



Food & Staples Retailing

Driving forces

As a result of the intense competition for market share, the food & staples retailing industry has consolidated over the past few years, maintaining a high level of M&A activity. Retailers with expanded offerings of private label or store brands have benefited from higher margins. In addition, the sector has had to expand and adapt product offerings to suit the more health-conscious consumer as the health and wellness movement evolves from niche trend to mainstream retailers. As international sourcing of food and ingredients remains high, food retailers need to further improve the efficiency and transparency of their supply chains. Furthermore, investments in data analysis and IT systems will be necessary for retailers in order to analyze consumer trends more closely and control working capital more efficiently. The expiration of drug patents will continue to generate revenue and growth as drug retailers (also included within the sector) are able to provide consumers with generic alternatives to name brand blockbusters. Drug retailers and consumers alike have already enjoyed significant cost savings with the availability of a wave of generic drugs. Moreover as the debate over the high cost and inadequate access to healthcare rages, the convenience offered by retail outlets and in-store clinics provides an ideal solution for affordable, basic health care.

Highlighted criteria

- Economic Dimension**
 - Customer Relationship Management
 - Health & Nutrition
 - Supply Chain Management
- Environmental Dimension**
 - Operational Eco-Efficiency
 - Packaging
 - Raw Material Sourcing
- Social Dimension**
 - Human Capital Development
 - Occupational Health and Safety
 - Talent Attraction & Retention

Sustainability leaders 2018

RobecoSAM Gold Class	
METRO AG	Germany
RobecoSAM Silver Class	
Wesfarmers Ltd	Australia
RobecoSAM Bronze Class	
Carrefour SA	France
Kesko OYJ*	Finland
Koninklijke Ahold Delhaize NV	Netherlands
Seven & i Holdings Co Ltd	Japan
Sustainability Yearbook Members	
Aeon Co Ltd	Japan
Casino Guichard Perrachon SA	France
CVS Health Corp	United States

* RobecoSAM Industry Mover

Industry statistics

Number of companies in universe	65
Number of companies assessed by RobecoSAM in 2017	48
Assessed companies to total companies in universe (%)	74
Market capitalization of assessed companies to total market capitalization (%)	90

Results at industry level

Dimension	Average score	Best score	Dimension weight
Economic	50	81	39%
Environmental	42	88	31%
Social	41	76	30%

Total score

