

SEPTEMBER 2023

Zones' Commitment to Sustainability

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Abstract: Today, sustainability—the responsible use and management of resources to minimize negative impacts on the environment, society, and future generations—is an important goal for organizations and is now becoming a deciding factor when they choose which products and services to purchase and whom to buy from. Sustainability is expected to increase in importance as businesses, governments, and individuals embrace less impactful ways of achieving their goals. This growing concern for environmental, social, and governance (ESG) principles is leading decision-makers to evaluate existing and potential suppliers differently. Decision-makers are increasingly demanding that suppliers commit to and honor these principles to maintain goal alignment with their strategic objectives and commitments. This paper will discuss the concrete actions and commitments Zones is taking to honor its global commitment to reducing its environmental footprint on customers, collaborators, and worldwide communities.

ESG Principles Are Increasingly Important

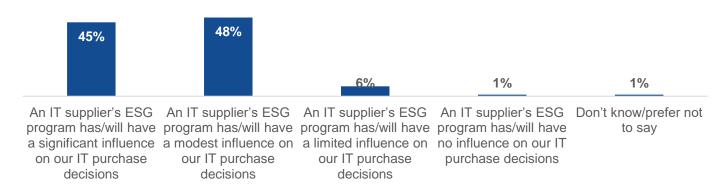
ESG, sometimes referred to as *sustainability* and other times as *corporate social responsibility*, are increasingly important to businesses. According to research from TechTarget's Enterprise Strategy Group, 99% of IT leadership reported that the ESG programs of their potential suppliers have or will have some impact on their organization's IT purchase decisions, with 45% reporting that the impact is significant and an additional 48% saying it is modest, meaning that, for the vast majority of businesses, having a positive ESG program is an important factor when selecting business partners and suppliers. Organizations want to do business with organizations that will support their own ESG efforts (see Figure 1).¹

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¹ Source: Enterprise Strategy Group Research Report, <u>The Role of ESG Programs on IT Decision Making</u>, November 2022. All Enterprise Strategy Group research references and charts in this showcase are from this research report.

Figure 1. Impact of a Supplier's ESG Program on IT Buying Decisions





Source: Enterprise Strategy Group, a division of TechTarget, Inc.

As for motivation, the drivers for ESG compliance are split between those organizations that were internally motivated, with a commitment to promoting fairness (49%) and reducing their carbon footprint (51%), and those that were externally motivated—i.e., expecting ESG programs to increase in importance or become a requirement (64%) or required by customers to apply ESG assessment to suppliers (45%, see Figure 2). Basically, to belong to a value chain, ESG is essential.

Figure 2. Current Motivators for ESG Adoption

Why do you believe that the ESG programs of your organization's IT suppliers influence, or will influence, your organization's purchasing decisions? (Percent of respondents, N=395, multiple responses accepted)

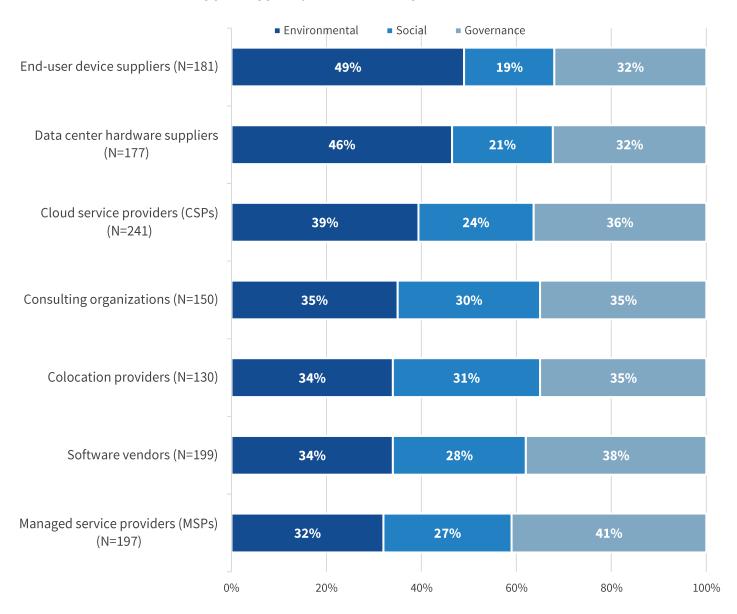


Source: Enterprise Strategy Group, a division of TechTarget, Inc.

Enterprise Strategy Group research also shows how buyers measure product suppliers' program quality based on ESG. The study included various supplier types (end-user device suppliers, data center hardware suppliers, cloud service providers, consulting organizations, colocation providers, software vendors, and MSPs), and it showed that the environmental impact of products involving hardware and devices is scrutinized more closely than that of service products like consulting, which receive more scrutiny from buyers with regard to their social and governance attributes (see Figure 3).

Figure 3. How Buyers Measure Product Supplier Program Quality

For each of the technology supplier types your organization currently assesses, how important is each aspect of ESG (i.e., environmental, social, and governance) when it comes to purchase decisions for that supplier type? (Percent of respondents indicatin



Source: Enterprise Strategy Group, a division of TechTarget, Inc.

99% of IT Leadership

report that the ESG programs of their potential suppliers have or will have some impact on their organization's IT purchase decisions.

A good supplier exhibits all aspects of ESG but might display greatest commitment to the areas that its buyers deem most important. In the case of a full-line supplier that might be involved in both goods and services, it is reasonable for buyers to expect and require that their broad range partner excel in all three areas:

- **Environmental.** Organizations should look for suppliers to have commitments to reduce or eliminate waste, perform full device lifecycle management, with supply chains committed to the same goals.
- Social. Suppliers should demonstrate a commitment to diversity, equity, and inclusion appropriate to the
 geography and cultural norms for the operating region, as well as a general commitment to fairness and
 community involvement.
- Governance. Good suppliers practice good governance from the top down. Governance includes rules and
 practices of how companies ethically interact with competitors, suppliers, governments, and other stakeholders,
 as well as shareholders. ISO certifications are tangible examples of a commitment to governance and
 standards.

How Zones Addresses Sustainability

Zones is committed to sustainability (see Figure 4). With an all-encompassing plan that covers environmental, economic, and social factors, combined with a commitment to quality, Zones Technology Solution Centers (TSCs) support clients in their efforts to stay competitive while eliminating waste, conserving energy, and mitigating pollution.

Figure 4. Zones' Commitment to Sustainability



Source: Zones



In order to enhance sustainability efforts, Zones has focused on several initiatives, including striving for zero waste, providing logistics services and IT asset disposition (ITAD), and attaining ISO certification.

Zero Waste

Zero operational waste, also known as *zero waste*, is an ambitious goal that aims to minimize the waste generated by a business, organization, or individual to an absolute minimum. This can be achieved through a combination of waste prevention, recycling, and the adoption of sustainable business practices.

In line with ongoing strategic efforts, Zones TSCs are dedicated to reducing the environmental footprint on customers, collaborators, and worldwide communities. Through sustainable logistics services and ITAD, as outlined below, they actively strive for waste elimination, energy conservation, and pollution mitigation while adhering to relevant legal and regulatory standards.

Logistics Services

Outside of manufacturing and usage, much of the environmental impact of information technology stems from the packaging and shipping of equipment to customer organizations. Zones mitigates these impacts by leveraging right-size packaging, consolidating shipments, and identifying the most efficient transportation routes and shipping methods, thereby reducing the carbon emissions footprint for both Zones and the customer.

IT Asset Disposition

Zones ITAD is a key piece of Zones' commitment to sustainability, which includes full lifecycle services for assets using the R2v3 standard for ITAD, an industry specification for the responsible recycling of electronics (see Figure 5). Zones ensures that these assets are properly recycled and kept out of the waste stream. This R2v3 standard can help to protect the buyer's organization from regulatory fines and penalties, as well as from reputational damage. Zones ITAD services give customers peace of mind, knowing that their old IT equipment will be reused or disposed of in an environmentally safe manner that satisfies all federal, state, and local laws and regulations.

Figure 5. Logistics and Lifecycle Services – How Zones TSC Delivers End-to-end Sustainability



Source: Zones



Value Recovery – Zones ensures that organizations don't miss out on any opportunity to leverage end-of-life equipment with well-built direct sales channels that can help organizations recover the maximum value from their assets. Properly identified and tracked IT inventory ensures compliance with data and environmental regulations as well as transparency in value recovery.

Zones ISO 14001:2015 Certification

validates a commitment to environmentally responsible practices.

ISO 9001:2015 Certification – Quality Management

Zones' attainment of the ISO 9001:2015 certification demonstrates its ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements. Thus, Zones and its customers are able to maintain an environmentally conscious approach while continuously improving outcomes through a robust quality management system.

ISO 14001:2015 Certification – Environmental Management

Through Zones' attainment of the ISO 14001:2015 certification, it has effectively embraced the internationally agreed-upon standard that enhances environmental performance through efficient resource use, waste reduction, and the building of stakeholder trust.

Conclusion: The Commitment to Sustainability Makes Zones a Good Technology Partner

The commitment to environmental sustainability and achieving zero operational waste has become a vital imperative for businesses, organizations, and individuals worldwide. Zones TSCs are at the forefront of this movement, actively striving for waste elimination, energy conservation, and pollution mitigation. Attaining the ISO 9001:2015 and 14001:2015 certifications further validates Zones' commitment to environmentally responsible practices, strengthening its competitive edge and supporting clients in their sustainability efforts.

By committing to environmental sustainability and implementing measures to achieve zero operational waste, businesses and organizations can create a greener future for themselves, their stakeholders, and the planet. Moreover, such actions will not only help preserve valuable resources but also ensure the long-term viability and competitiveness of organizations' operations in a world increasingly focused on ecological responsibility.

For organizations that are looking for their business partners to journey with them on the road to sustainability, Zones offers products, services, and an internal commitment to work with its customers and partners to achieve sustainability. Given the increasing importance of ESG to the future of business, the commitments and actions taken by Zones demonstrate what a good partner should do: manage its own organization to the highest standards while enabling all stakeholders to benefit from its investments and long-term commitments to a shared, sustainable future.

To learn more about Zones and the commitment to sustainability, visit the **Zones** corporate social responsibility site.



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