

BREWERS GUILD OF NEW ZEALAND

Proposed Constitutional Amendments for Approval at the 2026 Annual General Meeting

The Board is recommending three amendments to the Constitution to strengthen governance, improve member participation, and ensure the Society can continue to operate effectively as it grows.

The proposed amendments relate to:

1. Board Size and Independent Directors.
2. Quorum and Meeting Procedures.
3. Proxy Voting and Electronic Voting.

Each amendment is set out below together with the rationale for the change, the current rule, the proposed replacement rule, and the proposed special resolution.

Amendment 1: Board Size and Independent Directors

Reason for the Change

The current Constitution allows the membership to determine the size of the Board, subject only to a minimum of three Board Members, and restricts Board membership to Society members.

The Board considers that a defined Board size and the ability to appoint a limited number of Independent Directors would:

- provide an appropriate balance between effective governance and efficient decision-making
- ensure the Board has sufficient diversity of skills and experience
- strengthen governance capability through access to specialist expertise
- provide independent perspectives where beneficial
- align with good governance practice in membership-based organisations
- retain member control by requiring a majority of Board Members to remain Society members.

1. Clauses Being Replaced

Current Rule 3.1

"The Society will have a governing body (the "Board") comprised of the following persons: the Chairperson; the Vice-Chairperson; and other persons as the Society may decide, provided that only Members of the Society may be Board Members."

Current Rule 4.1(b)

"At a Society Meeting, the Members may decide by Majority vote how large the Board will be (subject only to there being a minimum of three Board Members)."

2. Proposed Replacement Clauses

New Rule 3.1

"The Society will have a governing body (the "Board") comprised of the following persons:

- (a) the Chairperson;
- (b) the Vice-Chairperson; and
- (c) other persons as the Society may decide,

provided that:

- (i) the Board shall comprise no fewer than three and no more than seven voting Board Members;
- (ii) a majority of Board Members must be Members of the Society; and
- (iii) the Society may appoint up to two Independent Directors who are not Members of the Society where specific skills, experience, independence or expertise are considered beneficial to the governance of the Society.

Independent Directors shall have the same duties, responsibilities and voting rights as any other Board Member."

New Rule 4.1(b)

"At a Society Meeting, the Members may decide by Majority vote how large the Board will be, provided that the Board shall comprise no fewer than three and no more than seven voting Board Members."

3. Consequential Amendment

Rule 6.1

Add the following sentence to the end of Rule 6.1:

"For the avoidance of doubt, a nominee for appointment as an Independent Director is not required to be a Member of the Society but must otherwise satisfy all eligibility requirements under these Rules and the Incorporated Societies Act 2022."

Constitutional Amendment

That Rules 3.1, 4.1(b) and 6.1 of the Constitution be amended as set out above to establish a Board comprising not fewer than three and not more than seven voting Board Members and to permit the appointment of up to two Independent Directors.

Amendment 2: Quorum and Meeting Procedures

Reason for the Change

The current quorum of 30% of Members has proven difficult to achieve in practice and creates a risk that Annual General Meetings cannot proceed, delaying important decisions such as Board appointments and approval of financial statements.

The proposed change reduces the quorum requirement to 15% of Members entitled to vote and introduces a reconvened meeting mechanism where quorum is not achieved at the original meeting. These changes will:

- improve the Society's ability to hold valid meetings
- reduce administrative burden and risk
- maintain appropriate member participation and oversight
- support continuity of governance and decision-making.

1. Clause Being Replaced

Current Rule 22.7

"No Society Meeting may be held unless at least 30% of Members entitled to vote at such a meeting, and at least one Board Member, attend in person or by proxy, and together such Members and Board Member(s) will constitute a quorum."

2. Proposed Replacement Clauses

New Rule 22.7 – Quorum

"No Society Meeting may be held unless at least 15% of Members entitled to vote, and at least one Board Member, attend in person or by electronic means, and together such Members and Board Member(s) will constitute a quorum."

New Rule 22.7A – Adjournment and Reconvened Meeting

"If a quorum is not present within 30 minutes after the time appointed for a Society Meeting, the meeting will be adjourned to a time and place determined by the Chairperson, being not less than 7 days later."

At the reconvened meeting, the Members entitled to vote who are present in person or by electronic means, together with at least one Board Member, will constitute a quorum."

Constitutional Amendment

That Rule 22.7 be replaced and new Rule 22.7A be adopted as set out above to reduce the quorum requirement and provide for reconvened meetings where quorum is not achieved.

Amendment 3: Proxy Voting and Electronic Voting

Reason for the Change

The Board is recommending amendments to modernise the Society's voting procedures by replacing proxy voting with electronic voting where electronic voting is made available for all business to be considered at a Society Meeting. The Society has successfully utilised electronic voting for previous Annual General Meetings and elections, providing members with a direct and efficient means of participating regardless of location.

The proposed changes will:

- enable members to vote directly rather than through proxies
- reduce administrative burden associated with managing proxy appointments
- improve participation and accessibility for members
- align the Constitution with the Society's established use of electronic voting
- provide clear authority for electronic voting on motions, resolutions and Board elections.

1. Clause Being Replaced

Current Rule 22.6

"A Member entitled to vote at a Society Meeting may appoint another voting Member, or the chairperson, to act as his/her proxy either at that Society Meeting or at all Society Meetings at which the appointing Member is entitled to vote. A proxy must be appointed in writing (by letter or by email) at any time prior to the commencement of the Meeting and must confirm the proxy's authority to act on behalf of the Member. A proxy will have the same rights as the appointing Member, other than the right to appoint a proxy."

2. Proposed Replacement Clause

New Rule 22.6 – Electronic Voting

"Members entitled to vote may cast votes electronically before or during a Society Meeting using a voting system approved by the Board."

Any vote validly cast through an approved electronic voting system shall have the same effect as a vote cast by a Member attending the Meeting."

Proxy voting shall not be permitted where electronic voting is made available for all motions, resolutions and Board elections to be considered at that Society Meeting."

3. Consequential Amendment

Current Rule 22.10

"With the prior approval of the Board, a Member may be able to use an electronic voting system to cast a vote on any motion before the Meeting. Where a Member has cast such a vote (and the vote is not invalid), the Member or their proxy will not be able to vote in person at the Meeting."

Proposed Replacement Rule 22.10

"With the prior approval of the Board, a Member may use an electronic voting system to cast a vote before or during a Society Meeting on any motion, resolution or Board election.

The Board may determine procedures for authentication, voting periods, verification of votes and declaration of results.

Any vote validly cast through an approved electronic voting system shall have the same effect as a vote cast by a Member attending the Meeting and may not be cast again at the Meeting."

Constitutional Amendment

That Rules 22.6 and 22.10 of the Constitution be amended as set out above to remove proxy voting where electronic voting is available and to modernise the Society's electronic voting provisions