

## **COLGATE-PALMOLIVE COMPANY FINANCE COMMITTEE CHARTER**

### **Purpose**

The Finance Committee shall assist the Board of Directors in its oversight of the financial plans, policies, practices and performance of the Company.

### **Committee Membership**

The Finance Committee shall be appointed by the Board of Directors in accordance with the Company's by-laws. The Committee shall consist of at least three directors, a majority of whom in the Board's judgment satisfy the independence requirements of the New York Stock Exchange and other applicable regulations. The Chairman of the Committee shall be an independent director.

### **Committee Responsibilities**

The Finance Committee shall have the following responsibilities to the Board of Directors:

- With respect to the oversight of the financial plans, performance and condition of the Company, review and, as appropriate, approve or recommend:
  - the annual capital and operating budgets of the Company and any amendments thereto
  - unbudgeted capital commitments of \$10 million or more and operating leases of \$25 million or more
  - current financial reports on the Company (including operating performance and balance sheet information)
  - stock market activity reports on the Company (including external analyses of the Company's financial performance);
- With respect to the oversight of the financial practices of the Company, review and, as appropriate, approve or recommend the adoption of policies pertaining to:
  - capital structure
  - investment guidelines
  - borrowing limits and authorizations
  - risk management practices, including derivatives and insurance
  - foreign exchange management
  - credit rating and debt/equity ratios
  - tax planning
  - commercial banking and investment banking relationships;
- Recommend the dividend policy of the Company and the declaration of dividends;
- Review and recommend acquisitions, divestitures and joint ventures of more than \$10 million and other transactions outside of the ordinary course of business of more than \$25 million;
- Review and recommend issuance and repurchase authorizations for equity and long-term debt of the Company;
- Review and oversee the investment policies and investment performance of the Company's pension funds.

### **Committee Structure and Operations**

The Finance Committee shall:

- meet at least four times each year and at such other times as it deems necessary to carry out its responsibilities,
- make regular reports of its proceedings to the Board, and
- on an annual basis, review its own performance.

The Finance Committee shall have the authority to:

- form and delegate authority to subcommittees in its discretion, and
- retain independent counsel and other advisers, as it deems necessary or appropriate, to assist in the conduct of its duties, including the sole authority to approve the fees of any such outside adviser.