



**AUSTRALIAN CAPITAL TERRITORY
AND SOUTHERN NEW SOUTH WALES
RUGBY UNION LIMITED**

BOARD CHARTER

27 SEPTEMBER 2017

**AUSTRALIAN CAPITAL TERRITORY AND SOUTHERN NEW SOUTH WALES
RUGBY UNION LIMITED (ACT & SNSW RUL)**

BOARD CHARTER

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1. Introduction

ACT & SNSW RUL is a public company established to foster and enhance community rugby union within the Australian Capital Territory and Southern New South Wales and to operate a Super Rugby team known as the Brumbies.

2. Purpose

2.1 This Charter sets out the role, responsibilities, structure and processes of the Board; and

2.2 is supported by the Code of Conduct and the charters for the Board Committees.

3. Authority

The Board derives its authority to act from the ACT & SNSW RUL Constitution and the laws governing corporations in Australia.

4. Role and Responsibilities

The role of the Board is to provide strategic guidance for ACT & SNSW RUL and its controlled entities (Brumbies Group) and effective oversight of management. The Board is accountable to the members of ACT & SNSW RUL for the performance of the Brumbies Group's businesses. In performing its role, the Board aspires to excellence in governance standards.

The responsibilities/functions of the Board include, but are not limited to:

4.1 Strategy

Approving the strategic direction of the Brumbies Group and significant corporate strategic initiatives.

4.2 Performance Monitoring

Approving the Brumbies Group's annual budget, targets and financial statements, and monitoring financial performance against budgets, forecasts and targets.

4.3 Risk Management

Monitoring the effectiveness of risk management by the Brumbies Group, including satisfying itself through appropriate reporting and oversight that appropriate internal control mechanisms are in place and are being implemented; and allocating adequate resources to the risk management function and ensuring an appropriate organisational structure, strategic direction and level of staff

training are implemented to permit regular risk reviews and the reporting of risk issues.

4.4 Governance

Monitoring the effectiveness of the ACT & SNSW RUL governance framework and that ACT & SNSW RUL conducts its affairs with a high degree of integrity.

4.5 Compliance

Ensuring that ACT & SNSW RUL defines adopts and maintains comprehensive and reliable business and management systems to ensure that ACT & SNSW RUL is aware of and complies with its obligations under applicable laws.

4.6 Relationship with Stakeholders

Keeping members and other stakeholders informed so they can assess the performance of Directors, management and ACT & SNSW RUL.

4.7 CEO and Remuneration Matters

Appointing and, if necessary, terminating the employment of the CEO; through the Chair and Deputy Chair, annually evaluating the performance of the CEO; through the Chair and Deputy Chair, reviewing the succession planning for the CEO position; and, on the recommendation of the Corporate Governance Committee, considering and approving, if considered appropriate, the remuneration of the CEO.

5. Delegations to Management

All matters not specifically reserved for the Board, and necessary for the day-to-day management of the Brumbies Group to achieve the Brumbies Group's strategic goals, are delegated to the CEO. The CEO is free to take all decisions and actions which, in the CEO's judgment, are appropriate having regard to the limits imposed by the Board. Financial delegations to the CEO are set out in a formal instrument setting the limits of his authority in financial matters. The CEO remains accountable to the Board for the exercise of the authority that is delegated and for the performance of the Brumbies Group. All decisions are made in the context of the ACT & SNSW RUL approved risk appetite.

6 Access to information

6.1 To assist in fulfilling their responsibilities, Directors are entitled and encouraged to ask management, through the CEO, any questions relevant to the management of the Brumbies Group.

6.2 Directors are encouraged to seek information from external sources concerning developments in sports management and related fields relevant to the activities of the Brumbies Group.

7 Board Membership

7.1 Size and Composition

7.1.1 The size of the Board will be determined in accordance with the ACT & SNSW RUL Constitution.

7.1.2 Collectively, the Board members should have a broad range of financial and other skills, experience and knowledge necessary to guide the business of the Brumbies Group.

7.1.3 The Board, via the Corporate Governance Committee, will determine and regularly review the composition of the Board having regard to the skill mix of Directors, subject to the limits imposed by the Constitution and the terms served by existing Directors.

7.2 Maximum Tenure

An elected or appointed Director is not eligible to be re-elected or re-appointed if, at the time of his or her re-election or re-appointment, his or her cumulative period in office would be six years or more from the time he or she was first elected or appointed.

7.3 Independence

7.3.1 The Board must have a majority of independent Directors.

7.3.2 The Nominations Committee assesses the independence of Directors.

7.4 Conduct and Expectations

7.4.1 Directors must maintain the highest ethical standards in line with the ACT & SNSW RUL Code of Conduct.

7.4.2 Each Director is expected to:

7.4.2.1 understand the needs of the rugby union movement generally;

7.4.2.2 be familiar with ACT & SNSW RUL goals and policies;

7.4.2.3 guide and monitor the management of ACT & SNSW RUL;

7.4.2.4 be familiar with the risk management plan and internal control framework operating within ACT & SNSW RUL;

7.4.2.5 help achieve and maintain the shared understanding of the core purpose, core values and goals of ACT & SNSW RUL;

7.4.2.6 maintain “decision solidarity”. Once decisions have been made, all Directors are expected to support the decision even though they may not have individually voted for it;

7.4.2.7 make available their expertise in the best interests of the Board's operations;

7.4.2.8 acquire appropriate information and expertise; and

7.4.2.9 annually undertake appropriate professional development activities to enhance their performance as a Director.

8. Fitness and Propriety

8.1 A primary objective of the Board is to ensure that Directors have appropriate skills, experience, and knowledge, and act with honesty and integrity.

8.2 The Nomination Committee assesses each person who is nominated as a candidate for election or appointment as a Director and determines whether it is satisfied that the person is fit and proper to be and act as a Director. Part of the fit and proper assessment process is to ensure that the Board maintains a mix of skills and experience that the Board determines is appropriate for the management of the company.

8.3 The fit and proper assessment has two components, these being:

1. assessing whether the person has demonstrated an ability (as assessed against the Board-approved criteria) to be a Director; and
2. assessing whether the person is fit and proper to be and act as a director, by reference to relevant legislative provisions and the ACT & SNSW RUL Constitution.

9. Access to Independent Advice

If a Director has deeply held concerns about a policy or proposal, the Director may request the Board's approval to seek independent professional advice on the issue. A Director may also seek the Board's approval, and financial support, to seek their own legal advice on a matter.

10. Chair and Deputy Chair

10.1 The Board may appoint a Director to chair its meetings and one other director as Deputy Chair. The positions of Chair and Deputy Chair will be determined annually at the first Board meeting held after the Annual General Meeting.

10.2 The Chair must be an independent non-executive Director. He or she is effectively "first among equals" with other Board members and, from day to day, will work closely with the CEO on behalf of the Board. It is expected that the Chair will chair the Nominations Committee except when he or she is standing for re-election or reappointment in which case the Deputy Chair will chair the Nominations Committee. If both are standing for re-election or reappointment at the same time, another Director chosen by the other Board members will chair the Nominations Committee.

10.3. The Deputy Chair will deputise for the Chair when the Chair is unavailable for any reason.

11. Company Secretary

11.1 The Company Secretary is responsible for the co-ordination of all Board business including agendas, Board papers, minutes, communication with regulatory bodies, and all statutory filings.

11.2 The Board will appoint at least one Company Secretary. Appointment and removal of a Company Secretary will be subject to Board approval.

11.3 All Directors have direct access to the Company Secretary.

12. Committees

The term 'Committee' refers to Committees established by the Board or mandated by the Constitution. Committees may contain one or more persons who are not ACT & NSW RUL Directors.

12.1 Committees enable the workload of the Board to be shared and effectively carried out by delegating authority to appropriately qualified Directors and other Committee members to undertake functions that are beneficial to the work of the Board.

12.2 The four standing Board Committees are:

- 12.2.1 Audit and Risk Committee;
- 12.2.2 Community Rugby Committee;
- 12.2.3 Corporate Governance Committee; and
- 12.2.4 Nominations Committee.

12.3 Other committees may be formed from time to time as required.

12.4 Committees have terms of reference, approved by the Board, addressing matters such as the Committee's:

- role and responsibilities;
- composition; and
- structure and membership requirements.

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12.5 Members and Chairs of Committees are appointed by the Board.

12.6 In determining the composition of a Committee, the Board considers matters such as the Director's:

- qualifications;
- technical skills and expertise;
- industry knowledge;
- ability for constructive questioning;
- interest in the work of the Committee; and
- potential learning and development benefits for the Director in participating on a Committee.

13. Board Meetings

13.1 The Chair is responsible, in consultation with the CEO and the Company Secretary, for the conduct of all Board meetings. This includes being satisfied that the agendas are comprehensive, that all agenda items are appropriate and that recommendations fit within the broad strategic direction set by the Board.

13.2 In addition to the CEO, members of executive management may be invited to attend Board meetings.

13.3 There will be a minimum of six Board meetings held per annum.

14. General Meetings

14.1 Meetings and proceedings of members' meetings are governed by the relevant provisions of the Constitution.

14.2 Directors are expected to attend the Annual General Meeting.

15. Conflicts of Interest

Directors are required to avoid actual, potential or perceived conflicts of interest.

16. Related Party Transactions

Transactions between ACT & SNSW RUL and Directors must always be made on normal commercial terms and notified to the Board.

17. Board Performance

The Board may undertake periodic reviews and analysis of its conduct and performance and may determine that each Director also participates in a cycle of reviewing and analysing his or her personal contributions. Plans may be developed and agreed so that Directors will continue to meet the high expectations of colleagues and members. If considered appropriate, the Board may engage an external consultant to conduct a Board appraisal and Director assessments.

18. Boards of Controlled Entities

18.1 Controlled Entities Board Composition and Size

The size and composition of each controlled entity Board is determined with reference to its constitution and the nature of its business, and having regard to applicable regulatory requirements.

18.2 Appointment of Non-Executive Directors to Controlled Entities Boards

The appointment of ACT & SNSW RUL Directors to the Boards of controlled entities and their related tenure is subject to the approval of the ACT & SNSW RUL Board.

19. Review and Publication of the Board Charter

19.1 The Board will review and assess the adequacy of the Charter every two years or as otherwise determined by the Board and will make any appropriate amendments.

19.2 This Charter and the Charters for the Committees and committees established by the Board are available on the ACT & SNSW RUL website.

20. Inconsistency with Constitution

To the extent that there is any inconsistency between this Charter and the Constitution, the Constitution will prevail.

THE UPDATED BOARD CHARTER WAS UNANIMOUSLY APPROVED AT A MEETING OF THE BOARD OF DIRECTORS ON THE 27TH SEPTEMBER 2017.
