

The ROI of Sustainability Playbook

TRANE
TECHNOLOGIES™

ROI OF SUSTAINABILITY

Contributors include leaders from Colgate-Palmolive, McDonald's, Prologis, Turner Construction Company, BrainBox AI and Clever Carbon.

A collaborative playbook featuring business leaders' perspectives on how sustainability drives performance and growth.

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Introduction

As a global business community, we have a once-in-a-generation opportunity to lead. Technology is transforming the global economy to be defined by data and energy, and it's up to us to keep sustainability at the center. The business case is clear. As artificial intelligence (AI) requires more energy, we're leveraging technology to reduce demand, costs and emissions.

At the center of this shift, sustainability and technology leaders are redefining how businesses grow and compete, leveraging sustainability as a core business strategy that drives growth, with returns that include cost reduction, reduced energy waste, better risk mitigation, increased revenues and strengthened resilience. The winners in this landscape will use sustainability as a performance advantage, generating returns holistically across the value chain. Leaders in diverse industries are already aligning finance, operations and supply chains around sustainability outcomes. In parallel, companies are harnessing digital technology as a growth engine, while AI and connected systems are supercharging climate-smart strategies across sectors and functions.

At its core, sustainability is about making things last while building organizations, systems and communities that can thrive in the future.

It's about developing technologies that reduce energy use and waste, lower costs and power performance. It encompasses designing for the long term, using resources wisely, reducing risk and increasing resilience while creating business value — setting the stage for continued growth. The stories highlighted in this playbook demonstrate that sustainability is not a side project or a trade-off. It is a practical strategy for sustained business success, helping companies perform better both today and for generations to come.

At Trane Technologies, we have been demonstrating the ROI of sustainability since we were launched as a pure-play climate innovator in 2020, and we're proud to lead through this transformation. At the heart of it is our relentless investment in technology and our purpose to challenge what's possible for a sustainable world. Another important piece is partnerships — working with our customers, our suppliers and our industry community — to find new ways to reduce energy and cost across the value chain.

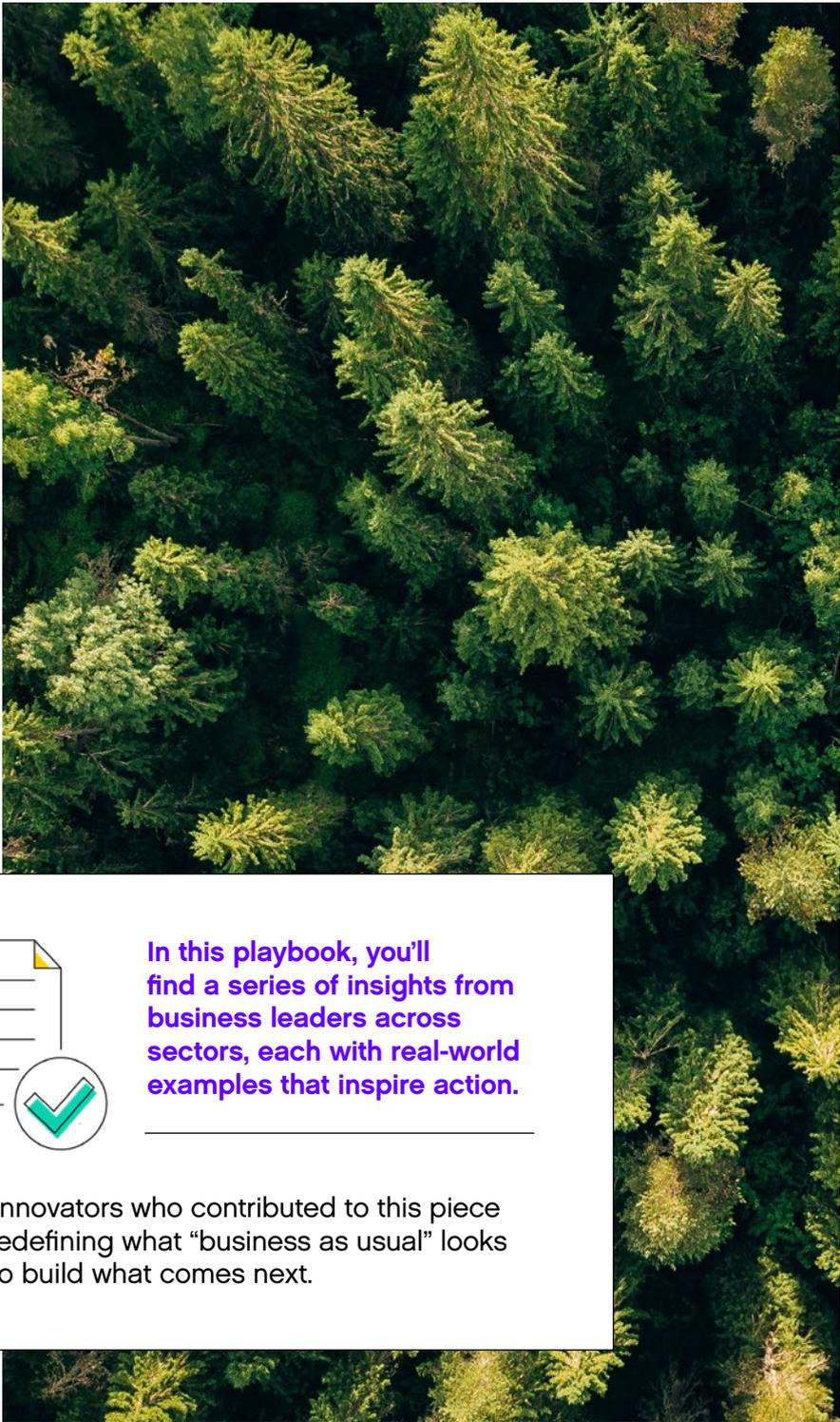
In this playbook, you'll find a series of insights from business leaders across sectors, each with real-world examples that inspire action. The innovators who contributed to this piece are redefining what "business as usual" looks like to build what comes next. We invite you to join us as we shape a more sustainable future together.



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The innovators who contributed to this piece are redefining what "business as usual" looks like to build what comes next.

1

Counting what counts — the new math of sustainability

Traditional valuation models can underestimate the full value of decarbonization initiatives. The true returns require a broader equation that includes reduced costs and waste, increased business resilience, market differentiation, risk management and reputation. At Prologis, a global logistics real estate company, the impact of sustainability decisions is tangible on a massive scale: goods worth an estimated \$3.2 trillion moved through the company's facilities in 2024.

Prologis' VP of Global Impact & Sustainability, Suzanne Fallender, describes a multi-pronged approach to valuing sustainability initiatives that integrates risk, efficiency, relationships and revenue opportunities. "We perform lifecycle assessments of each project and assess the return on investment, prioritizing the true cost of a building and the changes that will most effectively reduce emissions," she says.

This approach has also created new business opportunities for the company. In Prologis' September 2025 Supply Chain Outlook Report, nearly 90% of senior executives surveyed said they would pay a premium for sites with reliable energy infrastructure, and energy security now outranks labor costs as a driver of location decisions. For Prologis, that demand reinforces the business case for sustainable energy offerings — from rooftop solar and storage to backup power

sources — that create value in multiple ways, including reducing costs and emissions, increasing resilience and creating new revenue streams.



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Suzanne Fallender, VP of Global Impact & Sustainability, Prologis



Learn more about how Prologis is advancing sustainability

[Read](#) →



Real-world impact

PROJECT

At an industrial facility in Mexico, [Prologis partnered with GEODIS](#), a global logistics solutions provider, to install a solar energy production system. The installation powers a significant share of the building's energy needs, increasing resilience while helping GEODIS meet its ambitious decarbonization goals.

PROCESS

The partners installed a 619 kWDC rooftop solar array designed to generate approximately **892 MWh of low-carbon electricity per year**. The installation powers site operations, supports GEODIS' emission-reduction targets and increases energy resilience, effectively transforming the building into an energy-as-a-service platform.

RETURNS

The system reduces operating expenses and exposure to potential energy price volatility and outages, while also decarbonizing site operations. The returns catalyzed additional sustainable logistics investments: GEODIS and Prologis have since completed three more installations, with five additional projects in progress.

2

The power of procurement to catalyze a low-carbon value chain

Procurement decisions are among the most powerful ways to support both business performance and climate goals: prioritizing lower-impact materials and circular approaches in sourcing influences every link in the value chain. Setting clear requirements for sustainable practices, alternative materials, energy performance, embodied carbon and circularity outcomes can help accelerate the shift to a more efficient, future-ready procurement ecosystem.

At McDonald's, one of the world's largest restaurant chains with over 44,000 locations globally, Chief Sustainability & Social Impact Officer Beth Hart views sustainability strategies as levers to help future-proof the company's procurement model while creating value for the business. "The returns on investment from our sustainability initiatives include sustaining brand trust while delivering long-term operational resilience, ensuring we can feed and foster communities for years to come," she says.

Hart and her team are working with suppliers to foster resilience across the company's value chain. For example, McDonald's is partnering with producers to pilot regenerative agriculture practices, including cover crops, no-till cultivation, precision irrigation and soil health monitoring. Other projects include feed for cattle that reduces the natural resources required to produce the same volume

of beef, funding soil-health-friendly equipment for potato farmers and encouraging rotational grazing. This sustainability-focused procurement strategy helps McDonald's advance its climate goals while also strengthening the company's supply chain.



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Beth Hart, Chief Sustainability & Social Impact Officer, McDonald's



Learn more about McDonald's responsible sourcing strategy

[Read](#) →



Real-world impact

PROJECT

McDonald's, Target, Cargill and The Nature Conservancy launched a five-year, \$8.5 million soil health project in Nebraska, supporting regenerative agriculture on 100,000 acres in a region that supplies many key McDonald's inputs.

PROCESS

The partners provide technical and financial support to farmers adopting regenerative agriculture practices like cover crops, reduced tillage and diversified crop rotations.

RETURNS

The project is expected to **sequester about 150,000 metric tons of CO² over five years — comparable to taking over 32,000 cars off the road for a year** — while improving water quality, habitat and long-term soil resilience. The investment also helps advance McDonald's progress toward sustainability targets while creating a foundation for scalable regenerative agriculture models that can strengthen farmer profitability and resilience.

3

Sustainability is strategy, and it maximizes ROI

Sustainability is not an add-on. When approached strategically, it becomes an operational lever that delivers strong returns, including measurable efficiency increases, reduced costs and new revenue opportunities.

Founded in 1806 and selling its essential health and hygiene products in 200 countries and territories, Colgate-Palmolive embeds value-creating sustainability initiatives throughout its operations. “We are a caring, innovative growth company that is reimagining a healthier future for all people, their pets and our planet,” says Ann Tracy, Colgate-Palmolive’s Chief Sustainability Officer. “Our sustainability efforts are transformative enablers of our growth and contribute to our long-term resilience.” Colgate-Palmolive estimates it has avoided millions of dollars in cost thanks to two decades of sustainability and efficiency work to reduce its use of utilities.

Clear business cases like this one, that tie decarbonization to cash flow, risk reduction and value creation, generate stronger sustainability outcomes. Many companies integrating well-designed sustainability strategies are seeing decreased operating costs, improved asset performance and stronger resilience. Through embedding performance goals for key cost centers like energy, waste and packaging, sustainability investments are helping reduce expenses while freeing resources for innovation.



Our sustainability efforts are transformative enablers of our growth and contribute to our long-term resilience.

Ann Tracy, Chief Sustainability Officer, Colgate-Palmolive



Learn more about Colgate-Palmolive’s sustainability and social impact

Read →



Real-world impact

PROJECT

Colgate-Palmolive is converting its global portfolio to zero-waste facilities. The company’s target is to achieve Green Business Certification Inc. (GBCI) TRUE Zero Waste certification in 100% of its operations, including manufacturing facilities, warehouses and offices. It now has more TRUE Zero Waste-certified sites than any other company.

PROCESS

Colgate-Palmolive maps waste streams and redesigns materials and processes to reduce waste. Each facility aims to **divert at least 90% of solid waste from landfill, without relying on incineration**. In 2024, the company added eight more TRUE Zero Waste-certified sites, reaching 44 locations in 26 countries.

RETURNS

As of December 31, 2024, **more than 80% of the company’s products come from zero-waste certified manufacturing facilities**, and Colgate-Palmolive teams consistently identify operational and other cost savings alongside the environmental benefits. Tracy sums it up simply: “The less waste you create, the more you save.”

4

Every role is a sustainability role

Successful organizations are treating decarbonization as a company-wide endeavor, not a silo. Enterprise-wide decision-making — from the CFO to operations, legal and procurement — improves outcomes and accelerates execution. The Chief Sustainability Officer role has evolved, too. This crucial function encompasses both business leader and strategist, while often also leading reporting. And the board plays a critical role in translating oversight into action: Educated and informed directors create an environment of accountability for sustainability goals.

“We have intentionally integrated sustainability goals across seats and functions, because people working in every role have opportunities to impact outcomes in their day-to-day work,” says Turner Construction Company’s Vice President and Chief Sustainability Officer Julia Gisewite. Sustainability outcomes are a core part of job descriptions throughout the company: pre-construction teams are measured on how often they discuss low-carbon options with clients, while construction site safety managers are trained to spot idling vehicles to reduce fuel use and improve air quality.

From day-to-day operations to the boardroom, every decision-maker has a stake in climate performance, notes Michelle Li, the founder of Clever Carbon. “If you don’t prioritize sustainability (at the board level), it’s at risk of becoming optional,” she says. “And there’s a financial footprint from emissions. Every ton of carbon emitted is

a cost to the company. Reducing those emissions means you’re reducing those costs.”

When sustainability shows up in job descriptions, KPIs and board agendas, every role becomes an engine for both sustainability and business value. “Employees can act as critical agents of change, amplifying sustainability strategies,” says Li. The results are measurable, reducing costs and risk while attracting talent and accelerating innovation.



Learn more about Turner Construction Company’s sustainability strategy
[Read](#) →

Real-world impact

PROJECT

Turner Construction Company embedded sustainability KPIs into pre-construction teams’ goals, so designers, engineers and client liaisons all integrate decarbonization strategies from day one. Teams now initiate sustainability conversations with every new client and prioritize low-carbon, high-efficiency materials during the design phase of each project.

PROCESS

Guided by training, sample talking points and a menu of solutions, pre-construction teams integrate sustainable options into early-stage customer conversations. They coordinate with design and procurement teams to implement measures like efficiency upgrades, electrification-ready systems and lower-carbon materials.

RETURNS

The sustainability conversations have increased the number of client projects that include efficiency and electrification features or specify lower-carbon inputs, contributing to an **18% increase in “green” revenue** between 2018 and 2024. To meet client demand, Turner has **increased the number of full-time employees working in sustainability roles by 450%** since 2020. These shifts have strengthened client relationships, created competitive advantages and deepened internal capacity.

“We have intentionally integrated sustainability goals across seats and functions, because people working in every role have opportunities to impact outcomes in their day-to-day work.

Julia Gisewite, Vice President and Chief Sustainability Officer, Turner Construction Company

5

New business models create value at every stage

Sustainability can inspire new business opportunities that impact every part of the value chain. From [circularity practices that unlock value](#), to AI and advanced controls that optimize when and how equipment runs, the results of sustainability initiatives generate both better business and climate outcomes.

Holly Paeper, President of Commercial HVAC Americas at Trane Technologies, frames this model through the lens of energy circularity: using every unit of energy more than once. “When you zoom out from individual buildings to the broader ecosystem, waste heat becomes a shared resource instead of a liability,” she says. She also points to projects where [data center customers leverage waste heat streams for nearby uses](#) like heating residential buildings — turning emissions into sustainable heat for the community.

Other examples of sustainable new business models and revenue streams include efficiency-focused digital controls, thermal batteries and heat pumps that can help buildings and data centers eliminate unnecessary energy use. The shift to autonomous decarbonization helps eliminate energy waste, first through improved thermal management, and then by meeting the remaining needs with cleaner technologies — [creating smarter, more circular systems while reducing costs](#).



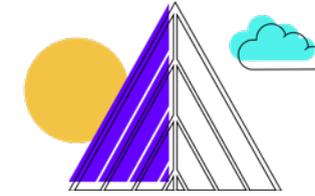
When you zoom out from individual buildings to the broader ecosystem, waste heat becomes a shared resource instead of a liability.

Holly Paeper, President, Commercial HVAC Americas, Trane Technologies



Learn more about energy demand management at 55 Water Street

[Read](#) →



Real-world impact

PROJECT

Demonstrating a new model for energy demand management, an ambitious operational transformation took place at a landmark New York City property. At 55 Water Street, one of the city's largest office buildings (it has its own zip code), a multi-stage project integrated energy demand management technologies like data-driven digital controls, energy storage, heat reuse and demand flexibility.

PROCESS

In collaboration with the 55 Water Street management team, Trane Technologies implemented an energy storage system using ice tanks and chillers as thermal batteries to make ice to store energy at night for use during the day. The team also updated generators and increased efficiency with strategies including controls upgrades, building automation and data analytics. Energy circularity strategies like recovering and reusing waste heat supported deeper efficiency gains. The work was completed with minimal disruption to building operations.

RETURNS

The holistic energy demand management strategy **reduced 55 Water Street's overall energy use by 20%, creating annual utility cost reductions of up to \$1.5 million.** The upgrades also qualified 55 Water Street for over \$14 million in tax credits and rebates.

6

Digital climate technology is changing the game

As the energy needs of our infrastructure grow, digital climate technology is advancing to meet those needs. [Advanced innovations like AI-enabled controls](#) and thermal management systems are helping optimize energy use by improving how heating and cooling systems operate, fine-tuning conditions in the built environment to reduce costs and energy waste while increasing resilience. At the BrainBox AI Trane Technologies AI Lab in Montreal, teams of scientists and engineers are leveraging AI to mitigate rising energy needs.

BrainBox AI President, Founder and Chief Technology Officer Jean-Simon Venne says, “AI can optimize the energy equation in real time, delivering only the energy needed while making the best use of renewables.” AI-powered energy demand management leverages building data and weather to predict demand and adjust in advance, optimizing the energy needed to run complex buildings.

Outcomes like these demonstrate the profound impact that AI-powered energy demand management can have on both operational costs and sustainability outcomes. By running systems more efficiently, building teams can cut electricity use, lower emissions and extend equipment life.

As these solutions scale, buildings, communities and cities can support grid resilience while using more renewable energy and avoiding the most carbon-intensive power. When AI, smart controls and thermal management systems work together, climate technology does more than keep critical infrastructure running — it helps make the entire energy ecosystem cleaner, smarter and more cost-effective.



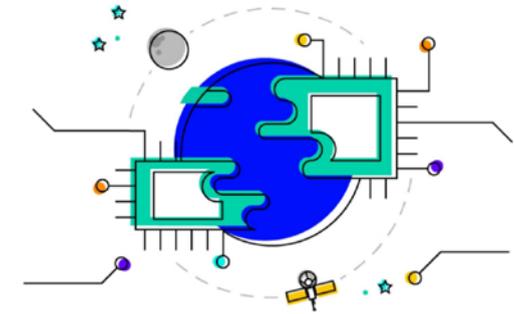
AI can optimize the energy equation in real time, delivering only the energy needed while making the best use of renewables.

Jean-Simon Venne, President, Founder and Chief Technology Officer, BrainBox AI



Learn more about the BrainBox AI Dollar Tree Implementation

[Read](#) →



Real-world impact

PROJECT

Dollar Tree piloted BrainBox AI's autonomous HVAC Optimization across 600 stores in 18 states (spanning 6.6 million square feet of retail) to cut energy use and emissions without equipment overhauls.

PROCESS

BrainBox AI combined data from Dollar Tree's building management system and weather forecasts, then adjusted HVAC setpoints every few minutes to optimize runtimes and flag anomalies.

RETURNS

In year one, stores saved approximately 8 million kWh while reducing maintenance and repair work orders, maintaining customer comfort and cutting costs while meeting emissions targets. **The project achieved a total of over \$1 million USD in cost savings within 12 months**, without major capital spend. Dollar Tree has since deployed AI HVAC optimization in 2,000 additional locations.

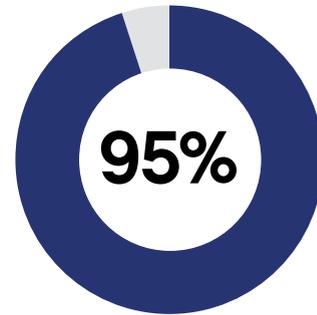
7

Sustainability is a team sport — share to scale

Collaboration around sustainability efforts is critical. Climate and resource challenges are too big for any one company, sector or technology to solve alone. Real progress happens when organizations treat sustainability as a shared challenge and a shared opportunity. That means looking beyond individual goals to the full ecosystem of suppliers, customers, peers, investors and communities, creating a ripple effect that transforms markets.

Ann Tracy, Chief Sustainability Officer at Colgate-Palmolive, emphasizes that meaningful progress requires collaboration with many stakeholders. “It really does require working across the full value chain,” she says. What does that look like in practice? Publishing playbooks and performance data. Structuring pilots so that outcomes are transparent. Sharing technologies and approaches and partnering with others to align incentive structures.

The impact is powerful. When one organization de-risks a climate solution, others can quickly follow, accelerating market transformation and driving growth. Instead of duplicating effort in silos, companies can build on one another’s work, move faster through learning cycles and unlock benefits that no single player could create alone. When organizations collaborate, sustainability efforts do more than improve individual products or facilities — they help reshape entire systems, leading to faster market transformation, reduced systemic risk and a more resilient circular value chain.



95%
of toothpaste tubes
now have recycling-compatible designs.



It really does require working across the full value chain.

Ann Tracy, Chief Sustainability Officer, Colgate-Palmolive



Learn more about Colgate-Palmolive’s recyclable toothpaste tube initiative

[Read](#) →

Real-world impact

PROJECT

In the past, up to 20 billion toothpaste tubes were sent to landfill each year because the layered tube material was incompatible with standard recycling systems. Colgate-Palmolive set out to engineer a recyclable toothpaste tube and share the design with partners and competitors.

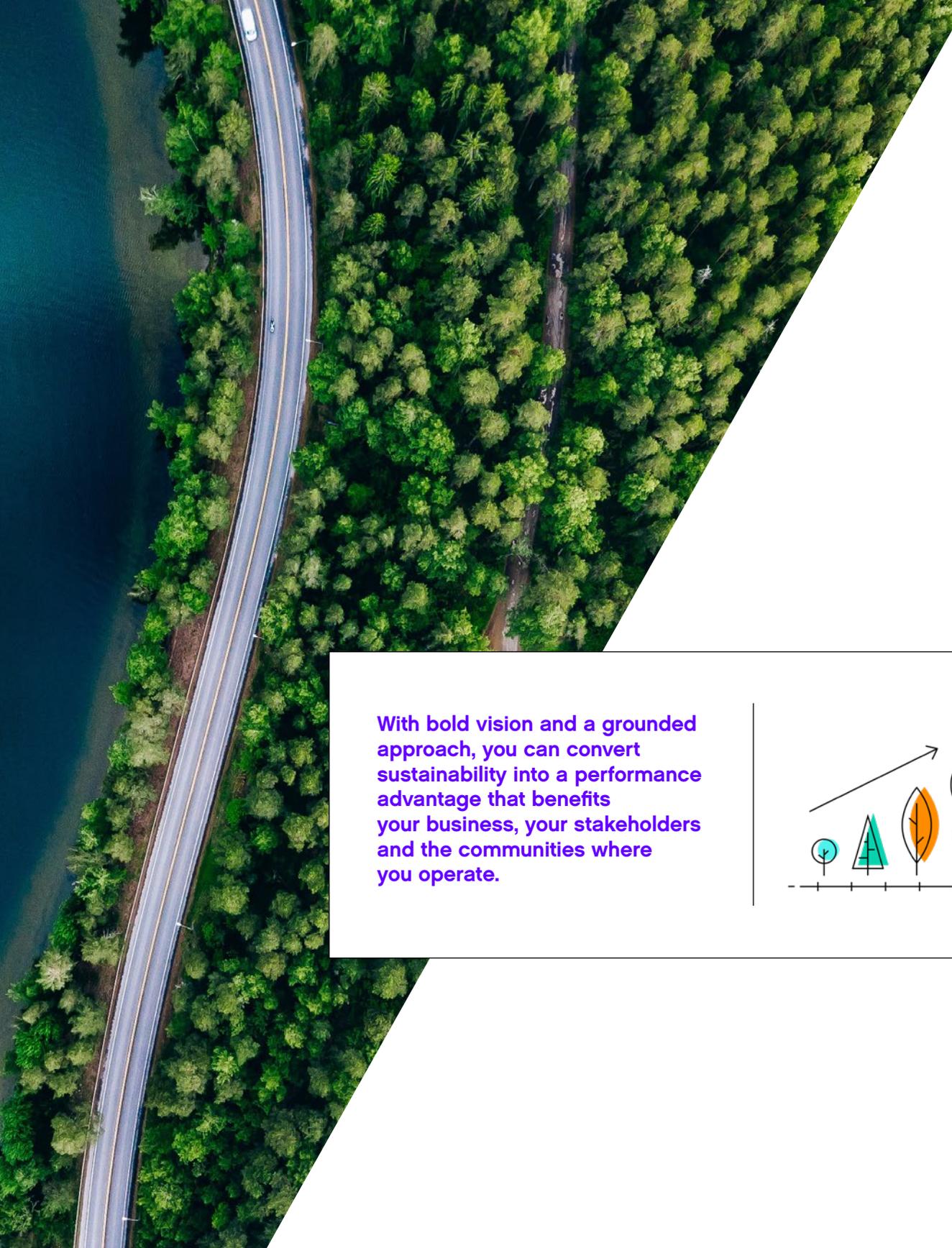
PROCESS

Colgate-Palmolive engineers spent years designing a tube that could be integrated into recycling streams. The project resulted in the first toothpaste tube (made from the same #2 plastic as milk bottles) to be recognized as recyclable. To accelerate system-wide change, the company shared the technology with other tube manufacturers, suppliers and recyclers.

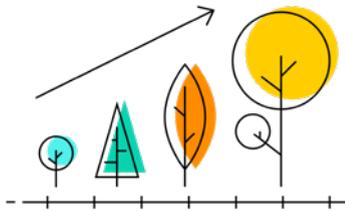
RETURNS

By 2024, Colgate-Palmolive **transitioned approximately 95% of its toothpaste tubes in North America (75% globally) to recyclable formats**. This shift helped the company **reach 93% recyclable, reusable or compostable packaging** by the end of 2024, up from 89.5% the previous year. Other major manufacturers quickly followed. As of 2025, recycling-focused organization Stina estimates that [95% of toothpaste tubes and 85% of all HDPE tubes](#) had designs compatible with recycling.

In response to this change, organizations like the Association of Plastic Recyclers and ReMA updated their specifications to formally include recyclable tubes. The shift supported industry adoption and long-term recycling infrastructure while reinforcing Colgate-Palmolive’s reputation with retailers, consumers and investors.



With bold vision and a grounded approach, you can convert sustainability into a performance advantage that benefits your business, your stakeholders and the communities where you operate.



Forging the future, together

As the leaders who have contributed to this playbook can tell you, sustainability is not a side initiative: it's a core business strategy. Aligning key functions around sustainable business practices can unlock value, from reduced costs to new revenue opportunities.

This work is a shared and evolving journey, and progress will require using all the tools at our disposal. Leverage new technologies and digital tools to surface insights and make faster, better decisions about where to invest next. Build collaborations with key stakeholders, including suppliers, customers and peers, to co-create solutions and shorten learning curves. Create and share clear metrics and processes so that partners can make data-driven decisions. This is how sustainability moves from promise to practice.

We are living and leading through a unique moment, and we have the opportunity to center sustainability in the new data economy. Make the business case: these strategies reduce energy, lower costs and power performance.

We invite you to join us in creating a world where sustainability and ROI are inextricably linked. Together, we can build a sustainable future.



Learn more about Trane Technologies' sustainability initiatives

[Read](#) →



Thank you to our contributors

We are grateful to the business leaders who generously contributed their time, insights and experience to this piece. We are deeply appreciative of your partnership and the work you do every day to drive innovation and make sustainability a core part of how business gets done.



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