People, Culture and Nominations Committee Charter

Calix Limited ACN 117 372 540 (**Calix**)

1. Introduction

1.1 Purpose of Charter

This is the Charter of the People, Culture and Nominations Committee established by the Board of Calix (the **Charter**). The Charter governs the operations of the People, Culture and Nominations Committee (the **Committee**). It sets out the Committee's role and responsibilities, composition, structure and membership requirements.

1.2 Role of Committee

The Committee is established by the Board of Directors. The purpose of the Committee is to assist the Board by reviewing and making recommendations to the Board in relation to:

(a) Calix's key people and organisational culture strategies and their alignment with Calix's overall values, strategy and vision;

(b) Calix's remuneration policy, including as it applies to Directors and the process by which any pool of Directors' fees approved by shareholders is allocated to Directors;

(c) Board succession issues and planning;

(d) the appointment and re-election of people as members of the Board and its committees;

(e) induction of people as Directors and continuing professional development programs for Directors;

(f) remuneration packages of senior executives, non-executive Directors and executive Directors, equity-based incentive plans and other employee benefit programs;

(g) Calix's recruitment, retention and termination policies;

(h) succession plans of the CEO, senior executives and executive Directors;

(i) the process for the evaluation of the performance of the Board, its Board Committees and individual Directors;

(j) the review of the performance of senior executives and members of the Board, which should take place at least annually;

(k) assessing the Board's 'skills matrix' and identifying any gaps in the collective skills of the Board that should be addressed as part of Calix's professional development initiatives for Directors;

(l) the size and composition of the Board and strategies to address Board diversity and Calix's performance in respect of Calix's Diversity Policy, including whether there is any gender or other inappropriate bias in remuneration for Directors, senior executives or other employees.

2. Membership

2.1 Composition of Committee

The Committee will:

(a) comprise only of members of the Board of Directors (**Directors**) and members will be appointed and removed by the Board;

(b) be of sufficient size, independence and technical expertise to discharge its mandate effectively;

(c) consist of:

(i) at least three members;

(i) a majority non-executive directors;[1]

(ii) a majority of independent[2] Directors (**Independent Directors**);

(ii) an independent chair, who will be nominated by the Board from time to time, but who will either be the Chair of the Board or an Independent Director;

(iii) if the Committee Chair is also the chair to the Board, then a separate Committee Chair will be appointed to chair any discussions by the Committee involving succession planning for the role of chair to the Board;

(d) comprise members who will be appointed from time to time with Committee members generally being eligible for re-appointment for so long as they remain Independent Directors

2.2 Ceasing to be a member of the Committee

A person will cease to be a member of the Committee if:

(a) the person gives reasonable notice in writing to the Committee Chair of the person's resignation as a member of the Committee;

(b) the Committee Chair gives the person notice in writing that the person is to cease to be a member of the Committee; or

(c) the person ceases to be a Director, in which case the person automatically ceases to be a member of the Committee.

2.3 Secretary

(a) The Committee will have a secretary, which is to be the Company Secretary or such other person as nominated by the Board (**Committee Secretary**).

(b) The Committee Secretary will attend all Committee meetings.

[1] Note an entity which is included in the S&P/ASX300 index at the beginning of a financial year must have a remuneration committee comprised solely of non-executive directors for the entirety of that financial year (ASX Listing Rule 12.8).

[2] Independent, as defined by the ASX Corporate Governance Council. See section **Error! Reference source not found.** of the Board Charter.

(c) The Committee Secretary, in conjunction with the Committee Chair, must prepare an agenda to be circulated to each Committee member prior to each meeting of the Committee.

3. Meetings & authority of Committee

3.1 Meetings

(a) The Committee will meet as often as necessary but must meet at least three times a year and one of those meetings must take place at least 2 months prior to the Company's annual general meeting.

(b) The Committee Chair must call a meeting of the Committee if so requested by any Committee member, the Managing Director or the Company Secretary.

(c) The Committee may invite other persons, including internal specialists or external advisers, to attend meetings if considered appropriate by the Committee Chair.

(d) The quorum necessary for a meeting of the Committee will be 2 members, of whom at least one must be an Independent Director.

3.2 Authority

The Board authorises the Committee, within the scope of its responsibilities, to:

(a) investigate any matter within the ambit of the role of the Committee as described in paragraph 1.2, which is brought to its attention with full access to all books, records and facilities;

(b) seek any information it requires from an employee (and all employees are directed to co-operate with any request made by the Committee) or external parties;

(c) obtain outside professional advice as it determines necessary to carry out its duties; and

(d) ensure the attendance of Calix officers at meetings as it thinks appropriate.

4. Duties and responsibilities

4.1 Reporting

(a) The Committee Chair must report the findings and recommendations of the Committee to the next Board meeting following each meeting of the Committee.

(b) The minutes of all Committee meetings will be circulated to members of the Board by the Committee Secretary.

(c) The Committee Chair must update the Board after each meeting summarising the Committees activities and any significant results and findings.

(d) The Committee must approve:

(i) the details to be published in Calix's Annual Report or any other statutory report or document with respect to the activities and responsibilities of the Committee; and

(ii) any statement on Calix's remuneration policy and executive compensation disclosures that may be required by law or other regulatory requirements (including any such statement to be included in Calix's Annual Report).

4.2 Specific responsibilities

In addition to any other matters which may be delegated to the Committee by the Board (including special investigations), the Committee is responsible for:

(a) **People strategy, culture and human resources**

(i) reviewing and approving Calix's people strategy (including desired culture) and reviewing progress against that strategy and cultural aspirations in the achievement of its purpose;

(ii) monitoring the instilling of Calix's values and making recommendations to the Board on the Code of Conduct and desired culture in the achievement of its purpose;

(iii) reviewing the outcomes of the annual talent and succession planning process;

(iv) reviewing the outcomes and proposed actions from any employee engagement surveys and making recommendations to the Board;

(v) reviewing progress against the strategy's key metrics (including objectives for achieving gender diversity in the composition of the Board, senior leadership and workforce generally);

(b) **Remuneration of senior executives and executive Directors**

(i) regularly reviewing and making recommendations to the Board with respect to an appropriate remuneration policy including retirement benefits and termination payments (if any) for senior executives and executive Directors, ensuring that such a policy:

(A) enables Calix to attract and retain valued employees;

(A) motivates senior executives and executive Directors to pursue the long term growth and success of Calix;

(B) demonstrates a clear relationship between performance and remuneration; and

(B) has regard to prevailing market conditions;

(ii) regularly reviewing and making recommendations to the Board regarding the remuneration packages of senior executives and executive Directors, including (as appropriate) fixed, performance-based and equity-based remuneration, reflecting short and long term performance objectives appropriate to Calix's circumstances and goals;

(iii) making recommendations to the Board with respect to the quantum of short term incentives (if any) to be paid to senior executives;

(c) **Remuneration of non-executive Directors**

(i) making recommendations as to the structure of remuneration for non-executive Directors;

(ii) ensuring that fees paid to non-executive Directors are within the aggregate amount approved by shareholders and making recommendations to the Board with respect to the need for increases to this aggregate amount at Calix's annual general meeting;

(d) **Employee benefits and other policies**

(i) making recommendations to the Board with respect to the implementation and operation of equity-based incentive plans and other employee benefit programs;

(ii) regularly reviewing Calix's recruitment, retention and termination policies;

(e) **Senior executives and executive Directors succession**

(i) reviewing succession plans of senior executives and executive Directors on a regular basis to maintain an appropriate balance of skills, experience and expertise in the management of Calix and providing advice to the Board accordingly;

(f) **Board succession**

(i) reviewing Board succession plans on a regular basis to maintain an appropriate balance of skills, knowledge, experience, independence, diversity and expertise on the Board and providing advice to the Board accordingly;

(g) **New Directors**

(i) developing policy, procedures and processes for the selection and appointment of Directors;

(ii) identifying individuals who may be qualified to become Directors, having regard to such factors as the Committee considers appropriate, including judgement, skill, diversity, experience with business and other organisations of a comparable size, the interplay of the candidate's experience with the experience of other Board members, the extent to which the candidate would be a desirable addition to the Board and any Board Committee, and the Corporate Governance Principles and Recommendations (4th edition) of the ASX Corporate Governance Council (the Guidelines);

(iii) ensuring that an effective orientation program for new Directors is in place, and regularly reviewing its effectiveness;

(h) **Board Committees**

(i) identifying Directors qualified to fill vacancies on Board committees and making recommendations to the Board accordingly, having regard to such factors as the Committee considers appropriate, including the terms of reference of the particular Board committee the Director's experience, the interplay of the Director's experience with the experience of other Committee members and the Guidelines;

(i) **Board Performance**

(i) developing or arranging a program for inducting new Directors and providing appropriate professional development opportunities for Directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively;

(ii) regularly reviewing whether Directors have the requisite skills, knowledge and familiarity with Calix and its operating environment as well as identifying any gaps in the collective skills of the Board that should be addressed in order to fulfil their role on the Board and where any gaps are identified consider what training or development could be undertaken to fill those gaps;

(iii) in conjunction or collaboration with the Board, developing procedures for the annual evaluation of the performance of the Board, each Board Committee and individual Directors, comparing their performance with the requirements of the Board Charter, this Charter, other relevant Board Committee Charters and the reasonable expectations of individual Directors;

(j) **Senior executives and executive Directors**

(i) developing and implementing a plan for identifying, assessing and enhancing competencies of senior executives and executive Directors;

(ii) ensuring that the performance of each senior executive and executive Director is evaluated at least annually;

(k) **Board**

(i) considering and articulating the time needed to fulfil the role of Chair and non-executive Director;

(ii) developing and implementing a plan for identifying, assessing and enhancing Director competencies;

(iii) developing and implementing succession planning for the Board;

(iv) establishing procedures for the Committee to oversee the evaluation of the performance of the Board and each Director including an assessment of whether each Director has devoted sufficient time to their duties;

(l) **Shareholder approval**

(i) Considering those aspects of Calix's remuneration policies and packages, including equity-based incentives, which should be subject to shareholder approval and making recommendations to the Board accordingly;

(m) **Size and composition of the Board**

(i) regularly reviewing the size and composition of the Board and making recommendations to the Board with regard to any appropriate changes;

(ii) providing advice to the Board with respect to the necessary and desirable competencies of Directors;

(iii) making recommendations to the Board for the appointment and removal of Directors;

(iv) in a timely manner, making recommendations to the Board whether or not Directors, whose term of office is expiring, should be proposed for re-election at Calix's next AGM;

(n) **Diversity & Inclusion**

(i) developing measurable objectives to achieve gender diversity in accordance with Calix's Diversity & Inclusion Policy;

(ii) monitoring, reviewing and reporting to the Board on Calix's performance in respect of gender diversity in accordance with Calix's Diversity & Inclusion Policy;

(iii) reviewing Calix's Diversity & Inclusion Policy at least annually to assess the effectiveness of the policy and make recommendations to the Board as to any changes proposed to the policy;

(iv) reviewing and reporting to the Board at least annually on the relative proportion of women and men at all levels of the business; and

(v) reviewing and making recommendations to the Board on remuneration by gender.

The Committee will have no executive powers with regard to its findings and recommendations.

4.3 Other matters

(a) The Committee is authorised to engage, at Calix's expense, outside legal or other professional advice or assistance on any matters within its terms of reference.

(b) The Committee is authorised to seek any information it requires from any officer or employee of Calix and such officers or employees will be instructed by the Board of Calix employing them to respond to such enquiries.

(c) No member of the Committee may participate in any decision with respect to his or her position or remuneration.

(d) The Committee may, in its discretion, delegate all or some of its responsibilities to a sub-committee.

4.4 Committee performance assessment

(a) The Committee will perform an evaluation of its performance at least annually to determine whether it is functioning effectively by reference to current best practice.

(b) The Board will evaluate the performance of the Committee as appropriate.

5. Other matters

5.1 Amendment of Charter

This Charter can only be amended with the approval of the Board.

5.2 Adoption of Charter and periodic review

(a) This Charter was adopted by the Board on 1st July 2024, and takes effect from that date and replaces any previous Charter in this regard.

(b) The Committee must review and reassess this Charter at periodically and, if required, make recommendations to the Board in respect of any amendments to the Charter.