

2023

GOOD GOVERNANCE ANNUAL REPORT





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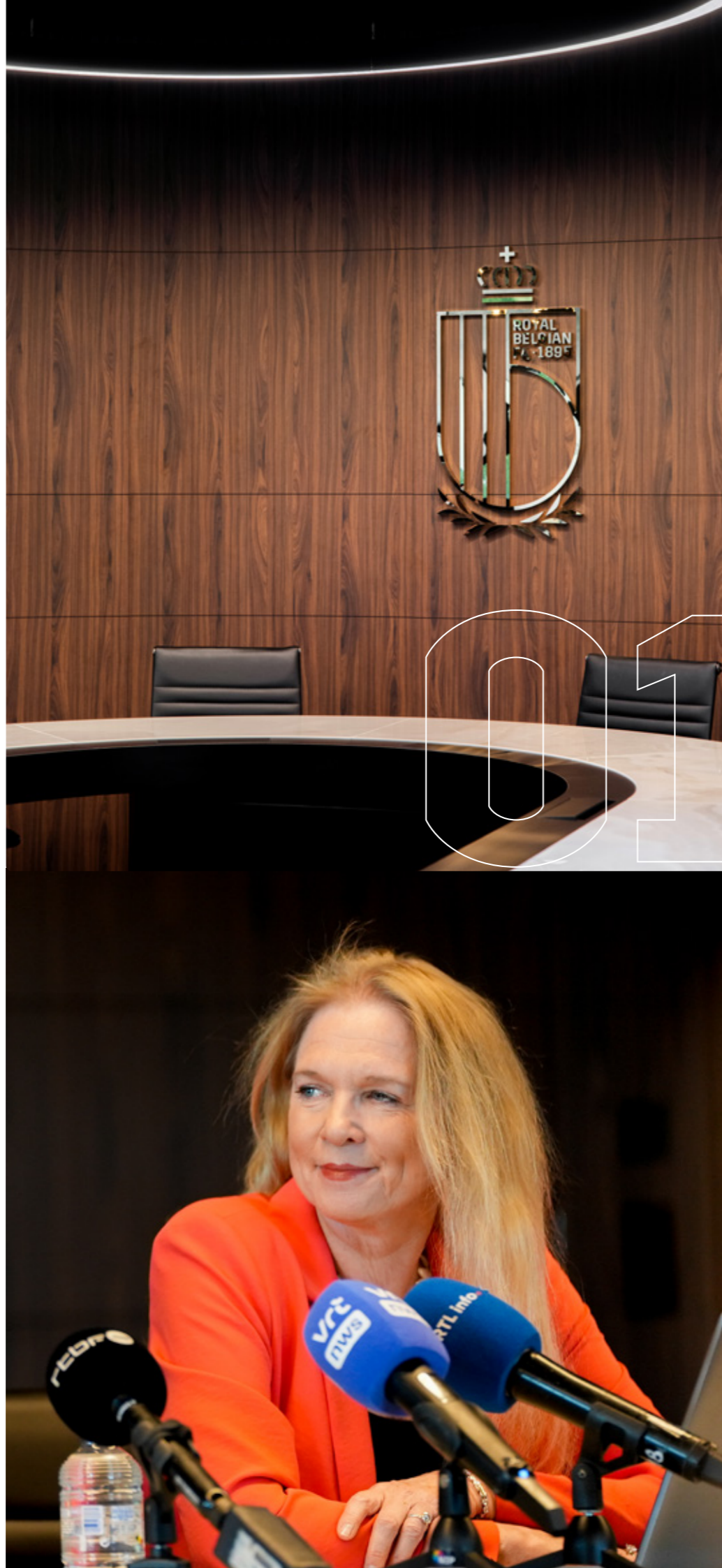
Good Governance has been part of the DNA and operation of the RBFA since the major reforms of 2019.

However, the spring of 2023 will have some dark pages with both the departure of the CEO and that of the first independent Federal President. This meant that the RBFA had to be humble and tighten both internal and external controls. Thanks to renewed trust within the Board of Directors and between the Board of Directors and the management under the leadership of Pascale Van Damme, Chairman and Manu Leroy, CEO ad interim, the RBFA has emerged from this crisis of confidence again and quickly. With the recent appointment of Piet Vandendriessche as CEO, the RBFA can start 2024 positively.

The broader football ecosystem was also eagerly awaiting the judgment of the European Court of Justice in Luxembourg in various sports cases, most notably the UEFA Super League case.

It is crucial to continue working on the right principles to continue pursuing our main goal: organising and promoting football!

We wish you a lot of reading pleasure!



SPRING 2023

CRISIS AT THE HIGHEST POLICY LEVEL

Spring 2023 is characterised by a personal crisis of confidence between the then Federal President and the CEO, which in March 2023 culminates in a complete crisis of confidence between the board of directors of the RBFA and then CEO Peter Bossaert

On 22 March 2023, the RBFA board of directors decided to immediately dismiss the CEO. Although the board of directors immediately expressed its confidence in the entire management team and Manu Leroy (Marketing and Communications Director) was appointed interim CEO, tensions between the then Federal Chairman and the management committee continued to increase in the weeks following the CEO's departure

At the end of May 2023, Mr. Paul Van den Bulck, the first independent association chairman, resigned after less than a year in office. Ms. Pascale Van Damme, an independent board member, was unanimously asked by her colleagues within the board of directors to continue the chairmanship of Mr. Paul Van den Bulck.

Under the chairmanship of Ms. Pascale Van Damme, confidence within the board of directors has been restored and stability has been created to allow the management committee to continue the daily management of the RBFA, in line with the structures and governance that have been in place since 2019 (where the daily management lies with the management and the strategic and control powers lie with the board of directors).

Meetings with Mr. Bossaert were held in a serene and respectful manner, and a final agreement was reached

Finally, at the request of the board of directors, an independent audit was carried out on the operation of the RBFA. The results of this audit were explained in detail by KPMG at the board of directors meeting of 29 November 2023. This audit shows that the management processes of the RBFA are carried out in a correct and adequate manner, as well as the reporting to the board of directors.

The audit confirms that the steps taken by the RBFA in recent years to professionalise its operations are paying off. Now that this step has also been completed, we can jointly focus fully on 2024.





A YEAR OF ASSESSMENTS & AUDITS

A. Compliance risk assessment

In 2023, an update of the 2019 Compliance Risk Assessment was made in collaboration with PWC. This new exercise identified 35 compliance risks and 45 action plans were set up, which are in turn further monitored by the various stakeholders and the Compliance Officer within a traditional three lines of defence principle on risk management.

This exercise shows that the compliance processes have improved substantially compared to the RBFA's management processes in 2019. PWC gives the RBFA a score of 4 on a scale of 5 for our current operation, which we as an SME can be proud of.

B. KPMG

As indicated above, the RBFA has been swimming through turbulent waters, and it is logical that its operation is analysed. An external audit is the most appropriate, objective way to do this, and is common in the business community.

The purpose of the audit was to provide clarity on current processes and internal control mechanisms and identify ways in which they can be improved. The audit shows that the RBFA's internal processes work efficiently. Naturally, some points for improvement have also been suggested.

- It is recommended, among other things, to draw up an annual plan to report the KPIs of the strategic plan in a structured manner to the board of directors.
- Furthermore, possible risks inherent to business operations, for example IT security, must be further identified.
- An expense policy that informs employees how they can be reimbursed for certain expenses should be formalised.
- The appointment, remuneration, setting objectives and evaluation of the new CEO are among the core powers of the board.

The board of directors and the management committee immediately started working on these areas for improvement.

C. UEFA assessment good governance of the RBFA

In her good governance audit, UEFA also awarded our organisation almost the maximum points last year, with only one comment about gender diversity in various bodies.

We are therefore very pleased that Mrs. Kesteman, with her track record in the field of finance and governance and her broad director experience, was appointed independent director of the RBFA at the general meeting of 18 December 2023.

D. Guberna audit on the functioning of the board of directors

In addition to the appointment of a new independent chairman in May 2023, the board of directors was partially reconstituted in June 2023 with four new directors.

To give the RBFA the best possible chances, it was essential to restore confidence. The board of directors therefore decided to thoroughly evaluate its performance and make use of Guberna 's independent expertise. Not only was it decided to conduct a written survey, but also to conduct in-depth individual interviews.

Guberna focuses on creating added value through the board of directors. This added value is assessed by the directors on a scale from good to excellent and focuses in particular on the following elements:

- Guaranteeing the importance of the RFBA as the largest sports federation in Belgium as well as the balance between professional and amateur football.
- Monitoring the financial plan/budget, providing guidance regarding long-term strategy and maintaining focus on priorities.
- Supporting and challenging management from a helicopter view; – Insight into the needs and requirements of professional and amateur football.

Guberna has identified the following several positive elements as strengths of the RBFA Board of Directors:

- Directors identify with the RBFA and want to promote the interests of Belgian football. The values are clearly defined and serve as a frame of reference. Although they recognise that there is work to be done, the directors care about the future of the RBFA and want to play their part in contributing.





- Directors and management make efforts to put the turbulent period behind them and learn the necessary lessons to improve the operation of the RBFA. The relationship is evolving in a positive direction.
- There is a large degree of alignment with regard to the priority key domains that the RBFA should focus on in the coming year.
- The board of directors functions as a collegial body and decisions are made by consensus.
- The board of directors invests in the professional selection of the new CEO, who can guide the long-term future of the RBFA, as well as in independent directors with a solid track record.
- A connecting chairperson who, like an orchestra conductor, plays a catalyst role in optimising the operation of the board of directors in all its dimensions. In addition, the chairperson also fulfils an important ambassadorial role and there is a constructive relationship with the CEO.

Guberna also made several recommendations to strengthen the role of the board of directors in the areas of strategy, control, leadership, developing effective stakeholder policies, and promoting diversity and complementarity within the board of directors. On the latter point, the RBFA has again made progress by the appointment of Mrs. Roberte Kesteman as second independent director. In addition, the RBFA will start working on Guberna's other recommendations in 2024



FROM NOW ON, TWO WOMEN ON THE TEN-MAN BOARD OF DIRECTORS

Pascale Van Damme. After the resignation of Mr. Paul Van den Bulck as chairman and independent director, the Board of Directors explicitly opted to have the chairperson's mandate filled again with an independent director. With this, we continue to focus on external monitoring of our operations.

After a thorough selection procedure, Mrs. Roberte Kesteman was proposed for appointment to the General Meeting as a candidate director on 18 December 2023. Mrs. Kesteman has international CEO experience as well as special expertise in the field of HR, Finance and governance, and can boast extensive director experience.

The appointment of a third independent director within the RBFA has been postponed for the time being.

The Board of Directors is currently composed as follows :

MEMBERS	
VAN DAMME PASCALE	Chairman
GODIN PHILIPPE	Vice-Chairman
VASSEUR BENJAMIN	Member (Director)
JAECQUES SVEN	Member (Director)
LOCHT PIERRE	Member (Director)
VANDENHAUTE WOUTER	Member (Director)
LAGAST FRANK ALOÏS	Member (Director)
KELDERMANS JORG	Member (Director)
VANSPAUWEN JOHNY	Member (Director)
KESTEMAN ROBERTE	Member (Director)





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FOUNDATION

We Only Strong



REPORT FROM THE RBFA COMPLIANCE OFFICER

Our Ethics Compliance Officer primarily ensures that all our daily activities in the workplace are in line with our Code of Ethics and the processes arising from it. To this end, we have drawn up procedures for managing conflicts of interest, reporting additional positions, and dealing with gifts and have rolled out an anti-money laundering policy.

In 2023, reporting processes were further digitalized, leading to an increase in gift reporting [53%] and faster identification of potential conflicts of interest.

The awareness of RBFA employees regarding our ethical & compliance principles has therefore increased, which was also evident from the Compliance Risk Assessment exercise.

This also allows us to correctly comply with the obligations of the FIFA Code of Ethics and the Bidding Agreement between the RBFA, KNVB and the DFB on the one hand and FIFA on the other hand for the candidacy for the FIFA Women's World Cup in 2027 under the supervision of an external Bid Ethics & Compliance Officer.

In 2024, a new digital training on our Code of Ethics will be made available to all employees in addition to the existing traditional training for new employees, the sports and referee department and the teams that contribute to the RBFA's anti-money laundering policy.



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THE WHISTLEBLOWER REGULATION IS ALSO FORMALLY INTRODUCED AT THE RBFA

At the RBFA we attach great importance to a safe climate in which all employees feel at home and completely comfortable to express themselves.

That is why a new internal reporting platform was launched in the course of 2023 on which all employees can report potential misconduct, anonymously or otherwise, in a legally protected framework.



AUTO-EVALUATION BY THE INDEPENDENT FEDERATION AUTHORITIES

Since the 2019-2020 season, each association within the association must review its own operations and report on this to the board of directors and the General Meeting. With this we not only want to achieve control and clarity, but also look honestly at how we work. This way we can identify problems and ways to improve, while respecting how each federation body works.

These evaluations are about how the departments work and whether they have enough people and resources

- For example, the role of the first chairperson of the disciplinary body for professional football is experienced as very important as an organiser and sounding board within the committee. This function also ensures the uniformity of disciplinary decisions.
- Onboarding process for new members was further professionalised.
- Conflicts of interest are avoided or properly managed (reporting).
- Pre-session communication crucial for a serene climate.
- Meeting infrastructure and translation services are OK – but IT support is regularly required for digital sessions.







RBFA KNOWLEDGE CENTRE & MATCH INTEGRITY TRAINING

The RBFA Knowledge Centre is the link between the RBFA and the academic world. Through the knowledge centre, the RBFA asks research questions to various universities and colleges.

In 2023 there were:

- Supervised 15 studies on football in the broadest sense, with more than 10 different institutions at home and abroad.
- Provide approximately 20 guest lectures for students, on the various activities and knowledge domains that are applied in the association.
- Knowledge Centre for players, with bootcamp sessions of 1-2 hours, in which knowledge is shared around a number of relevant topics for (youth) players. Furthermore, the RBFA participates in various multidisciplinary academic studies such as the Professional Research of Ghent University, which is fully focused on the prevention of fraud in sports in the broadest sense.

In addition, the RBFA Integrity Officer conducts specific awareness sessions on match-fixing throughout the season to recognise signals and thus avoid pitfalls. The target groups are diverse and range from national teams to elite youth football, and from amateur teams to professional football referees. For example, in 2023, information and prevention sessions were given to our national teams (Men's U19, Women's U19, Men's U17, Women's U17, Futsal A team).

The A-team of RFC de Liège and the youth teams of RSC Anderlecht, Sporting Charleroi and RFC de Liège also received a session of the RBFA Integrity Officer at their specific request.

In addition, as part of the "Coach the CQ" project, a digital presentation was given in 2023 to 150 represented clubs (both the clubs of Voetbal Vlaanderen and the clubs of ACFB) about the specific provisions of the association regulations regarding competition fixing and betting.

The RBFA also hosted the most recent meeting of the National Platform to combat the manipulation of sports competitions on 5 October 2023 in Tubize. During these meetings, many stakeholders (including Justice, BOIC, Universities, Gaming Commission, Sports Federations) come together to provide an update on behalf of their organisation regarding the fight against sports fraud and to mutually exchange experiences. The initiative for these meetings and the lead within the platform is taken by the Federal Judicial Police. The goal is to avoid and combat any form of match fixing.





LAST BUT NOT LEAST, THE FOOTBALL COSYSTEM CONSIDERED AND WEIGHED, THE ECJ CASES

The European Court of Justice in Luxembourg (ECJ) has examined several football files in the past year. There will still be a number of sports cases pending trial in 2024.

The ECJ monitors the application of the European Union Treaty, and in particular the prohibition of discrimination on the basis of nationality, the free movement of persons, services and the prohibition of restrictive agreements and abuse of a dominant position within the European Union.

The European Court of Justice (ECJ) is asked to rule on national courts when they have doubts about how the European Union Treaty should be applied. This is done through what is known as "preliminary questions".

After hearing all parties involved, possibly involving Member States and the European Commission, and the written opinion of the Advocate General at the ECJ, the ECJ provides an interpretation of European law with regard to the specific legal question of the national court. After this, the procedure continues before the national court and a final decision is made on the dispute.

For the first time in years, the ECJ is being intensively approached by national courts, at the request of parties involved in disputes who have doubts about the model of FIFA and UEFA regulations regarding various aspects of the European football system.

Op 21 december 2023 volgden er alvast twee uitspraken.

- The first and most controversial case concerns the preliminary questions from the Spanish court in Madrid about the creation of the European Super League, which was banned by UEFA with a threat of exclusion of the participating clubs: “the Super League case”.

In the ruling of 21 December 2023, the European Court ruled that the refusal of a competing player (Super League) is contrary to European (competition) law. This means that UEFA may not exclude teams and their players from its competitions if they participate in Super League, nor impose other sanctions on them without appropriate procedures in place.

The ruling of the European Court is binding, but this does not yet settle the dispute. The Spanish court in Madrid makes the final decision and must follow the decisions of the European Court in its assessment. This does not yet make the Super League a reality.

The great thing about the current European football model is that you can rise from a modest club in the lowest division to a club that participates in competitions on the international stage. We believe this should be retained. And this is only possible thanks to the principle of open competitions based on sporting results and financial solidarity of UEFA, with commercial profits flowing back to the national leagues and clubs. By establishing a Super League, a number of major clubs want to create a system where they earn extra profits, without guaranteeing open access, based on sporting merits. And without guaranteeing the principle of solidarity.

- Subsequently, the ECJ was taken by the Brussels court on the compatibility of the UEFA and RBFA regulations regarding the requirements in professional football to include a number of players trained in Belgium in the core and on the match sheet: “the Antwerp case”.

On 21 December 2023, the European Court answered the question whether the requirement for the number of players trained in Belgium in the core and on the match sheet in professional football is in accordance with European law. This concerns the principle of non-discrimination for EU nationals and the freedom of labour within the EU.

Every professional club must submit two lists annually to the RBFA, the players on the list are eligible to play. One list contains an unlimited number of players under the age of 21; the second contains a maximum of 25 players aged 21 or older. Of the 25 players on the second list, at least eight must have been trained by a Belgian club. These are players who have played at least three full seasons for a Belgian club before their 23rd birthday. At least three of them must meet this condition before their 21st birthday.

A club's match sheet can list a maximum of 18 players, of which at least six players have been trained by Belgian clubs for at least three years before their 23rd birthday. At least two players must have been trained at a Belgian club for three years before their 21st birthday.





Lior Rafaelov, while playing for Antwerp FC, opened a lawsuit against the RBFA and UEFA at the Belgian Court of Arbitration (BAS) for Sport and subsequently at the Court of First Instance of Brussels. He considers the requirement to have trained at a Belgian club an indirect nationality discrimination and asks that the provision be abolished. The Court submitted a preliminary question to the European Court of Justice.

The obligation to include a number of players trained in Belgium in the squad and on the match sheet has not been declared illegal. The Court leaves the final assessment to the Court in Brussels.

- The Court of Appeal in Bergen, in turn, has now also placed the application of FIFA's international transfer rules, which are mandatory to be applied by the RBFA, up to the ECJ. This case will be heard before the European Court of Justice on 18 January 2024.
- Finally, legal questions have been raised from Germany, among others, about the compliance of FIFA regulations on cooperation with football agents with the European Treaty. On 30 December 2023, FIFA decided to suspend the application of these regulations pending the ECJ's ruling

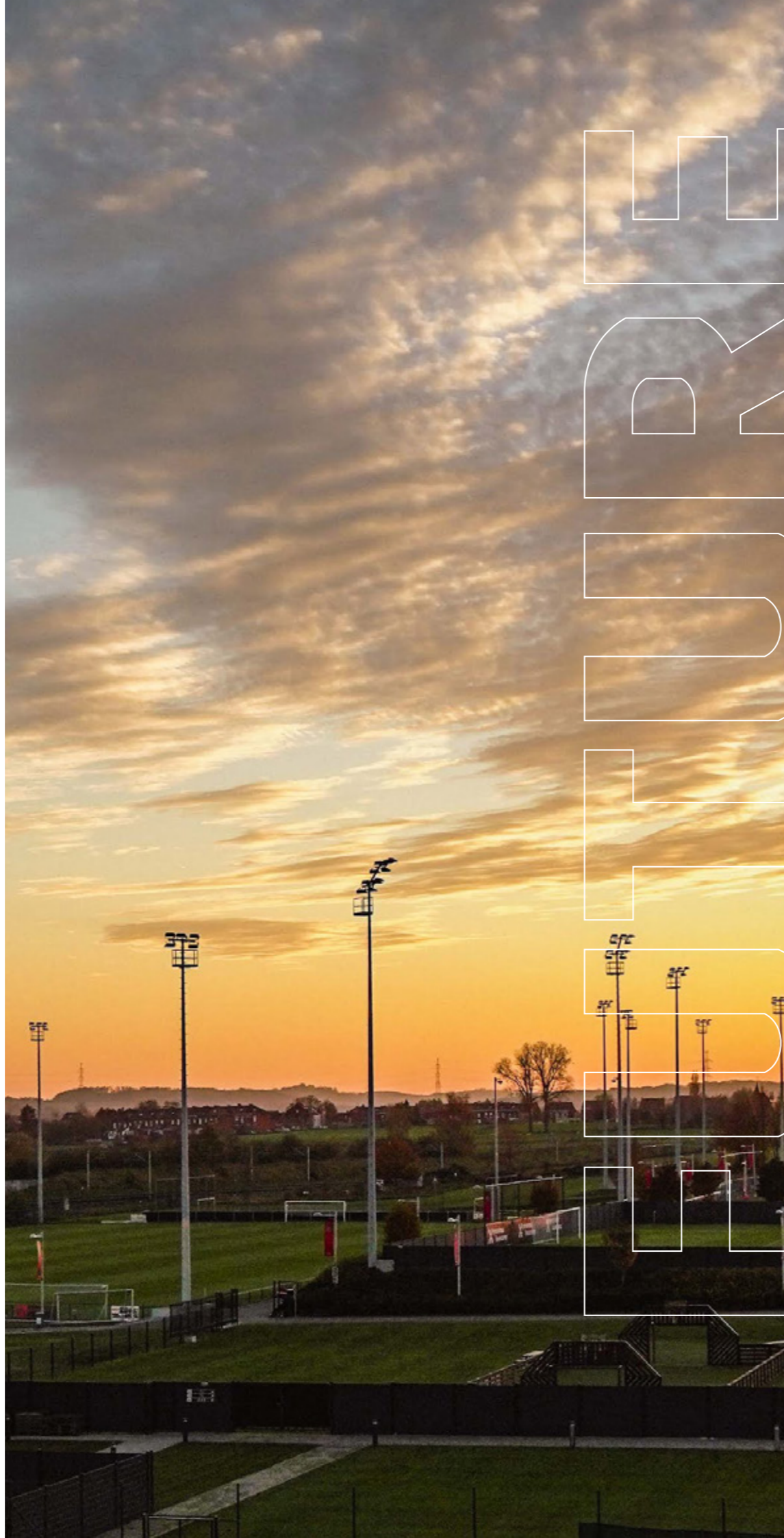
The reasons behind and the subjects of these proceedings against FIFA, UEFA and national football regulations may differ, but the purpose is generally similar.

The role of FIFA, UEFA and national football associations such as the RBFA as organisers and regulators of football is contested from an economic perspective. This includes issues such as the establishment of competitive leagues and transfer rules that may limit international labour mobility.

The sports landscape is based on fundamental principles that have historically grown from the non-profit association world. This includes open and fair competition with promotion and relegation based on sporting performance, financial solidarity between professional and amateur football, and the civic and social role of sports organizations that arise from strong locally rooted volunteer work.

It is important to note that sports organisations must always pursue a legitimate purpose when establishing rules for their members and affiliates. In doing so, they must carefully consider the individual rights and interests of everyone involved and ensure that these rules remain proportionate to the intended purpose.





THE FUTURE

THE FUTURE

The principles of good governance are today fully anchored in the structure and operation of the RBFA as a modern organisation. This has not prevented a serious crisis of confidence at the level of the Board of Directors and CEO. It shows how important interpersonal relationships are at every level of an organisation, regardless of structures and governance.

The ECJ cases show that no organisation is too big or too beautiful to escape judicial control.

Moreover, the world around us is changing rapidly and new challenges in the field of ESG (environmental, social, and governance) are coming our way.

However, we are convinced that as an organisation we can learn from every crisis and every procedure and do better. That is our joint goal for 2024.

