

ServiceNow Introduces New Integrated ESG Solution to Help Companies Drive Greater Environmental, Social, and Business Impact

2021-10-12

Integrated environmental, social, and governance (ESG) solution combines the power of ServiceNow's platform, new and existing products, and partner ecosystem to help companies workflow a better world

SANTA CLARA, Calif. — October 12, 2021— **ServiceNow** (NYSE: NOW), the leading digital workflow company that makes work, work better for people, today announced a new, integrated **ESG solution** powered by the Now Platform that helps companies activate ESG strategies, programs, and initiatives – from enhancing diversity and inclusion and reducing carbon emissions to enabling business resilience – across the enterprise. ServiceNow's ESG solution combines the power of the Now Platform, new and existing products, and ServiceNow's partner ecosystem to help organizations plan, manage, govern, and report on their ESG programs and initiatives to drive greater environmental, social, and business impact.

Companies are increasingly prioritizing ESG initiatives to help contribute to a more sustainable, equitable, and ethical world, build customer and stakeholder trust, and deliver successful business outcomes. According to **recent studies**, 88% of investors agree companies that prioritize ESG initiatives represent better opportunities for long-term returns than companies that do not, and global consumers are nearly **five times more likely** to trust, buy, champion, and protect companies with a strong ESG purpose.

Today's ESG efforts are often ad hoc, siloed, and manual. The technology products currently available support discrete, disconnected ESG efforts, compounding the problem. At the same time, global ESG regulations continue to

rapidly evolve: more than **170 ESG proposed regulatory measures** have emerged since 2018, and **82 percent of investors** believe companies are not prepared to comply with ESG reporting regulations. Companies must be able to connect their disparate ESG products and operational systems and support new and existing proposed regulatory requirements to scale their ESG efforts, meet their ESG goals, and support increasing stakeholder expectations for greater levels of transparency and disclosure. ServiceNow's ESG solution, leveraging the single data model and single architecture of the Now Platform, helps companies accomplish these objectives.

"ESG is a top issue for the C-suite today. Leaders need better ways to plan, manage, govern, and report on their companies' investments toward a more sustainable, equitable, and ethical world," said Gina Mastantuono, ServiceNow Chief Financial Officer. "With the power of the Now Platform, ServiceNow is well-suited as the strategic ESG platform partner for business, ultimately helping leaders gain operational control over their growing number of ESG initiatives to drive positive, lasting change globally."

"In order for ESG initiatives to be effective, companies must have a complete view of their ESG efforts and performance to know how they are tracking towards their goals," said Kim Knickle, Research Director at Verdantix. "We expect ServiceNow's new ESG solution will leverage the company's existing platform to better enable this visibility."

With its latest integrated ESG solution, ServiceNow is taking a holistic approach to help organizations drive impact and build greater customer, investor, and employee trust. Organizations can convert ESG goals into meaningful impact and create long-term value by innovating processes and delivering sustainable outcomes.

Delivering a unified solution for activating ESG across the enterprise

Harnessing the power of the Now Platform, ServiceNow's new ESG solution serves as an operational control tower to help convert companies' ESG goals into reality by providing visibility and transparency across their ESG programs and initiatives and helping them strategize, manage, govern, and report on these efforts on a single platform. Key components of ServiceNow's integrated solution include:

- ***NEW*** ServiceNow ESG Management and Reporting enables companies to document material topics, establish goals and KPIs, track performance, collect and validate audit-ready data, and create disclosures that align with major ESG reporting frameworks.
- ServiceNow Project and Portfolio Management helps build and maintain a company's ESG roadmap, including strategy, planning, and budgeting tools plus ongoing tracking of costs, resources, and results. Companies gain visibility into their ESG investments and improve the scale and impact of their ESG efforts.
- ServiceNow Integrated Risk Management provides core governance capabilities plus advanced risk assessments, continuous monitoring, AI, audits, privacy, automation, and more. It integrates ESG

considerations and data into effective enterprise-wide risk and compliance management with a real-time view of ESG compliance and risk as well as rich analytics that improve decision making and business performance.

These products work seamlessly with ServiceNow's **low-code tools** and solutions such as **Business Continuity Management, Vendor Risk Management, Security Operations, Hardware Asset Management, and HR Service Delivery** to generate even greater enterprise-wide ESG value and impact.

Collaborating with the ServiceNow ecosystem to solve new and existing ESG challenges

ServiceNow's ecosystem of partners, developers, customers, and other third parties will serve as a force multiplier for the ServiceNow ESG solution. Today ServiceNow also **announced** an expanded alliance with KPMG, where KPMG will serve as the lead launch partner for ServiceNow's ESG solution. Both companies will work closely together to activate ESG across the enterprise for their joint customers, while also building new ESG workflows on the Now Platform to further extend the solution's capabilities.

Through its **Developer Program**, ServiceNow is also mobilizing ISVs, as well as other third parties and customers, to create specialized ESG workflows that serve the unique requirements of various industries and geographies, address specific material issues, and extend ESG initiatives beyond the enterprise to the supply chain. For example:

- EcoVadis delivers a sustainability ratings platform to assess environmental, social, and ethical practices. By integrating EcoVadis with the ServiceNow Vendor Risk Management product, we can help customers consider third parties' sustainability performance along with other types of risks – providing a comprehensive view of third-party risk.
- Watershed enables companies to measure, reduce, remove, and report their carbon emissions. Leading companies—including ServiceNow, Airbnb, DoorDash, Stripe, Shopify, and sweetgreen—are using Watershed on their path to get to zero carbon. By integrating with ServiceNow ESG Management and Reporting, companies can integrate their climate work into their overall ESG program, importing carbon metrics from Watershed into ServiceNow.
- Reporting Standards Bodies are engaged with ServiceNow to integrate their standards into the ESG Management and Reporting product. For example, ServiceNow has already licensed the Value Reporting Foundation's SASB Standards. And ServiceNow is currently in the process of requesting authorization to use the Global Reporting Initiative (GRI) Standards content in its ESG Management and Reporting solution before the end of the year. These product capabilities will enable companies to produce reporting and disclosures aligned with some of the most commonly used reporting standards.

Availability and additional information

- Visit the **ESG Solution** product page for more information.

- ESG Management and Reporting will be generally available on November Learn more at <https://www.servicenow.com/products/esg-management.html>
- Read about ServiceNow's **expanded alliance with KPMG**.
- Check out our **latest insights** on how to workflow your ESG program and **IDC infographic** on how companies are thinking about ESG.

Third party comments on ServiceNow's ESG solution:

EcoVadis

"Most leaders now realize that 80% of sustainability impacts are in the supply base, and thus companies need to extend their visibility beyond the walls of the enterprise and into their value chain," said David McClintock, Marketing Director at EcoVadis. "Working closely with ServiceNow, we are building a powerful new integration that allows ServiceNow customers to incorporate supplier ratings, insights and benchmarks into their sustainable procurement and risk management initiatives, which help drive better business decisions."

GRI

"We welcome that ServiceNow is currently in the process for GRI software and tools certification," said Mirjam Groten, Chief Business Development Officer at GRI. "They will soon be authorized to use GRI Standards content in their new ESG solution to help businesses, governments and other organizations understand and communicate their sustainability impacts on the economy, the environment and society."

NHS National Services Scotland

"Working with ServiceNow, we were able to build and produce a dynamic, integrated workflow within the span of six weeks that manages our national vaccination program, which has helped to protect 2.5 million of our highest risk citizens," said Steven Flockhart, Director of Cloud Engineering and Operations, NHS National Services Scotland (NSS). "We look forward to leveraging the potential of ServiceNow's new ESG solution to drive quick and impactful results so that society is a better place for all."

Watershed

"We have been working closely with ServiceNow as they set their sights on achieving net zero carbon across the entire value chain by 2030," said Taylor Francis, co-founder at Watershed. "Now, with our partnership with ServiceNow and integration with ESG Management and Reporting, we will be able to help others follow a similar path. It's time to move from talk to action. We're working together to help companies go beyond measuring their carbon graph to actually bending it to zero."

Value Reporting Foundation

“At the Value Reporting Foundation (VRF), we connect business and investors on the financial impacts of sustainability,” said Ryan Suen, VRF’s SASB Standards Integration Manager. “We are working together to leverage the power of ServiceNow’s platform to help companies provide decision-relevant information to their investors.”

Use of Forward-Looking Statements

This press release contains “forward-looking statements” about the expectations, beliefs, plans, intentions and strategies relating to ServiceNow’s integrated ESG solution and related products. Such forward-looking statements include statements regarding future product capabilities and offerings and expected benefits to ServiceNow. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, our results could differ materially from the results expressed or implied by the forward-looking statements we make. We undertake no obligation, and do not intend, to update the forward-looking statements. Factors that may cause actual results to differ materially from those in any forward-looking statements include, without limitation, (i) changes in the ESG regulatory landscape; and (ii) unexpected delays, difficulties, and expenses in making available the ESG solution or executing this strategy. Further information on factors that could affect our financial and other results is included in the filings we make with the Securities and Exchange Commission from time to time.

About ServiceNow:

ServiceNow (NYSE: NOW) is making the world of work, work better for people. Our cloud-based platform and solutions deliver digital workflows that create great experiences and unlock productivity for employees and the enterprise. For more information, visit: www.servicenow.com.

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