

## CONFLICT OF INTEREST

### WHAT?

Conflicts of interest happen when you have, or could have, personal interests, activities or relationships that affect your responsibilities to FIFA.

Conflicts of interest can be actual, potential or perceived – and perceptions matter here. In fact, a perceived conflict of interest could harm your reputation just as much as an actual one. That's why you should never take business decisions where you have, or could appear to have, a conflict of interest.

### WHY?

It's not enough to play fair – we have to be seen to play fair. In order to make sound decisions when faced with a conflict of interest, all FIFA team members need to understand the risks of organisational and personal conflicts of interest, what situations to avoid, why they should be avoided and how to report conflicts. It's also worth knowing that conflicts of interest can sometimes set the stage for bigger problems, like fraud and bribery.

### WHO?

Each FIFA team member is responsible for compliance with this Pocket Guide. It is you who owns compliance in FIFA. Breaches can lead to disciplinary and other actions, up to and including termination of employment.

### HOW?

#### IDENTIFYING CONFLICT OF INTEREST

Conflicts of interest can happen to anyone – it's what you do about them that's important. A conflict that is not disclosed in a timely manner to the appropriate levels within FIFA may become an issue. Being open and honest is always the best way to protect your and FIFA's reputation.

The most common examples of conflicting situations are:

- Outside employment
- Financial interests
- Personal relationships
- Corporate opportunities

#### DISCLOSING CONFLICTS OF INTEREST

- **Disclosure of conflicts, renewed annually:** when you join the team, you're asked to disclose any conflict of interest to FIFA HR and FIFA Compliance. This is renewed every year.
- **Ad-hoc disclosure:** if anything changes, you must tell your manager and submit an updated disclosure in the Compliance Portal - Convercent.
- **Procurement process:** in addition to the above, each project lead must transparently declare any potential conflict of interest situation during the procurement process.

#### MITIGATING EXISTING CONFLICTS OF INTEREST

Disclosure protects team members. After advice from FIFA Compliance and FIFA HR, team members and managers agree what to do to solve the conflict. Mitigation of a conflict can go from general awareness of the conflict (e.g. line manager, chief of division) to full avoidance of the conflicting situation.



**Conflict of interest & secondary employment declaration form**

**Annex I What to avoid**

**Annex II Examples and solutions**



# FIFA Compliance Pocket Guide

## CONFLICT OF INTEREST

### CONFLICTS OF INTEREST: EVERYONE'S RESPONSIBILITY

In order to protect FIFA and FIFA team members' reputation and integrity, handling conflicts of interest is taken seriously by FIFA.

This Compliance Pocket Guide, empowers you to: prevent ethical misconduct and possible criminal activity that may start with a conflict of interest; safeguard FIFA team members by building a solid disclosure process; eliminate favouritism or unfair advantages; dismiss any preferential treatment and unfair advantages; minimise risks of nepotism, cronyism and patronage for example.

Knowing the "what", "why", "who" and "how" enables you to make sound decisions when faced with a conflict of interest by identifying, disclosing and mitigating the conduct appropriately.

#### Before making a business decision, ask yourself:

- Could my personal interests have any impact on my impartiality?
- Is this in FIFA's best interests?
- Could there appear to be a conflict of interest to anyone inside or outside FIFA?

Identifying conflict of interest situations



### Report also when in doubt

If you are not sure whether an outside interest might be considered a conflict of interest, do not hesitate to evaluate the situation with your line manager and FIFA Compliance.

Disclosing conflicts of interest



Mitigating existing conflicts of interest



You feel better already?



## CONFLICT OF INTEREST

### CONFLICTS OF INTEREST ANNEX I – WHAT TO AVOID

| Type of Conflict  | What to avoid  |
|---|--|
| <b>Outside employment</b>   | <p>A FIFA team member must not have:</p> <ul style="list-style-type: none"> <li>• Any kind of paid or unpaid engagement with a FIFA business partner or any other person or company if this impacts their performance at FIFA.</li> <li>• Acting as an official of or advisor or consultant to any government agency with regulatory or supervisory power over FIFA or its member associations.</li> </ul> <p>Anything you do outside FIFA that can be considered work, including unpaid work; volunteering; freelancing; work for fees, commissions, services or reimbursement; favours and side hustles.</p> |
| <b>Financial interests and relationships with business partners</b> | <p>A FIFA team member must not:</p> <ul style="list-style-type: none"> <li>• Own any interest equal to or greater than 1% in any company which competes with or does business with FIFA</li> <li>• Conduct FIFA business with any entity in which they or a relative have a substantial interest or with which they have a substantial affiliation</li> </ul> <p>This situation is aggravated if in your role within FIFA, you have an active working relationship with or responsibility towards this FIFA business partner.</p>  |
| <b>Personal relationships</b>                                       | <p>A FIFA team member must not:</p> <ul style="list-style-type: none"> <li>• Be in a supervisory, subordinate, or control relationship (e.g., having influence over conditions of employment) with closely related persons</li> <li>• Be involved in any hiring decision regarding closely related persons (including internal/external hiring and internal transfers)</li> </ul> <p>Closely related persons are the FIFA team members' family members, someone with whom the team member has an intimate relationship, and those living in the same household as the team member.</p>                         |
| <b>Corporate opportunities</b>                                      | <p>You take personal advantage of a business opportunity that FIFA may also have an interest in (unless FIFA has already been made aware of and declined the opportunity).</p>   |

## CONFLICT OF INTEREST

### CONFLICT OF INTEREST ANNEX II – EXAMPLES AND SOLUTIONS

| Real conflict of interest  | Potential conflict of interest  | Perceived conflict of interest  |
|--|---|---|
| A situation where a person has an interest (not in line with FIFA's interests) that will influence his/her judgement and decision-making.  | A situation where a conflict of interest is predictable but not yet real. It will depend on a future event that may occur.  | A situation where a reasonable third person is concerned about the existence of a conflict of interest of another person.   |
| <p><b>Example:</b> a line manager responsible for the evaluation of a team member is a relative of that team member.</p> <p><b>Solution:</b> disclosure of the conflict to the manager of the line manager and to HR and the Compliance Division. HR will assess the situation and propose an acceptable solution (e.g. change of reporting lines, etc.)</p>     | <p><b>Example:</b> a FIFA team member would potentially be involved in the decision process for a job offering for which a relative or a close friend may be interested to apply.</p> <p><b>Solution:</b> there is no actual conflict yet, but one will arise if the relative or close friend actually applies for the open position or asks for additional information. The FIFA team member is advised to disclose the potential conflict, when relevant, to be cautious about providing information in order not to disadvantage other candidates and to withdraw from the decision-making process in general.</p> | <p><b>Example:</b> a significant supplier contract was awarded to a relative of a FIFA team member leading to a perception from the outside world that favouritism occurred.</p> <p><b>Solution:</b> this perception can be mitigated by demonstrating that there was full disclosure from the FIFA team member and by evidencing that bids from several potential suppliers were considered and that the FIFA team member was not part of the decision-making process.</p> |
| <p><b>Example:</b> a FIFA team member provides paid consulting services to a FIFA supplier during the weekend.</p> <p><b>Solution:</b> disclosure of the conflict. Approval from HR and the Secretary General to be obtained. The FIFA administration might propose additional mitigation steps (e.g. no involvement in activities relating to the supplier)</p> | <p><b>Example:</b> a FIFA team member works part-time in the evening for a company that works in the same area as FIFA but has no direct activity with it.</p> <p><b>Solution:</b> disclosure and awareness of potential conflicting situation. Together with the line manager, it can be discussed which possible mitigation steps should be taken. The disclosure protects the employee in case some unexpected relations arise at a later stage, it being noted that in addition there could be HR-required directives to follow relating to outside activities.</p>   | <p><b>Example:</b> a person responsible for the procurement of a supplier uses services of that supplier.</p> <p><b>Solution:</b> disclosure and awareness of the potential conflicting situation can mitigate the situation, in addition to a tailor-made assessment of the situation to see if additional steps need to be taken to mitigate reputational impact.</p>   |
|  |   | <p><b>Example:</b> a previous FIFA team member of FIFA offers freelancing services to FIFA.</p> <p><b>Solution:</b> disclosure and awareness of the potential conflicting situation can mitigate the situation, in addition to a tailor-made assessment of the situation to see if additional steps need to be taken to mitigate reputational impact (e.g. ensuring that other freelancers without such a link are not at a disadvantage).</p>                              |