



SUSTAINABLE SUPPLY CHAIN ALLIANCE

State of the Industry Report

2023

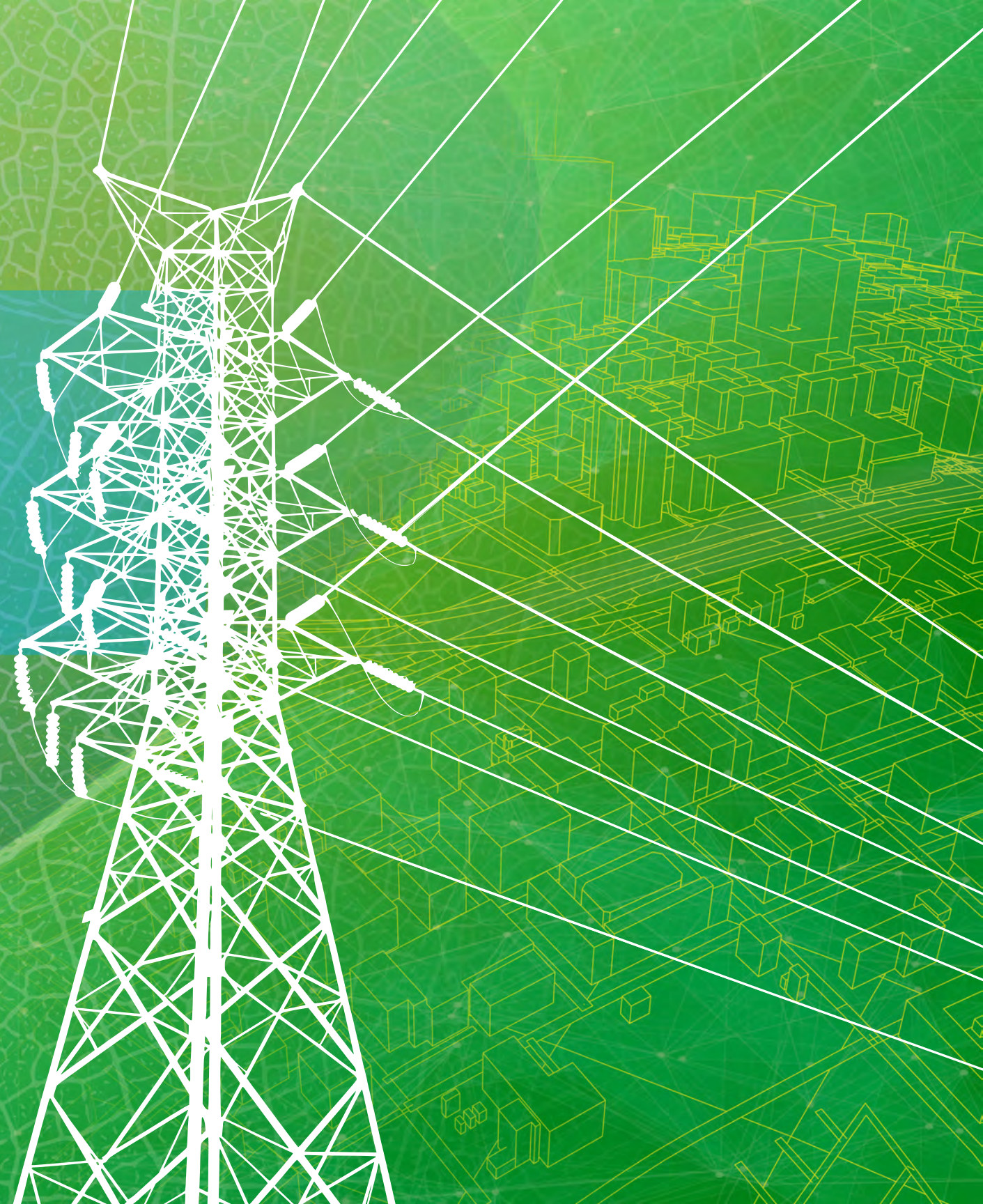


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Executive Summary

As we reflect on the current state of our world, one thing has become undeniable: climate change is here and the time to embed sustainable solutions throughout our supply chains is now. The recent forest fires, major flooding, and unprecedented heat records are stark reminders of the consequences if we fail to act urgently.

In response to this new reality the utility industry has undergone a remarkable transformation, driven by the convergence of several critical factors – advancements in electrification and decarbonization technology, increased regulatory pressures, and heightened awareness of social responsibility. The Sustainable Supply Chain Alliance (SSCA) recognizes the significance of this transformation, and we are committed to providing our utility members and supplier partners with the support and resources necessary to not only navigate and manage the challenges associated with an evolving environmental, social, and governance (ESG) landscape, but to identify and capitalize on the opportunities presented as well.

In that spirit, we identified and analyzed three key themes that have emerged in the utility industry value chain over the past year, which are presented throughout our 2023 State of the Industry (SOI) Report. The 2023 key themes represent areas within the industry where we observed the most drastic amount of change, resulting in the largest impacts on our members and their value chain partners.



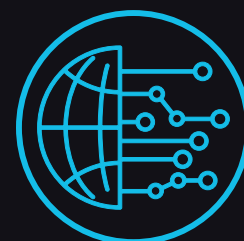
THEME 1 | Navigating the Evolving ESG Landscape

For SSCA members and value chains, ESG is defined by the growing importance of procurement practices and decisions, consolidation of related disclosure standards and regulations, and increasing interest of stakeholders in supply chain sustainability. Dominion Energy's Supplier Sustainability Index (SSI) tool is an example of how utilities are leveraging ESG data to better inform engagement strategies and risk assessment capabilities.



THEME 2 | Building Supply Chain Resilience

The intersection of ESG principles and supply chain resilience is recognized and embraced in the industry. Effective ESG management is seen as a critical strategy in building resilience and it positions leaders in the space as 'orchestrators of value'. As explored in this report, strategies that are emerging in the industry include deeper engagements through the value chain and pursuing circular models to extend the life of equipment and materials.



THEME 3 | Exploring the Sustainability Horizon

As we look to the ESG horizon for our industry we see: GHG reduction targets dominating near-term priorities, fleet electrification efforts accelerating, a growing focus on nature and biodiversity, and socially responsible and ethical supply chain management as a rising priority.

Throughout the report, readers will find successful practices of SSCA utility and supplier members that model and inspire action in addition to further insights on how these themes are defining the state of our industry.

Letter from the Executive Committee Chair

In our relentless pursuit of sustainable supply chains, we find ourselves grappling with a range of formidable challenges, from navigating intricate global market dynamics to managing the nuances of ethical sourcing and responsible procurement practices, while adapting to a continuous evolution of regulations and the heightened stakeholder demands. **Yet, within these challenges lies an abundance of incredible opportunities for utilities.** We have already made progress to decarbonize our supply chains and drive positive change in the face of adversity. We are reshaping our systems into more circular models that promote sustainability and reduce human rights risks.

While there is much to be done, we must not overlook the remarkable advances we have already achieved in the realm of supply chain sustainability. The recognition of **the vital role that supply chain sustainability management plays in ensuring long-term success** is steadily growing among companies and I find immense inspiration from the unwavering commitment of our SSCA members who are at the forefront of driving advancements in this field, even in the face of resource constraints. These elements form a source of pride and that will provide the foundation to accelerate our efforts.

By continually enhancing risk management practices and prioritizing supply chain sustainability, **SSCA members are each building a foundation for the enduring success of their efforts.** Change is always hard, but I am confident that through these efforts – of both our utility and supplier affiliate members – and a shared commitment to sustainability, we will help the industry navigate these obstacles and transform them into an opportunity for positive change.

Thank you for your dedication and contributions to our shared mission.


Pardeep Gill
Chair

We extend a special thank you to members of our 2023 Executive Committee for their unwavering continuous support, commitment, and contributions to the SSCA:



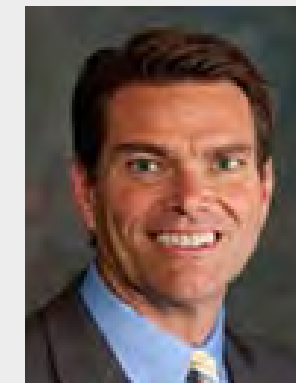
Pardeep Gill
Chair

VP of Supply Chain and CPO
Ameren



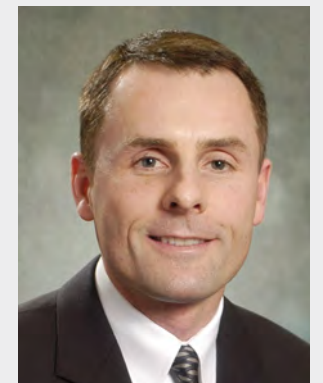
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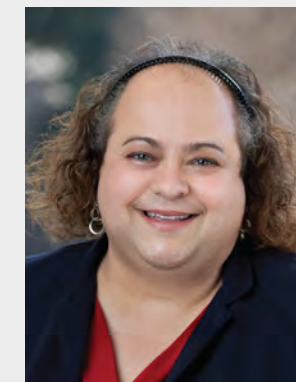
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Immediate Past Chair

VP of Shared Services
Dominion Energy



Phil Seidler
Working Team Coordinator

Sr. VP of Supply Chain
Vistra



Brooke Reilly
EC Assistant

VP Supply Chain & CPO
PGE



Casey Fallon
EC Assistant

Director of Purchasing,
Warehouse, Fleet
SMUD

2023 Key Themes

The utility industry has undergone a remarkable transformation, shaped by a convergence of events — from advancements in electrification and decarbonizing technology to increased regulatory pressures to heightened awareness of social responsibility — that continue to alter the ESG landscape. Recognizing the significance of this transformation and the importance of being proactive rather than reactive, we are committed to providing our SSCA members, value chain partners, and industry peers with the insights and resources to navigate the evolving landscape and remain ahead of the curve. Within this report, we analyze three emerging themes that have materialized for the utility industry value chain over the past year.



NAVIGATING THE EVOLVING ESG LANDSCAPE

Growing Importance, Consolidation, and Persistent Stakeholder-Driven Progress



BUILDING SUPPLY CHAIN RESILIENCE

Harnessing ESG Principles for Improved Reliability and Adaptability



EXPLORING THE SUSTAINABILITY HORIZON

Industry Progress and Emerging Trends



2023 KEY THEME: Navigating the Evolving ESG Landscape

Growing Importance, Consolidation, and Persistent Stakeholder–Driven Progress

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Growing Importance of ESG in Procurement

The traditional landscape of supply chain has undergone a remarkable recalibration of priorities. Gone are the days when supply chain processes solely focused on cost and efficiency. Deloitte's 2023 survey of 350 CPOs found that since 2021, top CPO priorities have shifted, with cost reduction dropping from second place to fourth replaced by ESG/CSR which leaped from seventh to second on the list¹.

Despite this progress, the implementation of sustainability metrics in utilities' procurement processes remains a challenge, with only 36 percent of participants in a Deloitte survey of more than 50 electric power and renewable sector executives reporting that they include specific sustainability metrics in their procurement process². Forward-looking utility members are now adopting a more holistic approach, acknowledging that sustainable outcomes are essential for long-term success and are formally integrating ESG into the RFP/RFX processes and supplier performance evaluation mechanisms. Though currently limited to leaders in the field, this move marks a critical step towards a more sustainable future for the entire industry.



Dominion's Supplier Sustainability Index

In 2023, Dominion Energy developed a Supplier Sustainability Index (SSI) to assess the ESG performance of its suppliers across a variety of internal and external assessments. Informed by ESG rating agency methodologies, the SSI provides standard criteria across various industries represented by the company's suppliers, with the SSCA's annual supplier assessment serving as the primary data source. Dominion intends to use the SSI to directly engage in one-on-one conversations with suppliers who have been invited to participate in the annual assessment. Suppliers will receive an SSI Rating based on scoring thresholds to provide suppliers and sourcing/business teams a relative measure of sustainability performance. This will create consistency in evaluating supplier ESG performance, consolidate performance review/engagement mechanisms, support the incorporation of ESG data into scorecards, streamline assessment reviews, support identification of sustainability risks, and support Dominion's supplier recognition program. Going forward, the SSI will aid ESG reporting, inform supplier engagement strategies, and enhance risk assessment capabilities, further reinforcing Dominion Energy's commitment to sustainability.

The SSCA is witnessing a noticeable shift in the criteria used by members, transitioning from a focus on understanding ESG topics in a broad sense to a strong inclination towards practical tools and resources for effectively implementing and addressing ESG considerations in value chain design and decision-making. This includes a growing demand for solutions such as Category Management Plans and robust verification methods for supplier assessment responses, among others, which the SSCA is developing in response.



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Consolidation of Standards and Regulation

As the inclusion of ESG criteria in utilities’ supplier evaluations gains momentum, there is a growing need for consistent disclosure and reporting standards to ensure transparency and comparability across suppliers. Inconsistent availability and quality of ESG data remain significant challenges for decision-useful information³. Fortunately, 2023 has seen several notable advancements in the consolidation and unification of sustainability reporting standards, namely the release of the International Sustainability Standards Board (ISSB)’s global standards for sustainability and climate reporting and the transition of TCFD monitoring responsibilities to the International Financial Reporting Standards Foundation.

Amidst the intricacies of the evolving ESG landscape, the SSCA acknowledges the critical importance of pursuing standardized data collection and fostering transparency in sustainability reporting. Scope 3 accounting, particularly in quantifying the impact of supplier progress, currently lacks a standardized approach and calls for increased verification. In this context, the SSCA’s annual supplier assessment, The Sustainability Project (TSP), plays a pivotal role. The TSP not only serves as a tool for utilities to assess their suppliers’ sustainability progress but also acts as a catalyst for standardized data collection. Third-party verification has been incorporated into the 2023 assessment, in alignment with the desire of SSCA members to use sustainability data to inform their individual companies’ decision making and enable supplier compliance with upcoming potential requirements⁴.

Stakeholder-Driven Progress

Over the past decade, there has been a remarkable 155 percent increase in ESG regulations, with 1,255 policy interventions introduced worldwide since 2011⁵. Included in these regulations is the proposed Securities and Exchange Commission’s (SEC) rule (proposed March, 2022) requiring companies to disclose climate-related information ranging from greenhouse gas emissions to expected climate risks to transition plans, as well as the U.S. Federal Supplier Climate Risks and Resilience Rule (proposed November, 2022), which mandates major federal contractors to publicly disclose their GHG emissions and climate-related financial risks and establish science-based emissions reduction targets^{6,7}.

An SSCA poll of member utility CPOs revealed that emerging regulations are having the greatest impact on how their organizations are approaching ESG issues. Further, a recent survey by the Science Based Targets initiative (SBTi) found that 60 percent of ~230 executives across major industries believe that future compliance will require Scope 3 reporting⁸. Even in the absence of finalized SEC climate disclosure rules, the majority of corporate leaders remain committed to ESG compliance, although 40 percent of 300 senior executives at large public companies surveyed by PwC and Workiva admit their companies are not fully prepared to meet the expected disclosure requirements⁹.

As utilities gear up for potential incoming regulations, they also find themselves grappling with the challenging environment posed by intensifying political debate surrounding the integration of ESG issues into business decisions¹⁰. However, the attention-grabbing headlines and divisive ESG discourse does not necessarily reflect the experience of the majority of utility value chains today. Stakeholders continue to demand companies embed sustainability considerations into financial reporting, oversight, risk management, and strategy. It is also widely appreciated that there is business value in understanding exposure to climate-related risks, supply chain human rights abuses, and other material business issues that have traditionally fallen under the purview of “ESG”¹¹.

155%
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in ESG regulations since 2011

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introduced worldwide since 2011





2023 KEY THEME: Building Supply Chain Resilience

Harnessing ESG Principles for Improved Reliability and Adaptability

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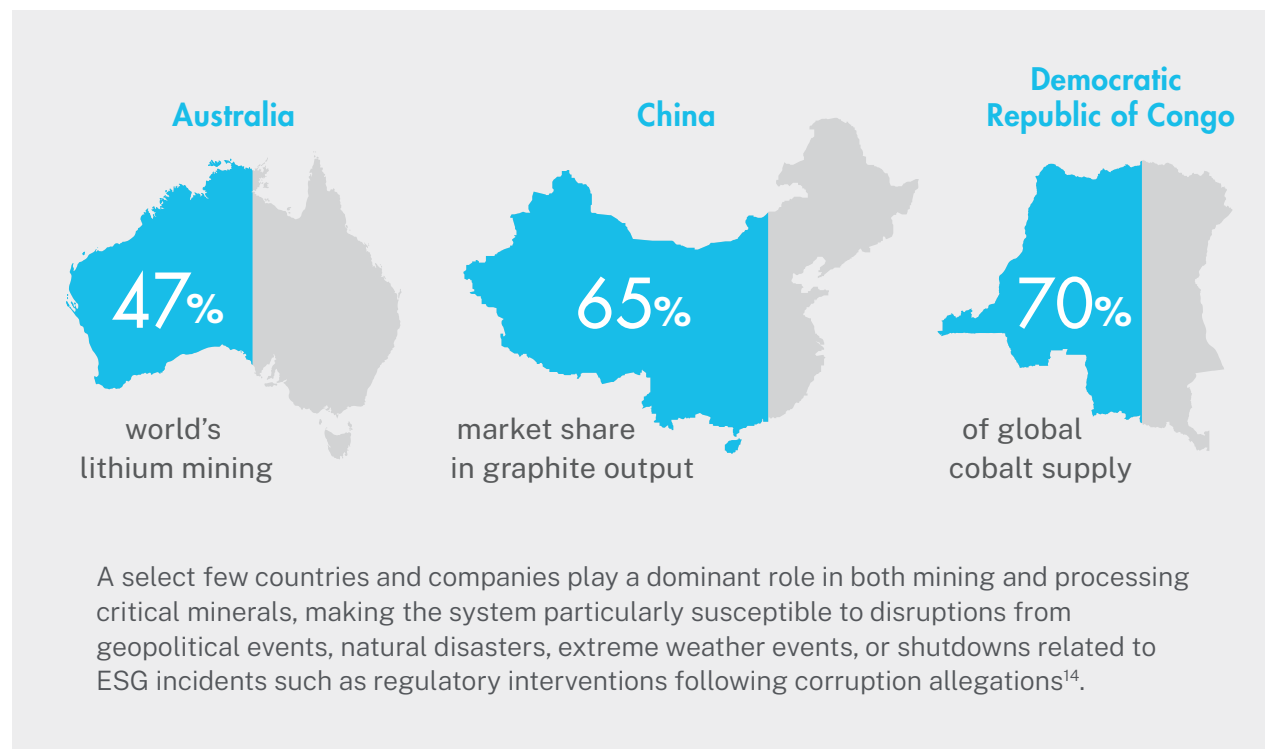
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The Intersection of ESG Principles and Supply Chain Resilience

In the face of unprecedented levels of supply chain disruption, utilities are increasingly acknowledging the vital nexus between ESG principles and the effective mitigation of potential vulnerabilities. The scope of recent disruptions includes global geopolitical and economic events, significant transformations in industry, climate change impacts, and availability of basic inputs from steel to labor. For example, the global metal supply chain is facing significant supply shortages stemming from the ongoing impact of the COVID-19 pandemic and the war in Ukraine¹². Concurrently, the rapid growth of clean energy technologies such as solar photovoltaics and batteries has led to a surge in critical minerals markets, resulting in soaring prices, delays, and availability concerns¹³. By understanding the ESG risks and opportunities that accompany the transition, utilities are navigating this dynamic environment to establish more robust and reliable supply chains and increase procurement's value proposition as "orchestrators of value"¹.



Improving Supply Chain Visibility

A key challenge and growing area of effort for the SSCA is exploring how utilities may better engage suppliers deeper in the supply chain, beyond Tier 1. Companies are still grappling with challenges in tracing the source of their key commodities due to limited access to suppliers and complex supply chains. A recent SSCA member poll revealed that most utilities have limited visibility beyond Tier 1 or Tier 2 suppliers. Given the nature of many ESG risks and opportunities, analyzing not only Tier 1 suppliers but also Tier 2 and Tier 3 suppliers will be critical in mitigating and addressing risks. Disruptions at large facilities can significantly impact supplies, causing pricing and availability fluctuations¹⁵. By improving visibility and transparency throughout the supply chain, utilities aim to reduce dependency on specific regions or suppliers and mitigate geographic concentration risks. Further, embracing circularity principles, many companies are reusing materials to mitigate supply chain disruptions creatively.



2023 KEY THEME: Building Supply Chain Resilience

Harnessing ESG Principles for Improved Reliability and Adaptability

Refurbishing and reusing transformers is a great example of how circular principles are applied in practice

Transformer Repair and Refurbishment: A Circularity Case Study

An example of where many utilities are actively integrating ESG factors to address supply chain disruptions is in the repair and refurbishment of transformers. In the United States, there is currently a scarcity of electrical distribution transformers, leading to wait times of over a year and prices soaring by up to four times their usual value¹⁶. Consequently, vital electrification and construction projects are facing delays or cancellations, precisely when expanding and modernizing the grid are crucial for enhancing resilience and achieving critical climate ambitions.

The electric utility sector has publicly warned of a shortage of distribution system transformers, impacting replacement stockpiles, delaying projects, and affecting storm recovery¹⁷. There are ongoing efforts in motion to address the shortage and grid security, such as considering the use of the Defense Production Act to increase domestic production. In parallel to these efforts many utilities have built or enhanced transformer repair and refurbishment programs to extend their life and availability.

By extending the life of existing equipment, ensuring their safety and reliability, and reducing the overall demand for raw materials, utilities are

able to retain critical equipment, have a more reliable and predictable supply, and support suppliers in providing higher priority replacement equipment ensuring reliable power delivery.

As companies seek to incorporate circularity into their practices, a significant opportunity emerges to address the use of recycled content and product repairability in the RFP/RFX process. While an SSCA survey of utility members revealed this practice is not yet widely adopted, by including questions around the use of recycled content and product repairability, companies can enhance sustainability within the supply chain.



Like various other SSCA members, Arizona Public Service (APS) actively operates an Investment Recovery program that promotes circularity, aiming to maximize the return on end-of-life assets and minimize their environmental impact. APS looks to sell or donate obsolete and excess equipment to community partners through various avenues, including third-party or private sales, auctions, Corporate Giving donations, and the RAPID platform. The RAPID platform serves as a virtual inventory system that allows subscribers to locate parts and equipment in both emergency situations and routine purchases, fostering a more efficient and sustainable asset management process. As such, unused materials can be sold to other utilities that need them. This cooperative approach not only maximizes resource utilization but also strengthens the resilience of the entire industry by promoting circularity and reducing waste.



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The scope, scale, and focus areas within electric utility supply chain sustainability continues to evolve with industry progress, deeper understanding, and heightened awareness. Amidst the myriad of transformations in the space – including mandatory disclosures, equity mandates in government contracts, the emergence of circular systems, and more – three prominent areas stand out for emphasis in the year 2023. These encompass ambitious goals for reducing greenhouse gas emissions, the emergence of heightened expectations for biodiversity preservation, and an ongoing prioritization of social considerations and equity.

Ambitious GHG reduction targets dominate priorities for foreseeable future

The Intergovernmental Panel on Climate Change (IPCC) has consistently emphasized the urgency of significant global action to limit global warming to 1.5 degrees Celsius. Achieving this would require emissions peaking by 2025 and falling by 43 percent by 2030 (based on a 2019 baseline¹⁸). In reaction to these reports, coupled with a growing familiarity with the direct consequences of climate change, there has been a global surge in ambitious goals, including net zero, across regions and industries¹⁹.

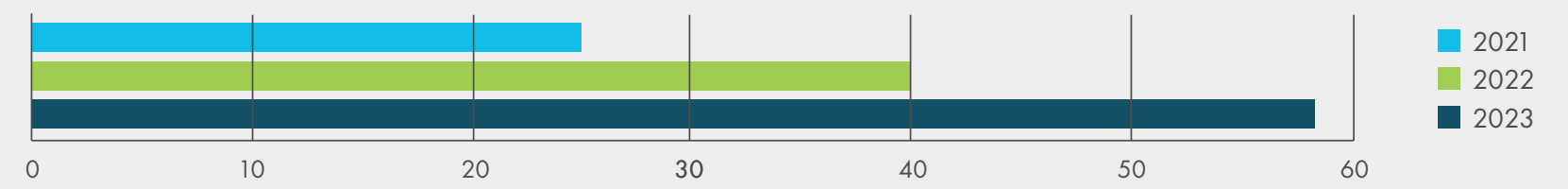
As of December 2022, companies and countries representing 83 percent of global emissions and 91 percent of global GDP have set ambitious net zero GHG targets³. Within the US utility sector, more than three quarters of the largest utilities have set reduction goals of 80 percent or higher by 2050²⁰. These ambitions are commendable and necessary, but a gap persists when it comes to translating these intentions into tangible actions, particularly in the supply chain, where emissions are particularly challenging to track and reduce.

A recent survey by the SBTi highlighted that 50 percent of respondents self-report being “off track” in delivering their reduction targets for Scope 3 emissions, which encompass emissions outside of an organization’s direct control⁸. While typically a smaller portion of their organization’s overall footprint, SSCA members are acknowledging these potential challenges and taking proactive measures to facilitate a seamless transition for their value chain partners.

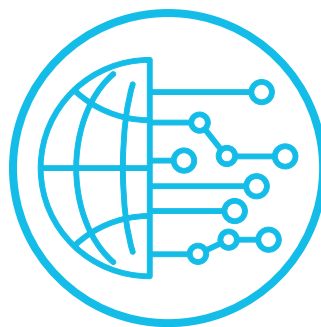
Key activities that the SSCA is undertaking in this area include:

- Encouraging greater participation of utility and supplier affiliate members disclosing GHG emissions and setting targets that extend to their value chains
- Conducting the annual SSCA Supplier Assessment in TSP to collect supplier GHG data, targets, and achieved reductions
- Researching key GHG emissions hotspots in the supply chain and identifying avenues for decarbonization
- Upskilling suppliers to meet these emerging requests, including an instructive 5-part GHG essentials training program
- Promoting effective practices in managing and limiting GHG emissions to propagate successful practices

Year on Year Increase in SSCA Utility Members Tracking Emissions from Scope 3 Categories 1 & 2



Utilities tracking their Scope 3 emissions from Category 1: Purchased Goods and Services and Category 2: Capital Goods continues to increase substantially year over year.



2023 KEY THEME: Exploring the Sustainability Horizon
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nationalgrid

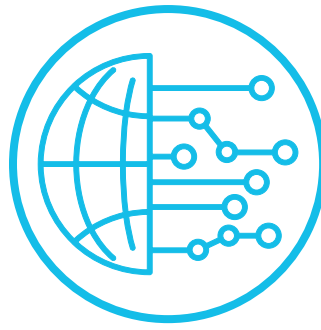
National Grid Carbon Emissions Supply Chain Program

National Grid engages 250 suppliers annually, prioritized by spend and contribution to Scope 3 emissions. The program, as outlined in National Grid's Responsible Business Charter, aims to have 75 percent of these 250 suppliers commit to active carbon reduction targets by 2030. The program is comprised of a comprehensive carbon emissions inventory for procured goods and services which informs the supplier engagement strategy. As of 2023, 62 percent of the top 250 suppliers have developed carbon reduction targets. Additionally, National Grid has automated its monthly spend data to illustrate and track the company's own Scope 3 carbon footprint. The joint program allows National Grid to understand its performance against company goals and equips the purchasing team to preference sustainable procurement partners. In doing so, National Grid leverages its buying power to encourage supply-side CO₂e emission reporting. The program positions responsible business as a strategic priority alongside value delivery and supply chain resilience.

Accelerating Fleet Electrification

The growth of fleet electrification is a visible example of the speed and scale of the transition almost every industry will need to go through if we are to avoid the worst case impacts of climate change. The SSCA recently hosted a workshop for our members where SMUD, PG&E, and Traffic Management Inc. all presented their existing practices, goals and lessons learned to date. Given the need for rapid change, a key theme was the need for value chain collaboration to clearly define user needs, incubate emerging technologies and pilot solutions to iterate versions quickly to meet the ambitious timelines.





2023 KEY THEME: Exploring the Sustainability Horizon Industry Progress and Emerging Trends

Though concern about nature and biodiversity sits behind climate, the focus on nature is growing

The importance of nature and biodiversity has gained significant attention this year and is anticipated to grow rapidly. This focus has been driven by key developments such as the UN Biodiversity Conference in December 2022 (COP 15) and the Task Force on Nature related Financial Disclosures (TNFD). The Kunming-Montreal Global Biodiversity Framework, which was introduced at COP 15, sets ambitious goals for 2050 and targets to be achieved by 2030, including the conservation of 30 percent of land and water ecosystems²¹. The TNFD provides a framework to guide companies in assessing and reporting on their nature related risks and opportunities²².

Businesses, including those within the electric utility value chains, are in the early stages of understanding risks, formulating strategies, and disclosing relevant information. Only a small percentage (5 percent) of Fortune 500 companies have established quantified nature-related targets, even though 51 percent acknowledge the issue of nature loss²³. These findings mirror the state of affairs in the utility supply chain, where 70 percent of SSCA members self-reported that they have not yet addressed supply chain biodiversity, but over half have identified it as a short term priority for improvement.

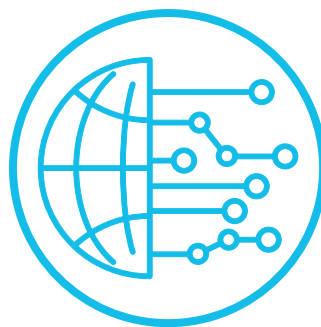
As the importance of nature and biodiversity grows, we anticipate an increased demand to identify, manage, and disclose nature-related risks and opportunities across value chains in line with GHG practices.

Where Should You Start?

The number one priority for addressing nature-related risks within the supply chain is ensuring suppliers are aligned with your organization's biodiversity goals, are contributing metrics and information for relevant reporting frameworks, and are working with their corporate teams to understand biodiversity goals. It will ultimately be important to verify that suppliers are operating in alignment with your biodiversity standards and goals. Ensuring those goals exist and are communicated so that suppliers understand the requirements and requests is an important first step.



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Socially responsible and ethical supply chain management is a rising priority

Human rights, just transition, diversity, equity, and inclusion (DEI), community development, and diverse and local spending have emerged as key focal points within the sustainability landscape, underscoring the interdependence between societal well-being and effective supply chain management.

One significant catalyst for increased attention to human rights is the exposure of widespread abuses within major supply chains in the United States. In early 2023, a comprehensive investigation conducted by The New York Times uncovered thousands of cases of child and forced labor instances across several major US companies. This exposure sparked an immediate and necessary government response, leading to the implementation of new measures aimed at cracking down on child labor violations, and pursuing tougher investigations of companies that might benefit from such exploitative practices²⁴.

Supplier assessment responses collected by the SSCA in 2022 unveiled that 96 percent of utility members' suppliers had successfully implemented an Employee Code of Conduct, and 65 percent had introduced a Supplier Code of Conduct. However, more than 40 percent of suppliers did not include provisions addressing child and forced labor practices in these codes. While codes and policies are not sufficient to drive these practices out of our value chains, they are an important first step in addressing them. Further, akin to various other sectors, the utility industry is currently in the initial phases of better understanding where violations exist, reinforcing supply chain expectations, and implementing programs to ensure compliance.

In the context of social issues, SSCA members have historically - and continue to - place a strong emphasis on supplier diversity, local spend, and community development. In an SSCA poll of member utility CPOs, 75 percent of the respondents identified supplier diversity as a key ESG priority for their organizations in the upcoming year. Interestingly, we are witnessing the initial phases of formal integration between diversity and broader supply chain sustainability programs, which promises to drive additional benefits for both.



Entergy Supplier Recognition Program

Entergy is focused on the inclusion of diverse and local suppliers in its pursuit of a just transition to cleaner energy. Through its supply chain ESG program, Entergy employs a comprehensive approach that integrates supplier diversity and supply chain environmental stewardship into supplier relationship management, awards, recognition, and governance. The Premier Vendor Program (PVP), introduced in 2021, acknowledges exceptional suppliers, and in 2022, it showcased diverse, local, and sustainability-focused suppliers through adjusted award categories with a stronger ESG focus. The SSCA's annual supplier assessments play a vital role in the selection process. Aligned with company environmental stewardship goals, the PVP serves as an opportunity to highlight supplier best practices and areas for growth and collaboration with suppliers in this field. With the presence of senior leaders, the program also serves as a platform to raise awareness about crucial ESG challenges, opportunities, and innovations requiring leadership support.



APS Diverse Supplier Training Program

Established in 1997, the annual Diverse Supplier Training Program at Arizona Public Service (APS) originally consisted of a nine-month in-person training for a small group of 10-12 business owners with the goal of providing the skills and tools necessary to win more business with the electric utility. In 2021, due to the pandemic, the program underwent a major redesign with a focus on accessibility for local and minority-owned businesses. The new virtual and on-demand format allows business owners to complete the program at their own pace. Within the first year, the number of participants increased to 60 businesses, with a wider reach that includes rural areas like the Navajo Nation. The goal of the APS Supplier Diversity and Development program is to increase spending with small, local, and diverse suppliers, fostering a stronger local economy and community.

About the SSCA

SSCA Strategy

Navigating ESG risks and opportunities, forging a resilient and adaptable supply chain, all the while staying ahead of burgeoning industry trends, presents a complex set of challenges. The SSCA plays an active role in monitoring key ESG subjects, tracking the latest developments in regulations, investor concerns, scientific consensus, expert viewpoints, and pivotal shifts. Our comprehensive analysis of these subjects ensures that we remain in sync with paramount priorities, which in turn shapes the course of our program delivery and recommendations. The SSCA addresses key areas of concern within the ESG realm through a toolkit of data collection tools, education, and various resources, while also providing engaging platforms for interaction.

Progressing forward, the SSCA remains firmly guided by the recognition that the essential transformative shifts in supply chains can only be accomplished through concerted efforts that place sustainability at the forefront. This unwavering commitment is mirrored in the SSCA's resolute support for its members, fostering an environment that nurtures leadership within the industry and offers valuable guidance through challenges and constraints.

Action Plan

In particular, the Sustainable Supply Chain Alliance is working to...



ADVANCE member supply chain ESG programs through strategy development guidance, facilitating communities of practice, supporting implementation, and offering one-on-one support



ADDRESS industry-level challenges through annual supplier assessments provision of trainings, education, guidance documents, deep-dive workshops, and topic-specific value chain work teams



PROMOTE member performance through peer engagement, practice sharing, benchmarking, and highlighting the valuable contributions of members to the future of the industry

Visit our website to learn more about the SSCA's activities, upcoming events, and more! The SSCA believes approaching shared challenges together is essential for accelerating urgently needed progress in our journey towards a more sustainable electric utility supply chain. If your organization is interested in working together or in joining the SSCA, please visit us at www.thescca.org or contact us at ssca@thescca.org.



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About this Report

This report was prepared by Anthesis Group on behalf of the Sustainable Supply Chain Alliance (SSCA), an organization of 27 utilities and 75+ suppliers working together to advance sustainability best practices. This document represents the views of the SSCA's directorate and does not necessarily reflect the views of the organization or its members.

This report was informed by sources that collectively provide deep insights into the state of supply chain sustainability within the electric utility industry. It focuses in particular on the SSCA's participating organizations.

The inputs include:

- Results of a maturity framework self-assessment, completed by SSCA's utility members;
- Quantitative metrics collected from the SSCA's utility members;
- Data from suppliers reported through the Sustainability Project (TSP, SSCA's annual assessment platform);
- Case studies submitted through an SSCA questionnaire;
- Anecdotal evidence from member events and work team discussions;
- Engagement with investors and rating agencies; and
- External research and consultant expertise

In preparing this report, some statistics were scaled and/or extrapolated based on the data provided by a subset of members and are assumed to be representative.

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