

## **CSD Nomination & Remuneration Committee Charter**

The Nomination & Remuneration Committee is a subcommittee of the CSD Board.

### **Purpose of Committee:**

1. To consider and make recommendations to the Board on the composition, structure and operation of the Board of CSD, appropriate criteria for Board membership and performance, the tenure of directors generally, the remuneration framework for directors and, where required, the suitability of nominations for the position of Director. Develop a process for evaluating the performance of the Board. The committee is not a policy making body, but assists the Board by implementing board policy and recommending nominations which require Board approval.
2. To review and make recommendations to the Board for board succession plans and ensure plans are in place to maintain the required competencies, number and profiles of Board members.
3. To review and make recommendations to the Board with respect to the remuneration to be paid to the CEO and members of the Senior Executive. Monitor and review the CEO's performance and key performance indicators for the determination of the annual bonus or incentive program components.
4. To review and make recommendations to the Board regarding the CSD's recruitment, retention and termination policies and procedures for Senior Executives as well as ensuring succession plans are in place for the company
5. To review and make recommendations to the Board on the various material compensation, incentive and reward programs within CSD and ensure staff remuneration is aligned with market trends and the Board's vision, values and overall business objectives.

### **Membership**

The committee will consist of at least two members, being the Chair and the Vice Chair of the company and the Board has the right to nominate further Directors as it sees fit.

### **Chairman**

The committee will be chaired by the Chairman of the CSD Board. Committee members other than the Chair and Vice Chair should rotate at least every two years.

### **Other Usual Attendees at Meetings**

CEO

### **Meetings**

At least twice each year.

The Committee may also meet at such other times as considered appropriate.

## **Secretariat:**

The committee Chair or the delegated committee member will minute all matters arising from the meetings. The minutes will be ratified by members in attendance and signed by the committee Chair. The committee Chair will table the outcome of the deliberations at the next CSD Board meeting.

## **Quorum**

At least two members with one being the Chair of CSD.

## **Availability of Documents**

The following material will be made publicly available and updated as required by posting the material on CSD's website in a clearly marked corporate governance section.

- a description of the procedure for the selection and appointment of new directors to the board (both elected and Board appointed);
- the charter of the nomination and remuneration committee;
- the nomination committee's policy for the appointment of directors.

## **Annual Report**

CSD's Nomination & Remuneration policy should be included in the corporate governance section of the annual report

## **Responsibilities and Authorities**

1. To consider reports on the composition of the CSD Board.
2. To review established and any proposed Board performance criteria and issues and where appropriate, make recommendations to the Board.
3. To receive reports from external sources on board composition, procedures and performance criteria.
4. As and when required, consider reports on persons considered for appointment as a director of CSD or its' subsidiary companies and make recommendations to the Board.
5. To review the remuneration framework for directors (that clearly distinguishes non-executive directors' remuneration from that of executives) and where appropriate, make recommendations to the Board.
6. To review established and any proposed Board succession plans.
7. To review the performance of Senior Executives (other than the CEO in conjunction with the CEO. Senior executives are defined as any employee or officer who has the opportunity to materially influence the integrity, strategy and operation of the business and its financial performance.
8. To review and consider any proposed recruitment, retention and termination policies and procedures for Senior Executives and where appropriate, make recommendations to the Board. In the case of the CEO, conduct searches for the position and recommend preferred candidates to the Board.
9. To receive and consider reports and where appropriate, seek independent advice on remuneration to be paid to the CEO and the Senior Executives and the various compensation, incentive and reward programmes and superannuation arrangements within CSD.

10. To propose and review an induction program that enables new directors to gain an understanding of:
  - CSD's financial, strategic, operational and risk management position;
  - their rights, duties and responsibilities;
  - the role of the Board committees.
11. To ensure that sufficient disclosure is provided in relation to the Business's remuneration policies to enable members to understand:
  - the costs and benefits of those policies; and
  - the link between remuneration paid to directors and Senior Executives and corporate performance.

Last reviewed – 17<sup>th</sup> September 2013