

# IDEAS FOR COLLABORATING WITH THE SUSTAINABILITY TEAM

## WHAT RETAIL INDUSTRY INVESTOR RELATIONS PROFESSIONALS SHOULD KNOW

To help retail industry investor relations (IR) professionals understand how to interact with energy and sustainability colleagues, RILA and HIP Investor conducted research including interviews with retailers and investment firms about their roles and environmental, social and governance (ESG) investment criteria.

### SIX IDEAS FOR IMPROVING YOUR RELATIONSHIP WITH YOUR SUSTAINABILITY TEAM:

#### 1. FOSTER ESG COMMUNICATION

Internal colleagues in sustainability, energy, responsible sourcing and other departments spend every day addressing key ESG-related issues. Scheduling periodic check-ins or having a process for flagging potential issues may demonstrate a proactive risk mitigation strategy to investors.



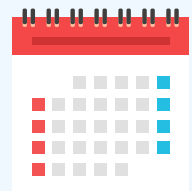
#### 2. KNOW YOUR ESG TEAMMATES

ESG-related functions may report to any number of departments. They manage and communicate the organization's sustainability and corporate responsibility strategies, projects and implementation tactics. They often already produce annual reports that can inform responses to ESG scorecards and present opportunities for integrated reporting.



#### 3. SHARE IR'S CALENDAR

If key ESG-related teams internally know when you're most likely to need information, they can start the process in advance and anticipate questions that may arise.

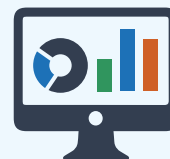




# RETAIL INDUSTRY LEADERS ASSOCIATION

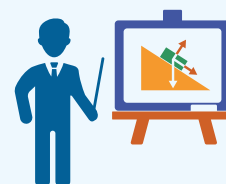
## 4. COLLABORATE ON ESG AND FINANCE METRICS

Consider asking your major investors to tell you their expectations regarding ESG reporting and communicate those expectations to internal ESG-related teams. Collaborating on reported metrics can streamline reporting practices, decreasing the internal cost of reporting, and increasing alignment with investor demand.



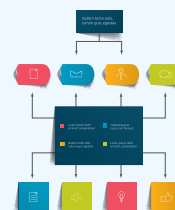
## 5. EDUCATE YOUR TEAMMATES

When other business units understand ESG integration techniques for modeling the possible improvements to future cash flow (FCF) or weighted-average cost of capital (WACC), they can provide you with more targeted information. With increased education, business units will submit more accurate numbers, building trust between both parties.



## 6. ESTABLISH AN ESG INFORMATION PROCESS

Communicate the appropriate level of information detail in the right format for responding to investor inquiries. Track past examples and trends around particular topics. You may want to establish an ESG "scorecard" of material metrics to report and track transparent performance with ongoing accountability, much like some companies do for financial performance.



Access even more retail finance resources at [www.rila.org/energy](http://www.rila.org/energy).



This resource was completed with support from the Department of Energy's Office of Energy Efficiency and Renewable Energy and the Better Buildings Initiative to highlight innovative proven energy solutions from market leaders in the Retail sector. Find more ideas at the Better Buildings Solution Center at [betterbuildingssolutioncenter.energy.gov](http://betterbuildingssolutioncenter.energy.gov)

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