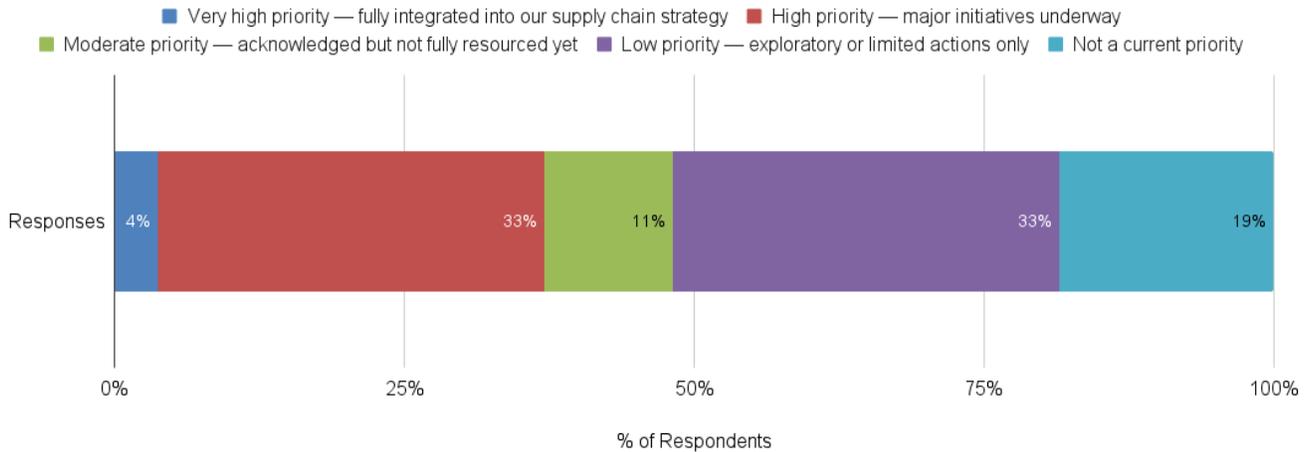


How Ready Is Your Supply Chain for ESG Regs?

BE UNCOMMON. RESEARCH WITH PURPOSE.

How would you describe your organization's current level of prioritization for ESG compliance (e.g., EUDR, CSRD, UFLPA) in your multi-tier supply chain today?



RESPONDENT PROFILE

Respondent Profile (n=27)

Seniority Level		Industries	
Manager	56%	Food & Beverage	22%
Director	22%	Retail	11%
VP	15%	Consumer Goods	11%
SVP	0%	Distributor	11%
CxO	0%	Automotive	4%
Other	7%	Manufacturing - Other	41%
		Medical Equipment	0%
		Building Materials	0%
Geography		Company Size	
North America	81%	> \$1 Billion	56%
Europe	11%	\$501M - \$1B	4%
Asia	4%	\$100M-\$500M	22%
Latin America	4%	< \$100M	19%
Middle East	0%		
Other	0%		

SURVEY INTRODUCTION

As new Environmental, Social, and Governance (ESG) regulations such as [Corporate Sustainability Reporting Directive](#) (CSRD), [Uyghur Forced Labor Prevention Act](#) (UFLPA), and European Union Deforestation Regulation (EUDR) gain momentum globally, supply chain leaders are facing rising pressure to achieve end-to-end transparency and compliance across all supplier tiers. This short survey aims to understand how companies are prioritizing ESG compliance, the progress they've made, and the obstacles they still face.

ANALYSIS & COMMENTARY

We conducted a survey with members of the [Indago supply chain research community](#), who are all supply chain and logistics executives from manufacturing, retail, and distribution companies, to understand how companies are prioritizing ESG compliance, the progress they've made, and the obstacles they still face.

ESG Compliance Still Not a High Priority

Despite the growing global focus on ESG compliance, most companies appear to be in the early stages of their journey. More than half of the respondents (52%) said ESG compliance is either a low priority (33%) or not a current priority (19%) within their organizations. Only 4% described it as a very high priority today.

This sentiment is reflected in one executive's comment:

"This is not a current priority for our organization due to staffing, costs, ROI/payback, requirements, and needs. As our customers demand more information, we will eventually be forced into further action in this area."

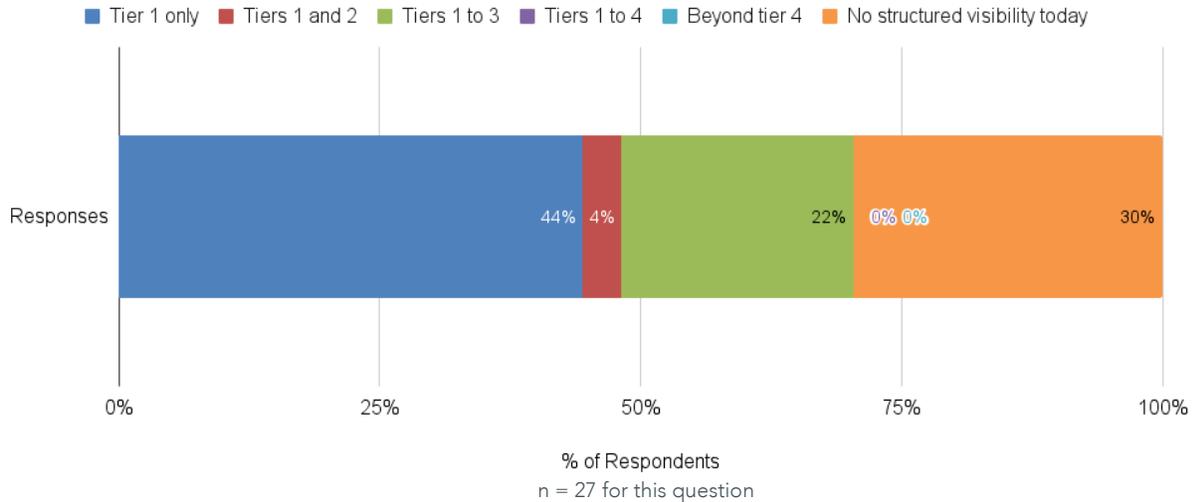
In other words, for many companies, ESG compliance remains more of a reactive necessity than a proactive strategy -- something they'll invest in once customer or regulatory pressure intensifies.

QUESTIONS ABOUT THIS REPORT? Contact research@joinindago.com

How Ready Is Your Supply Chain for ESG Regs?

BE UNCOMMON. RESEARCH WITH PURPOSE.

What is your current level of visibility into ESG-related risks and data across your supply chain tiers?



Limited Visibility Beyond Tier 1 Suppliers

When asked about their visibility into ESG-related risks and data, 44% of respondents said their visibility extends only to Tier 1 trading partners, while another 30% reported having no structured visibility at all. Few companies are able to see deeper into their supply chains, where the greatest risks often reside.

As one respondent explained:

“Some of the biggest challenges for us are the costs for securing the data needed to understand the true picture of our ESG compliance beyond Tier 1 -- and the unwillingness of our suppliers to share that data. We are an SMB with limited leverage to acquire that data from our suppliers.”

This underscores one of the most persistent obstacles in achieving ESG transparency -- the lack of collaboration and data sharing across multi-tier networks.

Manual Processes Dominate ESG Data Collection

The survey found that manual surveys or spreadsheets remain the primary tools for collecting and managing ESG-related data, cited by 59% of respondents. This was followed by third-party audits or assessments (41%) and third-party data providers or industry consortia (30%).

One respondent described their current approach:

“Our current ESG compliance activity is all manual and handled across different campuses. [Our compliance team] is working on integrating all of us [onto a common software solution] for tracking and reporting. Once that is in place, we will have a compliance platform to enable traceability.”

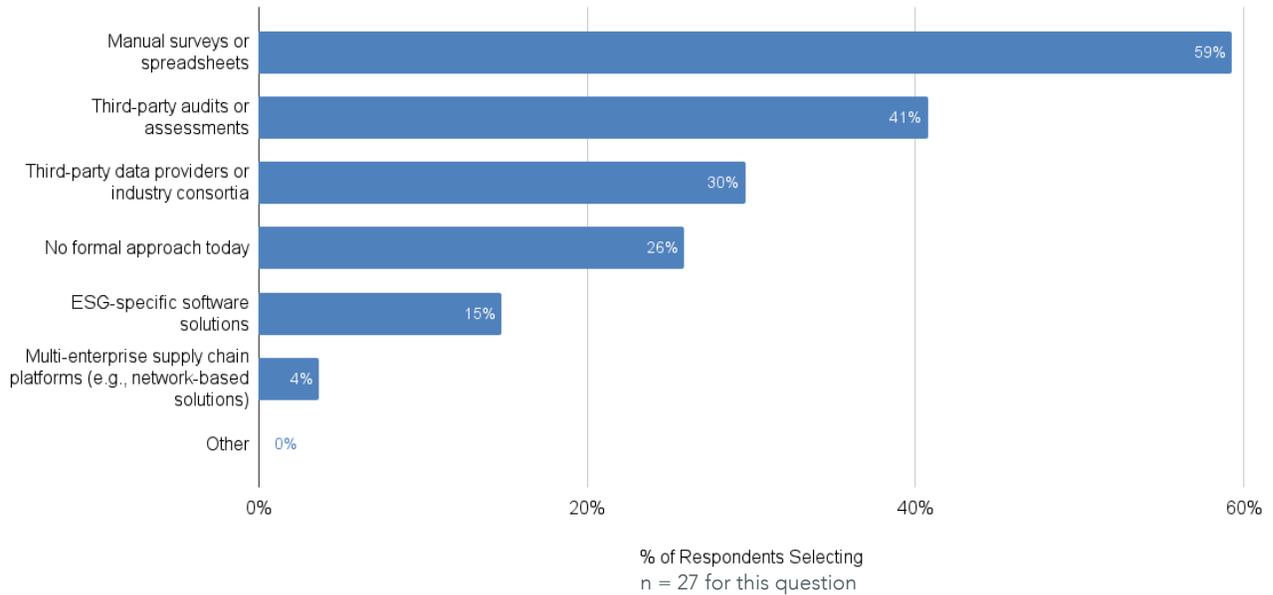
The prevalence of manual methods highlights a key vulnerability: fragmented data management makes it difficult to maintain accuracy, consistency, and scalability as compliance demands increase.

QUESTIONS ABOUT THIS REPORT? Contact research@joinindago.com

How Ready Is Your Supply Chain for ESG Regs?

BE UNCOMMON. RESEARCH WITH PURPOSE.

Which approaches are you currently using to collect and manage ESG-related data from your supply chain partners? Select all that apply.



Traceability: Ambition Meets Inaction

When it comes to product traceability, most companies remain constrained to the first tier of their supply chain. More than half (52%) reported having limited product tracing capability, primarily at Tier 1, and only 15% said they can trace products across all tiers.

Perhaps more concerning, nearly half (48%) of the respondents said they have no current plan for achieving multi-tier ESG traceability and transparency. Another 22% said they plan to begin these efforts within the next two to three years.

As one respondent put it:

"The biggest challenge is awareness by suppliers and our senior management who mostly focus on the bottom line. Regulations and industry standards would move the needle for traceability efforts."

Others cited the lack of standardized digital tools and clear regulatory guidance, especially in the U.S., as key barriers:

"Our biggest challenge is the costs of getting deeper visibility into the deeper tiers of our suppliers and the ambiguity especially in the U.S. to ESG requirements and regulations."

QUESTIONS ABOUT THIS REPORT? Contact research@joinindago.com

How Ready Is Your Supply Chain for ESG Regs?

BE UNCOMMON. RESEARCH WITH PURPOSE.

To what extent are you currently able to trace products through your supply chain?



A Call for Standardization, Technology, and Collaboration

Several respondents expressed the need for more standardized tools, industry collaboration, and technology-driven solutions to accelerate progress. As one supply chain leader noted:

“Achieving full visibility across our supply chain remains a complex challenge. One of the biggest hurdles is engaging suppliers -- especially those in lower tiers -- to consistently provide reliable ESG-related data. What would help us most is a combination of standardized digital tools for data collection, stronger incentives or contractual requirements for suppliers, and industry-wide collaboration to align on expectations.”

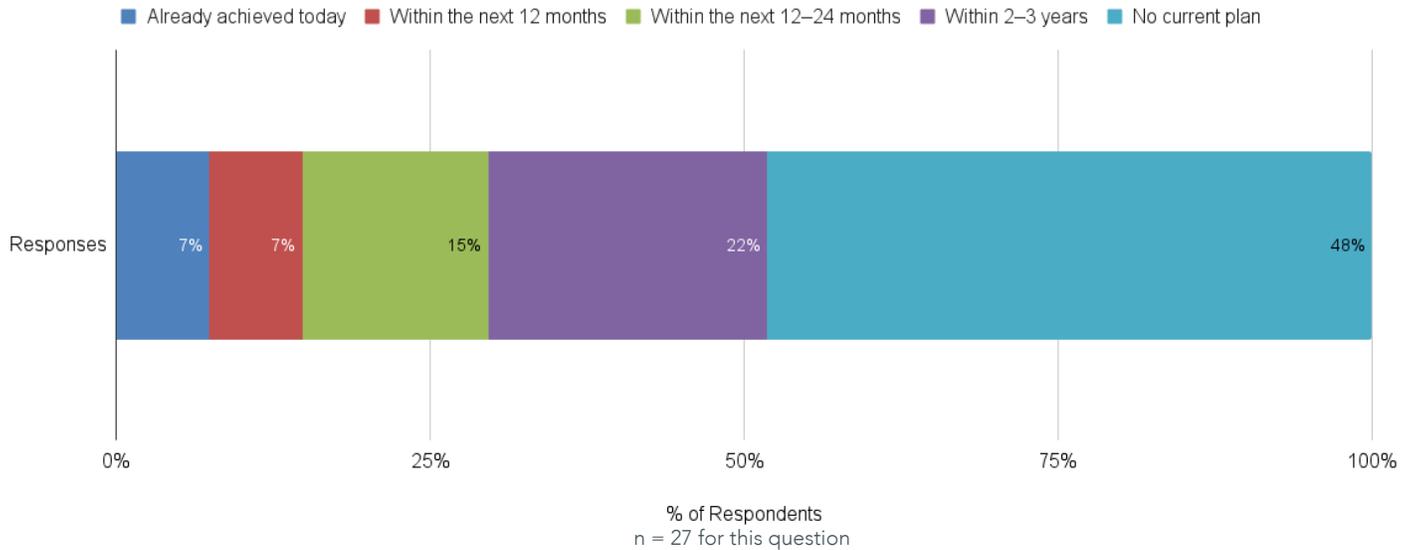
This comment captures a key insight: no company can tackle ESG compliance alone. It requires network-wide cooperation and the use of digital platforms capable of connecting and synchronizing data across all tiers of the supply chain.

QUESTIONS ABOUT THIS REPORT? Contact research@joinindago.com

How Ready Is Your Supply Chain for ESG Regs?

BE UNCOMMON. RESEARCH WITH PURPOSE.

What is your timeline for achieving multi-tier ESG traceability and data transparency?



Summary & Recommendations

The survey results reveal a clear gap between awareness of ESG regulations and readiness to comply. While many companies recognize the importance of transparency and traceability, few have developed the technology infrastructure, cross-tier collaboration, and leadership commitment required to deliver it.

For shippers, the message is clear: ESG compliance is coming, whether you're ready or not. Those who act now to digitize, collaborate, and standardize will not only stay ahead of regulations but also strengthen the resilience, trust, and competitiveness of their supply chains.

Based on the survey results and feedback from respondents, shippers can take the following steps to strengthen their ESG readiness:

- Elevate ESG from a compliance task to a strategic priority.**
 Integrate ESG objectives into corporate strategy and performance metrics, not just regulatory reporting.
- Invest in digital traceability tools.**
 Move away from manual spreadsheets toward systems that enable standardized, multi-tier data collection and real-time visibility.
- Collaborate across your network.**
 Work with suppliers, logistics providers, and others to establish shared standards and data-sharing frameworks.
- Engage and educate suppliers.**
 Provide training, incentives, and contractual clarity to encourage consistent ESG data sharing and compliance participation at all tiers.
- Start with your high-impact areas.**
 Identify high-risk or high-visibility categories (e.g., deforestation-linked commodities) and focus your early traceability efforts there.

QUESTIONS ABOUT THIS REPORT? Contact research@joinindago.com