



Nu Metric summary report

Final report

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Executive Summary

- The Nu Metric project seeks to measure social sustainability in the workplace through a self-assessment tool in the form of a questionnaire aimed at micro- and small-business owners. The questionnaire contains several indicators across five dimensions that consider sustainable practices in internal and external operations, as well as the company's relationships with various stakeholders
- The literature review and white space analysis indicate that Nu Metric's approach by measuring a business's broad impact on society, communities, workers, consumers, animals, and the environment differs from existing SROI measures with their narrower focus on financial measures of social impact.
- Recognizing the importance of moving away from businesses' singular focus on unlimited growth and infinite profits – Nu Metric is situated at the vital intersection of profit and purpose; an area of focus, analysis and action that is strikingly overlooked in the current literature.
- With its focus on micro- and small-enterprises, Nu Metric's potential audience could be 6 million employer firms in the US¹, making its impact very significant. Indeed, small businesses comprise 99% of all firms in the US and contribute 43.5% of the country's GDP. Moreover, small businesses pay 39.7% of the entire country's private payroll, having created 4.8 million more new jobs from 1995 to 2020 than large businesses did².

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¹ Source: US Small Business Administration (SBA), FAQ, December 2021. URL: https://cdn.advocacy.sba.gov/wp-content/uploads/2021/12/06095731/Small-Business-FAQ-Revised-December-2021.pdf

² Source: US Small Business Administration (SBA), FAQ, December 2021. URL: https://cdn.advocacy.sba.gov/wp-content/uploads/2021/12/06095731/Small-Business-FAQ-Revised-December-2021.pdf



Introduction

In the context of concerns that maximizing short-term profits may have long-term negative consequences on the environment and community, there is a clear need for instruments to help business owners improve their practices and find a balance between financial objectives on the one hand and environmental and social impacts on the other.

Nu Metric was first developed in 2019 as the defining context for The Decency Foundation's Nu Ag Initiative which focuses on transforming local farming for the good of society. The Nu Metric self-assessment approach was developed to provide a tool to help farmers to change their practices. Farmers who take the questionnaire will receive a score for their current operations and will help guide them in the direction of building a values-based approach that embraces both product and operational excellence, socio-economic success and sustainability across a range of factors. For the pilot project, small dairy farms were chosen, and the pilot questionnaire was beta tested at one dairy farm. The initial questionnaire featured five dimensions (Farm Operations, External Operations, Environmental Resilience, Local Community, and Employee Wellbeing), with five questions for each dimension.

Starting in May 2022, Vantage Research (VR) consulted with The Decency Foundation on the Nu Metric questionnaire to formalize and expand it. The current project takes that initial questionnaire a step further and refines the questions. We "quantify" the qualitative aspects of eco-social sustainability, expand the questionnaire to other industries beyond the dairy farming sector, and introduce a 100-point scoring system where all five dimensions are equally weighted no matter how many questions they contain. All five dimensions will then add up to a maximum score of 100. The current project was divided into three sub-projects: the first one refines the dairy farming questionnaire, the second "templatizes" the questions to apply to a wider range of industries, and the third part develops a series of questions about relational dynamics within the company.

The **hypothesis** of Nu Metric is that "it is possible and preferable for small businesses to combine, on the one hand, product excellence and long-term commercial viability with, on the other hand, environmental and social sustainability. The resulting tool, which we call Nu Metric, will help small companies develop useful and actionable insights at the operational level."

Throughout this project, we are using the following definition³ of business sizes:

- Micro businesses have 1-9 employees.
- Small businesses have 10-499 employees.
- Medium businesses have 500-999 employees.
- Large businesses have 1000+ employees.

³ This is a loose definition, based on the average SME size standards issued by the US Small Business Administration (SBA). However, depending on each sector, sometimes the cut-off point might be different. Source: SBA. "Size Standards", 2022. URL: https://www.sba.gov/federal-contracting/contracting-guide/size-standards



The focus of this project are micro and small businesses, i.e. companies with less than 500 employees.

In a country such as the US, the potential for impact of a project such as Nu Metric is very significant. It is to be noted that, according to the U.S. Small Business Administration (SBA)⁴, small businesses account for 99.9% of all firms in the country and amount to 97.4% of exporting companies, making Nu Metric highly relevant for business owners and supporting institutions alike.

Nu Metric as a tool for change

What is the Nu Metric?

The Nu Metric was designed as a tool for change, first and foremost. The main objective is to encourage business owners to think creatively about the social and environmental dilemmas that they are facing, by asking questions that raise awareness and challenge the status quo.

The Nu Metric is a self-assessment dashboard for small businesses, where the questions point the way toward achieving excellence. It is essentially a system for helping small organizations improve their operations.

Nu Metric's place in the intellectual space of indices

Vantage Research conducted a whitespace analysis to identify⁵ and explore the scope and scale of a number of existing indices and metrics that partially cover some of the key concepts explored by Nu Metric. We focused on indices that explore concepts of environmental and social sustainability at various levels: global and macro (country level) and then across large firms or small firms (microlevel). Overall, we found that social sustainability is overlooked by the micro-level (enterprise-focused) indices, while those that include social sustainability are mostly focused on the macro-level (country-focused). Moreover, among the indices focusing on companies, most of these are geared towards the assessment of large corporations, as opposed to small businesses.

Therefore there is a gap in assessing the social sustainability of small businesses, and that is where Nu Metric's contribution lies. The following two charts place Nu Metric on the map of existing indices. The next section of the report will explore in more detail the key differentiating factors that distinguish Nu Metric from other indices.

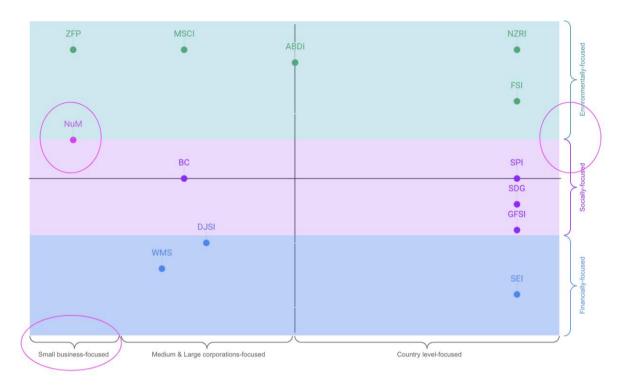
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Source: US Small Business Administration (SBA), FAQ, December 2021. URL: https://cdn.advocacy.sba.gov/wp-content/uploads/2021/12/06095731/Small-Business-FAQ-Revised-December-2021.pdf

⁵ See appendix.



Chart 1: Nu Metric's place in the quadrant of ESG indices⁶



Legend:

| 0 | | | | | |
|--------------------------------|------|----------------------------|------|-------------------------------|------|
| Name | Code | Name | Code | | |
| Zero Foodprint | ZFP | Agrobiodiversity Index | ABDI | Net Zero Readiness Index | NZRI |
| World Management Survey | WMS | Food sustainability index | FSI | Social Entrepreneurship Index | SEI |
| Dow Jones Sustainability Index | DSJI | Global Food Security Index | GFSI | Nu Metric | NuM |
| The MSCI Net-Zero Tracker | MSCI | SDG Index | SDG | B-Corp | ВС |

Nu Metric's key distinguishing features

One of the goals of the research program was to identify ways in which the Nu Metric tool differs from existing indices and other metrics. The whitespace analysis identified a gap in assessment tools, as well as in conceptual areas, such as social sustainability.

Nu Metric explores a number of key concepts that are overlooked by the existing literature and indices, such as decent work, social sustainability, and relationality and quality of workplaces.

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⁶ Interpretation: In green, the more environmentally focused indices; in purple those with a social component, and in blue, those that are more economically-focused. On the horizontal scale, indices on the far-left focus on small firms, those in the middle-left include a mixture of small, medium and large sized corporations while indices on the far-right focus on countries. ABDI is the only index that features both a country-level model and a corporate-level model, thus it is located right in the middle.



Radical decency & decent work

In the context of crises affecting our society and economy (e.g. pandemic, war, climate change, rising inflation, speculative bubbles, etc.), questions arise about the need for systemic change. It has become increasingly obvious that the values promoted by the current economic system, such as selfishness, greed, aggressive competition and destructive exploitation, are not only unhelpful in dealing with those crises but actually has helped cause these crises.

More and more business literature admits that the solution lies with adopting a different set of values to live by that include: respect, empathy, cooperation, moderation, and kindness for one another. The novelty of Nu Metric is that it is based on this commonly accepted, yet often overlooked, concept. Indeed, the project is unique in placing decency at the center of the indicator framework.

In parallel to this paradigm shift, there seems to be a consensus around the need for decent work,⁷ (UN, 2005; UN, 2015; ILO, 2022) most prominently described in UN Sustainable Development Goal (SDG) 8, which calls for decent work to be available to all by 2030. Nu Metric aims to measure the level of decency to be found in the workplace within the context of applying what is called radical decency⁸ in all areas of life.

Social sustainability and small businesses

Very little literature focuses on **social sustainability** in the way that Nu Metric does. This provides an opportunity for Nu Metric to position itself as one of the few (or, perhaps, the only) metric that measures social sustainability from a small-business viewpoint. In applying Nu Metric to small dairy farms or agricultural businesses, it is unique in examining social sustainability from a rural perspective.

Differences from B Corp certification

The B Corp certification aims at evaluating a business's social and environmental performance, whereas the Nu Metric is a working tool to be used by owner operators to guide their ongoing efforts to become socially and environmentally sustainable. Moreover, the B Corp certification has seen the size of companies it is applied to grow over time (Nee, 2020), whereas Nu Metric focuses on micro- and small- businesses. This alone results in a different set of questions that can be asked, as most surveys geared towards larger companies contain many questions that are irrelevant to small businesses.

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⁷ The ILO defines decent work as labor that is "productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men."(ILO, 2022)

⁸ The concept of Radical Decency was developed by Jeff Garson and serves as the cornerstone of the Nu Metric assessment. Outlined in Jeff Garson's book "Radical Decency: A Values-Based Approach to a Better Life and World" (Garson, 2020), radical decency is composed of seven values: Respect, Understanding, Empathy, Acceptance, Appreciation, Fairness and Justice. The dynamic concept of radical decency lies in the application of these 7 values in real life.



The design and conceptual framework of the Nu Metric questionnaire

The Nu Metric questionnaire is the result of primary and secondary research undertaken by VR, in collaboration with The Decency Foundation (TDF). Beginning with the initial version of the questionnaire that was focused on small dairy farms, this updated version has been designed to be applied to any industry. Given TDF's initial focus on the agriculture sector, the starting point is the dairy farming industry. From this sector, the design process went to a generalized template. The updated framework presented in this summary includes and expands on the original dimensions. It now extends to a more detailed exploration of a firm's sustainable internal and external operations, product quality, employee wellbeing and community contributions.

The next table presents an overview of the 5 dimensions of the Nu Metric, their corresponding subdimensions, as well as the rationale behind them.

Following the table, Graph 1 on p.10 visualizes the way in which small businesses should be embedded within their social and natural environment. This vision of a business that is not separated from its surroundings is key to understanding the underlying assumptions of the Nu Metric project.



Nu Metric questionnaire framework overview

| | Sector-specific dimension | General dimensions | | | | | | | |
|-----------------------|--|--|---|---|---|---|--|---|--|
| DIMENSION | 1. Sustainable Internal Operations | 2. Sustainable Busir | ness Model | 3. Product Qualit | 'Y ⁹ | 4. Decent Work | | 5. Community Co | ontributions |
| Sub- dimension | TBD; questions specific to the company's/sector's operations | Diversified Income Streams ¹⁰ | Circular Economy | Technical Quality ¹¹ | Culture of Quality | Workplace wellbeing | Relational wellbeing | Social Community | Business Community |
| Content/ rationale | This dimension is tailored to each economic sector that Nu Metric explores. It contains questions about the internal practices of the company. | This dimension evaluates the business model of the SME. The diversification of income streams is recommended in order to become economically viable in the long-term by hedging risks. Without financial sustainability, the SME would not be able to pay decent wages to its employees or move toward other environmental/social goals. | To have a decent and sustainable business model, the financial aspect also needs to be balanced with focused and persistent attention to environmental & social considerations, thus adopting the concept of the circular economy ¹² . | A cross-sectoral dimension that looks at the end-product/service that the SME is selling on the market. Ensuring that the product is of excellent quality is one of the main goals that an entrepreneur should have in this new business model. | This sub- dimension looks at the culture of the company regarding product quality, once it has adopted a series of good practices for quality assessment. | This dimension looks at the physical wellbeing of all workers involved in the business: the owner , his/her family (if it is a family-run business), and its employees. It takes into account several practical aspects of decent work. | This dimension looks at the psychological wellbeing of employees, managers, and owners (as well as other stakeholders), exploring the relational dynamics between people in the workplace. | Businesses don't operate in a vacuum but exist within a community. Therefore, this dimension explores the impact of the SME on the community around it, with questions pointing the direction toward which the company should go. | Decent businesses work in a cooperative manner. This may mean sharing resources and sharing knowledge with industry peers. |

⁹ Here, "product" applies to services as well as goods.

¹⁰ Where applicable

¹¹ This sub-dimension is specific to companies that produce goods; it does not apply to service-sector companies.

The circular economy model is one of the most environmentally sustainable ways of designing an economic system because it accounts for thermodynamics laws, and it attempts to limit as much as possible the creation of waste. By contrast, in the commonplace linear model, we extract, produce, consume, and then turn to waste, thus depleting our natural environment.

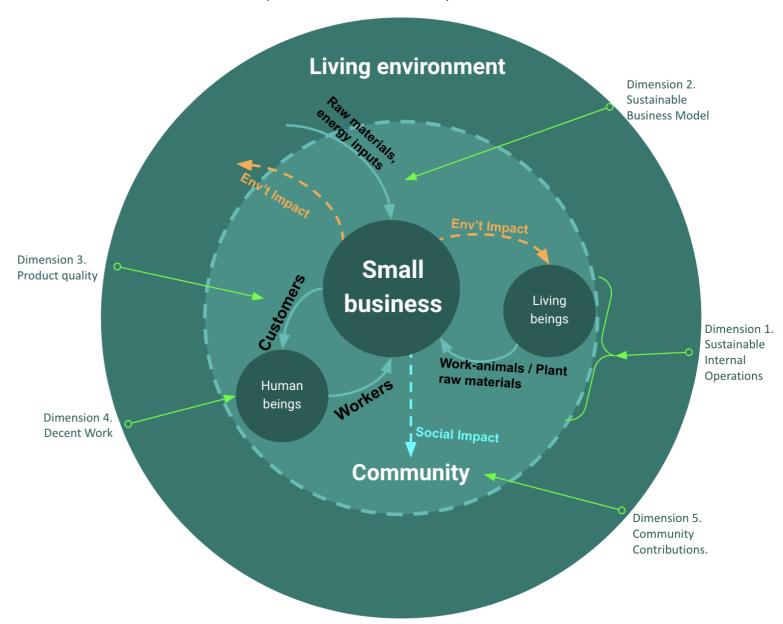


Graph 1. Visualizes the way in which the small business is embedded within living systems, and its dynamic relationship with the living environment that sustains the community in which the small business exists.

The business interacts with workers and customers and with other living beings, such as farm animals and plants, in the case of agricultural companies.

The inputs and outputs show how the small business interacts with these systems, and then each of the 5 dimensions in the Nu Metric corresponds to one of these systems.

Graph 1.: The small business ecosystem





The Nu Metric Frameworks

The Nu Metric general questionnaire framework detailed in this section is the result of primary and secondary research undertaken by VR, in consultation with TDF. It builds on the pilot questionnaire, by adding or removing some concepts and quantifying some of the qualitative aspects of running a small business in an ethical and sustainable manner.

The new iteration of the Nu Metric questionnaire transforms the original five dimensions (Farm Operations, External Operations, Environmental Resilience, Employee Wellbeing and Local Community) into 5 new dimensions (Sustainable Internal Operations, Sustainable Business Model, Product Quality, Decent Work, and Community Contributions). These new dimensions capture the original thinking, while adding new layers to each of the original concepts through the addition of sub-dimensions within the framework.

The first dimension, 1. 0 Sustainable Internal Operations, is specific to each industry. The dairy farming example in section B provides an example of what an industry-specific questionnaire for this section will encompass.

The second dimension, 2.0 Sustainable Business Model, asks the company to examine its business model and its ability to reconcile economic viability with environmental and social sustainability (which is the main hypothesis of this project). The two sub-dimensions in this section explore ways that companies manage this balance by (2.1) diversifying a company's income streams and (2.2) adopting circular economy principles. The questions contained in this section mainly assess whether the company has done this already, noting laudable intentions while acknowledging the various obstacles small businesses may face in adopting a sustainable business model.

The third dimension, 3.0 Product Quality, focuses on the quality of the goods and/or services that the business is selling. Its sub-sections focus on 3.1, the technical quality of the goods produced, and on 3.2 the company's culture of quality. These questions assess whether the company has a culture of continuous improvement and whether it listens carefully to feedback from its employees and other stakeholders, acting on it where necessary. Technical quality also encompasses social responsibility, along with product safety.

The fourth dimension, 4.0 Decent Work, explores aspects relating to 4.1, wellbeing at work, both from a material perspective (workplace conditions), and 4.2, a relational perspective (relationships at work). The first sub-dimension focuses on setting the scope of what a good quality workplace would look like (e.g. existence of work breaks and rest areas, decent and fair financial compensation, etc.), while the second sub-dimension explores the relationality aspect of workplaces (e.g. leadership style, how conflicts are solved, career development opportunities, etc.).

Finally, the fifth dimension, 5.0, Community Contributions, explores the community in which the company exists, with questions about how the company contributes not only to 5.1, the social



community, but also 5.2, the business community around it. The premise is that a company can only thrive if it is embedded in various networks of businesses, customers, and communities, thereby creating a virtuous circle for society. The two sub-dimensions allow for an assessment of the contributions that the company is making to its community and how it relates to its peers.



A. The Nu Metric general questionnaire framework

The questionnaire starts with a series of contextual questions that are not scored:

- a. Type of business (production, service, etc.) and economic sector it belongs to.
- b. Size of the business: number of employees, number of animals (for dairy and other types of animal farms), number of hectares/acres of land (for agricultural businesses)
- c. Estimated annual profit, estimated monthly wage per employee, estimated costs (including P&L data if possible).

| 1. Sustainable Internal Operations | | | | | |
|--|----|--|---|----|--|
| Indicator | # | Question | Scoring | ** | |
| To be defined for each economic sector | 1 | TBD for each sector | TBD | | |
| | | 2. Sustainable | Business Model | | |
| | | 2.1 Diversified | income streams | | |
| Indicator | # | Question | Scoring | ** | |
| Diversified | 1 | Do you receive income from anything other than your main activity? | 0 = No, and I do not plan to 1 = Not yet, but I would like to 2 = Yes, 1-2 additional streams 3 = Yes, 3 or more streams | 5 | |
| income streams | 1a | ' ' | provide details about your additional obstacles you are facing in diversifying. | | |
| | • | Total raw points | 3 | | |
| | | | Total normalized questions score | 5 | |
| | | | | | |

| | | 2.2 Circul | ar Economy | |
|-------------|----|---------------------------|--|----|
| Indicator | # | Question | Scoring | ** |
| | | Does your company | 0 = None of Rs. | |
| | | practice any of the 4Rs | 1 = 1 R | |
| Waste | | (reduce, reuse, repair, | 2 = 2 Rs | |
| reduction/m | | recycle) with regard to | 3 = 3 Rs | |
| anagement | 1 | waste management? | 4 = All 4 Rs. | 5 |
| | | | 0 = No, I don't believe this is my | |
| | | | company's responsibility | |
| | | | 1 = Not yet, but I would like to do so in | |
| | | | the near future. | |
| | | | 2 = Yes, we have a system in place that | |
| | | Does your company | encourages the protection of natural | |
| | | have any resource | resources. | |
| | | protection policy? (e.g. | 3= We are exploring new and creative | |
| | | encouraging employees | initiatives to protect natural resources. | |
| | 2 | to conserve tap water) | (Specify the initiatives) | 5 |
| | | Context question: please | provide details about your natural | |
| Resources | | resources protection poli | icy, or the obstacles you are facing in | |
| protection | 2a | implementing one, or wh | nat steps you are taking to implement one. | |



| Г | | | | | |
|-----------|----|----------------------------|---|----|--|
| | | | 0 = No, I don't believe this is my | | |
| | | | company's responsibility | | |
| | | | 1 = No, but I would if I could | | |
| | | | 2 = Yes, up to 25% of our energy supply | | |
| | | | comes from renewable sources | | |
| | | (a) Does your company | 3 = Yes, up to 50% | | |
| | | use any renewable | 4 = Yes, up to 75% | | |
| | 3 | energy sources? | 5 = Yes, 100% renewables | 5 | |
| | | Context question: please | provide details about the obstacles you are | | |
| | 3a | facing in installing renew | able energy sources. | | |
| | | | 0 = No, they're all coming from the grid | | |
| | | | 1 = Part of it is generated on my premises | | |
| | | | (e.g., I have solar panels or a wind | | |
| | | | turbine) and part of it is coming through | | |
| | | (b) Are those renewable | the grid | | |
| | | energy sources on your | 2 = All is generated on my company's | | |
| | 4 | premises? | premises | 5 | |
| | | Context question: please | provide details about the sources of | | |
| Renewable | | renewable energy you ho | ve, and if you answered 1, please provide | | |
| energy | 4b | % of energy coming from | the grid. | | |
| | | Total raw points | 13 | | |
| | | | Total normalized questions score | 20 | |
| | | | | | |
| | | | | | |
| | | 3. Produ | uct quality | | |
| | | | uct quality nical quality | | |

| | | Do you have product processing systems in place to ensure socially | 0 = No, and I do not want to 1 = No, I'd like to but can't for various reasons | |
|---|----|--|---|----|
| | 1 | responsible outcomes? | 2 = Yes (specify systems) | 5 |
| Processing systems | 1a | from having socially resp | provide details about what prevents you onsible product processing systems in straints, lack of know-how, lack of | |
| Quality | 2 | Do you test your product's quality regularly? | 0 = No, and I do not want to 1 = No, I'd like to but can't for various reasons 2 = Yes. | 5 |
| testing and monitoring culture | 2a | | provide details about what prevents you product (e.g. financial constraints, lack of | |
| Product choices integrating social | 3 | Do you choose to make products/provide services that integrate social responsibility with profitability? | 0 = No, and I do not want to 1 = No, I'd like to but can't for various reasons 2 = Yes (specifying procedures). | 5 |
| responsibility with profitability | 3a | Context question: Please explain how you integrate social responsibility and profitability in your product/service offering choices. | | |
| | 4 | Do you take into account social responsibility when making choices about how you make you products/services? | 0 = No, and I do not want to 1 = No, I'd like to but can't for various reasons 2 = Yes (specifying procedures). | 5 |
| Production choices | 4a | Context question: Please base your production dec | provide details about what criteria you cisions on. | |
| | | Total raw points | 8 | |
| | | | Total normalized questions score | 20 |



| | | 3.2. Cultu | re of quality | | |
|--|----|--|---|----|--|
| Indicator | # | Question | Scoring | ** | |
| Bringing quality products to the community | 1 | Do you have procedures in place to monitor/ensure the delivery of quality products to the communities you serve? | 0 = No 1 = We'd like to but at present no 2 = We have one or more procedures in place (specify procedures) | 5 | |
| Honest & | 2 | Do your conversations with stakeholders reflect your commitment to social responsibility? | 0 = No 1 = Yes, but it is informal 2 = Yes, and we have procedures in place to monitor and enhance our effectiveness (specify procedures) | 5 | |
| transparent communicati ons | 2a | Context question 1: if you answered "No", please explain why. Context 2: if you answered "Yes", please provide details of how you convey the message to your customers. | | | |
| | 3 | Do you collect and use Customer/Client Feedback to improve internal operations? | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes, and we have a system in place that ensures regular and timely feedback (specify procedures) | 5 | |
| | 3a | Context question for those who answered 1: please provide details about what prevents you from collecting customer feedback (operational difficulties, financial obstacles, etc.). | | | |
| Continuous improvemen t culture | 4 | Do you use knowledge from any external sources to improve the quality of your goods/service? | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes, and we have procedures in place to ensure regular and timely feedback (specify procedures) | 5 | |

| 4a | Context question for those who answered 1: please provide details about what prevents you from accessing knowledge from outside (operational difficulties, financial obstacles, etc.). | | |
|----|--|----------------------------------|----|
| | Total raw points | 8 | |
| | | Total normalized questions score | 20 |
| | | | |

4. Decent work

4.1. Workplace wellbeing Does your company provide high quality working conditions? Options considered: (i) existence of break time, 0 = No. (ii) break rooms, (iii) 1 = Some (1-2 options)lunches, (iv) safety 2 = Many (3-4 options) 1 protocols, (v) PPE, etc. 3 = AII (5+)5 Context question: please provide details about the working High quality working conditions you offer at your company - to yourself and your conditions 1a employees. 0 = No, and I don't think this is my (a) Does your company's financial responsibility. compensation include 1 = No, I can't afford it, but if I could, I Fair and equitable (i) living wages, (ii) would. 2 = Yes, it includes 1-2 options financial healthcare insurance, compensatio (iii) parental leave, (iv) 3 = Yes, it includes 3-4 options 2 sick leave, (v) childcare 4 = Yes, it includes all options 5



| | | vouchers, (vi) other creative options? | | |
|-----------------------------------|----|--|---|---|
| | 2a | about what exactly you of Context question for thos | se who answered 1: please provide details are doing to improve affordability se who answered Yes: please provide you are offering to your employees/family | |
| | 3 | | 0 = No, and I don't think it should be 1 = No, but I'd like it to be 2 = Yes | 5 |
| Workplace | | Context question for those who answered 1: please provide details about what is preventing you to have a more diverse workplace. Context questions for those who answered 2: Please provide the breakdown of your company's workforce diversity. Is this diversity due to a specific company policy that you | | |
| diversity | 3a | implemented or is it due | to governmental/industry regulations? | |
| Healthy Workplace Culture | 4 | What is the average tenure in your company? | 0 = Employees stay less than 6 months on average 1 = 6-12 months on average 2 = 1-3 years on average 3 = Longer than 3 years on average | 5 |
| (measured by turnover rate) | 4a | · · · · · · · · · · · · · · · · · · · | re who answered 0: please provide details r employees don't stay longer than 6 | |

| | | | 0 = No, and I think people should work as | |
|------------|----|--------------------------|--|----|
| | | | hard as possible if they want to earn a | |
| | | | wage | |
| | | | 1 = No, I can't afford that, but if I could, I | |
| | | Do you try to make | would. | |
| | | work easier for your | 2 = Yes, 1-2 tasks are automated across | |
| | | employees by | the company | |
| | 5 | automating some tasks? | 3 = Yes, 3 or more tasks are automated | 5 |
| | | Context question: please | provide details about what technologies or | |
| Automation | 5a | automation practices you | ı have in your company. | |
| | | Do you allow your | 0 = No, and I don't think trade unions are | |
| | | employees to take part | needed | |
| | | in a trade union and/or | 1 = Yes, they are allowed to do so | |
| | | are you part of a union | 2 = Yes, they are encouraged to do so | |
| Union | 6 | yourself? | AND/OR I am myself part of a union | 5 |
| | | Total raw points | 17 | |
| | | | Total normalized questions score | 30 |
| | | · | | |

4.2. Relational wellbeing Scoring 0 = Directive and top-down/ I don't know What is the leadership 1 = A combination of directive, top-down culture in your and shared 2 = Entirely shared/distributed 1 company like? 5 Is your commitment to social/environmental values integrated into 0 = No, and I do not consider it necessary your communications 1 = No, I'd like to but can't for various within your Leadership reasons 2 organization? 2 = Yes 5 culture



| Leadership culture | 2b | | Context question: Do you have a way of setting clear expectations and monitoring progress towards goals - both for yourself and for employees? | | |
|---|----|---|---|---|--|
| | 3 | Do you encourage conversations that promote interpersonal safety through the acceptance of difference. | 0 = No, and I don't think it's my responsibility 1 = No, but I'd like to/I don't know how 2 = Yes | 5 | |
| | 3a | · · · · · · | se who answered "Yes": please provide nd how you dealt with them. | | |
| | 4 | Do you promote collaborations that lead to cooperative problem solving? | 0 = No, and I do not consider it necessary 1 = No, for any other reasons 2 = Yes, please specify | 5 | |
| Relational Culture | 4a | | se who answered "Yes": please provide nd how you dealt with them. | | |
| | 5 | How do you deal with difference (of opinion, etc) within your organization? | 0 = I do not accept differences; "it's my way or the highway" 1 = I try to act as a peacemaker but I don't have the formal skills for it. 2 = We have a formal process to facilitate collaboration and communication. | 5 | |
| Dealing with | 5a | * | se who answered 2, please provide al with this and how you celebrate | | |
| Difference (of opinion, problems, etc) | 6 | Do you have policies that encourage respect for difference and collaborative co- creation of solutions? | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes | 5 | |

| | 6a | Context question for those who answered 1: please provide details about what prevents you from doing it. Context question for those who answered 2: Please provide details of the policies and procedures in place. | | |
|---|----|--|---|---|
| Sense of | 7 | Do you offer training to your employees on how to collaborate around differences, how to engage in dialogues that encourage interpersonal safety or similar topics. | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes; provide details. | 5 |
| camaraderie and cooperation | 7a | Context question for those who answered 1: please provide details about what prevents you from doing it. | | |
| | 8 | Do you offer your employees career development opportunities? | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes; provide details. | 5 |
| Career Development and Opportunities | 8a | about what prevents you | se who answered 2: Please provide details | |
| | 9 | Do you encourage, and track progress toward meeting work/life balance and integration for yourself and for your employees? | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various reasons 2 = Yes | 5 |
| Supporting work/life integration and balance | 9a | about what prevents you | se who answered 2: Please provide details | |



| | | Do you encourage | 0 = No, and I do not consider it necessary 1 = No, I'd like to but can't for various | | |
|----------------------------------|-----|---|---|---|--|
| | | community | reasons | | |
| | 10 | engagement? | 2 = Yes | 5 | |
| Community involvement | 10a | Context question for those who answered 1: please provide details about what prevents you from encouraging your employees to engage in community activities (operational difficulties, financial obstacles, etc.). Context question for those who answered 2: What do you do to encourage your employees to seek community engagement? | | | |
| Total raw points 20 | | | | | |
| Total normalized questions score | | | | | |
| | | | | | |

| 5. Community Contributions | | | | | |
|---|----|--|--|----|--|
| | | 5.1. Social | community | | |
| Indicator | # | Question | Scoring | ** | |
| Participation | | Does your company participate in local professional organizations? | 0 = No, and I do not want to 1 = No, I'd like to, but I can't for various reasons 2 = Yes, from time to time 3 = Yes, regularly (e.g., every week) | 5 | |
| in local professional organizations | 1a | · · · · · · · · · · · · · · · · · · · | provide details about how you participate, ate in local professional organizations tc.) | | |
| Donating surplus goods to charities | 2 | Does your company donate surplus goods to charities? 0 = No, and I do not want to 1 = No, but I'd like to if I had a surplus 2 = Yes, from time to time 3 = Yes, regularly (e.g., every week) | | | |

| | 2a | Context question: please provide details about what prevents you from donating (is it a lack of surplus? A lack of contacts and network? etc.) | | | |
|--|----|--|---|---|--|
| For mid-sized companies: Are they donating | 3 | Do you donate to charities? | 0 = No, I do not want to 1 = No, but I'd like to, if I could 2 = Yes, from time to time 3 = Yes, regularly (e.g., every month) | 5 | |
| money to charities that give back to the community? | 3a | Context question: please provide details about what you do or what prevents you from donating (financial constraints, lack of local charities, etc.) | | | |
| | 4 | Does your company have any community awards? | 0 = No, and I do not want to earn any. 1 = Not yet, but I am working toward it. 2 = Yes. | 5 | |
| Recognized as part of the community | 4a | | provide details about what community ou have earned over time, or what has ing any yet. | | |
| Marketing/sa les policies that promote social responsibility | 5 | Do you try to influence your customers, via your marketing and sales campaigns, to make choices that are aligned with social responsibility? | 0 = No, it is not my responsibility 1 = No, but I would like to if I could 2 = Yes | 5 | |
| choices among clients/custo mers Context question: if you answered "1" please provide details about what prevents you from doing this. If you answered "2", please provide details of how you go about influencing your customers to do good. | | | | | |



| Fair pricing policy | 6 | Do you have a pricing policy that takes into account your customers' purchasing power? (e.g. charging customers with high income a higher price, effectively subsidizing lower income customers who can purchase it at a lower price) Context question: if you of | 0 = No, it is not my responsibility 1 = No, but I would like to if I could 2 = Yes answered "1" please provide details about | 5 |
|--------------------------------------|----------|--|---|----|
| Fair pricing policy | 6a | what prevents you from provide details of how th | doing this. If you answered "2", please e pricing policy works. | |
| | | Total raw points | 15 | |
| | | | Total normalized questions score | 30 |
| | | | | |
| | <u> </u> | 5.2. Busine | ss community | |
| Indicator | # | Question | Scoring | ** |
| Supporting | 1 | What share of employees are within a one-hour commute to the company? | 0 = None. All come from different states 1 = Up to half 2 = Between half and three quarters of the workforce 3 = More than three quarters (or if you don't hire anyone else externally and are self-employed or a family company) | 5 |
| the local economy by employing | 1a | Context question: please from hiring locally. | provide details about what prevents you | |
| locals and contracting locally. | 1b | What is your work-from-home policy? | 0 = My employees are not allowed to work from home | 5 |

| | | | 1 = Employees are allowed to work at home up to 2 days per week | |
|---------------------|---|--|--|----|
| | | | 2 = They are allowed to work at home 3+ days/week | |
| | | What share of your contractors and service providers have their HQs in the same county | 0 = None, all come from different counties 1 = up to half 2 = between a half and three quarters of the contractors 3 = more than three quarters or all of the | |
| | 2 | as your company? | contractors | 5 |
| | 2a | Context question: please from hiring locally. | provide details about what prevents you | |
| | 3 | Do you share new knowledge about your business and industry with your peers? | 0 = No, I do not want to 1 = No, but I'd like to, if I could 2 = Yes | 5 |
| | Context question 1: if you answered "No, but I'd like to, if I could" please provide details about what prevents you from sharing knowledge (lack of access to information, lack of business community in your area, too much competition among companies in your area, etc.) Context question 2: if you answered "yes" please provide | | | |
| Knowledge sharing | 3a | information where and h | ow you share the information (e.g. social egs, formal meetings with industry peers, | |
| Total raw points 10 | | | | |
| | | | Total normalized questions score | 20 |



This iteration of the questionnaire is focused on small dairy farmers, and so some dimensions are specific to this demographic group.

The first sub-dimension is specific to the farming sectors that involve animal rearing. Indeed, animal welfare is paramount to the viability, decency, and sustainability of a business in that sector. The second sub-dimension is specific to the farming sectors. Regenerative agriculture is understood here as the practice whereby soil health is preserved and even enhanced, rather than being depleted. The aim is to reduce the need for external inputs, effectively becoming a circular model for agriculture.

The main assumption is that a new business model is necessary for small dairy farmers, because the way in which organizations treat people, animals, the living environment, and communities should be a central part of their overall strategy, rather than an optional add-on.

| 1. Sustainable Internal Operations - Dairy farming-specific | | | | | | |
|---|-----------------------------------|--|--|----|--|--|
| | 1.1. Animal welfare ¹³ | | | | | |
| Indicator | # | Question | Scoring | ** | | |
| Alignment with industry | 1 | Do you follow any animal welfare standards? | 0 = No, I follow my own rules 1 = I follow one industry standard 2 = I take inspiration from several standards and adapt them to my farm's specificities | 5 | | |
| standards | 1a | Contextual question ¹⁴ are following. | : please explain which industry standards you | | | |
| External auditing | 2 | Do you regularly have an external company audit your animal welfare practices? | 0 = No, I do not think it's necessary to be audited. 1 = No, because I can't afford it/I don't know any. 2 = Yes. | 5 | | |

B. Sustainable Internal Operations - Dairy farming example

¹³ These questions are based on standards issued by the USDA, the National Milk Producers Federation through their National Dairy Farmers Assuring Responsible Management (FARM)™ Program, as well as non-US based sources, such as the RSPCA (Royal Society for the Prevention of Cruelty to Animal) in the UK and guidelines from the European Union, to have the broadest perspective possible.

¹⁴ This information can be used when compiling the data to extract trends and provide a more detailed analysis of the cohort. It can also be used by TDF to help farmers in their journey to becoming more sustainable and viable.



| | 2a | | Context question: please provide details of the auditing companies you work with OR what obstacles you are facing in getting your farm audited. | | |
|--------------------|----|---|--|---|--|
| Feed diversity | 3 | Do you feed your animals a diverse diet? | 0 = No, they eat only one type of feed 1 = Yes, they eat 2 types of feed 2 = Yes, they eat 3+ types of feed | 5 | |
| diversity | 3а | Contextual question: µyour cows. | olease explain what kinds of feed you give | | |
| Nutritious feed | 4 | Do you track the nutrient content of the cows' feed? | 0 = No, I don't see the value in doing this 1 = No, but if I had the means to do it, I would. 2 = Yes, I regularly test the nutritional content of the feed. | 5 | |
| | 4a | Context question: Please explain what obstacles you are facing in tracking the nutrients in the feed. (e.g. financial difficulties, lack of access to technology, etc.) | | | |
| Water | 5 | Do you adapt the water intake of your cows to their needs? | 0 = No, they are given the same amount of water regardless of the season or if they are lactating or dry. 1 = Yes, they get more water during heatwaves, and milk cows usually receive double the intake compared to a dry cow. | 5 | |
| Indoor space | 6 | How much indoor space does each cow have? | 0 = Less than 80 sq ft 1 = 80-100 sq ft 2 = Over 100 sq ft | 5 | |
| muoor space | 7 | Do you adapt the space based on the | 0 = No, all cows have the same space, regardless of their size. | 5 | |

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| | | size of the cows? (i.e., bigger cows get more space than smaller ones) | 1 = No, but I intend to change it in the near future. 2 = Yes, I adapt the space per cow to their needs. | | |
|---------------------|----|--|--|---|--|
| | 7a | • | ase explain if you intend to expand your and what constraints you are facing in this | | |
| Outdoor space | 8 | How much outdoor space per animal do you have? | 0 = Less than 0.25 acre per cow ¹⁵ 1 = 0.25 to 1 acre per cow without providing indoor grazing. 2 = 1 to 2 acres per cow OR less than 1 acre while providing indoor grazing. 3 = Over 2 acres per cow | 5 | |
| | 8a | Context question: Please explain if you intend to expand your outdoor space and what constraints you are facing in doing so. | | | |
| Physical comfort | 9 | 0 = The barn usually has the same temperature as outside and I do not intend to change it 1 = The barn usually has the same temperature as outside. I cannot afford to upgrade it, but would like to weather protection 2 = The barn is well maintained and has a | | 5 | |

they have enough hay to graze on indoors to make up for the smaller grazing space. Sources: <u>FARM</u>, <u>RSPCA</u>.

 $^{^{15}}$ Individual or cow+calf dyad. Ideal would be over 2 acres per animal; however it is possible to maintain healthy, small herds with 5–10 acres of land so long as their indoor life is enriched and



| Rational use of antibiotics | 10 | When do you use antibiotics on your cattle? | 0 = I use antibiotics whenever I see fit and/or to help animals gain weight OR I do not use antibiotics at all 1 = I use antibiotics only at the veterinary recommendation. | 5 | |
|----------------------------------|-------------------------------------|---|---|---|--|
| Vaccinations | 11 | Do your cows follow a vaccination plan? | 0 = No, they don't receive vaccines 1 = Yes, they follow a formal and regular vaccination plan | 5 | |
| Veterinary visits | 12 | How many veterinary visits per year? | 0 = 0 visits/ad-hoc 1 = 1-2 visits, planned 2 = 3+ visits, planned | 5 | |
| Indoor comfort and hygiene | 13 | How often do you clean their barn? | 0 = Less than once a week 1 = Once a week 2 = Several times a week | 5 | |
| | | Total raw points | 27 | | |
| | Total normalized questions score 65 | | | | |

| 1. Sustainable Internal Operations - Dairy farming-specific | | | | |
|---|---|------------------------------|--|----|
| 1.2 Regenerative agricultural practices | | | | |
| Indicator | # | Question | Scoring | ** |
| Grazing practices | 1 | How do you practice grazing? | 0 = No grazing, only indoor feeding 1 = Unplanned rotational grazing (random) 2 = Planned rotational grazing | 5 |

| | 1 a | Context question: please explain how you go about the planned rotational grazing (e.g. 50 days per cow per acre or 50 cows for one day per acre). | | |
|---|--------|---|--|---|
| Till farming | 2 | Do you practice notill farming? | 0 = No 1 = Sometimes, but my land is generally not suitable for it OR I don't do so yet, but I intend to in the near future 2 = Yes, always and everywhere | 5 |
| | 2 a | Context question: please explain the obstacles you are facing or the reasons why you can't forgo till farming. | | |
| Cover crops | 3 | What percentage of your land has cover crops? | 0 = 0-25% 1 = 25-50% 2 = 50-75% 3 = 75-100% | 5 |
| | 3 a | | | |
| Composting 4 Do you practice composting? 0 = No 1 = Yes | | | 5 | |
| Total raw points 8 | | | | |
| Total normalized questions score 2 | | | | |



C. Scoring system

To ensure that each question has an equal weight in the final questionnaire, and that each dimension is also weighted equally, several transformations need to take place in the scoring system:

- All questions should have a maximum score of 5
- All sub-dimensions should have a maximum score of 10
- All dimensions should have a maximum score of 20

All 5 dimensions will then add up to a maximum score of 100.

| l | Calculation steps \rightarrow Step 1 ¹⁶ Step 2 ¹⁷ | | | | | | | |
|----|---|---------------------------------------|--|--|--|--|--|--|
| | Dimensions ↓ | Max question raw points ¹⁹ | Max normalized questions score ²⁰ | Max normalized sub- dimension score ²¹ | Max normalized dimension score ²² | | | |
| 1 | Sustainable interna | l operations | | | 20 points | | | |
| | TBD | TBD | TBD | TBD | | | | |
| 2 | Sustainable Business M | | 20 points | | | | | |
| 2a | Diversified Income Streams | 3 | 5 | 10 points | | | | |
| 2b | Circular Economy | 13 | 20 | 10 points | | | | |
| 3 | Product Quality | 20 points | | | | | | |
| 3a | Technical quality | 8 | 20 | 10 points | | | | |
| 3b | Culture of quality | 8 | 20 | 10 points | | | | |

¹⁶ Each question is assigned a maximum score of 5: the points from each answer are transformed as a fraction of 5. For example, if a question has a maximum of 4 points, and the company answered 3, then their normalized questions score on that question is: $3/4 = y/5 \Rightarrow y = (3x5)/4 = 3.75$. Then, all these scores are added up to form the total raw score of that subdimension.

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¹⁷ The sub-dimension normalized score = (Company's total normalized questions score x Max sub-dimension normalized score)/Max normalized questions score. Example: if the company obtained a score of 9.2 out of 15 for sub-dimension 5.2, their sub-dimension normalized score = $(9.2 \times 10)/15 = 6.1$ out of 10.

¹⁸ This is obtained by adding up the two sub-dimension normalized scores.

¹⁹ This is just an intermediary calculation; it will not be used in the final score.

²⁰ After each question is assigned a score of 5. This is to ensure each question is valued equally in each sub-dimension, and ultimately in the Nu Metric final score.

²¹ This is to ensure each sub-dimension is valued equally in each dimension, and ultimately in the Nu Metric final score.

²² This is to ensure each dimension is valued equally in the Nu Metric final score.



| 4 | Decent Work | 20 points | | | | |
|----|-------------------------------------|-----------|----|-----------|--|--|
| 4a | Workplace wellbeing 16 | | 30 | 10 points | | |
| 4b | Relational wellbeing 20 | | 50 | 10 points | | |
| 5 | Community Contribution | 20 points | | | | |
| 5a | Social Community 15 | | 30 | 10 points | | |
| 5b | Business Community 10 20 10 points | | | | | |
| | Total Nu Metric score ²³ | | | | | |

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 $^{^{\}rm 23}$ This is obtained by adding up the 5 dimensions normalized scores.



Conclusion

The Nu Metric self-assessment questionnaire is a useful tool for people who run small businesses in a wide range of industries and geographies: thanks to the questions and scoring system that rewards creative thinking. It allows business-owners who take the questionnaire to consider how to become sustainable from a social, environmental, and economic point of view. This holistic approach is different from indices and metrics that are designed for gaining certification credentials or tend to favor one aspect over the others (environmental and not social progress, for example).

With its focus on small businesses, the Nu Metric tool could reach a previously underserved segment for whom support in sustainability has been challenging. Millions of small businesses could use it: 6 million small firms in the U.S. and 330-400 million globally²⁴. Changing the business model to make small companies more sustainable (socially, environmentally, and economically) would have a huge impact on society, because small businesses are more than 90% of firms globally.

Finally, the project has achieved its objective of transforming an early-stage pilot project into a formalized version. The Nu Metric has become an assessment tool that can be used for various industries and is now ready for beta-testing.

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²⁴ Sources: Statista. "Global SMEs 2021". 2022. URL: https://www.statista.com/statistics/1261592/global-smes/. Findstack. "The Ultimate List of Small Business Statistics for 2023". 2021. URL: https://findstack.com/resources/small-business-statistics/



Appendix

Whitespace Analysis

Matrix of existing indices and metrics with a sustainability focus

| level | Index/Tool | Institution | What they measure/how it works | Similarities to NuMetric | Gaps & differences to NuMetric |
|-------|-------------------------------------|--|---|---|--|
| micro | "Webster tool" (WT) | University of the Witwatersrand | It measures job quality in the security, farming and hospitality industries in South Africa's Gauteng province. | It is at the micro-scale and has an agriculture focus. It focuses on decency. | It focuses on individual workers at industry level rather than the farms and companies employing them. It is not a fully fledged index ²⁵ , but an attempt to measure decent work from a worker's perspective. |
| micro | B Corp certification (BC) | B Lab | B Corp is a private certification of for-profit companies measuring their social and environmental performance. Companies submit to a series of questions and receive a score based on how well they perform in various areas. | It focuses on both the social and the environmental aspect of sustainability at the company level. | It has been criticized for its reliance on self-reporting and thus for the potential to contribute to greenwashing. It is not an index but a certification, and it compares companies against each other, rather than providing a benchmark. |
| micro | Zero Foodprint (ZFP) | Zero Foodprint non-profit | Restaurant patrons send 1% of every purchase from a ZFP business and ZFP distributes grants optimally and equitably to applicant-farmers for healthy soil projects. Local, trusted conservation experts estimate the climate benefit and help implement and verify carbon farming projects. | It aims to increase funding for food businesses that want to participate in regenerative practices. | The initiative is not a quantitative metric, rather it is a crowdfunding tool that uses a carbon-footprint benchmark; the criteria on how ZFP distributes the grants is not very clear. It does not incorporate the concept of decency and does not cover dairy farming. Not an index/metric. |
| micro | World Management Survey (WMS) | London School of Economics (LSE) | Evaluates day-to-day management practices at the firm-level on a scale through an interview-based survey tool. IT is applied to manufacturing, healthcare, | Focuses on firms. | It is only applied to a few sectors; the questionnaire favors big corporations over small or family-owned businesses; it takes the stance that lean management techniques are the |

Of all of these indices and metrics, the "Webster Tool", the B Corp Certification, and the Zero Foodprint model are not indices; rather these are respectively a tool to measure decent work from the employee's perspective, a model to measure the social and environmental benefits of companies, and a tool through which customers can support and fund farms that practice sustainable and regenerative agriculture. One of the goals of the current project is to turn Nu Metric into such a tool, but using more quantitative data, thus lending it more credibility about how recipients are selected based on clear criteria.



| | | | education sectors. | | best type. It does not account for sustainability practices. or incorporate the concept of decency. |
|---------------------|---|-----------------------------|--|--|--|
| micro | Dow Jones Sustainability Index (DJSI) | S&P Global | It measures the sustainability of 2,500+ companies around the world using a set of criteria including corporate governance, risk management, branding, climate change mitigation, supply chain standards and labor practices. It covers 60+ industries and can be adapted to various regions. It is also used for the Net Zero-focused S&P PACT Indices (S&P Paris-Aligned & Climate Transition Indices) | Focuses on companies, has a broad range of criteria, not just financial. It is used to inform investments. | It is designed to assess large corporations rather than small businesses and is not specific to agriculture. Does not incorporate the concept of decency. |
| micro | The MSCI Net- Zero Tracker | MSCI | Tracks the progress made by the 9,300 publicly listed companies in the MSCI ACWI Investable Market Index (IMI) in curbing their carbon emissions and achieving Net Zero by 2050. It aims to offer investors, companies, financial intermediaries and policymakers an objective gauge of how much the world's public companies contribute to total carbon emissions and their progress toward a Net Zero economy. | Focuses on companies, their carbon emissions, and is used to inform investments. | Specifically dedicated to publicly listed companies, not to small businesses. Does not have a specific focus on agriculture. Does not incorporate the concept of decency. |
| micro & macro | Agrobiodiversi ty Index (ABDI) | Bioversity International | Measures agrobiodiversity at country, company and project level via a matrix of three pillars (healthy diets, sustainable ag, current & future use) overlapped with three dimensions (commitments, actions, and status). | Focuses on sustainable agricultural practices at the company/farm level. | Less focused on social practices. Does not incorporate the concept of decency. As of June 2022, only the country-level index is operational. |
| macro | Food sustainability index (FSI) | EIU & BCFN | Measures the sustainability of food systems (policies, legal framework, agricultural practices) at the country level. | Focuses on sustainable agricultural practices. | Country-level assessment; less focused on social practices. Does not incorporate the concept of decency. Focus does not include dairy farming. |
| macro | Global Food Security Index (GFSI) | EIU & Corteva | Assesses food affordability, availability, quality and safety, and natural resources and resilience across a set of 58 indicators applied to 113 countries. | 2021 was the first year where exposure to climate change and adaptation measures were mainstreamed into the index. | Country-level assessment; less focused on sustainable agricultural practices; lower importance given to the social component. Does not incorporate the concept of decency. Does not have a dairy farming aspect. |
| macro | SDG Index | Sustainable | The SDG Index and Dashboards track progress on the | Contains a wide-range of | Country-level assessment. Based on the UN SDG |



| | | Development Solutions Network (SDSN) | Sustainable Development Goals (SDGs) at the country-level. | social and environmental indicators. It also aims to raise funds for sustainable development of countries. | methodology and underlying assumptions. |
|-------|--|---|---|--|--|
| macro | Net Zero Readiness Index (NZRI) | KPMG | Measures the progress and readiness to achieve Net Zero carbon emissions by 2050 of 32 countries. Its 103 indicators cover national preparedness, past decarbonization performance and the national enabling environment for decarbonization; as well as sector readiness (including electricity and heat, transport, buildings, industry, and agriculture, land use and forestry.) | Includes an agriculture and land use focus. | Country-level assessment. Limited number of countries. |
| macro | Social Entrepreneurs hip Index (SEI) | Social Entrepreneur ship Observatory | Measures countries' environment for social entrepreneurship via 5 dimensions (political, economic, legal, institutional, and financial) across 45 indicators. | Focuses on social enterprises. | It does not seem to be operational (the data per country appears to be raw). |
| macro | Social Progress Index (SPI) | Social Progress Imperative | Measures how well countries provide for the social and environmental needs of their citizens via 54 indicators divided in 3 dimensions (basic human needs; foundations of well-being; and opportunity). | Focuses on the social and environmental aspects. | It is a country-level assessment. |

Note: There is another project called the <u>Social Entrepreneur Index</u>, which is in fact not a quantitative index, but rather a list of social entrepreneurs that were selected to be part of that list and help them gain visibility. However, they are not ranked and the selection criteria is unclear. Since it is simply a list of entrepreneurs, it has not been added to the comparison matrix.



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