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SCOTTISH RUGBY LIMITED
SC132061

MINUTES OF MEETING OF THE BOARD OF SCOTTISH RUGBY LIMITED
HELD ON 2 JUNE 2026 AT 10.00 AM

BOARDROOM, SCOTTISH GAS MURRAYFIELD & BY TEAMS AV PLATFORM

Present:

John McGuigan	(JM)	SRL Chair & Independent Non-Executive Director
Shona Bell	(SB)	Chief People Officer
Ruth Davidson	(RD)	Senior Independent Non- Executive Director (Except Item 4.4)
Frank Mitchell	(FM)	Independent Non-Executive Director
Steven Seligmann	(SS)	Independent Non-Executive Director (by Teams)
Chris Stewart	(CS)	Independent Non-Executive Director
Alex Whelan	(AW)	Independent Non-Executive Director
David White	(DW)	Chief Financial Officer

Attending:

Robert Howat	(RH)	Company Secretary & General Counsel
Morag Hutchison	(MH)	Shepherd & Wedderburn LLP (Item 4.4) (by Teams)
David Nucifora	(DN)	High Performance Director (Item 4.1) (by Teams)
Gavin Scott	(GS)	Director of Rugby Development (Item 4.2)

Apologies:

Mike Soutar	(MS)	Independent Non-Executive Director

Action

1. INTRODUCTION

The Chair noted that a quorum was present and opened the Meeting.

Apologies were received on behalf of MS. The CEO remained on extended leave and would not be attending.

No conflicts of interest were identified or declared. RD would recuse herself later in the Meeting (Item 4.4) due to the nature of that item of business.

2. MINUTES OF PREVIOUS MEETING

The Minutes of the Meeting held on 26 March 2026 were **APPROVED.**

Minutes of the confidential Meetings held on 17 April 2026 and 8 May 2026 would be considered separately.

3. ACTION LIST & MATTERS ARISING

The following items from the Action List / Matters Arising were discussed:

(i) *High Performance Department* – DN was attending later in the Meeting.

(ii) *Branding project and ticketing* - both subjects would have benefitted from prior SRL Board involvement. RH would remind SRLT members of the need to consider consulting the Board on matters that might present difficulties or become controversial. **RH**

(iii) *Repositioning of priorities and capability to execute* – these would be considered following approval of the Budget and a resolution to the situation involving the CEO. DW confirmed that campus development project activity had paused but most other activity had been captured in the Budget proposals.

Remaining actions had been completed, were discussed in the course of the Meeting or were carried forward.

4. KEY TOPICS

4.1 High Performance Update

DN joined the Meeting (by Teams).

DN updated the Directors on various High Performance matters under reference to a series of slides:

- *6 Nations Review* - conducted by DN with the National Team coaches. This had included a diagnostic exercise covering operations, analysis, physio, nutrition and psychology. Various positives and negatives had been identified and were outlined. These included outcomes from a player survey identifying areas for change.

  Comments were taken from Directors.

  DN explained the challenges of the season calendar, the 2 Pro team system and talent depth, balancing the need to provide high quality game time to young players while still remaining competitive and providing players with suitable rest periods. Win/loss rates were a factor but quality of performance was the main aspect considered.

  Additional resource would always be welcome, taking account of the preparation needed for RWC2027. Maintaining investment in the pathway system was advisable to ensure maximum benefit from the investment already made, while recognising the need to be financially responsible and operate within the resources available. There was a willingness to explore alternative solutions.

  JM noted the importance for the Board of understanding and being clear on the consequences of decisions made on funding priorities.

  A further focus on broadening the team's leadership group was confirmed, with extra work to be done with the team's sports psychologist. The ability to adapt to different playing styles in other teams and generate alternative approaches in-game was important, taking account of the significant shift in the way the game is now played.

- *Player pathway* – DN outlined the shift away from the historical approach on strategy, physicality, medical and cultural provision. He commented on the evolution in athletic performance, moving from mass/ gym strength to acceleration, power and agility. The talent pathway was now focussed on targeted individual progression instead of holistic team outcomes.

- *Support functions and facilities* – performance-led rehabilitation and medical decision-making were outlined, with the structure designed to achieve alignment from age grades to pro teams. Performance analysis and performance nutrition activity were explained, together with aspirations for improved infrastructure at Oriam.

- *Women's National Team* - a review of the Women's 6Nations was underway.

- *RWC 2027 planning* – a planning group had visited facilities in Australia and was benefitting from the experience of newly recruited team members, particularly those from an Olympic sports background.

- *People/ Recruitment & Succession* - recruitment for key posts had been completed, and for Edinburgh Rugby coaches and support team members. DN also commented on Men's National Team Head Coach succession planning, flagging the need to go to market in good time but also avoid disruption to operations. The skillset would be influenced by a number of considerations.

- *Overview* - good progress had been made but a little behind where DN had hoped - some elements had been slower to implement pending recruitment but were expected to catch up in the coming season. The team would be working on improving programmes, particularly for Scotland A and in medical support.

Further comments and questions were taken.

An Athlete Management System would be operational shortly but use of AI technology was limited at the moment. Thoughts on AI-specific projects were at an early stage although structures were being created which would take AI into account, particularly around data science, where some support would be beneficial. The possibility of working with an established data science centre, such as Edinburgh University was suggested – DN would consider. **DN**

SB confirmed that interviews for the CMO position were taking place shortly, with the successful candidate to then conduct an operational audit and review.

JM thanked DN for his presentation, highlighting the much-improved information available, the need for continued clarity, and for high calibre communications to help inform decision-making and investment. A timeline with decision-points and skillsets for coach succession planning was to be developed for further discussion. **DN, SB**

DN left the Meeting

4.2 Rugby Development Update

GS joined the Meeting.

GS updated the Directors on the domestic game, referring to a series of slides with a focus on alignment, retention, and participation:

- *Why people play* – a changed environment with increasing time pressures and demands, and emotional connection and wellbeing being participation drivers rather than a sense of obligation.

- *Levers to drive retention in clubs* - club culture interventions, coaching capability upgrades and competition reform.

- *The Scottish rugby landscape* – GS commented on rugby, governance and facilities and the need to attract recruit more young people into the game.

- *State School Strategy* - a 59% increase in state school registration on SCRUMS between 22/23 and 25/26 was a positive development, as was growth in the female game, but contrasted with flat participation in the adult male game.

  Key issues for State schools remained transport and identifying School Rugby Champions. The 4-year plan approach could benefit from being a 12 year strategy which followed school progression from primary through secondary levels.

- *Next season initiatives* – these covered mini rugby, marketing, coach pathways, alignment with women and girls' strategy, a competition refresh of U16 and U18 girls' competitions and diversifying leadership in clubs.

- *Marketing & Comms priorities* - included youth marketing, social media, competition and events live-streaming, promotion of rugby's benefits (health, social, community), the clubhouse as a hub, and the pro player ambassador programme.

- *Strategy 2028-2032* - continued to be based on a 4-year plan and the 15% contribution identified. Included direct investment to clubs and schools over the period of £24m+, development officer investment of c£12m+ , with total funding to support grass roots rugby exceeding £44m. Consultation would start in January 2027.

  Reference was made to budget levels and allocation from FY25 through to FY27 across the main component areas: staff costs, direct club and school funding, direct club and school support programmes, indirect club and school support.

Questions and comments were taken.

On measuring success and marketing, GS confirmed this was largely based on playing numbers and matches together with feedback. Greater targeting of the school environment was needed. Marketing to schools included matches, tournaments and weekend festivals, social media channels, and provision of resources to schools. Scottish Rugby had twinned with New Zealand and were sharing learnings.

On comparison with other 6Ns unions – direct comparisons were difficult due to variations in approach to national and local government funding and structures, although funding in Wales was thought to be less than Scotland, Ireland around the same level as Scotland but in Euros and regionalised. RFU funding was thought to be around £30m annually.

The Directors discussed how funding might be allocated equitably, targeted where most needed and generating greatest benefit; using club facilities as community hubs; the value of an audit of club facilities and their condition to help inform investment decisions;

the possibility of philanthropic investment; aggregation of facilities; and the benefit of a mapping exercise.

GS noted the challenges in deprived areas, which tended to be football-dominated, withdrawal of Cashback for Communities funding, differing levels of interest in the youth game within clubs and in-after school activity and the difficulties around willingness to share facilities.

Talent transfer from other sports was not being actively pursued but was worth considering - some discussion had already taken place with the Managing Director of Women's Rugby.

On technology, the SCRUMS database had a website interface, with a desire to launch an associated mobile phone app.

JM thanked GS for his presentation and the Directors for their contributions. The alignment being achieved between the domestic game and performance game through the pathways was welcomed.

A mapping exercise setting out key needs and prioritisation would be beneficial in supporting decisions on where club funding could best add value. **GS**

Philanthropy Project Update

GS updated on the Philanthropy Project. OSCR approval for the new Foundation was awaited - expected within the next month - and a preferred candidate had been identified for the role of Head of Philanthropy.

The successful candidate would be asked to attend a future Board meeting. **RH**

GS was thanked for his updates and left the Meeting.

4.3 Executive Report

The contents of the circulated Report were taken as read, with no questions. Discussion focused on Items 4.3.1 – 4.5. No change to underlying strategy was being proposed.

4.3.1 Commercial Partnerships – Approval Requests

DW referred to the circulated papers outlining proposals for extended sponsorship agreements with [**REDACTED–COMMERCIALLY CONFIDENTIAL].** These included a detailed rationale, and consideration of risks as well as the main commercial terms. Due to the scale of fees involved approval was a reserved matter for the Board.

Following discussion and having concluded that the proposed extensions were the most likely means of promoting the success of the Company, the Board **AUTHORISED:**

(i) the Chief Financial Officer to negotiate and conclude agreements with [**REDACTED–COMMERCIALLY CONFIDENTIAL]** based on the terms set out in the circulated papers; and

(ii) any 2 Directors, or any Director in the presence of a witness, or any Director and the Company Secretary to sign the resulting agreements on behalf of Scottish Rugby Limited.

The Board thanked DW and the commercial team for the work done in bringing the proposals to this point.

4.3.2 People

Colleague Survey

SB referred to the circulated paper and updated on the most recent employee engagement survey, which demonstrated an improvement in eNPS from -16 to -4 against an average UK benchmark score of +5.

The response rate had also improved, from 36% to 45% but still below desired levels. Scores varied significantly between business areas. Key positive themes and challenges were noted and the main actions taken to date set out.

The Directors discussed the results, suggesting benchmarking or standards such as Investors in People be considered, noting that affordability of investment would be factor **SB**
in the steps that could be taken. The SRLT were to be charged with improving response rates in their teams. **SB**

Use of AI was also discussed. DW confirmed that AI implications were being considered within the leadership team with a view to identifying several pilot projects and priorities before wider roll-out of AI across the business. SB confirmed that some conversations had also taken place with other organisations to learn from their experience.

JM summarised actions arising from the discussion:

- consideration / identification of external markers/ benchmarks for employee engagement;
- encouraging improvements in response rates and SRLT accountability for those;
- conversations internally on potential opportunities to use AI;
- developing a positive AI mindset and objectives including the possibility of inviting someone to present to the Board.

The Directors recognised that the Company is at an early stage of AI use, with limited internal capability and capacity to work strategically on the topic but a desire to embrace AI as a positive force. Specialist expertise, whether through a Chief Technology Officer or similar appointment, or a contractor would likely be needed, with accompanying investment. Further thought should also be given to that. **DW**

Comms Team Changes

F Harvey had joined the business as interim Communications Director following the departure of M Horler.

4.4 CEO Extended Leave – Update

The Directors were updated on the CEO's extended leave, conducted on a confidential basis under legal professional privilege and recorded separately.

4.5 Finance

4.5.1 Trading Update

April trading had made up the slight shortfall to budget in the first quarter. A more detailed report would follow. The Company remained on track to meet the budgeted statutory loss of (£1.6m) for the financial year.

4.5.2 2026/27 Budget & 4 Year Plan

DW referred to the detailed paper circulated and a series of slides, highlighting key elements of the FY26/27 Budget proposals.

Subject to approval by the SRL Board, the Budget would then be presented to the SRU Board at the Reporting Meeting later in the month. Questions and comments were taken during the presentation.

- *Summary and main objectives* – the proposals provided a fair challenge in securing breakeven, maintaining a sustainable fixed cost position, applying a more planned approach to capex, and addressing competing pressures on available funding.

  The proposals included increased support for the club game, increased investment in women's contracting and supporting programmes, continued investment in High Performance, maintaining Scottish Gas Murrayfield capability to deliver major events and improving staff retention levels as the cost-of-living increased and supported the underlying strategic objectives. No change to those was suggested.

- *Key assumptions* – in line with the 4-year plan discussed at the previous meeting, these included the changes to reporting of revenue and early adoption of FRS102, allowance for inflation and cost-of-living, and securing seven concerts and one football match in the period. 3 concerts and the football match (Everton/ Newcastle) had been confirmed with slots being held for 4 concerts in May/ June 2027.

- [**REDACTED–CONTRACTUALLY CONFIDENTIAL].**

- *Budget outcome* – this was just above breakeven, with a small profit before tax.

  In response to a question, the "Interest and other" line was confirmed as including bank interest and R & D tax credits. Ernst & Young had been engaged to assist with the latter.

- *Revenue* - the key components and movements were displayed and had been adjusted to reflect early adoption of FRS102. This would see gross revenue reduce (but with no impact on profit). The revenue components included increased ticket revenue due to an extra home 6 Nations game in the year, extra partnership income (principally from retail and kit sponsorship), and an increase in events income. These increases were partially offset by no income from Lions activity, no Cashback funding (programme ended and not replaced) and no World Rugby grant funding for the women's programme (that having been used in the current year). Pro team revenues were flat.

- *Hospitality* – hospitality income was expected to be marginally down in FY26/27 due to reduced commission rates in the Elior contract, noting FY25/26 had been boosted by the Oasis concerts. Commission rates would increase again from May 2027 as part of the contract extension agreed to facilitate the tender process and 2027 concert season.

  Directors commented on performance of the new hospitality areas - the 1925 and Clubhouse were performing satisfactorily, with the Kitstore bar underperforming - the unfinished appearance was considered off -putting. The CCO would consider improvements once a full year analysis had been done. **OG/ML**

- *Costs* - key components were outlined, noting that 6Ns performance-related income would be offset by the cost of on-field success bonuses. Insurance against this was being investigated, as was the possibility of cancellation insurance for some events. If required, approval papers would be circulated separately.

  Other costs included allowance for tours and travel, insurance, and legal & professional costs including consultancy and IT.

- *Rugby Development* – budget level now at c£11.6m, up by around £600k. Rugby Development-related costs were more fully allocated against that budget. The 15% budget benchmark level took account of the adjusted revenue figures and the 4-year averaging process. The Directors noted the earlier discussion in the Meeting and the action to consider how to spend the funds allocated to Rugby Development now and in future to best effect, taking account of projections on the 15% benchmark calculation.

- *Employment costs* – a 2.5% cost-of-living allowance had been included for employees not on fixed term contracts. Headcount figures were displayed. Additions were mainly in high performance and events/ facilities. Attrition rates were assumed at 10% but were higher in practice (20%). Some recruitment for specialist positions e.g. technology-based might then be possible depending on leavers.

- *Facilities and capex* - stadium property rates were fixed, with utilities pricing locked-in until June 2027. [**REDACTED–COMMERCIALLY CONFIDENTIAL]** had been included in the budget for capex, [**REDACTED–COMMERCIALLY CONFIDENTIAL]** of that against the potential projects listed in the papers and [**REDACTED–COMMERCIALLY CONFIDENTIAL]** against several potential revenue generating projects. The capex budget provided for increased spend on repairs and maintenance on a more planned basis and to be used to reduce future operating costs such as acquisition of the Hive toilets, generators and pumps instead of rental, and replacement costs of older support systems including the stadium PA system. Comparative figures including depreciation from prior years were displayed and information had also been obtained from other unions.

  In response to questions, DW confirmed that work on the toilet improvement programme had been paused - [**REDACTED–COMMERCIALLY CONFIDENTIAL]** of the previously allocated [**REDACTED–COMMERCIALLY CONFIDENTIAL]** had been spent so far - to assess progress and whether there was a better use for the balance of the funds.

Scotstoun pitch risks arising from use for the Commonwealth Games were unresolved and would be discussed in more detail with the Audit & Risk Committee.

Normal capex approval procedures would still be followed. Pitch usage was being checked, with a view to potential projects being identified to generate more revenue from the back pitch areas.

- *Balance Sheet and Cashflow*- the lowest cash flow point, [**REDACTED–COMMERCIALLY CONFIDENTIAL]** provided reasonable headroom. [**REDACTED–COMMERCIALLY CONFIDENTIAL].** A capital injection might be expected from a new catering partner.

  It was agreed that a 4-year cash projection should be generated, noting also that the new finance forecasting model was almost complete. This would help to support capex approval requests. DW also intended to carry out a banking tender exercise. **DW**

  Minimal significant movements were expected in the balance sheet beyond those in the fixed asset base and bank balance.

- *Risks and opportunities* – DW outlined risks and opportunities factored into the Budget, the main revenue risks being the number of unsecured concerts, timing of events such as the URC final and [**REDACTED–CONTRACTUALLY CONFIDENTIAL].**

JM thanked DW for the Budget preparation, materials and presentation, noting that breakeven was achievable, significant investment was planned in facilities through the capex programme, the Budget was incorporated within the 4 year plan, and with a new financial model to support decision-making.

Following the discussion the Board **APPROVED** the proposed Budget for financial year 26/27 and associated 4-year Plan, subject to approval of the SRU Board, as required by the Relationship Management Agreement between SRL and SRU.

JM and DW would present the proposed Budget to the SRU Board for their approval at the reporting meeting scheduled for 25 June 2026. **JM, DW**

[**REDACTED–CONTRACTUALLY CONFIDENTIAL].**

5. REGULAR BUSINESS

5.1 ESG Committee

RD, as Chair of the ESG Committee updated on the Committee's most recent Meeting, highlighting the following:

- Safeguarding - the Q1 Safeguarding Report had been presented and discussed, including a case study.

- I & D - a pilot study with clubs would be undertaken.

- Modern slavery - training was to be arranged and more formal report to be done. A spot check on Macron facilities was to be arranged.

- Policies - a list of policies falling under the Committee's remit had been considered with prioritisation for updates identified, and including a request for a new policy on professional boundaries. A draft policy on SRL Board Benefits Declaration had been discussed, with a review of the business-wide Probity Policy to be done before a final draft was presented

RD was thanked for her Report.

5.2 Nominations Committee

JM, as Chair of the Nominations Committee, updated on the recruitment of a new NED and Chair of the Audit & Risk Committee. 2 final candidates had been identified for JM to meet before the Nominations Committee made a recommendation. The process had been slowed to enable the situation with the CEO's extended leave to be resolved. Both candidates were aware.

5.3 Board Effectiveness- Progress Update

The joint meeting with SRU Board members and Praesta would be rearranged for September. **SB**

6. AOB & CLOSE

Further discussion took place on prioritising business activity, taking account of the absence of the CEO, postponing or removing peripheral projects, and whether additional Board meetings might be required or support needed through Board Committees. DW would consider and discuss with JM as required.

The discussion on AI and technology had been constructive with a recognition that procuring specialist expertise would be worth progressing, finances permitting.

JM commented on the presentation of the Siobhan Cattigan Trophy at the match against Ireland in the Women's 6 Nations. This had been well-handled, with thanks expressed to colleagues in IRFU.

Succession planning and processes for various key High Performance Department posts were considered further. JM would discuss with D Nucifora and SB would construct a suitable recruitment process, role specifications and timeline for further discussion. **JM, SB**

RH reminded Directors to provide their personal codes for Companies House compliance.

Next scheduled meeting – 27 August 2026 - presentations on the new Women's Strategy (G Fay) and the Philanthropy Project (A McKenna) were to be included on the Agenda. **RH**

The Chair closed the Meeting with thanks to those involved for their attendance and contributions.

APPROVED BY THE SRL BOARD
27 August 2026