



Risk Management Policy

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Canada Soccer

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I. PREAMBLE

As the national sport organization governing soccer throughout Canada, Canada Soccer recognizes that there are risks inherent in all facets of our governance, program delivery and business operations. Canada Soccer is committed to managing risks to the organization. We take the safety, well-being and satisfaction of our members and participants seriously, and monitor the business practices of our sponsors and suppliers. While we are not averse to taking organizational and financial risks and pursuing opportunities, we will do so thoughtfully and in an informed manner so as not to jeopardize future opportunities.

II. PURPOSE

The aim of this policy is to provide a guiding statement on how risk management is to be performed within Canada Soccer. In general, we view risk management as a comprehensive approach to improving organizational performance. This policy has other purposes as well, namely:

- Reinforcing an understanding of risk management as having a broad focus, beyond merely preventing lawsuits, reputational damage, and financial losses;
- Performing an educational function for staff, players, volunteers, and Members; and
- Over the longer term, contributing to enhancing a ‘risk management culture’ within Canada Soccer.

Ultimately, successful risk management has the following benefits for our organization:

- Prevents or limits injury or losses to Members, volunteers, and staff;
- Helps to protect Canada Soccer and its Members against litigation;
- Ensures that Canada Soccer is compliant with all applicable laws, regulations, and standards;
- Improves the programs and services that Canada Soccer provides to its members, participants, partners, and sponsors;
- Promotes improved business management and human resource management practices;
- Enhances Canada Soccer’s brand, reputation, and image in the community; and
- Overall, enhances Canada Soccer’s ability to achieve its strategic objectives.

III. SCOPE AND AUTHORITY

The Board of Directors are ultimately responsible for identifying, evaluating, and managing risks for Canada Soccer. The Board has designated the General Secretary as the Risk Manager for Canada Soccer, responsible for the implementation, maintenance, and communication of this policy. This policy applies to all activities undertaken by Canada Soccer. Where Canada Soccer exercises authority over activities

below the national level, risk management measures may also be prescribed by Canada Soccer for implementation. Members are encouraged to prepare similar policies to govern the management of risk within their jurisdictions.

IV. POLICY

Canada Soccer makes the following commitments to its Members and participants:

- All activities and events undertaken by Canada Soccer will be analyzed from a risk management perspective;
- Systematic and explicit steps will be taken to identify, assess, manage, and communicate risks facing Canada Soccer;
- The risk appetite will decrease as the significance of a negative risk increases and will increase as the significance of a positive risk increases;
- The organization's risk tolerance will ensure risks identified as having a 'high' or 'medium-high' significance level will be managed; and
- Risk control strategies will be reasonable and will reflect the given standard of care in any circumstance (where standard of care is determined by written/published standards, industry practices, established case law precedent, and common sense).

Canada Soccer acknowledges that risk management is a broad activity and a shared responsibility. All directors, officers, staff, and volunteers have an ongoing responsibility to take appropriate measures within their scope of authority and responsibility to identify, assess, manage, and communicate risks.

V. THE RISK MANAGEMENT PROCESS

Managing risks involves three steps: 1) identify potential risks using an informed, environmental scan approach, 2) assessing the significance of a risk by considering its possibility and consequences, and 3) developing and implementing measures to address those risks deemed significant by reducing possibility, consequences or both. This will be achieved through the development and maintenance of a Risk Registry. The Risk Registry will be reviewed annually in June by senior management and recommendations will be provided to the Risk Management Committee by September. The Risk Management Committee will review the recommendations from staff and the Risk Registry and make recommendations to the Board each December. A Risk Owner(s) will be identified for all risks within the Risk Registry. The risk owners(s) will be responsible for monitoring the risk and reporting to the Office of the General Secretary if there is potential for a positive or negative risk event to take place.

Risks arise from a number of categories of Canada Soccer's operations. In the sport domain, facilities, equipment, people and programs all give rise to potential risks. Canada Soccer has determined that the following categories will be used when identifying risks:

- *Operational/Program Risks*: Risk related to key programs in the areas of coach, official and athlete development; management of human resources, including staff and volunteers; organizational capacity to meet participant and stakeholder expectations; event and

competition management; remaining vital and relevant to our members; the inherent physical risks of our sport.

- *Compliance Risks:* Risk related to failure to comply with existing laws and regulations governing employment, privacy, workplace safety, new corporations legislation, tenant legal responsibilities, RCAA charitable status, Imagine Canada standards, anti-doping standards, Sport Canada/OTP standards for funding and accountability, fulfillment of contractual obligations.
- *Communication Risks:* Risks related to internal and external communications; information management systems; crisis and issues management; media relations; image and reputation management; missed opportunities to promote and exploit successful outcomes; management of intellectual property; social media management; confidentiality.
- *External Risks:* Risks that are not in direct control of the organization such as funding frameworks from government, OTP and other agencies; relations with governments, games organizations and international federations; involvement in other sport partnerships; hosting decisions and requirements.
- *Governance Risks:* Risks related to clarity of roles and responsibilities, decision-making and oversight, organizational structure and performance; management of disputes and conflict of interest, planning for diversity and succession within the Board and committees, knowledge retention and transfer.
- *Financial Risks:* Risks related to financial monitoring and reporting, deficit reduction, flexibility to direct funds, sponsorship attraction and retention, investment and management of reserve funds, long-term financial sustainability.

All risks faced by Canada Soccer can be addressed by one or more of the following four general strategies:

- *Retain the risk* – no action is taken because the possibility and consequence of the risk is low. It may also be that the risk is inherent in the sporting activity itself and thus can be accepted in its present form.
- *Reduce the risk* – steps are taken to reduce the possibility of the risk, and/or its potential consequences, through efforts such as improved planning, policies, organization, delivery, supervision, monitoring or education.
- *Transfer the risk* – accept the level of risk but transfer some or all of it to others through the use of insurance, waiver of liability agreements or other business contracts.
- *Avoid the risk* – eliminate the risk by avoiding the activity giving rise to the risk – in other words, simply decide not to do something, or to eliminate some activity or initiative.

The above general strategies translate into a variety of risk control measures, which for Canada Soccer may include (but are not limited to):

- Policy development;
- Effective communication;
- Education, instruction, professional development and specialized training;
- Ensuring a core set of organizational values have been identified, defined and communicated throughout the organization and the sport;
- Adherence to minimum, mandatory qualifications or certifications for key staff and leaders;
- Use of robust and legally sound contracts (codes of conduct, athlete and coach agreements, employment agreements, contractor agreements, partnership agreements);

- Improving role clarity through use of written position descriptions and committee terms of reference;
- Supervision and monitoring of staff, volunteers, participants and activities;
- Establishing and communicating procedures to handle concerns, complaints and disputes;
- Implement schedules for regular review, maintenance, repair and replacement of equipment;
- Preparing procedures and protocols for emergency response and crisis management;
- Use of warnings, signage, participation agreements and waiver of liability agreements where warranted; and
- Purchasing appropriate insurance coverage for all activities and reviewing regularly.

VI. REPORTING AND COMMUNICATION

To ensure that risk management remains a high priority within Canada Soccer, and to promote an organizational culture that embraces a risk management perspective, risk management will be a standing item on the agenda of every regular Board meeting, so that the General Secretary can provide updates on risk management as required.

Canada Soccer recognizes that communication is an essential part of risk management. This Policy will be communicated frequently to our staff, committees, and Members, and we will encourage all members and participants to communicate to Canada Soccer their risk management issues and concerns.

VII. INSURANCE

Canada Soccer maintains a comprehensive insurance program that provides General Liability, Directors and Officers Errors and Omissions coverage. Upon annual renewal of this Policy, Canada Soccer consults with the insurance provider to determine if there are any emerging gaps, issues or concerns, to be addressed through insurance renewal.

Not all risks are insurable. However, as part of its commitment to risk management, Canada Soccer will take all reasonable steps to ensure that insurance coverage is available for those activities essential to the mission of Canada Soccer that pose risks and that may be insured.

VIII. COMING IN TO FORCE

The Canada Soccer *Risk Management Policy* came into force on March 24th, 2018 and will be reviewed on an annual basis and may be amended, deleted or replaced, by Ordinary Resolution of the Board of Directors.