



Conflict of Interest Policy

November 7, 2020

Canada Soccer

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I. DEFINITIONS

“Board” means the Board of Directors of Canada Soccer.

“Committees” means a Committee of Canada Soccer.

“Directors” means the Directors and Independent Directors (as defined in the By-laws) who are members of the Board.

“Relative” refers to a spouse, child, sibling, parent, step-child, step-parent, as well as mother-in law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, and close friends with whom a personal relationship exists that could influence an individual’s ability to be impartial and do what is in the best interest of Canada Soccer.

II. PREAMBLE

A conflict of interest may arise when personal interests, activities or relationships affect an individual’s ability to be impartial and do what is in the best interest of Canada Soccer. A conflict of interest can be real, potential or perceived. A perceived conflict of interest can be just as harmful as an actual conflict. Individuals should strive to avoid situations where it would be perceived that they may benefit, directly or indirectly, or allow a third party to benefit, from the decisions that they make.

Not all conflict of interest situations imply wrongdoing. However, when such situations are identified and effectively managed, the risks of compromising Canada Soccer’s integrity can be minimized. The best way to avoid reputational problems is to have policies and systems in place that will enable conflicts of interest to be identified, disclosed, and dealt with.

III. PURPOSE

The purpose of this Policy is to:

1. protect Canada Soccer against ethical misconduct and possible criminal activity that can start with a conflict of interest;
2. protect Directors and members of Committees by establishing a process for disclosing conflicts of interest; and
3. eliminate any possibility of favouritism, cronyism, patronage and unfair advantage, or perceptions thereof, in transactions involving Canada Soccer.

IV. SCOPE AND AUTHORITY

The Board is responsible for enacting measures that ensure that an effective policy framework and culture exists regarding actual, perceived and potential conflicts of interest. The *Conflict of Interest Policy* applies to the Board and Committees.

The expectation is that all Directors and members of Committees shall perform their duties and arrange their personal affairs in such a manner that confidence and trust in the integrity, objectivity, and impartiality of Canada Soccer are maintained at all times. They must demonstrate the highest standard of care in order to avoid not only real conflicts of interest but the appearance of such conflicts.

The *Policy* supplements but does not replace, any applicable Federal and/or Provincial/Territorial laws and regulations governing conflicts of interest.

V. CONFLICTS OF INTEREST

There are many types of real and perceived conflicts of interest, including but not limited to the following:

1. **Employment:** A Director or Committee member, or a Relative thereof, is an employee, consultant or contractor, or receives payments or benefits from Canada Soccer, or from a supplier, sponsor, corporate partner, funder of Canada Soccer, and where the Board or Committee is discussing matters pertaining to that entity.
2. **Financial Interests:** A Director or Committee member, or a Relative thereof, has a substantial investment or other major financial interest in a supplier, sponsor, corporate partner, or funder of Canada Soccer and, in their role with Canada Soccer they have an active working relationship with or responsibility towards that entity or where the Board or Committee is discussing matters pertaining to that entity.
3. **Direct Personal Benefit:** A Director or Committee member, or a Relative thereof, receives direct personal benefits from, or is able to take advantage of an opportunity that they only know about because of, their role as a Director or Committee member. Personal benefits can include but are

not limited to financial benefits, increases in influence or acclaim, or advancement or success opportunities.

4. **Business Opportunities:** A Director or Committee member, or a Relative thereof, takes personal advantage of a business opportunity of which they have knowledge by virtue of discussion at Board or Committee meetings.
5. **Outside Corporate Obligations:** A Director or Committee member, or a Relative thereof, holds a Board or executive position with an organization whose financial interests may be affected by discussion by the Board or Committee.

VI. DISCLOSURE

Directors and members of Committees are required to disclose any conflict that may, or appear to, exist. There are three opportunities for disclosure:

- a) **Annual Disclosure.** All Directors and members of Committees are required at their first meeting each year to complete a “Conflict of Interest Disclosure Form (Annual)” affirming their intention to disclose any interest that might be construed as being in actual, potential or perceived conflict with their duties or with the business and affairs of Canada Soccer.
- b) **Pre-Meeting Disclosure.** At the beginning of each Board or Committee meeting, Directors or Committee members must sign a “Conflict of Interest Disclosure Form (Meeting)” disclosing any and all personal interests, including those of their Relatives, related to items that are on the meeting agenda. When the Board or Committee discusses the agenda item for which an individual has disclosed a conflict, that individual must leave the meeting.
- c) **In-Meeting Disclosure.** If, during a meeting, a Director or member of a Committee discovers that they are in a conflict that they did not anticipate at the beginning of the meeting, they must disclose the conflict and remove themselves from the discussion and the meeting.

VII. ALLEGATIONS OF CONFLICT OF INTEREST

Directors, members of Committees, and other individuals and organizations in the Canadian Soccer Community may allege that a Director or member of a Committee is in a conflict of interest, or they are in a conflict of interest for a matter that is about to be discussed at a meeting, or that they discussed and/or voted on a matter when they were in a conflict of interest.

- a) **Allegations Outside a Board/Committee Meeting.** Allegations of conflict of interest that are made outside a meeting must be submitted to the President in writing. The allegation must describe in detail the grounds on which the claim of a conflict of interest is being made.

Upon receiving the allegation, the President will notify the person making it that the allegation has been received. The President will appoint a three-person Committee consisting of the Vice President, the Chair of the Risk Management Committee, and a representative from Canada

Soccer's legal counsel (or their designate). The person against whom the allegation has been made shall be advised in writing of the nature and extent of the allegation.

The Committee shall report its judgment on whether the individual is in a conflict of interest to the President together with its recommendations regarding mitigation. If it judges that there is a conflict of interest but the risk exposure is minor, the risk could be accepted but provisions made for monitoring the conflict. Where a conflict of interest is confirmed, the required action must eliminate all possibility of the conflict recurring.

Upon receiving the Committee's judgment the President shall notify the person, either in the case where there is deemed to be no conflict or where there is a conflict. The person who has made the allegation shall be notified of Canada Soccer's decision.

- b) **Allegations Relevant to a Board/Committee Meeting.** Where an allegation of a conflict of interest is made that is relevant to a decision of the Board/Committee (either already made or to be discussed at the meeting) it is the responsibility of the President or the Committee Chair to ask the person against whom the allegation has been made to consider if they are in conflict. The person shall be afforded the opportunity to respond to the allegation.

If the person agrees that they are in conflict, they shall remove themselves from the discussion of all items where there is an alleged conflict. If they do not agree that they are in conflict, the Board or Committee may choose to go in camera (without the individual with the alleged conflict) and decide by a majority vote whether the person should be required to remove themselves. The decision shall be reported to the person by the President or Committee Chair at once. If the Board deems that there is no conflict, the person shall rejoin the meeting. If the Board decides that there is a conflict, the person shall rejoin the meeting after the discussion of the item or items of business where they were in conflict is completed.

An individual who alleges that a Director or member of a Committee discussed and/or voted on a matter when they were in a conflict of interest can bring a complaint to the appropriate Judicial Body.

VIII. IMPLEMENTATION AND COMMUNICATION

This *Policy* shall be communicated to all Directors and members of Committees and posted on the Canada Soccer website. Canada Soccer recommends that its Members develop policies governing the identification, disclosure, and mitigation of conflicts of interests within their jurisdictions that align with those of Canada Soccer.

IX. COMING IN TO FORCE

The Canada Soccer *Conflict of Interest Policy* came into force on November 7, 2020 and may be amended, deleted or replaced by Ordinary Resolution of the Board of Directors.