Driving forces

Innovation and human capital are important sustainability aspects for the software industry. Rapid technological innovation, which demands a highly qualified workforce to identify disruptive trends and develop new products, is characteristic of this industry. Managing, training and developing employees is therefore crucial to generating profitability and growth. Customer loyalty and retention are also key drivers of long-term profitability. Furthermore, companies must comply with increased regulation concerning the privacy and security of a growing amount of stored and processed confidential data. Reducing a software firm’s emissions footprint is a critical issue, as data centers require a constant supply of energy to avoid disruption. The industry is competitive, with dominant players in each segment. Scale is no longer the barrier that it used to be. Software can be easily procured and integrated from lower-cost locations, leading to challengers being launched at unprecedented speed with a low-cost base and the ability to compete directly with established players.

Highlighted criteria & dimension weights

Environmental Dimension . 21%
  – Climate Strategy
  – Environmental Policy & Management Systems
  – Operational Eco-Efficiency

Social Dimension ............. 27%
  – Human Capital Development
  – Talent Attraction & Retention

Governance & Economic Dimension .................. 52%
  – Customer Relationship Management
  – Information Security/ Cybersecurity & System Availability
  – Innovation Management
  – Privacy Protection

Industry Statistics

Number of companies assessed 240
Market capitalization of assessed companies (in USD billion) 5,147.4
Number of companies in Yearbook 6
Market capitalization of companies in Yearbook (in USD billion) 2,748.5

Sustainability Yearbook Members

Adobe Inc. United States
Microsoft Corporation United States
Dassault Systèmes SE France
VMware, Inc. United States

* S&P Global Industry Mover

S&P Global Gold Class
SAP SE Germany

S&P Global Silver Class
Temenos AG* Switzerland

Industry Awards 2022

S&P Global Gold Class
SAP SE Germany

S&P Global Silver Class
Temenos AG* Switzerland

S&P Global ESG Score
79
76

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