



Building the business case for sustainability

A practical guide for business connecting opportunities and financial drivers

Why this guide matters

The impacts of climate change and nature loss are now unequivocally being felt across the globe, and social issues are coming to the fore. These sustainability challenges directly affect the financial viability of companies across the economy, presenting both risks and opportunities.

As sustainability rises on the corporate agenda, businesses face ambiguity in how to implement effective sustainable practices within the confines of everyday business operations. Often, the perceived high cost of action, versus the diffuse and long-term

costs of inaction, add to this complexity. **This guide addresses this ambiguity by providing practical steps for corporate finance and sustainability practitioners** to integrate sustainability into everyday business operations. Bridging the gap between ambition and actionable strategies, enabling companies to make a compelling business case for sustainability.

What this guide provides

- Clear steps to build a business case for sustainability
- Actionable insights to integrate sustainability initiatives within everyday business practice
- Practical guidance for both finance teams and sustainability practitioners
- Assessment of financial and intangible impacts, with clear examples of climate, nature and social opportunities

What this guide includes

A typology of sustainability initiatives

Sustainability initiatives are defined under three core topics:

- Climate change mitigation and adaptation
- Nature and biodiversity conservation and restoration
- Social justice and equity for both internal and external stakeholders

Across these three topics, this guide identifies 16 'themes' (e.g. emissions and waste reduction) and 32 'opportunities'

(e.g. sustainable resource management), a practical categorization helping practitioners assess options effectively.

Financial and intangible impacts

The guide demonstrates the business case for sustainability by linking sustainability opportunities to ten financial drivers (e.g. reduced cost) and six intangible drivers (e.g. improved reputation). It includes 'impact tables' that detail these links.

Impact Table example

1

For each opportunity, the impact tables provide an indicative impact, speed, and cost ranking. Actual values are subject to the specific conditions of a given business.

Potential impacts		
Impact: High	Speed: Medium	Cost: Medium

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For each opportunity, the impact tables provide a set of illustrative example initiatives as well as situating it within the context of the broader sustainability theme.

Sustainability theme	Description	Opportunity	Example climate initiatives
		emand	<ul style="list-style-type: none"> → Decarbonize production processes and technologies using low-carbon alternatives such as hydrogen → Purchase and use of renewable energy (e.g., virtual Power Purchase Agreements, green tariffs) → Onsite renewable generation and/or storage → Substitute fossil fuel use in transportation with lower or zero-carbon alternatives

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The tables outline some potential financial driver impacts associated with implementing a sustainability initiative.

Impact of embedding sustainability on Financial and Intangible drivers	
Financial drivers impacted	Intangible drivers impacted
(+) Increased revenue from customers looking to minimize their own footprint (+) Avoided cost of legal costs of compliance and environmental taxes (e.g. on emissions) (+) Reduced OpEx/CapEx with capital availability/financial support from green incentives, and tax credits; due to use of lowest cost abatement (+) Reduced cost of debt due to stable operating cost profile (+) Reduced cost of debt due to reduced emissions (+) Reduced cost of capital due to improved investor perception (+) Reduced OpEx due to reduced exposure to fossil fuel price variability (+/-) Change in OpEx as a result of using green/cleaner fuels, mobility, and consolidation of operations (-) Increased OpEx of transaction costs of power purchase agreements and associated structural and buyer considerations	(+) Improved financial planning due to energy price stability (+) Improved customer reputation linked to clear decarbonization pathway (+) Improved energy security due to being sheltered from geopolitical issues (+) Improved employee safety and security due to some fuels being safer to handle than others

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They also highlight the potential impact on some intangible drivers of a business case.

(+) Positive Impacts (-) Negative Impacts

Get started

To maximize the value of this guide, corporate finance and sustainability practitioners should:

- Identify and integrate relevant sustainability opportunities in business strategy and planning
- Use the impact table examples to explore financial and intangibles drivers
- Prepare a business case: 1) scope the initiative; 2) translate impact; 3) identify KPIs and data requirements; 4) collect data and determine impacts; and 5) draft a business case.

This executive summary provides a snapshot of the comprehensive guidance available in the full report, and in the impact tables document [available here](#). Dive into the full guide to explore how your company can turn sustainability into strategic opportunities and drive business value.



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