ESG Operational Control

Strategize, manage, govern, and report across your enterprise

According to research released in October 2021 by IDC, 72% of organizations consider sustainability to be an important business priority and 77% are already moving forward with their programs. However, they need help.

- 74% lack sustainability expertise and capabilities
- 61% need IT tools to report and measure on impact
- 59% believe the necessary operational technology hasn’t yet been invented

The ServiceNow ESG “Control Tower”

ServiceNow can fill this gap to help you achieve the environmental, social, and governance (ESG) impact and business value your stakeholders expect. ServiceNow® ESG Management and Reporting works with ServiceNow Project and Portfolio Management and ServiceNow Integrated Risk Management as an enterprise-wide strategy, planning, governance, and reporting solution for ESG.

Every organization is somewhere on the ongoing journey to become more sustainable, equitable, and ethical. The ServiceNow solution lays down an end-to-end operational foundation. It offers “crawl, walk, run” modularity so you can move at your pace to align your strategy with execution and overall financial and corporate decision-making and governance.

<table>
<thead>
<tr>
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<th>Ad Hoc</th>
<th>Disclosure Driven</th>
<th>Governed</th>
<th>Integrated</th>
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</thead>
<tbody>
<tr>
<td><strong>Approach</strong></td>
<td>Siloed, fragmented, reactive</td>
<td>Reactive to regulatory and investor disclosure asks</td>
<td>Formal tracking of initiatives, processes, policies, and compliance</td>
<td>Embedded into daily work and connected across the enterprise</td>
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<tr>
<td><strong>Planning</strong></td>
<td>Bottoms up; no materiality assessment</td>
<td>Siloed, best effort linked to top material issues</td>
<td>Based on ESG goals, linked to formal metrics</td>
<td>Part of financial, corporate, and operational cycles</td>
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<td><strong>Data Management</strong></td>
<td>No formal ESG tools or processes</td>
<td>Automated and manual metrics collection</td>
<td>Continuous monitoring of metrics and controls; audit-ready evidence</td>
<td>Continuous monitoring of ESG risks alongside operational and IT risks</td>
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<td><strong>Reporting</strong></td>
<td>Limited disclosures</td>
<td>Annual reporting against standards</td>
<td>On-demand visibility, automated reporting</td>
<td>Internally audited; results connected to executive compensation</td>
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Prioritize ESG investments, plan ESG capabilities, and operationalize visibility, metrics, and evidence to support governance, disclosures, and long-term impact and value.

Challenges

- Processes of varying maturity, often manual and ad hoc
- Poor executive visibility
- Fragmented, unreliable data
- Siloed decision-making
- Inefficient and costly reporting

Modular Solution

- ServiceNow ESG Management and Reporting
- ServiceNow Project and Portfolio Management
- ServiceNow Integrated Risk Management (IRM/GRC)

Benefits

- On-demand visibility
- Streamlined, verifiable reporting and disclosures
- Consistent and efficient processes to improve speed and scale
- Support for expanding scope and regulations
- More ethical, transparent, and secure business practices
- Integration of ESG activities into corporate and financial planning processes

Outcomes

- Convert your ESG vision and goals into meaningful action
- Enhance reputation and trust
- Create long-term value and impact
Streamline disclosures and reporting
Sustainability teams and ESG program managers will appreciate our simple support for finding, organizing, maintaining and delivering disclosures against key frameworks, plus on-demand visibility into status of projects. It’s easier, faster, and more repeatable than today’s mostly manual steps, meaning these precious experts can spend more time coaching and educating to increase ESG skills, IT and improve data security, engagement, and impact.

Align strategy with execution
Operational leaders like the way our ecosystem-wide platform helps them: prioritize and plan ESG work to align with materiality and goals; achieve visibility into status and costs; manage ESG-based risks to improve resilience; and improve performance. Their inner skeptics value the access to and credibility of the data supporting decisions and disclosures.

Manage ESG risks as part of GRC
Risk leaders recognize ESG’s increasing impact on their governance, risk and compliance postures and want to proactively include ESG in their programs. They like how ServiceNow helps them formalize ESG policies and governance practices, continuously monitor key metrics and controls, and integrate ESG into a robust risk management program across the enterprise and third parties.

Use technology to accelerate impact
IT leaders are in a strong position to help accelerate ESG impact on a unified technology foundation, in addition to security, privacy, and sustainable IT. They see adoption of the ESG operational control solution as an important way for IT to enable enterprise- and ecosystem-wide ESG activities. The unified, single data model architecture helps them enable line of business ESG teams, while integrating with the IT platform, regulatory processes, and policies that already support their businesses.

Activate ESG across your enterprise
Together, we can workflow a better world. Contact your sales team or platform champion to move forward. servicenow.com/esgsolutions

99% of respondents would like an integrated sustainability solution, with 85% saying it is highly valuable or a game changer.¹

¹ IDC Infographic, sponsored by ServiceNow The C-Suite Sustainability Imperative 2021 Doc. #US48287921, October 2021