activities and employee training to be BSBF ambassadors in the community.

■ Tory Island is the most remote and uninhabited island in Ireland. The population has limited access to dental care, leading to high levels of tooth decay and loss. Colgate partnered with the local school system to organize an oral health educational seminar, open to all Islanders, and provided products.

■ The BSBF program builds “shared value” for both Colgate and society, enabling Colgate to make a significant impact in the communities where we live and work while engaging with consumers to build our brand value. For example, in the Philippines, a Brush at Night program highlighted the importance of brushing three times a day to children and their families. Through television advertising, the BSBF program and a teacher-led program in schools, the initiative both promoted oral health awareness in the country and helped yield over 4 percent compounded annual growth in per capita consumption of Colgate products over a three- to four-year period. The BSBF program in the Caribbean region has also helped contribute to sales growth and increased market share through Oral Health Month programs.

Spotlight on ... Smile Grenada

Colgate partners with government health agencies, NGOs and dental associations to expand the reach of oral care education around the world. Partnerships help expand the BSBF program and improve oral health, especially in underserved areas. Each partner's unique strengths and resources help achieve greater results in less time, at a lower cost and with greater sustainability. Colgate's partnership in Grenada with the New York University College of Dentistry (NYUCD) and the Henry Schein Cares Global Student Outreach Program was a particularly successful program that brought measurable change across a nation.

More than 83 percent of children in the small island nation of Grenada suffered from untreated tooth decay when the NYUCD–Henry Schein Cares Global Student Outreach Program conducted a national oral health survey in 2010. Together with the NYUCD, Henry Schein Cares and Grenada's Ministries of Health and Education, Colgate partnered on a two-and-a-half-year countrywide intervention to improve the incredibly high burden of oral health disease. The Smile Grenada program included implementation of daily classroom toothbrushing routines, oral health education and applying fluoride varnish and sealants and reached all schools in the country. It was important to incorporate the program into Grenada's existing education and early childhood health systems in order to ensure ownership

by the local workforce and sustainable oral health outcomes. Teacher training included guidance on proper toothbrushing techniques and fluoride varnish application as well as age-appropriate lessons for classroom-based oral health and nutrition education.

Smile Grenada had a dramatic effect on the clinically measurable indicators of oral health for school-aged children in Grenada, resulting in a near 75 percent decrease in new tooth decay when measured in 2013. It remains one of the most successful, evidence-based interventions in Colgate's history. NYUCD has also stated that Smile Grenada is to date the most profound example of the capacity of the NYUCD–Henry Schein Cares Global Student Outreach Program to improve oral health. Most importantly, the partnership helped improve oral health for the 26,000 children across Grenada.

The program also provided learnings for future intervention to improve oral health cost-efficiently and in a sustainable manner. Based on this success, Colgate has launched a new three-year oral health intervention and research program in Manila, Philippines, where the incidence of cavities among children is 90 percent. Colgate is partnering with the University of the Philippines College of Dentistry, the Philippines Department of Education and New York University on a school-based intervention that follows a similar model to the Grenada project.

"Colgate believes that new, shared strategies for cavity prevention can change the conventional approach to treatment. Only by working collaboratively as a global team, can we find breakthrough solutions and reach those people who need them most."

~Ian Cook, Chairman, President and Chief Executive Officer, Colgate-Palmolive



Colgate partnered with the New York University College of Dentistry and the Grenada Ministry of Health on a two-and-a-half year intervention that resulted in a near 75 percent decrease in tooth decay in children in Grenada.

Handwashing Education

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

In 2015, Colgate reached 35 million people through advertising, media campaigns, community events and educational programs in schools.

"Turning handwashing with soap ... into an ingrained habit could save more lives than any single vaccine or medical intervention."

~Global Public-Private Partnership for Handwashing with Soap

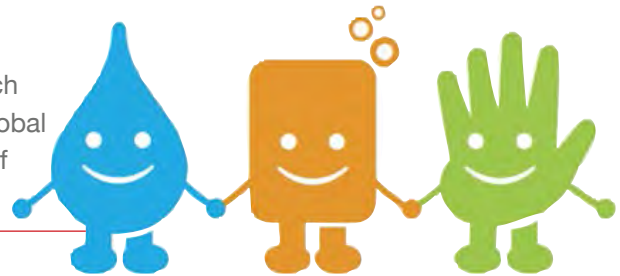


Brazil

In some countries, Colgate also teaches handwashing as part of our Bright Smiles, Bright Futures oral care education program.

Handwashing Highlights

Colgate was one of the nine founding members of the Global Handwashing Day campaign in 2008, along with partners such as the World Bank and UNICEF. Celebrated October 15th, Global Handwashing Day drives awareness of the vital importance of handwashing with soap and its impact on health.



- In 2009, Colgate was the first company to bring the Global Handwashing Day campaign to Thailand, raising awareness about handwashing with the Protex brand. In 2015, Colgate partnered with Thailand's Princess Soamsawali to raise awareness with a student art contest. Colgate also worked through the BSBF program and the Thailand Ministry of Education and Department of Health to donate bar soap and educational materials to over 30,000 schools. And with retail partner Tops, Colgate additionally engaged consumers in stores and online. Colgate has partnered with Tops to raise awareness around Global Handwashing Day since 2011.

A poster for a German handwashing campaign. At the top, it says 'Händewaschen = Hygiene'. Below that, a speech bubble from a cartoon raccoon character says 'Familien-Wettbewerb Kleine und große Waschbaren mitgemacht! fleißig Hände waschen + in Kalender eintragen = mit Glück Familienreise gewinnen'. The background shows a group of people with their hands stacked together. At the bottom, it says 'eine Initiative von Palmolive und ROSSMANN' and 'Jetzt 1 Woche CenterParcs gewinnen'.

- Colgate partnered with retailers, including Rossmann, Tesco and Dansk in Germany, Denmark, Sweden, Finland, Czech Republic, Slovakia, Romania and Hungary in 2014 and 2015 on campaigns to raise handwashing awareness among children and their families. In one campaign, shoppers were asked to participate in a “hand-washing family challenge” by recording their handwashing activities and engaging in family competition. Resources were provided both in stores and online, including a downloadable handwashing song.

- Through the Palmolive brand's Clean Hands, Good Health program in Australia and New Zealand, we promote handwashing awareness to children and their families by providing pre-school education kits with posters, storybooks and teachers' guides. Since 2009, Clean Hands, Good Health has reached 1.8 million pre-school aged children through these educational kits. 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 2015, we reached over five million people through digital and public relations activity, and distributed 8,000 pre-school education kits.



- A commitment to support WASH, or water, sanitation and hygiene programs is part of Colgate's Water Stewardship Strategy and our commitment to partner with local and global organizations to bring clean water to underserved areas of the world. Through our partnership with Water For People, Colgate supports programs that provide access to clean water, sanitation systems and/or health and hygiene education, including handwashing education, in Guatemala, Peru and India. In 2015, Colgate contributed to Water For People's Everyone Forever program, helping them to reach nearly 100,000 people in 2015 in these countries. In some areas, Colgate also implements our BSBF oral care education program and our handwashing programs in the communities that receive clean water.





According to the ASPCA, over 7 million companion animals enter U.S. animal shelters each year. That's nearly 4 million dogs and 3.5 million cats waiting to go home to a loving family.

Helping Pets Find a Home

Through the Hill's Food, Shelter & Love program, Colgate partners with animal shelters across the U.S. to provide Hill's Science Diet pet food at a discount. Developed by veterinarians and nutritionists, Hill's Science Diet offers superior nutrition for pets. Hill's also provides shelters with training, digital tools and content, and shelter visuals. For pet owners, Hill's provides Science Diet adopter kits with coupons and "Your New Best Friend Guide" digital books. Hill's believes that making premium nutrition accessible to every shelter—and every pet—helps send them home faster. Whether a shelter has 100 or 10,000 adoptions a year, the goal is to ensure that every pet goes home healthy and happy. Through this partnership, the Company provided pet food with a retail value of more than \$3.2 million in 2015, which adds up to almost \$285 million to nearly 1,000 shelters since the program's inception in 2002. These donations have helped more than eight million dogs and cats find their forever homes. Hill's employees are also engaged in helping pets in need. In 2015, Hill's people in Kansas, U.S., participated in a United Way Day of Caring, volunteering at a local animal shelter. The volunteers made toys for homeless dogs, washed laundry and feeding bowls, prepared treats, tended to the play yard and spent time socializing with the animals.

Hill's also partners to provide food shipments to shelters in the event of an emergency through the Hill's Disaster Relief Network, a first-of-its-kind formalized U.S. emergency network for pets. Working with more than 100 existing shelter partners, Hill's is prepared to respond quickly with food shipments for pets affected by disasters, whether to feed displaced pets and pets belonging to displaced people, or provide food to families, allowing them to keep their pets with them. In 2015, Hill's responded to 20 emergencies across the U.S., from tornadoes to wild fires.



"We've got about a thousand animals to care for every day at the San Diego Humane Society. That care starts with the food we provide. The program shares our vision to provide exceptional care and nutrition to animals, the hallmark of our shelter. We are very excited about the benefits for our adoption program, our staff, our adopters, and most of all, our animals."

~Gary Weitzman, President and CEO of the San Diego Humane Society SPCA



"Hill's is incredibly committed to animal welfare organizations like ours year-round through their Food Shelter & Love program, and it is wonderful that, through community service events like the Day of Caring, they also provide hands-on care to the homeless pets in the communities where their employees live."

~Kate Meghji, Executive Director for the Lawrence, Kansas, Humane Society

Hill's Pet Nutrition has provided pet food with a retail value of almost \$285 million to animal shelters since 2002, helping more than eight million dogs and cats find their forever homes.

Contributions

2015 Contributions

\$28.28
million*

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

Colgate's giving priorities are 1) creating educational opportunities, 2) advancing health and well-being and 3) engaging Colgate people.

Highlights

- For more than 26 years, Colgate has been a sponsor of Starlight Children's Foundation®, a leading global charity that partners with experts to improve the life and health of kids and families around the world. Since 1989, Colgate has contributed more than \$12.1 million to support programs such as Starlight® Fun Center® mobile entertainment units and iPad tablet technology in hospitals in the U.S. to offer fun and distraction for pediatric patients.
- Tom's of Maine donates 10% of profits each year to nonprofit organizations committed to causes such as human health, animal welfare, education, and environmental sustainability. Through the brand's 50 States for Good program, Tom's of Maine awarded 52 nonprofit organization winners a total of more than \$1 million in combined project funding in 2015.
- Colgate partners with the Mexico Ministry of Public Education and the Mexican Dental Association's foundation on the *SaludArte* (Health and Art) initiative to change school-based health in the country. More than 25,000 disadvantaged children in 110 schools now participate in the program, which includes daily handwashing and toothbrushing, a well-balanced meal and time for play, art, cultural activities and sports.
- In South Africa, Colgate sponsors the Phelophepa Train, a mobile hospital that provides medical care and oral health care in communities where medical services and infrastructure are unavailable. Each year the train treats nearly 50,000 people in 37 communities.
- Colgate has sponsored the Colgate Women's Games since 1973, the largest women's indoor track and field series in the U.S. Open and free to all girls from elementary school through college and beyond, the Colgate Women's Games have awarded over \$1 million in educational grants-in-aid and produced 17 Olympians to date.



*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).

- Through the Haz la Lu or Make the U programs in the U.S., Colgate partners with the Hispanic Heritage Foundation to celebrate Hispanic Heritage Month, providing educational grants totaling \$75,000 each year for Hispanic youth.

Helping in Times of Need

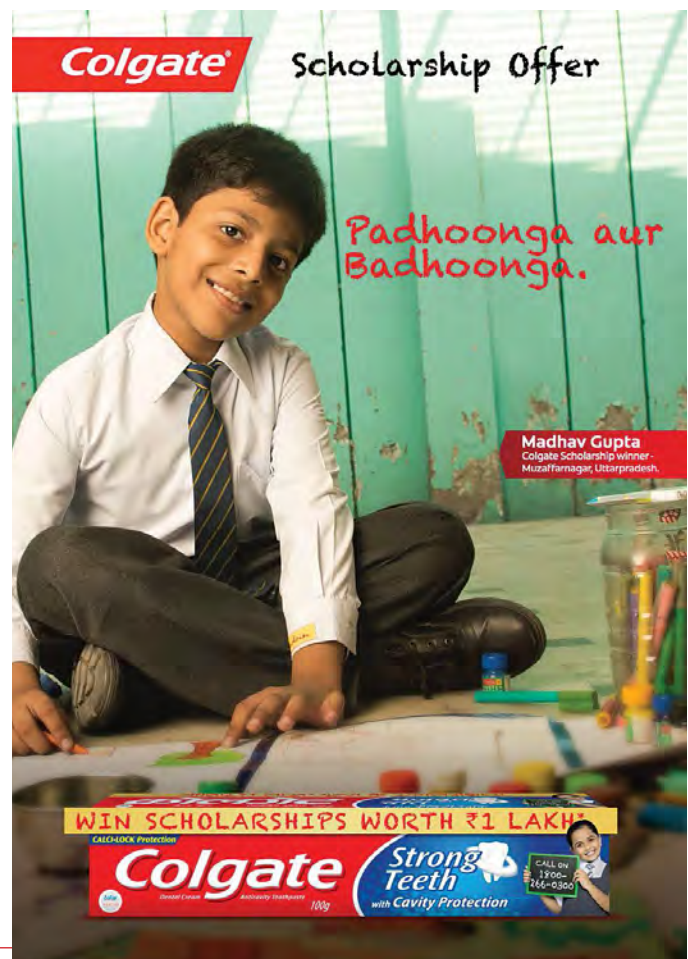
- In Myanmar, where nearly one million people experienced significant flooding in 2015, Colgate employees distributed Colgate and Protex products to victims in thirteen affected areas. Employees in Thailand and Vietnam also helped by providing funds to UNICEF, which Colgate matched.
- In France, Colgate donated products worth approximately \$55,000 to a nonprofit organization providing aid to refugees.

Helping Through Our Brands

- During the month of Ramadan, Colgate Malaysia sponsors the Let's Do Charity Together campaign. For each tube of toothpaste purchased in store by consumers, a donation was made to orphanages chosen by the Malaysian Social Welfare Department. Over the last seven years, the Company has contributed more than \$300,000 through this campaign to orphanages in Malaysia.
- In India, Colgate launched a scholarship contest in 2013 to make a small yet meaningful difference in children's lives. With each round, over 200 consumers have the opportunity to win educational scholarships of up to approximately \$1,500 by calling a number printed on Colgate packaging and advertised in stores and in the community. Past winners can now attend better schools, purchase books, pay for English classes or simply continue their studies instead of leaving to work. The program brings shared value for the Company and the community—building brand reputation and awareness for Colgate while providing educational opportunities for children in need. Based on the success and impact of the India program, Myanmar, Thailand, the Philippines and Malaysia will launch similar contests in 2016.

- Colgate partners with The Smith Family charity to support education for disadvantaged children in Australia. In 2015, Colgate donated approximately \$190,000.

- In the aftermath of Tropical Cyclone Winston in Fiji, in 2016 Colgate donated over 30,000 toiletry items to the Fiji Red Cross Society, including toothpaste, toothbrushes, bar soap and cleaning products.
- Hill's Pet Nutrition partners to provide food shipments to shelters in the event of an emergency through the Hill's Disaster Relief Network, a first-of-its-kind formalized U.S. emergency network for pets. In 2015, Hill's responded to 20 emergencies across the U.S., from tornadoes to wild fires.



Colgate People Giving Back

Colgate provides opportunities for our people to volunteer in local communities throughout the year. As part of our goal to involve more Colgate volunteers in our community programs, we have created ways for Colgate people to volunteer with our Bright Smiles, Bright Futures (BSBF) program and other Colgate-sponsored activities, and we are building more programs each year. Colgate people are eager and enthusiastic volunteers. Here are just some examples from around the world in 2015:



- Colgate people in many locations across the U.S. rolled up their sleeves and contributed to local communities during the third annual Colgate Cares Day in 2015. Volunteers gave their time in activities such as restoring a park area and teaching Colgate's BSBF program. In New Jersey, Colgate people worked with our water partner, The Nature Conservancy, to plant 200 trees along the Paulins Kill River.
-

- In Brazil, employees are trained to be *Agentes do Sorrisos* or Smile Agents to teach BSBF in local communities. The program now has a network of over 500 volunteers who have reached more than 32,000 children.
-



- Colgate people in Ecuador gave back in 2015 by building two houses in the local community. In Colombia, Colgate people transformed a bus into a mobile library and gave gifts to nearly 2,000 children during the December holidays.



- In Switzerland, Colgate people partnered with the Basel Municipality Cleaning Department on a cleanup along the Rhine River.
- In Portugal, Colgate people volunteered at a local children's home, the Casa do Gaiato, where they improved garden and recreational areas, installed a new sprinkler system and provided Colgate products.

- Tom's of Maine celebrates an annual Goodness Day when every employee can volunteer in the community. Tom's of Maine employees can also use 5 percent of their paid time to support a cause they are passionate about, from working at historical societies or building homes for Habitat for Humanity, to maintaining trails and facilities at state parks.



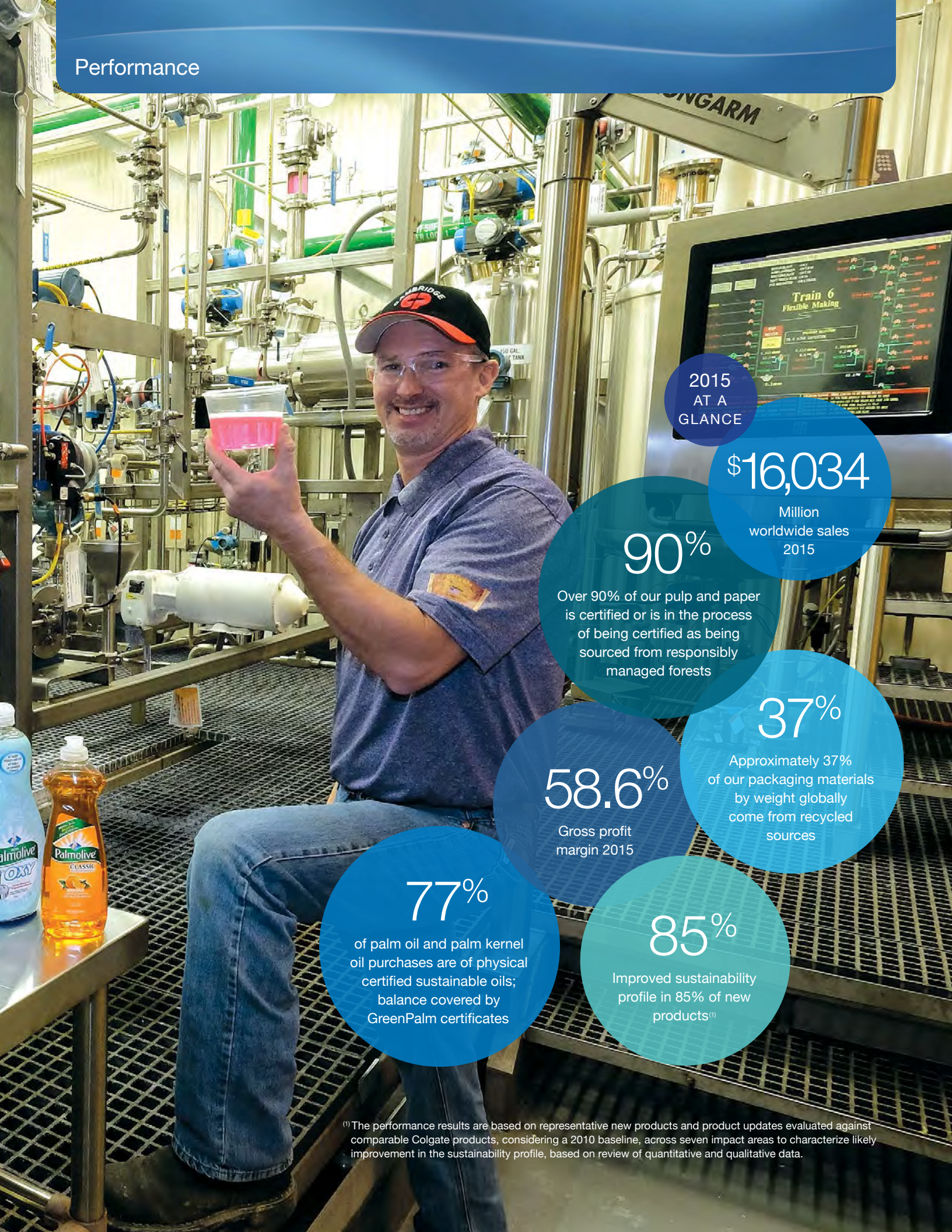
- For four years, Colgate people in South Africa have volunteered in the local community for Earth Day. In 2015, employees visited two local schools in the Johannesburg area where they planted trees and donated food. Colgate also donated water tanks for the schools and educated students about water conservation. Colgate people in South Africa also volunteer during Mandela Day, volunteering in the local community by planting trees, serving meals or visiting the sick. And as part of our Live Better commitment, Colgate has sponsored a Road Race for the Boksburg community for over 20 years, encouraging healthy exercise for employees and the community alike and donating money raised to the local Athletic Club.

Performance



Performance at Colgate is more than just financial strength—it is our commitment to grow the business with innovative, more sustainable products that make the lives of consumers healthier and more enjoyable.

Performance



2015
AT A
GLANCE

\$16,034

Million
worldwide sales
2015

90%

Over 90% of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests

37%

Approximately 37% of our packaging materials by weight globally come from recycled sources

58.6%

Gross profit margin 2015

77%

of palm oil and palm kernel oil purchases are of physical certified sustainable oils; balance covered by GreenPalm certificates

85%

Improved sustainability profile in 85% of new products⁽¹⁾

⁽¹⁾ The performance results are based on representative new products and product updates evaluated against comparable Colgate products, considering a 2010 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.



Additional 2015 highlights can be found in Colgate's 2015 Annual Report.

In 2015, Forbes named Colgate one of the World's Most Reputable Companies and Most Innovative Companies.



The Colgate brand was ranked in 2015 by Interbrand as one of the Best Global Brands.

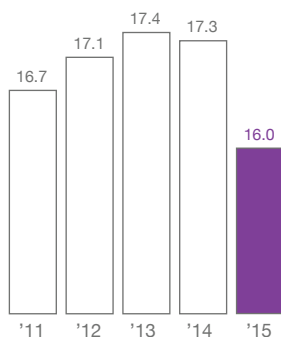
Colgate's Governance Principles

Colgate's Governance Principles support our continuing financial success. See the Governance section on Colgate's website at ColgatePalmolive.com for more information.

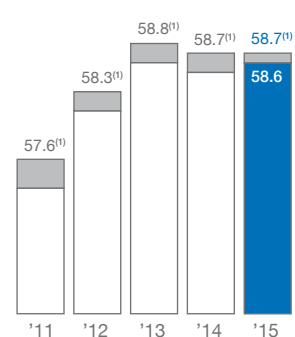
Financial Strength

For the full year 2015, worldwide net sales were \$16,034 million. Global unit volume grew 1.5 percent and pricing increased 3 percent. Our leading share of the global toothpaste market increased and our global leadership in manual toothbrushes also strengthened.

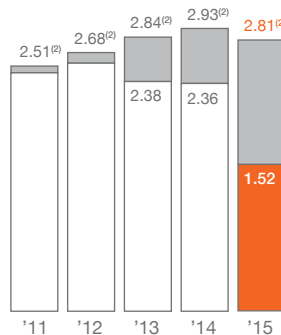
Net Sales
(\$ billions)



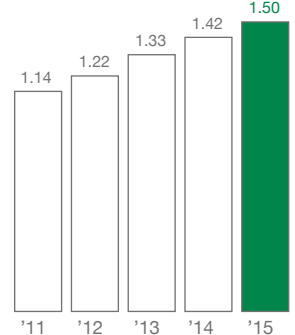
Gross Profit Margin
(% of sales)



Diluted Earnings⁽³⁾
(\$ per share)



Dividends Paid⁽³⁾
(\$ per share)



⁽¹⁾2013–2015 exclude charges related to the 2012 Restructuring Program. 2012–2014 exclude costs related to the sale of land in Mexico. 2011 excludes costs associated with various business realignment and other cost-saving initiatives. A complete reconciliation between reported results (GAAP) and results excluding these items (Non-GAAP), including a description of such items, is available on Colgate's website and on page 130 of this report.

⁽²⁾2015 excludes a gain from the sale of the Company's laundry detergent business in the South Pacific and excludes charges related to a change in accounting for the Company's Venezuelan operations, the 2012 Restructuring Program and certain other 2015 items. 2013 and 2014 exclude charges related to the 2012 Restructuring Program, remeasurement charges resulting from devaluations and effective devaluations in Venezuela and certain other 2013 and 2014 items. 2012 excludes charges related to the 2012 Restructuring Program and certain other 2012 items. 2011 excludes costs associated with business realignment and other cost-saving initiatives and certain other 2011 items. A complete reconciliation between reported results (GAAP) and results excluding these items (Non-GAAP), including a description of such items, is available on Colgate's website and on page 130 of this report.

⁽³⁾Per share amounts have been restated for the 2013 two-for-one stock split.

Consumer-Driven Innovation

Every day, people around the world use Colgate products to care for themselves, their families and their pets. Colgate delights shoppers with innovative products that meet their needs, exceed their expectations and add value to their lives. Colgate's nine consumer innovation centers, situated close to consumers in different parts of the world, are focused on developing insight-driven innovation. Operating in over 200 countries and territories across four major product categories that encompass over 20 sub-categories, Colgate launches over 600 new products and product updates every year.



Engaging to Build Our Brands with Consumers

Stronger consumer engagement begins with better insights. We are obtaining deeper and more meaningful consumer insights and using them to strengthen product development, packaging and the communications we deliver through our integrated marketing campaigns.

We listen to consumers both as we develop products and when they are put on the shelves. Over 1,000 studies are conducted annually around the world to hear from consumers before our products are sold. We have built brand loyalty by maintaining a deep understanding of local tastes and habits across categories. Colgate investigates key consumer insights, unmet consumer needs and opportunities for performance improvement in existing products.

We also listen to consumer feedback on our products. Colgate's Consumer Affairs departments manage consumer relations around the world, covering 95 percent of Colgate's business. Highly skilled consumer representatives respond to consumer complaints, inquiries and compliments through multiple channels of communication. We use robust quality control and quality assurance programs to ensure Colgate's consumer satisfaction policy is followed and provide continuous feedback to improve our service delivery. In addition, we regularly monitor key performance indicators for service in several regions around the world, specifically for phone interactions, striving for 100 percent satisfaction. In our 2015 surveys, over 90 percent of consumers who called us in North America were "satisfied" or "very satisfied" with our service.

*Minions image licensed from Universal Studios Licensing LLC. All Rights Reserved.



Colgate launches over **600** new products and product updates every year.*



Innovation Opportunities

Colgate is working to create products to meet the evolving needs of consumers, focusing on innovation opportunity spaces that are based on global megatrends. A formal process is in place for Colgate teams around the world to research and ideate on these topics, which include the area of water scarcity as well as the area of naturals and well-being.



Increasingly, consumers are purchasing products that both meet their needs and have a reduced environmental and social footprint. They want to buy safe products from brands that they trust and expect transparency about the ingredients in their products.

Product Sustainability at Colgate

Product sustainability at Colgate means a continued commitment to safe, sustainable, high-quality products that consumers can trust. Collaborative teams across the Colgate world are coming together to develop products with an improved sustainability profile that continue to meet and exceed consumer expectations. As part of our 2015 and 2020 Sustainability Strategies, we have committed to increase the sustainability profile in all new products we produce and in the balance of our portfolio. We are embedding this goal across all categories. In 2015, we improved the sustainability profile in 85 percent of our new product launches (see page 68).

We also recognize that consumers are increasingly interested in products with a sustainable or natural brand promise, and we provide products to meet this expectation. For example, our Tom's of Maine business provides products created with a defined Stewardship Model for natural, sustainable and responsible product development and ingredient sourcing (see page 79).

Product sustainability at Colgate extends beyond our own operations to the full value chain of our products, from our supply chain to consumer usage, to product end-of-life. We are working to reduce the carbon footprint of our ingredients (see page 92), to reduce the water needed during the use of our products (see page 101), and taking steps to encourage a circular economy for our packaging (see page 112).

Each global category—Oral Care, Home Care, Personal Care and Pet Nutrition—has specific sustainability strategies and goals. For example, in our Home Care category we are working to offer concentrated products, improve ingredient biodegradability, engage

with suppliers on green chemistry and continue to expand the portfolio of products that help consumers use less water. In the Personal Care category we are educating consumers in underserved communities with handwashing education programs, formulating products with an improved ingredient sustainability profile and exploring products that allow consumers to use less water. Within the Oral Care category, we have goals to expand the number of children reached through our Bright Smiles, Bright Futures program, a commitment to breakthrough innovation in oral care packaging and a commitment to remove PVC from toothbrush packaging. We are also promoting water conservation awareness to our consumers with a Save Water message. Hill's Pet Nutrition supports shelters and pet adoption through its Food Shelter Love Program and is taking steps to improve consumer communication with on-package recycling communications on cans, making a commitment to responsible and sustainable seafood and leading our Zero Waste to Landfill efforts.

Some of the choices we make for our products may affect multiple products within a category. For example, improving a preservative can have far-reaching impacts across more than 20 product variants (see page 70 for examples).

Colgate has also integrated sustainability into our product development and packaging design processes. Changes and opportunities to improve product sustainability are considered throughout the development process by multiple functions. Annually, new products planned for launch are reviewed with our Product Sustainability Scorecard.

Embedding Sustainability Across Our Categories

See pages 17 to 25 for more information on how we are embedding sustainability across our product categories.



Ingredient Sustainability

We improved the ingredient sustainability profile in Palmolive Oats bar soap, removing a parabens-preserved extract.

"We're not just thinking about the safety of the person holding the toothbrush, but also the safety of their toddlers and pets. Together, we at Colgate-Palmolive have a lot of experience, knowledge and collected data about how our products are used, and we combine those to make robust, safe products."

*~Dan Roman,
Product Compliance Engineer*

Product Safety and Quality

The decisions we make on ingredients are based on a thorough evaluation of the latest scientific evidence. When we choose an ingredient—whether to contribute to the performance of a product or to keep it safe against microorganisms—it is first pre-screened by a team of Colgate scientists. Every ingredient is assessed alone and within a formula to ensure that nothing unexpected will occur. Our ingredient review assesses not just what happens in our laboratories, but also across a range of real-world conditions—during manufacturing, in transportation, at the store, in consumers' homes and after consumer use.

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 seek the facts so that we can make the right decisions. Where we see opportunities regarding ingredients that are raising consumer questions, we substitute with other safe ingredients that provide the same or better benefits without sacrificing quality. Through this ongoing effort, we no longer use or are on our way to eliminating some of the ingredients currently raising consumer questions, as described below.

Ingredient Highlights

- In 2013, Colgate made commitments to eliminate formaldehyde donors, parabens, phthalates and microbeads from our products over the next two years. Colgate has eliminated phthalates and microbeads from all products and expects to eliminate formaldehyde donors and parabens in the limited number of remaining products over the course of 2016. See Colgate's Policy on Ingredient Safety for more information.
- We comply with all aspects of the European Union's REACH regulation (Registration, Evaluation, Authorization and Restriction of Chemical substances).
- We disclose in the U.S. and Canada the ingredients in Oral Care, Personal Care and Home Care products according to the Consumer Product Ingredient Communication Initiative (CPICI) of the American Cleaning Institute, the Consumer Specialty Products Association and the Canadian Consumer Specialty Products Association.
- As a member of the Grocery Manufacturers Association, Colgate contributed to the development of the Smart Label™ initiative. This platform will enable consumers to obtain additional details about products by scanning a QR code or doing an online search to reach a landing page with information on ingredients.

Product Safety Testing

Colgate has a long-standing worldwide policy to minimize and to ultimately eliminate animal testing for all Oral Care, Personal Care and Home Care products. Central to this commitment are our 30-year-long efforts to encourage the development of alternatives that are scientifically valid and can be accepted by safety regulators. We are a leader in promoting, encouraging and participating in the development, validation and acceptance of alternative non-animal testing methods worldwide, investing over \$1 million annually on research with non-animal alternatives. We also work closely with worldwide regulatory agencies to examine how non-animal tests can be incorporated into their safety requirements for consumer products.

Globally, there are circumstances when regulatory agencies require animal testing. In such limited instances, the tests are conducted at external testing facilities that meet both government standards and the rigorous requirements established by Colgate with input from animal welfare groups. We look forward to a day when all necessary safety studies can be performed without the use of animals and will continue to work to help make that day come sooner.

For more information on Hill's Pet Nutrition's commitment to the humane treatment of dogs and cats, see the Hill's Commitment to Animal Welfare at HillsPet.com.



Partnering to Develop Alternatives

Colgate continues our commitment to finding and using alternative testing methods through support and involvement with the European Partnership for Alternative Approaches to Animal Testing (EPAA) and the Institute for In Vitro Sciences (IIVS). We actively share our work to reduce animal use and develop alternatives so that this information can help others in their search for ways to minimize animal use.

Colgate's Product Sustainability Scorecard

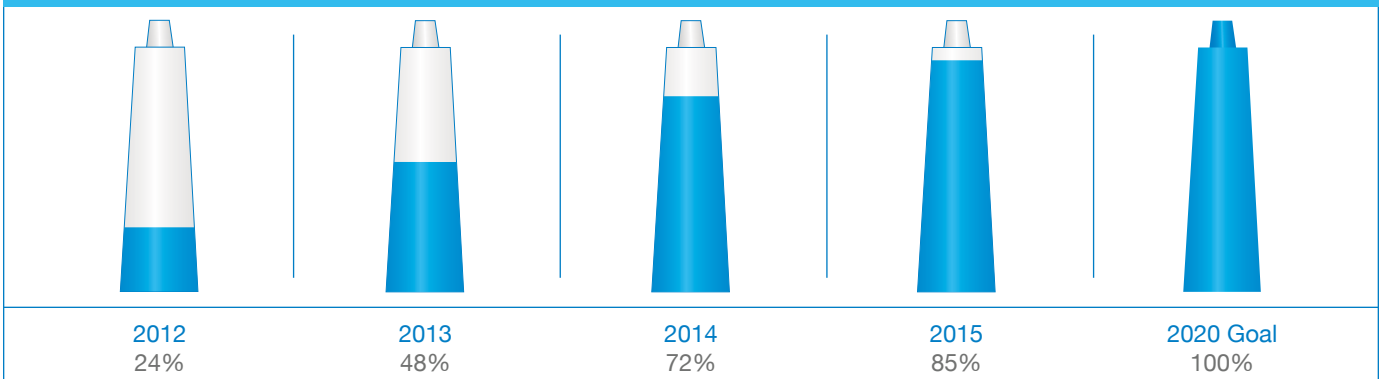
Scorecard Validation



Colgate engaged Pure Strategies to validate our Product Sustainability Scorecard.

In order to measure progress toward our 2015 goal to increase the sustainability profile in all new products we produce and in the balance of our portfolio, Colgate began evaluating new products using a Product Sustainability Scorecard in 2012. Colgate engaged Pure Strategies, a leading sustainability consultant, to validate our Product Sustainability Scorecard and the 2013–2015 results. Pure Strategies provided the following validation statement in regard to the Colgate Product Sustainability Scorecard: “Nothing came to our attention that caused us to believe that Colgate’s Product Sustainability Scorecard could not be used to track progress on improving the sustainability profile of new products and the balance of their portfolio.” The scorecard rates products with 25 parameters across seven impact areas: Responsible Sourcing and Raw Materials, Energy and Greenhouse Gases, Waste, Water, Ingredient Profile, Packaging and Social Impact. Colgate set a stretch goal to improve the sustainability profile in all new products by 2015. Through cross-functional collaboration across the Colgate world, we have made progress each year and are delighted to have improved the sustainability profile in 85 percent of new products in 2015.⁽¹⁾ We will continue our progress in the coming years, with a renewed stretch goal to reach 100 percent by 2020.

Percentage of New Products with Improved Sustainability Profile



We improved the sustainability profile in 85% of new products and the balance of our portfolio in 2015.⁽¹⁾

⁽¹⁾ The performance results are based on representative new products and product updates evaluated against comparable Colgate products, considering a 2010 baseline, across seven impact areas to characterize likely improvement in the sustainability profile, based on review of quantitative and qualitative data.

2015 Product Highlights



Palmolive Caprice Specialties shampoo and conditioner products in Mexico now require nearly 90 percent less water to manufacture and have an improved ingredient sustainability profile.



Developed to appeal to Chinese consumers looking for effective products with healthy, natural ingredients, a new line of toothpaste launched in 2016 in China offers refreshing benefits. It uses natural ingredients such as aloe extract, seaweed extract and lotus leaf extract.

As part of our work with suppliers to improve the sustainability of preservatives in raw materials, products such as Irish Spring Signature for Men Hydrating body wash and Softsoap brand specialty foaming hand soap in North America now contain a self-preserved surfactant (an important soap ingredient).



A portable travel toothbrush in North America is now made with 20 percent less plastic resin and the package now includes our Save Water reminder. Less energy is also required in the manufacturing process.



Ajax Lemon Lime dish detergent in Colgate's Africa/Eurasia Division now has an improved ingredient sustainability profile, requires less water and generates less waste in the manufacturing process and has an improved ratio of the weight of the package compared to the weight of the product.



2015 Product Highlights



New Sanex Advanced Atopiderm hand cream in Europe has an improved ingredient sustainability profile, contains no parabens and provides a clinically-proven improvement in skin soothing, softness and smoothness.



Palmolive Naturals bar soap in Latin America now requires less energy and water to manufacture and produces 8 tons less manufacturing waste per month.

Moving towards more local sourcing of ingredients and products reduces greenhouse gas emissions associated with transportation. For example, Colgate Optic White Whiten and Restore in Turkey is now sourced from Poland instead of China; Colgate's Maximum Cavity Protection toothpaste from Colombia, Ecuador and Peru is now sourced from Colombia instead of Mexico; and a key ingredient in Colgate Maximum Cavity Protection Plus Sugar Acid Neutralizer toothpaste in Europe is now sourced from the United Kingdom instead of Brazil.



Colgate Max Fresh Shockwave toothpaste in North America has an improved ingredient sustainability profile.

Palmolive Spa Gourmet Mint shower gel in Colgate's Africa/Eurasia Division has an improved ingredient sustainability profile, and fewer resources are required to produce the product formula.



Sustainability improvements made across a platform of products, such as a range of similar toothpaste or body wash products, can have a big impact. For example, several toothpaste variants in Latin America, such as Colgate Herbal Brilliant White toothpaste in Argentina, now contain a natural key ingredient instead of a chemically-converted ingredient. The glycerin for the toothpaste is also now sourced from Latin America, and the toothpaste requires less water for production.

2015 Product Highlights

Introduced in Poland in 2014, an improved manufacturing process for a range of toothpaste variants reduces the energy, greenhouse gases, water and waste associated with production. In 2015, this improvement was made for Colgate Total Daily Repair, Colgate Sensitive with Sensifoam and Colodent Whitening Explosion in Europe.



Ajax Citrus Burst floor cleaner in Colgate's South Pacific region has an improved ingredient sustainability profile, and fewer resources are required to produce the product formula.



We improved the ingredient sustainability profile in an update of Softsoap Black Orchid and Velvet Hibiscus body wash in the U.S.



Colgate continues to offer more sustainable product options, including Palmolive eco+ automatic dishwasher detergent, which is phosphate-free; Palmolive pure + clear dishwashing detergent, which has no heavy fragrances; the Sanex Zero% range, specifically developed to contain a reduced number of chemical ingredients; and Tom's of Maine personal and oral care products with naturally sourced or derived ingredients.

Improving Raw Materials

Colgate is working with our supplier partners to improve the sustainability of our raw materials. We are exploring ways to implement green chemistry, move to renewable raw materials and improve our upstream carbon and water footprints.

Product Highlights



Colgate is partnering to identify and develop more sustainable preservation solutions, including sponsoring and participating in the Green Chemistry and Commerce Council (GC3) Preservative Task Force. We are also working with chemical suppliers to improve the sustainability of preservatives in raw materials and moving to self-preserved raw materials where possible. For example, an ingredient that is now used across all of Softsoap cleansing products is a self-preserved surfactant, cocoamido propyl betaine, which does not need an additional antimicrobial preservative.

Several Hill's Pet Nutrition products have a reduced carbon footprint due to energy efficiency improvements in the supply chain. For example, a Hill's vitamin supplier now uses solar energy to contribute the energy needed for vitamin production. Other suppliers have also reduced their water use and greenhouse gas emissions, improving the footprint for products such as Hill's Ideal Balance Crafted Grain Free, Hill's Science Diet Feline Adult Hairball Control and Hill's Prescription Diet Canine Metabolic and Mobility.



Tom's of Maine uses a USDA-certified bio-based propylene glycol, which is made from renewable carbon content (vegetable oil) instead of petroleum in its deodorants, reducing greenhouse gases by up to 61 percent based on life cycle analysis compared with petroleum-based counterparts. Tom's of Maine's Naturally Dry antiperspirant stick is a first in the industry, using aluminum chlorohydrate, a wetness protection ingredient, made from recycled aluminum originally derived from natural mineral bauxite ore. Tom's of Maine also uses Rainforest Alliance certified palm oil in its soap products.

In North America, Colgate Enamel Health Multi-Protection toothpaste has a reduced carbon footprint with a new formula that is self-preserving, eliminating the need for an additional preservative.





In Asia, the charcoal in Colgate Total Charcoal Deep Clean toothpaste, Colgate Active Salt Charcoal toothpaste and Palmolive Naturals Flawless Clean bar soap is a by-product of the bamboo industry.

In 2015, Colgate estimated or updated the carbon and water footprints for our Oral Care, Personal Care and Home Care categories (see pages 92 and 98). We are beginning to use this data to engage with our suppliers in the areas where we can have the greatest impact.



Focus on Packaging

Colgate is committed to improving the sustainability profile of our packaging. Colgate's packaging organization regularly evaluates materials and processes that can improve the sustainability profile of our packages.

Colgate's packaging sustainability strategy centers around the following actions:

- Assessing the human health and environmental impact of our packaging where appropriate
- Striving to design products for reuse, recyclability and materials reduction while ensuring product integrity
- Working to minimize the volume and weight of our packaging and using the minimum amount of packaging required to label and protect our products
- Utilizing recycled content
- Increasing the recyclability of our packaging through design choices and innovation
- Expanding refill package systems in product categories where feasible
- Coding our packaging with recycling symbols where appropriate, supporting efforts to educate consumers and supporting innovative efforts to improve local recycling systems

In 2014, Colgate set additional packaging targets for 2020. We committed to improve the recyclability of our packaging, committing resources to enable breakthrough innovation in Oral Care packaging. We have also committed to deliver 100 percent recyclable packaging in our Personal Care, Home Care and Hill's Pet Nutrition categories. Additionally, we will increase the recycled content of our packaging to 50 percent.

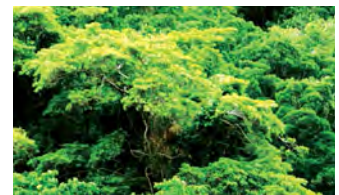
We are working to improve recyclability of our packages through development of perforated shrink sleeves and phasing out use of PVC in our toothbrush packaging. We are exploring alternatives to mixed plastic resins, doy packs, sachets and wrappers as well as innovative underarm antiperspirant and deodorant packaging.

Recycled Content

Approximately
37%
of our packaging materials by weight globally come from recycled sources

Colgate's 2020 goal is to increase recycled content in our packaging to

50%



Responsible Sourcing

Over 90% of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests. See page 116 or Colgate's Policy on No Deforestation for more information.

Packaging Highlights

Oral Care

In Colgate's Oral Care category, we are using recycled content and certified materials in many of our cartons, phasing out PVC plastic blisters from our toothbrush packaging and researching options to improve the recyclability of oral care packaging.



Approximately 65% of Colgate's toothpaste cartons globally are recyclable.

In North America, Colgate Enamel Health toothpaste cartons are now made from recycled cardboard.



Colgate Salt Fresh toothpaste in Asia has an improved product-to-package ratio.

A new children's battery-operated toothbrush in North America has a cardboard carton instead of PVC plastic packaging. This change also eliminates the need for water cooling of the plastic, resulting in less water use during manufacture of the toothbrush.



Packaging Highlights

Personal Care

In our Personal Care category, we continue to minimize the volume and weight of our packaging and increase the recycled content and recyclability of our plastics where feasible.



A new bottle for Palmolive Naturals shampoo variants in Colgate's South Pacific region now has a reduced cap and bottle weight.



The new Sanex Advanced line of hand creams in Europe uses less secondary packaging for display in stores.



Palmolive Naturals Luminous Hydration shampoo in Latin America has a reduced cap and bottle weight.

Home Care

In Colgate's Home Care category, we are continuing to minimize the volume and weight of our packaging, increase our use of recycled plastics, improve the recyclability of our packaging and design packaging for refill and reuse across many of our products.



A new size of Axion dishwashing cream in Latin America has an improved product to package ratio. More product can also be transported per truck, reducing greenhouse gases associated with transport.

Home Care Continued ...



A new size for Ajax dishwashing detergent in North America has an improved product-to-package ratio and uses less secondary packaging.

Ajax Bucket Dilutable Cleanser in Europe with a new cap design has an improved product-to-package ratio. The change in design also reduced the number of trucks needed to transport the caps by approximately 40 percent, reducing greenhouse gas emissions.



Hill's Pet Nutrition

Hill's Pet Nutrition is optimizing primary and secondary packaging, engaging with packaging suppliers to improve efficiency and encouraging consumers to recycle its wet food cans.



In 2015, Hill's completed the qualification and integration of a new packaging vendor in the U.S. and converted two of three corrugate boxes to 100 percent recycled materials in the Richmond, Indiana plant. Investigation of specifications that would enable a third box to convert to 100 percent recycled content is underway. Hill's also optimized the supply of corrugate boxes to its dry food plants in the U.S., reducing system-wide inbound freight miles from 1,100 miles to 160 miles and reducing greenhouse gases.

Hill's has started to roll out a communication on its Science Diet and Prescription Diet wet food cans encouraging consumers to "Please Recycle Can."



Packaging End-of-Life

We recognize the importance of reducing waste at every stage of the product life cycle including at the end-of-life of our products and packaging. See page 112 for more information on our programs to collect packaging waste and our commitment to work with stakeholders to drive continuous improvement in local recycling systems.

Brands That Delight Consumers and Sustain Our World

Our commitment to product sustainability is built on a long-standing commitment to deliver innovative products that make the lives of consumers healthier and more enjoyable. Through our products and brands, we are working to deliver solutions to health problems, to educate our consumers about sustainability and to enable them to use fewer resources. From our first bar of soap sold in 1806 to industry-leading oral care products today, a commitment to both delight and help our consumers is part of our brand promise.

As a leading provider of oral care products, oral health is strongly linked to our business, and Colgate has the unique ability to educate and improve the oral health of children and their families around the world. We perform extensive clinical research to develop the best technology, conducting more than 100 studies

annually. We also work to instill new behaviors, which are supported by public policy. See pages 47 to 50 for examples of our Bright Smiles, Bright Futures and other oral health programs. Our ongoing oral care research will help us to both deliver products to meet local needs and continue to grow our business. For example, in Latin America we have completed the first ever baseline survey to understand the level of gingivitis in six countries. That data will be shared with the dental profession with a goal to work together to significantly reduce the level of disease through education and use of Colgate products. We are also investing in growing our brands through encouraging consumers to brush properly for a recommended two minutes, two times a day with toothpaste—bringing shared value for both Colgate and the community.



Maximum Cavity Protection Plus Sugar Acid Neutralizer Toothpaste

Colgate's Maximum Cavity Protection Plus Sugar Acid Neutralizer toothpaste provides an important public health benefit and enhanced anticavity protection—reducing early tooth decay by half.⁽¹⁾

⁽¹⁾ In a six month clinical study. Regular fluoride toothpaste reduced early decay by nearly one-third (32 percent).

Additional Highlights:

Handwashing with soap is one of the most effective ways to reduce the spread of disease. Through our Protex and Palmolive brands, we 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. Learn more on pages 51 to 53.



Just like the human epidemic, almost 50 percent of the pet population in the U.S. is overweight. Hill's Pet Nutrition nutritionists and veterinarians developed Prescription Diet Metabolic clinical nutrition specially formulated to support weight management. Eighty-eight percent of pets lost weight at home in two months when fed the nutrition of Prescription Diet Metabolic.

We are seeking solutions to allow consumers to use less water and energy with our products. For example, a new product in Europe, Ajax Easy Rinse Spray also helps consumers save water by making it easier to rinse the product after cleaning. Our fast dry technology, in multiple fabric softener offerings globally, brings a unique technology that wicks away water from fabric to help clothes dry faster, saving consumers time and energy. Colgate's no-rinse fabric softener technology also enables consumers to save water.



Colgate is promoting water conservation awareness to our consumers worldwide through reminders on our packaging, digital and in-store engagement and our oral health education and handwashing awareness programs. See page 103 for more information.

Spotlight on ... Product Stewardship at Tom's of Maine

Our Tom's of Maine business provides products created with a defined Stewardship Model for natural, sustainable and responsible product development and ingredient sourcing. The Stewardship Model is a practical tool that guides the brand's decision-making on its products. Every ingredient Tom's of Maine uses goes through a stewardship review process. Tom's of Maine also screens prospective suppliers to make sure their approach to purity, consistency, safety, processing, sustainability and responsibility meets the stewardship standards with proof to back it up.

"The ingredients inside your natural personal care products matter, and we believe that you have a right to know what they are, what purpose they serve, the natural source they come from and how are they are made."

*~Joanne Murphy,
Stewardship Committee
Leader, Tom's of Maine*

Tom's of Maine Stewardship Model



Our Standards for Natural

- Sourced and derived from nature
- Free of artificial flavors, fragrances, colors, sweeteners and preservatives
- Simple and understandable ingredients
- Free from animal ingredients
- Not tested on animals
- Ingredient processing that supports our philosophy of human and environmental health

Our Standards for Sustainable

- Originating from recyclable or renewable plant-based resources
- Striving to reduce waste through recycled content, recycling and biodegradability
- Promoting the use of sustainable growing and harvesting practices

Our Standards for Responsible

- Delivering value to our consumers
- Sufficient research conducted to show safety and efficacy
- Purposeful in system of ingredients with complete transparency about the purpose and source of the ingredient
- Sourced from suppliers and regions which promote basic human rights
- Honesty in all claims made for ingredients, packaging and products
- Conform to the requirements of regulatory authorities (Food and Drug Administration and Federal Trade Commission) and other professional organizations with which we have chosen to partner (American Dental Association)

Access and Affordability

Product sustainability at Colgate also means a commitment to providing affordable product options in our portfolio. We have established a 2020 goal to have a positive impact by expanding 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 work for wide distribution so that more consumers have access to Colgate products. Offerings are customized to best reach consumers within their socioeconomic level, taking into account available household income and specific consumer needs. We are also finding ways to offer the benefits of more premium products at affordable price points to provide products that yield more product per use and to help consumers to dose properly to eliminate waste.

Globally, we strategically balance Colgate's portfolio between base and premium tiers as appropriate for the region. Products like our Colgate Maximum Cavity Protection toothpaste are targeted for usage by the whole family at an affordable price point, while offerings like Colgate Total Multi-benefit or Colgate Sensitive Pro Relief toothpastes are offered at higher price points, addressing more therapeutic needs of consumers. In Colgate's Africa/Eurasia Division, toothbrush offerings range from value options of Extra Clean and Double Action to Zig Zag, a mid-tier price product, to Colgate 360, a super-premium option. In the Philippines, we

supply small, low-priced items to Sari Sari stores. These stores contribute almost 50 percent of our sales in the country. In Latin America and Africa, sachets of cleaning products, dish detergent and fabric softener are available at lower price points. In India, Colgate developed toothpaste variants at a 10 rupee price point to meet the needs of those consumers with a low, fixed budget. This toothpaste offering has grown to play a key role for Colgate in the India toothpaste segment, demonstrating strong year-on-year growth. We are reaching consumers in rural areas and building distribution; over 40 percent of stores that sell toothpaste in India now offer this product.

Colgate is also finding ways to offer the benefits of more premium products at affordable price points, both in emerging markets and for value consumers in developed markets. In 2015, Colgate launched a toothbrush with a tapered bristle at an affordable price point in Vietnam, Taiwan and China. Tapered bristles have been shown in a clinical study to remove more plaque, reduce gingivitis and reduce gum abrasion. Our Extra Clean toothbrush was also relaunched globally last year at an affordable price point. We also continue to expand distribution of Colgate Maximum Cavity Protection Plus Sugar Acid Neutralizer toothpaste, which provides an important public health benefit, which is enhanced anti-cavity protection. In Brazil, smaller, more affordable sizes of this toothpaste as well as Colgate Luminous White toothpaste are contributing to our growth in the region.

In some markets, building rural distribution is challenging. We are working to develop innovative models and distribution networks to reach more consumers. For example, in India we are reaching remote village areas with special compact vans, increasing our coverage in rural areas from 22,000 villages in 2012 to 57,000 villages in 2015. In that time, Colgate has also recruited over 1,000 new salespeople and added over 1,000 new vans. In Cameroon, Colgate has improved coverage and customer service levels in smaller towns by using branded motorcycles able to visit remote villages to take orders. As next steps, we will identify key markets for replication of these models and test the model in new locations.



In emerging markets, Colgate makes products more affordable with smaller sizes, refill packages and value options.

Partnering with Customers

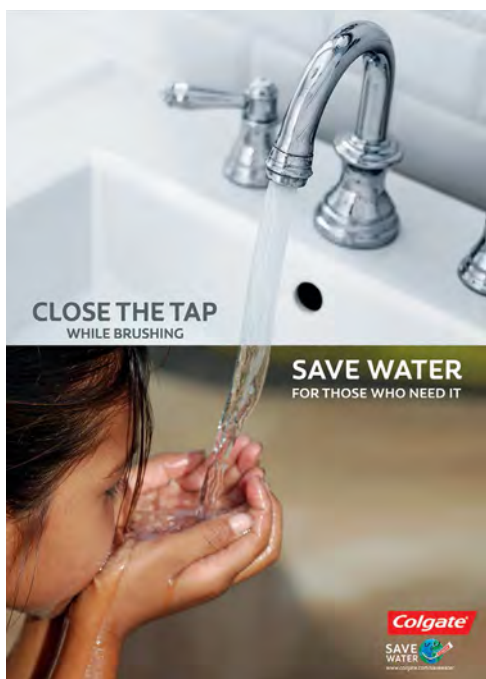
We partner with hundreds of thousands of retail stores, large and small, to sell Colgate products around the world. Treating all retail customers with fairness and integrity is a priority. We engage our customers worldwide by sharing unique shopper insights, providing innovative in-store marketing communications 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. In 2015, Colgate was ranked as the No. 1 manufacturer in eight separate countries. Colgate was also ranked in the top one-third of all manufacturers in countries representing 89 percent

of the business. Additionally, Colgate participates in a program to obtain feedback from six major global retailers. Results are analyzed at a customer, country, region and global level and are used to identify global trends, providing key input to shaping the direction of the Company's overall customer engagement strategy. In 2015, Colgate was ranked No. 4 out of 19 industry leading fast-moving consumer goods manufacturers. This marks the fourth year in a row Colgate has been ranked fourth or higher.

Colgate also partners with key customers to advance our mutual sustainability goals. We often partner to engage consumers with programs such as our Bright Smiles, Bright Futures (BSBF) oral health education program, Operation Smile and Terracycle®. We also regularly report to several retailers through product stewardship surveys. In Advantage Group surveys, Colgate was ranked in the top tier of suppliers in 12 of 17 markets when assessed for our ability to work with retailers to meet goals on social and environmental sustainability. We were ranked as "top supplier" on this topic in Russia, Colombia, Central America and Italy.

Highlights



- Colgate partnered with retailers around the world to celebrate World Water Day on March 22, 2016, and raise awareness about water conservation. In Turkey, Colgate partnered with retail partner Migros to reach online shoppers with a Save Water message. See page 103 for more information on World Water Day.
- Colgate partners with retail stores around the world such as Walgreens, Carrefour, Tesco, Walmart, Rossmann and Coles to promote oral health through our BSBF program, Oral Health Month campaigns and other oral health programs. In several programs, Colgate and retailers work together to provide oral health education in local schools as well.

- Colgate partners with retailers such as Rossmann in Europe and Tops in Thailand to promote handwashing awareness both in-store and online with the Palmolive and Protex brands.



- To help consumers “upcycle” Colgate products, Colgate and Terracycle® partnered with both Shoprite and Meijer stores in 2015 on a recycled playground giveaway. In-store displays drove awareness for recycling through Terracycle® and publicized a contest for schools to win a playground made from recycled toothbrushes and toothpaste tubes. Tom’s of Maine and Terracycle® also partnered with Hannaford stores in the U.S. to reward a school with a garden made from natural care waste collected through the Tom’s of Maine Natural Care Brigade.
- Colgate partnered with retailer Auchan in Portugal in 2015 to provide free dental check-ups at Auchan stores and to promote oral health habits for Auchan employees at their headquarters and to children at a local school.
- In Colombia, Colgate received the 2015 Best Supplier—Sustainable Development award from retailer Grupo Exito in recognition for our investment in health education, contribution to the community and reduction of our impact on climate and the environment. Colgate was also one of three finalists for Grupo Exito’s 2015 Consumer Goods Best Supplier award.
- In 2014 and 2015, Colgate collaborated with Target in the U.S. to make a donation to St. Jude Children’s Research Hospital’s Target House with sales of an exclusive children’s toothpaste and toothbrush as well as Softsoap liquid hand soap and Palmolive dish liquid. Colgate also donated \$100,000 to a special event for children in December 2015, along with children’s toothbrush, toothpaste and Softsoap products.
- Tom’s of Maine was named one of 20 natural brands in Target’s highly selective Made to Matter program, which delivers exclusive product innovations focused on the sustainability objectives of clean label, reduced packaging, and closed loop systems.
- In Brazil, Colgate has partnered with Walmart on three End-to-End projects to improve sustainability across a product’s value chain. For example, making changes to a shopper pack of toothpaste and soap reduced greenhouse gas emissions, plastic and fuel use.

Product Sustainability Partnerships

Colgate partners with industry groups, non-governmental organizations and research groups around the world to meet our product sustainability goals and to share insights to collectively work towards more sustainable product offerings. Below are some highlights.

- Colgate was one of 25 American Cleaning Institute (ACI) member companies to complete the requirements for ACI's first year of the Charter for Sustainable Cleaning. Companies who sign up for the Charter must formally commit to the ACI Principles for Sustainability, participate in ACI's Sustainability Metrics Program and work toward implementing a set of Essential Sustainability Procedures and Activities (SPAs).
- Colgate is also committed to the European International Association for Soaps, Detergents and Maintenance Products (AISE) Charter for Sustainable Cleaning.
- Colgate is an active member of the Home and Personal Care Sector of The Sustainability Consortium, which is committed to improving product sustainability through the development of a standardized Sustainability Measurement and Reporting System.
- Colgate is a member of the Forum for the Future Beauty and Personal Care Working Group, an industry collaboration to improve sustainability in the beauty and personal care sector.
- As a member of the Grocery Manufacturers Association, Colgate contributes to the development of the Smart Label™ initiative. This platform will enable consumers to obtain additional details about products by scanning a QR code or doing an online search to reach a landing page with information on ingredients.
- Hill's Pet Nutrition is a member of the Pet Food Sustainability Working Group, a collaboration to align on sustainability principles for the pet food industry.
- Colgate joined other companies in 2011 to found the American Institute for Packaging and the Environment (AMERIPEN), which is focused on coordinating the industry's environmental packaging efforts.
- Colgate is a palm oil member of The Forest Trust (TFT), which is working with Colgate to meet our palm oil traceability and responsible sourcing commitments.
- Colgate is a member of the Roundtable on Sustainable Palm Oil (RSPO), which is working on solutions for the use and growth of sustainable palm oil.
- Colgate is a member of the Round Table on Responsible Soy (RTRS), an internationally recognized forum working to develop and promote a standard of sustainability for the production, processing, trading and use of soy.
- Colgate is an active member of AIM-PROGRESS, serving on its leadership team. AIM-PROGRESS is a global industry forum to promote responsible sourcing practices and sustainable production systems. It is a global initiative supported and sponsored by the European Brands Association in Europe and the Grocery Manufacturers Association in North America.
- Colgate continues our commitment to finding and using alternatives to animal testing through support and involvement with the European Partnership for Alternative Approaches to Animal Testing (EPAA) and the Institute for In Vitro Sciences (IIVS).
- Colgate is an active member of the Society of Toxicology (SOT). SOT is committed to creating a safer and healthier world by advancing the science of toxicology. In addition to supporting these broad objectives of SOT, Colgate also supports SOT specifically in the areas of research and education in the field of alternatives to animal testing. This support funds education and research for students and postdoctoral fellows and then makes grants available to in-career researchers to advance the development of non-animal methods for research and testing.
- Colgate is a Global Partner in the Society of Environmental Toxicology and Chemistry (SETAC). Colgate supports SETAC's mission to develop principles and practices for protection, enhancement and management of the environment by providing a forum where professionals can exchange ideas and discuss environmental challenges, regulations, research and development and environmental education.

Planet

Operating in today's world requires an enhanced focus on conserving Earth's finite resources, addressing climate change and maintaining the well-being of our planet for generations to come. Our planet-related commitments cover the environmental issues material to Colgate, our energy use, carbon emissions, water use and waste generation as well as our commitment to no deforestation. We are also committed to sustainably built and run facilities. We are making progress in each of our planet goals and working with partners and consumers to make *Planet* a priority.

2015
AT A
GLANCE

37%

Approximately 37% of our packaging materials by weight globally come from recycled sources

10

LEED-NC certified facilities and over 10 additional projects underway

72%

of our manufacturing facilities have achieved U.S. EPA ENERGY STAR Challenge for Industry Recognition

33%

reduction in water use per ton of product manufactured in 2015 vs. 2005⁽¹⁾

26.2%

reduction in greenhouse gas intensity and 21.7% reduction in energy intensity in 2015 vs. 2005⁽¹⁾

77%

of palm oil and palm kernel oil purchases are of physical certified sustainable oils; balance covered by GreenPalm certificates

40%

reduction in waste sent to landfill per ton of product manufactured vs. 2010⁽¹⁾

90%

Over 90% of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests

⁽¹⁾ Subject to final certification by third-party auditor.

"LEED" and related logos are trademarks owned by the U.S. Green Building Council and are used with permission.

Our Climate Commitment

At Colgate, we understand the potential consequences of climate change and we are committed to acting responsibly and conscientiously to protect people and the environment wherever we operate. We recognize that businesses, their suppliers, customers and consumers along with other stakeholders have a vital role to play in addressing the global issue of climate change.

Colgate's Climate Strategy

Energy Management and Investment



Low-Carbon Products and Supply Chains



Low-Carbon Energy



Climate Resilience



Collaboration and Disclosure



Science-Based Goals

The area of climate change and climatic events is one of Colgate's Key Sustainability Issues identified on page 7. It is a key focus for our business from both a reputational and an operational standpoint. Consumers, non-governmental organizations (NGOs) and other external organizations expect companies to do their part in the fight against climate change. Reducing our energy use and greenhouse gas emissions also enables Colgate to avoid costs. Since 2002, our energy-reduction projects have helped us avoid nearly \$500 million in energy costs. Managing the risk associated with climatic events such as storms and droughts is also important to ensure the continuity of our own operations and that of our supply chain. See page 95 for more information on Climate Resilience.

Key elements of our Climate Strategy include:

Science-Based Goals

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

Energy Management and Investment

We will continue to improve our global Energy Management System and invest in planet-related improvements via our manufacturing capital program.

Low-Carbon Energy

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

Low-Carbon Products and Supply Chains

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

Climate Resilience

We will integrate climate resiliency into our risk management processes.

Collaboration and Disclosure

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

To help drive our climate strategy, our 2020 Sustainability Strategy includes a commitment to “Reducing Our Impact on Climate and the Environment.” Our commitment is supported by four goals:

- 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
- Partner with key suppliers, customers and consumers to reduce energy, greenhouse gas emissions and waste

“Stabilizing the global climate is the greatest challenge of the 21st century. Temperatures have exceeded global annual averages for 38 consecutive years. The impacts are being felt all around the world ... Extreme weather events are becoming more frequent and severe ... Rising sea level threatens coastal communities and infrastructure by amplifying flooding and storm surge.”

~World Resources Institute



**Reducing
Our Impact
on Climate
and the
Environment**

Science-Based Goals

Colgate committed to reduce absolute greenhouse gas emissions by 25% compared to 2002.

Science-Based Goals

Our climate strategy is anchored in setting and achieving science-based goals to reduce greenhouse gases. As part of our 2020 Sustainability Strategy, Colgate will reduce absolute greenhouse gas emissions by 25 percent compared to 2002. This 2020 target exceeds the requirements of the “Linear Approach” to a science-based goal, which is based on the Intergovernmental Panel on Climate Change’s RCP 2.6 Carbon Pathway, one of the climate trajectories used for modeling and research. Our target also exceeds the requirements of the “Sectoral Decarbonization Approach” to a science-based goal, which is based on the 2°C change in global average temperature scenario developed by the International Energy Agency (IEA). This approach was developed by the World Wildlife Fund, World Resources Institute and CDP with consulting support from Ecofys.

Last year, Colgate also joined in the CDP and We Mean Business Coalition’s Road to Paris 2015 commitments, publicly committing to adopt a science-based greenhouse gas emissions reduction target. Our target will allow us to play our part in limiting global warming to 2°C as recommended by the Intergovernmental Panel on Climate Change.

As part of our strategy to track and reduce greenhouse gas 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_x”, 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 also track VOC data as needed to comply with local regulations.



Colgate named a U.S. EPA ENERGY STAR Partner of the Year for the 6th year in a row

Energy Management and Investment

Colgate has a long-standing energy reduction program that has brought us reductions in greenhouse gas emissions and energy use intensity as well as financial savings. Our Energy Management System is modeled after U.S. EPA’s ENERGY STAR program and is implemented globally. In 2016, Colgate was named a U.S. EPA ENERGY STAR Partner of the Year for the sixth year in a row, with recognition for Sustained Excellence. Additionally, 72 percent of our manufacturing facilities have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition, including 88 percent of Oral Care plants, 82 percent of Personal Care plants and 71 percent of Home Care plants. Key elements of Colgate’s energy management program include:

- **Top 10 Energy Actions**

As a way to help our global sites prioritize on the most effective energy reduction activities, we created our Top 10 Energy Actions program. Implemented over two-year increments, this program tracks progress against our ten best energy reduction opportunities.



72% of our manufacturing facilities have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition, including 88% of Oral Care plants, 82% of Personal Care plants and 71% of Home Care plants.



■ **Energy Treasure Hunt Program**

We engage people across Colgate’s operations through participation 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 for continuous improvement. Since the program’s launch, over 500 Colgate “treasure hunters” worldwide have identified more than 1,400 energy-saving ideas with the potential to deliver \$17 million in energy savings.

■ **5% for the Planet**

Our 5% for the Planet program sets a global goal to spend 5 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. Over the last five years, environmental projects have competed successfully for funding with our mainstream portfolio, reducing our footprint and delivering savings. Since 2011, we have invested nearly \$139 million in over 865 planet-related projects, which have delivered an estimated savings of over \$34 million.⁽¹⁾ In 2015, we exceeded our 5 percent target, investing nearly 7.5 percent of the budget in over 180 Planet-related projects.

5% for the Planet 2015 Manufacturing Capital Expenditure Budget Investments

| | Investment (%) | Investment (\$ millions) | Projected Annual Savings (\$ millions) |
|-------------------|----------------|--------------------------|--|
| Energy | 4.6 | 17.9 | 2.8 |
| Water | 1.4 | 5.5 | 0.7 |
| Waste To Landfill | 1.3 | 5.1 | 1.3 |

A minimum of 2 percent of the manufacturing capital budget is targeted specifically toward energy reduction projects. In 2015, we exceeded this target with over 4.6 percent of the budget invested in projects yielding an estimated \$2.8 million in annual savings.

⁽¹⁾ Estimated investment and savings numbers based on available historical data

2015 Highlights

■ **Bowling Green, Kentucky, U.S.**

By replacing high-pressure sodium lights with LED lights in the Bowling Green, Kentucky plant's warehouse, we saved an estimated 556 MWh of electricity, reduced CO₂ emissions by 340 metric tonnes and saved \$33,000 annually.

■ **Compiègne, France**

The process for blowing plastic bottles for home care products consumes a large amount of compressed air. Instead of using the same air pressure for each type and size of bottle, our Compiègne, France plant installed a control system to work with its current software to vary the air pressure according to the type and size of bottle being blown. This additional system is estimated to save 666 MWh in electricity, 55 metric tonnes of CO₂ and save over \$61,000 annually.

■ **Anzio, Italy**

An energy improvement idea identified during the Anzio, Italy plant's Energy Treasure Hunt in 2013 was to replace lower efficiency motors with high efficiency motors with inverters. In 2015, the plant replaced 36 such motors which are estimated to reduce electricity demand by 600 MWh, reduce CO₂ by 243 metric tonnes and save \$160,000 annually.

■ **Bangpakong, Thailand**

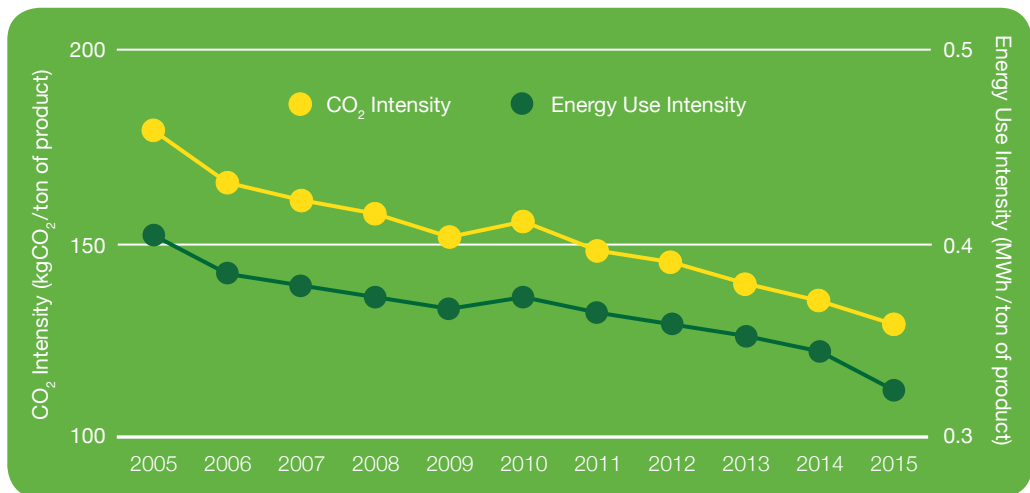
The Bangpakong, Thailand plant improved the efficiency of the water chiller system located in its soap production building by replacing the existing air-cooled type chiller with a new higher efficiency water-cooled typed chiller. This new system is estimated to decrease the energy usage of the soap plant chiller system by 40 percent and save the plant 1,085 MWh in electricity, 574 metric tonnes of CO₂ and save \$106,000 annually.

Our 2015 goal was to reduce both the energy intensity and carbon emissions intensity associated with the manufacture of Colgate's products by 20 percent vs. 2005. We have exceeded these goals, with a 21.7 percent reduction in energy intensity and a 26.2 percent reduction in carbon emissions intensity in 2015 vs. 2005.⁽¹⁾

Since 2005, we have avoided CO₂ emissions equivalent to removing over 200,000 passenger cars from the road for one year.⁽¹⁾



2005 to 2015 Manufacturing Carbon Emissions and Energy Intensity



⁽¹⁾ Subject to final certification by third-party auditor.

Low-Carbon Energy

As part of our strategy to achieve a 25 percent absolute reduction in greenhouse gases by 2020, we will promote use of renewable energy and support development of a low-carbon energy supply. Colgate continues to evaluate and implement on-site and market-based renewable and alternative energy sources such as solar, wind, biomass, fuel cells, green power and cogeneration for feasibility and applicability worldwide.

For over ten years, we have utilized our internal Global Energy Reduction Team to continuously evaluate our best opportunities to implement cogeneration, solar and fuel cells as cost-effective, environmentally beneficial technologies. Even though we are not an energy-intensive company, we have found several instances to install cogeneration and solar power systems as a way to reduce emissions of greenhouse gases, lower costs and increase energy reliability around the world.

Colgate is a U.S. EPA Green Power Partner, supporting the voluntary use of green power to reduce the environmental impacts associated with conventional electricity use. Partners benefit from the use of green power while supporting the development of renewable energy in the U.S. Colgate purchases wind power from facilities in the electricity grids that serve its U.S. manufacturing plants. In 2015, Colgate purchased Green-e certified wind power renewable energy certificates generated from three wind power farms located in Kansas. To ensure these incremental costs are accurately reflected in our financial decision-making, costs associated with procurement of Green-e certified renewable energy certificates are allocated back to our largest operations based on the size of their greenhouse gas footprint. This cost-of-carbon allocation process reflects the true cost of operation in carbon-intensive markets and supports incremental energy investment as part of our 5% for the Planet program. Colgate is also actively exploring renewable energy procurement options related to Power Purchase Agreements (PPAs) as another way to support the development of additional renewable energy projects.

Improving Refrigerants

Although Colgate is a minimal user of refrigerants, we are doing our part to responsibly manage the quantities of refrigerants we use over time. In 2015, we updated our global refrigerant inventory and issued a global standard and associated e-learning training tool to assist our global facilities in transitioning towards less carbon-intensive refrigerants.



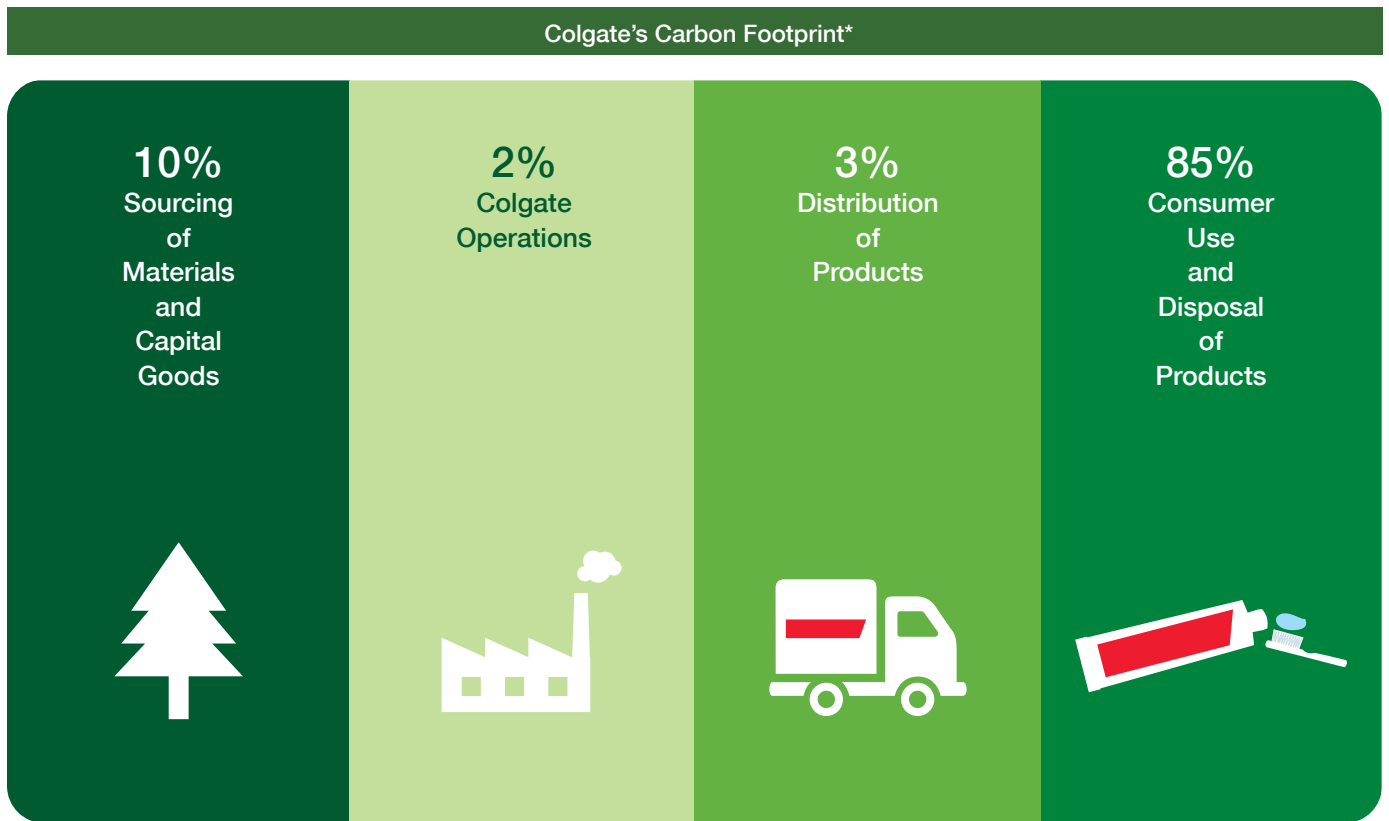
Colgate is a member of the U.S. EPA's Green Power Partnership and was named to the National Top 100 list in 2015, representing the largest green power users within the Partnership.



In 2015, Colgate purchased Green-e certified wind power renewable energy certificates generated from three wind power farms located in Kansas.

Low-Carbon Products and Supply Chain

We have continued our work to understand the carbon footprint across our value chain. Our direct, or Scope 1 emissions, are from sources that are owned by Colgate. Our indirect, or Scope 2 emissions, result from our purchase of electricity, heat or steam produced by other entities. We are also working to track and reduce our Scope 3 emissions from upstream production and supply as well as downstream distribution and consumer use. We have completed detailed carbon footprints for our Oral Care, Personal Care and Home Care categories. These footprints help us to understand our highest impact areas and opportunities for continuous improvement.



*Emissions from Sourcing of Materials and Capital Goods and emissions from Consumer Use and Disposal of Products exclude Hill's Pet Nutrition. Colgate Operations includes emissions related to factory energy and waste, employee business travel and commuting and leased assets.

Colgate has shared this practical approach with key partners such as the World Resources Institute and CDP to help others find simple ways to estimate and reduce greenhouse gas emissions in a company's value chain.

While there are shifts between categories, given the nature of our product portfolio, the most significant emissions in our value chain are consistently associated with raw and packaging materials, including forest commodities and mined materials; consumer use of our products; and the end-of-life of the consumer package.

Raw and Packaging Materials, Including Forest Commodities

Our value chain footprint helps to identify and prioritize opportunities to reduce the carbon footprint of our products through material and supplier choices. Our sustainability, procurement and product formulators are piloting supplier engagement on our highest carbon-intensive materials to identify opportunities to reduce their footprint. We also

request that our Tier I suppliers and suppliers of carbon-intensive materials participate in the CDP Supply Chain Program Climate Disclosure to help us understand and address climate impacts and associated risks and opportunities in our upstream supply chain. In 2015, more than 39 percent of our Tier I suppliers responded to the survey, including our largest raw material suppliers and contract manufacturers. We achieved a 77 percent supplier response rate, significantly higher than the average rate for all member companies.

We also recognize that deforestation and forest degradation significantly contribute to the release of greenhouse gases. Our No Deforestation Policy commits to responsibly and sustainably sourced forest commodity materials by 2020. Our policy addresses practices relating to palm oil, pulp and paper, beef tallow and soy. See page 116 for more detail on Colgate's progress on policy implementation.

Consumer Use of Products

Colgate has developed products that enable consumers to reduce their energy and water use. For example, our fast dry fabric softener offering brings a unique technology that wicks away water from fabric to help clothes dry faster, saving consumers time and energy. Colgate's no-rinse fabric softener technology enables consumers to save water and energy associated with the manual rinse cycle. A new product in Europe, Ajax Easy Rinse spray also helps consumers save water by making it easier to rinse the product after cleaning.

We also have a goal to promote water conservation awareness to Colgate's consumers around the world through on-package, digital and in-store Save Water reminders. This messaging encourages consumers to save both water and energy. By turning off the tap, our consumers reduce their greenhouse gas footprint by reducing energy needed to pump water from the source to their faucet as well as reducing energy needed to heat water when used for washing hands and showering. See page 101 for detail on our progress.

Packaging End-of-Life

We recognize that the disposal of our products is a significant contributor to our carbon footprint. Our 2020 goals are to increase recycled content of our packaging to 50 percent and to provide our consumers with recyclable packages in order to help reduce their carbon footprint. See page 73 for more information.

Colgate has requested our largest suppliers to respond to the CDP Supply Chain climate change and water questionnaires to increase their climate, energy and water risk awareness.

Over 90% of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests. See page 116 or Colgate's Policy on No Deforestation for more information.



In addition to the material sourcing, consumer use of products and packaging end-of-life, Colgate drives continuous improvement in other areas we can influence and drive reduction:

Moving Products to Consumers

Colgate's Customer Service and Logistics teams continue to implement sustainable and efficient logistics projects around the globe that reduce greenhouse gas emissions. Using new and improved planning tools, we are reducing costs, better serving our customers and reducing our carbon footprint. Colgate is making strides on carbon reduction in several geographies. Our North America region has reduced logistics greenhouse gas emissions by 27 percent per ton of finished goods moved since 2010. Asia has reduced emissions per ton by 16 percent since 2012, and Latin America has reduced emissions per ton by over 10 percent since 2010. Hill's Pet Nutrition emissions increased over the period to meet customer service expectations.

In developed markets where intermodal infrastructure is available, we continue to work to increase the utilization of intermodal transportation where goods are shipped in an intermodal container or vehicle that can move through different modes of transportation such as by sea and rail. When compared with using trucks and aircraft, intermodal transportation reduces greenhouse gas emissions and reduces cost.

In emerging markets, we are reducing greenhouse gases through improved truck utilization and greater use of the available railroad infrastructure. In Asia, we reduced carbon emissions in 2015 by 10 percent compared to the previous year by increasing the use of rail and ocean transportation and improving trailer utilization on full truckload shipments and the use of larger vehicles. In Mexico and Brazil, we continue to drive carbon reductions with increased truckload utilization and increased direct customer pick up. Carbon reductions across the two countries averaged 4 percent in 2015 compared to the previous year. In Russia, we increased

use of railway transport and improved fleet efficiencies, resulting in a 16 percent reduction in 2015 compared to the previous year.

In North America, we continue to explore opportunities to partner with transportation providers that use tractors fueled by compressed natural gas. During 2015, we also implemented key initiatives to increase intermodal shipments and to reduce the number of transfer shipments between distribution centers. The U.S. and European logistics teams are also using new technology to improve shipment load building and container utilization. This new tool fully optimizes the use of space in each Colgate truck. In the first month, over 50 fewer trucks were needed, saving nearly \$50,000. Annual expected savings are \$600,000 in the U.S. alone. The system is being rolled out globally to enable other regions to reduce emissions and achieve savings.

Travel and Office Footprint

Colgate has installed telepresence technology in 39 countries around the world, enabling business reviews and meetings to be conducted virtually. The number of telepresence meetings conducted in 2015 increased by 42 percent. We also work with our global travel provider to track our greenhouse gas emissions associated with our airline flights, train travel, rental cars and hotel stays. Moving forward, we are planning to create employee awareness by posting messaging about our travel carbon footprint on our telepresence rooms and systems.

Qualifying individuals in the U.S. may work up to two days a week from home or another remote location on a regular basis. Employees participating in this program have an improved work-life balance and a reduced greenhouse gas footprint by eliminating travel emissions.

Colgate has also long been committed to sustainable buildings. To learn more, refer to page 114 for details on our partnership with USGBC LEED for new construction. In addition to this commitment, Colgate is updating office spaces around the world. Our new office spaces reduce our carbon footprint and offer Colgate people modern collaborative work spaces with natural light.



In the U.S., Colgate and Hill's Pet Nutrition are U.S. EPA SmartWay Transport Partners.

Climate Resilience

Colgate has a long-standing operations risk management process that includes managing the impacts of episodic climatic events such as storms, floods, droughts and temperature extremes to our facilities and supply chain. As part of this process, we assess potential climate vulnerabilities and risks to ensure our business is able to respond and recover from climatic events. This work allows us to integrate longer-term climate resiliency into our business decisions related to our facilities, material supply and logistics in order to help minimize disruptions.

As part of our loss-prevention program, our strategic manufacturing sites are mandated to be highly protected against risk. These risks include natural disasters and climatic and seismic events such as earthquake, volcano eruption, tsunami, tropical cyclone, extra-tropical storm, hail, tornado, lightning, wildfire, river flood, flash flood and storm surge. Property loss control third-party assessments are conducted for all natural disaster hazards on a rotational basis, including at least annually for all strategic sites. Category contingency product sourcing plans have been developed and are updated routinely.

Colgate also conducts contingency planning for anticipated climatic events to ensure continuity of operations. In 2015, contingency planning was completed for materials sourced from the Gulf of Mexico with the potential to be impacted during hurricane season and agriculturally sourced materials from around the world impacted by El Niño.



Further detail of our risk management strategies related to climate change, water availability and forest commodity risk can be found in our response to CDP's annual climate change, water and forest surveys.

In 2015, we also continued our efforts to evaluate climate and water risks and resiliency associated with key raw and packaging materials via the CDP Supply Chain Program. Colgate has participated in the program since its inception in 2008, increasing the scope of suppliers each year. In 2016, Colgate is hosting a student project in the MIT Sloan School of Management's Action Learning Sustainability Lab to evaluate the long-term impacts of climate change on a key agricultural material.

Collaboration and Disclosure

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

In 2015, we continued to collaborate with a variety of stakeholders and to engage with leading organizations to inform our climate strategy and drive continuous improvement on a broader basis.



WORLD RESOURCES INSTITUTE
Quantifying Scope 3 emissions and goals



Colgate was named to the CDP Climate Disclosure Leadership Index for the fifth time in 2015



U.S. EPA Energy Star Partner of the Year for six years



Global LEED commitment for construction of new facilities



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



According to the World Resources Institute, 36 countries around the world face “extremely high” levels of water stress, leaving communities and businesses vulnerable to water scarcity.

Making Every Drop of Water Count

One of life’s most basic needs, water is also essential to business. It is an ingredient in many Colgate products and required in almost every phase of the product life cycle. Clean water is also vital to the communities we serve, yet in many regions of the world, it is becoming an increasingly scarce resource. We take our responsibility as conscientious stewards of water seriously and are committed to making every drop of water count. Water Stewardship is one of our Key Sustainability Issues identified on page 7.

Colgate’s Water Stewardship Strategy



Key elements of our Water Stewardship Strategy include:

Direct Operations: We will continue to invest in water conservation and assess water risks associated with our global operations; we will replenish water in highly stressed regions and manage our wastewater appropriately.

Supply Chain Management: We will increase supplier participation in our water stewardship program with a goal to identify opportunities and mitigate water risks.

Consumer Use: We will strive to develop innovative products that enable consumers to use less water, while meeting or exceeding their expectations. Colgate will also promote water conservation awareness to our global consumers.

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

Ecosystem Protection: We will strive to protect water-related ecosystems such as forests, wetlands, aquifers and rivers.

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

To help drive our Water Stewardship Strategy, our 2020 Sustainability Strategy includes a commitment to Making Every Drop of Water Count. Our commitment is supported by five goals:



Making Every Drop of Water Count

- 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

Colgate's water use footprint consists of three main areas: 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 the consumer use of our products.

Historically, we have focused on reducing the water used in our own operations; however, in 2015, Colgate undertook a comprehensive project to better understand the water use associated with each step of our value chain. The results of this water footprint exercise helped quantify the opportunities to have a positive water impact beyond our own operations.

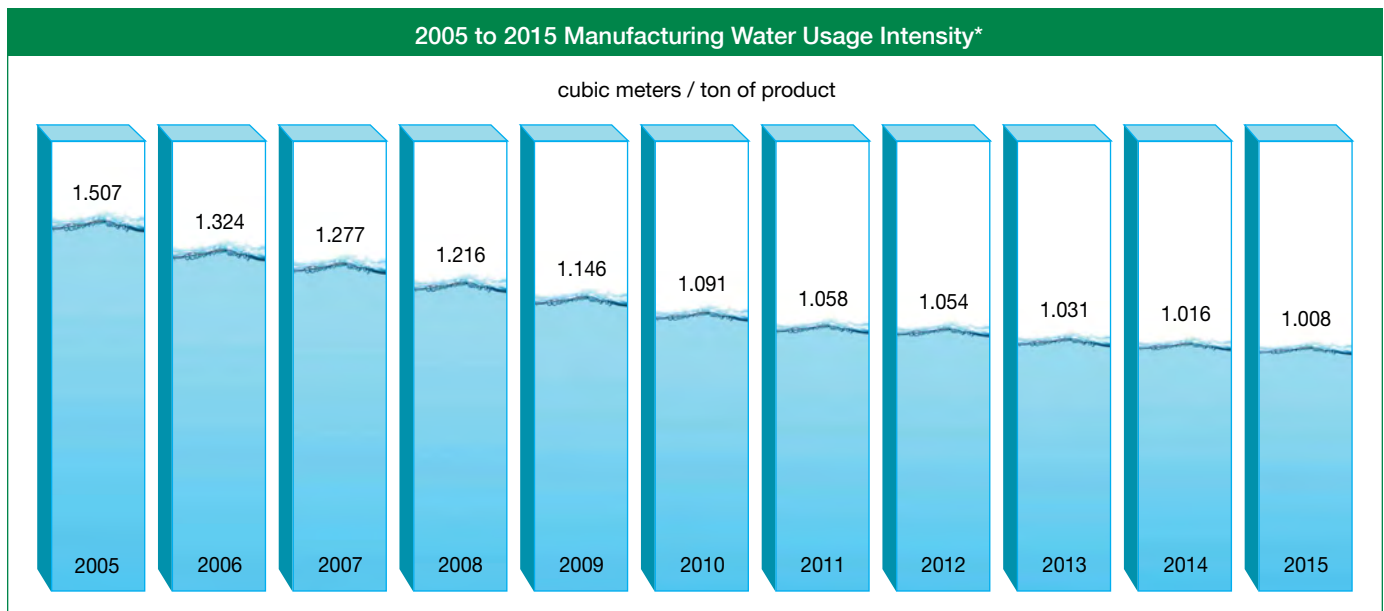
Colgate's Water Use Footprint*



*Excluding Hill's Pet Nutrition

Direct Operations

Colgate has had manufacturing water conservation goals since 2002. Since 2005, we have reduced the water consumed per unit of production in the manufacture of our products by over 33 percent⁽¹⁾, and our new 2020 goal will take us even further—we will reduce our manufacturing water intensity by half compared to 2002 and find ways to replenish water withdrawn in highly stressed regions.



*Excluding water in products

Colgate invests in water conservation strategies at our global facilities via our manufacturing capital program and by implementing our Water Stewardship Standard. We continue to use the True Cost of Water Toolkit. Developed with Rutgers University Business School and its Supply Chain Management Program, the manufacturing-based tool is designed to help sites quantify some of the hidden costs of water such as pre-treatment, pumping and wastewater treatment, thereby increasing both economic and environmental opportunities for reduction. With broad participation from our global sites, we have found an average “true” cost of water that is 2.5 times more than the purchase cost alone.

In regions with high water stress, we will continuously assess water risks and implement appropriate resiliency measures as a way to anticipate and mitigate impacts. In 2015, Colgate hosted a student project in the MIT Sloan School of Management’s Action Learning Sustainability Lab to identify factors that should be considered as we work to meet our commitment to replenish water in highly stressed regions.

Our global manufacturing sites have helped to develop and implement many innovative water conservation tools and programs. Insights from our facilities in countries like Brazil and India are helping us to optimize our water consumption around the world.



We have avoided enough water consumption to fill approximately 7,700 Olympic-sized swimming pools since 2005.⁽¹⁾

⁽¹⁾Subject to final certification by third-party auditor.

Highlights

■ *Water Treasure Hunt Program in Mexico*

This two-day, self-directed event focused on finding simple and cost-effective ways to reduce water waste, reuse and recycle water and increase water conservation awareness among employees.



■ *Water Recycling in Brazil*

Our manufacturing sites in Brazil have invested in numerous water recycling technologies, including reverse osmosis, as a way to treat and reuse water for utilities such as cooling towers and boilers. These investments ensured continued operation during the recent water crisis in São Paulo.

■ *Rainwater Harvesting in India*

Our Oral Care plants in Goa and Baddi, India, utilize rainwater harvesting systems to reduce water consumption and reduce impacts to ground-water supplies.

Supply Chain Management

We are working to increase supplier engagement in our water stewardship program in two ways: 1) participation in the CDP Supply Chain Program and 2) identification and engagement of suppliers of our most water-intensive raw and packaging materials.

We request that our Tier I suppliers and suppliers of water-intensive materials participate in the CDP Supply Chain Program Water Disclosure in order to help us understand and address water impacts and associated risks and opportunities in our upstream supply chain. In 2015, 33 percent of our Tier I suppliers responded to the survey including our largest raw material suppliers and contract manufacturers.

As a way 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 then engage our suppliers to better understand the opportunities to reduce the water footprint of our products through feedstock choices and conversion efficiency, particularly in markets under high water stress.

Consumer Use

Our Products

Colgate understands that the water required to use our products represents the largest portion of our overall water footprint. To that end, water scarcity is an opportunity for innovation, and we are working to develop products that allow consumers to use less water.

- Suavitel's No-Rinse fabric softener technology in Latin America eliminates the need for a rinse cycle. It is available in Suavitel Sin Enjuague and Suavitel Complete products.



- As part of our focus on innovation opportunity spaces that are based on global megatrends, a Colgate team is working to develop the next generation of products that require less water to use. Additionally, our Product Sustainability Scorecard includes an evaluation of water use, enabling our research scientists to consider water reduction ideas early in the product design process.



- Ajax Easy Rinse Spray helps consumers save water by making it easier to rinse the product after cleaning.

- Murphy Soft Wipes clean wood without the use of additional water.



Water Conservation Awareness

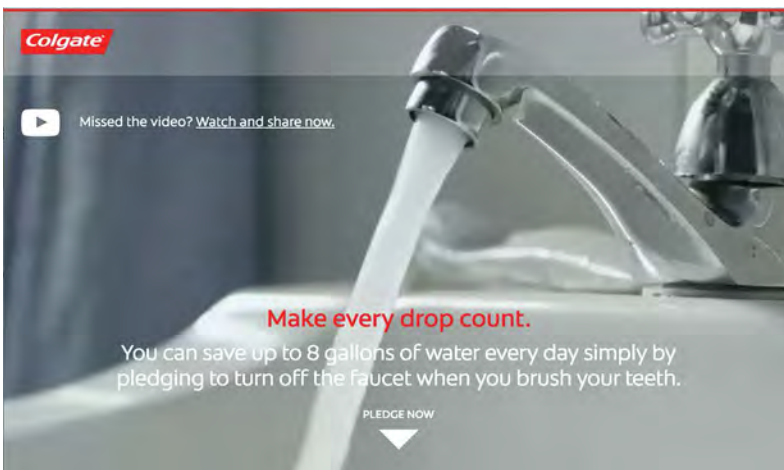
Consumers also have an important role to play in conserving water as they use our products. Through actions such as turning off the faucet while brushing their teeth and washing their hands, much water can be conserved. In order to help consumers in this effort, Colgate has a goal to promote water conservation awareness to all our global consumers.



- In 2013, we began to include a Save Water message on our packages around the world, supported by a website that gives water saving tips and reminders for toothbrushing, handwashing, dishwashing and showering, and is available in ten languages.

- In 2015, Colgate continued campaigns to increase consumer awareness both online and in stores. In the U.S., Colgate partnered with The Nature Conservancy to promote water conservation awareness in selected Safeway and Walmart stores. In Brazil, the Sorriso toothpaste brand challenged consumers to take the #DesafioDoCopinho or One Cup Challenge, and use just one cup of water to brush their teeth.

- We are also engaging Colgate people in water conservation and continued our internal Save Water Project pledge campaign in several locations in 2015. Employees at some sites have also participated in local river cleanups. Employees in Basel, Switzerland, participated in a River Clean-Up Day in partnership with the city. They cleaned up the Rhine River in Basel and collected over 100 kilograms of garbage along this iconic river and water source that runs from the Alps to Rotterdam.



- In 2016, Colgate aired our award-winning Save Water video message during football's Big Game. Consumers were also invited to make a personal pledge to save water at EveryDropCounts.Colgate.com. This campaign alone has reached over 2.7 billion people through earned and social media and views of the television and online video.

World Water Day 2016 Around the World

In 2016, Colgate expanded the Save Water campaign globally with messaging around World Water Day on March 22. Our video and message to make every drop of water count was live in more than 60 countries around the world.

- Colgate continues to partner with The Nature Conservancy to reach consumers in the U.S. In March 2016, communications in Walmart stores in California, Nevada and Arizona reminded consumers to turn off the faucet while brushing their teeth.

Turn off the water while brushing, and save over 100,000 glasses per year.*

Colgate-Palmolive is proud to support The Nature Conservancy. Learn how you can help at nature.org.

SAVE WATER www.colgate.com/savewater **The Nature Conservancy**

Colgate Total ADVANCED WHITENING
ADVANCED STAIN REMOVAL* FOR A BEAUTIFUL SMILE

*For an average family size of 2.5 members

- In Colgate’s Africa/Eurasia Division, including in Turkey, Israel and South Africa, Colgate aired the Save Water video on television and online and partnered with Migros and Walmart stores to reach consumers. In Ghana, Colgate distributed calendars with water-saving tips, and in Kenya, Colgate promoted water conservation awareness in local schools.



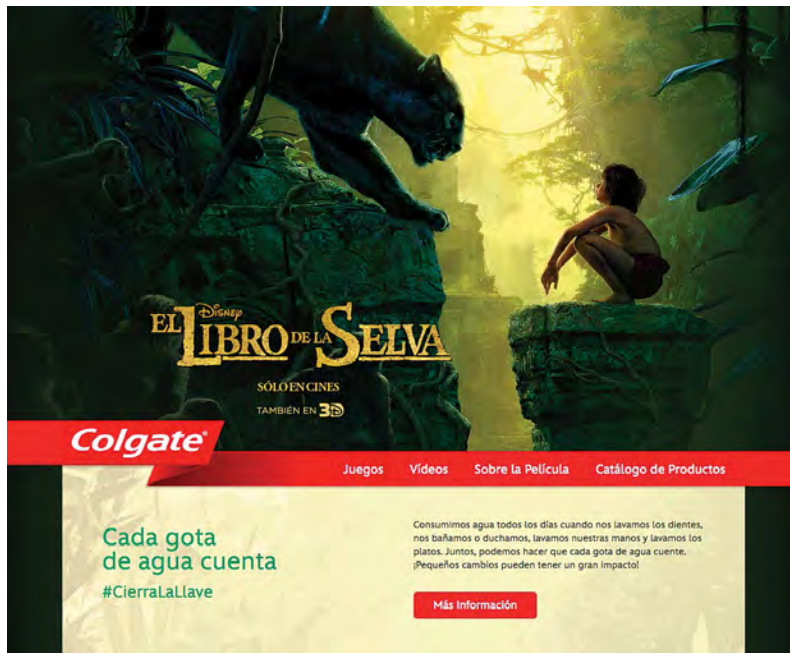
- In Thailand, Protex brand bodywashes were sold in limited-edition World Water Day packaging. The unique bottles display a Save Water message when wet.
- In other Asian countries, Colgate aired our Save Water video on television and social media in China, Hong Kong, India, the Philippines, Malaysia, Singapore and Thailand.

- In China, Colgate partnered with Watsons stores to reach consumers with water conservation messaging.

- All Colgate Divisions engaged Colgate people around the world on World Water Day, inviting them to take a Save Water pledge and share the word about water conservation. Some locations also held events with guest speakers or volunteered in the local community.



- In Europe, Colgate is rolling out an on-package Save Water reminder to consumers. To celebrate World Water Day, employees were invited to take a pledge to save water and share their commitment via social media. For every pledge made, a donation was made to support our PlayPump program in South Africa (see page 105).



- In Latin America, our Save Water video aired on television networks across Mexico, Central America and Colgate's Andina, Southern Cone and Caribbean regions. Colgate also partnered with retailers to reach consumers in stores and online as well as engaged with digital messaging on Facebook. Additionally, Colgate partnered with Disney's The Jungle Book movie to promote the message that Every Drop Counts through advertising online and on television, and an engaging website in Mexico, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Panama and Peru.

- In Colgate's South Pacific region, employees and consumers who took a pledge to Save Water received a "shower buddy" device to help them time their showers to five minutes. The region is also rolling out Save Water reminders on its packaging.

Water and Sanitation Access

Colgate respects the human right to water, sanitation and hygiene. One of Colgate's 2020 Sustainability Strategy goals is to work with local and global organizations to help promote access to clean water. We also provide health and hygiene education in communities around the world.

Since 2013, Colgate has partnered with Water For People in support of their goal of 100 percent drinking water coverage in 30 districts across nine countries by 2018. Colgate's contributions to Water For People's Everyone Forever program helped them to reach nearly 100,000 people in 2015 with water, sanitation systems and/or health and hygiene education in Guatemala, Peru and India.

We also recognize that communities faced with inadequate access to safe water often do not have adequate sanitation services and that handwashing is not widely practiced. As mentioned on page 51, Colgate works 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.



In South Africa, we continue to bring clean water to people through our sponsorship of PlayPumps, which provide an opportunity for children to play and help villages obtain clean water from wells. Colgate now sponsors 25 pumps.



Water For People

Colgate's contributions to Water For People's Everyone Forever program helped them to reach nearly 100,000 people in 2015 with water, sanitation systems and/or health and hygiene education in Guatemala, Peru and India.



water for people

Colgate People Giving Back

In Guatemala, groups of Colgate people have visited several of the communities that received clean water and volunteered to clean up at the school, plant gardens and paint as well as to teach children the importance of oral health and handwashing with our Bright Smiles, Bright Futures program.

Ecosystem Protection

Colgate works to protect water-related ecosystems such as forests, wetlands, aquifers and rivers, which lie at the heart of the global water cycle. All freshwater ultimately depends on the continued healthy functioning of these ecosystems. Colgate will continue to work to protect water-related ecosystems through our commitments to no deforestation, water replenishment, aquifer protection, wastewater treatment and community partnerships.

In the U.S., Colgate is supporting The Nature Conservancy in its mission to protect and restore the

health of rivers, lakes, wetlands and forests as well as to educate consumers about the importance of clean, accessible water for people and nature. This includes helping to protect bodies of water like the Delaware River Basin (clean water source to nearly 20 million Americans) by combating nutrient runoff and sedimentation through riparian restoration, and the Sierra Nevada—the source of 65 percent of California's water supply—where the Conservancy is working to conserve 50,000 acres of critical land to act as a natural reservoir for clear, mountain streams.



Mike Eaton/The Nature Conservancy

Colgate is supporting The Nature Conservancy in its mission to protect and restore the health of rivers, lakes, wetlands and forests as well as to educate consumers about the importance of clean, accessible water for people and nature.

Wastewater Management

Wastewater discharges from Colgate's operations are generally treated on site or by the local municipality prior to discharge to a water body. We continue to work to reduce pollutant loading in our wastewater discharges prior to treatment:

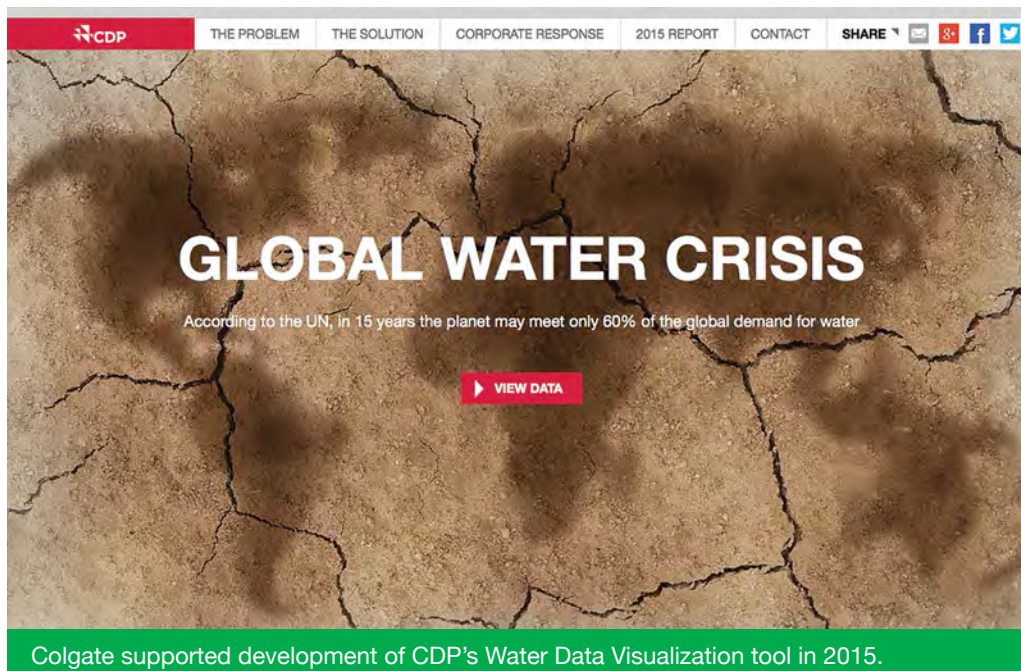
- In Bangkok, Thailand, a new automatic system implemented in 2015 reduced the amount of product base that is washed out of our Work in Progress storage tanks during the changeover process.

- At our Sri City plant in India, we are using new water treatment chemicals to maintain our cooling towers, reducing our discharge load to the local sewage treatment plant.
- In Cambridge, Ohio, Colgate partners with the Ohio-based renewable energy company, Quasar Energy Group, to create energy from the wastewater from our soap manufacturing process. In 2015, Colgate avoided sending over 46,000 tons of wastewater to the landfill, avoiding over \$275,000 in processing costs.
- At Hill's Pet Nutrition's LEED-certified facility in Hustopece, Czech Republic, all wastewater effluent is treated to tertiary standards on-site, a catchment system is in place to capture and reuse rainwater runoff, and over 60 percent of the site was restored with native or adaptive landscaping.

- At our 78-acre Global Technology Campus in Piscataway, New Jersey, Colgate recently completed an upgrade project to expand facility space and update stormwater and groundwater systems while restoring the natural habitat. The updates included upgrading the filtration equipment and stormwater outflow pipework leading to the Raritan River and planting over 800 native trees.

Collaboration and Disclosure

As a way to inform our water stewardship efforts, Colgate engages with leading water experts. This collaboration helps build expertise, align efforts and ensure our water programs meet stakeholder expectations. We are also committed to transparency and have reported publicly on our water stewardship and reduction performance for many years. Colgate is pleased to be one of eight companies globally named to the CDP Water A List in 2015 for leadership in water stewardship and to be a supporter of CDP's water data visualization efforts.



CDP

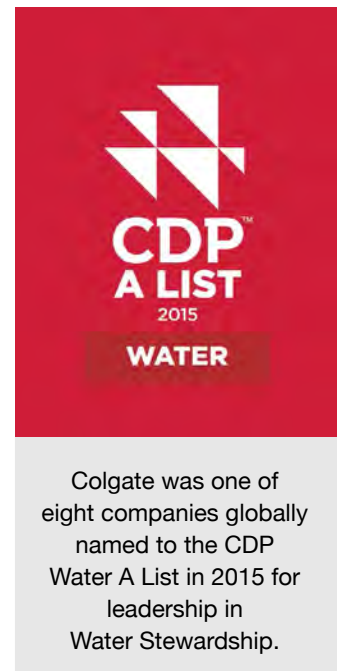
THE PROBLEM THE SOLUTION CORPORATE RESPONSE 2015 REPORT CONTACT SHARE

GLOBAL WATER CRISIS

According to the UN, in 15 years the planet may meet only 60% of the global demand for water

VIEW DATA

Colgate supported development of CDP's Water Data Visualization tool in 2015.



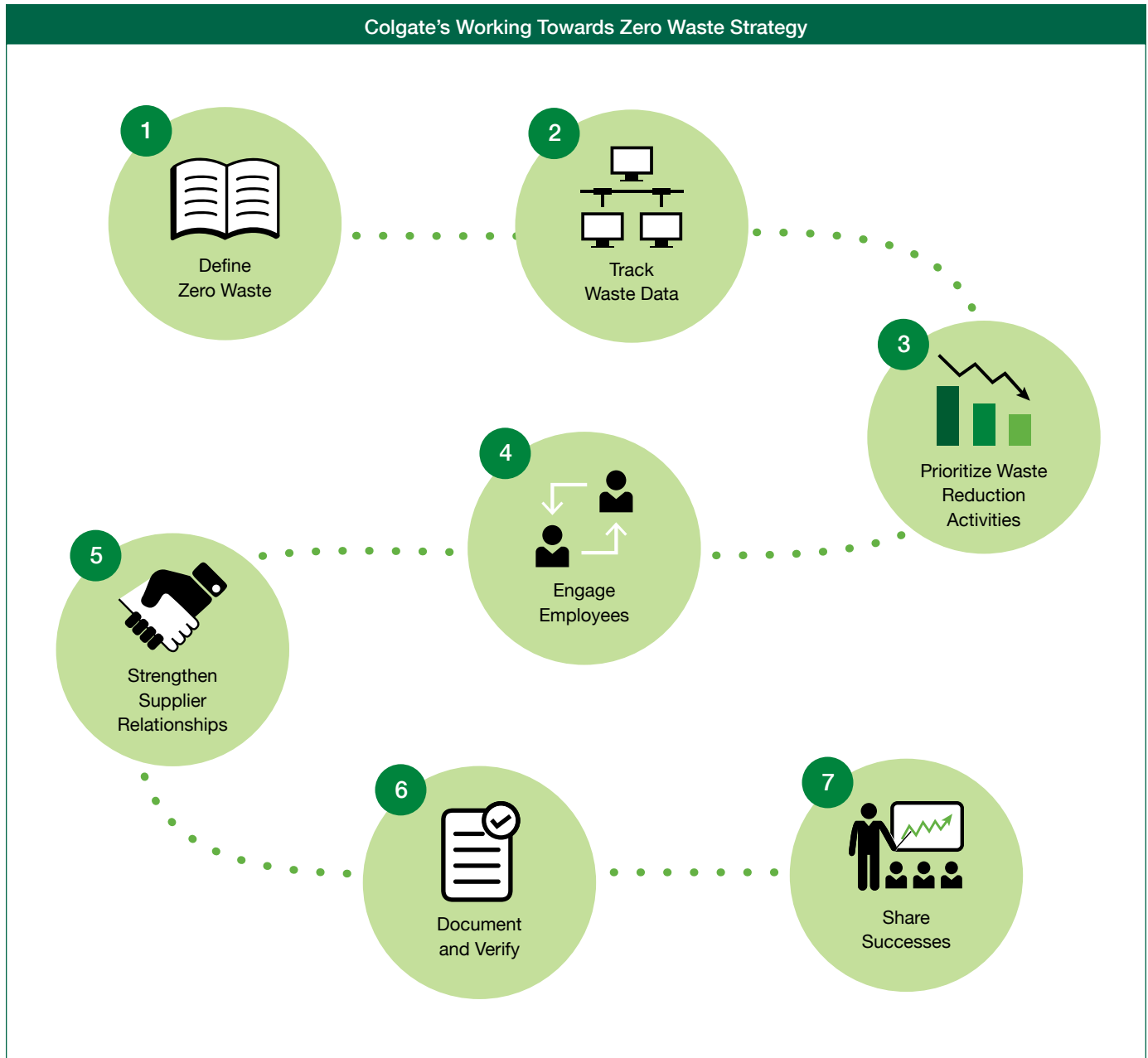
CDP A LIST 2015 WATER

Colgate was one of eight companies globally named to the CDP Water A List in 2015 for leadership in Water Stewardship.



Working Towards Zero Landfill Waste

Colgate sites have been reducing, reusing and recycling waste for many years. Our seven-step waste-reduction strategy guides our waste reduction efforts around the world:



Colgate's Trash to Treasure program encourages Colgate sites to find opportunities to reduce, reuse and recycle waste. We utilize automated Landfill Waste Scorecards for all of our sites to help increase the visibility and understanding of our waste reduction opportunities on a real-time basis.

In 2010, Colgate set a 2015 target to reduce waste sent to landfills from our operations by 15 percent per unit of production. Working together with our global manufacturing sites and network of waste management vendors, we have exceeded our goal, reducing landfill waste by over 40 percent in the past five years.⁽¹⁾ As part of our 2015 to 2020 Sustainability Strategy, we have committed to go even further. We will halve our manufacturing waste sent to landfill per ton of product compared to 2010, working towards our goal of Zero Waste.

Since 2010, Colgate has Reduced Landfill Waste Per Ton of Production by over 40% and reduced our Absolute Landfill Waste by over 35%.



*Total waste


Colgate's Trash to Treasure Awards program provides recognition to sites meeting our Zero Landfill Waste definition as well those sites that send less than 5 percent of waste to landfills. So far our Hill's Etten-Leur, Netherlands; Hustopece, Czech Republic; and Richmond, Indiana sites have received Colgate's Zero Waste to Landfill award. In addition, nine of our plants in 2015 received Performance Leader recognition for sending 5 percent or less of their waste to landfill.

Colgate's Zero Landfill Waste Definition

No site by-products are sent to a landfill, treatment facility or incineration without beneficial reuse or energy recovery for a full year.

- Excludes wastewater discharges (non-bulk), ash from waste-to-energy and wastes required to be treated/landfilled by regulation
- A maximum of 20% (by weight) of a site's total waste may be sent to waste-to-energy
- Episodic construction and demolition wastes are appropriately managed and accounted for separately

⁽¹⁾ Subject to final certification by third-party auditor.



Bureau Veritas has validated Colgate's Zero Landfill Waste definition and the Zero Waste to Landfill status of Colgate's sites.

Zero Waste Highlights

■ Recognizing that employee engagement is an important key to improving recycling rates, Colgate conducts Trash to Treasure events at our facilities to better understand the types of trash produced at the site and identify opportunities to reduce waste. Participants roll up their sleeves to dig through the garbage and identify what can be recycled or reused. The site then uses the findings to shape its waste reduction strategy. During a combined Latin America and North America Regional Environmental, Occupational Health and Safety (EOHS) Team meeting held at the Mission Hills, Mexico plant, a Trash to Treasure event was held to identify the percentage of recyclable material being sent to landfill in order to identify opportunities to increase recycling and reduce waste. EOHS representatives from 23 sites in both regions participated along with Mission Hills plant employees. EOHS representatives will bring back insights to their sites in order to continue to find opportunities to improve waste reduction.



■ Our Athens, Greece plant participates in a program with a supplier to refill and reuse boxes multiple times. Our Sri City plant in India participates in a similar program, reusing the cardboard boxes that supply part of our toothbrush packaging. By sending them back for refill by our supplier at least three times, we have reduced container waste by about 33 percent. Sri City is also reusing the bags that hold the propylene used in the molding of toothbrush handles, avoiding an estimated 1,500 kilograms of waste each month.

- Our toothbrush facilities in Asia are actively working towards zero waste. Over the past five years, the Sanxiao plant in China and the My Phuoc plant in Vietnam have reduced their landfill waste per ton of product produced by 56 percent and 91 percent respectively. Efforts made in recycling plastic and reducing cafeteria food waste have led to these significant reductions. Better waste management, including training and visual communication, have also contributed to the success.



- As identified using Colgate's Product Sustainability Scorecard, several new products in 2015 generated less waste during the manufacturing process than their predecessors. These included Colgate Komplett Freshening toothpaste in Europe, Palmolive Naturals bar soap in Latin America, Ajax Lemon Lime dishwashing liquid in Colgate's Africa/Eurasia division, Soupline Premium fabric softener in Europe and several new toothbrush offerings in Asia.

- Colgate has joined Operation Clean Sweep, an international program designed to prevent plastic resin pellet, flake and powder loss and help keep this material out of the marine environment. Colgate has pledged to implement Operation Clean Sweep's program to improve our worksite set-up to prevent and address spills; create and publish internal procedures to achieve zero pellet, flake and powder loss; provide employee training and accountability for spill prevention, containment, cleanup and disposal; review our performance regularly; and comply with all applicable state and local regulations governing pellet, flake and powder containment.



Reducing Consumer Waste

We recognize the importance of reducing waste at every stage of the product life cycle, including at the end-of-life of our products and packaging. We have committed to improve the recyclability of our packaging, committing resources to enable breakthrough innovation in Oral Care packaging. We have also committed to deliver 100 percent recyclable packaging in our Personal Care, Home Care and Hill's Pet Nutrition categories. See page 73 for more information on our packaging commitments and progress.

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 Fund to develop local recycling infrastructure. In the U.S., municipalities often lack access to the capital needed to invest in recycling programs and infrastructure. Starting in 2016, the Closed Loop fund will provide zero interest loans to municipalities and below market loans to private companies with a goal to develop infrastructure and improve recycling rates. The aim is to invest over \$100 million by 2020 and divert more than 20 million

tons of waste from U.S. landfills. The fund will also seek to co-invest with local private and public investors to magnify its impact. The Closed Loop Fund kicked off its first investment in March 2016 for a Materials Recovery Facility in Chicago, Illinois. The new 40,000 square-foot single-stream recycling system is expected to harvest over 110,000 tons of high-grade residential and commercial single-stream recyclables and to sort, separate and allocate over 20 tons of waste per hour.

Colgate is also a member of CEMPRE (Compromisso Empresarial para Reciclagem or Business Commitment for Recycling) in Brazil. CEMPRE promotes the concept of integrated management of solid waste, promotes consumer recycling measures and implements education and awareness programs about the importance of the 3Rs—reducing, reusing and recycling. CEMPRE has played a leading role in the successful waste management model in Brazil of integrating informal waste collectors and cooperatives into the recycling process. Most recently, Colgate became one of the sponsors of the industry-led Give Hands for the Future program to facilitate the recycling of post-consumer packaging through expansion and improvement of collection, sorting, processing, valuation and marketing in accordance with Brazil's National Solid Waste Policy.



Building Recycling Infrastructure

Colgate was one of the initial investors in the Closed Loop Fund to develop local recycling infrastructure. The Fund kicked off its first investment in March 2016 for a Materials Recovery Facility in Chicago, Illinois.

CLOSED
LOOP *fund*

Colgate partners with eco-innovator Terracycle® in the U.S., Mexico, Brazil, Australia, Argentina and New Zealand. Terracycle® “upcycles” Colgate’s packaging collected at schools, stores and other locations into new and affordable eco-friendly products while generating revenue for schools and charities. Terracycle® has collected over two million pieces of waste through our programs since we launched our partnership in 2010.



Recycled Playground Challenge

To help consumers “upcycle” Colgate products, Colgate and Terracycle® partnered with both Shoprite and Meijer stores in 2015 on a recycled playground giveaway. In-store displays drove awareness for recycling through Terracycle® and publicized a contest for schools to win a playground made from recycled toothbrushes and toothpaste tubes. Tom’s of Maine and Terracycle® also partnered with Hannaford stores in the U.S. to reward a school with a garden made from natural care waste collected through the Tom’s of Maine Natural Care Brigade.

Colgate was honored with the 2015 Ray Anderson Radical Industrialism Award in 2015.

“Colgate-Palmolive deserves every accolade it gets for the exceptional work it is doing. It is exactly the kind of company Ray Anderson sought to encourage, and it makes Colgate-Palmolive a terrific choice to receive the USGBC Leadership Award named for him. Also, at the company’s heart is a culture of care for the planet, and the awareness-building and education it does around water conservation says a great deal about its end-to-end commitment to leadership.”

~Rick Fedrizzi, CEO and Founding Chair, USGBC

Commitment to Sustainable Buildings

Colgate has ten Leadership in Energy and Environmental Design (LEED) certified facilities around the world with over ten additional LEED construction projects underway in the U.S., Latin America, Asia and Europe. We have committed to LEED certification for all of Colgate’s new construction. LEED is an internationally recognized green building certification system developed by the U.S. Green Building Council (USGBC). The buildings reduce Colgate’s environmental impact, reduce the Company’s overall exposure to water and climate change—related issues and offer a healthier, more comfortable work environment.

In 2016, Colgate was honored with the 2015 Ray Anderson Radical Industrialism Award for exemplifying sustainability with USGBC’s leadership in the evolution of green manufacturing. Sponsored by the Ray C. Anderson Foundation, USGBC presents his namesake award each year to a leader in the manufacturing sector whose commitment to and achievements in sustainability exemplify Ray’s vision, integrating sustainability into the very heart of their company.

Colgate has been a member company of the USGBC since 2007. Colgate is also a Charter Member of the USGBC LEED User Group: Industrial Facilities, which collaboratively engages 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” at www.gbig.org.



LEED-Gold in India

Colgate opened the doors to its latest LEED-certified facility in Sanand, India, in early 2016. This oral care manufacturing facility is Colgate’s first LEED-certified site in India. The plant recycles treated wastewater, has efficient water fixtures, was constructed with locally manufactured and extracted materials, has a waste management policy to collect and segregate waste at the source and uses highly-efficient refrigeration systems.

Spotlight on ... Hill's Pet Nutrition

■ Working Towards Zero Waste

Our Hill's Pet Nutrition manufacturing sites are leading the way in reducing landfill waste at Colgate; so far three sites have achieved the first Zero Waste to Landfill recognition. Hill's sites around the world have implemented a sophisticated waste management program in partnership with waste vendors to optimize waste collection, segregation and disposal practices. Hill's has also conducted Trash to Treasure events at three of its U.S. sites, bringing employees together to better understand the types of trash produced at the site and identify opportunities to reduce waste. Hill's is sharing its waste reduction strategy across the organization to enable the same success at all of our facilities.



■ LEED-Certified Factories

Hill's Emporia, Kansas and Hustopece, Czech Republic manufacturing facilities are LEED-certified. At the Emporia plant, 75% of construction waste was diverted from the landfill, 30% of building materials used were made from recycled content, and the building uses 25% less energy compared to a conventional plant. At the Hustopece plant, 90% of construction waste was diverted from the landfill, 68% of building materials came from within 500 miles of the plant and the building uses 20% less energy than a conventional plant.

■ Responsibly Sourced Seafood

Hill's uses a small amount of seafood and seafood by-products as a source of protein and nutrition in its pet foods. Hill's is committed to responsibly and sustainably source seafood. Currently, approximately 66 percent of Hill's seafood supply is certified by a recognized sustainable sourcing framework. A policy further detailing Hill's commitment to responsibly source seafood is in development and is expected to be available later in 2016.



■ Energy Treasure Hunts

Hill's is conducting Energy Treasure Hunts at all of its facilities, where 30 to 50 participants visit all areas of the plant, searching for energy waste and brainstorming opportunities for continuous improvement. In 2015, Hill's completed Treasure Hunts at its Bowling Green, Kentucky and Emporia, Kansas plants. Since 2014, Hill's Treasure Hunters have identified over 240 potential energy-saving projects with the potential to save over \$3 million annually in energy costs.



It is estimated that over the past 50 years, about half of the world's original forests have been lost. This has led not just to biodiversity loss and social instability, but also furthered climate change. Deforestation of High Conservation Value and High Carbon Stock forests, such as tropical rainforests and peatlands, has been especially devastating to endangered animal species and has led to significant release of carbon emissions.

Our Commitment to No Deforestation

In 2014, Colgate issued a Policy on No Deforestation to support a vision for a future without deforestation. Colgate is working to meet our goal of no deforestation by 2020. In 2015, we also joined in the CDP and We Mean Business Coalition's "Road to Paris 2015" commitments, committing to remove commodity-driven deforestation from all supply chains by 2020.

Deforestation is one of Colgate's Key Sustainability Issues identified on page 7. It is an important issue for our business from both an environmental and reputational risk standpoint. The commitments in our policy will help us to manage the deforestation risks in our supply chain for pulp and paper, palm oil and derivatives, soy and soy oil, and beef tallow.

Colgate is committed to the following general requirements for all forest commodities including:

- No deforestation of High Carbon Stock (HCS) forest⁽¹⁾
- No deforestation of High Conservation Value (HCV) areas⁽²⁾
- No use of fire for land clearance
- No new development on peatlands, regardless of depth
- No exploitation of people or local communities^(3/4)

Below are highlights and updates on our progress.

Pulp and Paper

Much of Colgate's packaging material utilizes wood-derived or paper-based products. Over 90 percent of our pulp and paper is certified or is in the process of being certified as being sourced from responsibly managed forests. We have set packaging targets for 2020, including increasing the recycled content of our packaging to 50 percent (see page 73). Currently, approximately 37 percent of Colgate's packaging materials by weight globally come from recycled sources. We have also taken steps to ensure

compliance with the U.S. Lacey Act, which requires all product and disposable packaging to be comprised of legally-sourced wood or other plant-based material.

We give preference for verification of pulp and paper supply to the Forest Stewardship Council (FSC) certification standards, but utilize other respected certification schemes as geography and availability necessitate. As part of this commitment, 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.

Palm Oil, Palm Kernel Oil and Derivatives

Palm oil is one of the most widely traded vegetable oils in the world and is used in many food and household products. Over 85 percent of the world's palm oil comes from Indonesia and Malaysia, where land is sometimes converted from forest to palm plantations, resulting in health issues, greenhouse gas emissions and impacts on biodiversity and social concerns. Colgate uses palm oil, palm kernel oil (PKO) and its derivatives in some of our soap products, toothpastes, antiperspirants, deodorants and household cleaners.

Milestones

We have recognized the need to source responsibly produced palm oil since 2007, when Colgate became a member of the Roundtable on Sustainable Palm Oil (RSPO). Since then, we have taken action to responsibly source palm oil in the following ways:

- Developed a cross-commodity Policy on No Deforestation, highlighting palm oil as one of four commodities to target for implementation (March 2014)
- Began partnership with The Forest Trust (TFT) to map our supply chain, engage our suppliers and drive transformation in the supply chain (May 2015)
- Identified all palm oil derivatives in our supply chain and covered volumes with GreenPalm certificates (2015)

⁽¹⁾ Forests as defined by the HCS Approach developed by GAR, Greenpeace and TFT

⁽²⁾ Areas as defined by the HCV Network Common Guidance

⁽³⁾ As guided by the United Nations Universal Declaration of Human Rights, regulatory requirements and International Labor Organization standards

⁽⁴⁾ Provide respect to legal or customary land tenure rights and the rights of indigenous and local communities by providing free and prior informed consent (FPIC)

- Communicated our policy to our direct suppliers (ongoing)
- Requested information on traceability to the mill level from 100 percent of our direct suppliers of palm oil and PKO (ongoing)
- Engaged direct suppliers of palm oil and PKO to encourage increased transparency and to understand their plans for transformation of their supply chain (ongoing)
- Committed to phase out GreenPalm certificates for palm oil and PKO (ongoing)
- Committed to procure 100% mass balance oils in all geographies (ongoing)
- Announced our support of Indonesia President Joko Widodo’s policy to protect intact and restore degraded peatlands through the new peatlands Restoration Agency (Badan Restorasi Gambut, BRG)

Traceability

Colgate buys palm oil and PKO (excluding derivatives) for production in the U.S., Latin America, Thailand, Turkey and South Africa. We have engaged 100 percent of our direct suppliers of palm oil and PKO to understand the source of their supply, down to the mill level. By tracing palm oil back to known mills, we can better understand the social and environmental practices at the plantations and smallholder farms the mill sources from and collaborate with our suppliers to help transform the supply chain.

The percentages in the table below reflect the percentage of palm oil and PKO for each purchasing market that can be traced back to the origin mill. Overall, we can identify the mill sources for 71 percent of Colgate’s

PKO supply and 54 percent of our palm oil supply, by volume. Being able to identify the mill sources for our palm supply allows us to prioritize upstream suppliers for engagement based on associated risk. It also allows us to seek further information and respond if concerns arise regarding stakeholders within our supply chain.

Colgate sees our initial traceability percentages as opportunities for improvement. A number of our suppliers were new to the request for traceability and some of them were therefore less receptive to our initial request. We continue to pursue visibility of the remaining untraced volumes, which are primarily purchased by our operations in Thailand, the Middle East and Africa. Our work with these suppliers has been to communicate to them our values of responsible sourcing and the role that traceability will play in allowing us to support key stakeholders to improve their practices on the ground.

We have compiled our palm oil derivatives volume and supply data. Within the next six months we will develop an action plan to prioritize and engage our derivatives suppliers on their traceability and responsible sourcing practices.

Certification

As an interim step in the transformation journey, Colgate has chosen to procure 100 percent certified palm oil, PKO and palm oil derivatives. Seventy-seven percent of our palm oil and PKO is physically certified. The balance of our palm oil and PKO, as well as palm oil derivatives, are covered by GreenPalm certificates.

As noted above, we are committed to phase out the use of GreenPalm certificates.

Colgate Global Traceability*

| Market | PKO Traceability | PO Traceability | Overall Traceability |
|-----------------------------|------------------|-----------------|----------------------|
| United States | 98% | N/A | 98% |
| Latin America | 71% | 94% | 81% |
| Thailand | 39% | 57% | 54% |
| Europe, Middle East, Africa | 36% | 46% | 44% |
| Weighted Total | 71% | 54% | 61% |

*As of February 1, 2016

Next Steps

We are conducting in-depth conversations with our suppliers regarding the robustness of their own responsible sourcing policies and implementation plans, or their plans to achieve compliance with our policy if they lack their own. We will continue discussions to encourage greater transparency with the suppliers who have yet to provide complete information on traceability to the mill level. With the traceability information we have and will continue to receive, we will be able to make informed decisions about which producing suppliers to support in transformation. Through our palm oil partnership with TFT, we will be able to contribute to supplier assessments and training in order to have a positive, tangible impact on the practices on the ground within our supply chain. This direct transformation work is in addition to monitoring and ensuring progress of our suppliers' own efforts at transformation.

We will also develop a longer term plan to ensure our palm oil supply conforms to the expectations outlined in our policy by 2020. As the next step on our journey towards sustainable palm oil, we will:

- Work with suppliers and external expert organizations to identify potential social or environmental risk in our supply chain
- Achieve full traceability of our palm oil and PKO supply chains back to the mills by year-end 2016 and to the plantation by year-end 2020
- Set additional milestones for traceability and responsible and sustainable sourcing of palm oil derivatives through 2020 based on mapping that was completed in 2015
- Purchase increasing volumes of physical Certified Sustainable Palm Oil and PKO each year with a goal to source 100% by 2017
- Purchase GreenPalm Certificates to cover the remaining percentage of our requirements, phasing out the need for the purchase
- Communicate the expectation that suppliers publish concession maps
- Measure supplier's conformance to our policy based on third party verification

Soy

Soy, or soy oil, is an ingredient used in certain Colgate products. Colgate sources soy and soy oil from the United States and Brazil.

Colgate supports efforts such as the Soy Moratorium that help minimize deforestation from soy expansion and increase transparency in the soy sector. We are also committed to:

- Mapping our soy usage and geography of supply
- Working with our suppliers in Brazil and any other high-risk areas to assess the availability of soy that does not contribute to deforestation and will increase our purchases of soy from these sources
- By 2017, procuring soy and soy derivatives that are not linked to deforestation, verifying this through independent third-party verification and monitoring

Tallow

Tallow is a key ingredient in bar soap production and is a cattle by-product. 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 part of the Amazon rainforest for cattle ranching. Currently, we require Brazilian suppliers to certify that they are following the environmental and social requirements set forth by the Brazilian Institute of Environment and Renewable Natural Resources (IBAMA). We are also working to minimize the amount of tallow purchased from high-risk areas. We will continue to work with our suppliers to minimize the amount of tallow purchased from high-risk areas with a goal of eliminating such purchases as soon as possible. Moving forward, we will:

- Collaborate with industry and stakeholder groups such as the Global Roundtable for Sustainable Beef to work towards zero deforestation in this area
- By 2017, require all applicable suppliers to be in conformance with the Minimum Criteria for Industrial Scale Cattle Operations in the Brazilian Amazon Biome set in 2009

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, health and safety rules and regulations. Our Environmental, Occupational Health and Safety (EOHS) standards, including the Management Systems Standard, define environmental performance expectations for Colgate facilities. All Colgate facilities have a fully implemented EOHS 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 EOHS managers.

Colgate sites are expected to self-assess conformance with our standards at an eighteen-month interval. Corporate audits are conducted every three to five years, closure progress is reported quarterly and verification audits are conducted to provide closure assurance. Colgate has also launched a third-party Ethical Compliance Audit program for Colgate manufacturing facilities, using the Sedex Members Ethical Trade Audit (SMETA) protocol. The audit protocol investigates criteria covering freedom of association, child labor, hazards, health and safety, wages and benefits, working hours, discrimination as well as environmental and business ethics matters. A corrective action plan is in place to remedy any potential areas of concern.

For more information on supply chain risk, see page 44.

Nature Partnerships

Through partnerships with organizations like The Nature Conservancy and the Keystone Science School, we are helping to support programs that help nature and people alike as well as promoting environmental education.

Highlights

- Colgate sponsors teachers to attend the Key Issues Institute: Bringing Environmental Issues to the Classroom professional development program in Colorado, U.S., a program of the Keystone Science School. Teachers come from areas where Colgate has operations. The program gives teachers the skills to use innovative and engaging ideas and methods to investigate current environmental issues with their students. In 2015, Colgate sponsored four teachers from Kansas and Indiana who left with curriculum materials, lab equipment and a new professional network of support from fellow teachers and Key Issues staff.
- Colgate was honored by EcoHealth Alliance at their 2016 Annual Benefit for our dedication to sustainability and to preserving vital resources for generations to come. EcoHealth Alliance is a global, nonprofit organization dedicated to protecting wildlife and safeguarding human health from the emergence of disease. The organization develops ways to combat the effects of damaged ecosystems on human and wildlife health.



"We are thrilled to honor our first Fortune 500 Company that aligns with EcoHealth Alliance's innovative programs aimed at improving the health of people, animals and ecosystems. Colgate-Palmolive's sustainability practices are forward-thinking, and socially responsible."

~Dr. Peter Daszak, President, EcoHealth Alliance

- Colgate has supported The Wildlife Conservation Society (WCS) in New York City for over 25 years. Through our sponsorship, Colgate people in the New York metro area have occasions to visit the network of WCS zoos and aquariums free of charge.

For more information on our water partnerships with The Nature Conservancy and Water For People, see pages 103 and 105 to 106.

Partnerships

Another important element of Colgate's sustainability strategy is our use of external partnerships to complement our strong internal capability. Colgate has many such partnerships with a broad array of organizations, including suppliers, research institutions, universities, industry and non-profit organizations. Here are just some of Colgate's sustainability partners:



AIM-PROGRESS – Colgate is an active member of AIM-PROGRESS, serving on its leadership team. AIM-PROGRESS is a global industry forum to promote responsible sourcing practices and sustainable production systems. It is a global initiative supported and sponsored by the European Brands Association in Europe and the Grocery Manufacturers Association in North America.



Stop Caries NOW for a Cavity-Free Future

Alliance for a Cavity-Free Future (ACFF) – As a founding sponsor of the Alliance for a Cavity-Free Future (ACFF), Colgate has joined a worldwide group of experts seeking to promote integrated clinical and public health action in order to stop caries initiation and progression and to move towards a cavity-free future for all age groups.



American Cleaning Institute (ACI) – Colgate has signed on to the American Cleaning Institute's Charter for Sustainable Cleaning, which requires companies to have systems in place for continual assessment, review and improvement of sustainability performance, including raw material selection, resource use and occupational health and safety, at every stage of the product life cycle. We also participate in their sustainability metrics program.



American Dental Association (ADA) – Colgate partners with the American Dental Association Foundation each year to sponsor the "Give Kids A Smile®" program, providing oral health education and free preventive and restorative care to children from low-income families. Each year, approximately 350,000 underserved children benefit from more than 1,500 events thanks to the efforts of 40,000 or more annual volunteers.



American Institute for Packaging and the Environment (AMERIPEN) – Colgate joined with other companies in 2011 to found this organization, which is focused on coordinating the industry's environmental packaging efforts.



CDP – Colgate has reported our carbon emissions to CDP (formerly Carbon Disclosure Project) since 2004. We now respond to the CDP Climate, CDP Water and CDP Forest Disclosures and survey our suppliers through the CDP Supply Chain Program.



CEMPRE – Colgate has recently joined Compromisso Empresarial para Reciclagem (Business Commitment for Recycling) (CEMPRE) in Brazil as a member corporation. CEMPRE promotes the concept of integrated management of solid waste, promotes consumer recycling measures and implements education and awareness programs about the importance of the "3Rs," reducing, reusing and recycling program.



Closed Loop Fund – In 2014, Colgate became one of the initial investors in the Closed Loop Fund to develop local recycling infrastructure. This 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 aim is to invest \$100 million in the next five years and divert 27 million tons of waste from U.S. landfills.



Conference Board Chief EH&S Officers' Council – Colgate participates in the Conference Board Chief EH&S Officers' Council. Our membership enables peer-to-peer benchmarking of leading EH&S strategies, practices and processes.

Partnerships



Consumer Goods Forum – Colgate’s Chairman, President and CEO is on the Board of Directors of the Consumer Goods Forum (CGF), and we participate in the CGF Sustainability Steering Team and Social Steering Team. We support CGF’s collective commitments related to sustainability and climate change, including the effort to help achieve zero net deforestation by 2020.



Environmental Defense Fund Climate Corps – Colgate hosted a Climate Corps fellow in 2015 to help evaluate the economic feasibility of installing fuel cell technology at its Global Technology Center facility in Piscataway, New Jersey. In addition, the fellow worked to develop a management strategy guide related to electric vehicle charging stations. Colgate will again host a fellow in 2016 focusing on quantification of sustainable building performance.



The Forest Trust (TFT) – Colgate is a palm oil member of The Forest Trust (TFT), which is working with Colgate to meet our palm traceability and responsible sourcing commitments.



global child dental fund

Global Child Dental Fund (GCDF) – Colgate is the founding and principal sponsor of this group, which builds on the achievements of the United Kingdom government-funded Global Child Dental Health Taskforce program. We established this group in partnership with the World Health Organization with the goal of eradicating dental cavities in children globally by 2026.



Grocery Manufacturers Association (GMA) – As a member of the Grocery Manufacturers Association, Colgate contributed to the development of the Smart Label™ initiative. This platform will enable consumers to obtain additional details about products by scanning a QR code or doing an online search to reach a landing page with information on ingredients.



International Association for Soaps, Detergents and Maintenance Products (AISE) – Colgate is a charter member of the AISE flagship initiative, the Charter for Sustainable Cleaning. The AISE Charter is a comprehensive program that ensures continual improvement in the sustainability of our home care products, covering production, design and consumption.



National Dental Association (NDA) – Colgate’s commitment to improve children’s oral health in the community includes a long-term partnership with the National Dental Association (NDA), the world’s largest minority oral health association.



The Nature Conservancy – Colgate is working with The Nature Conservancy to raise awareness of water issues in the U.S. and encourage consumers to conserve this vital resource.



Red Cross – Colgate provides financial support to the Red Cross in the event of large scale disasters such as earthquakes, tornadoes and hurricanes. We also donate personal care products for those who have been displaced from their homes. Additionally, Colgate matches employee donations to the Red Cross through our Matching Gift Program.



Roundtable on Sustainable Palm Oil (RSPO)

Roundtable on Sustainable Palm Oil (RSPO) – Colgate is a member of this group, which is working on solutions for the use and growth of sustainable palm oil.



Round Table on Responsible Soy (RTRS) – Colgate is a member of the RTRS, an internationally recognized forum working to develop and promote a standard of sustainability for the production, processing, trading and use of soy.



Society of Environmental Toxicology and Chemistry (SETAC) – Colgate is a Global Partner in the Society of Environmental Toxicology and Chemistry. Colgate supports SETAC’s mission to develop principles and practices for protection, enhancement and management of the environment by providing a forum where professionals can exchange ideas and discuss environmental challenges, regulations, research and development and environmental education.

Partnerships



Starlight Children's Foundation® – For more than 26 years, Colgate has been a sponsor of Starlight Children's Foundation®, a leading global charity that partners with experts to improve the life and health of kids and families around the world. Since 1989, Colgate has contributed more than \$12.1 million to support programs such as Starlight® Fun Center® mobile entertainment units and iPad tablet technology in hospitals in the U.S. to offer fun and distraction for pediatric patients.



The Sustainability Consortium – Colgate is an active member of the Home and Personal Care Sector of the Sustainability Consortium, which is committed to improving product sustainability. Colgate is also on the Corporate Advisory Council of this group.



Terracycle® – Over two million people around the world are collecting used Colgate packaging to be made into new products by Terracycle®.



U.S. EPA ENERGY STAR – Colgate is an active partner of the EPA's industrial sector and has been named an ENERGY STAR Partner of the Year for six years in a row. Additionally, 72 percent of Colgate's manufacturing sites have achieved U.S. EPA ENERGY STAR Challenge for Industry recognition.



U.S. EPA GREEN POWER PARTNER – In 2014, Colgate joined the U.S. EPA's Green Power Partnership, which encourages the voluntary use of green power to reduce the environmental impacts associated with conventional electricity use. Partners benefit from the use of green power, while supporting the development of renewable energy in the United States. Colgate was named to the National Top 100 list in 2015, representing the largest green power users within the Partnership.



U.S. EPA SmartWay – In the U.S., Colgate-Palmolive and Hill's Pet Nutrition are U.S. EPA SmartWay Transport Partners. The program helps the freight transportation sector improve supply chain efficiency and reduce greenhouse gas emissions.



U.S. Green Building Council (USGBC) – Colgate has been a member company of the USGBC since 2007. Colgate is also a Charter Member of the USGBC LEED User Group: Industrial Facilities, which actively engages in the advancement of green building practices for manufacturing sites.



Walden Asset Management – Colgate consulted with Walden Asset Management to develop our new climate change commitments and our 2015 to 2020 Strategy.



water for people

Water For People – Colgate launched our partnership with Water For People in 2013. Colgate's contributions to Water For People's Everyone Forever program helped them to reach nearly 100,000 people in 2015 with water, sanitation systems and/or health and hygiene education in Guatemala, Peru and India.



World Resources Institute (WRI) – Colgate is a member of WRI's Corporate Consultative Group to share knowledge and stay informed on key environmental issues. Colgate also uses the WRI Aqueduct tool to assess a variety of water-related risks in our operations, including water stress, drought and flood.

Key Performance Indicators



| People | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Approximate number of employees | 35,800 | 34,700 | 36,000 | 36,600 | 38,100 | 39,200 | 38,600 | 37,700 | 37,400 | 37,700 | 37,900 |
| % Minority officials and managers (U.S. EEOC data) | 24.6 | 24.6 | 24.9 | 27.2 | 27.2 | 28.9 | 32.11 | 31.0 | 31.0 | 33.0 | 34.0 |
| % Minorities in workforce (U.S. EEOC data) | 27.9 | 28.9 | 28.6 | 29.5 | 29.0 | 28.8 | 32.03 | 30.0 | 30.0 | 31.0 | 32.0 |
| % Women officials and managers | 29.3 | 30.6 | 32.0 | 32.9 | 36.2 | 36.6 | 38.18 | 33.0 | 34.0 | 35.0 | 35.0 |
| % Women in workforce | 34.0 | 36.1 | 37.0 | 38.9 | 40.7 | 40.7 | 39.37 | 39.0 | 39.0 | 38.0 | 37.0 |
| Total recordable rate ⁽¹⁾ | 0.72 | 0.74 | 0.57 | 0.46 | 0.49 | 0.49 | 0.47 | 0.40 | 0.38 | 0.35 | 0.32 |
| Lost workday case rate ⁽²⁾ | 0.19 | 0.23 | 0.19 | 0.12 | 0.12 | 0.12 | 0.11 | 0.08 | 0.10 | 0.10 | 0.09 |
| Safety notices of violation ⁽³⁾ | 1 | 0 | 0 | 5 | 2 | 0 | 2 | 0 | 3 | 0 | 0 |
| Safety fines paid (\$) ⁽⁴⁾ | 300 | 0 | 0 | 16,899 | 7,800 | 0 | 4,032 | 0 | 250 | 7,800 | 0 |
| Children reached through Bright Smiles, Bright Futures since 1991 (millions) | | | | | | | 650 | 700 | 750 | 800 | 850 |
| Annual Code of Conduct training (%) ⁽⁵⁾ | | | | | | | | 100 | 100 | 100 | 100 |
| Supplier Responsible Sourcing Assessment participation (%) ⁽⁶⁾ | | | | | | | | 46 | 57 | 62 | 73 |



| Performance | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Global Sales (\$MM) | 11,397 | 12,238 | 13,790 | 15,330 | 15,327 | 15,564 | 16,734 | 17,085 | 17,420 | 17,277 | 16,034 |
| Global charitable contributions – cash (\$MM) ⁽⁷⁾ | 7.33 | 7.06 | 8.31 | 9.68 | 20.94 | 17.81 | 17.60 | 32.0 | 23.58 | 23.81 | 23.25 |
| Global charitable contributions – in-kind (\$MM) ⁽⁸⁾ | n/a | n/a | n/a | n/a | 26.33 | 21.85 | 20.05 | 32.0 | 10.38 | 5.61 | 5.02 |

⁽¹⁾ The number of occupational injuries and illnesses that require medical treatment per 200,000 work-hours.

⁽²⁾ The number of occupational injuries and illnesses causing employees to be absent from work per 200,000 work-hours.

⁽³⁾ A violation or citation issued by a governmental authority with jurisdiction.

⁽⁴⁾ Fines associated with Safety Notices of Violations (NOVs).

⁽⁵⁾ Salaried and clerical people participating in annual training on and certification of the Company's Code of Conduct.

⁽⁶⁾ At-risk suppliers who have undergone a responsible sourcing self-assessment and/or third-party audit.

⁽⁷⁾ 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).

⁽⁸⁾ In-kind and product donations by Colgate to charitable organizations.

Key Performance Indicators



| Planet | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-------|-------|--------|-------|-------|-------|--------|-------|--------|---------|-------|
| Energy use efficiency (kWh x 1000/ton of product) ⁽⁹⁾ | 0.458 | 0.431 | 0.422 | 0.415 | 0.403 | 0.411 | 0.396 | 0.390 | 0.379 | 0.370 | 0.358 |
| CO ₂ emissions (metric tons x 1000) ⁽⁹⁾ | 699 | 692 | 688 | 659 | 636 | 663 | 661 | 640 | 646 | 631 | 589 |
| CO ₂ emissions intensity (kg/ton of product) | 152 | 142 | 139 | 136 | 133 | 136 | 132 | 127 | 124 | 121 | 112 |
| Water use efficiency (m ³ /ton of product) | 1.507 | 1.324 | 1.277 | 1.216 | 1.146 | 1.091 | 1.058 | 1.054 | 1.031 | 1.016 | 1.008 |
| Wastewater Chemical Oxygen Demand (kg/ton of product) ⁽⁹⁾ | 3.01 | 3.04 | 2.93 | 2.68 | 2.63 | 2.94 | 2.77 | 2.83 | 2.76 | 2.72 | 2.92 |
| Environmental Incidents ⁽¹⁰⁾ | 1 | 2 | 2 | 2 | 2 | 1 | 3 | 0 | 0 | 0 | 0 |
| Environmental Notices of Violation ⁽¹¹⁾ | 3 | 0 | 8 | 8 | 7 | 2 | 5 | 5 | 5 | 8 | 2 |
| Environmental fines paid (\$) ⁽¹²⁾ | 0 | 0 | 26,200 | 9,057 | 1,000 | 0 | 50,094 | 1,065 | 38,582 | 128,600 | 3,300 |
| Certified palm oil (%) | | | | | | | | 0 | 100 | 100 | 100 |
| Certified palm kernel oil (%) | | | | | | | | 0 | 94 | 100 | 100 |
| Certified palm oil and palm kernel oil derivatives (%) | | | | | | | | | | | 100 |
| CDP Supply Chain Program Climate Disclosure Participation (%) ⁽¹³⁾ | | | | | | | | | | 37 | 39 |
| CDP Supply Chain Program Water Disclosure Participation (%) ⁽¹³⁾ | | | | | | | | | | 27 | 33 |

⁽⁹⁾ Data varies slightly from previous reporting due to boundary changes and updated reporting methodology.

⁽¹⁰⁾ Represents site-related spills or accidental releases that reach a water body, groundwater or soils or affect a third party. As of 2012, significant spills are reported, which are defined as any spills that are included in our financial statement.

⁽¹¹⁾ An environmental violation or citation issued by a governmental authority with jurisdiction.

⁽¹²⁾ Fines associated with Environmental Notices of Violations (NOVs).

⁽¹³⁾ Percentage by spend of Tier I suppliers and suppliers of carbon or water intensive materials, including our largest raw material suppliers and contract manufacturers, responding to the CDP Supply Chain Program Climate or Water Disclosures.

Global Reporting Initiative (GRI) Index

This report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines.

| GRI Indicator | Indicator Description | Colgate Sustainability Report Reference or Direct Answer | Other Reference |
|---|---|--|----------------------------|
| General Standard Disclosures | | | |
| Strategy and Analysis | | | |
| G4-1 | Statement from the most senior decision-maker of the organization | Message from Ian Cook (p. 3) | — |
| G4-2 | Description of key impacts, risks, and opportunities | Throughout Report, Sustainability Management (p. 6) | Annual Report on Form 10-K |
| Organizational Profile | | | |
| G4-3 | Name of the organization | Company Profile (p. 4) | — |
| G4-4 | Primary brands, products, services | Company Profile (p. 4) | Annual Report on Form 10-K |
| G4-5 | Headquarters location | Company Profile (p. 4) | — |
| G4-6 | Country operations | Company Profile (p. 4) | Annual Report on Form 10-K |
| G4-7 | Nature of ownership and legal form | Company Profile (p. 4) | Annual Report on Form 10-K |
| G4-8 | Markets served | Company Profile (p. 4) | Annual Report on Form 10-K |
| G4-9 | Scale of the reporting organization | Company Profile (p. 4) | Annual Report on Form 10-K |
| G4-11 | Percentage of total employees covered by collective bargaining agreements | Approximately 24% | — |
| G4-12 | Significant changes during the reporting period | — | Annual Report on Form 10-K |
| G4-15 | Externally developed charters, principles to which organization subscribes or endorses | Partnerships (p. 121) | — |
| G4-16 | Memberships of associations | Partnerships (p. 121) | — |
| Identified Material Aspects and Boundaries | | | |
| G4-17 | Entities included in the organization's consolidated financial statements or equivalent documents | — | Annual Report on Form 10-K |
| G4-18 | Process for defining report content | Sustainability Management (p. 6) | — |
| G4-19-21 | Material aspects | Sustainability Management (p. 6) | — |

Global Reporting Initiative (GRI) Index

| GRI Indicator | Indicator Description | Colgate Sustainability Report Reference or Direct Answer | Other Reference |
|--------------------------------------|--|---|---|
| Stakeholder Engagement | | | |
| G4-24 | Stakeholders | Sustainability Management (p. 8) | — |
| G4-27 | Key topics and concerns raised through stakeholder engagement and response | Sustainability Management (p. 7) | — |
| Report Profile | | | |
| G4-28 | Reporting period | About This Report (p. 2) | — |
| G4-29 | Date of most recent report | — | ColgatePalmolive.com/ Sustainability |
| G4-30 | Reporting cycle | — | ColgatePalmolive.com/ Sustainability |
| G4-31 | Contact point for questions about report | csr@colpal.com | — |
| Governance | | | |
| G4-34 | Governance structure | Sustainability Management (p. 8) | ColgatePalmolive.com - Governance |
| G4-38 | Composition of highest governance body and committees | — | ColgatePalmolive.com - Governance |
| G4-39 | Chairman as executive officer | — | ColgatePalmolive.com - Governance |
| Ethics and Integrity | | | |
| G4-56 | Organization's values, principles, standards and norms of behavior | Company Profile (p. 5), People (p. 26) | — |
| Specific Standard Disclosures | | | |
| Economic | | | |
| Disclosure on Management Approach | Economic Performance, Market Presence, Procurement Practices | Company Profile (p. 5), People (p. 26), Performance (p. 60) | Annual Report on Form 10-K |
| EC1 | Direct economic value generated and distributed | Company Profile (p. 5), Performance (p. 60) | Annual Report on Form 10-K |
| EC2 | Financial implications, risks and opportunities due to climate change | Planet (p.86, 95) | CDP Climate Change, CDP Water |
| EC3 | Defined benefit plan obligations | — | Annual Report on Form 10-K |
| EC4 | Significant financial assistance received from government | — | Annual Report on Form 10-K |

Global Reporting Initiative (GRI) Index

| GRI Indicator | Indicator Description | Colgate Sustainability Report Reference or Direct Answer | Other Reference |
|-----------------------------------|---|--|--------------------|
| Environmental | | | |
| Disclosure on Management Approach | Materials, Energy, Water, Biodiversity, Emissions, Effluents and Waste, Products and Services, Compliance, Transport, Overall | Performance - Product Sustainability (p. 65), Planet (p. 84) | — |
| EN2 | Percentage of materials used that are recycled input materials | Performance - Packaging (p. 73) | — |
| EN3 | Energy consumption within the organization | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN4 | Energy consumption outside of the organization | Planet - Our Climate Commitment (p. 87) | CDP Climate Change |
| EN5 | Energy Intensity | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN6 | Reduction of energy consumption | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN8 | Total water withdrawal by source | — | CDP Water |
| EN9 | Water sources significantly affected by withdrawal of water | — | CDP Water |
| EN15 | Direct greenhouse gas emissions (Scope 1) | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN16 | Energy indirect greenhouse gas emissions (Scope 2) | Planet - Our Climate Commitment (p. 87) | CDP Climate Change |
| EN17 | Other indirect greenhouse gas emissions (Scope 3) | Planet - Our Climate Commitment (p. 87) | CDP Climate Change |
| EN18 | Greenhouse gas emissions intensity | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN19 | Reduction of greenhouse gas emissions | Planet - Our Climate Commitment (p. 87), Key Performance Indicators (p. 124) | CDP Climate Change |
| EN22 | Water discharge by quality and destination | Key Performance Indicators (p. 124) | CDP Water |
| EN23 | Amount of waste by type/destination | Planet - Reducing Waste (p. 108) | — |
| EN24 | Number/volume of significant spills | Key Performance Indicators (p. 124) | — |
| EN27 | Extent of impact mitigation of environmental impacts of products and services | Performance - Product Sustainability (p. 65), Planet (p. 84) | — |
| EN29 | Incidents/fines for non-compliance with environmental regulations | Key Performance Indicators (p. 124) | — |
| EN30 | Significant environmental impacts of transportation or logistics | Planet - Our Climate Commitment (p. 87) | CDP Climate Change |

Global Reporting Initiative (GRI) Index

| GRI Indicator | Indicator Description | Colgate Sustainability Report Reference or Direct Answer | Other Reference |
|--|--|---|--|
| Labor Practices and Decent Work | | | |
| Disclosure on Management Approach | Employment, Labor/Management Relations, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, Equal Remuneration | People (p. 26) | — |
| LA5 | Notice period regarding operational changes | Comply with regulations | — |
| LA6 | Health and safety data | People - Health and Safety (p. 36), Key Performance Indicators (p. 124) | — |
| LA9 | Average hours of training per year per employee | People - Supporting Colgate People (p. 28) | — |
| LA10 | Programs for skills management/lifelong learning | People - Supporting Colgate People (p. 28) | — |
| LA12 | Employee and governance body demographics | People (p. 26), Key Performance Indicators (p. 124) | — |
| Human Rights | | | |
| Disclosure on Management Approach | Investment and procurement practices, non-discrimination, freedom of association and collective bargaining, child labor, prevention of forced and compulsory labor, security practices, indigenous rights, assessment, remediation | People - Business Integrity, Social Responsibility (p. 43) | Code of Conduct; Third Party Code of Conduct |
| Society | | | |
| Disclosure on Management Approach | Local communities, corruption, public policy, anti-competitive behavior, compliance | People - Business Integrity (p. 43) | Code of Conduct; ColgatePalmolive.com - Governance |
| SO6 | Political contributions to political parties or candidates | \$0 | Code of Conduct; ColgatePalmolive.com - Governance |
| Product Responsibility | | | |
| Disclosure on Management Approach | Customer health and safety, product and service labeling, marketing communications, customer privacy, compliance | Performance - Product Safety and Quality (p. 66) | Product Safety Research Policy |
| PR5 | Results of surveys measuring customer satisfaction | Performance - Consumer Driven Innovation (p. 63), Partnering with Customers (p. 81) | Consumer Affairs |

Reconciliation of Non-GAAP Financial Measures

The following is provided to supplement certain financial measures discussed in this report both as reported (on a GAAP basis) and excluding the impact of certain items (Non-GAAP) as explained below. Management believes these Non-GAAP financial measures provide useful supplemental information to investors regarding the performance of the Company's ongoing operations. The Company uses these financial measures internally in its budgeting process and as a factor in determining compensation. While the Company believes that these Non-GAAP financial measures are useful in evaluating the Company's business, this information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, these Non-GAAP financial measures may not be the same as similar measures presented by other companies.

Note: Per share amounts have been restated to reflect the 2013 two-for-one stock split.

⁽¹⁾ In 2015, the Company recorded a \$1,058 million after-tax charge resulting from a change in accounting for the Company's Venezuelan operations.

⁽²⁾ Charges relate to the 2012 Restructuring Program that began in the fourth quarter of 2012.

⁽³⁾ In 2015, the Company recorded a \$120 million after-tax gain on the sale of its laundry detergent business in the South Pacific. In 2011, the Company recorded a \$135 million after-tax gain on the sale of its laundry detergent business in Colombia.

⁽⁴⁾ In 2015 and 2014, the Company recorded \$22 million and \$214 million, respectively, of after-tax remeasurement charges related to effective devaluations in Venezuela. In 2013, the Company recorded a \$111 million after-tax charge related to a devaluation in Venezuela.

⁽⁵⁾ Represents charges for a competition law matter in Australia in 2015 and competition law matters in Europe in 2011, 2013 and 2014.

⁽⁶⁾ Represents income tax charges related to foreign tax matters.

⁽⁷⁾ Represents costs related to the sale of land in Mexico.

⁽⁸⁾ Represents costs associated with various global business realignment and other cost-saving initiatives.

| (Dollars in Millions Except Per Share Amounts) | Gross Profit Margin | Diluted EPS |
|---|------------------------|----------------|
| 2015 | | |
| As Reported (GAAP) | 58.6% | \$1.52 |
| Venezuela Accounting Change ⁽¹⁾ | – | 1.16 |
| 2012 Restructuring Program ⁽²⁾ | 0.1% | 0.20 |
| Sale of Non-Core Product Lines ⁽³⁾ | – | (0.13) |
| Venezuela Remeasurements ⁽⁴⁾ | – | 0.02 |
| Foreign Competition Law Matter ⁽⁵⁾ | – | 0.02 |
| Foreign Tax Matter ⁽⁶⁾ | – | 0.02 |
| Excluding Items (Non-GAAP) | 58.7% | \$2.81 |
| 2014 | | |
| As Reported (GAAP) | 58.5% | \$2.36 |
| 2012 Restructuring Program ⁽²⁾ | 0.2% | 0.23 |
| Venezuela Remeasurements ⁽⁴⁾ | – | 0.23 |
| Foreign Competition Law Matters ⁽⁵⁾ | – | 0.04 |
| Mexico Land Sale ⁽⁷⁾ | – | – |
| Foreign Tax Matter ⁽⁶⁾ | – | 0.07 |
| Excluding Items (Non-GAAP) | 58.7% | \$2.93 |
| 2013 | | |
| As Reported (GAAP) | 58.6% | \$2.38 |
| 2012 Restructuring Program ⁽²⁾ | 0.2% | 0.30 |
| Venezuela Remeasurements ⁽⁴⁾ | – | 0.12 |
| Foreign Competition Law Matter ⁽⁵⁾ | – | 0.03 |
| Mexico Land Sale ⁽⁷⁾ | – | 0.01 |
| Excluding Items (Non-GAAP) | 58.8% | \$2.84 |
| 2012 | | |
| As Reported (GAAP) | 58.1% | \$2.57 |
| 2012 Restructuring Program ⁽²⁾ | – | 0.07 |
| Mexico Land Sale ⁽⁷⁾ | 0.2% | 0.02 |
| Business Realignment Initiatives ⁽⁸⁾ | – | 0.02 |
| Excluding Items (Non-GAAP) | 58.3% | \$2.68 |
| 2011 | | |
| As Reported (GAAP) | 57.3% | \$2.47 |
| Foreign Competition Law Matter ⁽⁵⁾ | – | 0.02 |
| Mexico Land Sale ⁽⁷⁾ | – | 0.01 |
| Business Realignment Initiatives ⁽⁸⁾ | 0.3% | 0.15 |
| Sale of Non-Core Product Lines ⁽³⁾ | – | (0.14) |
| Excluding Items (Non-GAAP) | 57.6% | \$2.51 |



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