

ESG & Branding, The Value For Healthcare Technologies on the Internet

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Healthcare, as other sectors, has to work in a multi-stakeholder environment, where the educational, skills, motivations, ethics, values of the participants to a technical project can be diverse. Hence, a common understanding and set of values, needs to be established for long term resilient success. A common language that speaks to many stakeholders are the finances, for in the end the bottom-line matters for sustainability, accountability and trust. Financing the technology of healthcare and the medical internet of things can be private, public only or via private public partnerships P3s. As such the need to demonstrate trust to the stakeholders is critical. Building collaboration across multiple stakeholders which can also mean non-profits, private companies, government, UN Agencies and multiple countries requires financial trust.

ESG stands for Environmental Social Governance. The conversation regarding environmental issues started in the 1970s. It has in the past decade embraced good governance, under numerous frameworks and social factors such as worker rights and in keeping with a world of integrity under United Nations declarations and international treaties. In 1992, the United Nations Environmental Program Finance Initiative (UNEP FI) a global partnership between the United Nations Environmental Program UNEP and the financial sector was created following the Earth Summit in Rio de Janeiro. UNEP FI is also a founding member of the UN Sustainable Stock Exchanges SSE Initiative, with partners UN supported PRI or Principles for Responsible Investment, UNCTAD the UN Conference on Trade and Development and UN Global Compact principles. which all support the UN Sustainable Development Goals and its predecessor the UN Millennium Development Goals.

To assist the financial sector, implement and put in to practice these sustainability values, the international accounting standards setting sector has been busy developing standards that companies and the financial sector can use alike. “On 3 November 2021, the IFRS (International Financial Reporting Standards) Foundation Trustees announced the creation of a new standard-setting accounting board, the International Sustainability Standards Board (ISSB)... The intention is for the ISSB to deliver a comprehensive global baseline of sustainability related disclosure standards, that provide investors and other capital market participants with information about companies’ sustainability-related risks and opportunities to help them make informed decisions.” *Reference: IFRS - International Sustainability Standards Board*

- “IFRS Standards bring transparency by enhancing the international comparability and quality of financial information, enabling investors and other market participants to make informed economic decisions.
- IFRS Standards strengthen accountability by reducing the information gap between the providers of capital and the people to whom they have entrusted their money. Our Standards provide information needed to hold management to account. As a source of globally comparable information, IFRS Standards are also of vital importance to regulators around the world.
- IFRS Standards contribute to economic efficiency by helping investors to identify opportunities and risks across the world, thus improving capital allocation. Use of a single, trusted accounting language lowers the cost of capital and reduces international reporting costs for businesses.

IFRS Accounting Standards are currently required in more than 140 jurisdictions and permitted in many more." Reference: [IFRS - Who we are](#)

Healthcare companies and their financiers will have to abide by the new financial accounting standards so as to seek investment finance for their operations and to build better. ESG compliance is a branding that can add value to a company, its services and products and can be seen as a seal of trust.

Customization of the supplier's products and services to the customer's personalized requirements, is called patient centered services and now increasingly patients and their families themselves, will make the choice between devices and services. So, the trust in a brand is not only in its specific service and technology but the holistic environment in which it operates.

The public will seek out a brand associated with ESG because there is trust. It can be relied on to have had done the due diligence before marketing the service or device to ensure quality of outcomes; is continuously monitored for adverse effects and harms so that these outcomes are communicated in a timely and public manner to the recipient of the service, which ever jurisdiction the service or device is provided within. To ensure this high level of service, ESG reporting acts as one manner of public communication, including warning notices, hazard icons, media-based review and recall, good product and services documentation, acceptance by professional standard setters and national agencies dealing as seals of trust that a user can look to for guidance.

On the medical internet of things, standards of quality will be dependent on the quality of the internet service as well. Hence, it may be of interest that the quality of the internet available in a jurisdiction is mentioned on an ESG report for internet companies as well and this could include the availability of 5G or 6G service. It is not inconceivable that in to the future that medical services or device companies become part of the financiers of the internet or mobile communication connection or power suppliers. eGovernment, with respect to health, has a vested interest in the development of the internet to provide quality service to citizens.

There is increased awareness that the internet and its associated devices leave an environmental footprint. E-waste disposal as well as other forms of waste management is important for healthcare service and device providers as is the sourcing and procuring of product raw materials, packaging, energy sourcing and storage and so forth. Procurement technology with block chain is scheduled to become prevalent for the future which will help track ESG in this area for the future. Electronic funds transfer, e-wallet and other payment systems associated with healthcare are being increasingly developed for the internet, including financing methods and these will be required to be ESG compliant as well.

The internet itself can provide a greening to the whole process, while being a major provider of the service (which can be cost and time effective) including delivery from micro to significant green savings if well managed. This plethora of factors should be embraced by good ESG reporting which should benefit global society for the future and that is very welcomed by All. There will however, be a cost and this could be a stumbling block to slow uptake. However, if a multi-stakeholder group of technology and internet developers and financiers are aware of all these issues from the start, then the solutions bottom up or top down will be holistic, compliant and cost effective.

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