

## **COLGATE-PALMOLIVE (INDIA) LIMITED**

### **Policy on Retirement of Directors**

#### **1. Policy**

This Policy on Retirement of Directors (the Policy) shall come into effect from April 01, 2020.

#### **2. Applicability**

The Policy shall be applicable to all the Directors who are members of the Board of the Colgate-Palmolive (India) Limited ("the Company").

#### **3. Legal provisions**

The Companies Act, 2013 states that Managing Director, Whole-Time Director or Manager who has attained the age of seventy (70) years can be appointed only by passing a special resolution along with justification for appointing such person.

Further, the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") states that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

Terms which are not defined herein shall have the same meaning as defined either under the Companies Act, 2013 or SEBI Listing Regulations.

#### **4. Objective**

To contribute effectively, directors on Board of the Company are required to have necessary qualifications, skills, expertise, experience, probity, integrity, competencies relevant to their role and the sufficiency of time to carry out responsibilities. The diversity of the Board is important for effective strategic direction, oversight and compliance with laws and regulations.

The guiding principle for the Policy is the need to have a proper balance and to refresh the Board with new talents while continue to benefit from the expertise, experience and wisdom of directors.

The policy lays down the age criteria for retirement of Director on the Board of the Company. The criterion for age is desirable to allow smooth retirement for the purpose of succession planning and further to induct requisite skills and competencies on the Board of the Company with appropriate continuity.

Additionally, a new Director should be suitably below the Board's retirement age as per this policy to provide the Director and the Company a sufficient period of service.

#### **5. Continuation & Retirement**

- 1) Independent directors shall have a maximum tenure of ten (10) years on the Board of the Company consisting of maximum two terms of up to five (5) years each;
- 2) Non-executive Directors including Independent directors shall retire on attaining the age of seventy five (75) years or on completion of ten (10) years tenure on the Board, whichever is earliest;
- 3) Managing Director and Whole-time Director(s) shall retire as per the Company's Policy applicable from time to time.

*Date of approval by Board: May 27, 2019*