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# Sustainable Energy for All: Opportunities for the Retail Industry



## Acknowledgements

The findings presented in this document are the result of research, interviews, and focus groups conducted in support of the development of the *Sustainable Energy for All* Initiative by the UN Global Compact and Accenture. More than 70 companies across 19 industries—primarily UN Global Compact LEAD companies and Caring for Climate Signatories—contributed to these findings.

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# Preface

In support of the United Nations Secretary General's *Sustainable Energy for All* initiative, the United Nations Global Compact and Accenture have teamed to identify the most important actions the private sector can take across nineteen different industries to advance the primary objectives of the initiative while simultaneously driving business value.

This body of work includes an introductory report that discusses the relationship between the initiative and the private sector in a broad sense, as well as 19 individual "Industry Opportunity" documents. In total, the objective is to provide guidance and to inspire companies across all industries to take action in pursuit of sustainable energy and benefits for their own companies.

This document provides an analysis of the opportunities *Sustainable Energy for All* presents to the retail industry. It identifies specific priority actions retail companies can take to advance the three objectives of the initiative—energy access, energy efficiency, and renewable energy—while also driving increased business value.

The priority actions identified for each industry are aligned to the vision and objectives of the *Sustainable Energy for All* Initiative. They span multiple modes of engagement—operations, products & services, social investment and philanthropy, and advocacy and public policy engagement—and represent four different ways that businesses can create value: revenue growth, cost reduction, brand enhancement, and risk management.

As UN Secretary General Ban Ki-Moon wrote prior to the 2012 World Future Energy Summit, "Energy transforms lives, businesses and economies....

To succeed, we need everyone at the table—governments, the private sector, and civil society—all working together to accomplish what none can do alone....

The obstacles are not so much technical as human. We need to raise sustainable energy to the top of the global agenda and focus our attention, ingenuity, resources, and investments to make it a reality."

Addressing the world's energy needs is a way to advance society and also to advance sustainable value creation for the retail industry—while balancing positive economic, environmental, and social gains across the globe.

## About the Retail Industry

The global retail industry drives a significant amount of revenue – the top 250 global retailers recorded aggregate sales of \$3.94 trillion in 2010.<sup>1</sup> Industry performance serves as a major indicator of economic health, especially in developed countries. Retailers are the link between producer and consumer, and consist of companies that sell merchandise directly to customers, usually without any change to the product. Retailers sell a wide variety of goods, including apparel, furniture, electronics and appliances, building materials, food and beverages, personal care items, and sporting goods. Some retailers can be categorized as "big-box" retailers. These companies have established supercenters that sell merchandise across many industries. Their stores are designed to attract large quantities of walk-in customers and serve as a central location for shopping needs. Most retailers sell goods meant for personal and household consumption, but some also serve businesses and institutional clients.<sup>2</sup>

# Summary

The ambitious objectives of the United Nations *Sustainable Energy for All* initiative will require commitment and vigorous action from the private sector to drive investment, increase innovation in products and services, and increase operational efficiencies. The retail industry has opportunities to both contribute to the broader social goals of the initiative and to realize enhanced business value in the areas of revenue growth, cost reduction, brand enhancement, and risk management.

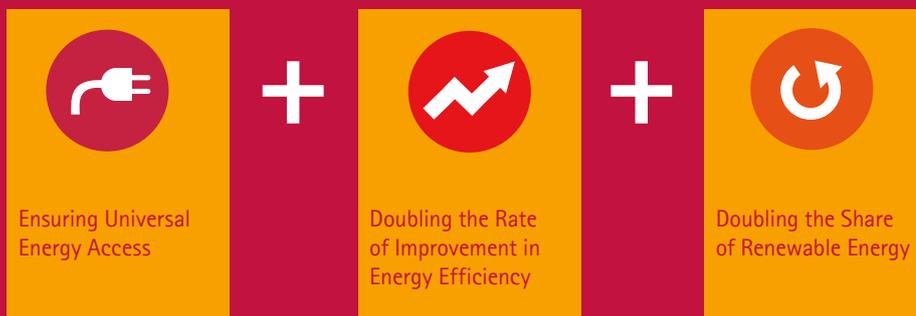
Retailers primarily consume energy in three main categories of operations: stores, distribution centers, and transportation. Additionally, many sell high volumes of energy-intensive products, such as electronics and appliances. Retailers have opportunities across all of these areas to improve operational and consumer energy efficiency and drive an increase in the use of renewable energy while creating new business value.

To reduce energy consumption in stores, distribution centers, and transportation operations, retailers can target energy

intensive areas such as lighting and heating, ventilation and air conditioning systems. Adding renewable energy sources to power operations diversifies the energy portfolio, minimizing risk by hedging against potential rising energy prices and tightening greenhouse gas regulations. Additionally, Accenture research demonstrates that adopting a more sustainable product mix can drive revenue growth by capturing the growing market segment that lives a "lifestyle of health and sustainability."<sup>3</sup>

By taking a broader approach to value creation, we can better understand the priority actions available to the retail industry for advancing the objectives of *Sustainable Energy for All* while benefiting the industry as a whole. For retailers to advance their business opportunities related to energy efficiency and renewable energy, the industry should focus on five priority actions—mapped to the business value levers, objectives, and engagement modalities of *Sustainable Energy for All*:

Priority Industry Actions	Business Value Levers	Objectives	Engagement Modalities
Increase energy efficiency of operations.	<ul style="list-style-type: none"> <li>• Cost Reduction</li> <li>• Brand Enhancement</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Core Business: Operations</li> </ul>
Utilize renewable energy to power operations.	<ul style="list-style-type: none"> <li>• Brand Enhancement</li> <li>• Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>• Renewable Energy</li> </ul>	<ul style="list-style-type: none"> <li>• Core Business: Operations</li> </ul>
Increase the portfolio of energy efficient products.	<ul style="list-style-type: none"> <li>• Revenue Growth</li> <li>• Brand Enhancement</li> <li>• Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Efficiency</li> <li>• Renewable Energy</li> </ul>	<ul style="list-style-type: none"> <li>• Core Business: Products and Services</li> <li>• Advocacy &amp; Public Policy Engagement</li> </ul>
Work with suppliers to increase supply chain energy efficiency.	<ul style="list-style-type: none"> <li>• Cost Reduction</li> <li>• Risk Management</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Core Business: Operations</li> </ul>
Reduce packaging and packaging waste.	<ul style="list-style-type: none"> <li>• Cost Reduction</li> <li>• Brand Enhancement</li> </ul>	<ul style="list-style-type: none"> <li>• Energy Efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Core Business: Operations</li> <li>• Core Business: Products and Services</li> </ul>



## What Is *Sustainable Energy for All*?

Under the leadership of Secretary-General Ban Ki-moon, the United Nations is mobilizing key constituencies from the private sector, public sector, and civil society in a major global initiative, *Sustainable Energy for All*. The goal of the initiative is to catalyze action around three clear objectives to be achieved by 2030:

- Energy access: Ensuring universal access to modern energy services.
- Energy efficiency: Doubling the global rate of improvement in energy efficiency.
- Renewable Energy: Doubling the share of renewable energy in the global energy mix.

The *Sustainable Energy for All* initiative strives to mobilize bold actions and large-scale investments by fostering the enabling conditions for success, supporting cooperation and coordination across sectors, and tapping into a broad array of businesses and financiers. The initiative has the capacity to leverage a rapidly expanding knowledge network, disseminate

ideas, and monitor progress toward the initiative's objectives. It can "change the terms of engagement" by introducing new public-private partnerships based on synergies across relevant sectors of the economy and engendering constructive dialogue on policy, investment, and market development by governments, businesses, and civil society.

*Sustainable Energy for All* provides a clearly articulated global vision for sustainable energy and brings together the unparalleled global convening power and reach of the United Nations, which will help build consensus, drive a common agenda, and coordinate the actions of multiple entities at both the global level and the national levels, helping all entities work toward shared and mutually beneficial goals. *Sustainable Energy for All* brings together all relevant stakeholders in the sustainable energy area—the public sector, private sector, and civil society—on a common and open platform for communication and collaboration.

For more comprehensive information about *Sustainable Energy for All*, please go to: <http://www.sustainableenergyforall.org/>

# The Importance of Sustainable Energy to the Retail Industry

## Case Study: Innovation in the Retail Industry

As a consumer driven industry, retailers are under increasing pressure to integrate sustainability into their business models. In the effort to keep pace with these demands, innovation is a natural byproduct, and lies at the core of winning new customers while retaining current ones. An example of current innovation trends in the industry include:

- Store design – Fiber optic day lighting, cool roofing
- Supplier Management – Comprehensive supplier scorecards and sourcing policy
- Packaging – Efficient design and plastic elimination

Groundbreaking innovation in these categories, as well as many others, can set retailers apart from competitors. They can affect change across multiple industries through their broad network of suppliers and customers, advancing the goals of *Sustainable Energy for All* both upstream and downstream.

## Significant Energy Demand at Physical Retail Locations

To comprehend the importance of sustainable energy to their industry, retailers should evaluate energy costs across their operations. The retail industry consumes energy across three primary categories: stores, distribution centers, and transportation. The physical retail locations account for a large percentage of a retailer's energy consumption. In a typical 50,000 square foot retail building, a retailer's lighting and heating, ventilation and air conditioning alone account for 75 percent of total energy use.<sup>4</sup> In some retail supercenters and grocery stores, consumption breakdowns can vary due to refrigeration systems, which act as another major electricity user. It is also important to note that, although 50,000 square feet represents average retail store size, "big-box" and electronic retailers often build stores in excess of 100,000 square feet, further increasing both energy consumption and costs. On average, a retail store in a developed economy consumes 14.3 kWh per square foot and spends approximately \$1.47 per square foot on energy, depending on the price of energy.<sup>5</sup>

## Products in Motion – the Energy Intensity of Distribution and Transportation

As merchandise for retail moves through the supply chain it typically goes from producer or manufacturer to storage in a distribution warehouse for eventual transport to retail stores. Distribution warehouses are particularly important for online retailers; these companies often manage a very large number of diverse, individual items. Warehouses use significant amounts of energy in a variety of ways. They share a number of similar energy characteristics with the stores themselves, such as lighting and heating, ventilation and air conditioning, but they also house unique equipment that consumes power as well. Much of this equipment centers on the movement of goods around the warehouse, such as conveyor belts, forklifts, and compactors. Electric motors are critical to the equipment used to run distribution warehouses, and account for about 65 percent of industrial electrical use.<sup>6</sup> According to a study conducted by Carnegie Mellon University, retail distribution centers can consume 1 kWh of electricity per item shipped and 0.2 MJ of gas per item.<sup>7</sup>

After the merchandise is shipped, retailers transport it to a vast network of stores to make products available to consumers for purchase. Energy consumed from product transport is a function of distance traveled, weight of the cargo, and the mode of transport. This transport often uses significant amounts of energy in terms of fuel, and represents a great opportunity for potential cost savings and risk management related to fuel consumption.

## The Business Opportunity Presented by *Sustainable Energy for All*

In taking actions to advance the three objectives of *Sustainable Energy for All*, the extent of this unprecedented, rapid change will provide companies with new opportunities to drive sustainable business value in a manner that aligns to their core strategies. To seize these opportunities, there are four engagement modalities companies can address as they implement the identified priority actions:

1. Core Business – Operations: Businesses can transform their operations through increased energy efficiency and the use of renewable energy alternatives.
2. Core Business – Products and Services: Businesses can innovate and modify their core products and services to meet the

new and developing market demands for more energy efficient products, sustainable energy, and the infrastructure needed to extend energy access around the world.

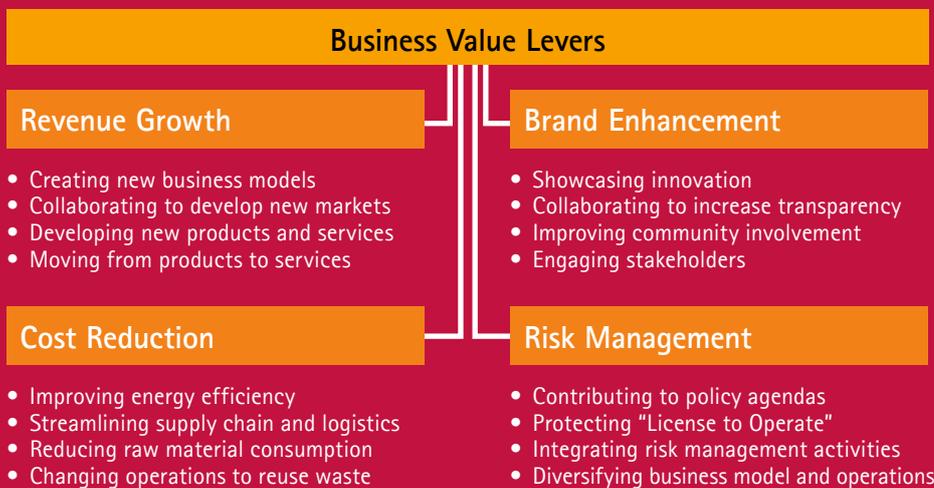
3. Social Investment and Philanthropy: Businesses can identify ways to establish a strategic link between social investments and their core strategies to increase the likelihood that such activities will be sustained and able to reach scale.
4. Advocacy and Public Policy Engagement: Businesses can seek to engage governments (national, regional, or local) on relevant issues that protect competitiveness and drive opportunities, while working toward the objectives of *Sustainable Energy for All*.

*Sustainable Energy for All* provides a platform to address global financial, social, and environmental concerns associated with energy. Ultimately, in working toward the achievement of the three objectives of the initiative—energy

access, energy efficiency, and increased use of renewables—businesses also have significant opportunities to drive sustainable value. Especially important are four value levers related to revenue growth, cost reduction, brand enhancement, and risk management.

## Which Actions Will Your Company Take to Drive Value?

The particular actions a company chooses to drive business value depend on a range of factors: its unique attributes and energy characteristics; its business model, corporate strategy and consumer base; and external factors such as level of regulation and economic context. Each of the priority actions in this document is aligned to one or more of the four business value levers described here.



## Sustainable Energy as a Value Driver for the Retail Industry

Retailers have significant opportunities to drive business value while advancing the objectives of the initiative. Companies can reduce excessive energy consumption in their stores, distribution centers, and transportation operations. Targeting energy intensive areas such as lighting and heating, ventilation and air conditioning systems will yield the greatest energy savings. Adding renewable energy sources to power operations diversifies the energy portfolio, minimizing risk by hedging against rising energy prices and tightening greenhouse gas regulations. Accenture research demonstrates that adopting a more sustainable product mix can drive revenue growth by capturing the growing "lifestyle of health and sustainability" market segment. This market segment has demonstrated the willingness to pay a premium for these products, representing a \$500 billion global opportunity.<sup>8</sup> Increasing this product mix not only drives top line revenue growth, but also can enhance brand value of the retailer and product itself.

### Retail Stores and Distribution Facilities—Energy Savings and the Low-hanging Fruit

Improvements to retail store facilities begin with a detailed understanding of how and where energy is currently being used. Building automation systems can display energy use information as well as automatically adjust temperature settings and alarms, and identify energy savings areas. One discount retailer says that its energy management system saved \$20 million annually, reduced consumption by 22 percent per store, and realized a return on investment in 18 months.<sup>9</sup> The majority of savings came from automated adjustments in lighting and heating, ventilation and air conditioning systems.

### Deriving Value from Natural Light

Other retailers have taken unique measures such as using natural lighting to reduce energy costs and increase sales revenues. Photo controls can automatically detect the presence of natural daylight, saving between \$0.24 per square foot to \$0.66 per square foot.<sup>10</sup> While this may seem small, some major retailers have saved approximately 250 million kWh a year from day lighting.<sup>11</sup> Not only does it act as a cost-saving measure, but studies demonstrate that it can also increase top line revenue growth through increased sales and can improve employee productivity. According to a study by the National Renewable Energy Laboratory, one retailer set up a test store where one half was naturally lit while the other half continued to use artificial lighting; the store estimated an increase of 15 percent to 20 percent in sales in the naturally lit areas.<sup>12</sup>

### Powering Retail Stores with Renewable Energy

In addition to investments in on-site renewable generation, Renewable Energy Certificates can be bought and sold like any other commodity, and represent a fixed quantity of energy generated from renewable sources. While no major retailer has been able to directly generate 100 percent of its local energy from renewable sources, it can purchase Renewable Energy Certificates that certify that they are paying for the generation of a certain amount of renewable energy. One leading apparel retailer has purchased the equivalent of its total annual energy consumption of over 1.5 billion kWh in Renewable Energy Certificates.<sup>13</sup>

# Priority Actions for the Retail Industry

The following section provides detail on five priority actions the retail industry can take to become more energy efficient and advance their business opportunities in the sustainable energy market:

1. Increase energy efficiency of operations
2. Utilize renewable energy to power operations.
3. Increase the portfolio of energy efficient products.
4. Work with suppliers to increase supply chain energy efficiency.
5. Reduce packaging and packaging waste.

## 1. Increase energy efficiency of operations.

Retailers can improve the energy efficiency of their operations in a number of ways, but the greatest cost savings come from lighting and heating, ventilation and air conditioning retrofits. As stated earlier, retailers can consider the financial benefits of upgrading their lighting systems to energy efficient fixtures, employing methods such as motion sensor activated lighting. Replacing T12 florescent lamps with more efficient T8's and T5's can reduce energy consumption and cost. A supermarket's distribution center saved 9 percent on energy costs just by replacing its outdated T12 fluorescent fixtures.<sup>14</sup> With regards to heating, ventilation and air conditioning, retailers can upgrade facilities with an energy management system that can automatically regulate temperatures and detect faulty machinery. Overheating and overcooling of spaces is very energy intensive – a change of a few degrees when people are not occupying a space can yield significant savings. Additionally, upgrading specialty

equipment like refrigeration systems to energy efficient models can produce further savings.

In conjunction with retrofitting existing stores to be more energy efficient, integrating design efficiency into new retail stores will ensure lower operational costs from energy savings. As stated previously, incorporating day lighting into store design can drive business value through reduced lighting costs and increased sales from natural lighting.<sup>15</sup> However, it is important to perform a day lighting analysis to verify that the store design captures an optimal amount of natural light. Innovative solutions such as fiber optic bundles that direct natural light into the store without windows can help hedge against some of the pitfalls of natural lighting. On cloudy days, the system can adjust its artificial lighting to confirm that brightness levels remain consistent for consumers during for every shopping experience. Please refer to the case study to learn more about day lighting innovations that are helping retailers achieve energy savings.

Cool roofs are another example of how design efficiency can yield energy savings. Most roofs are black and do not reflect light very well. Instead, they absorb the light and have the potential to rise significantly above ambient temperatures. Cool roofs have much higher solar reflectance ratings and can reduce roof temperatures by up to 100 degrees Fahrenheit.<sup>18</sup> This can drive business value by eliminating excessive air conditioning costs and reduce expenditures by up to 15%.<sup>19</sup>

### Case Study: Technology innovation to drive savings and improve shopper experiences

Sunlight Direct uses a hybrid solar lighting system that captures sunlight during the day and directs it into buildings through fiber optic cable bundles. At maximum brightness, it can deliver up to 25,000 peak lumens. It also employs an adaptable system that varies with the sun's intensity, so when the sun sets, the system can automatically increase the levels of the artificial light. The technology can significantly reduce overall lighting costs, which can account for about 37% of energy costs in an average retail building.<sup>16,17</sup> Equally as important, it reaps the top line benefits of day lighting while maintaining quality.

## 2. Utilize renewable energy to power operations and facilities.

In addition to energy efficiency measures, retailers can invest in renewable energy to enhance their brand value and to mitigate the risks of rising energy prices. Many global retailers are already investing in renewable energy and have goals in place to use 100% of renewable energy to power their operations. Wal-Mart, for example, has signed an agreement with Duke Energy to purchase 15% of their energy from a wind farm.<sup>20</sup> They have been able to lock in a long-term fixed rate for the wind power.

While some companies are investing in wind energy, others are taking advantage of the significant roof space at retail locations to install solar power systems. Ikea, a Scandinavian big-box retailer with global operations, has taken action to protect against energy price increases by installing solar panels on many of its stores and piloting the use of wind and

geothermal power at some locations. Some of the company's solar investments have allowed them to sell power back to the grid, advantages which they have combined with tax incentives and solar renewable energy credits to lower operational costs.<sup>21</sup>

Renewable Energy Certificates are another way retailers can support the increased deployment of renewable energy. They represent a certain quantity of energy produced through a renewable energy source. The certificates have market value and can be sold to companies who want to offset their fossil-fuel based energy use. For example, if a retailer is unable to install solar panels or wind turbines, they can choose to fund a portion of their electricity usage through these certificates. When a large volume of credits are purchased, it can have a developmental effect by providing sufficient demand and capital required for additional renewable generation capacity in the local of the facility.

### 3. Increase the portfolio of energy efficient products.

Some retailers, such as those in the electronics business, have a particularly strong opportunity to influence the market for energy efficient products. By increasing the number of energy efficient products sold in stores, retailers can increase revenues by capturing a portion of the \$500 billion a year "lifestyle of health and sustainability" market segment. Examples of these products include:

- Energy efficient electronics and appliances: Retailers should continue to increase the number of energy efficient products they sell, such as washing machines, dryers, dishwashers, refrigerators, laptops, cameras and televisions. In Singapore, the National Environment Agency (NEA) gathered 16 retailers to increase the percentage of energy efficient items in their product mix. At one of these retailers, Best Denki, energy efficient models comprise at least 50% of all models across every category set by the NEA. Ten of the sixteen retailers have also seen increased sales across multiple energy efficient categories such as air conditioners and refrigerators.<sup>22</sup>
- Home energy management: Going beyond setback thermostats, retailers can work with home automation companies to develop networked energy management systems that allow residents to see actual energy use of connected devices and control their operation to save energy and reduce peak loads. These services could be bundled with other options including home security and entertainment as a comprehensive utility load management program to provide greater total value to the customer.

- Electric transportation: Retailers can work with local utilities to provide charging facilities for plug-in electric vehicles. Walgreens is piloting the use of stations in some Florida locations and intends on installing them in 800 locations across the nation. These stations will cost \$2.49/hour to consumers, a price that falls in between home charging stations and traditional gasoline.<sup>23</sup> One electronics retailer is even piloting the sale of rechargeable electric bicycles at some locations.<sup>24</sup>

Retailers have a unique opportunity to use their locations to educate consumers on the benefits of energy efficient electronics and services. They can promote these products and services and help consumers buy these products by offering discounts, layaway and financing options.

#### 4. Work with suppliers to increase supply chain energy efficiency.

Retailers must gain a holistic and comprehensive perspective of energy consumption along the entire supply chain to maximize the value realization opportunities from energy efficiency initiatives. Savings from energy efficient supply chains can transfer cost reductions from manufacturer to retailer and finally to the consumer. Energy efficiency may not only require the retrofit of a retailer's own facilities and operational processes, but also a commitment from suppliers. There are several incentives and strategies to help engage and align suppliers with the retailer's energy efficiency objectives. They fall into two main categories: supplier management and corporate strategy and governance.

Retailers have opportunities to innovate when it comes to supplier management and corporate strategy. Creating supplier scorecards and selection criteria can promote higher energy efficiency downstream. These scorecards can help guide manufacturers on acceptable materials in the products sold and how to dispose of and reclaim materials when products are recycled. Additionally, teaming with suppliers to use a centralized technology infrastructure can facilitate the tracking of energy consumption throughout the entire supply chain, providing transparency to suppliers, retailers, and consumers.

Wal-Mart has demonstrated thought leadership in the creation of supplier scorecards. Wal-Mart's supplier scorecard contains 15 category specific questions for 100 major categories. They divide questions into energy and climate, material efficiency, natural resources, and labor practices. Large retailers like Wal-Mart work with over 100,000 suppliers, and consequently exert a strong influence on supplier energy efficiency and sustainable business practices.<sup>25</sup>

Supplier Management	Corporate Strategy and Governance
<ul style="list-style-type: none"> <li>- Develop guidelines and codes of conduct around energy efficiency (e.g., contractual obligations, targets, scorecards, etc.).</li> <li>- Embed energy efficiency metrics within supplier selection criteria.</li> <li>- Include energy use objectives in contractual agreements and consider deselecting suppliers that do not meet expectations.</li> <li>- Consider rewarding suppliers who are willing to align to your company's energy management strategy (e.g., giving them preferred vendor status).</li> <li>- Support suppliers in tracking energy consumption of operations/production through supplier training and outreach.</li> <li>- Deploy a centralized technology infrastructure to support energy management data collection and reporting objectives.</li> </ul>	<ul style="list-style-type: none"> <li>- Link supply chain energy management goals to the procurement function's performance.</li> <li>- Train procurement staff on energy efficiency.</li> <li>- Align with suppliers on meaningful goals and objectives, with regular touch points to monitor progress, especially with suppliers not meeting expectations.</li> <li>- Develop a holistic communication strategy by communicating energy use and management to all suppliers.</li> </ul>

#### 5. Reduce packaging and packaging waste.

The retail industry receives goods from suppliers in packaging that is often discarded or used for only a short period of time. In addition, products are sold to end consumers in packaging that is often disposed of once the product is purchased. Retailers can work with their suppliers to reduce packaging and packaging waste, as the benefits of these reductions can have significant energy saving implications, in addition to reducing environmental impact. Efficient packaging translates to lower transportation energy costs, primarily due to lower shipping weight and more products per pallet. Minimal packaging also means fewer raw materials are used and less waste disposal from an operational perspective.

A few strategies retailers can consider to reduce packaging include: developing slimmer, lighter packaging that uses less material; increasing recycled content in packaging material; replacing polyvinyl chloride and polyethylene terephthalate (plastic) packaging components with more sustainable options; right-sizing boxes used to ship an item; reusing shipping containers; and recycling discarded materials.<sup>26</sup> Online retailer Amazon.com has partnered with suppliers to launch a "Frustration Free Packaging" initiative. Not only does the initiative make packages easy to open, but it completely eliminates all plastic in the design and replaces it with recyclable cardboard. The company expects the packaging reductions and simplifications to boost consumer satisfaction and improve the bottom line.<sup>27</sup>

## Conclusion

The priority actions identified in this document are meant to provide guidance and inspire retailers to take action to advance the three objectives of the *Sustainable Energy for All* initiative while simultaneously maximizing their realized business value. It is vital that the private sector be fully engaged and committed to successfully achieve the initiative's ambitious objectives. With the right level of support, coordination, and action the power of industry can be unleashed to confirm universal energy access, dramatically improve the energy efficiency of business operations, increase the use of renewable energy, and develop more sustainable products and services. Actions focused on achieving the desired outcomes of *Sustainable Energy for All* will drive significant positive societal change in addition to economic growth and opportunity.

By using the action areas as a frame of reference, retailers have the opportunity to drive business value through all four levers. Incorporating a sustainable product mix will capture revenues from the fast-growing sustainably focused

consumer segment, as well as enhance brand value and build customer loyalty. In addition to capitalizing on the upside benefits of sustainable energy initiatives and products, retailers can manage the downside threats to their business. Renewable energy sources can not only enhance brand value, but reduce long-term risks associated future regulatory burden and resource constraints. Energy efficiency improvements in stores, distribution, and transportation can drive down operational costs. The sum of these actions will make retailers more competitive now and in the future.

For retailers to advance their business opportunities related to energy efficiency and renewable energy, the industry should focus on the five priority actions detailed in this document. By focusing on these actions, the retail industry will be able to maximize its contribution to *Sustainable Energy for All*, increase business value, and help ensure a sustainable future based on a balanced approach to improving social, environmental, and economic benefits for all.

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27. Accenture – “The Sustainable Supply Chain: Creating Value through Sustainable Packaging”



### About the United Nations Global Compact

The United Nations Global Compact is a call to companies everywhere to: (1) voluntarily align their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anticorruption and (2) take actions in support of UN goals, including the Millennium Development Goals. By doing so, business can help ensure that markets advance in ways that benefit economies and societies everywhere. Endorsed by chief executives, the UN Global Compact is a leadership platform for the development, implementation, and disclosure of responsible corporate policies and practices. Launched in 2000, it is the largest corporate responsibility initiative in the world—with over 7,000 signatories based in more than 135 countries, and Local Networks existing or emerging in 90 countries. More information: [www.unglobalcompact.org](http://www.unglobalcompact.org).

### About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 249,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$25.5 billion for the fiscal year ended Aug. 31, 2011. Its home page is [www.accenture.com](http://www.accenture.com).

### About Accenture Sustainability Services

Accenture Sustainability Services helps organizations achieve substantial improvement in performance and value for their stakeholders. We help clients leverage their assets and capabilities to drive innovation and profitable growth while striving for a positive economic, environmental and social impact. We work with clients across industries and geographies to integrate sustainability approaches into their business strategies, operating models and critical processes. Our holistic approach encompasses strategy, design and execution to increase revenue, reduce cost, manage risk and enhance brand, reputation and intangible assets. We also help clients develop deep insights on sustainability issues based on our ongoing investments in research, including recent studies on consumer expectations and global executive opinion on corporate sustainability and climate change.

Find out more at [www.accenture.com/sustainability](http://www.accenture.com/sustainability)

### Contact us

The United Nations Global Compact and Accenture encourage leadership from all industries around the world to engage with the *Sustainable Energy for All* initiative. To do so, please contact:

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In support of 'Sustainable Energy for All'



SUSTAINABLE  
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