

ESG & CSR in Sports





OVERVIEW

- Corporate contributions to community development through initiatives.
- Sports as a tool for positive life transformation.
- Adding value to brands through CSR and sports.
- Collaborating with sponsors to enhance CSR in sports.
- Strengthening partnerships through CSR and ESG alignment.
- Sports as an employee benefit.
- Ensuring partnerships align with ESG goals and create social impact.
- Best practices for ESG-focused sports sponsorships.
- Successful ESG campaigns in sports.

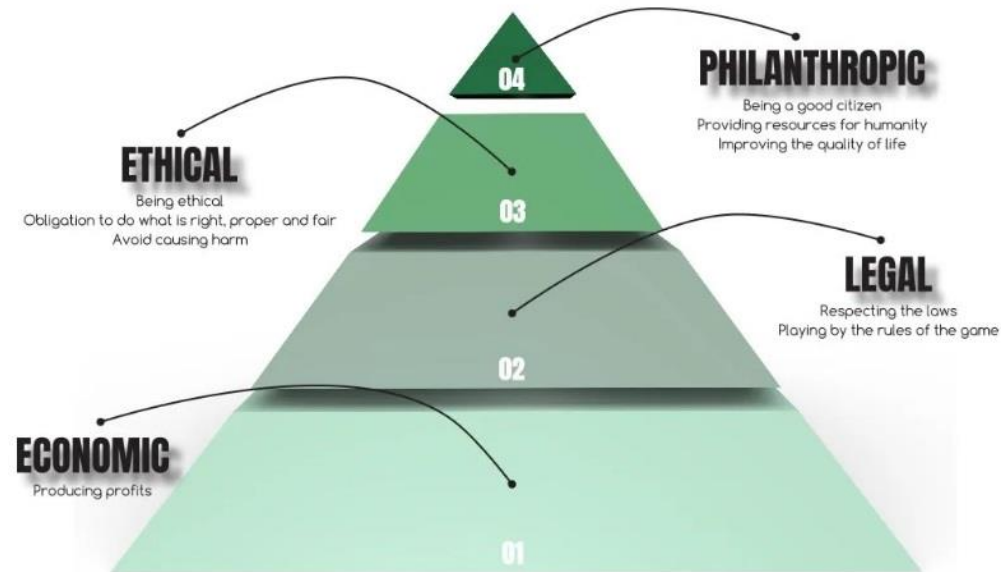
INTRODUCTION



CARROLL'S PYRAMID

the four levels of corporate social responsibility

B





SUSTAINABLE DEVELOPMENT GOALS



1 NO POVERTY



2 ZERO HUNGER



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



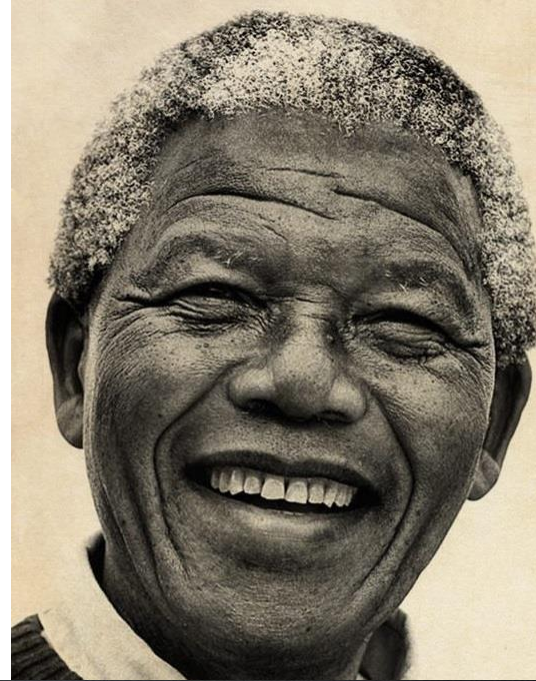
16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



THE POWER OF SPORT



“
SPORT HAS
THE POWER
TO CHANGE
THE WORLD
”

Sport has the power to change the world. It has the power to inspire. It has the power to unite people in a way that little else does. It speaks to youth in a language they understand. Sport can create hope where once there was only despair.

Nelson Mandela

BACKGROUND & EXPERIENCE

- **University of Wisconsin**
 - **BBA (Bachelor's Business Administration, Finance and Marketing)**
- **Northwestern University School of Law**
 - **JD (Juris Doctor)**

CURRENT:

Sports Philanthropy Network, Founder

PREVIOUS:

- **SportsLoop (Sports Agency, Event Management, Marketing Consulting)**
- **SportsBrain (Concussion Management and Education)**
- **Northwestern University—Adjunct Professor, Sports Law**
- **Chicago Bar Association Sports Law Committee—Multi-year Co-Chair**
- **Sports Lawyers Association**
- **National Sports Marketing Network**





WHY IS CSR IMPORTANT?

- **77 percent** of consumers are more motivated to purchase from companies committed to positive change
- **73 percent** of people are more forgiving towards purpose-driven companies, even in the face of mistakes
- Gen Z, ever growing as a driving force in the market, is **300 percent** more likely than previous generations to believe that businesses should serve communities and society

DEFINITION & PURPOSE OF CSR

Corporate Social Responsibility (CSR) refers to a business model in which companies integrate social and environmental concerns into their operations and interactions with stakeholders.



KEY ASPECTS OF CSR INCLUDE:

- **Environmental sustainability:** Reducing carbon footprints, waste management, and adopting eco-friendly practices.
- **Social equity:** Supporting community initiatives, improving labor practices, and contributing to social causes.
- **Ethical governance:** Promoting transparency, accountability, and fair business practices.
- **Philanthropy:** Donating to charitable causes or supporting community welfare programs.
- **CSR** is often seen as a way for businesses to build trust with society while fostering long-term sustainability and profitability.
- **CSR** encompasses a range of practices that businesses adopt to operate ethically and contribute positively to society.

WHAT IS ESG?

- **Environmental, Social, and Governance**
- Often referred to as "**Sustainability**".
- It's a framework that measures a company's ethical and sustainable behavior. **ESG** is also an investing principle that prioritizes these three areas.
- **ESG** is often referred to as sustainability. It's a set of practices that companies use to limit their negative impact and increase their positive impact on the environment, society, and governance.



ESG CRITERIA



ENVIRONMENTAL

- How a company impacts the natural world, such as waste management, resource management, and greenhouse gas emissions



SOCIAL

- ❖ A company's attitudes towards diversity, labor standards, workplace health and safety, and human rights



GOVERNANCE

- ✓ A company's governance mechanisms, such as board independence, board diversity, and shareholder rights
- ✓ Investors are increasingly using **ESG** criteria to make investment decisions. Businesses are also integrating **ESG** into their operations and strategies.



SDG~ESG



Social



Environment

Governance

製圖：DOMI綠然

ESG RATING

CCC

B

BB

BBB

A

AA

AAA

LAGGARD

A company lagging its industry based on its high exposure and failure to manage significant ESG risks

AVERAGE

A company with a mixed or unexceptional track record of managing the most significant ESG risks and opportunities relative to industry peers

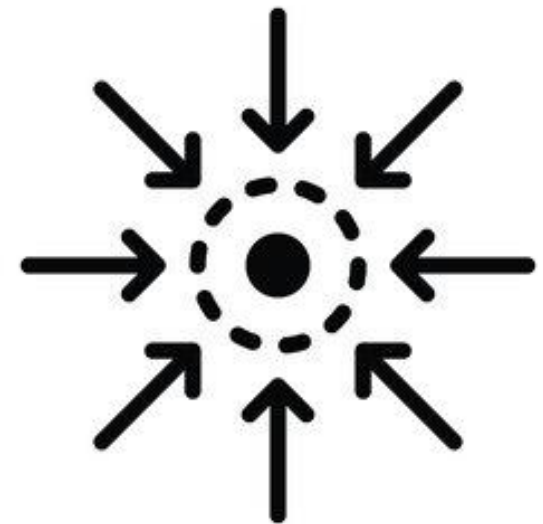
LEADER

A company leading its industry in managing the most significant ESG risks and opportunities

DEFINING IMPACT

The impact of a **Corporate Social Responsibility (CSR)** initiative can be defined by assessing the outcomes and benefits generated by the initiative in various areas such as the community, environment, business, and stakeholders. To define and evaluate this impact, several key dimensions can be considered:

- **Social Impact**
- **Environmental Impact**
- **Economic Impact**
- **Brand and Reputation Impact**
- **Alignment with Business Goals**
- **Long-Term Impact**



DEFINING



Methods to Measure CSR Impact:

1. **Key Performance Indicators (KPIs):** Predefine metrics relevant to each of the dimensions (e.g., tons of CO2 reduced, number of beneficiaries served).
2. **Surveys and Feedback:** Collect qualitative data from stakeholders, beneficiaries, and employees.
3. **Impact Studies and Audits:** Conduct independent audits or studies to validate claims and assess results.
4. **SROI (Social Return on Investment):** Calculate the financial value of the social benefits generated by the CSR initiative in relation to the investment made.

CSR & ESG REPORTING

- **Who** should measure these results?
- **Which stakeholders** care the most?
- **How** can this reporting support corporate branding and strategies?



STRATEGIES

- Partnering with sponsors to enhance brand value
 - Creating elements of social and environmental sustainability
 - Long-term strategies vs. quick impact
 - Developing models that create impact while driving revenue
 - How **CSR** and **ESG** goals can strengthen collaboration opportunities
- *As we will see in the case studies, effective CSR can enhance brand loyalty, drive innovation, and contribute to sustainable development while positively impacting communities and the environment.*



CASE STUDIES



- **IKEA's** sustainability initiatives include using renewable and recycled materials and investing in sustainable forestry. Their *"People and Planet Positive"* strategy focuses on creating a circular economy, reducing carbon footprints, and supporting local communities.



- The One for One model, where a pair of shoes is donated for every pair sold, has defined **TOMS**. This commitment to social impact has created a strong brand identity and loyal customer base while addressing global issues like poverty.



- **Microsoft** has committed to becoming carbon-negative by 2030. Their initiatives include investing in renewable energy and supporting local communities through various philanthropic efforts, showcasing how tech companies can lead in sustainability.



- **Coca-Cola's World Without Waste** initiative aims to collect and recycle a bottle or can for every one sold by 2030. Their focus on sustainable packaging and community engagement has helped improve their environmental footprint and public perception.

CASE STUDIES #2

- **Unilever's Sustainable Living Plan** aims to decouple growth from environmental impact while increasing positive social impact. By promoting sustainable sourcing and reducing waste, they've enhanced brand loyalty and achieved significant cost savings, demonstrating that sustainability can drive business growth.
- Known for its environmental activism, **Patagonia** integrates sustainability into its core business model. The company donates 1% of sales to environmental causes and encourages customers to buy used products through its Worn Wear program. This approach has built a strong brand community and loyalty.
- **Ben & Jerry's** is committed to social justice, advocating for climate change awareness and fair trade practices. Their activism, combined with high-quality products, has helped them maintain a loyal customer base that appreciates their values.
- **Starbucks** has focused on ethical sourcing through its Coffee and Farmer Equity (C.A.F.E.) Practices, ensuring farmers receive fair wages and promoting environmental stewardship. Their commitment to community engagement and employee welfare has also enhanced their brand image.



POWER OF SPORTS CSR

- Sports teams, leagues and organizations have three key ingredients for CSR success

- Celebrity
- Promotion
- Money.

- Many of their actions receive great publicity:



- NBA

- players refuse to take the court in support of social justice;

- NFL



- 1000 players wear their cause on their cleats;

- MLB



- 50,000 fans fill the stadium with Stand Up to Cancer signs.

SPORT CSR INITIATIVES

- Premier League Primary Stars
- Homeless World Cup
- Laureus Sport for Good Foundation
- Green Sports Alliance
- Athletes for Hope
- NBA Cares
- NFL's "Play 60"
- IOC Refugee Olympic Team



SPORT BRAND CSR INITIATIVES

- Nike: Equality Campaign
- Adidas: Run for the Ocean
- Puma: Forever Better
- New Balance: Climate Neutral Run
- Under Armor: Power in Pink
- Reebok: Cotton and Corn
- Asics: Earth Day Collection
- Patagonia: Worn Wear
- Vans: Foot the Bill
- Converse: Renew Collection
- Lululemon: Clean Up Day
- The North Face: Explore Fund
- Saucony: The Run for Good



OTHER SPORT CSR INITIATIVES

- Johan Cryuff Institute



- ***“You can’t do anything alone. You have to do it together.” Johan Cruyff.***

BEST PRACTICES



- ☐ Align CSR with Core Values
- ☐ Engage Stakeholders
- ☐ Set Clear Goals and Metrics
- ☐ Sustainability Practices
- ☐ Ethical Labor Practices
- ☐ Community Involvement

BEST PRACTICES #2



- ☐ Transparency and Communication
- ☐ Continuous Improvement
- ☐ Employee Engagement
- ☐ Collaborate and Partner
- ☐ Focus on Long-Term Impact
- ☐ Corporate Governance

➤ ***By integrating these practices, companies can create a meaningful CSR strategy that not only benefits society but also enhances their reputation and business performance.***

PRACTICAL CONSIDERATIONS

When implementing **Corporate Social Responsibility (CSR)**, companies must consider both the practical and strategic elements to ensure that CSR initiatives are effective, sustainable, and aligned with business goals. Here are some key practical considerations:

- *Alignment with Business Strategy*
- *Stakeholder Engagement*
- *Measurable Impact*
- *Regulatory Compliance*
- *Resource Allocation*
- *Sustainability Focus*



PRACTICAL CONSIDERATIONS #2

- *Risk Management*
- *Cultural Sensitivity*
- *Employee Engagement*
- *Partnerships and Collaboration*
- *Global vs. Local Focus*
- *Public Perception and Marketing*

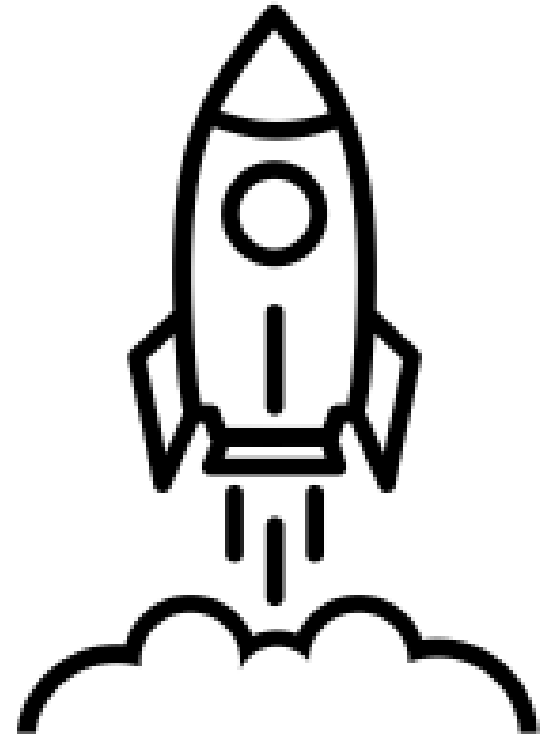


- By considering these practical aspects, companies can design CSR programs that not only contribute positively to society but also create long-term value for their business.

GETTING STARTED

Getting started with **Corporate Social Responsibility (CSR)** involves creating a strategy that aligns with your company's values, goals, and the interests of stakeholders:

1. *Understand CSR*
2. *Assess Company Values and Mission*
3. *Engage Stakeholders*
4. *Identify Key Areas of Focus*
5. *Set Clear and Measurable Goals*
6. *Create a CSR Team or Committee*
7. *Develop a CSR Strategy*
8. *Implement Initiatives*
9. *Track and Measure Progress*
10. *Communicate and Celebrate Success*
11. *Continuous Improvement*



➤ By following these steps, your company can begin a meaningful CSR journey that benefits both your business and society.

LIST OF RESOURCES

- **List of articles and readings**
- **More detailed outline and information from presentation bullet points**
- **For more information, contact:**
 - Roy Kessel, Founder, Sports Philanthropy Network
 - rkessel@sportsloop.com
 - 312-498-4653
 - Kayla Bradham, Executive Vice President, SPN
 - kbradham@sportsloop.com
 - 414-759-8986



Questions & Answers

SAVE THE DATE!

**Sports
Philanthropy
World
2024**

December 5-6, 2024

Chicago
Hosted by KPMG

**Registration and
Sponsorship
Now Open**

