

adidas Group

Stakeholder Dialogue: London, 2nd July 2015

"The role of corporate sponsors in major sporting events"

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Executive Summary

Adidas Group ('adidas') commissioned DNV GL Business Assurance Services UK Limited (DNV GL) to independently facilitate a structured one day dialogue on July 2nd, 2015 in London. The participants were a selected group of external experts within the fields of business and human rights, sports, and corporate sponsorship.

The dialogue focused on exploring the role of corporate sponsors in major sporting events ('MSEs') with respect to upholding human rights and addressing the challenge of moving from principles to practice. The intention was to help adidas move the bar on the issue, both internally and externally within the corporate sponsor community.

A structured agenda was prepared by DNV GL in consultation with adidas prior to the dialogue, in order to effectively engage participants on key topics including; (1) the boundaries of corporate responsibility in sponsorship relationships with respect to upholding human rights, (2) determining where impacts occur and the responsibilities for such impacts being incurred within major sporting events, (3) human rights impacts on supply chains of major sporting events, and (4) engaging stakeholders to drive action. The original agenda for this event can be found in [Appendix 2](#) of this report.

However, during the course of the day it became clear that broader topics of conversation took precedent, in part as necessary pre-cursors to the above topics, but also in recognition of a continued lack of clarity within the business and human rights agenda overall. These issues require further engagement from all parties in order to align thinking and understand the currently diverse universe of perspectives and opinions.

With this in mind, the dialogue for the day broadly followed 3 core themes: *The role of corporate sponsorship in major sporting events (MSEs), Exploring the boundaries of responsibility on human rights, and Building Practical Action.*

The workshop discussions resulted in a set of 'key takeaways' which adidas will consider going forward. These are outlined in greater detail in the following chapters:

- We are at a point in time where we (stakeholders, including corporate sponsors) should communicate the opportunity for change with respect to upholding human rights in relation to major sporting events (MSEs)
- However, we recognise that mechanisms for change differ in the short-term and longer-terms, where opportunities to influence vary according to the point of development of a particular event/initiative/relationship
- In the longer term, the importance of having a leadership mandate in place is vital, in order to drive the human rights agenda within a business, and specifically in supporting the breaking down of organisational silos, e.g. between commercial and other parts of a business
- There is a need to translate the language of human rights into one that all parts of a business can understand, in order to break down organisational barriers and support greater understanding and collaboration towards a common goal or objective
- There is common acceptance that the UN Guiding Principles need to be translated into tangible and meaningful actions that business can understand in order to operationalise commitments to respecting human rights

- There is a need to identify opportunities for working together to collectively influence the development of the human rights agenda in countries where the State duty to protect is not upheld or enforced
- As part of developing a clearer, collective voice, the development of an independent oversight body (particularly within the context of major sporting events) would prove beneficial in holding all involved parties to account and ensuring greater transparency of practice, although some felt that rather than creating a new independent body, there should be work on enhancing existing institutions and organisations. Effort needs to be spent in identifying how a collective voice could be convened, and through which forums would this voice be most effective in catalysing change
- Longer term, consideration should be given to embedding human rights impact assessments into formal bidding processes as part of MSEs. However, there is recognition that in the shorter term, for existing contractual processes, this would not be feasible. Greater consideration should be given to identifying mechanisms which could be developed and leveraged in the shorter term.

Introduction

DNV GL Business Assurance Services UK Limited (DNV GL) was commissioned by adidas Group (referred to as 'adidas' throughout this report) to facilitate and capture key findings from a workshop held on 2nd July 2015, in London. The workshop was entitled '*The role of corporate sponsors in major sporting events*' and focused on moving from principle to practice for corporate sponsors in relation to both respecting and championing human rights in major sporting events.

Workshop attendees were a mixture of experts in the field from NGOs, academia, global corporate sponsors, sports governing bodies, corporate sponsors, as well as two adidas representatives. For a full list of attendees, see [Appendix 1](#).

Prior to the workshop, DNV GL carried out a series of short telephone interviews with a selection of attendees, to help structure the day and ensure that key issues were addressed. A report detailing adidas' current position and associated challenges was also circulated prior to the workshop (see [Appendix 3](#)).

The workshop was held under 'Chatham House Rule'. On the day, delegates were asked to introduce themselves and explain what they wanted to get out of the dialogue. A summary of these 'goals' includes:

- *Understand adidas' position and challenges faced as a global corporate sponsor with respect to upholding human rights in major sporting events*
- *Have an open discussion focused on practical action*
- *Identify better ways of meaningfully implementing the UN Guiding Principles*
- *Learn about other organisations' approach to managing human rights in major sporting events, including best practice examples*
- *Explore how sponsors, NGOs and sports governing bodies can best utilise our leverage and influence for positive change*

adidas' own goals for the event were described as to:

- *Have an open and frank discussion*
- *Move from principles to practice*
- *Focus on practical outcomes to steer adidas policy and approach*
- *Examine the questions of accountability, responsibility and influence in order to better understand the boundary conditions, with respect to human rights impacts of major sporting events*

The workshop agenda was originally split into four interlinked sessions, each starting with a short introduction from adidas before the discussion was opened to the floor. However, during the course of the morning's conversation it became clear that more time should be invested in the questions of accountability and how business and other stakeholders should align to create leverage to address human rights concerns. Thus it was agreed, by consensus, to drop the supply chain session from the dialogue

This report captures the main areas covered in each session and a list of 'key open questions for future debate'. These included questions which participants felt were of particular importance for adidas moving forward, as well as broader, strategic reflections from the day's discussion. The report was circulated in draft to all delegates, to receive their comment and feedback before finalisation.



Discussion theme 1: The role of corporate sponsorship in major sporting events (MSEs)

Introductory remarks from adidas:

- Sponsorship is a key part of adidas' business model, which includes a diverse set of sponsorship relationships, from major to local sporting events
- Sponsorship is also an important mechanism for engaging with consumers
- There is huge competitiveness about attractive sponsorship around the world, and as a global player in the marketplace, adidas needs to manage the effectiveness of these relationships well.

Key points raised by workshop participants are summarised below:

- This is a timely moment to be having a conversation about the role of corporate sponsors in promoting and upholding human rights
- Sponsorship relationships are challenging for corporate sponsors because they vary so much between events and between organisers; it's not a 'one size fits all' approach. As such, this makes it challenging to introduce standardised processes, such as supplier due diligence, into pre-contractual discussions
- Conversely, sports governing bodies also have difficulty in engaging with the relevant sustainability functions within corporate sponsors because the sponsorship relationship is managed by commercial teams
- Participants acknowledged that there is still inconsistency in the current corporate approach to understanding and managing human rights, however, this is evolving
- The timing of sponsorship relationships, in addition to functional ownership of the relationship within a company, are challenges in driving change:
 - Corporate sponsors sign up at varying stages (often quite late). However, for the Olympics (for example) it is rare for a corporate sponsor to come on-board less than 2 years prior to the event because corporate sponsors have activation programmes which require significant time ahead of the event itself
 - During the LONDON 2012 Olympics, the London Organising Committee of the Olympic and Paralympic Games (LOCOG) called for sponsors to voluntarily disclose the location of supplier factories, which some did, including adidas. The barrier to greater disclosure was believed to come from the commercial teams within some of the corporate sponsors.
 - LONDON 2012 was the first major sporting event to introduce a complaints mechanism, and make it available to all parties including suppliers
- Corporate sponsors will come into major sporting events with different objectives (to their activation), and these aren't always aligned with the objectives of sustainability or human rights teams. Therefore, due diligence processes that are run ahead of contracting between corporate sponsors and sports organising bodies need to be more effective

- There is recognition that major sporting events can foster social change, and therefore there is an opportunity to harness this through effective collaboration between sports governing bodies, corporate sponsors, NGO, etc.
- Global corporate sponsors are often seen as being ahead of other organisations in terms of corporate responsibility and performance, including on issues such as supply chain management, and as such they have a leadership role to play in driving positive change within major sporting events
- The role of effective leadership should not be underestimated and can be a significant driver of change. Corporate sponsors, sports governing bodies and host states should hold one another to greater account and not feel fearful to do so
- There is a difference between major sporting events in developed versus developing markets, and therefore a different approach is needed which takes into account cultural variance
- The International Olympic Committee (IOC) will publish new host contract outlines on 15th September 2015, for events planned from 2024 onwards. These contracts will be required to include explicit consideration for human rights and bribery & corruption
- There is a challenge because the human rights implications of decisions made some time ago need to be dealt with today, examples discussed were existing planned events such as the 2022 FIFA World Cup in Qatar and the 2022 Winter Olympics which has been given to Beijing over Almaty. It will be important to approach any discussion on existing planned events in a structured way which can account for the complexities of the situation. This means that we must fully understand the situation in the host country, corporate sponsorship relationships and dynamics, attitude of fans, athletes, etc.
- Participants acknowledged the need to understand the competitive and pre-competitive aspects and their associated behaviours
 - The challenge of the UN Guiding Principles on Business and Human Rights is to create a baseline in the pre-competitive period, particularly in respect to supporting the development of effective and transferable due diligence mechanisms for all major parties involved in major sporting events
 - There is a need to break the existing structure in order to create a transparent pre-competitive space, which promotes a culture of 'knowing and showing' as well as effective due diligence. Such a development would require a move from multi-stakeholder dialogue to multi-stakeholder governance (collective governance)
 - The Institute for Human Rights and Business, for example, is pushing for an independent oversight body specifically for major sporting events, to potentially be based in Switzerland
 - There are few mechanisms in place to transfer knowledge between events, sporting bodies, etc. It would be interesting to understand what a pre-competitive space might look like for sports governing bodies, if they talked to one another more. There are reasons that knowledge is not being transferred. Some participants asked whether it was because of a lack of trust or more because they have limited bandwidth to engage beyond their traditional remit? Barriers were however identified arising from the

perceived difficulty in transferring knowledge gained from one country setting, to another and the role of suitable international standards was discussed.

- There is a need to enlarge the pre-competitive space

It means moving from multi-stakeholder dialogue to multi-stakeholder governance.
-Participant

We are masters of our own destiny, but not in conditions of our own making.
-Participant

- Participants acknowledged the challenge of defining and understanding the boundaries of responsibility for all involved parties, including corporate sponsors, with one participant calling out the challenge associated with dealing with multi-stakeholder relationships which involve managing different stakeholder interests, stating “*We are masters of our own destiny, but not in conditions of our own making*”
- The pre-competitive space should be about an articulation of the values associated with a particular major sporting event and its organisers, e.g. LONDON 2012’s sustainability position
- The types of corporate sponsors looking to engage will vary dramatically depending on the values expressed in the pre-competitive space, associated with the particular major sporting event and organising bodies. Sponsors will differentiate themselves based on the articulation of values
- In addition to understanding the boundaries of responsibility for all parties involved in major sporting events, there is a need to understand the boundaries of tolerance as well, e.g. the risk of abuse and violation of human rights
- Participants closed the session acknowledging that a fundamental factor in driving positive change is developing consensus within companies on how they approach and manage issues such as human rights. Until this happens, there will continue to be fragmented and disconnected approaches and responses to the business and human rights agenda.

Discussion theme 2: Exploring the boundaries of responsibility on human rights

Introductory remarks from adidas:

- adidas is grappling with the causality element of the UN Guiding Principles on Business and Human Rights, and in understanding the boundaries and requirements of that responsibility, posing the question *"If we're not directly causing an impact, what do we need to do within the context of a major sporting event?"*
- adidas is currently working on understanding and defining its 'salient' (or 'most important') human rights risks, as part of its commitment to embedding the UN Guiding Principles
- A critical area for corporate sponsors is to understand how they can effectively apply leverage - within the sponsorship relationship - with sports governing bodies and host governments
- Within adidas, human rights impact assessments take place as procedural practice, primarily as part of the company's supply chain management (rather than on a project specific basis). adidas would like to better understand whether there is an opportunity to develop greater rigour in the development and delivery of impact assessments for defined events
- adidas saw the reality of the challenge and conflict faced in the run-up to the Beijing Olympics where political interests, event organiser objectives, local community concerns, sponsorship objectives and other stakeholders' divergent interests all competed and clashed
- adidas went into that sponsorship relationship expecting to be faced with issues relating to factory working conditions, and had readied itself for increased factory inspections, but instead was faced with challenges on issues relating to freedom for Tibet and China's role in the Darfur conflict
- In response, adidas invited other corporate sponsors to form a Beijing based working group to discuss human rights issues. However, this did not prove overly successful, largely because the local staff attending meetings were not sufficiently empowered to reach consensus on an approach.
- adidas posed the question to the group *-'how hands-on do you need to be and how involved should adidas be?'*

Key points raised by workshop participants are summarised below:

- The UN Working Group on Business and Human Rights is an opportunity to bring together political institutions and corporate leaders to address the challenges of implementing the UN Guiding Principles

- It is important to acknowledge that implementation of the Guiding Principles cannot be achieved in one movement; it's a step-by-step approach. For companies' stakeholders, recognising this journey is typically sufficient to allow companies the space to continue making progress on this
- The UN Annual Forum on Business and Human Rights is a great opportunity to share learning and challenges faced by business in implementing the Guiding Principles
- A CEO mandate (effective top-down leadership) is important in order to drive implementation of the Guiding Principles within a company
- However, in doing so translating the language of human rights into the language of business is critical. E.g. *what do we mean by human rights?* At present, the greatest understanding of human rights is around labour rights, so, how can other areas of human rights raise their profile?
- The UN Guiding Principles aren't useful in addressing the most significant accountability gap; the role of the State in protecting human rights. Therefore, how can all actors collectively influence the approach of the State in upholding these rights?
- It is challenging for business to respect human rights when operating in environments where they are not protected (by the State). There is a need to openly acknowledge the collective responsibility of all parties in protecting and respecting human rights
- A participant encouraged all corporate sponsors to come together to collectively raise this issue within the context of major sporting events. Ultimately, it was felt that this is about a governance gap, and as such, corporate sponsors need to explore their role in being able to support and leverage the positive management of human rights
- However, one participant acknowledged that there is no natural synergy between corporate sponsors of major sporting events, given that naturally sponsors tend to be from a collection of non-competing sectors, in addition to the fact that corporate sponsors cannot choose who other sponsors will be. This divergence in sponsorship organisations makes it difficult for companies to find common ground and shared objectives or values

How can you create change during an event, which can be maintained post-event?

-Participant

- Participants proposed developing sector-wide human rights impact assessments (HRIA) as part of the bidding criteria of major sporting events.. Such HRIAs would come before any corporate sponsor-specific impact assessments are undertaken
- It was noted that FIFA incorporated bid criteria relating to environmental performance into the 2018 and 2022 bidding process, but that human rights-specific considerations will not come into play until 2026
- Participants acknowledged that it is easier for sports organising bodies and corporate sponsors alike to incorporate environmental requirements into bidding and contracting processes, due to it being an easier area to measure, thanks to internationally accepted protocols, etc. Human rights will prove much more challenging

- Finding common ground is important to bring together corporate sponsors. For example, LOCOG developed a [Food Vision](#), which sought to commit all corporate sponsors of the Games to deliver on a higher standard of food quality. Whilst the Food Vision wasn't an explicit element of the bidding process for corporate sponsorship, companies got involved because they identified with a common threat relating to sustainable food production and consumption
- Participants acknowledged that wider societal impact and positive change are being looked at as part of the current Olympic review process through [Olympic Agenda 2020](#), which is seeking to identify the strategic roadmap for the future of the Olympic movement
- Agenda 2020 plans have been publicised and made available for comment to all stakeholders, in order to seek input. However, it was acknowledged that the public comment period was not a systematic process, and as such has been challenging, with different working groups focusing on specific areas without a clear common approach and objectives
- Reflecting on the future of international sporting events, participants acknowledged the need for leadership amongst sports organising bodies, such as FIFA and the IOC, to convene the rights voices (including corporate sponsors) to drive a positive agenda going forward
- For existing planned events, such as the FIFA World Cups in Qatar (2022) and Russia (2018), some participants reiterated the point that it must be about recognising the tolerance of risk of corporate sponsors to those particular operating environments where human rights aren't being upheld

It's not enough to say "We don't tolerate it" but continue with the relationship.

-Participant

- Some participants felt strongly that corporate sponsors need to decide whether they will work collectively to address human rights issues relating to specific major sporting events or remove themselves from the event. However, it was noted that if a major corporate sponsor walks away from an event, there are many, potentially less responsible sponsors ready to fill their shoes
- It was recognised that corporate sponsors don't have uniform leverage across different operating environments and markets, but in areas where leverage does exist, it should be used. For example, participants agreed that the attention surrounding FIFA's decision to host the 2022 World Cup in Qatar is providing opportunities to influence the host government to bring about positive change with respect to labour rights reforms
- A report by the International Commission of Jurists, entitled "[Corporate Complicity and Legal Accountability](#)" may be a useful reference reading for corporate sponsors
- An important consideration for global corporate sponsors in their roles and relationships with sports organising bodies and in particular, host governments, is the impact of any action against host governments, post-event
- In acknowledging the importance of education in driving positive change in-country, the role of social media in mobilising public opinion and voice in host countries should not be underestimated. However, cultural variance and sensitivities can play a significant role in how the public voice is expressed, as adidas has seen in China

- Leverage points in major sporting events and host-countries vary significantly depending on the event, country and a company's presence on the ground. In identifying the point of maximum leverage for corporate sponsors, there is recognition that opportunities for leverage differ depending on the timescale of the relationship. For example, corporate sponsors have an opportunity to leverage at the point of contract signing. However, if you are a corporate partner, for example for the FIFA World Cup, this leverage is constant because of the long-term nature of the relationship. Understanding the dynamics of the relationship is important in order to help determine when and how best to use leverage as a corporate sponsor
- Using corporate leverage should not only be focused on application at a global level, but corporate sponsors should use their leverage on local levels as well, by engaging with national sport organisations (these are important for the decisions of the international federation, too), local networks, suppliers, etc. In order to ensure a balanced and holistic consideration of critical issues and opinions, both global and local perspectives need to be included in any conversation
- Participants highlighted that it is easier for corporate sponsors to engage with host governments or sports governing bodies on a particular, focused intent, e.g. worker rights, as opposed to a more general human rights position
- There is a challenge in that because some states are not upholding their responsibility to protect human rights, as outlined in the UN Guiding Principles, business is expected to 'pick up the slack' from government. However, at some point, these two elements will have to come together, especially within the context of major sporting events
- Where multi-stakeholder initiatives (MSIs) have been effective in coming together to drive change or champion causes, it has been because of a shared understanding of risk or shared sector-position, e.g. in the apparel sector. Without this common ground, it is difficult for companies to come together and act.

Discussion theme 3: Building practical action

In the final session, the discussion moved from a general exploration of the issues, to identifying practical actions to drive change. The session began with a recap of the morning's discussion:

- Questions explored:
 - *How do we get a leadership mandate (to break down corporate silos)?*
 - *How can we translate human rights and the UN Guiding Principles into a language that the whole business can understand?*
 - *How do we convene a collective voice which is inclusive of host governments?*
 - *Recognising that they are different, what does the short-term vs long-term look like in terms of building a response?*
 - *Is there a role for an independent body to oversee major sporting events?*
- Participants reflected on the key attributes of an independent, oversight body which included;
 - Creating a safe space, independence from all actors, be a continuously present organisation (allowing for continuous scrutiny and review), strong governance and stakeholder engagement, employ evidence-based reporting, etc
- However, fundamental questions were raised around accountability and consideration for cultural/country variance. To whom would an international body be accountable? Would it be a consortium for example of IOC/FIFA and others? How would it internationalise its approach, given huge difference in country contexts?
- Some participants felt that rather than creating a new independent body, we must work on enhancing existing institutions and organisations
- One participant identified [SportAccord](#) as the nearest form of organisation enabling corporate sponsors and organising bodies to come together to discuss shared issues, although not necessarily meeting the test of 'independent'
- It was acknowledged that limited cross-organisation communication takes place, e.g. FIFA does speak to the IOC. This is an ad-hoc process which and not formalised.

Key points raised by workshop participants are summarised below:

- UNICEF is currently in the process of supporting the drafting of bid conditions for the Commonwealth Games which looks at risk reduction and social opportunities as requirements of bid submissions. There will be a meeting later in the year with the Institute of Human Rights and Business to identify practical tools to help organisations in contracting as part of major sporting events
- The World Sports Forum is in the process of being revitalised, and as part of this, topics such as human rights are being looked at. However, this will not happen until 2017

- FIFA is looking at publicising bid documents online for FIFA 2026 World Cup onwards. ISO 20121:2012 (on event sustainability management systems) was used for the LONDON 2012 Olympics and has been a significant reference point
- The Institute for Human Rights and Business and Caux Roundtable has put together a public consultation draft on a human rights policy for the [Tokyo 2020 Olympic Games](#)
- It is proposed, although yet to be confirmed, that the next regional meeting of the UN Working Group will be in Qatar, with the purpose of establishing a clear understanding of what can be done within the boundaries of the current FIFA host contract ahead of the 2022 World Cup.
- Encouraged by the possibility of bringing together a larger group voice, participants proposed convening a larger group discussion, to continue the dialogue. Participants agreed that holding a side-event prior to the next UN Annual Forum on Business and Human Rights in November 2015 might be a timely opportunity to hold this meeting, and this would provide sufficient time to prepare (their company) leadership, early in order to brief them for the discussion, framing the conversation around the UN Guiding Principles

"We need to work on enhancing existing institutions rather than investing new ones.

-Participant

- Participants were also encouraged to participate in the reinvigorated World Sports Forum, as an alternative platform
- **Russia World Cup 2018:**
 - Within the boundaries of existing contracts for major sporting events, participants explored what the boundaries of responsibility should be and how far a corporate sponsor or sports governing body could go in leveraging its influence
 - FIFA is currently looking at non-discrimination education amongst youth in Russia, as part of ongoing efforts to build understanding and provide education initiatives around the upcoming World Cup. FIFA is trying to work with club level football organisations in Russia to help promote education and change mind-sets
 - FIFA is also working at a national level with Russia to try and promote education around broader issues, but getting them to acknowledge that there's a problem is in itself a challenge
 - It was noted that former athlete, Colin Jackson, has put together a proposal seeking corporate sponsors to directly sponsor or champion LGBT national athletes, as a way of promoting greater acceptance
 - Security at the World Cup is an issue, with there being no guarantee of people's protection, particularly those suffering LGBT or racial discrimination
 - The power of communications around the issue of disability ahead of LONDON 2012 was very strong, suggesting that there is a place where sponsors and broadcasters can come together to create impactful communications messages. This is also an opportunity ahead of the Russian FIFA World Cup.

There's a role for corporate sponsors in supporting capacity building in national federations, through the support and provision of basic skills.

-Participant

Reflections

- **There remains a continued lack of clarity on application of the UN Guiding Principles**
 - Participants noted that the UN Guiding Principles need to be better articulated, and in order to do so, actors should come together to highlight good practice and provide greater guidance to support others on their journey
 - Recognising that some actors have greater knowledge and experience than others in implementing the UN Guiding Principles, participants noted an opportunity for global actors such as corporate sponsors to support the development agenda. They can help to promote broader uptake by providing more practical knowledge and learning to others, such as smaller corporate sponsors, supply chain partners, and local actors, e.g. sporting federations, state agencies, etc
- **There is a clear need to speak the same language**
 - Participants unanimously acknowledged the importance and challenge of getting internal buy-in, hampered by the different languages of business, i.e. corporate departments not understanding accepted terminology used by Human Rights professionals. Recognising this challenge, participants from both business and sporting bodies expressed a continued commitment to exploring how best to approach finding a common language and securing buy-in
- **Divergent interests will continue to hamper collective progress**
 - Some participants highlighted the challenge associated with getting the relevant actors to the table to drive collective action, made more difficult by the different drivers and approaches taken by different sports governing bodies and corporate sponsors. Until a common goal can be identified and agreed, real sustainable action will continue to prove very challenging
- **Capacity building of national sporting federations should be promoted**
 - Some participants identified the opportunity for corporate sponsors to support capacity building within national sporting federations, through the provision of basic skills and competencies which could support the upholding of human rights
- **Identify short-term vs long-term action**
 - Participants unanimously acknowledged the need for both short-term and longer-term action, and that in defining such action, consideration must be given to the prioritisation of action and the realities of what can be done and by when. This was considered particularly important given the multi-stakeholder nature of mega sporting events, including engagement with international organising groups and host governments
- **Use learning from other activation models**
 - Some participants proposed using existing activation models to learn from, as part of the development process when building practical action in the corporate sponsorship of MSEs. [*Sport as a Tool for Development and Peace*](#) (United Nations, 2012) was cited as one such model.

- **Everyone has a role to play**

- Participants collectively acknowledged that in order for progress in this area to be achieved, all actors, irrespective of size or degree of involvement in a major sporting event have a role to play in promoting and upholding human rights
- Recognising this role, participants committed to continue to take action following this dialogue, through direct follow-up, further discussions, outreach and shared learning.

Appendix 1: Participant List

Name	Organisation
John Morrison	Executive Director, Institute for Human Rights and Business
Lucy Amis	Research Fellow, Institute for Human Rights and Business
Shaun McCarthy	Former Chair, Commission for a Sustainable London 2012
Phil Bloomer	Executive Director, Business and Human Rights Resource Centre
Peter Frankental	Economic Relations Programme Director, Amnesty International (UK)
Federico Addiechi	Head of Sustainability, Fédération Internationale de Football Association (FIFA)
Madleen Noreisch	Sustainability Programme Manager, Fédération Internationale de Football Association (FIFA)
Dan Rees	Project Director - Better Work, International Labour Organization (ILO)
Robbert de Kock	Secretary General, World Federation of Sporting Goods Industries
Cindy Sawyer	Director Work Environment and Workplace Rights, The Coca-Cola Company
Sylvia Schenck	Head of Working Group – Corruption in Sports, Transparency International Germany
Liz Twyford	Sports Programmes Specialist , UNICEF (UK)
Dr Michael Addo	Senior Lecturer at the University of Exeter (UK) currently member of the UN Working Group on Business and Human Rights
Frank Henke	Vice President , Global Social & Environmental Affairs, adidas Group
Bill Anderson	Vice President, Social & Environmental Affairs Asia Pacific & EMEA, adidas Group
Mark Line	Senior Principal Consultant, DNV GL (Facilitator)
Anna Turrell	Senior Consultant, DNV GL (Rapporteur)

Invited but unable to attend the event:

- Frank Dassler – President, World Federation of Sporting Goods Industries



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- Marc-Ivar Magnus - Corporate Responsibility and Trade Manager, World Federation of Sporting Goods Industries
- Monika Kemperle - Assistant General Secretary, Industrial Global Union
- Stephen Russell - Policy Officer, Trade Union Congress
- Representative of International Olympic Committee

Appendix 2: Draft Agenda

Approx timing	Session	Overview
<i>Welcome tea and coffee from 8.30am</i>		
9.00 am	Introduction from – Mark Line, DNV GL – independent facilitator	<ul style="list-style-type: none"> • Welcome to event • Facilitator’s role • Round of introductions • Structure for the day
9.15 am	Welcome remarks - William Anderson, VP Social & Environmental Affairs, adidas AG	<ul style="list-style-type: none"> • Why adidas wanted to hold this event now • The role of corporate sponsors in MSEs • Desired outcome from today’s dialogue
9.30 am	<u>Discussion theme 1</u> What should the boundaries of corporate responsibility be, with respect to upholding responsible business practices, in sponsorship relationships?	<ul style="list-style-type: none"> • Introductory remarks from adidas <p>Example questions:</p> <ul style="list-style-type: none"> • <i>What forms of sponsorship are we talking about?</i> • <i>What is the nature of contractual sponsorship relationships/partnerships in MSEs today?</i> • <i>What are the implications of being in a contractual relationship where ethical challenges are involved?</i> • <i>What are stakeholders’ expectations of corporate sponsors?</i> • <i>Where and how should sponsors, apply influence?</i> • <i>How can we better define the social responsibilities of all parties involved in MSEs, and how can we best hold each other to account?</i>
10.45am	<i>Coffee Break</i>	

Approx. timing	Session	Overview
11.00 am	<p><u>Discussion theme 2</u></p> <p>How are the lines of accountability, responsibility and influence drawn, when it comes to the human rights impacts of major sporting events?</p>	<ul style="list-style-type: none"> • Introductory remarks from adidas <p><i>Example questions:</i></p> <ul style="list-style-type: none"> • <i>How are the lines of accountability, responsibility and influence drawn, when it comes to the human rights impacts of MSEs?</i> • <i>The UN Guiding Principles outline the steps business should take in order to demonstrate 'respect', but how can we best take this framework and apply it in practice (within the context of MSEs)?</i> • <i>How can we build on recent/current experiences around human rights impacts of major sporting events?</i> • <i>Where are these lessons helping to drive progress on the journey from Beijing and London and beyond?</i> • <i>How should adidas build on its involvement in major sporting events and incorporate that learning into its approach to corporate sponsorship of MSEs?</i> • <i>Can corporate sponsors effectively leverage their roles to drive change, and if so how can they best achieve this?</i>
12.15 pm	<i>Lunch</i>	
1.15 pm	<p><u>Discussion theme 3</u></p> <p>Human rights impacts on supply chains around major sporting events</p>	<p>Introductory remarks from adidas</p> <p><i>Example questions:</i></p> <ul style="list-style-type: none"> • <i>How can partners in major sporting events align their processes with requirements of the event organisers (and learn from instances where they are not)?</i> • <i>The greatest focus to date has been upon labour standards - what material influence can the corporate sponsors have on wider human rights issues at supplier factories? Within MSE organisations?</i> • <i>What lessons can be learnt from previous sporting events, such as Beijing 2008, London 2012 and the FIFA 2014 World Cup?</i> • <i>How far can adidas go in terms of demanding best practice from its suppliers and 'raising the bar' with its peers?</i>

Approx. timing	Session	Overview
2.30 pm	<p><u>Discussion item 4</u></p> <p>Engaging and involving different stakeholders in the debate to drive progress</p>	<ul style="list-style-type: none"> • Introductory remarks from adidas <p><i>Example questions:</i></p> <ul style="list-style-type: none"> • <i>What is the best way to engage different stakeholders in the debate (from delegates' own perspective and wider perspective)?</i> • <i>How can adidas demonstrate leadership in its sector and beyond, through its role as a global corporate sponsor?</i> • <i>Is it adidas' role to actively influence and lobby governments, sport governing bodies and other stakeholders on key issues relating to major sporting events?</i>
3.30 pm	Any Open Questions?	<ul style="list-style-type: none"> • How can this conversation continue after today?
4.00 pm	Wrap up/close	<ul style="list-style-type: none"> • Summary of key outcomes from the workshop and next steps
4.30pm	Closing tea & coffee	

Appendix 3: Pre-meeting briefing materials - Paper 1

adidas Group Briefing Paper: Stakeholder Dialogue: 'Human Rights Impact of Major Sporting Events and the Role of Sponsors', 2015

Introduction

Sport matters. It matters to the dedicated athlete who is trying to be the best he can be. It matters to fans all over the world as they follow their team. And it matters to us, because it lies at the heart of our business.

Sport's values of performance, passion, integrity and diversity are the adidas Group's values. They drive our efforts to be a sustainable company, one that recognises we have responsibilities towards the environment, our employees and the people who make our products.

Acting responsibly is not without its challenges. It demands that we know, and show, how we are managing the broader impacts of our business.

For more than a decade we have been hosting stakeholder dialogues to gain insights and understanding of what matters to our stakeholders. This year we have invited participants from academia, non-governmental organisations, UN agencies, and sports bodies to discuss *The Human Rights Impacts of Major Sporting Events - the Role of Sponsors*.

Why this topic, and why now?

Human Rights Due Diligence

When the *UN Guiding Principles (UNGP) on Business and Human Rights* were published in 2011 we made a public commitment to uphold those principles and the corresponding requirements in the revised *OECD Guidelines for Multinational Corporations*.

In order to gauge human rights risks, the UNGP calls on business enterprises to identify and assess any actual or potential adverse human rights impacts with which they may be involved, either directly, or as a result of their business relationships. To properly assess risk, enterprises must utilise human rights expertise, as well as regular and meaningful consultation with potentially affected groups and other relevant stakeholders.

In 2013-14 we conducted a high level human rights risk mapping exercise of our business operations. The risk mapping forms part of our general human rights due diligence approach, which includes annual country risk appraisals, a third party complaints mechanism and associated remedial processes. The mapping exercise highlighted a number of potential risk areas, where more focused attention would be warranted. The human rights impacts arising out of our involvement in and sponsorship of major sporting events was one such area.

The current dialogue is a direct outcome of the adidas Group's internal human rights risk assessment process.

Sponsorships

Sponsorship can take many forms.

Major sports partnerships often combine payments for the licensing of rights (use of logos, etc.), with the supply of sports equipment and uniforms for event officials or volunteers. Some sponsorship may extend to the provision of services, such as training courses for coaches, referees, and sports medicine.

Typically, sponsorships involve fixed-term multi-year agreements, which are competitively bid. For the majority of international sporting bodies, sponsorships are not tied to specific event locations, the selection of which rest with the organizing authority.

adidas Group holds several long standing partnerships that follow this model, for example with the Fédération Internationale de Football Association (FIFA), the Union of European Football Associations (UEFA) and the Confederation of African Football (CAF).

We are the sponsors of many national football teams and several leagues around the world, including the Bundesliga, and have produced the footballs used in the UEFA Champions League matches and FIFA World Cup tournaments since 1970.

We have been sponsors of National Olympic Committee team wear for many different countries over the years – recent examples include Britain, France and Germany. We have also acted as local sponsors for international Olympic events, including the recent summer games in London in 2012 and the 2008 Beijing Olympics. We are not, however, sponsors of the 2016 Olympics in Rio, nor are we sponsoring the Tokyo Games in 2020.

We have been the official sponsor for the Boston Marathon since 1988.

Building a Legacy of Positive Action

We have a long history of involvement with major sporting events, stretching back to 1936 when adidas Group's founder, Adi Dassler, supplied Jesse Owen with spiked running shoes for the Berlin Olympics. Indeed for the past 70 years our focus as a sporting goods company has never wavered: we remain 100% committed to the performance of the individual athlete or team.

However, in recent decades our engagement as a business has moved beyond the playing field, to include the social, ethical and environmental dimensions of sports.

The following are key milestones in our ongoing efforts to build a legacy of positive action around major sporting events.

**adidas Group Sustainability
Report 2008**



<http://sustainabilityreport.adidas-group.com/en/SER2008/>

**adidas Group Sustainability
Report 2009**



<http://sustainabilityreport.adidas-group.com/en/SER2009/>

**adidas Group Sustainability
Report 2012**



<http://sustainabilityreport.adidas-group.com/SER2012/>

Appendix 3: Pre-meeting briefing materials - Paper 2



Striving for Excellence: Mega-Sporting Events and Human Rights

Institute for Human Rights and Business, 2013

Link: http://www.ihrb.org/pdf/2013-10-21_IHRB_Mega-Sporting-Events-Paper_Web.pdf

Appendix 3: Pre-meeting briefing materials - Paper 3



www.business-humanrights.org

**Business & Human Rights
Resource Centre**

An independent non-profit
international organisation

Summary Report on Major Sporting Events and Business & Human Rights

This brief snapshot of concerns around major sporting events and the role of business is prepared by [Business & Human Rights Resource Centre](http://www.business-humanrights.org), June 2015. Each sub-heading is also a hyperlink to the relevant section on our website for those who want further information.

[Qatar – World Cup 2022](#)

In May 2015, construction companies working to build facilities and expand infrastructure for the 2022 World Cup in Qatar were asked to analyse their human rights responsibilities by responding to questions regarding the scope of their operations, direct hiring and subcontracting practices, health and safety, conditions of employment and recruitment processes, freedom of association, accessibility of grievance mechanisms, public engagement to promote compliance, and to describe challenges faced while trying to fulfil these responsibilities.

Four companies responded: [Aktor](#), [Bouygues](#), [Carillion](#) and [Vinci](#). The responses highlight initiatives to respect the human rights of their workers, for example, through issuance of ID cards and health permits, direct engagement with the Qatari government about their employment practices, granting necessary exit permits, providing offers of employment in languages comprehensible to each employee, and ensuring this process continues when work is subcontracted. Consolidated Contracting Company, Habtoor Leighton, Midmac, Porr and WCT Holdings declined to respond. The following companies have not yet responded and we continue to encourage them to do so: Al-Jaber, Arabtec, Bin Omran Trading and Contracting, China Harbour Engineering Company, Consortium Joannou & Paraskevides Ltd, Daewoo E&C, FCC, HBK, Hyundai, Larsen & Toubro, Obayashi, Salini Impregilo, Yapi Merkezi Insaat. This effort is part of what we envisage will be continued engagement of construction companies by NGOs, investors, the media, and others in the build up to the Qatar World Cup.

[FIFA Questionnaire](#)

FIFA has been the subject of intense scrutiny and criticism as workers responsible for infrastructure supporting their events are subject to alleged human rights abuses, and host governments are alleged to stifle freedom of expression and other rights. Sponsorship is one important piece that allows FIFA to hold these events. In May 2015, FIFA sponsors adidas, Coca-Cola, Visa, Hyundai Kia Motor, McDonald's, Gazprom, and Budweiser were contacted and asked specific questions about their company's commitment to human rights as well as FIFA's lack of explicit commitment to human rights. Though no company responded to the questions directly, adidas provided a general statement and affirmed their commitment to worker's rights; Coca-Cola also provided a general statement and claimed that there is a continual dialogue with FIFA to mitigate human rights risks and recognized a

Summary Report on Major Sporting Events and Business & Human Rights

Business and Human Rights Resource Centre, 2015

Link: www.business-humanrights.org