



# Remuneration and nominations committee charter

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## 1. Introduction

This Charter sets out the specific responsibilities delegated by the Board to the Committee and provides support for the manner in which the Committee will operate.

## 2. Authority

- 2.1. The Committee's scope includes Calix and its subsidiaries.
- 2.2. The Board authorises the Committee, within the scope of its responsibilities to:
  - a) Seek any information it requires from:
    - i. Any employee (all employees are directed to co-operate with any request made by the Committee).
    - ii. External parties
  - b) Obtain external, independent legal or professional advice at the expense of Calix.
  - c) Ensure the attendance of Company officers at meetings as appropriate.
- 2.3. The Committee shall have unlimited access to both the internal and external auditors and to senior management of the Company.
- 2.4. Non-members of the Committee may be asked to withdraw from all or any part of a meeting.
- 2.5. Non- members of the Committee have no voting power.
- 2.6. The Committee is to operate within the framework of this Charter; however, Committee members may raise any other matters considered desirable.
- 2.7. The Committee is a committee of the Board and has no authority independent of the functions delegated to it and is to report its findings and recommendations directly to the Board. The functions of the Committee shall not relieve the Board from any of its responsibilities.
- 2.8. There has been no delegation of decision making power to the Committee.
- 2.9. The Committee may initiate special investigations as it sees fit, or as directed by the Board, in relation to matters set out in this Charter.

## 3. Objectives

The objectives and role of the Remuneration and Nominations Committee is to ensure that Company has appropriate plans in place to:

- a) incentivize and retain staff and directors;
- b) Attract staff and directors of suitable and necessary skill set

## 4. Roles and responsibilities

This Committee is responsible for providing advice to the Board on remuneration and nominations matters generally and, in particular, to:

### REMUNERATION

- 4.1. the compensation arrangements for the MD and Executive Management Team (including without limitation, incentive, share and other benefit plans and service contracts),
- 4.2. development and succession plans in relation to the MD and Executive Management Team;
- 4.3. the remuneration policies and practices for the Company,
- 4.4. the annual remuneration review applying generally across the Company
- 4.5. Company superannuation arrangements
- 4.6. Board remuneration
- 4.7. With reference to the Diversity policy, undertake an annual assessment of remuneration by gender; and
- 4.8. Committee Charter – review annually this Charter and recommend any proposed changes to the Board for approval,
- 4.9. Referrals – the Committee may refer matters to other Calix Committees as appropriate,

### NOMINATIONS

- 4.10. Appointment of new directors
- 4.11. With reference to the Diversity policy, develop measurable objectives for achieving gender diversity and an annual assessment of those objectives and progress in achieving them,; and
- 4.12. such other matters as the Board may refer to the Committee from time to time.
- 4.13. The Committee shall have responsibility for proposing candidates for consideration by the Board to fill casual vacancies or additions to the Board and for devising criteria for Board membership, including:
  - a) assessment of the necessary and desirable competencies of Board members;
  - b) review of Board succession plans to maintain an appropriate balance of skills, experience, diversity and expertise on the Board;
  - c) as requested by the Board, evaluation of the Board's performance and, as appropriate, developing and implementing a plan for identifying, assessing and enhancing Director competencies;
  - d) recommendations for the appointment and replacement of Directors; and
  - e) such other matters as the Board may refer to the Committee from time to time.

## 5. Administration

- 5.1. Holding Meetings
  - a) The Committee will consist of at least 2 Directors of Calix,
  - b) The Chair and members of the Committee will serve until otherwise determined by the Board or they resign,
  - c) If determined necessary by the Board, the Committee may appoint a members or members who are not Directors of Calix.

## 5.2. Chair

- a) The Chair of the Committee will be appointed by the Board of Calix,
- b) If the Chair of the Committee is not present at a meeting of the Committee the members present may elect another member of the Committee to act as Chair of that meeting,
- c) The role of the Chair of the Committee is to:
  - i. Determine the Agenda for meetings in conjunction with the Secretary of the Committee,
  - ii. Chair meetings of the Committee and take reasonable steps for the proper functioning of the Committee which will include the proper conduct of meetings and ensuring an appropriate level of participation and discussion,
  - iii. Ensure that there is an adequate flow of information between the Committee and the Board,
  - iv. Provide advice and recommendations to the Board on matters falling within the scope of the Committee's responsibilities.

## 6. Meetings

### 6.1. Holding Meetings

- a) The Committee should meet as often as required but not less than twice a year

### 6.2. Quorum

- a) A quorum shall be two (2) members of the Committee, present in person or by using any technology, who are entitled to vote.

### 6.3. Agenda and Minutes

- a) The agenda for Committee meetings is determined by the Chair.
- b) The agenda and supporting papers are to be delivered to Committee members by the Company Secretary at least seven (7) days in advance of each meeting.
- c) Minutes are prepared for each Committee meeting.
- d) The draft minutes of each Committee meeting will be reviewed by the Committee Chair and circulated to all Committee members by the Company Secretary as soon as practicable but no later than the distribution date for the papers for the next Committee meeting.
- e) The Committee must confirm the minutes of each meeting at its next meeting (or the next practicable meeting if the minutes are not available at the next meeting).
- f) Minutes of the Committee are to be signed by the Chair at the next Committee Meeting.
- g) The Chair shall report significant issues arising from the Committee meetings and distribute and address a written report and completed or draft Minutes at the next Board Meeting.

### 6.4. Motions

A motion shall be passed by a:

- a) Simple majority of votes cast in favour by members present and eligible to vote, or
- b) Resolution in writing signed by a majority of Committee members eligible to vote and not being less than the quorum prescribed for Committee meetings.

## 6.5. General

- a) A Committee meeting may be called or held using any technology consented to by each member. The consent may be a standing one.
- b) The Committee may invite other people including employees of Calix and external advisers to attend all or part of its meetings, as it deems necessary or appropriate. The MD and other executives to attend as required or by invitation.
- c) If an employee of Calix or other person has a material personal interest in a matter that is being considered at a meeting, he or she must not be present for consideration of that matter unless the interest has been fully disclosed to the Committee and the Committee agrees that the employee may be present.
- d) **Calling Meetings** - The Chair of the Committee, any member of the Committee and the Managing Director may call for a meeting of the Committee which will be convened by the Secretary,
- e) **Attendees** - The Managing Director (and any others as appropriate) will normally be invited to attend Committee meetings but will have no voting power,
- f) **Withdrawal** - Non-members of the Committee may be asked to withdraw from all or any part of a meeting,
- g) **Privacy** - The Committee may, if it deems appropriate, hold private meetings with advisors and management personnel,

## 7. Evaluations and reviews

7.1. The Committee will review and assess its structure and Charter on an annual basis. All changes must be approved by the Board.

7.2. The Committee will provide any information the Board may request to facilitate its review of the Committee's performance and its members.

## 8. Other areas

### 8.1. Special Projects

The Committee may perform any other duties and undertaking or review or oversee any specific projects as requested by the Board from time to time.

### 8.2. Skills Development

A member of the Committee may, with the approval of the Calix Chair and at the Company's expense, attend seminars or training courses in respect to issues related to the functions and responsibilities of the Committee.



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Peter Turnbull

Chair

Version adopted by the board on 28 April 2018

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Company Secretary