



SOUTH AFRICAN RUGBY UNION

TERMS OF REFERENCE TRANSFORMATION COMMITTEE

Terms of Reference: Transformation Committee (EXCO Approved 9 December 2021)

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TERMS OF REFERENCE OF THE TRANSFORMATION COMMITTEE ("THE COMMITTEE")

1. STATUS OF THE COMMITTEE

- 1.1. SARU's Constitution provides for the establishment and operation of a SARU Transformation Committee (the "Committee"), as a sub-Committee of the Executive Council ("EXCO"), whose members shall comprise of all the Presidents of the members, the President, Deputy President, CEO of SARU and an independent non-executive member of the Executive Council.
- 1.2. The Committee has all the formal delegated authority and mandate from the Executive Council as necessary to perform its role and responsibilities.
- 1.3. For the purposes of the Terms of Reference, the word "members" means SARU's provincial unions and their commercial companies.

2. DIFFERENTIATION: TRANSFORMATION COMMITTEE AND THE TRANSFORMATION ADVISORY PANEL

A) TRANSFORMATION COMMITTEE

- 2.1. The Transformation Committee is governed by the SARU Constitution and has been established to monitor, evaluate and report on transformation progress and to provide leadership and expertise to achieve the strategic goals, as outlined in the SARU Strategic Transformation Development Plan 2030 (STDP 2030).
- 2.2. The Committee will scrutinise and deliberate on the National Transformation Audit reports as well as the continuous transformation updates pertaining to the key focus areas and the strategic objectives of SARU's STDP 2030 and its annexures and ensuring compliance to the Memorandum of Agreements (MOAs) entered into between SARU and its members.

B) TRANSFORMATION ADVISORY PANEL

- 2.3. The Executive Council and the General Council approved the formation of a Transformation Advisory Panel to ensure compliance in regards to all transformation related matters, including, policies, agreements, contracts and strategies. The Panel is responsible for conducting investigations, imposing incentives and punitive measures and report and making recommendations to EXCO to support SARU and its members with its ultimate drive and goal of delivering on the strategic focus areas and objectives relating to transformation, B-BBEE, diversity, equality and inclusion.

3. FOCUS AREAS AND OBJECTIVES OF THE COMMITTEE

The key focus areas are:

- 3.1.1. Access to the game
- 3.1.2. Skills and Capacity Development
- 3.1.3. Demographic Representation
- 3.1.4. Performance
- 3.1.5. Community Development and Social Responsibility
- 3.1.6. Corporate Governance

3.2. The objectives of the STDP 2030 are:

- 3.2.1. Ensure rugby is accessible to all who wish to participate, including women, disabled persons and people in rural areas.
- 3.2.2. Create development pathways for players, coaches, referees and administrators to improve productivity and performance levels.
- 3.2.3. To ensure the demographic profile at the provincial and national level on and off the field of play is non-racial and equitable.
- 3.2.4. To ensure the male playing demographic profile at a provincial level is non-racial and equitable.
- 3.2.5. To ensure the male playing demographic profile at a national level is non-racial and equitable.
- 3.2.6. To ensure the female playing demographic profile at a provincial level is aligned, non-racial and equitable.
- 3.2.7. To ensure the female playing demographic profile at a national level is non-racial and equitable.
- 3.2.8. To ensure that the off-field demographic profile at a national and provincial level is non-racial and equitable.

3.3. The Committee must, among other things, be updated in regards to the following annexures of SARU's STDP 2030:

- 3.3.1. The Eminent Persons' Group (EPG) National Barometer
- 3.3.2. The National Transformation Performance Agreement (National Targets set with Government)
- 3.3.3. Provincial Transformation Barometre
- 3.3.4. The Provincial Transformation Performance Agreement (Self-determined targets)
- 3.3.5. The SARU Incentive Policy
- 3.3.6. The National and Provincial EPG Datasheets

4. ROLES OF THE COMMITTEE

The **roles** of the Committee will be to:

- 4.1. To **debate, question and challenge the on and off the field transformation agenda**, in SARU as well as its members with regards to the key focus areas, listed in paragraph 3 supra.
- 4.2. To ensure ongoing and improved results, the Committee must **scrutinise the Transformation National Audit Report** and make recommendations and propose interventions to the Executive Council pertaining to the observations, risk areas and shortcomings highlighted as well as identifying policy, system and practice areas of improvement.
- 4.3. Recommend interventions to the Executive Council, where necessary, to **accelerate transformation** in SARU as well as its members based on the principle of broad-based empowerment to promote equality, including but not limited to gender equality and racial equality amongst others.
- 4.4. Recommend to the Transformation Advisory Panel to **consider actions** where transformation targets are not being met.
- 4.5. Discuss, develop, amend and constantly **review and expand the performance management system** (Provincial Barometer and the Provincial Performance Agreement) for all members.
- 4.6. Propose and **recommend amendments** to the STDP 2030 to take into account the latest trends, observations, risk areas and shortcomings identified in the EPG status report, the National Transformation Audit Report report and the National Barometer (Performance Scorecard).
- 4.7. **Recommend and propose additional or amended transformation goals and objectives to the Executive Council** that will ensure the long term future of the game.
- 4.8. Refer the failure of a member to **satisfactorily deliver 60% of its self-determined targets**, via the Executive Council to the Transformation Advisory Panel (TAP) to act in accordance with their terms of reference.
- 4.9. Refer the failure of a member to **satisfactorily deliver the B-BBEE requirements**, via the Executive Council to the Transformation Advisory Panel (TAP) to act in accordance with their terms of reference.
- 4.10. Agree and make recommendations to the Executive Council on **reasonable percentages of contracted professional and development players to be met by members** guaranteeing diversity and inclusion and improved performances and, in the process, increasing participation of professional generic Black and black African players at a provincial and international level.
- 4.11. Refer the failure of a member to **field a transformed on-field team**, via the Executive Council to the Transformation Advisory Panel (TAP) to act in accordance with their terms of reference.

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- 4.12. As part of the annual work plan of the Transformation Committee recommend conducting transformation forums, training, and workshops at all levels, **to ensure a consistent understanding of SARU and its member's commitment to diversity and inclusion.**
- 4.13. Recommend **any matter not already covered above as well as any diversity and inclusion complaints that needs to be considered and investigated** via the Executive Council to the Transformation Advisory Panel (TAP) to act in accordance with their terms of reference.

5. COMPOSITION OF THE COMMITTEE

- 5.1. The Committee must comprise the Presidents of the members, the President, Deputy President, CEO of SARU and an independent non-executive member of the Executive Council;
- 5.2. In addition to paragraph 5.1 supra, the CEOs of the members who are responsible for professional rugby form part of the Committee. No such person shall be entitled to vote on any matter or count for the purposes of a quorum, however, when attending the meeting on behalf of the President such member will be entitled to vote and count for the purposes of a quorum.
- 5.3. In addition to paragraph 5.2 supra, the Presidents of the members will be entitled to nominate the General Manager or another member of their Union who is responsible for amateur rugby to attend the meeting on their behalf or to be accompanied by such a member. When accompanying such a member, no such person shall be entitled to vote on any matter or count for the purposes of a quorum, however, when attending the meeting on behalf of the President such member will be entitled to vote and count for the purposes of a quorum.
- 5.4. An additional four independent members, appointed by the Executive Council, will form part of the Committee.
- 5.5. An independent board member appointed by the Executive Council as outlined by the SARU constitution will chair the Transformation Committee and in absence of the chairperson, another independent committee member nominated by the committee.
- 5.6. The Committee may invite any Associate members or any other individual (including external advisors) to attend all or any part of a meeting, in whatever capacity and for whatever purpose as deemed appropriate. No such person invited, shall be entitled to vote on any matter or count for the purposes of a quorum.
- 5.7. No business shall be transacted at any meeting unless a quorum is present.
- 5.8. The secretary of the committee shall be appointed by the Executive Council.

6. FUNCTIONING

- 6.1. The Committee shall meet via virtual application platforms at least twice a year or more frequently if the

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Committee agrees that it is necessary in order to discharge its duties effectively. In-person meetings can take place when required subject to budget and Executive Council approval. Meetings may take the form of a workshop.

- 6.2. A copy of the agenda of the meeting including the minutes of the previous meeting shall be sent to the members of the Committee no less than 5 (five) days before the meeting.
- 6.3. Special meetings may be called by more than 50% of the committee members or when deemed necessary by the Chairperson.
- 6.4. The secretary shall keep full and proper minutes of all meetings of the Committee and ensure that the Office of the Company Secretary has proper records of all meetings and activities.
- 6.5. In order to perform their responsibilities, the Committee may obtain independent professional advice to assist the Committee from time to time.
- 6.6. On all matters delegated to the Committee by the Executive Council, the Committee makes recommendations for approval by the Executive Council. The Committee shall have no decision-making power with regard to its duties and is accountable to the Executive Council.
- 6.7. The Committee will always seek to make recommendations by consensus, however, should this not be possible, a decision supported by 75% of the Committee members present will stand as the Committee's decision.
- 6.8. The presence of more than 50% of members eligible to vote for a recommendation to the Executive Council will constitute a quorum.
- 6.9. Invitees in attendance at Committee meetings may participate in discussions but do not form part of the quorum for Committee meetings and have no voting rights.
- 6.10. The Committee has a responsibility to submit written reports, based on all meetings held, for discussion and approval at Executive Council meetings, including additional reports when required.

7. CONFIDENTIALITY AND GOVERNANCE

- 7.1. All members of the Committee, whether or not they are employees of SARU, automatically undertake to be bound in full by SARU's Code of Conduct and its values.
- 7.2. All members of the Committee acknowledge that they will be discussing confidential and commercially sensitive and strategic information and that disclosure of such information to third parties may cause significant commercial, financial and reputational harm to SARU. Members, therefore, undertake to exercise full confidentiality in relation to all information that may come to their attention from time to

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time. No such information may be revealed to any persons outside of SARU without the prior authorisation of the Chairman. Any breach would be regarded as a disciplinary offence subject to investigation and sanction.

- 7.3. Unless specifically authorised by the CEO or the President, no member of the Committee may make statements to the media.

8. REMUNERATION

- 8.1. Remuneration will be determined from time to time by the EXCO and communicated to Committee members.
- 8.2. Only independent members of the Committee who are not independent non-executive directors, as well as such other independent professionals as may be requested to assist or consult to the Committee on occasion, are eligible to receive such remuneration in respect of their time and contributions to the business of the Committee as may be determined by formal resolution of the Committee from time to time.
- 8.3. The approved SARU funding model caters for the members from unions to cover their own costs for all travelling, hotel and other expenses properly incurred by them in or about the performance of their activities as members or attendees.

9. REPORTING TO THE EXECUTIVE COUNCIL

- 9.1. The Committee must submit a work plan of Committee activities for the year to the Executive Council after the Committee's first meeting for the year.
- 9.2. The Committee must review and assess the adequacy of these Terms of Reference annually or more frequently if necessary and recommend changes as needed to Executive Council.
- 9.3. The Committee must ensure that the members of the Committee undergo a review annually.