



# The Business Case for **Social Sustainability**

How doing social good improves  
business and economic performance





## Introduction

The current global focus on sustainability has chiefly centered on the environmental part of the ESG—environmental, social, and governance—equation. However, in today's business world, building shareholder value is no longer enough. Over one-third of C-level executives believe that their firms need to take a stand on social sustainability and communicate it in a way that relates to their brands.

Social sustainability is defined by the United Nations as: "identifying and managing business impacts, both positive and negative, on people. Directly or indirectly, companies affect what happens to employees, workers in the value chain, customers and local communities and it is important to manage impacts proactively."

**Social Sustainability | UN Global Compact**

The issues around social sustainability have a wide impact affecting both businesses and the local economies in which they operate. Lack of opportunity and deep-rooted inequalities generate high costs for people and the economy. **According to the World Bank, loss in human capital wealth from gender inequality is estimated at \$160.2 trillion.** Social sustainability has the ability to unlock new markets, help attract and retain business, and provide a source of innovation. It also builds trust in the company brand and improves credibility.

ThoughtLab's survey of 250 senior executives across industries and regions shows that improving social sustainability is ascending on the corporate agenda. **More than 40% of respondents say that social sustainability is a top imperative for the C-suite and Board of Directors—particularly since the onset of the COVID-19 pandemic, which elevated its priority.**

Companies are putting money behind their aspirations. Organizations early in their social sustainable journey ("beginners") typically spend about \$5.3 million on average on social sustainability, while firms that are most advanced ("leaders") invest \$19.5 million, almost four times as much. On average, we found that companies in the study invested about \$12.3 million in social sustainability initiatives last year, and more than 60% expect to ratchet up their spending over the next two years.



As a result, **companies are showing considerable progress towards achieving their social sustainability goals.** More than half have developed a social sustainability plan, and almost as many communicate these goals to employees, customers, and other stakeholders, with the active involvement of their management teams and Boards. About four in 10 are integrating social sustainability goals into their products, services, and business models.

Their efforts are bearing fruit: respondents report major financial, strategic, and operational dividends from their social sustainability initiatives. In fact, our research shows that these benefits grow as companies advance in their social sustainability journey. For example, **leaders report that, on average, their revenue has climbed 9.6% because of their social sustainability initiatives,** compared with 6.4% for beginners. In addition, productivity has risen 11.4% for leaders, vs 9.42% for beginners.

Social sustainability strengthens company performance, according to the CTO of a UK technology company: **“By establishing a secure and healthy workplace, we were able to increase employee productivity and motivation”.**

Social sustainability programs can, in turn, boost the vitality of the economies in which companies operate. Over the next two years, more than half of executives expect their social sustainability initiatives to generate economic growth through higher productivity, boost jobs in local economies, and lead to higher quality education.




“Offering training and apprenticeship programs to local citizens has proven to be the most effective way to achieve social objectives since it gives local populations a variety of opportunities and lowers unemployment rates,” comments one respondent, the CIO of a US technology firm.

This paper explores how forward-looking enterprises create shared social and business values. It provides a valuable social sustainability roadmap, outlining the benefits and challenges that companies see on the path to social sustainability leadership. Crucially, the paper explores what sustainability leaders do differently and spotlights how companies can use digital innovation to turbocharge their social sustainability results.



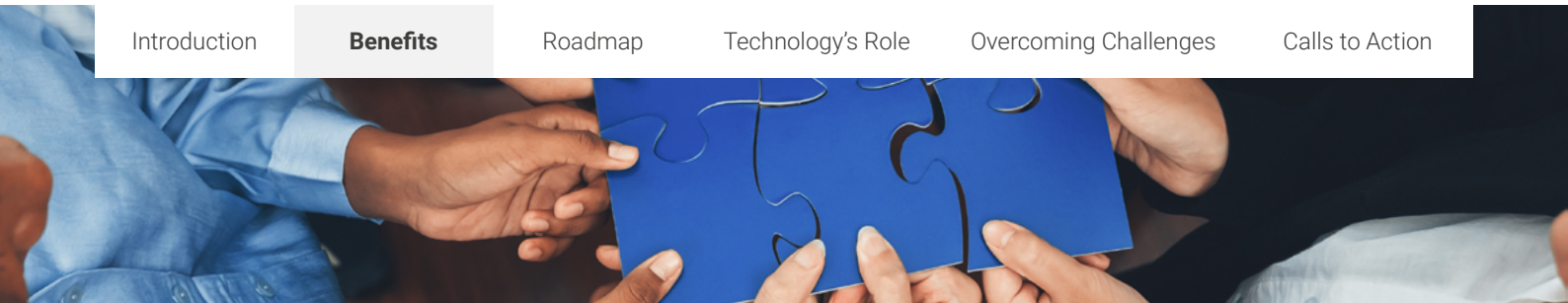


## Social Sustainability Profiles

 <b>BEGINNER</b>	 <b>INTERMEDIATE</b>	 <b>ADVANCED</b>
<ul style="list-style-type: none"><li>• Spend <b>\$5.3 million on social sustainability</b></li><li>• <b>6.4%</b> increase in revenue</li><li>• Productivity increased by <b>9.4%</b></li><li>• Donated less than <b>\$0.5 million</b> to social welfare charities</li></ul>	<ul style="list-style-type: none"><li>• Spend <b>\$12.2 million on social sustainability</b></li><li>• <b>8.4%</b> increase in revenue</li><li>• Productivity increased by <b>9.7%</b></li><li>• Donated more than <b>\$1 million</b> to social welfare charities</li></ul>	<ul style="list-style-type: none"><li>• Spend <b>\$19.5 million on social sustainability</b></li><li>• <b>9.6%</b> increase in revenue</li><li>• Productivity increased by <b>11.4%</b></li><li>• Donated more than <b>\$2 million</b> to social welfare charities</li></ul>







# The Benefits of Social Sustainability

In today's business world, building shareholder value is no longer enough. Over one-third of C-level executives believe that their firms need to take a stand on social sustainability and communicate it in a way that relates to their brands. A further 17% are worried that their companies are not doing enough on social issues.

Greatest benefits resulting from social sustainability investment:



Better product & service quality



Stronger reputation/brand



Better talent attraction & retention



Greater market share



Increased revenue growth

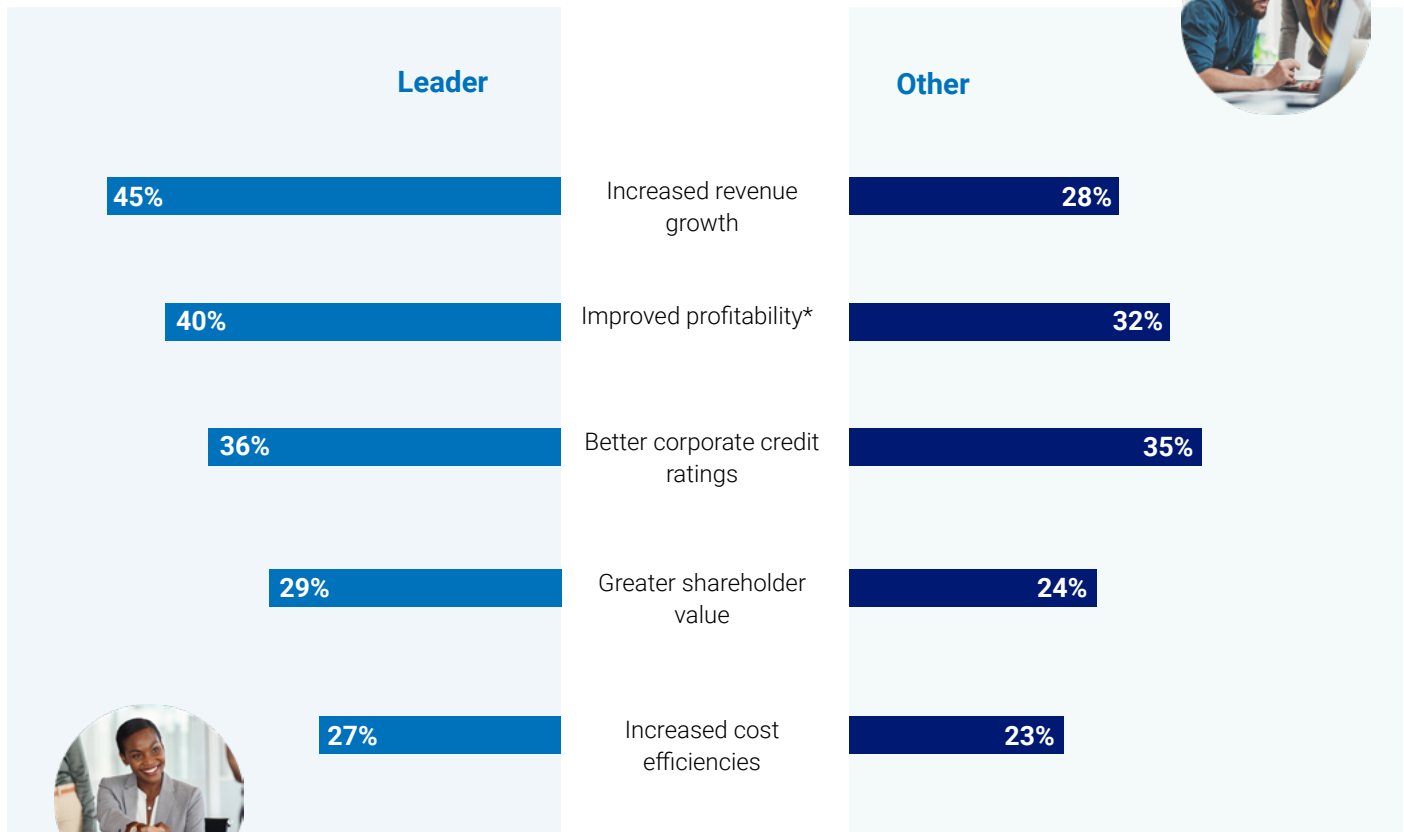


## Financial

Companies find that doing good enables them to do well. About a third of companies—and 38% of leaders—agree that social sustainability delivers better financial results. These include improved **profitability, revenue growth, better credit ratings, shareholder value, and cost efficiencies**. In the UK, 51% of C-Suite respondents reported that investing in social sustainability initiatives enabled their company to deliver improved financial results.

These financial benefits **multiply as companies advance their social sustainability efforts**. Our research shows that a larger percentage of social sustainability leaders reap these benefits in most areas. For instance, **45% of leaders experience revenue growth from their programs** (vs 28% of others) **and 40% of leaders see improved profitability** (vs 32% of others).

### Percentage of respondents citing financial benefits from social sustainability investment



\* The more a company invests in social sustainability the greater the return on investment (ROI).



## Business

Social sustainability also delivers many strategic benefits to companies.

**Firms report having a stronger reputation and brand equity, greater market share, better talent attraction, and increased customer satisfaction.** Leaders reap even greater strategic benefits, particularly

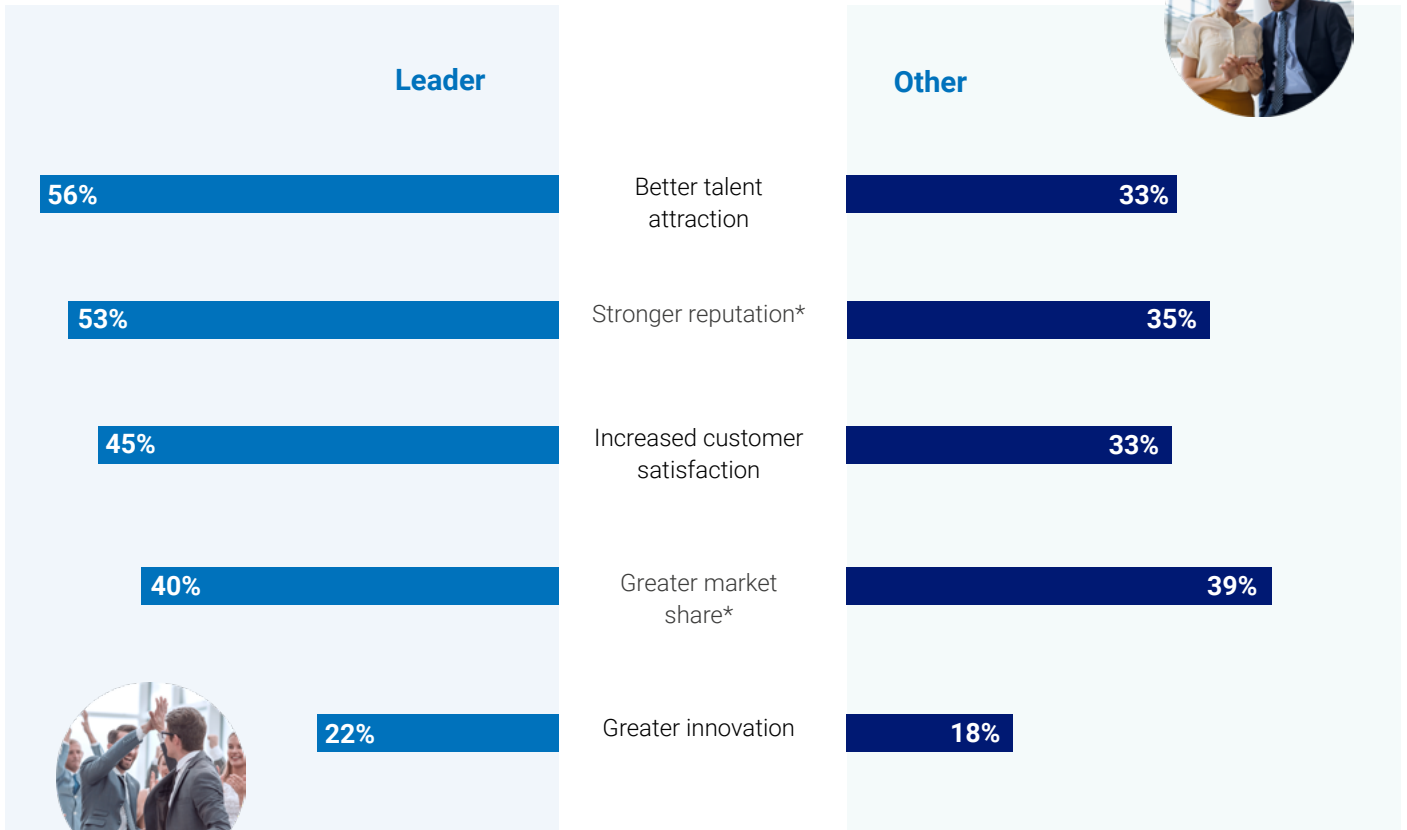
better talent attraction and retention, stronger reputation, and increased customer satisfaction.

Companies also gain operational advantages from social sustainability, especially **better product and service quality, stronger teamwork and corporate culture, and more effective regulatory compliance.** Leaders

realize these benefits at higher rates, particularly around regulatory compliance, and corporate culture—where initiatives such as **better training, attention to employee health, and more equitable recruitment and pay can improve staff morale and engagement.**



### Percentage of respondents citing business benefits from social sustainability investment



\* The top rated benefits reported by C-Suite executives surveyed were improved reputation and market sha



## Economy

Over half of leaders report that **their social sustainability initiatives have bolstered the local economy**. This is particularly telling, since leaders are in a better position to assess the impact of their initiatives, which have had more time to take root. In two years, two-thirds of companies will be buying from sustainable businesses, and over half will be helping economies to grow by developing talent, driving productivity, and adding jobs for disadvantaged groups. In Germany two thirds of C-Suite executives **believe that social sustainability initiatives drive positive economic benefits**.

“Supporting local non-profit organizations and providing low-cost services to increase the wellbeing of people has been one of our most effective initiatives”.

Notes the CIO of a Canadian life sciences firm.





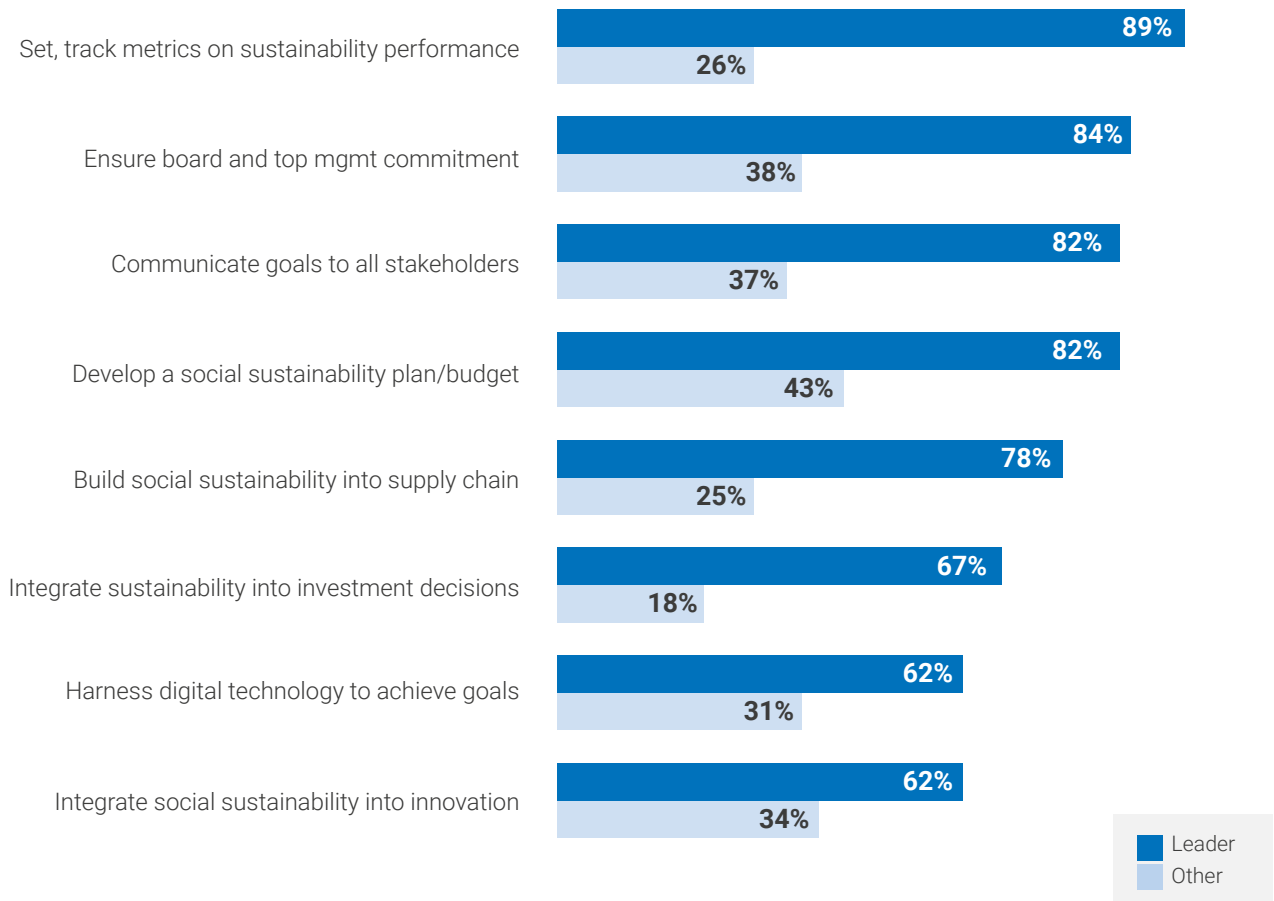


# Roadmap to Leadership

To reach their social sustainability goals, companies are investing in a variety of programs and initiatives. On average, respondents spent \$12.3 million last year on social sustainability, about 0.18% of their revenue. They donated \$1.2 million on average to charities that promote social welfare. Leaders spent substantially more—**\$19.5 million, or 0.20% of revenue, and donated more than \$2 million to social welfare charities**. Over the next two years, almost two-thirds of respondent companies plan to increase social sustainability spending. On average, they intend to raise their outlays by 6%

Leaders are 3x more likely to set and track social sustainability metrics including in procurement and investment decision making.

## Social sustainability initiatives at mid or advanced implementation stage



“Screening suppliers to ensure they adhere to ethical and sustainability standards helped us promote social sustainability not only in our organization but also in partner organizations and society”.

Chief Sustainability Officer of a US healthcare/life sciences firm.

## Governance and Ethical Practices

Leaders start with building a governance and ethical framework: **conducting audits of social sustainability performance to see where improvements are needed, establishing supplier codes of conduct, rules, and setting disciplinary actions to ensure ethical standards are met.**

“We have developed **regulations and disciplinary measures to fulfil ethical standards**, which has shown to be quite effective in reaching sustainability goals,” says a business unit head at a Mexican consumer markets firm.

Leaders also go further than others with financial approaches: 27% of leaders incentivize ethical behavior with bonuses and awards (vs 20% of others) and 22% use a triple bottom-line approach (people, planet, profits) to report to shareholders (vs 16% of others).



### Five governance steps leaders are taking now

**01**

Conduct audits to assess performance



**03**

Create rules & enforcement actions



**05**

Maintain transparent accounting practices



**02**

Establish supplier code of conduct



**04**

Protect employee & customer data





## Diversity, Equity, and Inclusion (DE&I)



For leaders in social sustainability, **DE&I is a top priority second only to a strong and enforced code of ethics.**

Leaders provide training in diversity, equity, and inclusion (DE&I), develop policies on discrimination, and set measurable DE&I targets. Many leaders are establishing mentorships programs for under-privileged groups, although somewhat fewer (35%) are hiring from under-represented groups and communities (35%). This can be a more resource intensive endeavor for some companies, involving more diligent recruitment efforts and overcoming entrenched attitudes and unconscious prejudices.

More than half of leaders **acknowledge all religions and cultures with flexible holiday times or floating holidays and themed events.** In addition, they promote pay equity—a crucial step that requires significant investment to bring underpaid staff members up to salary levels enjoyed by more favored groups.

The issue of **pay equity is a particular focus for businesses in North America** as is their desire to address workplace discrimination.

“Promoting pay equity has been most effective as it improves employee productivity and morale”.

CTO of an Australian telecoms/technology company.

### Five diversity and inclusion steps leaders are taking now

01

Acknowledge all religions & cultures



03

Provide DEI training



05

Implement DE&I policy



02

Promote pay equity



04

Develop policies on discrimination



## Employee Engagement and Wellbeing

Leaders promote employee engagement and wellbeing through a variety of methods, starting with **training and development**. "We have been able to attract and retain talent by continuous training and development opportunities offered by the company," says the chief digital officer of a Canadian life sciences firm.

Providing employees with the right tools and technologies is another top initiative. Businesses reported employee investments strengthened teamwork and improved the corporate culture.

**"Giving staff training and access to cutting-edge technologies has delivered the most effective outcomes in terms of fulfilling social goals and boosting employee experience"**, says a business unit head with a UK consumer markets company.



Notably, more than half of leaders create communications channels for staff to share ideas and concerns, enabling them to feel that management is listening to what they have to say.

### Five employee wellbeing actions leaders are taking now

**01**

Offer training & development to all staff



**03**

Ensure employees have the right tools



**05**

Provide physical & mental health support



**02**

Create communication channels for staff



**04**

Create a safe and healthy environment



# Customer Engagement and Wellbeing

Customer engagement and wellbeing is as much a matter of good business as goodwill. Leaders are much more apt than others (60% vs. 34%) to monitor customer experience and satisfaction metrics, such as net promoter scores. As the CHRO of a Mexican financial service firm tells us: "Monitoring customer experience and satisfaction metrics has helped us improve our services and enhance our brand reputation."

More than half of leaders also collect and act on customer feedback. Almost half of leaders use technology to provide a personalized customer experience and this will rise to two-thirds in two years—an obvious business imperative in today's digital world.

**To foster customer wellbeing, leaders provide high-quality and safe products and services and ensure customer data security and privacy.** The CTO of a US consumer markets firm notes: "By ensuring customer data security and privacy, we have been able to build our brand's reputation and earn customer trust."

**Corporations in Europe are looking to create a social sustainability index as a way of benchmarking performance.** They are investing in digital technologies to increase customer satisfaction through better customer engagement and improved governance.

## Top customer engagement steps being taken by leaders today

01

Monitor customer experience metrics



03

Provide high quality & safe products



05

Provide a personalized experience



02

Collect and act on customer feedback



04

Ensure customer data security





## Sustainable Supply Chains and Ecosystems

**The supply chain is perhaps the toughest pillar of social sustainability for companies to tackle.** Setting codes of conduct for other companies in often far-flung localities and monitoring behaviors deeply embedded in supply chains can be challenging and expensive. Doing so during a time of continued supply chain disruption adds to the complexity.

Leaders are well ahead of others (51% vs. 39%) in perhaps the most difficult area—tracking social sustainability risks of companies further down the supply chain. Just under half currently monitor compliance supplier codes of conduct but in two years, 62% expect to do so. A similar percentage is screening suppliers for ethical standards, which will rise to 64% in two years.



“Monitoring supplier compliance with standards around human rights and business conduct has been most effective in achieving our goals”.

Chief Sustainability Officer of a German manufacturer



The CFO of a Singapore-based retail firm points to other benefits: "Supply chain visibility throughout the value chain helps us limit disruptions and mitigate risks."

Among companies in APAC the issue of child labor is a particular focus as they work to improve workplace conditions and ensure equitable pay for underprivileged groups.

Leaders employ technology tools to gain visibility into opaque supply chains. "Using software and procedures that give visibility into supply chains is having the biggest impact on our social sustainability goals," says the chief digital officer of a US technology firm. "It increases collaboration with our clients and improves traceability for us."



"We have been addressing social issues within the upstream and downstream supply chain and collaborating with suppliers promoting transparency in their logistics".

A senior executive with a German healthcare firm.



## Five top supply chain steps leaders are taking now

**01**

Track sustainability risks of tier 2 & 3 suppliers



**03**

Join sustainability alliances or partnerships



**05**

Screen against compliance with ethical standards



**02**

Monitor supplier human rights & business conduct



**04**

Use tools to give visibility into supply chains



## Community Engagement and Wellbeing

**Social sustainability is about all people, not only customers and employees, but also citizens and communities.** Leaders know this: They do much more than others to engage and take care of their local community. Top among their efforts is offering free services—such as medical, financial, or digital services—to under-served groups. The CEO of a Singapore-based healthcare company offers a case in point: “We provide free services for certain communities, and this has proven to be most effective in achieving our social sustainability goals and has contributed to increasing community involvement.”

Leaders also design products and services for under-represented groups and provide mentorship to small businesses.



“We provide free services for certain communities, and this has proven to be most effective in achieving our social sustainability goals and has contributed to increasing community involvement.”

CEO of a Singapore-based healthcare company.



## Employee Engagement and Wellbeing

Leaders do not achieve their social sustainability objectives alone. To magnify their results, **they connect with an ecosystem of partners with shared goals.**

Their most common partners are tech firms and start-ups, industry associations, and suppliers, but they also work with governments, local communities, academic institutions, and many others. For these reasons partnerships between **companies and local communities are slated for fast growth over the next two years.**

"Providing advice to various start-ups and entrepreneurs has helped build channels to various different businesses, industries, and markets," comments the CTO of a UK manufacturer.

Tech companies and startups play a key role in promoting social values. Companies work with their suppliers and other business partners to ensure they meet social sustainability goals throughout their supply chains. Many firms have adopted supplier codes of conduct that adhere to the UN's Universal Declaration of Human Rights and International Labor Organization's conventions.

**Governments at various levels may have regulations or initiatives in place that promote social sustainability.**

Companies can work with them to better comply with these regulations and to achieve shared goals. NGOs and advocacy groups have expertise in specific social issues and can offer guidance to businesses on how to address them. They may have established programs that companies can support financially. Dow Chemical, for example, has partnered with Catalyst, a global non-profit that **promotes diversity and inclusion in the workplace, to increase the representation of women in leadership positions.** Through this initiative, Dow Chemical has implemented policies and programs to support women's career advancement and has committed to increasing the number of women in leadership roles.

The CIO of a U.S. manufacturing company said: "We have several mentoring and sponsorship programs with the Advanced Technology Development Center [affiliated with the Georgia Institute of Technology]". "They are assisting us in empowering the future generation and serving our community well."





# Technology's Role in Driving Social Sustainability

Digital innovation and social sustainability are inextricably linked and technology is a vital tool and support for sustainability efforts. In fact, most senior executives recognize the central role of technology to a social sustainability strategy. **In North America 59% of the C-Suite believe digital innovation is key to achieving their social sustainability goals.** Social sustainability leaders especially understand the value of technology: 62% say they have made great progress in harnessing digital technology to support social sustainability vs. 31% of other firms.

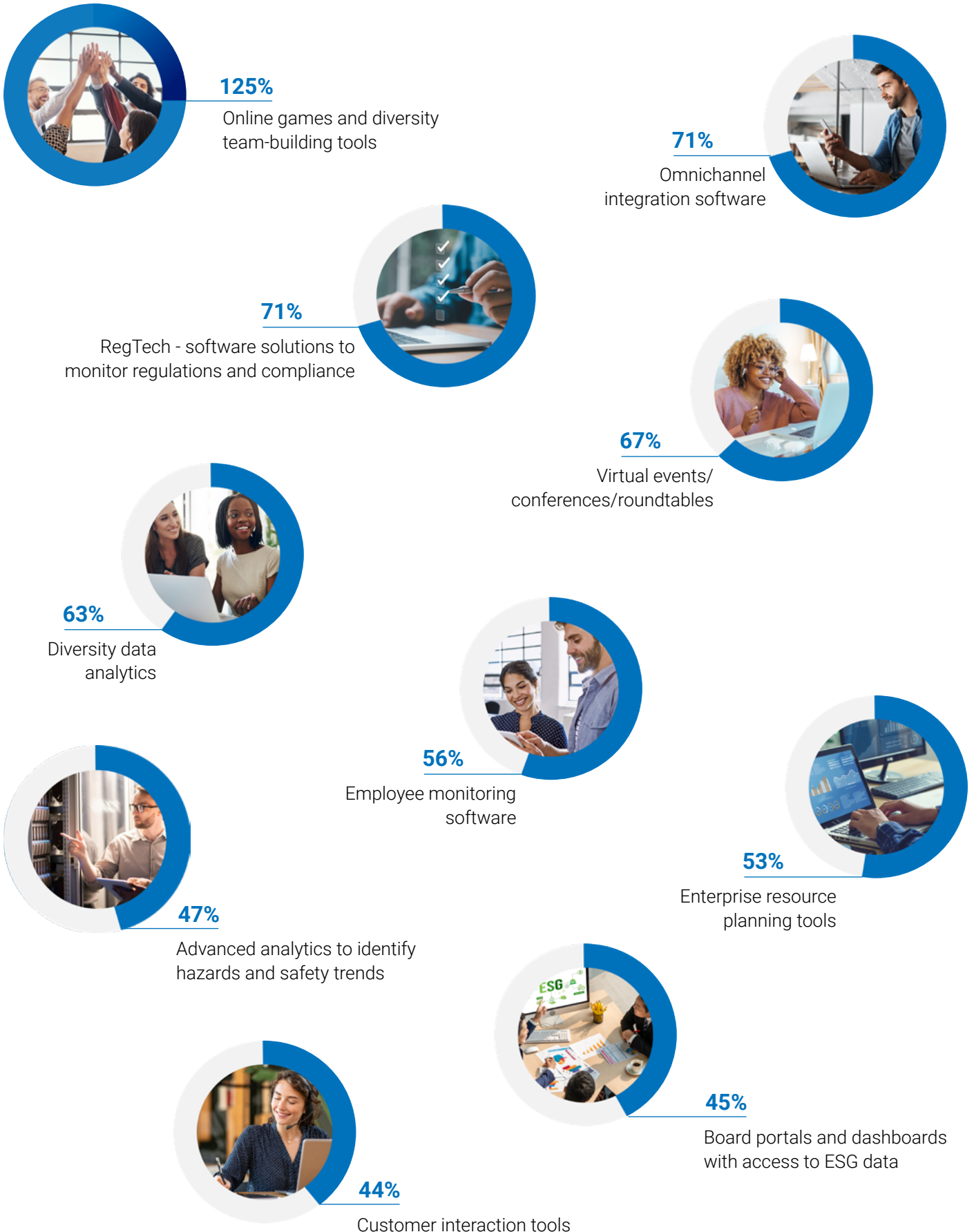
Leaders are more likely to adopt more sophisticated tools, such as the cloud, smart sensors, advanced analytics to identify hazards, diversity data analytics, enterprise resource planning tools, and augmented intelligence. These technologies help achieve sustainability goals in each of the related sustainability areas, but it's the combination that can have the greatest multiplier effect on a company's overall results.

Our survey reveals that **companies will make more extensive use of all technologies for social sustainability purposes** over the next two years—with usage leading by more than 40% on average. But some will grow more quickly. Topping the list are online games and team-building tools for diversity and inclusion (+125%), rising from a small base. Many companies find that using gaming platforms for DEI training turns passive listeners into active learners.

Others set to undergo rapid growth are omnichannel integration for customer engagement (+71%), RegTech for governance (+71%), virtual events for community engagement (+67%), ERP tools for supply chain management (+53%), and advanced analytics to identify hazards for employee wellbeing (+47%).



### Fastest growing technologies in the next two years within social sustainability (percentage rate of growth)







## Customer Engagement and Wellbeing

**Putting the customer at the center of social sustainability programs is an imperative for most companies**, regardless of region, and they use a range of technologies to do so. Almost 40% of firms, and 47% of leaders, use tech-enabled products, services, and channels to provide a personalized customer experience. “We have automated our products and services to give our clients a tailored and seamless consumer experience that has advanced our social aims,” says the chief customer experience officer at a US financial services firm.

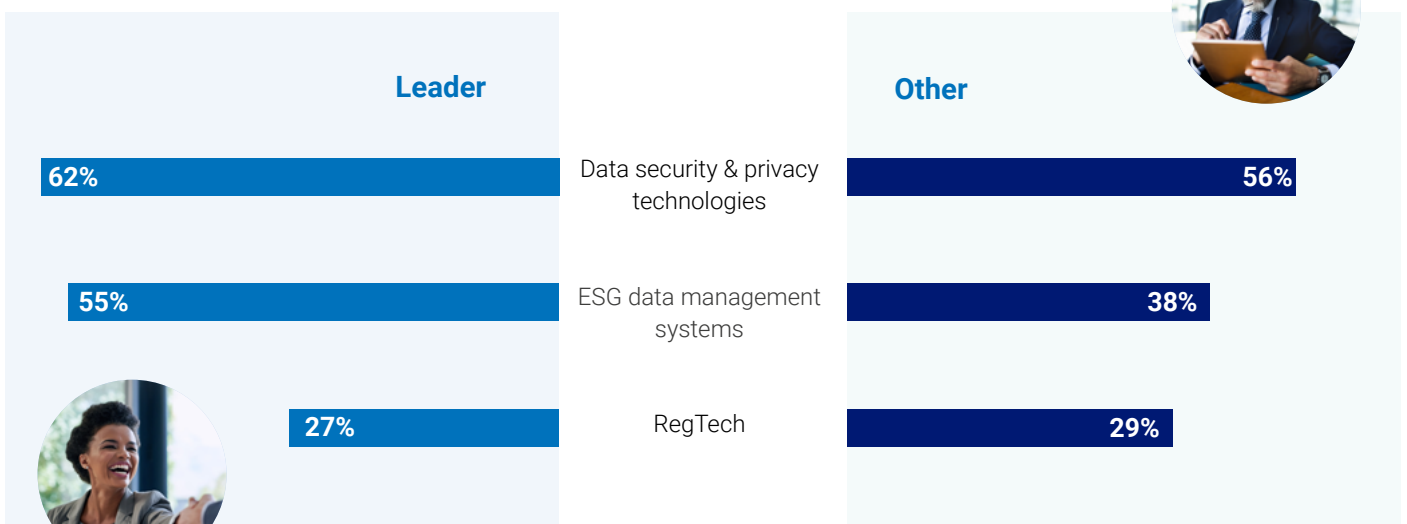
**Leaders are more inclined to use digital assistants to support customer engagement and social media.** With customers demanding more tailored goods and services, more leaders use personalization software and customer sentiment analysis software.

“We are always focusing on providing the right tools and upgraded technology to customers to provide personalized experience,” says the chief digital officer of an Australian financial services firm.

## Governance and Ethical Practices

**Data security and privacy technologies play a leading role in governance:** 62% of leaders and 56% of others. In a digital-first world where companies are deluged with data—and where cybersecurity risks are rising—securing data is a primary responsibility of all companies. Far more leaders than others also use ESG data management systems. Respondents from North America reported **digital technologies as a top priority** for addressing improvements in their governance and ethical practices.

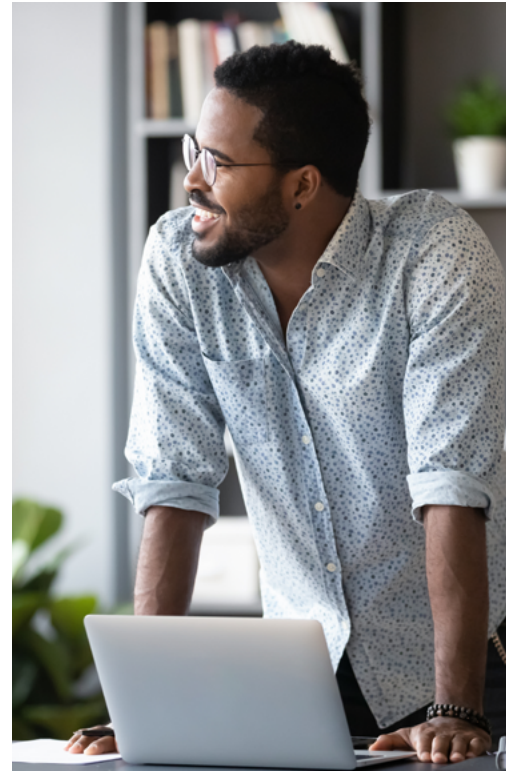
### Percentage of respondents deploying governance-related technologies



## Employee Engagement and Wellbeing

The pandemic upended the workplace: it elevated health and safety as a dominant concern for all companies and made hybrid work the norm. It also accelerated the **use of digital technologies to engage employees and support their wellbeing**. Leaders are advanced in using analytics to identify hazards and safety issues and tools to **support remote work**. Use of various technologies, such as employee monitoring softwares, digital wellness apps, virtual collaboration tools, and online learning platforms, jumped during the health crisis.

**“Giving sophisticated technologies to employees that enable them to access better work experiences and opportunities has aided us in meeting our social objectives,”** says the CMO of a Singapore-based retail firm. The chief customer experience officer of a Mexican financial institutions singles out gaming platforms: “Gamification to motivate and engage employees has reduced their stress and increased their productivity.”



## Diversity and Inclusion

Monitoring results is essential to ensure progress in diversity, equity, and inclusion programs. That is why data analytics is the top technology, employed by 56% of leaders (vs. 30% of others). **Leaders also are more likely to use online games and team-building tools and augmented intelligence to support employees with disabilities**. Focusing on **talent acquisition** is another crucial element of diversity programs. Digital tools for talent acquisition and talent development are commonly used equally by all firms.

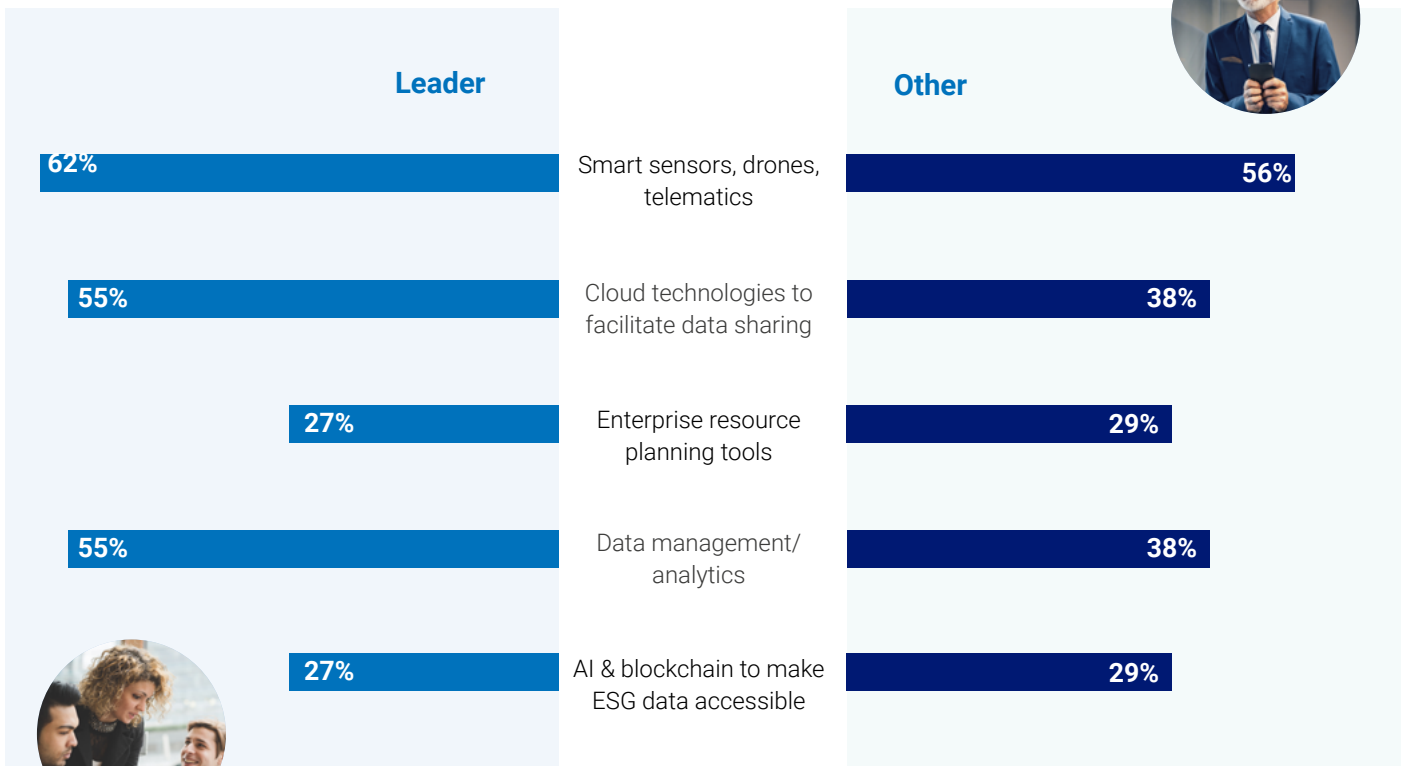
For many firms, **diversity, sustainability, and investment are tied together**. Notes the chief sustainability officer of a Canadian financial services firm: “Making prudent social investments in workforce diversity and pushing for public policy are the best social sustainability initiatives for our company.”

## Sustainable Supply Chains and Ecosystems

A growing number of firms are using technology to incorporate suppliers into their sustainability strategy. Nearly half of firms, for example, say they **utilize technology to make their supply chains more transparent**. Leaders are ahead in employing several particularly effective technologies for supply chain management: smart sensors and drones, cloud technologies, ERP tools, and optimization and forecasting models.

“We have made investments in cutting-edge technology that offers tools to increase supply chain transparency in an effort to boost innovation,” comments the COO of a US financial services firm.

### Percentage of respondents investing in supply chain technologies



## Community Engagement and Wellbeing

Sustainability excellence **requires engaging the broader ecosystem of stakeholders, including communities**. Company websites and digital platforms remain the most popular means to reach and share information with communities, but social media is fast gaining ground, particularly among leaders. Leaders are also more adept at employing mobile apps and virtual events.





## Favored Digital Technology Adoption by Industry



### Financial Services

**72%** of all financial services organizations surveyed will invest in **data security and digital chatbots** as customers turn away from in-store banking to online channels.

### Automotive / Manufacturing

**78%** of all companies surveyed in automotive & manufacturing will invest in **data security** and privacy as autonomous driving makes security more critical than ever.



### Healthcare

Among healthcare institutions surveyed **68% listed cloud adoption** as a key technology enabler for achieving improved efficiency and data sharing.

### Telecoms

Customer focus is the priority for telecoms companies surveyed with **70%** listing investment in **digital chatbots and customer interaction tools** as key.





# Overcoming Challenges to Social Sustainability

While companies are making real progress in social sustainability, to reap all the benefits they must surmount a series of challenges. Chief among these are high implementation costs and keeping up with regulations. **For beginners, the biggest concern is keeping up with regulations around social sustainability.** These regulations can differ considerably by jurisdiction and cover a wide range of areas from data privacy to pay equity. Beginners are also more likely to lack the needed skills and talent, and haven't yet developed the right metrics, data, or implementation plans. **Leaders, on the other hand, confront challenges that reflect their greater advancement.** However, **the most glaring difference between leaders and beginners is the lack of transparency into the actions of partners and suppliers.** This challenge looms larger for leaders because they are doing more to hold suppliers down the chain accountable on ethical and human rights issues.



# Top Challenges Faced by Beginners and Leaders in Social Sustainability

## Beginner's five top challengers

**01**

Keeping up with regulation



**03**

Lack of clear metrics & measurement tools



**02**

Lack of social sustainability skills & talent



**04**

Insufficient access to necessary data



## Leader's five top challenges

**01**

High implementation costs



**03**

Inconsistent / complex reporting standards



**02**

Balancing social & business goals

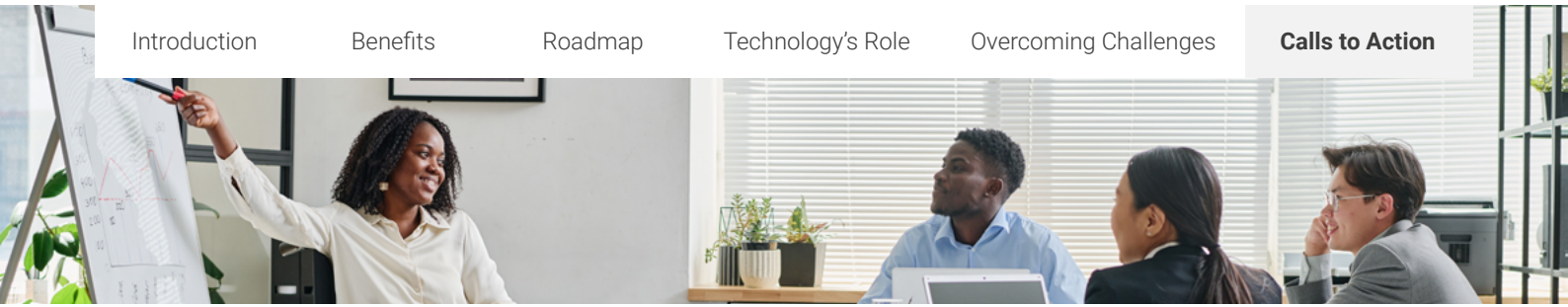


**04**

No transparency into partners & suppliers







## Calls to Action

With social sustainability action still a work in progress, executives will want to look to the leaders to understand best practices. Here are some of the lessons from the leaders:

- **Understand and communicate the business case for social sustainability.** Social sustainability is no longer just a compliance initiative; it is a way to build a firm's reputation and market share, while boosting revenue, profitability, productivity, and shareholder value.
- **Build the foundation for social sustainability excellence.** Set a clear vision, strategy, policies, and procedures in all social sustainability areas. Monitor performance against sustainability metrics and embed sustainability values and practices deep into the business.
- **Extend social sustainability across the supply chain.** Leaders do more to monitor supplier compliance with human rights and business conduct standards, track sustainability risk emanating from tier-two and tier-three suppliers, and screen suppliers to ensure they uphold ethical and sustainability practices.
- **Build partnerships to deliver on common goals and multiply results.** Leaders not only work with suppliers; they also develop ties with a wide range of partners; local, state, and national governments; academic institutions; and multilateral organizations and NGOs.
- **Harness digital technologies to drive sustainability results.** Social sustainability and digital innovation are inextricably linked. Leaders excel at drawing on digital technologies, particularly specialized ones, to achieve their social sustainability goals. The best results come from using these technologies in tandem.



## About this Study

To analyze how firms foster social sustainability—and the benefits and challenges they face—**NTT commissioned ThoughtLab to conduct a survey in February 2023.**

ThoughtLab reached out to 250 senior executives from companies in eight regions. These included North America (US, Canada, and Mexico), Europe (Germany and the UK), and APAC (Australia, Hong Kong, and Singapore). They surveyed companies across five industries:

**manufacturing; telecoms and technology; retail and consumer goods; financial services; and healthcare and life sciences.** These companies varied in size: revenue ranged from \$1 billion to over \$100 billion.

To identify these companies' stage of maturity in social sustainability, **ThoughtLab's economists created an analytical framework that measures each firm's level of progress (ranging from planning to advanced stage) in 10 key initiatives to achieve their sustainability**

**goals.** Their analysts scored each company's response for each initiative and then plotted each company along a bell curve and classified 22% as social sustainability beginners, 56% as intermediates, and 22% as leaders.

This paper focuses largely on sustainability leaders, since they provide unique insights into the benefits of embracing social sustainability and the practices that deliver the best results.

To analyze the impact of social sustainability efforts on a company's performance, ThoughtLab first calculated the revenue impacts of moving along the social sustainability maturity curve. Using a maturity framework and the maturity categories, they calculated the average impact that a firm's social sustainability initiatives have had on the firm's revenue.





## Appendix: How we defined sustainability leaders

To develop the framework to define maturity in social sustainability, we used the following question from our survey:

What progress has your company made on the following initiatives to achieve its social sustainability goals?

1. **Not considering or not applicable to our company** (no points)
2. **Planning** – developing plans and reviewing potential approaches with management teams (1 point)
3. **Early implementation** – starting to implement plans (2 points)
4. **Mid-implementation** – implemented some of our plans and starting to see results (3 points)
5. **Advanced stage** – implemented most of our plans and achieving our goals (4 points)

We classified firms as beginners, intermediates, and advanced/leaders based on their level of progress in implementing 10 initiatives to achieve their sustainability goals:

- Develop a vision, strategy, implementation plan, and budget
- Develop an effective organizational structure, skills, and resources
- Communicate goals to all stakeholders: investors, customers, and employees
- Set, track, and report metrics for sustainability performance
- Drive supply chain efficiency and operational innovation
- Lead product and service innovation
- Embrace business model innovation
- Harness advanced digital technology
- Integrate sustainability goals and metrics into investment decisions
- Utilize a commonly used measurement framework (such as GRI, SASB, or TCFD)

Companies were assessed for their maturity in social sustainability based on their progress across on the 10 key initiatives and then assigned to the following stages of maturity to create:

