Respecting Human Rights and Labor Rights: Disclosure Statement

Our Organization, Business and Supply Chain

Founded in 1806, Colgate-Palmolive is a consumer products company that serves people around the world. Colgate is a caring, innovative growth company reimagining a healthier future for people, their pets and our planet.

Our company operates in over 80 countries and markets its products in over 200 countries and territories. The Company has over 50 manufacturing and research facilities globally with the vast majority of Colgate products manufactured in Colgate-owned facilities. We have a truly global supply chain that sources goods and services from over 39,000 suppliers located in over 100 countries.

Our success is linked to the Company’s values of Caring, Global Teamwork and Continuous Improvement. The Company cares about people: Colgate people, customers, consumers, shareholders and business partners. We are committed to acting with compassion, integrity, honesty and high ethics in all situations, to listening with respect to others, and to valuing differences. The Company is also committed to protecting the global environment, enhancing the communities where Colgate people live and work, adhering to government laws and regulations and to positively impacting the lives of workers in our supply chain.

Colgate has a long-standing commitment to respecting human rights and labor rights worldwide and supports the United Nations Universal Declaration of Human Rights and the International Labor Organization (ILO) Core Labor Standards, and we have confirmed our support for the UN Global Compact and principles on human rights, labor, environment and anti-corruption. Colgate is a member of the Consumer Goods Forum (CGF) and supports the Forum’s Social Resolution on Forced Labor and its supporting Priority Industry Principles; every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work.

Colgate seeks to work with business partners who share our commitment to Universal Human Rights. We recognize the responsibility of business to respect human and labor rights and will engage with stakeholders to respect the rights of all parties.

Our Policies

Employee Code of Conduct
Since 1987, our Code of Conduct has served as a guide for our daily business interactions, reflecting our corporate values and our standards for ethical behavior. Colgate’s Code of Conduct communicates our commitment to oppose the illegal use of child labor, human exploitation and all other forms of unacceptable treatment of workers.
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.

**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. These standards include applicable labor and equal employment laws as well as environmental, occupational health and safety regulations, and the Foreign Corrupt Practices Act and Anti-Bribery Policy. Certain suppliers are also required to acknowledge the Third Party Code’s requirements via our online supplier portal.

It is Colgate’s policy not to work with any supplier or contractor known to utilize inhumane labor practices, including exploitation, physical punishment, abuse, involuntary servitude, or other forms of mistreatment.

Suppliers are expected to apply the policy across their entire operations. In the event of non-compliance, Colgate will work with suppliers to create an action plan that includes reasonable time commitments to meet our requirements. Suppliers who are unable or unwilling to meet our time-bound requirements will be subject to non renewal or termination of contracts. Colgate will continue to monitor and verify that our policies are being properly implemented. Our Third Party Code of Conduct was most recently updated in 2018 to reflect our commitment to the CGF Priority Industry Principles: Every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work.

**Additional Policies**
The following additional policies support our commitment to respect human and labor rights.

- Non-Retaliation Policy
- No Deforestation Policy
- Palm Oil Policy
- Conflict Minerals Policy
- Environmental, Occupational Health & Safety Policy Statement
- Colgate HIV/AIDS Policy
- Anti-Bribery Policy
- Equal Opportunity Employment Policy

Our Policies are publicly available on the Colgate website:

**Human Rights Strategy**

Through the development of our human rights strategy, we identified salient issues (stated below) and the groups most vulnerable to human rights abuses. These groups include individuals working in “high risk”
geographies or industry sectors, particularly where migrant or temporary workers are utilized.

### Freedom of Association:
Colgate is committed to respecting employees’ lawful freedom of association and recognizes all legal rights to organize and collectively bargain. Colgate seeks to work with suppliers who promote this standard.

### Forced Labor:
Colgate does not use forced labor within our own operations. We will strive to eradicate forced labor from our value chains. We believe that every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work. We expect that employers will not hold workers passports, original identification documents or other valuables unless required to do so by law. We also expect that fees and costs associated with recruitment and employment should be paid by the employer, not the employee. Moreover, it is Colgate’s policy not to work with any supplier or contractor known to operate with forced labor.

### Child Labor:
Colgate does not use child labor within our own operations. Child labor is defined as employing any person younger than the minimum age, as legally permitted in the jurisdiction in question. However, in no event will we knowingly employ anyone younger than sixteen (16) years of age. Moreover, it is Colgate’s policy not to work with any supplier or contractor known to operate with child labor.

### Health and Safety:
We strive to eliminate potential hazards in the workplace and to comply with all occupational health and safety regulations and our own minimum standards. Colgate respects the health and safety of our workers. Suppliers who do business with Colgate are encouraged to maintain a focus on health and safety that is consistent with ours and must provide a safe and healthy work environment for all employees working at their sites. In addition, any supplier representative providing on-site services in a Colgate facility is required to adhere to both regulations and Colgate safety standards.

### Working Hours and Wages:
Colgate is committed to paying employees a wage that enables them to meet at least their basic needs.
and complying with legally mandated work hours in accordance with local laws. Colgate expects our suppliers to comply with legally mandated wage and overtime compensation and working hour requirements in accordance with local law.

Harassment:
We prohibit sexual harassment or any form of harassment of Colgate people by any person in the workplace or while conducting company business.

Land Use Rights:
Colgate respects the legal or customary land-tenure and use rights of indigenous and local communities, as well as their rights to give or withhold their free, prior and informed consent for operations affecting their land or natural resources. Colgate seeks to work with suppliers who promote this standard.

Diversity and Inclusion:
Colgate strives to ensure our organization reflects the diversity of our consumers. We are committed to providing equal opportunity for all employees at all levels regardless of race, color, religion, sex, national origin, citizenship, ethnicity, age, disability, marital status, veteran status, sexual orientation, gender identity or any other characteristic protected by law in the terms or conditions of employment. This includes but is not limited to recruitment, hiring, promotion, transfer, compensation, training, demotion or layoff. Colgate seeks to work with suppliers who promote this standard.

Key Collaborations

AIM-PROGRESS
We are a member of AIM-PROGRESS, a global forum of consumer goods companies sponsored by the European Brands Association (AIM) and the Consumer Brands Association (formerly GMA) in North America. The group’s purpose is to promote responsible supply chain and sourcing practices covering labor and human rights, health and safety, environmental management and business integrity. Colgate actively participates on the AIM-Progress Human Rights Workstream focused on the issues of forced labor, responsible recruiting and fair labor practices.

Consumer Goods Forum
In line with the Consumer Goods Forum’s (CGF’s) Social Resolution on Forced Labor, Colgate joins the CGF in acknowledging the broad societal problem of modern slavery and committing to eradicate forced labor from our supply/value chains. We believe that every worker should have freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work. Through work with the CGF, Colgate participates in the Social Sustainability Committee and its Palm Oil Working Group and associated task forces. Colgate supports collaborative work commissioned through the CGF such as a recent report published in November 2018; “Assessing Forced Labor Risks in the Palm Oil Sector in Indonesia and Malaysia” conducted by the Fair Labor Association. Insights from the report have been developed into a publicly communicated high level action plan with concrete activities planned through 2019 and beyond.

Earthworm Foundation (formerly known as The Forest Trust)
In 2015, Colgate began a palm oil membership with The Earthworm Foundation to engage our suppliers and drive transformation within the supply chain. Our policy implementation plan activity includes
understanding suppliers’ progress and actions toward meeting Colgate’s responsible and sustainable palm oil sourcing policy. The focus includes the suppliers’ own policy commitments, traceability status, grievance process, transparency and verification activities, as well as review of supplier initiatives to identify and address human and labor rights issues.

**Due Diligence and Risk Assessment**

**Our Own Operations**
We have completed risk assessments at 96% of Colgate-Palmolive manufacturing facilities and conducted social compliance audits using the Sedex Members Ethical Trade Audit (SMETA) protocol at 93% of our manufacturing facilities operating in countries identified as high-risk according to Verisk-Maplecroft global risk indices on labor practices, human rights, worker health & safety and environmental management. Where areas of noncompliance are identified a corrective and preventive action plan is implemented. Findings are verified as closed by third-party verification.

**Our Third Party Business Partners**
Since the Supplier Responsible Sourcing Assessment (SRSA) program’s inception in 2012, Colgate has assessed more than 80 percent of our spend with suppliers and providers in high-risk geographies, including raw material and packaging suppliers, contract manufacturers, co-packing facilities, and warehousing operations. In 2018, we expanded our risk assessment scope to include third-party labor providers.

Colgate’s SRSA program requires selected suppliers and business partners to complete a self-assessment focused on labor practices, human rights, worker health and safety, environmental management and business integrity. Risk factors considered in the selection of suppliers to participate in the SRSA program include: geographic risks, Colgate’s in-country knowledge, industry-associated risks and criticality to our operations. Through the use of a supplier risk assessment scorecard, selected suppliers and business partners are scored against critical risk factors to determine the need to conduct a compliance audit. When a supplier is assessed as high risk, a third-party audit of their facility is required.

As a member of the Supplier Ethical Data Exchange, or Sedex, Colgate employs the SMETA audit protocol to assess suppliers’ compliance with laws including: employment freely chosen, regular employment, harsh or inhumane treatment, entitlement to work and emigration, freedom of association, child labor, health and safety, wages and benefits, working hours and discrimination as well as environmental and business ethics matters.

If any areas of noncompliance are detected, a corrective action plan is developed. We then work with the supplier to ensure these findings are promptly remedied and the closure of all such areas of noncompliance are independently verified. In cases where suppliers are unable or unwilling to implement corrective actions, Colgate will consider termination of the business relationship.

To date, there are currently 650 suppliers and service providers in the program and 36% have conducted a social compliance audit. The most frequent areas of noncompliance identified during audits relate to worker health and safety, working hours and management systems.

This supplier assessment program is integrated into our supplier qualification process.
Our Performance

Reporting & Remediing Grievances
The Colgate Ethics Line provides a means for employees and external parties to ask questions and 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, 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.

Colgate investigates all potential Code of Conduct violations and ensures that the appropriate actions are taken. In 2019, Ethics and Compliance received 422 contacts through a variety of channels including the Ethics Line, Ethics web tool and ethics@colpal.com, which covered a wide variety of reporting activities including 57 consultations. Allegations reported to Ethics and Compliance are grouped into the following categories: Accounting-related, Conflicts of Interest, Discrimination, Financial-related, Harassment, Regulatory and Legal, Retaliation, Work Environment, Other and non-E&C matters. After a thorough investigation has been completed, if the allegations are substantiated, appropriate remedial action is taken. Additionally, through our risk assessment work with third party labor providers in Asia we have provided an email address, Responsible_Sourcing@colpal.com, for labor providers to respond to a recruitment and employment survey as well as to communicate any questions or raise any concerns.

Actions to Remedy
Through the SRSA program, Colgate has identified critical issues that when identified during an assessment or audit would trigger the need for immediate supplier corrective action. Examples of critical social issues include child labor and forced labor, as well as locked emergency exits and other safety situations that may be immediately dangerous to worker life and health.

Colgate is committed to work with our suppliers to implement corrective actions, however where suppliers do not take appropriate and timely corrective actions we have terminated the business relationship.

Training
Colgate requires that 100 percent of salaried and clerical employees complete the Code of Conduct training each year, with all additional employees completing the course every other year. The Code of Conduct training reinforces Colgate’s commitment to respecting workers’ human rights, fair labor practices, and protection of the environment. Training is mandatory and is linked to compensation for certain employee populations.

Colgate has also participated in supplier 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 has conducted similar independent responsible sourcing training events for our suppliers.

**Key Activities**

Continued execution against our multi-year plan to strengthen Colgate’s approach to addressing forced labor in our operations and extended supply chain including the following activities:

- Launched a process to identify and evaluate forced labor risks with third party labor providers in our operations. In 2019, this assessment process was implemented in our Asian operations.
- Engaged key internal stakeholders and senior leadership in raising awareness to the issue and indicators of forced labor.
- Updated language in our Code of Conduct to reflect the CGF Priority Industry Principles

**Future Plans**

- Conduct internal training on the topics of modern slavery & forced labor with key stakeholder groups
- Continue to conduct additional transformation projects and capability building activities with suppliers
- Continue expansion of third-party labor provider forced labor risk assessments beyond Asia to Africa-Eurasia, Middle East and Latin America
- Expand the scope of forced labor risk assessments into facility management service providers
- Continue expanding the scope of responsible sourcing assessments further into direct materials including mined and agricultural materials

**Disclosure Statements**

**UK Modern Slavery Act**
Colgate complies with the UK Modern Slavery Act. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Colgate-Palmolive Company’s anti-slavery and human trafficking statement for 2019 and has been approved by the board of directors of Colgate-Palmolive (U.K.) Limited on 27 July 2020.

Taylor Gordy  
Vice President and General Manager, Northern Europe  
Director, Colgate-Palmolive (U.K.) Limited

**California Transparency in Supply Chains Act**
Colgate complies with the California Transparency in Supply Chains Act. This statement serves to meet disclosure requirements.

Ann Tracy
Chief Sustainability Officer