ASSESSING THE ESG CREDENTIALS OF IT SUPPLIERS

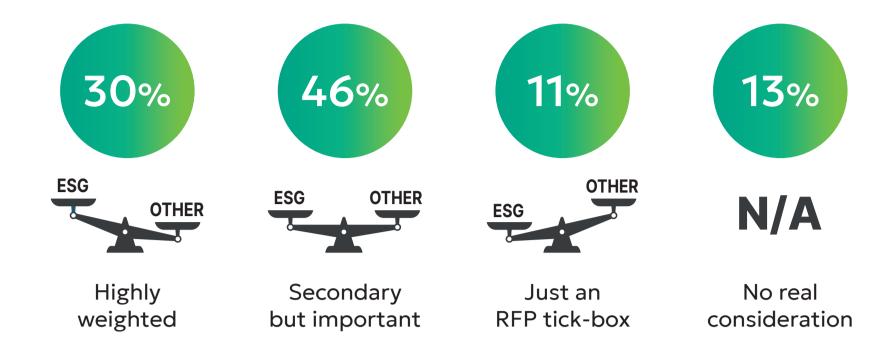


Check out the annual reports of most enterprises nowadays and the chances are that environmental,

social and governance (ESG) related objectives and achievements will be highlighted alongside financial results. But with so many aspects of business operations now dependent on IT, how are organisations making sure that the IT vendors they buy from are supporting, rather than undermining, their ESG agenda? A recent survey of 50 CIOs conducted by Freeform Dynamics and the CIO WaterCooler sheds some light.



How much do you specifically consider the following when assessing the CSR/ESG/sustainability credentials of suppliers during the buying process?



3 in 4 say ESG credentials impact buying decisions

ESG ASSESSMENT CRITERIA



PROMISES

Public statements, goals and commitments

11% Big emphasis

57% Some emphasis

How much do you specifically consider the following?

VALIDATION

Third party assessments of credentials and performance

17% 49% Big emphasis Some emphasis

STRATEGY

A credible sustainability & energy strategy

31% Big emphasis

35% Some emphasis

A credible environmental

protection strategy

31% Big emphasis

38% Some emphasis

OPERATIONS

Inclusion and equality

38% Big emphasis **40%** Some emphasis

Ethical supply chain





Recycling and reuse

13% Big emphasis

57% Some emphasis





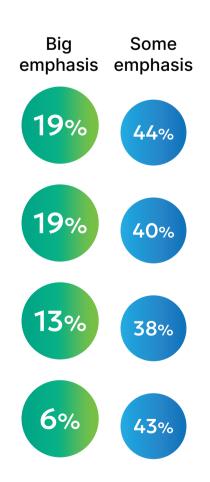
How much do you consider the following?

Use of renewable energy to power data centres

Carbon accounting at an overall level

Carbon accounting at a product/service level

Carbon accounting at a customer level



CONCLUSION

ESG considerations are now finding their way into the IT decision-making process, but still less than a third of CIOs view them as primary vendor assessment factors. The varying degrees of focus on specific criteria implies that many IT leaders are still in the process of working out what they want from suppliers in this area and why. With growing attention around ESG in general, though, we anticipate it won't be long before they get there.

For further information please go to www.freeformdynamics.com or www.ciowatercooler.co.uk

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