



Board of Directors' Charter

Last Reviewed and Updated: May 2022

Next Review: May 2025



Board of Directors' Charter

PART 1 - INTERPRETATION

1. In this Charter:

"Act"	means the Incorporated Societies Act 1908;
"Board"	means the Board of Directors of the WRU;
"Business"	means the business of the WRU;
"CEO"	means the Chief Executive Officer of the WRU;
"Chair"	means the Chair of the Board;
"Constitution"	means the constitution which records the rules of the Union;
"Directors"	means each Director of the WRU;
"Game"	means the game of Rugby in New Zealand;
"NZR"	means the New Zealand Rugby;
"WRU Goals"	means the goals of the Union as set out in Part 2;
"Management"	means the management personnel of the WRU;
"Management Limitations"	means the limitations on the actions of Management as set out in clause 4.3;
"Members"	means members of the Union being Affiliated Clubs, organisations and Life Members pursuant to the Constitution of the WRU;
"President"	means the President of the Waikato Rugby Union;
"Rugby"	means the game of rugby union;
"Secretary"	means the Board secretary or the person normally exercising the functions of a Board secretary;
"Union"	means WRU;
"WRU"	means the Waikato Rugby Union.



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PART 2 - WRU GOALS

2. The principal objects of the Union shall be to develop, promote, finance, administer, and deliver the game of Rugby Union within the boundaries of the Waikato Rugby Union as defined by New Zealand Rugby.



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PART 3 - BOARD GOVERNANCE PROCESS

3.1 Role of the Board

3.1.1 The role of the Board is to effectively represent, and promote the interests of, Members and the Game with a view to adding long-term value to Rugby in the Waikato.

3.1.2 Having regard to its role the Board will direct, and supervise the management of, the Business and affairs of the WRU including:

3.1.2.1 Ensuring that the WRU Goals are clearly established, and that strategies are in place for achieving them (such strategies being expected to coordinate, in the first instance, from Management); in consultation with keystakeholders.

3.1.2.2 Establishing policies for strengthening the performance of the WRU including ensuring that Management is proactively seeking to build Rugby in the Waikato through innovation, technology, appropriate competitions and the development of the Game's resources;

3.1.2.3 Monitoring the performance of Management;

3.1.2.4 Appointing the CEO, setting the terms of the CEO's employment agreement, annually reviewing CEO's performance, and, where necessary, terminating the CEO's employment with WRU;

3.1.2.5 Deciding on whatever steps are necessary to protect the Game's financial position and the ability to meet WRU's debts and other obligations when they fall due, and ensuring that such steps are taken;

3.1.2.6 Ensuring that WRU's financial statements are true and fair and otherwise conform with law;

3.1.2.7 Ensuring that WRU acts ethically and adheres to high standards of corporate behaviour; and

3.1.2.8 Ensuring that WRU has appropriate risk management/regulatory compliance policies in place.

3.1.3 In the normal course of events, day-to-day management of WRU will be in the hands of Management.

3.1.4 The Board will satisfy itself that the WRU is achieving the WRU Goals.



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3.2 Values of the Board

3.2.1 Directors will adhere to and champion the following ethics both in respect of the game and the WRU:

3.2.1.1 **Respect:** We will treat all new and existing participants and stakeholders with the understanding their continued involvement is critical to our success

3.2.1.2 **Leadership:** We are all leaders it is up to us to elevate all those around us in Rugby and the Community. We are aware of where we have come from and where we are all going.

3.2.1.3 **Courage/Strength:** We will approach everything we do with courage knowing whether we win or lose we have learnt something and will grow stronger

3.2.1.4 **Teamwork:** We will work effectively together to achieve the goals set individually, as a department/team and as an organisation. We will be successful, together.

3.3 The Board's Relationship with Members

3.3.1 The Board will use its best endeavours to familiarise itself with issues of concern to Members.

3.3.2 Where a Member raises a material issue with a Director, the Director will immediately refer that matter to Management for consideration. In such circumstances the Director will refrain from stating his or her personal position until such time as Management has had the opportunity to brief the Director and/or the Board in full regarding the circumstances relating to that particular issue.

3.3.3 Directors will not express personal opinions on material matters raised by Members where the matter has been the subject of a Board decision or it is probable that it will be.

3.3.4 The Board will regularly evaluate economic, political, social and legal issues and any other relevant external matters that may influence or affect the development of the Game or the interests of Members and, if thought appropriate, will take outside expert advice on these matters.

3.4 Board Procedures

3.4.1 The conduct of Directors will be consistent with their duties and responsibilities to the game and the WRU, and indirectly, to the Members. The Board will be disciplined in carrying out its role, with emphasis on strategic issues and policy. Directors will always act within any limitations imposed by the Board on its activities.

3.4.2 Directors will use their best endeavours to attend Board and Committee meetings and to prepare thoroughly. Directors are expected to participate fully, frankly and constructively in Board discussions and other activities at all times and act in the best interests of the game and to bring the benefit of their particular knowledge, skills and abilities to the Board table. Directors unable to attend a meeting will advise the Chair at the earliest date possible and confirm that in writing to the CEO.



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- 3.4.3 Board discussions will be open and constructive, recognising that genuinely held differences of opinion can, in such circumstances, bring greater clarity and lead to better decisions. The Chair will, nevertheless, seek a consensus from in the Board but may, where considered necessary, call for a vote. All discussions and their record will remain confidential unless there is a specific direction from the Board to the contrary, or disclosure is required by law. Subject to legal or regulatory requirements or express direction of the Board, the Directors will permit the Chair or the CEO to decide the manner and timing of the publication of its decisions and/or discussions.
- 3.4.4 The Board has sole authority over its agenda and exercises this through the Chair. Any Director may, through the Chair, request the addition of an item to the agenda. Such requests not to be unreasonably denied. The agenda will be set by the Chair in consultation with the CEO.
- 3.4.5 The Board will normally hold meetings in each month and will hold additional meetings as the occasion requires. At each normal meeting the WRU's interest's register will be updated as necessary and the Board will consider inter alia:
- 3.4.5.1 an operational report from the CEO;
 - 3.4.5.2 a financial report from the CEO or Finance Manager;
 - 3.4.5.3 reports on the activities of individual units;
 - 3.4.5.4 specific proposals for capital expenditure;
 - 3.4.5.5 major issues and opportunities for the Game and WRU
 - 3.4.5.6 in addition, the Board will at intervals of not more than one year:
 - 3.4.5.6.1 review the WRU Goals;
 - 3.4.5.6.2 review the strategies for achieving the WRU Goals;
 - 3.4.5.6.3 approve the annual budget;
 - 3.4.5.6.4 approve the annual financial statements and reports to Members;
 - 3.4.5.6.5 approve the annual report;
 - 3.4.5.6.6 consider distributions to Members;
 - 3.4.5.6.7 review WRU's audit requirements;
 - 3.4.5.6.8 review the performance of, necessity for and composition of Board committees;
 - 3.4.5.6.9 undertake Board and individual Director evaluations;
 - 3.4.5.6.10 review the CEO's performance and remuneration;
 - 3.4.5.6.11 review remuneration policies and practices in general including superannuation and incentive schemes for players and management;



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- 3.4.5.6.12 review risk assessment policies and controls including insurance covers and compliance with legal and regulatory requirements;
- 3.4.5.6.13 review WRU's code of conduct and ethical standards;
- 3.4.5.6.14 review WRU's relations with Members, players, coaches, referees, supporters and administrators;
- 3.4.5.6.15 review donations and sponsorship policies;
- 3.4.5.6.16 settle the following year's work plan.

3.4.6 Subject to clause 3.8 below, Directors are entitled to have access, at all reasonable times, to all relevant Union information and Management.

3.4.7 In making policy the Board will not reach specific decisions unless it has considered the more general principles upon which they are founded, and in reaching other specific decisions the Board will consider the policies against which the decisions are made.

3.5 Chair

3.5.1 Each year the Board will appoint from among the Directors a Chair.

3.5.2 The Chair is responsible for representing the Board to Members and the media. The Chair is the only Director with the authority to speak to the media on WRU matters unless the Chair has specifically delegated that authority to another Director on a particular issue or matter.

3.5.3 The Chair is responsible for ensuring the integrity and effectiveness of the governance process of the Board as set out in this Part 3.

3.5.4 The Chair is responsible for maintaining a regular dialogue with the CEO over all operational matters and will consult with the remainder of the Board promptly over any matter that gives him or her cause for major concern.

3.5.5 The Chair will act as facilitator at meetings of the Board to ensure no Director dominates discussion, that appropriate discussion takes place and that relevant opinion among Directors is forthcoming. The Chair will ensure that discussions result in logical and understandable outcomes.

3.5.6 Each year the Board will appoint from among the Directors a Deputy Chair.

3.6 President

3.6.1 The President has the right to attend all Board meetings, enjoy full speaking rights but is not entitled to vote.

3.6.2 The President is responsible for carrying out ceremonial duties whilst the Chair will concentrate on the rugby and commercial activities of the WRU.



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3.7 Board Committees

- 3.7.1 Board committees may be formed only when it is efficient or necessary to facilitate efficient decision-making.
- 3.7.2 Board committees will observe the same rules of conduct and procedure as the Board unless the Board determines otherwise.
- 3.7.3 Board committees will not speak or act for the Board except when explicitly authorised to do so by the Chair. The authority conferred on a Board committee will not derogate from the duties of all Directors or the CEO.

3.8 Interaction with WRU Staff

- 3.8.1 As a matter of principle, Directors should channel their enquiries of Management and other WRU staff through the CEO.
- 3.8.2 In practice continuous pursuit of such a principle is not practicable. Accordingly, Directors may from time to time interact directly with Management and other WRU staff but if any major issues, significant concerns or criticisms arise, these should be immediately referred to the CEO or Deputy/acting CEO and not directly pursued by the Director with individual members of Management or other WRU staff.

3.9 Provision of Business or Professional Services by Directors

- 3.9.1 The Board will maintain a Conflict of Interest Register to be reviewed annually.
- 3.9.2 Because a conflict of interest (actual or perceived) may be created, Directors, or their affiliates, should not, generally, provide business or professional services of an ongoing nature to the WRU.
- 3.9.3 Notwithstanding the general rule, the WRU is at liberty to:
 - 3.9.3.1 For the purpose of a special assignment, engage the services of any Director having special expertise in the particular field; or
 - 3.9.3.2 engage the services of another member of the Director's organisation;
 - 3.9.3.3 so long as the terms of engagement are competitive, are clearly recorded and full disclosure is made to the Board and wherever practical the Board's approval is attained before the engagement.

3.10 Other Board Appointments

- 3.10.1 Any Director is, while holding office, at liberty to accept other Board appointments so long as the appointment is not in conflict with the WRU and does not detrimentally affect the Director's performance as an WRU Director.
- 3.10.2 All appointments to a board must be advised to the Chair.



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3.11 Independent Professional Advice

- 3.11.1 Any Director is entitled to obtain independent professional advice relating to the affairs of the WRU or to his or her other responsibilities as a Director.
- 3.11.2 If a Director considers such advice is necessary, the Director shall first discuss it with the Chair and, having done so, shall be free to proceed.
- 3.11.3 Subject to prior approval of the Chair which shall not unreasonably be withheld, the cost of the advice will be reimbursed by the WRU but the Director will ensure, so far as is practicable, that the cost is reasonable.

3.12 Board and Director's Evaluations

- 3.12.1 The Board will, each year, critically evaluate its own performance, and its own processes and procedures to ensure they are not unduly complex and are designed to assist the Board in effectively fulfilling its role.
- 3.12.2 Each year, individual Directors will be evaluated by a process whereby the Board determines questions to be asked of each Director about him or herself and about each other including the Chair, each Director answers the questions in writing, and the Chair who collates the responses and then discusses the results with each Director. The Chair's own position is discussed with the rest of the Board.

3.13 Indemnities and Insurance

- 3.13.1 The WRU will provide Directors with, and will pay the premiums for, indemnity and insurance cover while acting in their capacities as Directors, to the fullest extent permitted by law and the Act.

3.14 The Secretary

- 3.14.1 The appointment of the Secretary is made on the recommendation of the CEO and must be approved by the Board.
- 3.14.2 The Secretary is responsible for ensuring that Board procedures are followed, that the applicable rules and regulations for the conduct of the affairs of the Board are complied with and for all matters associated with the maintenance of the Board or otherwise required for its efficient operation.
- 3.14.3 All Directors, particularly the Chair, have access to the advice and services of the Secretary for the purposes of the Board's affairs and WRU's business.

3.15 Board Composition and Mix

- 3.15.1 The composition of the board will reflect the duties and responsibilities it is to discharge and perform as representative of the interests of shareholders, and in setting the company's strategy and seeing that it is implemented. Generally, the qualifications for board membership are the ability and intelligence to make sensible business decisions and recommendations, an entrepreneurial talent for contributing to the creation of shareholder value, the ability to see the wider picture, the ability to ask the hard questions, preferably some experience in the industry sector, high ethical standards, sound practical sense, and a



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total commitment to furthering the interests of shareholders and the achievement of the company goals.

- 3.15.2 Non-executive members will be active in areas which enable them to relate to the strategies of the company and to make a meaningful contribution to the board's deliberations. They will be independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.
- 3.15.4 The size of the board will be such that the common purpose, involvement, participation, harmony and sense of responsibility of the members are not jeopardised. It must be large enough to ensure a range of knowledge, views and experience. Generally, the number of members will be nine of which all will be non-executive.
- 3.15.5 Subject to any limitations imposed by shareholders, it is anticipated that non-executive members will hold office initially for three years following their first appointment (or, if appointed by the board between annual meetings, from the date of the meeting next following the appointment), subject to any obligation to retire by rotation in accordance with the Charter.
- 3.15.6 Only executive members will be engaged on service contracts. In the event of an executive member's service contract with the company terminating for whatever reason, the member is expected to resign from the board, although the board may, if it considers it appropriate, and subject to shareholders' approval where necessary, reappoint the member as a non-executive member.

3.16 Induction of New Members

- 3.16.1 Genuine potential members are encouraged to carry out due diligence on the company before accepting an appointment to the board. On their first appointment, non-executive members will have the benefit of an induction programme aimed at deepening their understanding of the company and the business and the environment and markets in which the company operates. As part of the programme, members will receive a folder of essential board and company information and will meet key management.
- 3.16.2 Members are expected to keep themselves abreast of changes and trends in the business and in the company's environment and markets and to keep abreast of changes and trends in the economic, political, social and legal climate generally.



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PART 4 - BOARD – MANAGEMENT RELATIONSHIP

4.1 Position of CEO

- 4.1.1 The Board will link the WRU's governance function with the WRU's management functions through the CEO.
- 4.1.2 All Board authority conferred on Management is delegated through the CEO so that authority and accountability is considered to be the authority and accountability of the CEO so far as the Board is concerned.
- 4.1.3 The Board will agree with the CEO on achieving specific results directed towards WRU Goals. This will usually take the form of an annual performance contract under which the CEO is authorised to make any decision and take any action within the Management Limitations, directed at achieving the WRU Goals.
- 4.1.4 Between Board meetings the Chair maintains an informal link between the Board and the CEO, expects to be kept informed by the CEO on all important matters, and is available to the CEO to provide counsel and advice where appropriate.
- 4.1.5 Only decisions of the Board acting as a body are binding on the CEO or any other member of staff. Decisions or instructions of individual Directors, officers or committees are not binding except in those rare instances where the Board has previously given specific authorisation.

4.2 Accountability of CEO to Board

- 4.2.1 The CEO is accountable to the Board for the achievement of the WRU Goals and the CEO is accountable for the observance of the Management Limitations.
- 4.2.2 At each of its normal monthly meetings the Board should expect to receive from or through the CEO:
 - 4.2.2.1 the operational and other reports and proposals referred to in clause 3.4.5; and
 - 4.2.2.2 such assurances as the Board considers necessary to confirm that Management Limitations are being observed.

4.3 Management Limitations

- 4.3.1 The CEO is expected to act within all specific authorities delegated to him or her by the Board.
- 4.3.2 The CEO is expected to not cause or permit any practice, activity or decision that is contrary to commonly accepted good business practice or professional ethics.
- 4.3.3 In allocating the capital and resources of WRU the CEO will adhere to the WRU Goals.



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- 4.3.4 The CEO will not cause or permit any action without taking into account the health, safety, environmental and political consequences and their long-term effect on the Game, Members and WRU.
- 4.3.5 In managing the financial activities of the WRU the CEO is expected to not cause or permit any action that is likely to result in the WRU becoming financially embarrassed.
- 4.3.6 The assets of WRU, both tangible and intangible, are expected to be adequately maintained and protected, and not unnecessarily placed at risk. In particular, the WRU must be operated with a comprehensive system of internal control, and assets or funds must not be received, processed or disbursed without controls that, as a minimum, are sufficient to meet standards acceptable to the WRU's external auditors. In managing the risks of the WRU, the CEO is expected to not cause or permit anyone to substitute their own risk preferences for those of the Members as a whole.
- 4.3.7 The CEO is expected not to permit employees and other parties working for the WRU to be subjected to treatment or conditions that are undignified, inequitable, unfair or unsafe.
- 4.3.8 The CEO is expected to not cause or permit payments to be made or rewards given unless they are in return for contributions towards the purposes of the WRU and are proportional to the extent that the contribution in question has furthered such purposes.

PART 5 - GENERAL

5.1 Relationship with the Constitution

- 5.1.1 The Charter is intended to support the Constitution and neither replaces nor derogates from it. In the event of a conflict between the Constitution and the Charter, the terms of the former will prevail.

Signed on behalf of the Waikato Rugby Union on this 10th day of May, 2022



Stephen Shale
Chair



Carl Moon
Chief Executive