

Measuring social responsibility as an incentive for sustainable business strategies

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Abstract: The study examines the essence and characteristics of the concepts of "social responsibility", "corporate social responsibility" and the concept of "sustainable development". As a result, a matrix for developing strategies related to corporate social responsibility and a strategic model for its measurement through key performance indicators (KPIs) were developed in order to achieve sustainable development of business organizations. Examples of business organizations in Bulgaria and around the world applying indicators for measuring corporate social responsibility are presented.

Keywords — social responsibility, sustainable development, sustainable management, strategy, KPIs

I. INTRODUCTION

In recent years, there has been a change in the attitude of business towards the development, maintenance and advancement of socially responsible business strategies and practices related to: employees in business organizations, protection of the environment, climate, water resources and society as a whole. Measuring social responsibility for the purpose of strategic development of sustainable enterprises, through the development of appropriate business indicators and metrics, is a modern challenge for business and the scientific community, aimed in the coming years at developing issues within various industries and communities.

The aim of the study is to analyze, as a result of a literature review, the main aspects related to the concept of "social responsibility" as an incentive for the development of sustainable business strategies.

Main objectives of the study:

1. To clarify basic aspects of the concepts of "social responsibility", "business strategies" and "sustainable development";
2. To clarify and indicate, based on a literature study, indicators for measuring social responsibility in business around the world;
3. To identify directions and indicators for measuring social responsibility, as directions for developing sustainable strategies in business in Bulgaria.

II. SOCIAL RESPONSIBILITY

Social responsibility is "an ethical focus for individuals and companies who want to take action and be responsible for practices that benefit society" [1].

Social responsibility is "the ideological notion that organizations should not behave unethically or operate immorally and should aim (instead) to intentionally contribute to the well-being of society or societies — understood as the various communities and stakeholders in

which they operate and with whom they interact." [2].

Social responsibility is "an ethical theory according to which people are responsible for fulfilling their civic duty and a person's actions should benefit society as a whole" [3].

III. CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility (CSR) is "a self-regulating business model in which companies assume social responsibility towards themselves, their stakeholders and society" [4].

In the "past few decades, however, more business leaders have realized that they have a responsibility to do more than simply maximize profits for shareholders and executives." [5] Social responsibility is "to do what is best — not just for their companies, but for people, the planet, and society at large.

"Stobierski divides corporate social responsibility into "four categories: environmental, philanthropic, ethical and economic responsibility" [5].

The broadest interpretation of the concept of CSR [6] includes:

- "corporate ethics;
- corporate social policy in relation to society;
- environmental policy;
- principles and approaches to corporate governance;
- human rights issues in relations with suppliers, consumers, personnel;
- personnel policy".

The European Commission's Green Paper provides the following definition of corporate social responsibility (CSR): [7]:

"A concept that serves as a basis for companies to voluntarily integrate social and environmental aspects into their business strategies and in their relationships with all stakeholders".

IV. BUSINESS STRATEGY

Business strategy encompasses long-term initiatives that a company pursues to create value for the organization and its stakeholders and gain competitive advantage in the marketplace. [8].

Business strategy outlines the specific ways in which an organization plans to position itself, achieve its short-term and long-term goals, and grow its business over a specific period of time. [9].

A business strategy is a company's overall plan of action to achieve its commercial goals. It encompasses decisions related to: product positioning on the market, customer interaction, competition management, and is a fundamental pillar for the sustainable success of the business [9].

V. THE CONCEPT OF SUSTAINABLE DEVELOPMENT

The term "sustainable development" gained popularity worldwide in the 20th century, appearing in publications in the field of ecology. The long-term goal is to achieve a good standard of living without harming other people, nature and society over time and space. [10, 11, 12,13].

In the 1980s, in the report "Our Future" [14] prepared by the World Commission on Environment and Development, the authors considered that "Humanity has the capacity to make its development sustainable, to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs".

The UN is developing and adopting the "2030 Agenda for Sustainable Development". It sets 17 goals (Fig. 1) with 169 sub-goals to achieve sustainable development in all countries in key areas: eradicating poverty and hunger, achieving good health for people; access to quality education and equality between men and women; secure jobs and economic growth, development of innovation, infrastructure, industry and environmental sustainability, etc.



Fig. 1. UN Sustainable Development Goals

Source: <https://sustainabledevelopmentcouncil.org/>, UN

"The 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) will reshape sustainable development and corporate sustainability, and impact people's lives.

The next concept - "The Three Pillars of Sustainability" - has been adopted by the UN as a tool for measuring sustainability in three main areas: environment, economic environment and social environment [15,16].

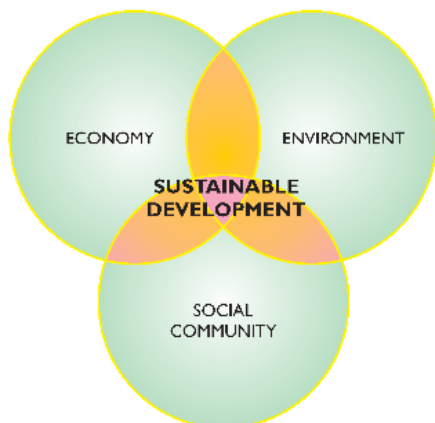


Fig. 2. Visualization of the concept of "The Three Pillars of Sustainability"

Source: <https://steemit.com>

The "environment" area covers indicators related to

renewable and non-renewable resources, such as: agricultural areas, maintenance of soil productivity, coverage of coastal zones, etc.

The economic pillar is focused on resource allocation and economic development of nations.

The social pillar is related to poverty eradication, creating opportunities for local communities to participate in decision-making processes.

VI. INDICATORS FOR MEASURING SOCIAL RESPONSIBILITY

The literature presents various KPIs that can be used to measure the effectiveness of corporate social responsibility (CSR).

According to [17]:

- **"Environmental KPI** - the company's impact on the environment:

- energy consumption, water consumption;
- greenhouse gas emissions or share of renewable energy in the company's energy mix.

- **social KPIs** - the company's social impact on employees, suppliers, communities and other stakeholders:

- employee satisfaction, diversity and inclusion,;
- employee training and development opportunities or the company's social commitment.

- **KPIs for management** - corporate governance and compliance with ethical standards;

- transparency of corporate reporting;
- guidelines for combating corruption;
- effectiveness of internal control systems.

The company Strategy 2 act [18], which creates and sells business software, includes the following CSR indicators in its software products for business clients:

1. **employee perspective:** health and safety environment, diversity support ratio, respect ratio, satisfaction ratio,

2. **environmental perspective:** product recycling, amount of greenhouse gases, amount of waste, energy efficiency, social policies followed, social contribution, strategic partners, percentage of responsibility, time spent in voluntary community initiatives,

3. **management perspective** - management initiatives, achieved recognition, communication effectiveness, number of social activities.



Fig. 3. Electronic library of business performance indicators developed by "Strategy 2 act", Source: Strategy 2 act

Perspective	Goal	Weight (x of 10)	Description	Performance (%)
Employee Perspective		2	This indicator gives the aggregate number of non-fatal injuries, illnesses or accidents that occurred in the fiscal year 2 (on a scale of 1 to 10).	70,89%
	Health and Security	2	Fraction of employees which considers that management favors diversity in the workplace (on a scale of 1 to 10).	1
	Diversity supportive Ratio	2	Percentage of employees who feel that they are treated with respect.	5
	Respect Ratio	3	% of employees that are satisfied with the managerial policies and programmes.	90%
	Satisfaction Ratio	3		85%
Total Performance in group			Employee Perspective	70,89%

Fig. 4. Electronic business library with performance indicators in the direction of "employee perspective" - "Strategy 2 act", Source: Strategy 2 act

In a scientific publication related to a manufacturing enterprise in the agricultural sector, the authors [19] group four areas in which CSR KPIs are defined:

- **Territorial community:** healthy lifestyle; animal welfare (preserving biodiversity), social inclusion, social activities, projects and initiatives (for sharing cultural values);
- **Product/environment** - sustainability of production processes;
- **Product** - transparency of information, animal husbandry (product quality), biodiversity;
- **Labor** - good practices: occupational safety, participation/integration of immigrants in the labor process, staff motivation".



Fig. 5. Manufacturing enterprise from the agricultural sector in Italy, Source: Mondo Macchina

In a scientific study [20] of the strategic aspects of corporate social responsibility of commercial business in Bulgaria, the author concludes that:

- "retail chains implement the principles and standards of corporate social responsibility, which is a prerequisite for improving their image in society and increasing their competitiveness";
- "the actions of companies are mainly expressed in the interweaving of two strategies - a reciprocal one and a strategy involving civil society, with a predominantly strategic corporate social responsibility aimed at acquiring long-term advantages over competitors".

In studies [21, 22] governing issues of European Union development strategies and ethical aspects in higher education in the training of management personnel, the authors believe that:

- "The appreciation of human relationships as essential to the existence of society is of paramount importance";
- "Gender equality is a core value of the EU and one of the key UN Sustainable Development Goals, while at the same time a necessary prerequisite for the well-being, economic growth and prosperity of every society".

A monographic study [23] addresses issues of measuring service quality, with the author believing that:

- "The validity of measured quantities is associated with their "transformation into real indicators";
- "Reliability (accuracy of measurement) is associated with "the means by which measurements are made give an accurate and comparable result under the same conditions and with repeated measurements."

VII. STRATEGIC DIRECTIONS AND INDICATORS FOR MEASURING SOCIAL RESPONSIBILITY

As a result of the study of specialized publications, it was found that there is no unified methodology for measuring corporate responsibility. A matrix has been developed and proposed (Fig. 6.) for formulating strategies for social responsibility in corporate business organizations, focused on the internal corporate hierarchy and the impact of the business organization on the environment and society. A strategic model has been developed and proposed (Fig. 7.), which covers areas for measuring corporate social responsibility, according to applications of the concept of sustainable development at the level of corporate business organizations. The matrix and model can also be applied to smaller-scale business organizations, by formulating strategies that take into account only the business level and functional level (Fig. 6), which take into account the social responsibility of the business organization to its internal environment and its impact on the external environment.

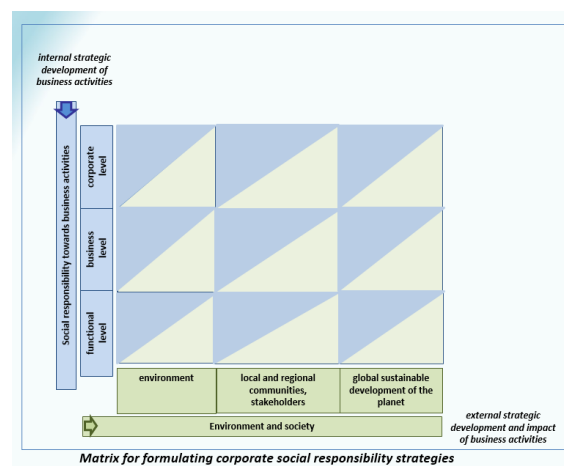


Fig. 6. Matrix for formulating social responsibility strategies in corporate business organizations

The corporate business organization sets strategic goals, maintains them and/or improves their performance over long-term periods of time.:

- **at the corporate level** – socially responsible goals aimed at all business units in its structure, related to:

- environmental protection in all regions in which its businesses operate;
- introducing equal opportunities for top management positions for management personnel within the corporation, according to their work qualifications, experience, skills and knowledge, regardless of race, gender, regional origin, religious or other beliefs;
- setting and maintaining sustainable economic and financial goals within the corporation for the purpose of long-term functioning and development of all business activities, ensuring fair and decent income and rights for workers and employees, in accordance with their responsibilities; paying dividends to shareholders,
- creating and maintaining safe products and services for customers, consumers, local communities and the environment, living and non-living nature, with opportunities for recycling, extending their life cycle and preserving natural resources at levels acceptable for the regions, in accordance with the requirements of local and international legislation;

- providing workers and employees with: long-term jobs and employment, with the maintenance of safe working conditions; pay, insurance and legal labor rights, exceeding or maintaining the average level for the industry, region and/or country, according to the job positions held by people;

- maintaining the standard of living of local communities by sustainably providing jobs for local residents;

- investments in providing opportunities for expanding and improving knowledge and skills in various fields of local residents, through independent or joint projects with public educational organizations;

- investments creating opportunities for sports, creative and other initiatives and projects with the participation of local residents to maintain well-being, preserve and maintain local customs, culture, traditions, lifestyle of people of different ages, independently and/or with the participation of joint initiatives with local authorities;

- investments supporting global sustainable development goals, such as: reducing greenhouse gas emissions, preserving the biodiversity of the environment and nature in regions where the organization's business units operate; preserving the purity and biodiversity of rivers / lakes / seas / oceans and other goals consistent with the well-being of people, living and non-living nature.

- **at the business level** – for individual business units in the hierarchical structure of the corporate business organization – develop sustainable strategies for the development of their activities, containing socially responsible goals:

- introducing environmentally safe production processes – investments in creation and long-term exploitation: using reduced consumption of non-renewable natural resources; not polluting the air, waterbodies, the environment and natural environment, recycling material resources and other processes that comply with the principles of environmental orientation;

- introducing opportunities for equal opportunities in growth in the hierarchy, in the relevant business units at the middle and senior management level of the personnel and occupying responsible management positions, according to their work qualifications, experience, skills and knowledge, regardless of race, gender, religious or other beliefs;

- sustainable preservation of jobs for residents in the regions where the enterprises operate; investments in developing joint projects to improve the skills of people with lower qualifications in order to engage them in work; long-term investments in cultural, sports, and other projects supporting public well-being;

- long-term initiatives of enterprises in the corporate structure aimed at complying with the global goals for sustainable development of settlements, regions and the planet

- **at the functional level** - for individual local enterprises, workshops in the hierarchical structure of individual enterprises of the corporate structure develop sustainable strategies for the development of production activities or the provision of services over time:

- introducing opportunities for equal work in production operations, service operations and implementation of technological processes for workers and employees, according to their labor qualifications, experience, skills and knowledge, regardless of race, gender, religious or other beliefs;

- introducing opportunities for equal opportunities in growth in the hierarchy of workers and employees and occupying responsible management positions for people, according to their work qualifications, experience, skills and knowledge, regardless of race, gender, religious or other beliefs;

- compliance with safe technological processes for the introduction, long-term operation of machines, facilities and equipment and technological processes, ensuring safe working conditions for workers and employees, by preserving their health and working capacity, minimizing and preventing occupational accidents and incidents;

- introduction and long-term operation of machines and equipment for pollution prevention and biodiversity preservation for: air, water bodies, environment and natural environment (tree and plant species, animal species, inanimate nature, aquatic plant and animal species), located directly next to the buildings of the enterprises or their work sites, sites and locations, for carrying out business activities.

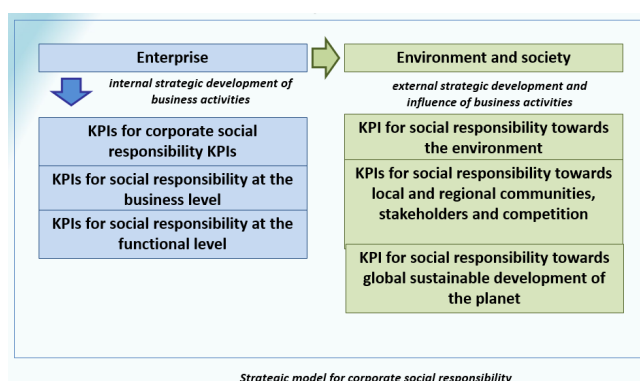


Fig.7. Strategic model for measuring corporate social responsibility for sustainable development

The model contains and takes into account two main areas of business social responsibility: internal strategic development of the activities of corporate business organizations and external strategic impact of their activities on the environment and society. In each of the two areas, three sub-areas of indicators are defined to account for corporate social responsibility.

1. KPIs for social responsibility at the corporate level

- Percentage of gender equality in senior management.
- Duration (years) of senior management working in conditions of gender equality.
- Percentage of environmentally friendly businesses within the corporation.





Fig. 8. Business units in a corporate business structure, Sources: shutterstock.com, msmesbusiness.com

2. KPIs for social responsibility at the business level:

- Share of gender parity in management personnel in business activities
- - Share of employees and workers participating in skills improvement courses
- - Share of business units using renewable energy sources.
 - Duration (years) of use of renewable energy sources.
 - Share of business units implementing water saving processes.
 - Duration (years) of use of water saving processes.
 - Share of business units implementing facilities for clean air, water, clean environment.
 - Duration (years) of use of facilities supporting operating modes that contribute to clean air, water, and clean environment.



Fig.9. Business unit managers at Aboitiz Equity Ventures Inc. , Source:: <https://aboitiz.com/>

3. KPIs for social responsibility at the functional level

- Share of gender equality in lower management positions
- Share of safe work processes (no or low level of incidents)
- Percentage of business processes saving water/energy/natural resources



Fig. 10. Businesses using photovoltaic panels for solar energy to implement production processes, according to the application of principles of the concept of sustainable development, Sources: www.sustainablebusinesstoolkit.com, www.geogreenpower.com

4. KPI for social responsibility towards the environment

- Percentage of restored polluted areas as a result of business activities;
- Investments for cleaning polluted waters as a result of business activities;
- Investments for preventive actions regarding environmental pollution;
- Investments for actions regarding restoration of biodiversity near the sites of enterprises and the region;
- Duration (years) of sustainable maintenance of biodiversity near the sites of enterprises and the region;



Fig.11. Initiatives of business organizations to implement recycling technologies to limit and protect ocean pollution
Source: <https://ar.pinterest.com/>

5. KPI for social responsibility towards local and regional communities, stakeholders and competition

- Share of business processes safe for the health and life of local communities;
- Share of employees from the region in the corporation's business activities;
- Investments in regional initiatives to improve the education of the local population;
- Organization and/or voluntary participation in improving the culture and traditions / sports of the local

population;

6. KPI for social responsibility towards global sustainable development of the planet

- Participation in the UN Sustainable Development Goals related to global goals for the planet;
- Decarbonization,
- Biodiversity of the oceans and water basins, biodiversity of land and natural areas;
- Reduction of the carbon footprint resulting from the businesses of the corporation/business;

VIII. COMPANIES IMPLEMENTING SOCIAL RESPONSIBILITY MEASUREMENT

In recent years, various business organizations in Bulgaria and around the world have defined strategic goals aimed at developing corporate social responsibility, included indicators for sustainable development and applied separate indicators for its measurement.

- "Devin" EAD – a mineral and spring water bottling company from the region of the town of Devin, Bulgaria. In 2022, the company announced that [24]:

- "with our strategy "Source of Change" 2025, together we create a future that is green, clean, local and shared" ;
- "Caring for nature is a main focus of the company, set out in the strategic projects until 2025";
- Figures 12, 13 and 14 show company initiatives implementing the company's "Source of Change" strategy:
- main strategic goals of the company – establishing itself as a stable employer in the region; environmental protection; contribution to the country's economy and support for regional development;
- joint three-year commitments of the company together with the Bulgarian Federation "Biodiversity" for the maintenance of peatlands in the Rhodope Mountains in the area of Chair Lakes;
- joint initiative "Enter the Green Circle. The Future is in Our Hands" of "Devin" and the Bulgarian Movement "Blue Flag" for the introduction, improvement and maintenance of environmental education in schools in the region under the "Eco-Schools" program.

The company is certified as a B Corp TM [25], which certifies that the company makes strategic decisions “considering their impact on its employees, customers, suppliers, communities and the environment.”.



Fig. 12. Strategic goals of "Devin" EAD - "Source of Change"
Source: <https://devin-bg.com/>



Fig. 13. Project "Chair Lakes. Biodiversity Capsules in the Rhodope Mountains" of "Devin" EAD and the Bulgarian Federation "Biodiversity" for the maintenance of peatlands in the Rhodope Mountains, Source: <https://darik.bg>



Source: <https://www.360mag.bg>

Fig. 14. Initiative "Enter the Green Circle. The Future is in Our Hands" by "Devin" and the Bulgarian Movement "Blue Flag" for the introduction of environmental education under the "Eco-Schools" program.

В Corp™: оценка на въздействието				
Управление	Служители	Общност	Околна среда	Клиенти
• Мисия & ангажираност	• Финансова сигурност	• Разнообразие, справедливост & приобщаване	• Управление на околната среда	• Грижа за клиентите
• Етика & прозрачност	• Здраве, благополучие и безопасност	• Икономическо въздействие	• Въздух и климат	• Обучение, отговорен маркетинг като част от AWS
• Метрики на управлението	• Карриерно развитие	• Гражданско участие & благотворителност	• Воду	
• Мисия и дългосрочна цел	• Ангажираност и удовлетворение	• Управление на веригата за доставки	• Земя и живот	

Fig. 15. Strategic goals of "Devin" EAD - "Source of Change"
Source: <https://devin-bg.com/>, DEVIN Annual Sustainability Report 2022

- "Festo SE & Co" - an international company for the production of robotic and automated equipment, hydraulics, pumps, compressors and other equipment. The company announces that [26]:

• "In March 2020, our Board of Directors adopted the sustainability strategy, which has been regularly updated since then. The sustainability strategy is now even more closely linked to the corporate strategy."

• "Sustainability is firmly embedded in our corporate strategy. We take responsibility for current and future generations in the areas of environment, social and governance (ESG). For us, sustainability means comprehensive implementation of all three dimensions."

• Основни направления в корпоративната стратегия на Festo относно корпоративната отговорност са посочени на фигура 17 [26]:

- Climate protection and resource efficiency;

- Ethics and governance;
- People at Festo;
- Technology training.



Fig. 17. Festo's strategic directions in the areas "Environment", "Social", "Governance" of Festo, Source:: <https://www.festo.com/>, Корпоративна отговорност

Figures 18, 19 and 20 illustrate the statistical indicators for the period 2020 – 2022 [27]:

- for primary energy sources used in MWh, the results report a decrease in consumption in production processes by 3% compared to the base year 2020;
- for direct greenhouse gas emissions, the results report a decrease of 7% compared to the base year 2020;
- the contractual personnel employed for the period 2020 - 2022 at Festo by "gender" and "region". Due to the specific production activity of the company, as of 2022, 64% of men predominate, but 24% of women work in the company, with their ratio being relatively constant throughout the analyzed period.

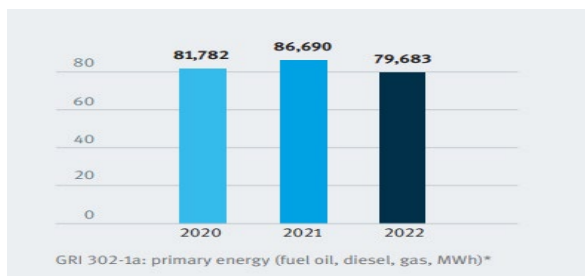


Fig. 18. Statistics on primary energy resources used by Festo for the period 2020-2022, Source: <https://www.festo.com/>, Festo SE & Co. KG Sustainability Report 2022

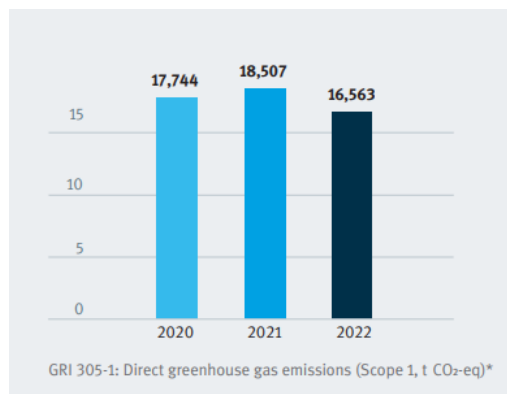


Fig. 19. Statistics on direct greenhouse gas emissions from Festo for the period 2020-2022, Source: <https://www.festo.com/>, Festo SE & Co. KG Sustainability Report 2022

Employment contracts by gender and region			
	2020	2021	2022
Permanent and temporary staff	19,840	20,149	20,276
Permanent by gender			
Male	65%	65%	64%
Female	26%	26%	26%
Permanent by region			
Total	18,070	18,388	18,262
Africa	124	108	104
The Americas	2,263	2,330	2,383
Asia	2,330	2,443	2,451
Australia	84	81	73
Germany	7,818	7,794	7,820
Europe without Germany	5,451	5,632	5,431

Fig.20. Statistics on contracted personnel for the period 2020 – 2022 at Festo by "gender" and "region", Source:: <https://www.festo.com/>, Festo SE & Co. KG Sustainability Report 2022

With regard to the strategic goals of achieving sustainable carbon neutrality, occupational safety, compliance with local laws, supply chain, Festo SE & Co. plans [26, 27]:

- "to be completely CO₂-neutral by 2026 and continuously optimize energy efficiency and waste recycling."

• "We also continue to invest in energy efficiency measures and in the further expansion of photovoltaic (PV) systems" and "As a result of these measures, we expect an additional 2,500 MWh per year from our own renewable energy production and annual energy savings of around 2,500 MWh".

• The Occupational Safety Department "supports and advises all areas to establish a culture of occupational safety. Internationally, occupational health and safety management in the regions is managed independently in the respective locations". In Bulgaria, Festo "updates and improves its system in 2022, aiming to further improve it under the motto "Safety first", allowing for improved personal responsibility of employees for maintaining their health and safety in the workplace".

• Festo "guarantees compliance with the laws and internal rules to which the company adheres and is obliged to comply. For Festo, maintaining integrity and responsibility towards people and the environment is a fundamental principle. At all locations, great importance is attached to acting ethically, legally and in accordance with the rules" (Fig. 21).

• Supply chains "for production in the factories are organized internationally and include a large number of direct suppliers and subcontractors." In 2022, Festo had "contracts with 2,500 suppliers for 70,000 deliveries." The company consistently maintains a strategy of sourcing from local suppliers, contributing to the sustainable development of local regions (Fig. 22).

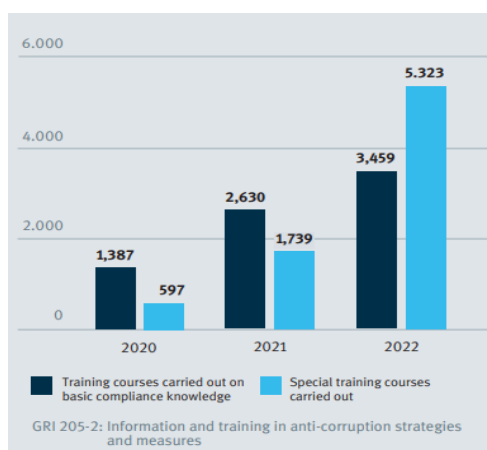
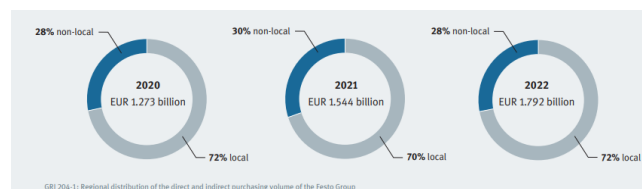


Fig.21. Statistics on training conducted on anti-corruption strategies and measurements for the period 2020 – 2022 at Festo for basic and specific legal requirements, Source: <https://www.festo.com/>, Festo SE & Co. KG Sustainability Report 2022



Source: <https://www.festo.com/>, Festo SE & Co. KG Sustainability Report 2022

Fig.22. Statistics on the relative share of local deliveries for the period 2020 – 2022 for Festo

- Yettel Bulgaria EAD (Yettel) – a telecommunications company in Bulgaria, an operator of telecommunications services. Yettel is a “brand of PPF Telecom Group (with 100% ownership), which will be launched in 2022 in Bulgaria, Serbia and Hungary” [28]. Yettel Bulgaria offers mobile (voice and text), data transmission; corporate data networks, mobile network with technology - 4G and 5G network, provision of television content, etc. The company accepts. The company’s Sustainable Development Strategy 2028 covers four main areas (Fig.23) [28]:

- environment – introducing “minimum environmental impact from operations and throughout the value chain, focusing on reducing energy and fuel consumption, sourcing renewable energy, and better management of materials used by the company, as well as waste generated by the activity.” The company sets the following goals:

- “To achieve carbon neutrality by 2050 or earlier by reducing its carbon emissions in scope 1, 2 and 3 and their intensity” (Scope 1 - Emissions that fall under direct control: gasoline, diesel, etc.; Scope 2 - emissions from electricity and heat purchased to power our offices, stores, commercial warehouse and service; Scope 3 - indirect emissions that we do not directly control, but on which we can influence: emissions from our suppliers generated in the provision of goods and services) ;

- “To improve energy efficiency in its buildings”;

- people – creating a “fair working environment in which everyone is encouraged to develop, and through various volunteer initiatives we strive to engage colleagues in caring for society and nature”;

- technologies for a sustainable future – “ensuring comprehensive and safe connectivity, as well as by implementing solutions that benefit business, people and the environment”;

- management based on integrity and transparency – “raising awareness and dissemination of the topic among employees and suppliers”.



Fig.23. Goals in the Sustainable Development Strategy 2028 of Yettel Bulgaria EAD, Source: Yettel Bulgaria EAD, Sustainable Development Report 2022.

The ratio between women and men working under an employment contract at Yettel Bulgaria EAD for 2021 (67% / 33%) and 2022 (66% / 34%) is shown in Fig. 24., the

predominant share of women is visible [28].

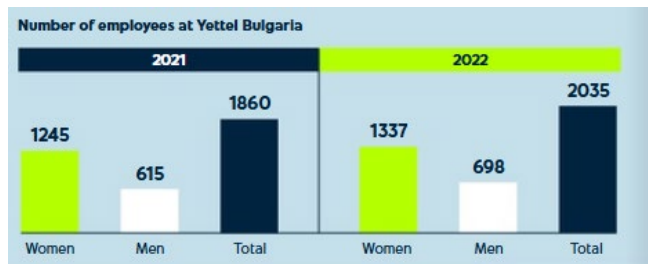


Fig.24. Number of employees for the period 2021 – 2022 of Yettel Bulgaria EAD, Source:: Yettel Bulgaria EAD, Sustainable Development Report 2022.

Figure 25 presents the strategic development directions set by the company's management, compared with the UN Sustainable Development Goals.

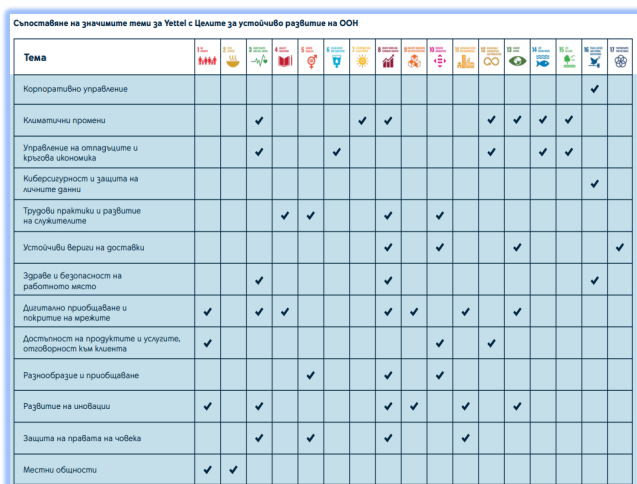


Fig.25. Comparison of significant strategic directions of development of Yettel Bulgaria EAD with the UN Sustainable Development Goals, Source : Yettel Bulgaria EAD, Sustainable Development Report 2022.

- Mastercard – an international financial services and digital card payments company. The company develops and follows its ESG Strategy, taking into account the three main areas [29]:

- Environmental Sustainability (Environment) - "Caring for the environment includes reducing the impact of our business on the planet, as well as providing smart solutions that highlight the importance of the environment for our customers, stakeholders and cardholders".

- Social Sustainability (Social) - MasterCard "has a sustainable impact on a global scale through the expertise in its work, the research it conducts, its technological growth and the loyal partnerships it relies on."

- Governance – "Ethics and responsibility are at the core of our values, even in our daily work. High business standards are supported by an independent management structure and robust risk management."

Figure 26 presents the strategic directions for the development of Mastercard's activities set by the company's management, according to the developed strategy (ESG strategy) [30].

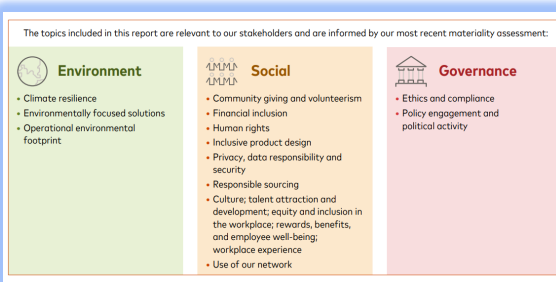


Fig.26. Strategic directions for sustainability of Mastercard's business activities ,Source: Mastercard, Mastercard 2023 Environmental, Social and Governance Repor

Mastercard's approach to environmental management includes the company's responsibilities to "climate change, water and waste in our value chain, guided by an 'Environmental Statement' that outlines environmental priorities and identifies corporate standards and frameworks" [30]. Figure 27 and Figure 28 show Mastercard's strategic environmental social responsibility goals and employee responsibilities under a core contract..



¹ As a percentage of suppliers who were invited and provided a full response through CDP

Fig.27. Mastercard's strategic goals for environmental social responsibility, Source: Mastercard, Mastercard 2023 Environmental, Social and Governance Repor

Overview of benefits offered to full-time, permanent employees (offerings will vary by country)	
Healthcare, life and disability benefits	<ul style="list-style-type: none"> Medical coverage Life insurance Accidental death and dismemberment (AD&D) coverage Emergency travel assistance <p>Additional offerings in some countries:</p> <ul style="list-style-type: none"> Drug/pharmaceutical, telemedicine, dental, vision Financial support for adoption, surrogacy and fertility treatments not covered by employee's medical insurance Health savings and flexible spending accounts
Retirement and financial assistance	<ul style="list-style-type: none"> Matching retirement savings plan contributions (10% of base pay each year) Financial planning resources/tools Employee assistance Fund for catastrophic events and serious injury/illness financial hardship needs
Work-life flexibility	<ul style="list-style-type: none"> Hybrid work environment Four-week "work from elsewhere" Quarterly meeting-free days Five paid volunteer days per year at an organization of choice 16 weeks of paid new-parent leave regardless of gender, sexual orientation or caregiver status Up to 20 days of paid bereavement leave following the death of a family member Holiday and paid time off
Well-being	<ul style="list-style-type: none"> Thrive Global online resources, including support for mental health Virgin Pulse online resources, including coaching on desired lifestyle changes, group challenges and media library with recorded classes Employee and Family Resource Program with 24/7 free individual counseling support on personal and professional issues
Other benefits	<ul style="list-style-type: none"> Mental Health Support including telehealth visits and use of in-network deductible levels for mental health services Inclusive Family Building Benefit offers up to \$20,000 for adoption and surrogacy assistance Up to \$15,000 in charitable match contributions per employee in 2023² Up to four \$500 charitable donations per year to an organization where an employee volunteers for at least 40 hours in 2023² Academic scholarship awards of tuition assistance to employee dependents for select academic coursework³

Fig.28. Strategic goals for social responsibility towards employees Mastercard's basic employment contract, Source: Mastercard, Mastercard 2023 Environmental, Social and Governance Report

Fig. 29 presents Mastercard's main responsibilities for ensuring: the information protection of data maintained in the company's information systems and the security of customer transactions.

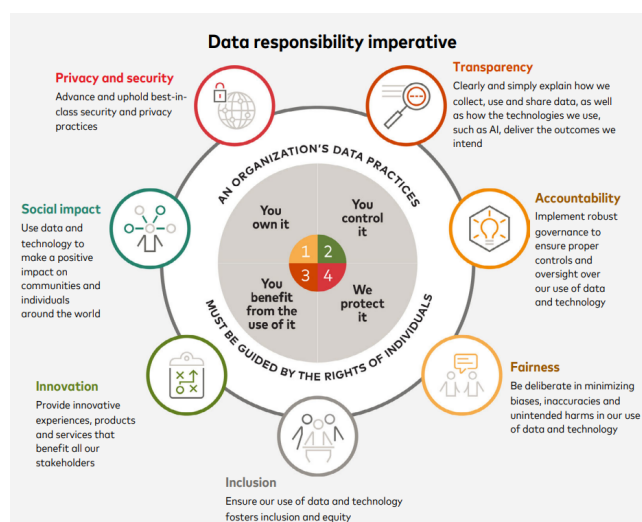


Fig.29. Information responsibility for the security and safety of Mastercard customers' transactions, Source:: Mastercard, Mastercard 2023 Environmental, Social and Governance Report

- "Bonduelle Group" – an international corporation for the production of canned vegetables, frozen vegetables and ready-made salads – peas, beans, salads, carrots, corn, etc., operating in Europe, North America and South America. The company's products are known through four registered brands (Bonduelle, Cassegrain, Globus, Ready Pac Bistro) and are sold in over 100 countries around the world. The company develops and follows its strategy "Sustainable growth with positive impact", which [31, 32, 33]:

Formulates its mission: "Inspire the transition to a plant-rich diet to contribute to human well-being" (фиг.30)

Announces its three-year strategic priorities:

- "Strengthen operational excellence to spread a culture of performance across the company;
- Develop and use brand theory to bring healthy and delicious food to the table;
- Succeed in our key geographies;
- Simplify our operations and organization for greater efficiency;

• Be better every day for the people of the planet, following the ambitions of Bonduelle Corporation"

It indicates its main achievements in implementing the strategy:

• Planet – sowing of agricultural lands with crops (soils, waters) covering 69,035 hectares cultivated worldwide.

• People and employees – 10,409 full-time employees employed; 224 agronomic employees working in close cooperation with 2,087 agricultural partners (agricultural producers).

• Local communities and society at large - maintaining beneficial relationships with local communities where the corporation's agribusiness activities are located is essential for the sustainability of our business.

• International presence of the Fondation Louis Bonduelle

• Sustainable growth through three distribution channels in more than 100 countries: mass market retail, foodservice and sales to the food industry.

• Technologies - three plant food preservation technologies: canned, fresh and frozen; 42 agribusiness facilities.

• Efficiency and profitability - independent financial capital open to growth and €640 million in share capital.

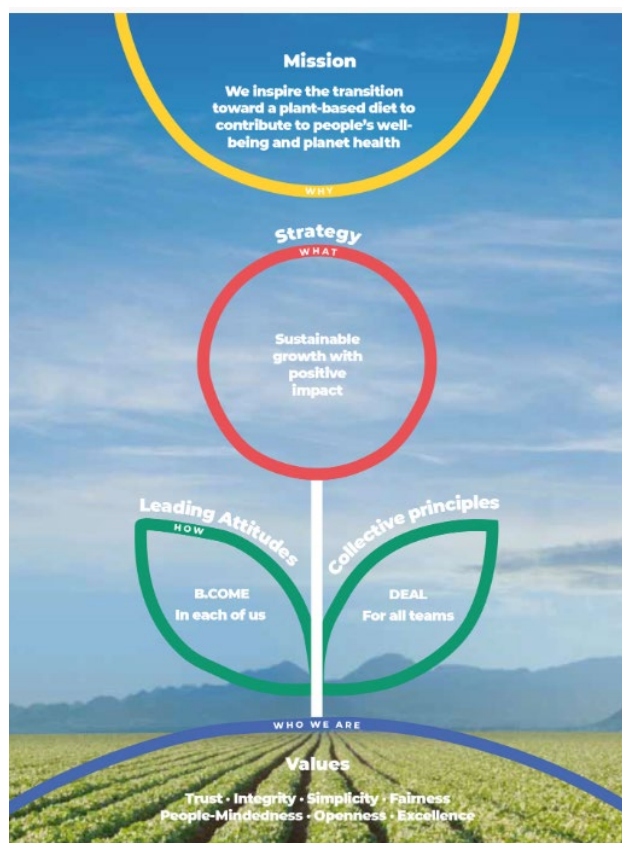


Fig.30. Main directions in the Bonduelle Group's "Sustainable Growth with Positive Impact" strategy, Source:: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

The Bonduelle Group's climate strategy [33] in the "Sustainable Growth with Positive Impact" strategy is "structured in line with the Net Zero initiative and marked by targets validated by SBTi" (Fig. 31 and Fig. 32).

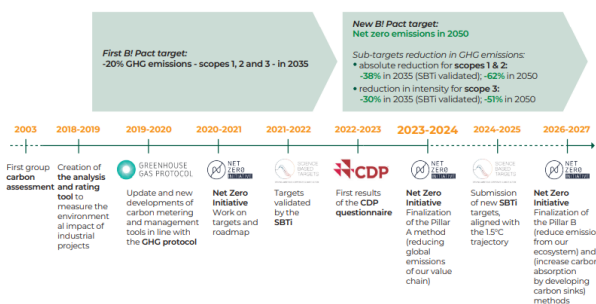


Fig.31. Time periods for the implementation of the Bonduelle Group's climate strategy, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

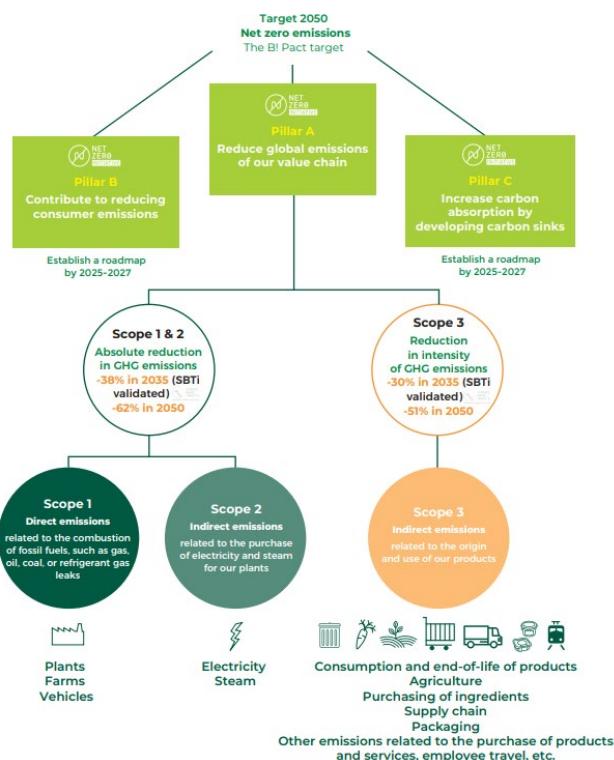


Fig.32. Main objectives in the Bonduelle Group's climate strategy, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

Bonduelle Group's climate mitigation strategy [33] is based on three pillars, according to the "Net Zero initiative":

- “pillar A: reducing global emissions from the corporate value chain to the level required by SBTi;
- pillar B: helping consumers avoid carbon emissions; reducing corporate ecosystem emissions;
- pillar C: offsetting residual emissions with the carbon sequestration potential of agricultural practices”.

Fig. 33 presents objectives in the Bonduelle Group strategy, as “part of the Bonduelle! Pact and the commitment to the “development of the circular economy”” [32].

Commitments	BI Pact targets	FY22	FY22 Restated without BALL*	FY23	FY24
#5 Develop the circular economy	100% of our packs are designed to be recyclable or reusable by 2025	97.7%	97.7%	97.8%	98.1%
	0 virgin fossil plastics used in our packaging by 2030 (100% vs. FY20 in tonnes)	(4.5%)	(37.7%)	(37.1%)	(44.5%)

* For the purposes of comparability with 2021-2022 at constant scope, the 2022 data have been restated without the BALL business unit, in which a stake was sold on June 30, 2022.

Fig.33. Main objectives for the development of the “circular economy” of Bonduelle Group, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

Incoming resources

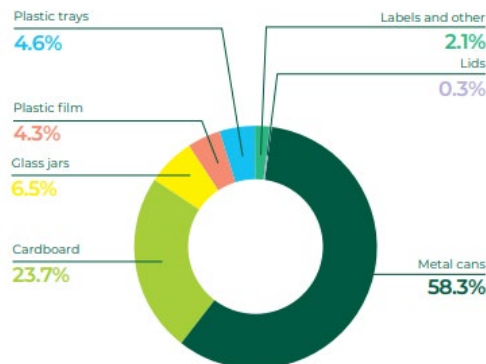


Fig.34. Share of Bonduelle Group's input materials by 2024, as part of the commitment to develop a "circular economy", Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

The largest share is occupied by metal packaging (Fig. 34), in which the company's products are preserved [33], which represents a recyclable material and achieves the goal of minimizing non-recyclable packaging.

Fig. 35 shows the relative share of Bonduelle Group staff in 2024 with a basic employment contract [31, 33], presented according to a “geographical principle (France, countries in Europe excluding France, staff on other continents)”. It shows “the share of employees in France, which amounts to 42.5%”, which is based on 170 years of family business and tradition in vegetable production.

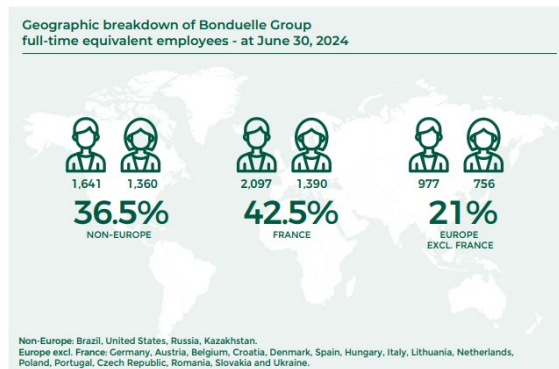


Fig. 35. Relative share of Bonduelle Group personnel by 2024, on a basic employment contract presented by geography, as part of the commitment to develop a "circular economy", Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

Women as a share of permanent employees as of June 30, 2024 [33] who hold management positions are 22%, which is an increase of 5% compared to the base year 2021. A sustainable social policy of the corporation is the appointment of women on permanent employment contracts, with women in the number of staff varying within 41% to 43% - in the period 2020 - 2024 (Fig. 36).

	2020-2021	2021-2022	2021-2022 restated without BALL*	2022-2023	2023-2024
Percentage of women who are Managers	17%	19%	19%	22%	22%
Percentage of women who are non-Managers	83%	81%	81%	78%	79%
Percentage of total employees who are women	43%	42%	41%	43%	43%

* For comparability purposes between 2021-2022 and 2022-2023 at constant scope, 2022 data have been restated without the BALL business unit, in which a stake was sold on June 30, 2022.

Fig. 36. Relative share of women in Bonduelle Group personnel by 2024, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

The corporation maintains a socially oriented policy of employing people with disabilities on a permanent employment contract (Fig. 37) [33], which provides opportunities for people in disadvantaged situations to develop their employment opportunities and to feel equal members of local communities.



Fig. 37. Relative size of employed staff with disabilities in Bonduelle Group by 2024, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

Fig. 38 illustrates “the consumption of natural resources, recycling and discharges into the natural environment generated by all Bonduelle Group production facilities”.

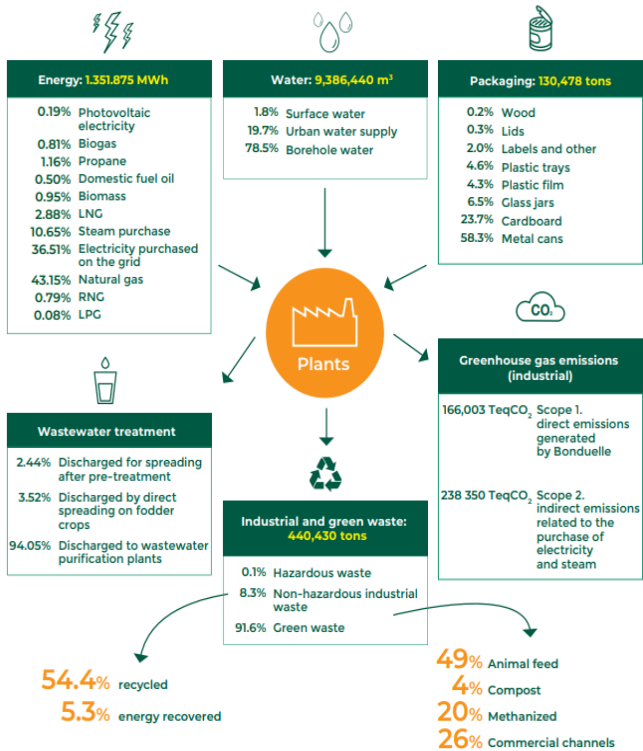


Fig. 38. Consumption of natural resources by Bonduelle Group's production facilities by 2024, Source: Bonduelle Group, 2023 - 2024 Corporate social responsibility report

"Estée Lauder Companies Inc." is an international corporation for the production of cosmetic products in four main categories - skin care, makeup, fragrances, hair care. The corporation sells cosmetic products in over 150 countries and territories, under the brands: Estée Lauder, Aramis, Clinique, Lab Series, Origins and others [34]. The corporation "integrates social impact and sustainability into its business and continuously improves our approach to ESG management" (Environment, Social, Governance), developing an ESG Strategy. The organizational structure of the corporation has created an administrative position "Chief Sustainability Officer", directly reporting to the Chief Executive Officer (CEO).

The main directions in implementing the corporation's strategy are [34]:

- "implementing a risk-based approach to risk elimination through the use of risk mapping assessments, employee engagement programs.
- hazard risk assessments when working with production facilities, implementing training, preventing accidents and injuries.
- employee-led initiatives and communications on best manufacturing practices.
- - "implementing a 'health and well-being strategy' which is 'based on 6 elements: physical, emotional, intellectual, financial, spiritual and social well-being of employees. The program promotes access to well-being in programs worldwide, through initiatives such as: vaccination clinics, biometric screenings and health exhibitions with supplier partners'.
- an operational strategy for sustainable waste management - covering packaging and product design, and implementing waste reduction and recycling efforts.
- using "green chemistry" methods to evaluate cosmetic ingredients, innovating the ingredient portfolio and designing cosmetic products; continuous training of our employees responsible for developing new chemical formulas, in accordance with the application of green principles and practices.

"Estée Lauder Companies Inc." provides sustainable employment opportunities to people of different nationalities and backgrounds from Europe, Asia, Latin America, etc. (Fig. 39).

*** Report on Independent Accountants' Review of the FY24 Social Impact and Sustainability Report

	2024	2023	2022
U.S. EMPLOYEES ²			
Amounts may not sum due to rounding			
% TOTAL U.S. EMPLOYEES, BY RACE/ETHNICITY ³			
White	48.2%*	47.9%*	47.9%*
Not Self-identified	0.7%*	1.3%*	1.8%*
People of Color	51.0%*	50.9%*	50.3%*
American Indian or Alaskan Native	0.5%*	0.5%*	0.4%*
Asian	15.1%*	15.4%*	14.8%*
Black or African American	12.6%*	13.0%*	13.1%*
Hispanic or Latino	18.6%*	18.1%*	18.3%*
Native Hawaiian or Pacific Islander	0.4%*	0.4%*	0.5%*
Two or More Races	3.8%*	3.5%*	3.2%*

* Metrics assessed by PricewaterhouseCoopers LLP. See PwC Report of Independent Accountants and Management Assertion. Metrics previously assessed by an external third party. See Report of Independent Accountants in the FY24 Social Impact and Sustainability Report and Report of Independent Accountants in the FY24 Social Impact and Sustainability Report.

Fig. 39. Staff structure of Estée Lauder Companies Inc. By nationality I am June 30, 2024, Source: Estée Lauder Companies Inc., Fiscal 2024 Report Social Impact & Sustainability Report,

IX. CONCLUSION

The scientific study examines the essence and main characteristics of the concepts of "social responsibility", "corporate social responsibility" and the concept of "sustainable development" based on literary sources. As a result, the following were developed: A matrix for developing strategies related to corporate social responsibility and a strategic model for its measurement through key performance indicators (KPI) in order to achieve sustainable development of business organizations. A matrix has been developed for formulating strategies for social responsibility in corporate business organizations, aimed at the internal corporate hierarchy (at the corporate, business and functional levels) and the impact of the business organization on the environment and society (environment; local and regional communities and stakeholders; global sustainable development of the planet). The model contains and takes into account two main areas of business social responsibility:

internal strategic development of the activities of corporate business organizations and external strategic impact of their activities on the environment and society. Examples of business organizations in Bulgaria and around the world applying indicators for measuring corporate social responsibility in order to achieve sustainable strategic development are presented.

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