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ENVIRONMENTAL SUSTAINABILITY IN FOOTBALL



POSITION PAPER

OVERVIEW

Environment must be part of the remit of the new Independent Regulator for English Football.

Financial sustainability and environmental accountability cannot be divorced in football

Concerns around the cost of environmental inaction are growing while the financial benefits of going green are increasing day-by-day

Governing bodies are failing to take the action needed



BACKGROUND

Football is a sport that transcends borders, and has the potential to mobilise communities for positive change. The UK also has a unique position in the world of football, with our professional leagues admired across the world, and with grassroots games playing a huge part in our culture. Our leagues are a model for football abroad, and our clubs are a catalyst for community business. As such, the actions that we take can have a significant impact on what others do.

The Government is about to introduce a new Independent Regulator for English Football. This represents a tipping point to both address the financial sustainability of our national game and encourage our football clubs to be proactive in tackling the climate crisis.

The Government is also committed to net zero by 2050 and the UN will be reviewing the UK's progress towards the Sustainable Development Goals in 2030. However, the latest research suggests that significant behavioural change is needed to achieve that target. Football could be a driver behind that change.

Financial sustainability of football clubs is increasingly inter-woven with environmental issues - both in terms of day-to-day operations and funding. As such, to secure the future of our national game, it would be remiss, and shortsighted, not to include the environment in the remit of the incoming regulator.

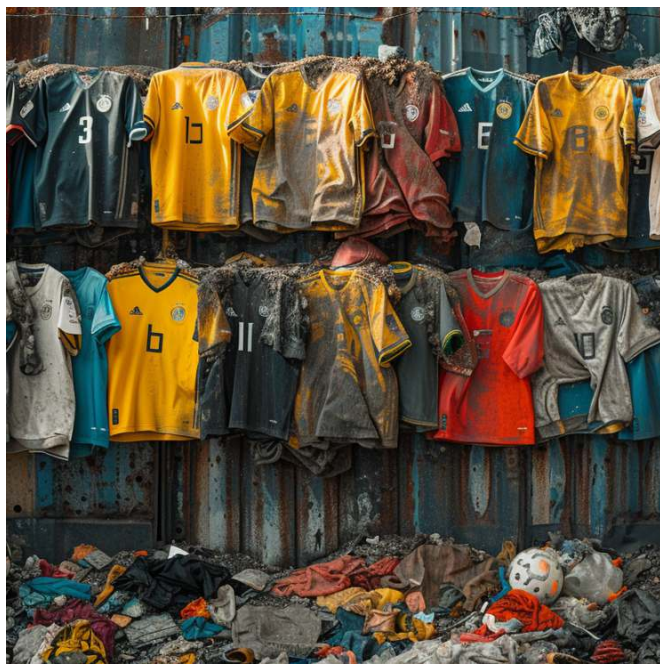
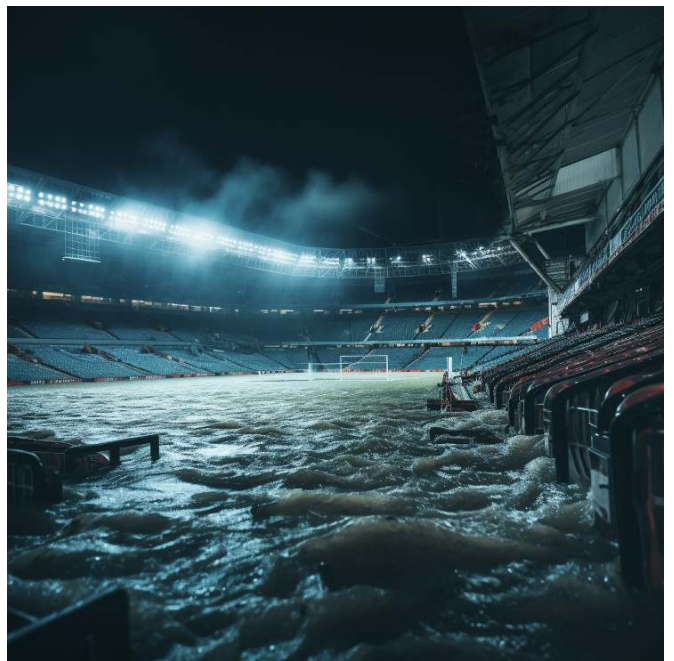
KEY STATISTICS

- By 2050, one quarter of English League football grounds will be at risk from flooding every season.
- Four in 10 professional stadiums in England are also predicted to be at risk from multiple climate hazards by 2050.
- The estimated carbon total for the English Premier League is 200,117 tonnes per year.
- In February 2022, Storms Dudley, Eunice and Franklin caused extensive damage across the football ecosystem. In Yorkshire, Tadcaster Albion AFC (who share a ground with Leeds United Women) were flooded for the seventh time in two years.
- In 2015, Carlisle United was flooded by Storm Desmond, costing the club £3 million.
- Zurich Insurance estimates that by 2050, taking all climate related threats into account (flooding, wind and storm damage) half of the current 92 league stadiums will be seriously at risk.



IMPACT OF CLIMATE CHANGE

Football is increasingly being affected by the impacts of climate change. Rising water levels threaten our most iconic stadiums, and extreme weather events disrupt fixtures and fan travel. Furthermore, rising heat levels have been shown to significantly increase the risk to players by making them more vulnerable to injury.

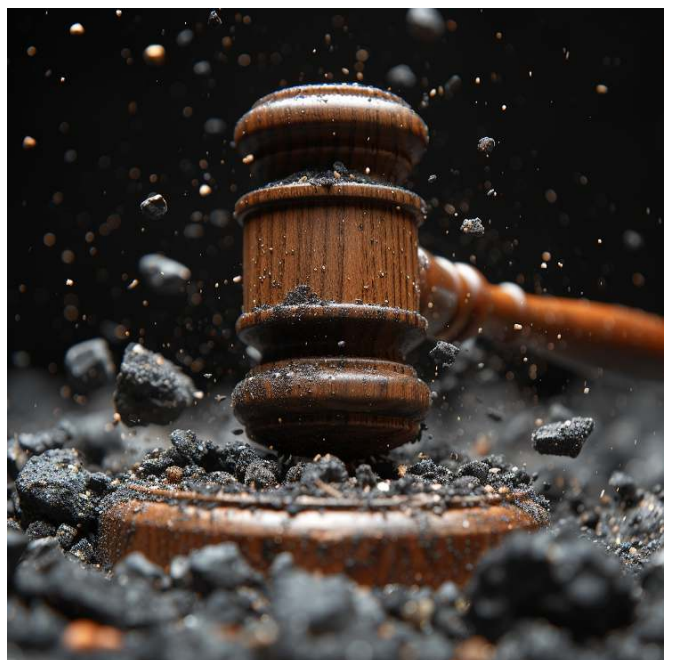


ENVIRONMENTAL RESPONSIBILITY

Football is not only a victim of climate change, but a contributor too. The football industry generates millions of tonnes of carbon dioxide emissions every year, whether this is through unsustainable travel, energy waste, catering or excessive shirt production. There is therefore a significant duty on the footballing industry to address their contribution to climate change, as well as protect themselves from it.

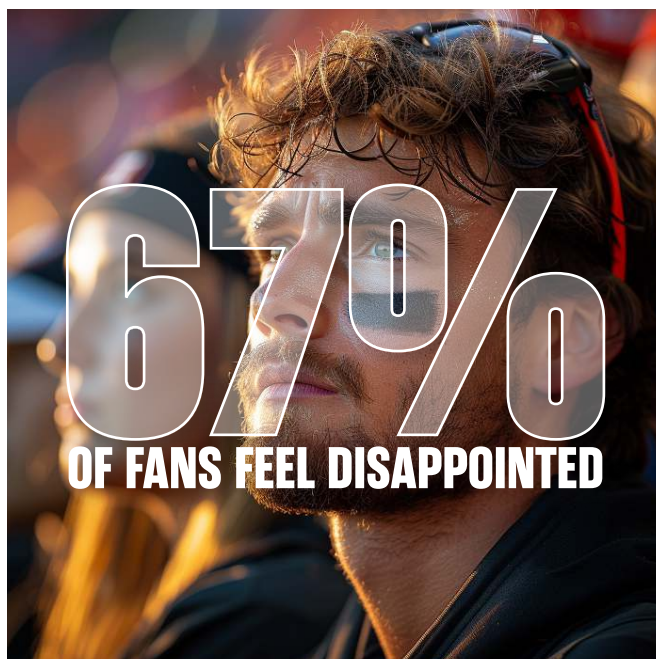
REGULATION IS THE DRIVER

More than 70% of businesses say government regulation is the most important driver for accelerating climate action. The UK is failing on environmental action in football in comparison to its European neighbours. The regulator represents an opportunity to make football in this country global leaders in tackling the climate crisis



FANS WANT FOOTBALL TO BE GREENER

The Football Supporters' Association 2023 Survey shows that only a quarter agreed their club was doing enough to cut down on the climate change impact of their activities. Also, a 2023 Capgemini survey shows that 67% of fans feel disappointed that the teams they follow are insufficiently prioritising environmental sustainability, and research by the European Football for Development Network shows over 75% of fans felt football clubs should be part of developing climate solutions.



FINANCIAL BENEFIT OF GOING GREEN

Research shows sponsors are increasingly wanting to align themselves with environmentally-conscious organisations. Research by Accenture has found companies with high ratings for ESG performance enjoyed average operating margins 3.7 times higher than those of lower ESG performers. Shareholders also received higher annual total returns to shareholders, outpacing poorer ESG performers by 2.6 times. A McKinsey Global Survey (2020) also found that 83% of C-suite executives and investment professionals believe that ESG programs will generate more shareholder value in five years' time than they do today.

OUR POSITION

We believe that there is a role for UK policymakers, governing bodies, and clubs to lead the way to a more sustainable future for football. The upcoming legislation to establish an Independent Regulator for English football is an opportune moment to showcase how we can use effective regulation to protect the future of the game.

Currently, the scope of the regulator only extends to measures that concern clubs' financial sustainability. However, financial and environmental sustainability are inherently linked. As the impact of climate change worsens, cancelled fixtures and damaged infrastructure will inevitably affect clubs' financial position. Additionally, increasingly funding opportunities are tied to environmental measures: through sponsorship and ownership, some teams are financially reliant on industries such as aviation and fossil fuel production that are not compatible with climate and environmental sustainability targets.

The UK, by law, has to be net zero by 2050, so all clubs - as businesses - will need to work to this.

Football is not able to get its own house in order due to the same fundamental barriers holding back its financial sustainability. There is a lack of environmental selfregulation by governing bodies, an absence of environmental governance in clubs, and perverse incentives leading to insufficient weight on long-term environmental goals.

Any Independent Regulator for English Football must have environmental measures as part of its mandate, otherwise it risks being redundant.



SIGNATURES



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