



One Pagers



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THE TOP LINE

Revenues

\$82.4M +18%



REGIONAL REVENUE

Americas

+23%
\$45.2m

EMEA

-6%
\$22.3m

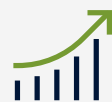
Asia Pacific

+45%
\$7.2m

THE BOTTOM LINE

Adjusted EBITDA

\$11.2M +14%



PROFITABILITY

EBITDA Margin

12%, up 143 bps from prior year



BLUE-CHIP CLIENTS

Clients Served YTD

831 +19%

(incl. 105 new to ISG, up 24%)



2021 3Q RECURRING REVENUES

Growing Predictability

\$24.1M +15%

Donec diam mi, auctor non mi eu,
mollis maximus erat suspendissee



CASH GENERATION

Operating Cash Flow

\$19.5M +71%



BALANCE SHEET

Strong Cash Position

\$51.6M up 57% from PY



4Q21 OUTLOOK

Revenues

\$73-\$79 million



Adjusted EBITDA

\$5-\$8 million



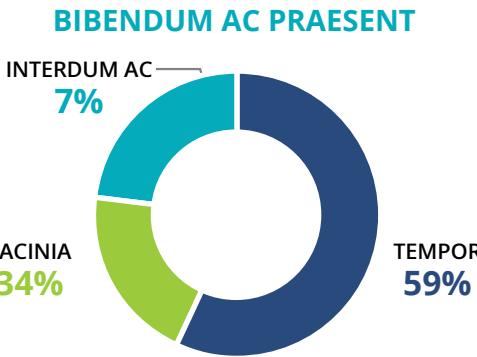


Investor Fact Sheet

Aliquam

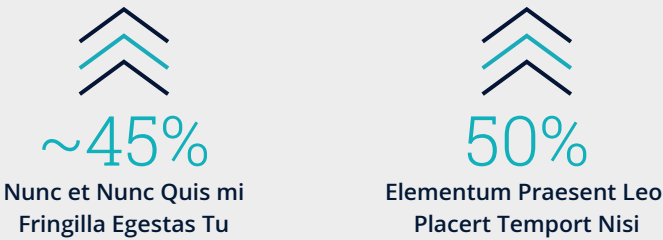
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- FACILIS AUGUE AC NISI: \$254.3M
- VESTIBULUM IACULUS LEO: \$27.8M
- SAPIEN IMPERDIET: Sapient Arcu
- CONVALLIS LIGULA: Praesent Temporalculus
- DIGNISSIM AL NUNC: Metus, Aliquam
- TELLUS CONVALLIS: 2005



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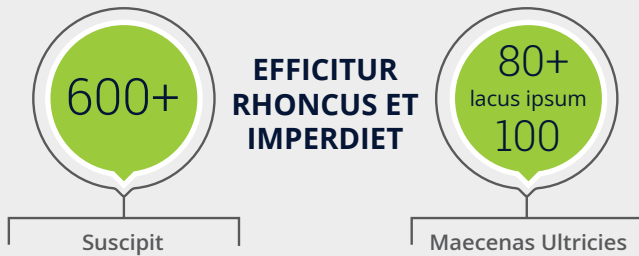
Ullamcorper Sodales

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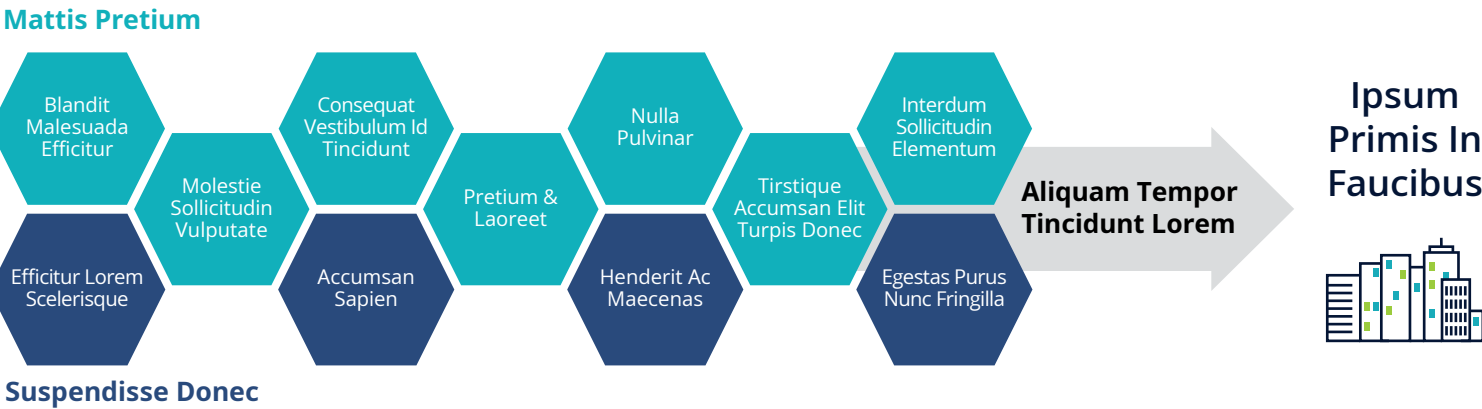
Interdum

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Vivamus Nisl Metus Tempus

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Posuere Gravida

*ISG Research

ISG provides subscription research and related consulting services for senior business and IT executives, technology and software vendors and business/IT service providers. Key brands include ISG Insights™ (emerging technology research and analysis), ISG Momentum® (market research and consulting for providers), ISG Provider Lens™ (provider evaluation research), ISG ProBenchmark® (benchmarking and market price intelligence) and ISG Performex™ (research measuring the health of customer-provider relationships and technology user experience).

*ISG Consulting

ISG helps private and public sector organizations transform and optimize their operational environments with a complete range of consulting services focusing on information technology, business process transformation, program management services and enterprise resource planning. ISG consulting services include: financial analysis, mergers and acquisitions, network services, operating model design & implementation, operations benchmarking, organizational change management, performance management, qualitative assessment, renegotiations, RFX services, robotic process automation (RPA), strategy, transition and transformation. Key brands include ISG FutureSource™ (digital sourcing solution) and ISG InformX™ (benchmarking data-as-a-service platform).

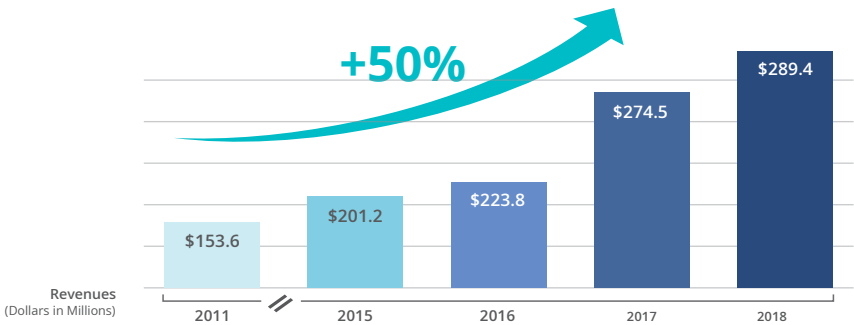
*ISG Managed Services

ISG Managed Services helps clients realize the cost savings and operating efficiencies they expect from their sourcing arrangements. Our industry-leading systems, tools and controls are designed to consistently govern third-party agreements, and our expertise in service integration and management helps clients achieve operational excellence in multi-supplier environments. Services include digital supplier management, contract lifecycle management, third-party risk management, and program and project management. Key brand: ISG GovernX™ (digital managed services platform).

*ISG Events

ISG produces industry events and conferences, including the ISG Sourcing Industry Conferences™ (SIC); the ISG Executive Provider Summit™; the ISG Digital Business Summits™, ISG Automation Summits™, ISG Future Workplace Summits™ and ISG Future Networks Summits™, and the ISG Digital Innovation Tour™. ISG also honors organizations and individuals for their contributions to the continuing evolution of sourcing through the ISG Paragon Awards™.

Finibus Quis Congue Et Facilisis





Infographics





Deep Dives

CIO Meetings

Your ISG Solution

ISG Advisory

Supplier Intelligence

The diagram illustrates the 2023-2024 cycle across four main activity areas, spanning from January to December.

- Full Spend Benchmark:** A horizontal bar divided into six segments:
 - Prep** (Jan - Feb): Light blue
 - Collection** (Feb - Mar): Dark blue
 - Validation** (Mar - Apr): Green
 - Analysis** (Apr - May): Purple
 - Results** (May - Jun): Teal
 - Model Enhancements** (Jun - Dec): Dark navy
- Face-to-Face Workshop:** A single grey bar labeled "Rotate annually" spanning the entire year from Jan to Dec.
- Virtual Gatherings:** Four grey boxes labeled "Q1", "Q2", "Q3", and "Q4" positioned at regular intervals throughout the year.
- Ad-hoc/Collab:** A series of 12 blue circles spaced evenly along the timeline, representing monthly or bi-monthly activities.

Principles: How the consortium is governed

Bound by a charter | Senior Commitment | 5+ Members
Openness and Sharing | Rolling Chairperson Role

Model Structure: Multi-dimension analysis

Capability Model (Business/Value Chain)
IT Towers (IT) | Cost Types (Finance/Economic)

KPI Categories: Holistic assessment

Cost | Quality | Maturity | Volume
Complexity | ESG | Business Value

To learn more about how we can facilitate your consortium, contact:

Sam Barringer, Service Line Director
Sam.Barringer@isg-one.com



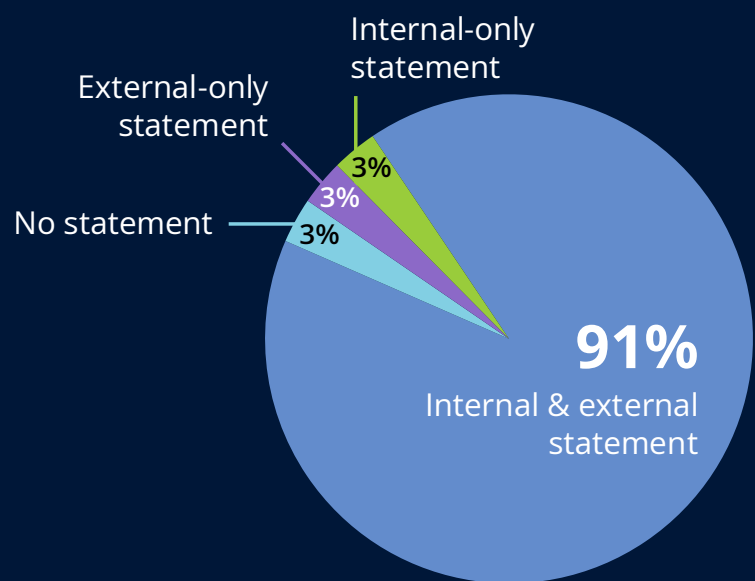
Digital Sustainability Study

Sustainability Budgets and Priorities

Spending on ESG Considered a Necessity

Companies are backing environmental, social and governance (ESG) **commitments** with cash—\$1 out of every \$500 that companies spend goes to sustainability technology or services, mostly for reporting and compliance solutions. About 1/2 of ESG spend is environmental, with the remaining half split almost equally between governance and social aspects.

Mission Statement with Sustainability Objective



Top Sustainability Challenges

Short- vs. Long-term Hurdles to Success

Enterprises cite **operating** challenges— such as cost and change management— as short-term hurdles to sustainability. But they are also facing **uncertainties** which may affect long-term plans, such as evolving government regulations or the measurability of data.

Operational vs. Uncertainty Challenges

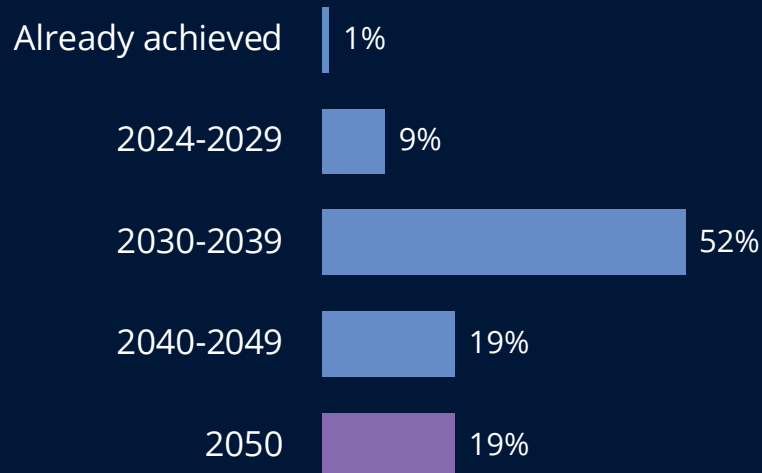
	Operational	Uncertainty
1	Cost of services	Economic conditions
2	Integrating metrics	Evolving regulations
3	Prioritizing investments	Measurement
4	Change management	Data quality

Decarbonization Goals

Varying Net Zero Emissions Targets

74% of enterprises have set a target to reach net zero emissions, with most companies (39%) aiming to reach it between 2030-2034. No company set a date past 2050, but **that year was the second-most common target**. And while 20% are consistently meeting or exceeding targets, around 1/3 are rarely or only sometimes meeting them.

Enterprises Targeting Net Zero by Year

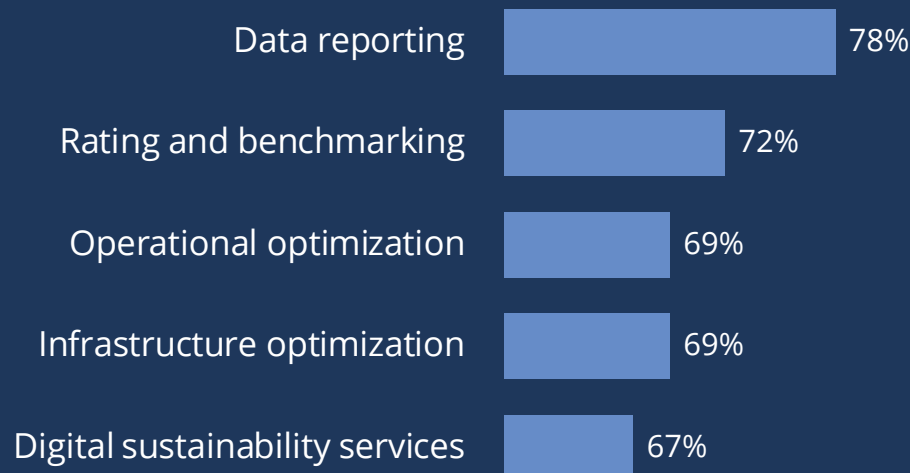


ESG Partnerships with Service Providers


Top Sustainability Sourcing Plans

85% of enterprises have engaged managed services providers in some way in relation to ESG, broken down on the right. 39% are using providers to run ESG-specific programs. The remainder are building sustainability goals into new and existing programs with providers, or holding them accountable to sustainability goals.

Where Are Enterprises Sourcing?



 **232 decision makers interviewed**
from G2000 companies in N. America and Europe

 **Board-level (27%), sustainability (22%)**
and operations (15%) decision makers

Contact us to find out more about this study. If your organization needs help navigating the technologies, processes and culture needed to refocus your initiative, ISG can help.

Smart Manufacturing Study

The State of Smart Manufacturing Initiatives Today

In pursuit of cost savings; growing success

Over 60% of respondents started a smart manufacturing initiative **4 years ago** or earlier.

These investments appear to be paying off with +70% reporting success.

Success is measured by cost savings first, then by the quality of manufacturing, which is the opposite priority order from 2022.

Initiatives are growing; those with +2,500 staff doubled, while those with +100 staff rose to 75%.

Top 5 Industry Challenges

OCM Remains #1 Challenge

It's critical to have a **change management** strategy that connects the value chain. Repones report that change initiatives struggle with conflicting priorities. Also of note, for the first time, IT/OT integration is a top 3 challenge, with system complexity as the largest success factor.

Technology Investments

AI is the #1 Investment Priority

In 2023, **75% of respondents increased or maintained investments in artificial intelligence** and machine learning, as shown in this chart. However, decision makers are split on digital twin tech; 60% increased or maintained investments, but 32% haven't invested at all. For AR/VR tech, most have not started or are maintaining investments, while 11% decreased spend.

Smart Manufacturing Partners

Multiple Partners Needed to Achieve Targets

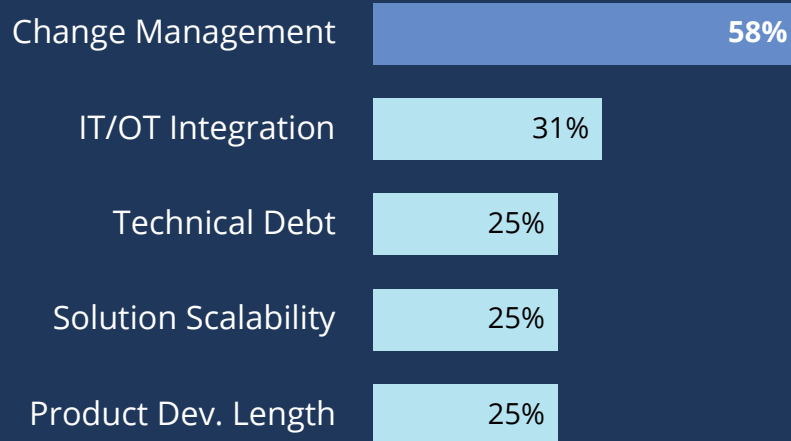
Manufacturing companies are using an **ecosystem of multiple providers** to accelerate their initiatives; the top 5 preferred partners are shown on the right. Desired traits of ecosystem partners vary greatly by sub-industry vertical, but 63% prefer a highly customized service over quick project implementation.

37% success in 2022 **71%** success in 2023

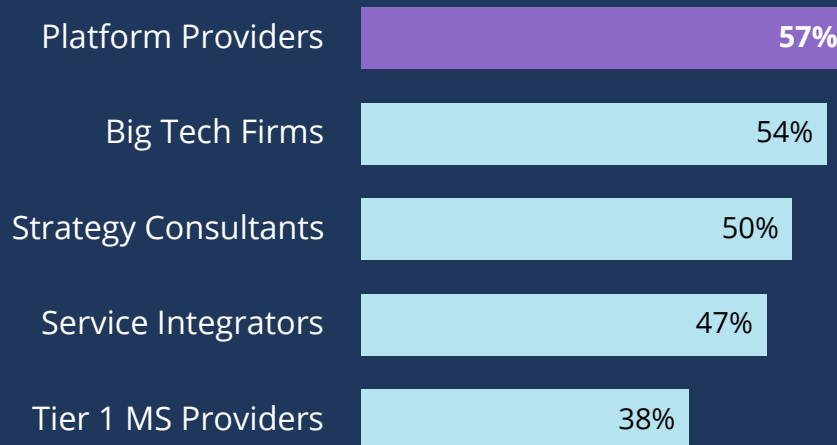
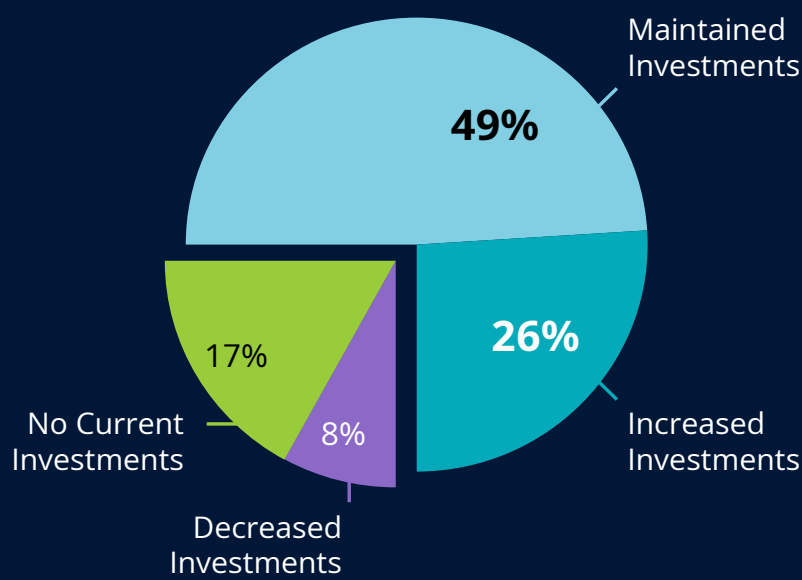
Manufacturers are reporting significantly higher levels of success year-over-year.

Productivity improvements, cost savings and supply chain resilience are the biggest motivators for starting smart manufacturing initiatives.

After starting, the first tangible results are achieved within 12 months in **81%** of reported cases.



Note: Multiple responses allowed; will not add up to 100.



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129 executives interviewed
from US, Germany, UK, etc.



39% board-level roles
including CEO, CIO, CRO, CTO & COO.

Contact us to purchase the full study report. If your organization needs help navigating the technologies, processes and culture needed to refocus your initiative, ISG can help.