BEYOND THE MEGAWATT

EMBED ENVIRONMENTAL SUSTAINABILITY, SOCIAL EQUITY, AND RESILIENCE IN YOUR CLEAN ENERGY PROCUREMENT TO ACHIEVE BUSINESS PRIORITIES

CEBI
Clean Energy Buyers Institute

Corporate sustainability goals play an instrumental role in decarbonizing our economy sustainably and equitably. Since 2014, Clean Energy Buyers Association (CEBA) members have led the transition to a carbon-free energy system by adding over 60 gigawatts of new clean energy capacity to the U.S. electricity system and, increasingly, globally. Exponential growth in clean energy procurement is an opportunity to maximize positive impacts on the environment and communities – but what's the impact on business?

Many companies have already recognized the opportunity to leverage their procurement process to maximize positive impacts for all stakeholders. Doing so can **establish your company as a market leader in the energy transition, helping to tackle the climate crisis.** Maximizing the co-benefits of your clean energy transactions minimizes conflicts with people and nature, which helps you achieve your sustainability goals and demonstrates your company's contribution to delivering on the UN Sustainable Development Goals, the Decade on Ecosystem Restoration, and the Guiding Principles on Business and Human Rights.

More thoughtful clean energy procurement **enhances your brand and strengthens your stakeholder relationships.** A 2017 Cone Communications CSR study found that 87% of surveyed consumers make purchasing decisions based on values, 76% will boycott based on values, and 88% are more loyal to a company when it supports a social or environmental issue. Similarly, a 2022 Yale Center for Business and the Environment survey of more than 2,000 global business students found that 81% want to help their employers improve their environmental sustainability, and 26% would not accept a job at a company with poor practices (up from 19% in 2015). As this data suggests, demonstrating your contributions to nature and society can help you attract and retain the current and next generation of workers, as well as build stronger long-term relationships with your customers, surrounding communities, and grassroots organizations.

Maximizing the social and environmental outcomes of your procurement also **supports stronger financial performance.** An assessment by the NYU Stern Center for Sustainable Business and Rockefeller Asset Management of more than 1,000 research papers on the relationship between environmental, social, and governance (ESG) factors and financial performance found a positive relationship on "58% of the 'corporate' studies focused on operational metrics such as ROE, ROA or stock price." Institutional investors are increasingly using social and environmental impact as a framework for evaluating financial risks and opportunities. In fact, loans associated with sustainability increased 168% to $122B in 2019 compared to 2018. Aligning your core values to those of other market leaders can, therefore, help you achieve your triple bottom line goals and even leverage fiscal benefits from the Inflation Reduction Act.

Taking proactive action **prepares your business for more frequent** extreme climate events **and the** energy system transformation already underway. Adopting data-based impact frameworks helps you respond to current voluntary and future disclosure requirements, comply with regulations (such as the U.S. Dodd-Frank Act or the Uyghur Forced Labor Prevention Act), and may reduce compliance costs, as a 2019 McKinsey report found. In addition, building more resilient energy projects increases the adaptive capacity of your business to maintain critical functions during disturbances, avoiding costly disruptions to operations. As more companies continue to advance investments in clean energy projects that prioritize social, economic, and environmental impact, will you join them as a leader?