

# Q&A: Colgate-Palmolive on why sustainability is an essential brand strategy

Article

Becoming a more sustainable company doesn't have to mean spending more money—sustainability can have a positive impact on the bottom line. In this conversation, Ann Tracy shares strategies for companies looking to boost their sustainability efforts and what she hopes attendees will learn at her Shoptalk session.

**Ann Tracy**

**Chief Sustainability Officer, Colgate-Palmolive**



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**Your session at Shoptalk is about new tactics and models for improving profitability and sustainability. What are some takeaways for attendees?**

There are two ways brands can preserve the environment while providing value to stakeholders:

**Focus:** Colgate has a “2025 Sustainability & Social Impact Strategy” driven by our purpose, but we’ve been very focused on where we want to lead. We choose to focus on areas where we have excellence and expertise, where there is a need, and where we have the influence as a business to drive meaningful change.

**Partner:** Colgate’s decision to share our recyclable tube technology is an example of how large companies can work together to tackle sustainability challenges.

**Why are you so interested in how brands and retailers are tackling plastic waste?**

Educating consumers and other third parties in the value chain about how to properly reuse and recycle products is critical because the vast majority of emissions in the consumer goods industry comes from consumer use and disposal—it accounts for 80% of Colgate’s carbon footprint. We believe companies should assume responsibility for the full life cycle of their products, even when those products have left their four walls.

To give just one example of how this journey of eliminating plastic waste is playing out at Colgate, we developed a recyclable plastic tube to contribute to the circular economy. Colgate is openly sharing its IP with the industry, including competitors. Makers of 90% of the toothpaste tubes sold in the US have committed to switching to recyclable tubes by 2025.

**Investing in sustainability can be time- and resource-intensive. How do you get stakeholder buy-in? How do you demonstrate the business case for sustainability?**

Three ways: build sustainability into our strategic growth plan, align investments with targets, and educate all stakeholders.

Our investment in sustainability is an investment in our growth. That’s why, in 2021, we issued our inaugural sustainability bond, the net proceeds of which helped support and further the actions reflected in our “2025 Sustainability & Social Impact Strategy.”

Accountability is key. Our “5% for the Planet” program helps ensure that our global manufacturing sites identify, fund, and implement climate, energy, water, and waste projects that deliver environmental improvement and, often, cost savings. This operational strategy proves to stakeholders that we’re walking the walk.

Finally, sustainable innovation is only effective when it’s actually used properly. To develop our recyclable toothpaste tube, we worked with the Association of Plastics Recyclers to ensure the innovation could function within existing recycling infrastructure, shared the technology with the industry to help eventually reach the critical mass needed for mainstream adoption, and are starting to engage consumers and recycling facilities so they know that many toothpaste tubes can now be recycled.

**If companies don’t have the resources to devote to large technology or other investments, what are some small pivots they can make to be more sustainable?**

One word: partner! You should partner even if you do have the resources to devote to major innovations.

Partnering is also a financially sound strategy because diverse partnerships mitigate risk by helping develop the standards and infrastructure needed to deliver on goals, while also distributing spend and focus across multiple areas.

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