

ESG IN MANUFACTURING & DISTRIBUTION

Driving stakeholder value with ESG

Providing clients with the tailored guidance and resources they need to compete domestically and internationally

ESG programs for manufacturing and distribution (M&D)

In today's world, **environmental, social, and governance (ESG)** is a core pillar of value creation for organizations of all sizes. Due to an evolving set of expectations from stakeholders and pending regulatory requirements, ESG is no longer a discussion—it's a necessity.

ESG issues specific to M&D

Every industry has different driving forces behind the development of ESG Programs. The following issues are material to the M&D industry:



1. Employee retention and attraction:

Over 70% of manufacturers state that attracting a quality workforce is their biggest challenge. With more than half of employees claiming they won't work for a company that does not have strong social or environmental commitments, investing in an ESG program is a defense against the **Great Resignation**¹.



2. Operational efficiency:

Manufacturers are beginning to realize how sustainability efforts can support operations and business outcomes, including operational efficiency and cost reduction benefits by reducing water, waste, and energy use.



3. Supply chain:

Organizations are implementing sustainable procurement criteria into their supplier chain management and codes of conduct outlining guidelines with respect to greenhouse gas emissions (footprints and strategies for reduction), responsible sourcing, human rights, other environmental initiatives, and regulatory compliance.






4. Regulation:

Upcoming regulation will require public companies to disclose and report on their Scope 1, 2, and 3 greenhouse gas emissions. This will put pressure on the entire supply chain to map out their carbon footprint.

How BDO's sustainability services can help

Our ESG specialists and services can support you regardless of where you are in your sustainability journey.

Strategy 	Implement and optimize 			Measure 
<p>ESG strategy and program development (full and light).</p> <p>Climate change strategy and risk.</p>	<p>Technology innovation and transformation.</p>	<p>Technology enablement.</p> <p>Program implementation and management.</p> <p>ESG technology selection and system implementation.</p> <p>Process risks and controls implementation.</p> <p>GHG emission and carbon management.</p>	<p>Social performance measurement.</p> <p>Governance performance management.</p> <p>Supply chain risk and traceability management.</p> <p>Sustainable finance.</p> <p>M&A sustainable finance: M&A ESG due diligence, ESG investment portfolio, integration, and impact assessment.</p>	<p>ESG target setting.</p> <p>ESG reporting.</p> <p>ESG assurance.</p> <p>Third-party assurance.</p>



What our leading specialists say

"Investing in an ESG program is more important now than ever. Manufacturers and distributors need to be aware of the increased pressure to measure and report on ESG metrics and demonstrate impact on issues that matter. Forming an effective, sustainable ESG strategy and leveraging technology to support your ESG journey will optimize growth and set your organization for long-term success."

– Pierre Taillefer, National Sustainability & ESG Leader, BDO Canada

Benefits of investing in ESG programs for M&D:



Early integration of an ESG program strategically positions your organization for long-term success.



Talent attraction and retention.



Supply chain optimization considering ESG imperatives.



Client acquisition.



Access to capital.



Maintain current client base.



Operational efficiencies and innovation.

1. <https://cme-mec.ca/initiatives/2021-business-outlook-and-labour-skills-survey/>

TO LEARN MORE, PLEASE CONTACT

Pierre Taillefer

National Sustainability
& ESG Leader
ptaillefer@bdo.ca

Amanda Tso

Operational Excellence Leader,
Advisory & National Valuations
Practice Leader
atso@bdo.ca

ABOUT BDO

BDO is a leading provider of professional services, delivering a range of assurance & accounting, tax, and advisory services. Complemented by continuously advancing technology expertise, ESG focus, and 100+ years of being connected to local communities, we're proud to cultivate ongoing relationships with clients and employees across Canada and beyond.

Our people-first approach to our talent experience has earned us multiple awards, including a spot among [Canada's Top 100 Employers for 2022](#).

Assurance | Accounting | Tax | Advisory
www.bdo.ca