Supplier ESG Screening Checklist (Tiers 1–3)

This checklist is designed for the preliminary assessment of Environmental, Social, and Governance (ESG) risks within a supplier's operations. It is intended for initial screening of Tier 1 (direct) suppliers and critical Tier 2/3 suppliers.
Supplier Information | Field | Data | | :--- | :--- | | **Supplier Name** | | | **Tier Level (1, 2, or 3)** | | | **Location/Country of Operation** | | | **Product/Service Category** | | | **Annual Spend/Criticality** | (High/Medium/Low) | | **Date of Assessment** | | | **Assessor** | |

Part A: Environmental (E) Criteria

Focuses on the supplier's impact on natural systems, resource efficiency, and climate performance.

ID	Criterion	Tier 1 (Direct) Focus	Tier 2/3 (High Risk) Focus	Score (1-5)	Evidence/Notes
E1	**GHG/Climate Strategy**	Does the supplier measure Scope 1 & 2 emissions? Do they have a public decarbonization target?	Are they located in a high-carbon intensity industry? Do they use high-carbon inputs?		
E2	**Energy Management**	Does the supplier track energy consumption and prioritize energy efficiency or renewable energy use?	Are they able to provide total energy consumption data or renewable energy use data?		
E3	**Water Management**	Does the supplier track water usage? Are they located in a water-stressed region?	Do they have wastewater treatment/recycling policies?		
E4	**Waste & Circularity**	Does the supplier have a formal waste management program	Do they have programs for minimizing packaging or promoting		

ID	Criterion	Tier 1 (Direct) Focus	Tier 2/3 (High Risk) Focus	Score (1-5)	Evidence/Notes
		(hazardous and non-hazardous)?	product circularity?		
E5	**Environmental Compliance**	Has the supplier had any significant environmental fines or violations in the last 3 years?	Do they hold relevant environmental certifications (e.g., ISO 14001)?		

Part B: Social (S) Criteria

Focuses on human rights, labor practices, health, safety, and community engagement.

ID	Criterion	Tier 1 (Direct) Focus	Tier 2/3 (High Risk) Focus	Score (1-5)	Evidence/Notes
S1	**Forced Labor & Child Labor**	Does the supplier explicitly prohibit forced, bonded, indentured, and child labor in their policies?	Does the country of operation present a high risk for these practices (e.g., ILO risk index)?		
S2	**Wages & Working Hours**	Are documented processes in place to ensure compliance with legal minimum wage, overtime, and working hour limits?	Does the supplier pay living wages? (Request evidence of audits/certifications like SMETA).		
S3	**Health & Safety (H&S)**	Does the supplier have a formal H&S program and documented incident rates (LTIFR)?	Are adequate H&S training and PPE provided to all workers?		
S4	**Non-Discrimination & Diversity**	Does the supplier have a policy against discrimination and	Are metrics collected on workforce diversity or gender pay		

ID	Criterion	Tier 1 (Direct) Focus	Tier 2/3 (High Risk) Focus	Score (1-5)	Evidence/Notes
		harassment?	equity?		
S5	**Freedom of Association**	Do workers have the right to form and join unions and bargain collectively?	Are there mechanisms for anonymous grievance reporting?		

Part C: Governance (G) Criteria

Focuses on the supplier's management structure, ethical behavior, and compliance controls.

ID	Criterion	Tier 1 (Direct) Focus	Tier 2/3 (High Risk) Focus	Score (1-5)	Evidence/Notes
G1	**Anti-Corruption & Bribery**	Does the supplier have a written Code of Conduct and Anti-Corruption Policy?	Do employees receive mandatory anti-bribery training?		
G2	**ESG Oversight**	Is there dedicated management or board-level oversight for sustainability issues?	Is ESG performance tracked and reported internally or publicly?		
G3	**Data Security & Privacy**	Are customer and personal data protected? Do they comply with relevant data privacy laws (e.g., GDPR)?	Do they hold relevant certifications (e.g., ISO 27001)?		
G4	**Supplier Due Diligence**	Does the supplier perform ESG screening/due diligence on their *own* supply chain (i.e., your Tier 2/4)?	What percentage of their spend is covered by their own due diligence program?		

Summary & Action Plan

Scoring Key (for each criterion):

- **1 (Red Flag):** Clear violation, non-compliance, or high-risk location with no mitigation.
- **3 (Developing):** Policies exist, but implementation or monitoring is inconsistent.
- **5 (Leading):** Robust policies, strong performance, third-party certification/audit evidence, and continuous improvement plan.

Overall Assessment	Score Range (Average)	Action
High Risk	1.0 - 2.5	**Immediate Action/Reconsideration.** Requires a full audit or risk mitigation plan before onboarding.
Medium Risk	2.6 - 3.5	**Accept with Condition.** Requires a detailed Corrective Action Plan (CAP) for low-scoring areas and follow-up monitoring.
Low Risk	3.6 - 5.0	**Accept.** Monitor ongoing performance and integrate into standard supplier review cycles.

Overall Assessment: [Calculated Average Score]

Recommended Action Plan:

1. **Top 3 Areas for Improvement (CAP Items):**
    - (e.g., E1: Establish Scope 1 & 2 GHG inventory.)
    - (e.g., S2: Provide evidence of a wage review process.)
    - (e.g., G4: Implement a formal supplier Code of Conduct.)
2. **Next Review Date:**