

# RETAIL ESG TRANSCRIPT

This is an era of profound disruption for retail businesses

... a time of rebirth

We have reached a tipping point in our planet

Scientists warn that we have less than 3,500

days to put a stop to the climate crisis

While our planet was already hurting, we were struck by a virus that has brought ongoing waves of turmoil and uncertainty

Society itself reached a tipping point in enduring social injustices...and we are standing up against inequality and systemic racism

During these unprecedented times, more has changed than what has stayed the same

Major vulnerabilities in the supply chain were quickly revealed, making clear that under-resourced supply chains can no longer be the standard

People expect traceability and transparency from responsible retailers

Customers—and retail employees—expect leaders to understand that profitability and purpose are not mutually exclusive

We have entered a time in which environmental, social and governance factors must be integrated into every department and business unit

And retail is in a unique position to lead the way. But how can companies begin to rebuild and restore with the resilience necessary, to weather the tectonic shifts ahead?

This change starts with commitment

Leaders across all sectors of retail are thinking about ESG not as a problem to solve, but as the solution.

They have committed to making changes in operations, products, services, culture, and the entire supply chain.

Honouring these commitments is a starting point, but there is more to be done.

These seven strategies will help retailers to connect profit and sustainability across the business.

**First, determine whether your organization is inclusive and diverse.** Brands and retailers need to safeguard against discrimination and racial bias and demonstrate equitable wages and fair working conditions. Workforces today must be able to dynamically adapt to changing global and local conditions and carry out business, whether in person or virtual work environments.

**Determine the strengths, opportunities, weaknesses and threats** that can support you or stand in your way to operate sustainably and profitably.

A zero-based approach can help you spend smarter on “should costs” and identify ways to free up cash for growth initiatives and lower-impact operations.

Agility, resilience and a modular flexibility that allows an on-demand reshaping of the network, will become necessary for a future-proofed operation. Analytics has become key to teasing outgrowth from mature retail models while calculating the ESG implications.

Data is what drives the powerful analytics and insights that will help brands and companies identify new products, decipher patterns, and learn how to better serve customers and improve their operation.



Powering these strategies, retail will serve as a model for demonstrating the successful integration of ESG practices into every discipline of our businesses. We will prove that by reducing our environmental and social impacts, we can innovate our companies, drive operational excellence and grow the bottom line. We've been hoping for a change. Now, it's our turn to make it.

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