

11 September 2022

Dear World Sailing Member National Authorities,

RE: Governance Reform Proposal

At an Extraordinary General Meeting held virtually on 18 July 2022, representatives of Member National Authorities (MNA) voted unanimously that the Board should draft the detailed amendments to give effect to proposed changes to the Constitution tabled by the Board. The Governance Sub-Committee (GSC) has now produced the draft documentation of the Constitutional and Regulatory changes needed to give effect to the concepts that were approved.

Attached please find: -

- New Constitution
- Commentary on the Constitution
- 2025 Regulations -Parts 1 and 2 (which are separate files)
- Commentary on the Regulations
- Template for feedback

The drafts are circulated for comment, feedback and explanation where required. The two "Commentary Notes" are to help explain the amendments and direct the reader to the relevant parts of the three documents where material changes are being made.

Please bear in mind the purpose of the exercise has been solely to effect changes as contemplated by the Governance Proposal approved by the EGM, which we have discussed in the six Plenary discussions held in the period from December 2021 through to March 2022. As a reminder the purpose of this round of governance reform has been all about efficient decision-making. Other areas of the Constitution might be of interest, but the GSC has confined itself to only dealing with what has been discussed in the open forums leading up to the EGM. As a consequence, please confine remarks to the areas currently under review.

When examining the Constitution, please bear in mind some of the existing Regulations have now been included in relevant sections of the Constitution. This has made the Constitution longer. However, it is now easier to understand as all the related requirements are in one place and, on the other hand, the Regulations are shorter. The opportunity has also been taken to simplify the language in the Constitution for the benefit of those who are not legally trained – simple English has been used to communicate more clearly wherever possible.

As for the Regulations these have been presented in two parts. The first deals with those Regulations that are needed because of the changes to the Constitution. The rest of the Regulations have been left unchanged other than where there have been name changes in the Constitution or to fit with its new procedures. These Regulations appear in the second document. It is accepted that a great deal of

work is needed to review the balance of the Regulations, and no doubt improve upon them, but that is for another time. They have no effect on the Constitutional changes proposed.

Leading up to the Annual General Meeting on 29th of October 2022, there are two time periods remaining for the completion of the Governance task: -

1. One month of consultation with all Member National Authorities in order to finalise the Constitutional changes.
During this time the GSC also welcomes the comments, inputs and questions of all its Stakeholders. They are copied in on this correspondence. The last week of the month will be used to finalise the legal text to be presented to the Annual General Meeting so early comment is preferable and to be encouraged.
2. On the 7th of October, 2022, the final versions of the Constitution and the Regulations will be circulated with the Notice of AGM with the required twenty one days' notice of changes to the Constitution and the relevant Regulations.

The Board is appreciative of everyone's contribution. The commitment of all to exploring options with an open mind and the willingness to listen to different points of view has been a welcome part of the conversations that all of World Sailing has been having on this initiative.

Please remember if anyone would like to be in touch, they should feel free to contact any member of the GSC or email governance@sailing.org to send an idea, ask a question or set up a meeting. For ease of reference the Press Release on the 19th of July 2022, immediately after the EGM is appended. This is a useful summary, in just three pages, of what the changes cover. It also has links to the Board proposal that received unanimous support as well as all the documentation on the World Sailing Governance section of the website.

Yours sincerely,



Philip Baum
Vice President



David Graham
CEO

CC to: All World Sailing Stakeholders i.e., Council, Committees and Sub-Committees, Commissions, WS Continental and Regional Associations, World Sailing Classes, World Sailing Partners and Staff

PRESS RELEASE – 19 JULY 2022

World Sailing Extraordinary General Meeting unanimously backs Governance Reform

World Sailing has approved in principle proposals to advance Governance Reform focussed on ensuring accountable and efficient decision making. The changes should more effectively service members requirements and enhance World Sailing's attraction as a commercial partner.

At an Extraordinary General Meeting held virtually on 18 July 2022, representatives of Member National Authorities (MNA) voted unanimously that the Board should draft the detailed amendments to give effect to proposed changes to the Constitution tabled by the Board.

A second proposal (Annex 1) on Conflicts of Interest was passed with a 97% majority. Further proposals on Appointed Directors and Staggered Elections failed to meet the '50% + one vote' threshold.

The detailed drafting will be submitted to the Annual General Meeting at the Annual Conference in October for final approval. To be effective this will require a 75% majority before there is any change to the Constitution. Relevant Regulatory changes will also be needed.

Philip Baum, World Sailing Vice-President and Chair of the Board Governance Sub-Committee, said: "This is an opportunity to secure the future of sailing by modernising our governance processes. Adopting these changes will make our Federation more attractive to commercial investment and a more trusted partner for our stakeholders.

"The current model was developed in an era when the scope of the Federation was much smaller. As World Sailing has grown it has become evident that this structure should be updated to better suit the challenges of a modern sport. Change is both inevitable and necessary.

"In consultation with our Members, the current proposals have been designed to promote collaboration in sailing to better serve all of the people involved in the sport. These include sailors, be they high performance or recreational, our volunteers, all of our MNAs, the classes which make up our sport, and importantly our commercial partners, governments and the International Olympic Committee as well as other key decision makers in the sporting arena."

Key Elements of the Proposal

- **General Assembly**

The General Assembly will meet once a year. It is the annual general meeting of the company. As such, it will continue to have the powers set out in the Constitution and under Isle of Man law, as amended by the new proposals.

- **Council**

Council will be responsible for relevant decisions arising from the new submissions process and deciding World Sailing policy. It is expected to meet up to four times a year, at a minimum once in person. There will be an emphasis on Council debating and deciding policy to give effect to World Sailing's strategy.

- **Board**

The Board will continue in a non-executive capacity providing oversight and monitoring of World Sailing activities especially that of management. It will continue to comprise nine directors including the President, seven elected directors and the Chair of the Athletes' Commission. There will be gender equality amongst the elected directors. The President will be elected first (from either gender) and then the seven elected directors will be elected in a manner ensuring gender equality.

- **Chief Executive Officer**

The Chief Executive Officer leads the staff and executive management team of World Sailing. The relationship between the Chief Executive Officer and the Board is governed by the Board Charter. The Board may delegate its authority to make certain operational/management decisions to the Chief Executive Officer and, through the CEO, to the staff.

- **Growth and Development Committee**

It is intended that an enhanced Regional Development Committee suitably resourced will focus on the growth of the sport across the globe but especially in emerging nations.

- **Specialist Sailing Committee**

A new Specialist Sailing Committee will promote greater co-operation between the sport's major events (including World Sailing Special Events) such as the America's Cup, SailGP, SSL Gold Cup and other forms of top-level sailing. The group will provide expert input into the development of World Sailing's strategy, particularly with regards to the promotion of the sport, as well as advise Council on non-Olympic top-level events.

- **Committees and Working Groups**

All existing Committees, Sub-committees and Commissions will be carried over into the new structure, albeit with a change of name and broadening of remit in some cases.

- **Integrity and Disciplinary**

A new independent Disciplinary Tribunal replaces the existing Judicial Board and Ethics Commission. Panels of the Tribunal will hear, decide and impose sanctions for all breaches of the revised Code of Ethics, or breaches of any rule or regulation. All the various conduct rules will be consolidated into one Code of Ethics to set out the standards of conduct required of all World Sailing participants, officials and other representatives. The independent Investigations Panel will receive complaints directly (including those from whistle blowers), facilitate any resolution by agreement, investigate whether or not there is a breach of the new Code of Ethics or any other rule and decide whether to charge and prosecute a person before the Disciplinary Tribunal.

For more information on the background of World Sailing's Governance Reform, please visit the [World Sailing website](#).