

Module 2. Creating a plan to finance and implement your sustainability programme

Unit 2.1 Creating a sustainability programme that is unique – a selling point for your sport organization/event

Introduction

In today's time, companies are going beyond the traditional selling approach to attract and retain customers. Rapid globalisation has made business extremely competitive, and consumers, with their increased purchasing power and a better understanding of goods or services, are demanding improved and unique products or services to be satisfied. Therefore, companies are struggling not only to find new customers, but also to retain the existing ones.

In this context, sustainability programs have gathered a lot of attention as consumers are increasingly becoming aware of the negative implications of climate change, rising global temperature, and other various issues. These issues are directly linked with years and years of unsustainable practices carried out for the socio-economic development of mankind. However, this over-exploitation has started to show its results as more and more countries both developed and underdeveloped are facing issues such as drought, forest fires, floods, unpredictable rains, etc.

Many companies have adapted to this shift in consumer behaviours by trying to put their sustainability initiatives at the heart of their offerings. Business owners are realising that they too need to contribute to making the environment within which they operate more sustainable, and use those initiatives as their selling points. However, a company must have support from its top management and decision-makers to make sustainability one of its major selling points.

When we investigate the sporting ecosystem, sustainability has become one of the major selling points for many organizations. Sports with its dependence on the environment

and natural resources puts the entire industry in a unique position to inculcate sustainable practices. For the International Olympic Committee (IOC), which has made sustainability one of its major criteria in its bidding processes for choosing an Olympic Games host city to sport goods companies like Nike or Adidas, sustainability has been embedded closely with their missions of providing quality goods to their customers.

Marketing has evolved to become one of the most critical business functions for any company. Many consider the age of marketing as technology offers new innovative and a faster medium to reach customers. Moreover, globalisation and increasing purchasing capacities are creating many opportunities for business owners.

Three billion people are expected to enter the middle class over the next two decades, mostly from emerging economies, and they will desire the comfort, technology, and well-being that people from developed economies have enjoyed for decades.

Today's customers are demanding comfort without pollution, well-being from better-quality and more accessible food and drink, and happiness from their changed habits. The answers lie both on the business side—which is responsible for creating new business models, and sustainable product design and manufacturing methods—and on the marketing side, which creates campaigns to make these products to the consumers.

Unfortunately, traditional methods used to influence consumers on sustainable lifestyles are failing. Guilt and pulling at heartstrings are tired themes, and the need to tiptoe around greenwashing risks leaves many marketers wary. Plus, “conscious” consumers are already interested in green products. If the goal is to change purchasing and habits on a massive scale, marketers need to reach mainstream consumers with varying or no interest in sustainability. (Niemtzow, 2015, para. 3)

Many companies in the recent past have tried to use their Corporate Social Responsibility (CSR) as a tool to showcase their intent in promoting sustainability. CSR and sustainability are often confused and used interchangeably. While there is some overlap, they, in fact, cover distinctly different approaches. Sustainability encapsulates a long-term and future-facing purpose; it is about what we want to achieve and ensure we do not over-exploit resources to the extent that we diminish the quality of life of future generations. In contrast, CSR tends to focus on addressing current stakeholder issues. Many organizations do good things, such as making charitable donations that relieve social problems. These are certainly responsible things to do, but they are not sustainable if they do not tackle the underlying issue. In essence, therefore, CSR mostly addresses issues by

compensatory good cause activities, whereas sustainability is concerned with one's direct impacts and their causes.

In a nutshell, it can be said that developing a program that wins support from every stakeholder is a bigger challenge in the sports industry than it is in any other industry. Mentioned below are some guidelines to make a sustainable program unique and saleable (Niemtzow, 2015).

How to make your sustainability programs unique and saleable

Offer consumers more value from sustainability

"Too often, campaigns focus on what consumers can do for sustainability and not the other way around. Consumers need a tangible value proposition that motivates purchases or actions" (Niemtzow, 2015, para. 6). Many countries have started campaigns where customers are being rewarded for adopting sustainable practices like bringing back plastic bottles to their neighbourhood shops, receiving rewards points that can be used interchangeably with their purchases for waste segregations, etc. In this current phase of transition from traditional to new sustainable actions, a policy on sustainability will be successful only if a consumer can derive some benefits from adopting new standards. If consumers are encouraged to follow sustainable actions with some tangible benefits attached to it, eventually, they will adapt to this new improved lifestyle which will reap benefits to the environment.

Build functional, emotional, and social benefits

There are many barriers, perceived and real, to better purchases and improved habits. Consumers might have concerns about performance of greener products or question the luxuriousness of lighter packaging. Doing a careful analysis of the barriers associated with the behaviour one wants to inspire and then counteracting these with a strong value proposition based on functional, emotional, and social benefits can prove very effective. Electric carmaker Tesla, for example, focused on emotional value with its "Insane Mode Driving Experience," which was viewed 5 million times on YouTube, helping counteract the notion that electric cars do not perform. (Niemtzow, 2015, para. 7)

Pay attention to timing

How effectively a marketing campaign catches a consumer's attention can be hugely influenced by the timing of that action.

People have somewhat predictable highs and slumps in their daily energy, receptivity, and attention levels, which affect our risk-taking, memory, ability to process information, and openness to suggestions. Ironically, in the evening, when our energy footprint is the highest, we are the least receptive to messages to change this. This is because functional messages work best in the morning, while emotional messages are all we can handle in the evening. Thus, sending consumers the right message, at the right place, and the right time is an important aspect of sustainability marketing, and perhaps the one we know the least about. As mobile and web technologies become increasingly sophisticated, marketers will be able to fine-tune messaging according to time of day and receptivity. (Niemtzow, 2015, para. 8)

Using the universality of sports to promote sustainability

Sport has the power to change the world, declared Nelson Mandela in his famous speech at the first Laureus World Sports Awards in Monaco in 2000. Sport has indeed played a major role throughout history, safeguarding peace and uniting people. Now, as humanity faces a climate crisis – arguably its biggest challenge ever – sport must once again rise to the occasion.

Sport in general, and major sport events in particular, have a special role to play in promoting and supporting sustainability. Building venues and infrastructure, gathering hundreds of thousands of people from all corners of the globe, accommodating and feeding them has an inherent environmental impact.

While the link between protection of the environment and sport events is not new — climate change was first mentioned in the official wrap-up report of the 1998 Winter Olympic Games in Nagano — the issue has become crucial to most sport organizations recently. Some have even put sustainability at the top of their agenda, such as Paris 2024 and its ambitious target: becoming “the Greenest Games Ever”. Major concerns have been raised about the future of the Winter Olympics due to climate change resulting in unpredictable weather patterns. Both Sochi and Beijing Winter Olympics suffered from lack of snow, resulting in production of artificial snow for completion of various outdoor events. It is because of these obvious signs of climate change, there has been an increased urge within the sporting industry to become more sustainable.

From beds made from cardboard (Tokyo 2020 Olympics) to generating electricity from the waste of horse manure (Helsinki International Horse Show), sports organizations are coming up with innovative ideas to inculcate sustainable practices in their operations. This is not only helping them to become more carbon-neutral, but also creating a positive image to their fans and the community at large, who are becoming more and more aware of challenges associated with climate change. Sustainability-based fans loyalty is



becoming a growing trend in the industry as more and more fans are keen to see their favourite players playing for a team that is considered sustainable, as well as endorsing products that are coming from companies known for taking positive strides in promoting sustainability. (Niemtzow, 2015; Broom, 2019).

Unit 2.2 Identifying and engaging with different potential funders of your sustainability programme

Where to start?

Whether sustainability-driven or not, any business proposition which aims to achieve its objective and become accessible to its ultimate users requires financial support. Financial support is needed at every stage in a product development cycle. From preliminary research and development activities to ensure quality and safety parameters to later stages running marketing campaigns to make products available to potential customers.

Funding can come from within the organization or from external funding in the form of loans, investments, or grants. Traditionally, most companies run intending to maximise profits, which means very little budget allocation is made to programs that do not contribute to improving profit. Therefore, sustainability-driven projects often struggle to gain much attention. Even in the sporting ecosystem, where most of the sports federations are established as not-for-profit and divert most of their revenues into sporting development, sustainability programs have struggled to gain full support. However, in the recent past, many international organizations like the United Nations, World Economic Forum, etc. have been strongly advocating the need to increase the funding allocation for sustainability programs.

As a result of this increased global awareness, companies are making significant allocations from their internal reserve into sustainable programs. From sporting goods companies like Adidas to event organizing to OC sport, financial and operational support from the top management plays a pivotal role in making these companies leaders in promoting sustainability. Stakeholders are demanding more accountability from the decision-makers, which includes thinking beyond maximising profits in the short run.

However, despite growing awareness and increased support from the top management, external funding remains the only option for the majority of sustainable-driven program managers. Government grants from developed countries, international development organization, and innovation incubators are funding programs all over the countries which promise to bring new ideas in the field of sustainability. Even though most of these organizations are themselves dependent on funding from some external sources, a greater emphasis has been put on establishing as well as promoting organizations that foster sustainability.



Mentioned below are some of the major external sources of funding that a sustainability program manager can engage with to gain some financial support.

Build relationships with other sustainable-business founders

Other start-up entrepreneurs, particularly non-competitors, can open new doors for a budding sustainable manager and make introductions to contacts from their Venture Capitalist backers and accelerator programs.

One could visit a shared office space like the Green Exchange (<https://www.greenexchange.com/>), a community of businesses in Chicago devoted to environmental sustainability, or join a group like the Western New York Sustainable Business Roundtable (<https://www.wnysustainablebusiness.org/>), which holds events for sustainable businesses in the Buffalo-Niagara region. There are many start-up incubators in Europe and Asia which promote new ideas and provide seed funding to entrepreneurs in the field of sustainability.

Recently, ThinkSport, a start-up incubator together with the Sustainable Sport Lab (SSL) and the Sustainable Mountain Alliance (SMA), launched the Air Quality & Sport Challenge, aimed at finding organizations that are offering solutions to fight the issue of poor air quality. Competitions like these are an ideal platform for sustainable managers to network with other similar organizations, as well as with leaders and industry experts from different parts of the world.

Apply to sustainability-focused accelerators

An accelerator will give sustainable managers resources to help launch their business. Often, this entails access to mentor coaching, equipment, and even investors who will welcome a pitch from you. LeadSport (<https://www.leadsports.com/>), based in Berlin, is one such accelerator that provides start-ups and young entrepreneurs the required financial/non-financial support to take their idea to the next level. There are accelerators for other types of businesses too, including food innovators, sustainable fashion brands and other green consumer products.

Here are some of the best start-up accelerators for eco-friendly companies of all sorts:

- Echoing Green (<https://echoinggreen.org/>)
- GoodCompany Ventures (<https://goodcompanyventures.org/>)
- Better Ventures (<https://www.better.vc/>)
- Praxis (<https://www.praxislabs.org/>)
- Rutgers EcoComplex (<https://ecocomplex.rutgers.edu/>)
- Fashion for Good (<https://fashionforgood.com/innovation-platform/>)



- Food Future Co (<https://www.foodfuture.co/>)

See if you qualify for grants or government funding

While some grants are awarded to address a specific question or conduct research trials on a one-time basis, others are broader in scope and carry an expectation that projects/programs that begun with start-up funds will continue after original awards are expended. The issue here being defined as sustainability.

The sustainability plan is often the most difficult piece of the proposal to write, so it can be a considerable hurdle to complete the proposal. Why do funders place such great importance on program sustainability? Consider the introduction of a new endeavour (program) may have high visibility for a short period, but fail to be sustainable after initial efforts. If this happens, a sense of resentment within local communities is likely. Communities may become wary of participating in other opportunities in the future if it is perceived that these, too, may be short-lived. The possibility of this result alone is reason to require grantees to document sustainability beyond the life of funding, even though it can be very difficult.

Most government grants are aimed at companies that help address construction waste, water waste, structural longevity, recycling, food sustainability, and other planning concerns. However, there are many other organizations that offer grants to support programs. The Oak Foundation, Aga Khan Foundation, The Bill, and Melinda Gates Foundation are just a few names that are funding programs across the globe to support various sustainable development initiatives (Mayfield, 2021).

Finding the money: a case study from Johnson & Johnson

Finding the funds for environmental sustainability initiatives can be a tall order, especially since many companies' sustainability decisions are made separately from its financial ones. Johnson & Johnson experienced this conundrum first-hand. Back in 2004, the company had a public greenhouse gas reduction target, but was not on track to reach it. Although the emission-reduction projects it identified could save energy and operating costs, managers were having difficulty getting approval for the capital they needed. Core business priorities like new product development were competing with the money the company had earmarked for its sustainability efforts.

Managers, therefore, decided to re-think the way the company allocates internal capital. Johnson & Johnson started putting aside \$40 million each year for "win-win" projects—greenhouse gas (GHG) reduction initiatives that also reduce



operating expenses, such as solar photovoltaics. Projects like these sometimes require more upfront capital, but benefit from more predictable returns and lower operating costs than conventional energy system. The strategy reduces the company's risk exposure over time and lowers its operating budget.

Fast-forward to today, and this approach has enabled Johnson & Johnson to reduce its GHG emissions by more than 138,000 metric tons through projects that have an average return of 19 percent. This emissions' reduction is equivalent to the electricity use of approximately 21,000 homes. The company met its initial GHG reduction target in 2010, and renewed its commitment with a new 20 percent absolute reduction target by 2015. Johnson & Johnson faced a financial challenge that countless other corporations experience every day. Aligning financial practices with plans to reduce environmental impacts remains difficult, as these decisions are often made separately rather than in tandem. (Perera & Putt del Pino, 2013, para. 3-5)

The growing trends in ESG investment

What is ESG investing?

ESG investing (also known as “socially responsible investing”, “impact investing”, and “sustainable investing”) refers to investing which prioritizes optimal environmental, social, and governance (ESG) factors or outcomes. ESG investing is widely seen as a way of investing “sustainably”—where investments are made with consideration of the environment and human wellbeing, as well as the economy. It is based upon the growing assumption that the financial performance of organizations is increasingly affected by environmental and social factors.

There are few (if any) areas of business operations where ESG is not relevant. However, not all ESG issues are given equal weight when it comes to investing. Just as every investor in the market has different values and motivations, it is unlikely that an organization will (or should) prioritize all ESG issues in their business strategy. Those that are prioritized by investors and organizations are determined by the environmental, social, and economic circumstances of the time, and what is deemed more important and material to a company, given their industry, geography, and specific circumstances. Some prominent ESG issues influencing investors include:

- Organizations' efforts to mitigate climate change and other environmental disasters such as biodiversity loss. For example, have they achieved or are they on the way to achieving net-zero emissions?

- Human rights issues within an organization’s supply chain. For example, have they published a Modern Slavery Statement or disclosed supply chain details within annual reports?
- Workplace diversity and equal opportunities. For example, what proportion of the organization's employees identify as underrepresented groups? How diverse is management? Is there equal representation at the executive and C-suite levels?

The ESG investing boom

Recent years have seen a significant expansion of ESG investing around the globe as organizations and individuals increasingly recognize the interdependencies between social, environmental, and economic issues. The COVID-19 pandemic encouraged this trend notably. The uncertainty in the future of the business caused by the pandemic in 2020 led many investors to turn to ESG funds for increased resiliency. In fact, the first three months of 2020 saw \$45.6 billion USD flow into these funds globally. \$30.7 trillion currently sits in sustainable investment funds worldwide, and it is predicted this could rise to around \$50 trillion in the next two decades. More investors are looking to fund organizations and products that support and promote sustainability and comply with emerging regulations such as climate change regulations. This demand has been met with increased action on ESG issues in the business world, as well as progressively higher returns on investment for ESG funds due to their resilience against conventional market disruptions. Portfolios incorporating ESG and sustainability also frequently perform better in the long term than those that don't. For example, US financial services firm Morningstar found that over a period of 10 years, 80% of blended equity funds investing sustainably outperform traditional funds. They also found that 77% of ESG funds that existed 10 years ago have survived, compared with 46% of traditional funds.

This boom in ESG investing can be attributed to a range of factors. As supply chain becomes more complex, there is a wider awareness of social, labour, and human rights issues and risks for the business world. Growing concern for environmental issues such as climate change also influence investor’s decisions. The heightened engagement of groups previously less involved in traditional investing—particularly young people and women—is also thought to have contributed to the ESG investing boom. To reflect these evolving societal values and norms, it is important that organizations adopt forward-looking ESG practices if they want to remain competitors in their industry and contribute to the common good.



Industries that are slow to uptake these changes receive increasing criticism and pressure from stakeholders, investors, and concerned citizens alike. Legal obligations are also expected to progressively tighten for these industries. In May 2021, a Dutch court ruled that Royal Dutch Shell cut greenhouse gas emissions by 45% by 2030. In the same week, ExxonMobil and Chevron faced pressure from their shareholders to reduce the companies' contributions to climate change. It is likely these events will spark further transformations within these industries.

How can my organization attract investors through ESG?

It is vital for organizations to recognize and embrace the shift occurring in the investing world. No longer does the term "investor" solely refer to a select group of people. Rather, investing is increasingly understood as a tool to vote with one's dollars, attracting a diverse range of people around the globe. The range of factors investors consider when making decisions has become much broader, reflecting this gradual diffusion of more progressive and holistic ESG values into the investing arena.

As issues such as climate change and COVID-19 have demonstrated the fragility of business-as-usual approaches, they have also highlighted the importance of organizational resiliency. Shareholders and stakeholders expect a transition towards more environmentally, socially, and economically sustainable business activity to support future generations. Organizations must build their adaptive capacities by considering an increasingly wider range of metrics in their business operations and long-term strategies. By identifying ESG benchmarks which are material to them and setting robust targets against these, organizations can set themselves up for success. (ADEC Innovations, n.d.)

Conclusion

To conclude, a sustainability manager looking for funding must be proactive in identifying various funding options. From approaching the top management in the same company to seeking external funding in the form of a grant or a seed investment, there are numerous funding possibilities for sustainability managers who wish to make their idea reach the desired success.



Unit 2.3 Football clubs

Mentioned below are some football clubs that have been able to create a unique brand for themselves among their stakeholders through their sustainability programs.

Johan Crujff stadium – Amsterdam, Netherlands

The Johan Crujff Arena (<https://www.johancrujffarena.nl/en/making-an-impact-together/>), home to Ajax and which facilitates the most high-profile football matches, the most spectacular concerts and the most attractive business events has become a pioneer in sustainability. They have embedded sustainability in their vision statement to become one of the most sustainable and innovative stadiums in the world. To minimize the footprint of the stadium and its visitors, the stadium uses a mix of proven sustainability measures and innovative technology. The stadium is the perfect testing ground for developing and testing innovations. These projects often benefit not only the stadium, but also the immediate surroundings and society.

More than 4,200 solar panels on the roof and a wind turbine in Oudendijk supply green energy to the Arena. They also develop and implement breakthrough systems that make their energy consumption smarter and more sustainable. Their environment also benefits from this. It keeps the turf in optimal condition and frost-free with residual heat from the Amsterdam heating network. Via a separate cooling network, water from the nearby Ouderkerkerplas meets the demand for cooling in the stadium's offices and changing rooms. They have been able to reduce water consumption by cleverly adjusting the flow in urinals.

Tons of grass mown from the pitch find its way to the Amsterdam farm De Dikhoeve. Here the goats produce milk for the one and only real Arenacheese, which is not only available on cheese boards in their sky boxes, but also in select shops and restaurants.

Another sustainability practice which received a lot of attention from their fans was the act of recycling their stadium 53,000 seats. Most were sold as souvenirs or recycled, and their replacements are made from 100% recycled plastic – 10% of it recovered from the oceans.

Forest Green Rovers

The Forest Green Rovers (<https://www.fgr.co.uk/>) is bringing eco-thinking and technology to a new and large audience: football fans. In 2010, the team began its journey to becoming the world's first carbon-neutral football club and has since been described by FIFA, as "the world's greenest football club".



The Forest Green Rovers, based in Gloucestershire, England, introduced many sustainability measures, including solar panels, electric car charging points, water recycling, an electric lawnmower, an organic pitch, and an entirely vegan menu for players and fans.

The New Lawn, the world's first organic football pitch, sits on a 2.84-hectare grassland site just outside the Cotswolds Area of Outstanding Natural Beauty. The site comprises a range of plant species and is visited by wildlife, badgers and small owls, from neighbouring farmland and a border of native trees.

Rainwater is collected and recycled around the stadium; all waste cooking oil is recycled into biofuel; and the pitch is mowed by the first solar-powered robotic lawn mower to be used in British football. The 'mow bot' uses GPS technology to automatically guide it around the pitch without the need for human intervention. Local farmers use the grass cuttings from the stadium to condition their soil. The entire club is powered by 100% green energy from power firm Ecotricity (<http://www.ecotricity.co.uk/>), some of which is generated on-site from solar panels on the stadium roof and a solar tracker at the grounds entrance. The Forest Green Rovers engages the local and global community through various programmes designed to make a lasting impact.

The team draws fans from all over the world through press engagement and social media. Since May 2017, the team has reached almost 3 billion people through local, national and international press. This reach has led to a big uplift in crowd numbers at The New Lawn; average attendance has quadrupled since 2010.

Locally, the team spreads the word about sustainability through its Ambassador Scheme, which provides a valuable link between the Forest Green Rovers and local schools. By becoming ambassadors, students have the unique opportunity to see how the team has developed its 'green' agenda, and how the club's values are supported and upheld by the players.

The team also runs a free educational programme for schools and the local community called Fit2Last. The programme teaches the benefits of sport, health, and sustainability through tailored lessons, tours, and school visits from team players.

Local businesses have benefitted hugely from the Forest Green Rovers green activity. Attention by the media has brought an increasing number of visitors to the area. In fact, many of the fans themselves are replicating their team's green vision by becoming vegan, buying electric cars, and living more sustainably.

The Forest Green Rovers regularly advises other sports clubs looking to emulate their environmental approaches, whether by introducing vegan options on their menus,



installing solar panels (as Arsenal FC has done), or adding electric car charging points. It is the club's performance beyond the pitch that has made it one of the most popular clubs in the United Kingdom (United Nations, n.d.).

Unit 2.4 Tools and tips to define and measure targets

An important milestone in the process of creating a sustainability program is to set and measure targets. Setting consistent targets that are both ambitious and achievable requires having gone through several steps. We list them hereafter as a reminder:

1. define a vision and a mission,
2. engage stakeholders,
3. identify the issues.

The aim of this unit is to equip you with solid tools and tips to assist you in drafting and measuring targets. We have added a working document entitled "Template: Goals and Targets from The Toolbox" (<https://sustainabilitytoolbox.com/>) to help structure the task.

1. The concept of the Triple Bottom Line (TBL)

Historically, the success of organizations mainly depended on their financial performance with an objective to create value for the shareholders. The TBL approach proposes a new way to measure organizations' performance, which includes sustainable development in the analysis. It brings into the equation people, planet, and profit. The theory argues that companies should focus on social and environmental issues as much as on profits to create shared value within all the stakeholders spectrum and not only the shareholders. The organization should be socially desirable, economically viable, and environmentally sustainable (Kenton, 2022). According to the TBL, if a company only considers its profits without considering the other two pillars, it is not considering the real total cost of its activities. In other words, this concept suggests that stability is only achieved if all three pillars are considered. Graphically, the relationship can be represented as the intersection of three circles (see Figure 1).



Figure 1: Triple Bottom Line Concept



Source: [Online image of triple bottom line concept], n.d., <https://bit.ly/30vskHv>

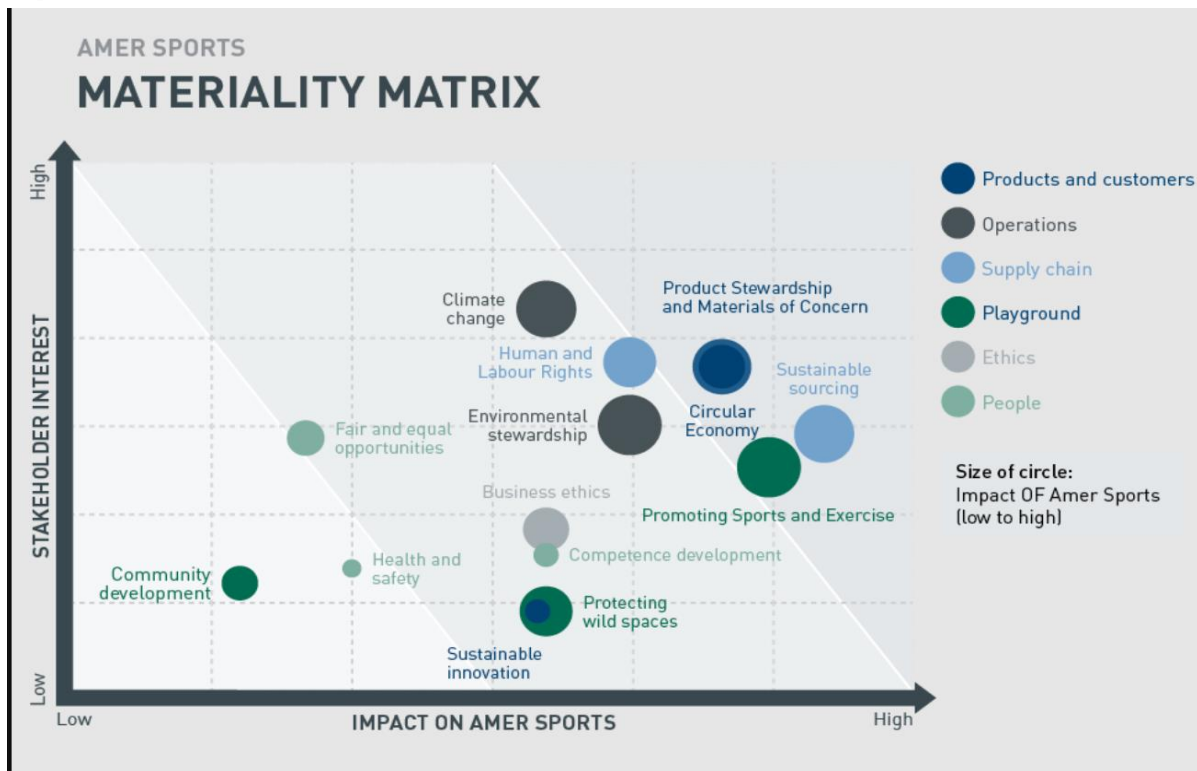
The report “Brundtland to Rio 2012” presents the three pillars as following:

- Social sustainability: generally refers to the consequences of a process to the social fabric of a community (i.e., culture, justice, equity).
- Ecological sustainability: focuses on the health of the ecosystems that support both human and non-human life.
- Economic sustainability: focuses on the economic viability of a process, project, enterprise, or community. (Camillieri, n.d., para 2)

2. Materiality matrix

The first activity in Course 1 introduced you to the materiality matrix as you were asked to do one to define your organization's priorities. Working on a materiality matrix allows an organization to decide which sustainability issues an organization should invest time in. The tool presents sustainability issues considering two dimensions: the company's perspective on one side, and the stakeholders' view on the other side. In addition, the materiality matrix helps tie UN SDGs and indicators together through graphing and data collection.

Figure 2: The materiality matrix of Amer Sport



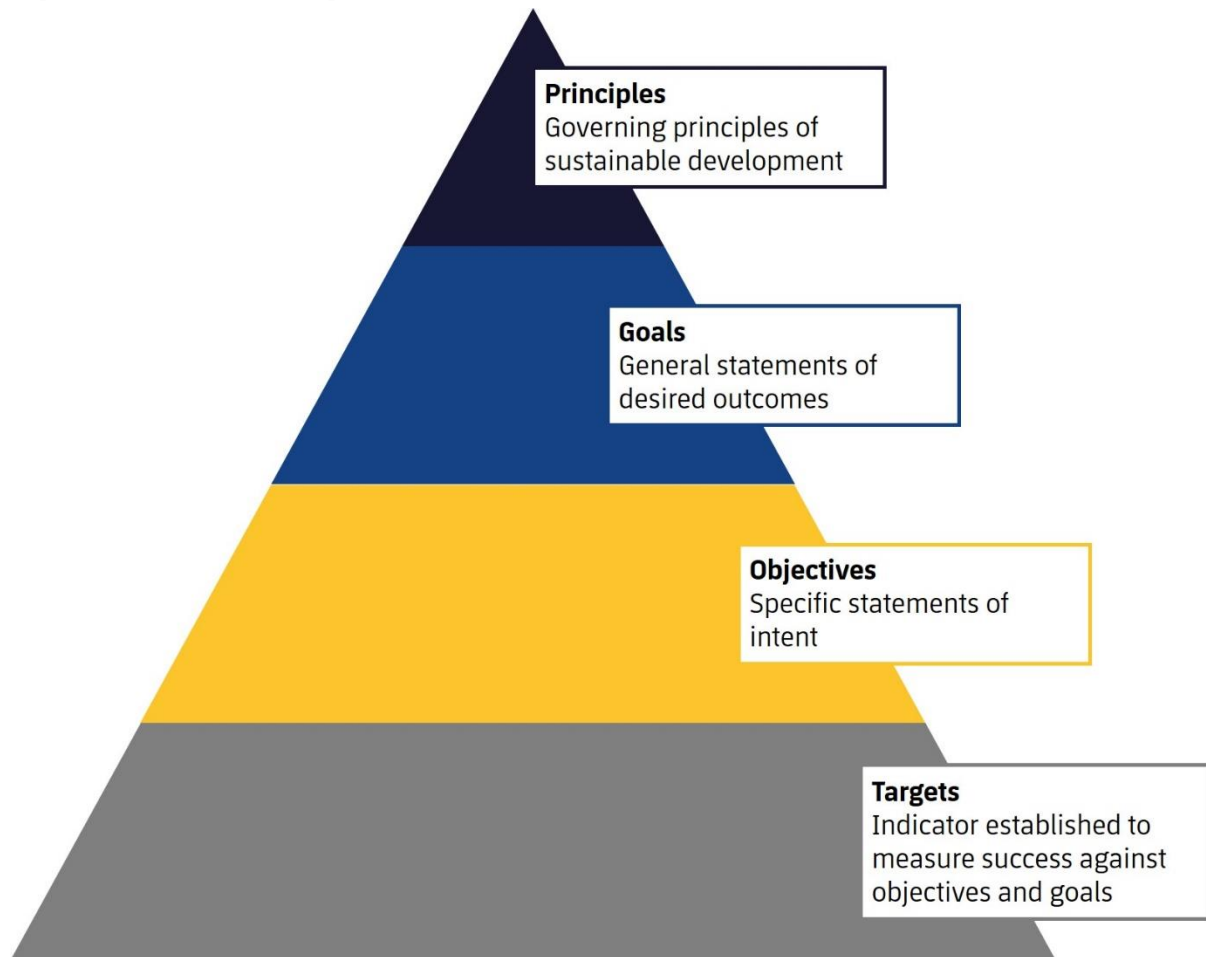
Source: [Untitled image about Amer Sport], s. f., <https://bit.ly/3RseiZe>

3. Draft a set of goals and targets

The materiality matrix assessment is a means to identify the most important issues to address and to prioritize challenges. At this stage, you should be able to identify your goals and targets. See the working document "Template: Goals and Targets from The Toolbox". Figure 3, details the data of the template and highlights that each target should be governed by a key governing principle, goal, and objective. The themes should be addressed first, then more and more specific data. The working document enables to link the goals easily to the Sustainable Development Goals of the United Nations and industry standards. Finally, remember the TBL and the importance of a good balance between people, planet, and profit.



Figure 3: Goals and Targets from The Toolbox



Source: own elaboration.

4. Tips to assist you in drafting and measuring targets

a. Making your targets “SMART”

The definition of the targets at this stage of the process contributes to the success or failure of the implementation of the sustainability program. At a later stage, it will be necessary to monitor, evaluate, and report on progress. Defining targets that are both SMART and in line with the organization's management are therefore key.

Specific
Measurable
Attainable
Relevant
Time-bound

b. Using Key Performance Indicators (KPIs)

The desired results must be measured in terms of KPIs, to be quantifiable metrics. The KPIs in sustainability allow tracking progress and identifying potential improvements over the long term. The list of KPIs directly related to sustainability is exhaustive. Below are some of the most important indicators: carbon footprint, energy consumption, product recycling rate, savings levels due to conservation and improvement efforts, supplier environmental sustainability index, supply chain mileage, water footprint, waste reduction rate, and waste recycling rate (Compare Your Footprint, 2017).

c. Aligning with global goals and industry standards

Aligning the organization's goals with the UN Sustainable Development Goals is an excellent way to give compliance and guidelines. The SDG Tracker (<https://sdg-tracker.org/>) is open to everyone and user-friendly. Other standards may also be relevant, such as GRI disclosures and peer references in the sports sector. Beyond helping to focus on the plan, it also encourages benchmarking and comparability to highlight areas of common interest with suppliers and stakeholders.

d. Sharing your draft targets

Do not work in silos, but share the draft goals with key stakeholders and ask for feedback. This is an excellent way to know if they are realistic, concrete and ambitious enough, and thereby refine them.

e. Do not forget the next steps!

Make plans → take actions → track progress → report and communicate

Unit 2.5 Case study: football strategy at three levels: federation, league, club

This case study will examine football sustainability strategies and plans located at three different levels of the game. The German Football Association sustainability strategy will first be examined, followed by the Bundesliga first and second leagues, and then a deeper dive into how VfL Wolfsburg approaches environmental sustainability through their strategy and specific operations and initiatives. This examination across three levels within one country's football system will highlight the similarities and differences on how the entities approach their responsibilities and relationship with the physical and natural environment as well as their social role in their communities. The information presented in this section has been gathered from desk research which includes a review of various websites, reports, and documentation.

German Football Association (DFB)

The German Football Association (DFB) has more than 6.8 million members, making it one of the biggest social networks in Germany. The DFB is affiliated with 25,456 clubs. The positive development of active and passive club members provides a clear indication that football continues to hold an important place in German society. DFB has a myriad of duties to fulfil, in social and socio-political areas, in grassroots and in recreational sport levels, in addition to the elite level where Germany has found a lot of success at the men's, women's and youth divisions. The national teams and their football journeys, successes, and losses are followed closely by the German society and according to the German National team fan club official website (<https://fanclub.dfb.de/mitglied-werden/historie/>) there are more than 50,000 fan club members dispersed throughout the country.

With the most members of all German sports associations, the DFB is considered not only a social institution, but also one of the largest social networks in Germany. With 27 member associations, the DFB's structure and composition are represented as a pyramid, with the DFB central administration at the top. The DFL e.V (German Football League organizing the Bundesliga 1 and 2) and the regional associations organizing the semi-professional and amateur levels are all at the next level. The regional associations are then made up of state associations, which are further divided into districts.

Figure 4: Regional and state associations



Source: [Online image of regional and state associations], (n.d.), <https://bit.ly/3y3Yy5L>

The central bodies of the DFB include the DFB Presidium, the DFB Executive Board and the DFB Bundestag with the latter being considered the highest body representing the legislature of the DFB. The Presidium represents the executive body of the DFB and is responsible for carrying out the day-to-day operations, while the Executive Board deals with the reports of the committees and the auditors and advises the members of the Executive Committee on the fulfilment of their tasks. Operational work is carried out by 30 DFB specialist committees and commissions, which include experts from all member associations. The activities are supplemented by the foundations of the DFB and the DFL e.V. The cohesion of all actors was confirmed by the basic agreement, which defines the special rights and obligations of the DFL e.V.

Further information on the DFB structure, roles, responsibilities, and appointed individuals can be found on the DFB website in German and English (<https://www.dfb.de/der-dfb/verbandsstruktur/>).

DFB and social responsibility

As a key social institution, the DFB has a range of responsibilities, a strong influence, and many different stakeholders who are interested in and impacted by its decisions and actions. With an overall aim to secure the future of football, the DFB addresses all socio-political issues relevant to football. The fans, players, members, coaches, partners, media platforms and all other football ecosystem stakeholders have high expectations for the DFB to, as the leader of organized football, be a socially and environmentally responsible institution which uses its influence positively in society. The specific DFB Commission, Kommission "Gesellschaftliche Verantwortung, is responsible for the socio-political issues relevant to football. Regarding environmental sustainability, the Commission of Football Infrastructure is also involved in those measures specifically responsible for sustainable, energy-efficient sport.

The two Commissions and DFB operations are responsible for developing the concepts, recommendations for actions, and solutions for many areas of responsibility for the DFB, the regional and state associations and the different levels of clubs. Additionally, the DFB Foundation, since its founding in 2007, has supported more than 300 local and national projects through DFB funds. The foundation approaches football as a sustainable mechanism to contribute to the free, democratic foundations of society. Specifically, the foundation cooperates with educational, youth and cultural institutions to supplement and deepen the possibilities of football in terms of education, social learning and personal development (<https://www.dfb.de/dfb-kulturstiftung/schwerpunkte/>).

Notably, the DFB social responsibility programme regards sustainability through the following main points:

- Sustainability is a central issue of our time; sustainable action is the responsibility of all of us with a view to the generations that will come after us.
- Football is a good role model for fair play, for diversity, against discrimination and against racism, even in its subtle ones, and thereby perhaps even more dangerous manifestations. It is an effective medium for conveying socio-political messages.
- We at the DFB are firmly convinced that football has a social responsibility. Our goal and our aspiration is to continue to meet this high standard in the future.
- We are on the threshold of a time of upheaval and new beginnings. The urgency of climate change, the special situation of a globally popular immigration country or the rapidly advancing digitization of the world of work, and finally the pandemic, do not leave football untouched.
- Taking responsibility, thinking about sustainability, living transparency – all of this is already of crucial importance for the future viability of the world's largest individual sports association (DFB).

The DFB's sustainability reporting

The DFB's third Sustainability Report 2019, published and made available in English and German on its website, covers the DFB's structure, approach, activities and reporting on

sustainability from 2016 to 2019. The report includes the following statement from Dr. Rainer Koch on the urgency of current day challenges and opportunities such as climate change, digitalization, and immigration and migration.

Figure 5: Rainer Koch on sustainability



“We are on the threshold of a time of upheaval and new beginnings. The urgency of climate change, the special situation of this globally popular country of immigration and the rapidly advancing digitalisation of our working lives do not leave football unaffected. We face challenges here, but this also opens up many opportunities. Bearing responsibility, thinking in terms of sustainability, demonstrating transparency – all this is already of decisive importance for the future viability of the world’s largest individual sports association. Together with the strong and motivated team at our HQ and with the support of the regional and sub-regional associations and the 25,000 or so clubs across the country, we wish to create a credible DFB that will meet future challenges with determination and intelligence – both on and off the pitch. The trust that the seven million DFB members place in us is the prerequisite for this.”

DR RAINER KOCH,
1st DFB Vice President (Amateur Football, Legal and Constitutional Affairs)

Source: DFB, 2019, p. 11

The report shares the following visual to demonstrate the DFB’s sustainability mission, established in 2016. It is reiterated in the report that “the task of the DFB is to meet the demands of society, with particular emphasis on the sustainability dimensions of social, ecological and economic issues, in constant dialogue with its manifold stakeholder groups” (DFB, 2019, p.23). As seen below, protecting the environment is tied to strengthening communities as well as safeguarding the future of football from the grassroots to elite levels.

Figure 6: DFB’s sustainability mission



Source: DFB, 2019, p. 23

When describing the sustainability strategy, it is noted that the DFB refers to and bases its approach and strategy on national and international developments such as the UN's sustainability goals as well as the sustainability strategy of the German Federal Government. It provides the example of the UEFA EURO 2024 proposal, which is aligned closely with the UN's Sustainable Development Agenda. Specifically, in relation to organized football and its relationship to and impact on the environment, section 6.6 does not shy away from the big challenges and topics such as the CO2 emissions around travel from fans, teams, other stakeholders, the high amount of energy consumed in football infrastructures, and maintenance, the waste generated from tournaments, games and all football related events, and the existence of microplastics in the artificial turf pitches. The report details how the DFB is addressing the various issues by implementing and reviewing the following measures:

- The Environment Working Group
- Environmental Service Providers
- Microplastics from Artificial Turf Pitches
- Climate Protection and Carbon Offsetting

These measures and key topic areas are part of the DFB's strategy to reach the following objectives:

- Player level: Raise awareness of the interplay between the environment and sport.
- Player level: Promote cycling for getting to training.
- Club level: Protect the environment through community projects.
- Club level: Integrate young members into the club system via activities for environmental and climate protection.
- Club level: Use environmental projects to improve sports facilities and places of club life.

Global Reporting Initiative (GRI)

Since 2013, the DFB's sustainability reporting has been based on the guidelines of the Global Reporting Initiative (GRI), a globally recognised basis for comparability and transparency. Included are specific environmental standard disclosures such as energy consumption, water usage, emissions, environmental compliance, and sustainable procurement.

Figure 7: DFB's sustainability report and GRI's guidelines

Environmental	Reference	Comment
Management approach	pp. 14, 16-17, 96-97	
Aspect: Energy		
302-1 Energy consumption within the organisation		Energy consumption at DFB headquarters amounted to 888,714 kWh in 2018.
302-2 Energy consumption outside of the organisation	pp. 96-97	The heating and lighting of sports facilities is a major source of energy consumption, especially in the 25,000 or so clubs outside the DFB. It is not possible to collect figures on this, as the clubs operate independently of the DFB. In the future, the DFB will endeavour to act primarily as a driving force to encourage clubs to improve their environmental performance.
Aspect: Water		
303-1 Water withdrawal by source	pp. 96-97 (environment)	Total water consumption at DFB headquarters in 2018: 3,510 m ³ . Significant water consumption occurs mainly outside the DFB in the roughly 25,000 clubs where it is used in sanitary facilities and to water the pitches. It is not possible to collect figures on this, as the clubs operate independently of the DFB. In the future, the DFB will endeavour to act primarily as a driving force for clubs to improve their environmental performance.
Aspect: Emissions		
305-5 Reduction of GHG emissions	pp. 96-97	The mobility of the association members, especially the teams, is associated with traffic and environmental pollution such as greenhouse gas emissions. Figures are not collected due to the large number of individual journeys.
Aspect: Compliance (environment)		
301-3 Monetary value of significant fines and total number of non-monetary sanctions due to failures to observe laws and regulations		There were no sanctions for environmental violations.
Aspect: Supplier Assessment for Impacts on Society		
308-1-2 New suppliers that were screened using environmental criteria		The DFB is gradually converting its purchasing to sustainable procurement. Even now, preference is being given to environmentally friendly and socially acceptable alternatives that are available within a reasonable cost framework.

Source: DFB, 2019, p. 116

Other DFB climate action initiatives

Since the last DFB sustainability report, developments, practices, initiatives, and policies around environmental sustainability have been done and communicated about on the DFB website. These include the following examples:

1. DFB and DFB Pokal Partner, Bauhaus, collaborating on a project to plant 300 trees. The action involved youth football players who joined to plant the trees in a forest near Frankfurt am Main.
2. In the lead up to UEFA EURO 2024, there is a concentration on how to ensure greater environmental sustainability at the amateur football level and using the tournament to advocate for and support more climate-friendly design of amateur football. The project is called "NKI: Klimaschutz im Amateurfußball - gemeinsam auf dem Weg zu einer klimafreundlichen UEFA EURO 2024" and will be funded by the National Climate Protection Initiative (NKI) of the BMWK over a period of four years with around two million euros. The 24,000 amateur clubs in Germany are the target audience of the following measures:
 - comprehensive information material on greenhouse gas reduction,

- a tool for calculating their climate balance,
 - training to support the clubs on their way to climate neutrality.
3. A climate guide created for the first time for the FLYERALARM women's Bundesliga was created to offer fans orientation and knowledge about their CO2 footprints depending on location and type of transportation. The climate guide encourages and sensitizes fans to save CO2 with a carefully planned journey to their favourite clubs and thus protect the environment. Fans are also encouraged to use a calculation tool (found on [quarks.de](https://www.quarks.de)) where one also learns how the calculation was determined.

According to recent DFB news reports published in the sustainability section, DFB is currently developing strategic guidelines for environmental and climate protection as part of its extensive sustainability strategy.

DFL Deutsche Fußball Liga e.V

The DFL Deutsche Fußball Liga e.V. is responsible for professional football in Germany and the operational business is managed by DFL Deutsche Fußball Liga GmbH, based in Frankfurt, which together with its subsidiaries is responsible for organizing and marketing German professional football. Despite the independence of German professional football, the DFB remains an important and close partner of DFL Deutsche Fußball Liga e.V. The DFL Deutsche Fußball Liga e.V. is overseen by a nine-strong Executive Committee that is elected for three years at a time. The structure of the DFL Deutsche Fußball Liga e.V. can be found below. The DFL Deutsche Fußball Liga is responsible for the organization and marketing of German professional football.

Figure 8: DFL Deutsche Fußball Liga



Source: [Untitled image about DFL Deutsche Fußball Liga], s. f., <https://bit.ly/3P002VL>

The DFL Deutsche Fußball Liga e.V. and social and environmental responsibility

The 36 clubs in the Bundesliga and Bundesliga 2 are diverse in their ways and approaches to social and environmental responsibility in their home regions and beyond their localities. At times the clubs come together under the umbrella of the DFL for league-wide initiatives or take part in nationwide programs initiated and supported by the DFL Foundation. To get an overview of what types of projects, initiatives, and programmes are taking place among the professional teams and the DFL, the platform #BundesligaWIRKT was launched. Projects and activities in the areas of exercise and health, education and opportunities, ecology and environmental protection, solidarity, and helpfulness as well as diversity and togetherness (<https://www.dfl.de/de/aktuelles/oekologische-nachhaltigkeit-fuer-clubs-der-bundesliga-und-2-bundesliga-von-hoher-bedeutung/>).

On the #BundesligaWIRKT platform, there is a specific section on ecology and environmental protection with the description that climate change is a pressing issue which football clubs are responding to through cooperation with local partners. A survey with the 36 clubs in 2020 is referenced as it found that for more than 90 percent of the professional clubs, ecological sustainability is a high priority – which has increased again since the outbreak of the coronavirus pandemic. Fixed ecological contact persons have been defined for 61 percent of the clubs. By examining the different projects on the platform under the specific theme and reading the reports, it is apparent that clubs focus on campaigns dedicated to environmental and climate protection. Clubs are also focusing

on measures to reduce energy and water consumption or the amount of waste, this also includes educational offers, events, and campaigns that aim to raise awareness of environmental protection and encourage participation.

Bundesliga and Bundesliga 2 sustainability criteria

Following a decision by the DFL General Assembly on December 14, 2021, a clear commitment to sustainability in all its dimensions – ecological, economic and social – was anchored in the preamble to the statutes of DFL e.V. In a critical decision, the Bundesliga, and Bundesliga 2 decided to be the first major professional football leagues to include sustainability criteria in their licensing regulations. Further information on the sustainability criteria and its implications can be found on the website (<https://www.dfl.de/de/aktuelles/oekologische-nachhaltigkeit-fuer-clubs-der-bundesliga-und-2-bundesliga-von-hoher-bedeutung/>).

VfL Wolfsburg

At the top of the Sport + Positive League table for the Bundesliga in 2021 is VfL Wolfsburg. Wolfsburg is a club that is known for its commitment to society, and specifically for its activities in social and ecological areas. Under their mottos-- “Tomorrow together” and “One Team. Many Goals”, Wolfsburg sees its team as one which includes the fans, supporters, partners, and everyone working for the club. And even with the “Goals,” it is not just about shooting the round thing into the rectangle thing; it is also about achieving the many goals that they have set for themselves. Their activities span from breaking down prejudices to barrier-free access for fans and reducing our emissions to net-zero. Specifically in relation to the club’s impact on the natural environment, VfL Wolfsburg is committed to implementing significant measures to move towards a climate-neutral football experience and has defined climate protection as an important part of its social and environmental commitment.

The 2020 Sustainability Report describes the club’s commitment to immediate and far-reaching climate action commitments. By signing the “Sports for Climate Action” climate protection agreement of the United Nations, VfL was the first European football club in top leagues to publicly commit to the systematic reduction of its CO2 emissions. The club wants to become a stronger voice in promoting the green transformation of the football business. It is known for its systematic approach to environmental sustainability, which is driven by the club’s environmental team. The environmental team uses the corporate directive “Environment-Compliance-Management-System” to control the club’s environmental risks and opportunities (VfL Wolfsburg, 2020).

Through its climate strategy, Wolfsburg aims to reach net-zero, meaning that all the greenhouse gasses attributable to VfL need to be either removed from the atmosphere,

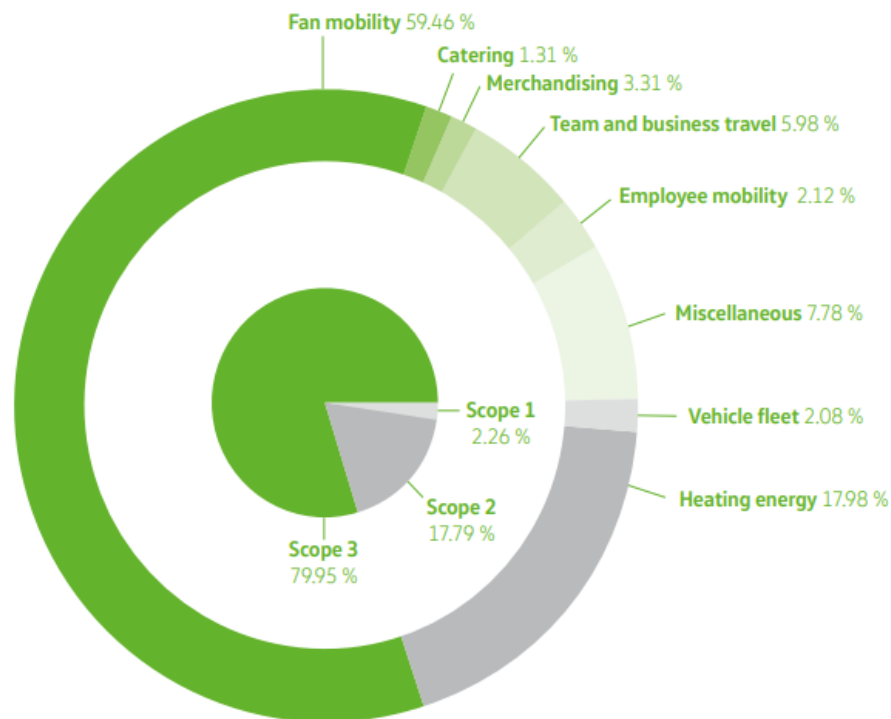
or avoided at another location. The aim is to achieve this within five years, and therefore make VfL Wolfsburg climate-neutral. The compensation projects focus on promoting the use of renewable energy, and reforestation projects in deforested regions, and VfL supports these projects by purchasing certificates. These confirm how much CO2 VfL has deducted from its CO2 footprint by its involvement in these projects.

For the club's fan emissions, data shows that a large amount of the overall emissions is generated by fan mobility. Wolfsburg recognizes that as an entity, it can take its steps to reduce its emissions; however, with fans it is hard to establish a sense of co-responsibility. Nevertheless, the club sticks to its priority to avoid, reduce, compensate, and provide incentives for everyone to take part.

Figure 9: VfL's CO2 footprint

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CO₂ FOOTPRINT



Source: VfL, 2020, p. 55

Additionally, VfL's procurement is rooted in environmental protection, which means that the catering services also have to follow specifications covering waste management and efficient energy consumption. In order to understand the club's impact, data and control efficiency measures and regular audits have been fundamental to the club's operations. In terms of waste management, the club offers reusable mugs in the stadium, which reduce the energy and material consumption while fulfilling hygiene standards. The club



pays attention to water management, paper usage and consumption, plastic packaging and other areas of its operations.

Wolfsburg VfL measures its CO2 footprint every two years to be able to measure the progress it is making and to control the different measures. In the sustainability report, the club reports that the total amount of greenhouse gases emitted in the 2019/2020 season (scope 1, 2, 3) was 9.460,915 tonnes CO2. The power of the club has been provided 100% by renewable sources since 2011. Another milestone has been setting up an LED control system for the needs-oriented use of light in different zones in the Volkswagen Arena. In addition to these measures, the club has supported nature protection activities such as re-introducing wolves to Germany, protecting and replanting forests as repositories for the climate gas CO2 (VfL, 2020).

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