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Towards the wellbeing enterprise: inspiration from Plato, Aristotle, Buddha and Confucius. An explorative study of some companies in Vietnam.

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Jacques Martin, University of Toulon (Hon.), ESOE, France

jma.martin@wanadoo.fr

Ta Huy Hùng, PhD, International School, Vietnam National University, Hanoi, Vietnam

hungth@vnuis.edu.vn

Claudio Baccarani, University of Verona (Hon.), Italy

claudio.baccarani@univr.it

Federico Testa, University of Verona (Full Professor), Italy

federico.testa@univr.it

Abstract:

Purpose: Management practices have been focused on the concept of the *Homo economicus* since Adam Smith, prioritizing the ‘maximization of profit’. The recent evolutions in the natural and human environments have shown that this paradigm has led to an impasse. Therefore, the purpose of this paper is to propose a different paradigm for businesses where the ‘maximization of profit’ is replaced by the ‘maximization of wellbeing’. A management aimed at maximizing wellbeing is the way to ensure sustainable development, the preservation of the natural environment and to improve the living conditions of populations. In a first part the philosophical foundations of the *wellbeing enterprise* are explored, finding inspiration in Plato, Aristotle, the Buddha and Confucius. In a second part, an explorative study of Vietnamese companies is carried to try and make out where they are standing on the road to the ‘*wellbeing enterprise*’ and sustainable development.

Findings: Resorting to the philosophical teachings of Plato, Aristotle, the Buddha and Confucius shows that they can give a basis for building a management, embodied in the concept of ‘*wellbeing enterprise*’, aiming at the wellbeing of human beings while preserving the natural environment. The study of the case of companies in Vietnam, a country which has known an extraordinary economic growth over the last twenty years and which is particularly impacted by changes in the natural environment, shows that awareness of the perils for the environment and populations is growing, encouraged by national authorities, and that a sizeable number of companies are engaged in sustainable strategies and policies, but with striking differences between large public companies, some of them being already quite advanced, and small and medium-sized ‘family companies’ where almost nothing or very little is done mainly due to lack of knowledge, understanding and resources.

Type of paper: conceptual and case studies.

Keywords: *homo economicus*, Plato, Aristotle, Buddha, Confucius, *wellbeing enterprise*, sustainable development, SDGs, ESG.

Introduction:

Economics and management have been dominated by the concept of *homo economicus* since the days of Adam Smith (Cohen D., 2012). Even if this concept has been challenged almost right from the beginning, mainstream economic thought and management practices have been aligned with it. The tackling of economic crises, such as the ones in the 1930s or 1970s, has been to find ways to restore the profitability of enterprises. But recent crises, which are more insidious in the sense that they have not provoked deep and lasting recessions, as some feared, but have very long-term consequences in economic and social terms, have revealed the fundamental shortcomings of the *homo economicus* approach and the key role played by factors ignored by it, the most important of which being the impact on the natural environment.

Consequently, it is high time to change the management paradigm of firms and to review the theory of the firm drastically. The classic theory of the firm is fundamentally based on the maximization of profit (Friedman M., 1970) with a disregard for the negative externalities such an endeavour causes. In order to combat these negative externalities, a new theory of the firm needs to be based on the search for the maximization of the wellbeing, wellness or welfare of the people (Wong M., Csikszentmihalyi M., 1991) inside and outside of firms, while preserving the environment. One cannot go without the other. Firms' strategies need then to be oriented to aim at this general goal built on the notions of 'solidarity', 'sustainability' and 'hope', so that firms become what has been labelled 'wellbeing enterprises' (Baccarani C., Golinelli G, 2012) To find the spirit of an economic and corporate outlook stepping over and overriding the *homo economicus* period, and devise a theory of the firm aiming at society's wellbeing and the preservation of the environment, we only have to go back to ancient Greek philosophers, particularly Plato and Aristotle, who inspired the Western conception of politics and society for centuries and in the East to the Buddha and Confucius whose teachings have shaped the cultures of most Far-Eastern countries.

Therefore, the purpose of this paper is first to advocate the advent of a '*wellbeing enterprise*', in contrast with the traditional Western theory of the firm, by examining the philosophical foundations of wellbeing in the West and the East, and to help us design it in a sustainable perspective (Part 1).

In a second part (Part 2), we consider the case of Vietnam where the culture is impregnated with a synthesis of Buddhism and Confucianism, whether consciously or not, and see to what extent the notion of wellbeing, notably through the UNO Sustainable Development Goals and ESG criteria, is being embraced by the State and companies.

Part 1: The concept of the wellbeing enterprise

- 1.1 The classic theory of the firm: an impasse
 - o 1.1.1 The maximization of profit

The classic theory of the firm is based on the concept of *homo economicus*, 'a fiction invented by economists' (Cohen D., 2012) to explain the workings of economics based on the behaviour of economic actors. If the phrase '*homo economicus*' appeared in the second half of the 19th century in the debate about John Stuart Mill's theory on political economy (Persky J., 1995), the concept finds its origin in economics in the work of Adam Smith (1776) whose full title is *An inquiry into the nature and causes of the Wealth of Nations*. Smith posits to develop his views that economic actors act on a rational basis to satisfy their self-interest, illustrated in the famous sentence "It is not from the benevolence of the butcher, the brewer, or the baker that we

expect our dinner, but from their regard to their own interest”. David Ricardo followed and the concept was developed by John Stuart Mill (1836). Mill states that economic agents always act in a way as to maximize utility. Hence, when the agent is a producer (company), the primary goal is profit. This maximization implies that the agent makes decisions on a ‘rational’ basis. This rational decision-making process entails that the agent has a perfect knowledge of all the economic parameters at play, which requires a situation of perfect information. Profit maximization requires that agents are endowed with ‘unlimited cognitive capacity, perfect information, narrow self-interest and preference consistency’ (Chen J., 2021). Consequently there is a strong correlation between utility and welfare. Optimum welfare can only be achieved if economic agents behave as utility maximisers (Debreu G., 1959).

It was not long before this conception of economic behaviour was challenged, notably by economic anthropologists and behavioral economists. Smith himself was aware that his postulate was not the only one. In the *Theory of Moral Sentiments* (1759), he acknowledged that men have a natural tendency for sympathy and caring about others. But in *The Wealth of Nations* he changed tack and, in a sort of bet, based his economic analyses on the self-interest of agents, thinking it was more apt to explain the workings of the economy. Mill himself acknowledged that there was no necessary correlation between the ‘utilitarian man’ and ‘human improvement’ (1848)

- 1.1.2 The ignorance of negative externalities

A theory of the firm based on the maximization of profit ignores the harmful impacts that it has on people and on the natural environment. Incidentally, it is interesting to note that when the word *profit* is used, it is systematically understood as monetary profit and not as a non-monetary benefit; it is the same when the word *performance* (of a company) is used, it is primarily understood as financial performance; this shows how we are conditioned by and engrossed with a monetary vision of management.

Inside the firm, maximization of profit leads to a management of human resources creating stress, unfavourable working conditions and low employee satisfaction (WHO, 2020) which impairs productivity and, paradoxically, ‘de-maximizes’ profit.

Outside the firm, it harms people’s living conditions due to various pollutants emitted by economic activities. For example a baffling 99% of the world population live in places where air pollution levels exceed WHO guideline limits (WHO, 2023).

Change in the environment has become the key factor linked to the wellbeing of populations today and is the main cause for the need to adopt a new management paradigm (Martin J., Baccarani C., Brunetti F. 2019; Baccarani C., Brunetti F., Martin J. 2021). There has been a parallelism between the increase in all sorts of pollutants and the development of economies since the beginning of the 19th century as, following the Industrial Revolution, firms have adopted the *homo economicus* type of development.

It is only recently that standards have been published, and adopted by a sizeable number of companies, to re-introduce the human factor and embrace environment protection in management practices (e.g. ISO 9004 and 9001, ISO 14004 and 14001, ISO 45000, ISO 26000, SA 8000).

Today environmental impacts have become more than critical, and some of them irreversible, urging for a new conception of management.

The concept of the *wellbeing enterprise* offers an answer.

- 1.2 The wellbeing enterprise: a glimmer of hope

The idea of wellbeing being the supreme goal of social life is not new. It finds its roots among ancient Greek philosophers, notably Plato and Aristotle, in the ‘Western world’ and Gautama, known as the Buddha, and his disciples, and Confucius and his disciples in the ‘Eastern world’. Although they professed thousands of miles apart, a number of their ideas and precepts are convergent.

- 1.2.1 Philosophical foundations:

Although the concept of *homo economicus* has dominated economics and management thinking since Adam Smith, the philosophical roots of the purpose of social life and economics are in opposition with this concept. The concept of the ‘*wellbeing enterprise*’ is a sort of return to the foundations of politics in its etymological sense. It may well be that the *homo economicus* will have been a historical parenthesis in a very long term perspective.

In what is commonly called ‘The West’, the origins of ‘wellbeing’ as the ultimate goal of social life can be mainly found in the works of Plato and Aristotle whose views fundamentally lived on until Adam Smith. In the ‘Far East’, the philosophical foundations of social life are mainly to be found in the teachings of the Buddha and Confucius. Even if the rapprochement between these two philosophical traditions may seem paradoxical at first sight, there are many common points between the two. If a return to the principles of Plato and more particularly Aristotle can be a source of inspiration for the ‘*wellbeing enterprise*’ in the West, similarly those of the Buddha and Confucius can provide inspiration for the Far East. And a combination of the two can inspire every one in the World.

- The West: Plato and Aristotle:

Originally and etymologically the word economics, οἰκονομία (*oikonomia*) in Greek, is the combination of οἶκος (*oikos*) meaning house and νόμος (*nomos*) meaning rule or law. Economics is then the art of managing one’s house(hold). There is no clear-cut difference between what we call today economics and what we call management. We could even say that management came before economics.

Plato (4th cent. BCE) is not specifically interested in the question of ‘*oikonomia*’, his interest lies in the organization of society. Two works focus on the issue, ‘*The Republic*’ (Πολιτεία), which is more theoretical and ‘*The Laws*’ (Νόμοι) with a practical perspective. The end of social order for Plato is the ‘good’ of society, meaning unity and harmony in the City (*polis*). But *oikonomia* is at the heart of the creation of the *polis*. Men assemble in order to produce what they need to live (*The Republic*). This ‘good’ is attained if there is a stable social order where vices (greed being a major one) have been eradicated as they lead to decadence (*The Republic*). Hence he advocates a city governed by philosophers (*The Republic*).

Aristotle (4th cent. BCE) starts from the creation of the City and its purpose. The City is a ‘natural reality’ (Πολιτικά, *Politiká*), it finds its origins in the demands of human nature. As is famously known, Aristotle defines man as a ‘ζῷον πολιτικόν’ (*zoon politicon* or political animal) (*Politika* and *Nikomachean Ethics*, Ἠθικὰ Νικομάχεια). Men only really live in society when they can deploy their abilities and live **happy** (we underline). ‘The City is the community of the wellbeing’ (*Politika*). The political life (βίος πολιτικός) is the rational search for what is good for man living in a community from an individual as well as a collective viewpoint. Happiness (πόλιν μακαρίαν) is the aim of a well-governed city. The city is the community of the happy life (*Politika*). There is total harmony between individual virtues and social virtues. Happiness means the spiritual fulfillment of citizens. It demonstrates the four fundamental virtues: courage (ἀνδρεία), temperance (σωφροσύνη), justice (δικαιοσύνη) and wisdom (φρόνησις).

Aristotle is obviously interested in economics as one of his works bears this title ‘*Οἰκονομικά*’. It covers all aspects of an economy from a micro level to a macro one, as we would say today. The purpose of the economy, from a general point of view is for men to realize their nature, but making wise usage of resources (for example the accumulation of money in itself is unnatural), and ensure a ‘good life’. Aristotle already denounces the financial economy, which he calls ‘chremastics’ (χρηματιστική) which is artificial and whose only aim is profit (*Oikonomika*).

It is clear that both Plato and Aristotle, and some others, found social life on the notion of people’s welfare, albeit with significant differences in its implementation, and condemn all sorts of excesses that corrupt its achievement. The present challenges of androgenic environmental damage and its negative effects on human communities can surely be addressed by finding inspiration in the two emblematic ancient Greek philosophers.

- The East: the Buddha and Confucius:

Far-Eastern countries and cultures have been largely influenced by the teachings of the Buddha and Confucius. These two major influences, like Plato and Aristotle for the West, can also be a source of inspiration for moving towards an economic system and a management of organizations founded on the notion of wellbeing of populations and protection of the environment to meet the challenges that the world is facing today.

Disregarding the purely religious tenets of Buddhism, the philosophical principles enounced by the Buddha which have spread throughout the Far-East from India to Japan, can orient men’s behaviour towards an economic system breaking away from the concept of *homo economicus* and embracing the notion of wellbeing as the *raison d’être* and purpose of economic activities. ‘Buddhahood’ relies on the observance of the six perfections: generosity, morality, patience, vigour, concentration, and wisdom. ‘Dukkha’, दुःख, (usually translated as misery or suffering, and conveying the idea of dissatisfaction) is the result of greed. In a text entitled ‘Sigalovada-sutta’ (Gautama S. aka The Buddha, 5th cent. BCE) rendered as the ‘householder’s vinaya’ (echoing *oikonomia*), the Buddha addresses the issue of social order and ethics. This ethics is based on the notion of ‘karmic justice’ according to which good deeds (*karma* कर्म or *kusala* in Pali) are rewarded with happy results.

The eightfold path, called the ‘middle way’ guides men to live ethically. There are eight steps along the path, which are divided into three areas: ethical conduct (*sila*), concentration (*samadhi*), and wisdom (*prajna*, प्रज्ञा.) Among them *Right speech* and *right action* mean that we must not harm other people or ourselves with our words and behaviour, *Right livelihood* means that our habits and our work do not cause harm to ourselves and others, *Right mindfulness* means we consider whether what we are doing is harmful to ourselves or others. Men must be guided by positive attitudes which are generosity (*dana*), loving kindness (*maitri*), and wisdom (*prajna*) and avoid three ‘poisons’ which are greed (*raga*), anger (*dvesha*) and ignorance (*moha*).

If we translate this ethical practice into economic activities (in a broad sense), we find a favourable cultural foundation for an organization oriented towards sustainability and wellbeing.

The teachings of Confucius are a second major influence in the shaping of the cultures of Far-Eastern countries.

This influence in the realm of management was acknowledged already long ago (Chen, Guo-Ming, Chung, Jensen, 1993).

Confucian principles are known as the five constants (*Wǔcháng*, 五常) and advocate to follow a ‘middle way’ (like the Buddha) between the yin (陰) and the yang (陽) (Confucius, 4th cent BCE).

The five constants are *Rén* (仁, benevolence, humaneness, goodness) based on empathy and consisting of five basic virtues: seriousness, generosity, sincerity, diligence, and kindness; *Yì* (righteousness, justice, 義) and *Lǐ* (礼; 禮, propriety, rites) expressing the harmony of the three realms—Heaven, Earth and Humanity and embodying the interactions between humanity, human objects, and nature; *Zhì* (智, wisdom, knowledge) and *Xìn* (信, sincerity, faithfulness). One of the fundamental concepts of Confucianism is Jen implying self-restraint and self-discipline, benevolence and trust in interpersonal relationships (Chen, D. C., 1987). *Yì* and *Lǐ* govern social behaviours (Yum O. J., 1988). The Confucian style of management is a "humanistic management" or "ethical management" (Tseng, S. C., 1991).

When completing their cultural dimensions Hofstede and Bond added the Confucian ‘long-term perspective’ as a key to understand Eastern management (Hofstede G., Bond M. H. 1988; Francesco A.M, 2015).

The principles of social behaviour in Buddhism and Confucianism can be rather easily blended, which has been the case in Eastern countries, to lay the foundations of an approach to economics and management where human activities are governed by trust, cooperation, moderation, restraint and where men are an integral part of nature, hence preserving it, and not opposed to it.

These principles, together with the heritage of Plato and Aristotle can easily be integrated into the concept of wellbeing enterprises and society as developed below.

○ 1.2.2 The tenets and ends of the ‘*wellbeing enterprise*’

An organization that puts wellbeing at the centre of its strategy is known under several names. We find the *wellbeing enterprise*, the *wellbeing company*, the *wellbeing organization*, the *good business*. We will use here the phrase *wellbeing enterprise*, both because it has a general meaning and it contains in itself the notion of dynamism.

It may be that the *homo economicus* will be a parenthesis in the long history of economics and management. The economy (*management of the household*) as conceived by the ancient Greek philosophers, was designed to be at the service of people. But when this philosophy was abandoned and superseded by the concept of *homo economicus* from the late 18th century and through the 19th and 20th centuries, the economy became organized on the basis of self-interest and egoism fed by greed, and generated little by little a ‘dictatorship’ of the capital requiring behaviours from economic agents directed at the maximization of profit. The economy, originally a social construction for a communal growth, became a set of instruments to make choices aiming at maximum profitability. This is the dominant theory of the firm that has been taught in business schools for decades following Milton Friedman’s famous tautology: ‘*the business of business is business*’. The statement in itself cannot be wrong! What should an enterprise do if not take care of ‘business’? The problem is not with the tautology but with the end assigned to the business, which for Friedman is only the increase in profits.

In such an approach, the only contribution of the enterprise to social wellbeing is the creation of jobs, often in subaltern positions, organized to foster property and capital. This so-called ‘market economy’, guided by the *invisible hand* of individual interests has indeed created a number of advantages from the point of view of the material quality of life, albeit almost exclusively in the *First World*. Quite certainly, nobody would like to go back to the conditions of the 19th century or the beginnings of the 20th century. But this type of ‘quality of life’ has spread what Pope Francis calls the ‘*disease of consuming*’, the source of many damages. This

disease, whose main symptom is the idolatry of profit (remember the *Golden Calf*, Old Testament, Exodus 32), prevents us from seeing the true reasons for a worthwhile life as proclaimed by Robert Kennedy (1968): “*The GDP measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion nor our devotion to our country. It measures everything in short, except that which makes life worthwhile*”, two and a half months before he was assassinated.

Today, the damages caused by the *homo economicus* to the natural environment and climate change are in front of everybody’s eyes with global warming triggering both floods and droughts and reducing bio-diversity, and the social environment with income and wealth inequalities, restrictions of human rights, degraded quality of life between countries and between people inside a given country. These conditions which generate conflicts and migrations in search of better conditions of life in a context of increasing uncertainty and unpredictability of the environment, call for urgent actions from organizations of all types. Consequently, the legitimacy of the enterprise in its present form becomes weaker and weaker as individuals and the community ask more than purely economic efficiency and jobs from the enterprise. They ask for actions inspired by the diffusion of wellbeing for all those who interact with the enterprise and work for it. They also call for a positive impact on the environment, territories where communities live, society in general and preserving the future generations. It is therefore clear from the above considerations that the transition to a low-carbon eco-sustainable economy will require fundamental transformations in technology, industry, business, finance and, ultimately, society as a whole. This is undoubtedly a demanding and significant challenge, which also represents an excellent opportunity for economic growth and employment. In this regard, the EU supports governments and various stakeholders by allocating a significant share of EU spending to interventions and actions for the transition to a low-carbon and climate-resilient economy, in order to act as a driver for energy sustainability and to steer investments away from "Business as usual" choices, directing them towards structured actions in support of deep decarbonisation.

On the other hand, it is possible to affirm that declining the concept of sustainability, and energy sustainability in particular, is anything but easy: the mere environmental aspect, in fact, runs the risk of taking on a purely ideological and propagandistic value if not integrated into a broader vision, which leads to consider the consequent technical-engineering variables and then to seek a necessary point of balance with the economic and social sustainability of the choices. In particular, in this context, the main challenges concern the enhancement of generation from renewable electricity sources by facilitating self-consumption and the establishment of renewable energy communities, the adaptation of electricity grids, which, from a Smart Grid perspective, favour the integration of RES through the use of storage systems, as well as the promotion of the active role of the end user. The latter, both in the role of prosumer and consumer, assumes strategic importance for the integration of renewable sources into the grid, actively participating in the management of the entire energy system.

A throwaway culture which affects the excluded just as it quickly reduces things to rubbish needs to be discarded. To cite one example, most of the paper we produce is thrown away and not recycled. It is hard for us to accept that the way natural ecosystems work is exemplary: plants synthesize nutrients which feed herbivores; these in turn become food for carnivores, which produce significant quantities of organic waste which give rise to new generations of plants. But our industrial system, at the end of its cycle of production and consumption, has not developed the capacity to absorb and reuse waste and by-products. We have not yet managed to adopt a circular model of production capable of preserving resources for present and future generations, while limiting as much as possible the use of non-renewable resources, moderating their consumption, maximizing their efficient use, reusing and recycling them. A serious

consideration of this issue, which can be tackled in a circular economy, logic would be one way of counteracting the throwaway culture which affects the entire planet, but it must be said that only limited progress has been made in this regard. (Pope Francis, *Laudato Si'*, 2015, p. 22). Here, too, the basic idea is convincing. We can think of the packaging theme, where something has begun to move, although much remains to be done, and more generally of the material theme. So, when a cycle is over, for example in industrial production, what is the waste of one company is transformed into the raw material of another, with the benefit of avoiding the costs of disposal for the former and lowering those of supply for the latter. Those who have fought the most for the environment have done a great deal for the affirmation of a new sensitivity, which, however, must then be translated into concrete choices of production and consumption. In fact, when it comes to moving from enunciation to practice, things get a lot more complicated. This does not mean that they are not done but it means that the awareness of the steps necessary to really implement them must be acquired. Otherwise we just "bear witness" to them.

Constructing such a mechanism implies, schematically:

- building databases about incoming and outgoing flows for companies, with a sufficient level of detail that allows them to analyse the data in order to understand if, downstream, the waste of a production process can be modified so that it can be used as input for another production process and conversely if, upstream, the inputs of a process can be modified so that the (waste) outputs of another process can be used for this new process, in an upcycling approach. Then, companies can communicate with one another to see how a change in processes can transform a waste, which is a sunk cost, into an input with value for another process.
- operating on a "mobile" territorial basis, meaning that the potential distance between the source of the (waste) outputs and their destination as (valuable) inputs in a new process is not fixed, but varies according to the economic value of the material and the 'transportation' costs between the two processes, keeping in mind that this distance should be minimized so that the supply chain is as short as possible, and so reducing costs and the impact on the environment. This can be done by experimenting with concrete actions first on a limited scale (e.g. what Enea is doing in Italy) and then expanding the scope. After an evaluation of the results, the *modus operandi* can be institutionalized.

The *wellbeing enterprise* is therefore an enterprise that does not live for itself but also for others, and that tackles the environmental catastrophes towards which the world community is heading. These observations may be seen as mere pessimistic oracles, but it must not be forgotten that the past has shown that *'when the landed aristocracy in Europe was perceived as an obstacle to the wellbeing of the populations as a whole, its decline was inevitable. (...) The enterprise will not be able to maintain its hegemony, when the market comes to be perceived as an instrument for the benefit of a few without contributing to the general happiness'* (Csikszentmihaly M., 2003).

In this perspective, the enterprise no longer appears as a purely technical entity but a 'community' made up of all the people involved inside as well as outside the organization. It operates with the contribution of those who participate in the entrepreneurial project playing their parts on the basis of their capacity of thinking and doing. For example, cooperatives are being developed to exploit renewable sources of energy which ensure local self-sufficiency and even the sale of surplus energy. This simple example shows that, while the existing world order proves powerless to assume its responsibilities, local individuals and groups can make a real difference. They are able to instil a greater sense of responsibility, a strong sense of community, a readiness to protect others, a spirit of creativity and a deep love for the land. They are also concerned about what they will eventually leave to their children and grandchildren" (Pope Francis, *Laudato Si'*, 2015. p179i).

This community operates recognizing the centrality of people with a search for continuous improvement of the quality of life and wellbeing of all the stakeholders: workers, customers, suppliers, distributors, financiers, the environment (which *must* be considered as a stakeholder today) and future generations. The *wellbeing enterprise* goes beyond the stakeholder approach as it operates on the basis of a ‘budget of harmony’ in which the processes of creation of wellbeing for each stakeholder are defined by the people working in the enterprise. This *harmony* is not a stock but a flow. Consequently, it must be reviewed and adapted regularly. The ‘good business’ is founded on communal values of humility, listening, dialogue, trust, dynamism, enjoyment. This does not mean that capital has been banned, but that capital and labour go hand in hand and are complementary without one dominating the other. The alliance of capital and labour offer useful, functional, enjoyable and sustainable products in the market based on a lasting competitiveness with the aim of the diffusion of wellbeing. This development path will enable the enterprise to reconquer its legitimacy. Some enterprises have already moved in the direction of overcoming the capitalistic paradigm, others are moving or announce changes in this respect, but the main part still find refuge in cosmetic actions like ‘green washing’. In view of the slowness of the movement towards a general change of paradigm, what is being advocated with the *wellbeing enterprise* is a radical change of model which removes profit as the prime end of the enterprise making way to wellbeing and harmony.

Part 2: An investigation of some cases of Vietnamese companies

2.1 The political and legal context:

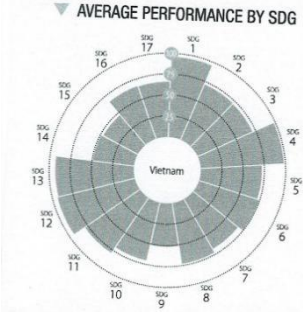
Over the recent years, the Vietnamese authorities have become more and more aware of the risks related to economic activities, particularly industrial ones, for the wellbeing of the population, the preservation of the environment and the sustainability of economic growth. Vietnam is one of the very rare countries not having known a recession during the Covid crisis with a growth rate of 2.58% in 2021. When the crisis subsided, the country enjoyed a growth rate of 8.02% in 2022, one of the highest in its history. However, this growth is fuelled by a use of energy and industrial techniques that are not particularly sustainable and cause harm to the environment and the population. Coal still represents about 50% of the total energy consumption and renewable energies, mainly hydro energy, about 19% in 2021 (International Energy Agency, 2022) although the latter are steadily growing and above all offer a great potential, notably solar and wind energies (IRENA, 2022). Although CO² emissions remain relatively moderate in absolute terms, they have increased more than tenfold since the mid-1990s (ourworldindata.org, 2022), this being correlated with the high economic growth rates the country has known with the take off of the *đổi mới* policy. The *per capita* emissions are 4.5 times lower than in the USA, and half of those of Germany or China, but close to France’s. However, in the USA or the European Union they have been falling regularly since the 1980s mainly thanks to a decrease in the use of coal as a primary energy source. In Vietnam, yet, there is no clear sign of a decrease.

It is in this context that Vietnamese authorities have embraced environmental policies in order to mitigate the negative externalities of an economic growth which, until now, has been based on an extensive use of fossil fuels harmful for the preservation of the natural environment, the wellbeing, notably in health terms, of the population and the sustainability of enterprises’ economic activities.

○ 2.1.1 The government’s policies

The general framework in which the Vietnamese government’s policies are inscribed, is that of the Sustainable Development Goals promoted by the United Nations Organization (UNO, 2015). This blueprint is all-encompassing as its goals cover the wellbeing of the people (poverty, education, inequality, health), the growth of the economy in a sustainable way and the preservation of the planet’s environment. Goals 1 to 7 directly concern the wellbeing of the people. Goals 8 to 12 more particularly focus on the economic system. Goals 13 to 15 concern the environment. And Goals 16 and 17 concern the political and international situations. There had been regular progress in most areas until the Covid-19 crisis, which made many countries fall back. Since the sanitary crisis has been significantly overcome, progress has resumed in purely economic terms albeit with significant variations, but many wellbeing indicators show no progress or a deterioration due to conflicts and instability in parts of the world, notably in Africa and parts of Asia, and in Ukraine, and the environmental situation has deteriorated (UNO, SDGs Report 2022).

The overall ‘performance’ of Vietnam ranks the country at the 55th place out of 163 countries with a score of 72.8/100, 6.9 points above the regional average. The country is improving its situation in 13 areas, stagnating in 3 of them (clean energy, life under water, life on land), and regressing in one (reducing inequalities). This is certainly a strong motivation for the adoption of a renewed legislation on the protection of the environment.



On a more practical plane, both for economic actors and individuals, the implementation of the SDGs is based on a set of criteria known as Economic, Social and Governance (ESG). The idea of ‘responsible investment’ is not new and can be dated back to the XVIIth century with George Fox and the ‘Religious society of Friends’. In the 1920s the first ‘ethical’ funds appeared in the USA. In the 1970s, the combination of economic, social and environmental criteria appeared in investment funds. The acronym ESG became commonly accepted thanks to a report published in 2004, entitled “Who Cares Wins” (UNO, 2004).

The ESG criteria adopted by Vietnamese authorities include the following:



ESG criteria are being adopted by an increasing number of companies under the pressure of internal and external stakeholders (employees, investors, the community) as they are becoming

more and more aware that their corporate reputation is at stake and that their overall performance could be badly harmed if they ignored them. Moreover, a legislative and regulatory apparatus is being put in place to constrain companies to respect ESG criteria, otherwise they would face legal liabilities and be exposed to litigation.

The touchstone of ESG related legislation is the Law on Environmental Protection 2020 (LOEP) voted by the National Assembly on 17 November 2020 and fully applicable from 1 January 2022.

The Law is not restricted to companies. “Environmental protection is the right, obligation and responsibility of every agency, organization, residential community, household and individual”; it “serves as a basis, key factor and prerequisite for sustainable socio-economic development”; it “harmonizes with social security, protection of children’s rights, promotion of gender equality and protection of the human right to live in a pure environment”; it “complies with natural law, natural, cultural and historical characteristics” (Article 4). Although there are no specific details in the Law about ‘cultural and historical characteristics’, it is clear that the philosophy of the Law is engrained in the culture and the history of the country and that no action should be in conflict with the values shared by the nation.

The Law covers all the aspects of the environment: water, air, soil (Chapter 2), regulates economic activities (Chapter 3), waste and other pollutants management (Chapter 6), promotes adaptation to climate change (Chapter 7) and a circular economy (Chapter 9, Article 142).

For its implementation it is complemented by Decree 08-22-ND-CP of 10 January 2022 giving details on the implementation of the provisions of the Law.

The Decision on the circular economy (Document N° 1483/TTr-BKHDT dated 10 March 2022) approves the Project of "Developing a circular economy in Vietnam" with the perspective of actively developing a circular economy for the implementation of Sustainable Development Goals (SDGs) for the period of 2021-2030, with a vision to 2050, raising awareness, initiative, promoting innovation and social responsibility of enterprises; encouraging the responsible lifestyle of each individual towards the community and society, orienting future generations to a green living culture, forming a civilized and modern society in harmony with nature and the environment (Article 1).

The State Securities Commission proposes a Guide for Economic and Social criteria.

○ 2.1.2 The objectives and regulations

The objectives set by the Vietnamese authorities are in-keeping with the pledges of the COP 21 held in Paris, France in 2015 and the COP 26 held in Glasgow, Scotland, in 2021. On 21 December 2021, the Prime Minister established the National Committee Implementing Vietnam’s commitments to COP 26. The main objectives Vietnam has adopted, are to reach a net zero carbon emission target by 2050, stop deforestation by 2030 and phase out coal-fired power by 2040.

More particularly, the objectives in terms of greenhouse gases emissions are a reduction of 43.5% by 2030, a reduction in methane emissions by 30% of the 2020 levels by 2030 and by 40 % of the 2030 levels by 2050, an increase in carbon sequestration capacity of 20% by 2030 and 30% by 2050.

Concerning energy, no coal powered thermal station is to be developed from 2030 and renewable energy (hydroelectricity, wind power, solar power and biomass) will be increased to account for at least 33% of the total national production of electricity by 2030 and 50% by 2050. Vietnam also joined the United Nations Environment Program in 2022 about waste management and recycling with the following objectives: 85% of plastic use must be reused, recycled and treated and plastic waste in sea water must be reduced by 50% by 2025; 95% of urban solid waste must be collected and treated, and 100% of urban organic waste and 70% of

rural organic waste must be recycled by 2030. By 2050, 100% of solid waste must be collected and treated.

The Law on Environmental Protection creates 3 groups of projects depending on their size and risk in terms of environmental damage for which companies are obliged to submit a preliminary environmental impact assessment for Group 1 projects (the riskiest), an environmental impact assessment for Group 1 and some Group 2 projects (less risky), apply for an environmental permit for all Groups (for hazardous emissions or waste generation), conduct environmental registration (for projects generating waste but not subject to an environment permit), submit an annual report on environment protection to the local authority.

National labelling programs to certify environment-friendly and sustainable products and services have also been created. The two best known ones are the Vietnam Green Label (*Nhãn Xanh Việt Nam*) and the Energy label (*Nhãn Năng Lượng*).

The Vietnamese Government has set general objectives for the social and governance components of ESG.

In the social field, these objectives and most provisions are naturally to be found in Employment Law. They include diversity and inclusion (non-discrimination), forced labour, child labour, sexual harassment, privacy, labour conditions and Trade Unions.

In the field of governance, the main issues are board and management structures, anti-bribery and corruption, executive remuneration and information disclosure.

Public companies must disclose their ESG performance in their annual reports, which are public and submitted to the State Securities Commission. They are also required to establish and publish their corporate governance reports. Private companies are not required to disclose ESG information but a growing number of them do so, at least partially.

The Law on Environmental Protection provides for the monitoring and control of companies' activities and involves almost all the Ministries of the Government (LOEP, 2020, Chapter 9).

In order to encourage companies to adopt ESG policies and criteria the Ho Chi Minh Stock Exchange has set up an index known as the VNSI stocks index (www.hsx.vn), selecting listed companies according to their achievements.

2.2 Some cases of Vietnamese companies:

In order to estimate how Vietnamese companies are faring in terms of ESG and consequently on the road to being a *wellbeing enterprise* and break away from the classic theory of the firm where financial profit is the only or in any case overriding objective, a number of companies have been studied.

Before going into the ESG performance of a selection of companies, a general picture of the situation can be given.

According to a survey carried out by PriceWaterhouseCooper (PWC, 2022) on a sample of 234 companies, 80% of companies have committed themselves to ESG for the 2 to 4 coming years with the following distribution: 20% of companies have no plan for ESG, 36% have plans for the next 2-4 years and 44% already have plans.

We can note significant differences both between companies and groups of criteria.

As could be expected, Foreign Invested Enterprises lead the pack with 57% of them already committed to ESG plans and 27% planning to do so in the next 2-4 years, as they operate internationally with internal custom and investors.

An encouraging sign is that 40% of 'private/family businesses' have already embraced ESG and 29% are about to do so. It shows that the level of awareness of SMEs (making up a majority of this group) of environmental protection, people's wellbeing and effective and transparent governance has risen over the last years, but there is still a long way to go (60% are doing

nothing yet, which is confirmed by the sample studied below in 2.2.3), they have not crossed the middle of the ford yet. A not so encouraging indicator concerns the situation of younger managers. Although nearly 80% of them *intend* to be involved in sustainable development in the future, only 11% are doing something at the present moment. As regards involvement in reducing the environmental impact of their businesses, the majority is thinner, 58% expect to be involved and 21% are actually involved (PwC, 2022. The Report does not give any specific information about what they do). There is obviously a first discrepancy between intentions and actions and a second one, maybe even a contradiction, between involvement in Sustainable Development and involvement in reducing environmental impact, whereas the latter is key to Sustainable Development.

Somewhat surprisingly, only 35% of listed companies are already engaged in ESG plans, but 58% are about to do so. It seems that it took them some time to realize the importance of moving towards *wellbeing enterprises* as, being listed, their reputation is more at risk. Globally “82% of respondents across industries choose brand image and reputation as the top reason to pursue ESG”. But obviously, they are catching up fast.

The ranking by importance of the three components show a priority given by companies to Governance (62%), the Environment comes second (22%) and Social aspects third (16%). Companies may believe that a strong governance (49% have a formal ESG based governance structure) is a prerequisite for tackling environmental and social issues. The sector in which companies operate has obviously an impact on their prioritizing. Companies operating in the energy sector give more weight to environmental factors, companies operating in high-tech services give more importance to social factors.

○ 2.2.1 The samples:

In this exploratory study the samples of companies selected is made up of two kinds of enterprises. The first kind (Group 1 – see Annex 1) is companies listed on the Stock Exchange and in the VNSI index recognizing them as fully engaged in Sustainable Development and the use of ESG criteria, or equivalent, in order to sustain their performance in a holistic sense. The group of companies examined belongs to different economic sectors in order to have a various scope. The information is drawn from the companies’ sustainability reports, as they are usually called, or the section of the annual reports devoted to sustainability and ESG.

The second kind (Group 2 – see Annex 2) is companies also in various economic activities in the production or service sectors whose management representatives have been interviewed about their commitments to sustainable development.

This sample is not meant to be representative of Vietnamese companies. It is what is known as a convenience sampling (Given L. M., 2008) to explore and illustrate how some Vietnamese companies are approaching the question of the environmental, social and governance dimensions in their management to meet the present and future challenges of management in the perspective of ensuring their sustainability, that of the planet and the wellbeing of populations.

In the first group, seven companies have been selected from the VNSI index covering a wide range of activities, in alphabetical order: BAOVIET in insurance, FTP in IT and telecommunications, PAN Group in agriculture and food processing, PETROVIETNAM Fertilizer and Chemicals Corporation in industry, VIETCOM Bank in banking, VINAMILK in dairy products and VINGROUP a conglomerate operating in real estate, car industry, retail trade, education, healthcare.

In the second Group, 18 companies have been selected covering various economic activities in production and services.

- 2.2.2 Group 1: VNSI listed companies

- 2.2.2.1: The Sustainable Development strategy and ESG criteria adopted:

- a. BAOVIET:

Baoviet clearly acknowledges in its sustainability report (Baoviet, 2020) the radical change in the environment, in its broad sense. The title of the report is quite explicit: NEW NORMAL, NEW ASPIRATION. It opens its scope instead of restricting to the traditional ways.

The company has fully integrated ESG criteria into its 'Strategy, Management, and Operation towards Sustainable Development.' It has also adopted the Evaluation Standards for Vietnam Sustainability Index known as CSI.

The ESG criteria are adopted according to the GRI (Global Reporting Initiative) standards which are linked to the Sustainable Development Goals (SDGs) of the UNO so that 'enterprises can identify key topics and manage the level of cohesion between activities of enterprises with SDGs objectives, at the same time measuring the results of implementation of Sustainable Development Strategy of enterprises'.

GRI 201 (ECONOMIC PERFORMANCE), GRI 202 (MARKET PRESENCE), GRI 203 (INDIRECT ECONOMIC IMPACT), GRI 204 (PROCUREMENT PRACTICES) are related to SDGs 8, 11 and 12.

GRI 401 (EMPLOYMENT), GRI 403 (OCCUPATIONAL HEALTH AND SAFETY), GRI 404 (TRAINING AND EDUCATION), GRI 405 (DIVERSITY AND EQUAL OPPORTUNITY), GRI 413 (LOCAL COMMUNITIES), GRI 416 (CUSTOMER HEALTH AND SAFETY) plus FS7 (SERVICES AND PRODUCTS DESIGNED TO DELIVER SOCIAL BENEFITS) are related to SDGs 3,4,5,16.

GRI 305 (EMISSIONS, EFFLUENTS AND WASTE), GRI 307 (ENVIRONMENTAL COMPLIANCE), GRI 302 (ENERGY) are related to SDGs 7 and 13.

- b. FPT:

The ESG considerations are in a Chapter which is part of the Annual Report of the company plus some information in different places in the report, notably concerning the governance.

The title of Chapter IV of the report, entitled 'Collaborate firmly' puts the stress on the relationships and involvement of the internal and external stakeholders.

The vision and mission statement of the company refers to the economic aspect by putting forward technological innovation as the driving factor for economic growth and implicitly sustainability. This statement mentions employees but not the environment.

The ESG report refers to the SDGs. The SDGs retained are number 4 about Education, 5 about Gender equality, 7 about Energy, 8 about Decent Work and Economic Growth, 9 about Industry, Innovation and Infrastructure, 12 about Responsible Consumption and Production, 13 about Climate Action and 17 about Partnerships.

The company uses the GRIs but there is no list of the ones used in the report and they are not related explicitly to the SDGS.

ESG aspects are re-classified into three categories: economy, society and environment. Governance is in part treated in the Chapter about ESG and in part in Chapter IV, entitled Corporate Governance where sustainable development is explicitly mentioned.

There is no explicit sustainable development strategy expressed and, as there is no specific list of the ESG criteria adopted by the company, the report lacks clarity and focus. We have to navigate through the different chapters to construct a strategy.

c. PAN Group:

The sustainability report of the PAN Group is entitled 'Cooperation and Dissemination'. At first sight it is not specifically focused on sustainability and even less on wellbeing but on the cooperation between the different entities and partners, mainly farmers, of the group and dissemination of practices throughout the group.

There is no reference to ESG criteria in the report. However, the alignment of the Group's goals, actions and practices with the 17 SDGs is clearly stated. Nevertheless, no formal links are established between the different items presented in the report and the SDGs. Therefore we have to 'guess' what can correspond to what, for the SDGs as well as for ESG criteria.

Consequently the report remains largely general and lacks specificity to evaluate the reality of the company's policies in terms of sustainability for the wellbeing of communities and the protection of the planet.

The mission statement only mentions 'creating sustainable values on behalf of farmers, families and society.' The guiding principles are to improve food security, the quality and value of their offerings, the livelihoods of farmers, to 'seek sustainable and profitable growth, maximizing value for all key stakeholders.'

d. PETROVIETNAM FERTILIZER AND CHEMICALS:

The vision statement of the company does not allude to the concept of sustainability. It is purely focused on the company's economic object. The mission statement focuses on the products made and provided by the company. The only element that could be related to sustainability is 'contributing to the long-term development of the agriculture sector in Vietnam.'

One chapter (Chapter 5) of the Annual Report is devoted to sustainable development and simply entitled 'Sustainable Development Report'.

There is no reference to ESG criteria and also none to SDGs. The President and CEO's declaration just mentions the 'commitment to sustainable development'.

The report refers to a 'VALUE CREATION MODEL BASED ON SUSTAINABLE DEVELOPMENT PRINCIPLES', but these principles are not named nor explained. The fields covered by this model are Finance, HR, Training and R&D, Production, Resources, Social Responsibilities without any details.

PVFC affirms that it 'is confident that sustainable development is most effective when embedded in the organizational policies and guidelines, corporate strategy and business decision making. The Corporation believes that it can overcome challenges to develop a sustainable and long-lasting enterprise, preserve the environment and carry out its corporate social responsibility.'

Everything remains at a very general level. As the company operates in a sector which is very sensitive in terms of impact on the environment and wellbeing of populations, we would have expected specific information in the report.

e. VIETCOMBANK:

The vision and mission statement of the company does not allude to sustainable development. We only find the phrase 'sustainable development' in the introduction Chapter 5 of the Report on Sustainable Development: 'Vietcombank focuses on improving customer experience, human resource quality, risk management, etc. towards the goal of sustainable development.'

The message of the Chairman of the BOD states that 'Besides business activities, Vietcombank also actively participates in social welfare initiatives, displaying the social responsibility of a large brand.'

There is a reference to the COP 26, the commitments of the Vietnamese government on that occasion and the national legislation but there is no reference to the SDGs and ESG criteria.

In the strategic objectives for 2025 there is no mention of Sustainable Development.

Chapter 5 on Sustainable Development makes reference to some GRIs.

f. VINAMILK:

The Sustainable Development Report of Vinamilk is entitled ‘Building trust – Sharing prosperity’ thus stressing the cooperative aspect of the strategy and the benefits for the community. The CEO’s message expresses the company’s commitment ‘towards sustainable development goals and social responsibilities’. However the Vision and Mission statement do not refer to Sustainable Development but remain focused on the company’s core activities (food and beverage). Neither does the ‘value creating’ of the enterprise listing ‘Revenue and profit, Contribution to the national budget, Responsibilities to employees, Value for consumers, Contributions to the community.’

The sustainable development strategy is based on three major pillars which are ‘People – Product – Nature’. Vinamilk has implemented a series of sustainable development activities around these three pillars to fulfil the mission of “Bringing the most valuable source of nutrition to the community with all respect, trust and responsibilities”. It continues ‘to affirm (its) leading position in sustainable development in Vietnam and go further and integrate into the global sustainable development trajectory.’ There is explicit reference to the COP 26 and, although ESG criteria are not mentioned as such, the company’s actions are clearly inscribed in the UNO’s 17 Sustainable Development Goals.

g. VINGROUP:

Vingroup’s sustainability strategy is expressed in a document entitled ‘Vingroup Sustainable Finance Framework’; The company’s mission is “to create a better life for people”, showing that the social dimension is fundamentally integrated into the company’s strategy. This mission is accomplished through three pillars: Technology and Industry, Trade and Services and Social Enterprise. The goals of the enterprise are “Best People, Best Products & Services, Best Life and Best Society”. The corporate culture for the achievement of those goals is ‘built on six core values: Credibility, Integrity, Creativity, Speed, Quality and Humanity’.

The company does not refer to ESG criteria as such, but links all its actions to the UNO’s sustainable Development Goals (see below).

- 2.2.2.3 The reasons for adopting a Sustainable Development strategy and ESG criteria:

a. BAOVIET:

The Mission statement of BAOVIET globally expresses why the company has adopted the SDGs and ESG criteria for implementation: “To ensure the peace of mind, prosperity, and long-term benefits for our customers, investors, employees and community”. The company does not only ‘focus on (their) business activities in order to achieve revenue and profit objectives. (It) also recognize the over-exploitation of resources, the unbalanced development in society that lead to systemic, counterproductive effects’. The strategy focuses on the ‘implementation of sustainable economic growth in the long run, in combination with the implementation of social and environmental goals, ensuring harmony with the benefits of stakeholders (...) thereby creating new values contributing to society and the environment’ (GRI 102: sustainable development strategy).

The interconnection and interactions between the economic sphere, the social one and the governance one are fully recognized.

b. FPT:

There is no specific statement presenting the reasons why FPT has adopted a sustainable development strategy based on ESG, only a declaration of principle: ‘We believe that the way to face these challenges and to find new opportunities is not only to promote economic growth but also to pay more attention to the community and environment.’ Therefore we have to look for information scattered throughout the report and read between the lines. In the Chapter about Corporate Governance, sub-titled ‘ADAPT FLEXIBILITY’, whose meaning is not very clear, the company states that ‘good governance practices, information transparency and the staff’s dedication ... (are) working towards sustainable development.’ The motivation for ‘sustainable economic growth’ is linked to ‘community support activities’ and ‘technological strengths’ to serve ‘the best for the stakeholders’. ‘Profitability, productivity, and innovation’ are the driving forces for sustainability.

It looks like the COVID-19 crisis played a key role in triggering the sustainable strategy as it ‘has unearthed a more profound and comprehensive sustainable approach from the global scale to every country, business, or organization. Sustainability is not only the harmony among the economy, society, and the environment. It implies sharing benefits, values, and risks while putting humans at the heart of growth.’

c. PAN Group:

As ESG criteria are not referred to as such, we must find the motivation in the strategy of the company for sustainability, which is not expressed as such, but through six items (product value chain, technology, management system, sustainable and responsible investment, expanding cooperation for sustainable development, connecting with the 17 SDGs) which are the constituents of this strategy. The management system item (improving the management system for environmental and social issues) is more closely connected to sustainability and in the end wellbeing, although the word never appears, as well as the cooperation item (become a partner with all the parties to promote sustainable development trend in Vietnam).

d. PETROVIETNAM FERTILIZER AND CHEMICALS:

As there is no reference to ESG criteria or SDGs, we do not find, of course, any information about reasons. There is even nothing about why the company is committed to sustainability, which is in no way defined.

e. VIETCOMBANK:

As there is no reference to a specific sustainable development strategy nor the adoption of ESG criteria, there are of course no reasons given. We can only rely on general declarations. There is an Action Motto “Transformation, Efficiency, Sustainability”, where the word sustainability appears, but explanations are very limited. The comment on sustainability is ‘Innovate the growth model in depth’, which suggests that a new model of growth is adopted, but we have no specific information about this model. This model involves ‘restructuring operations according to business pillars’ but here again no information about these business pillars.

f. VINAMILK:

The reasons for adopting a Sustainable Strategy are clearly focused on the notion of ESG. The report states that ‘Vinamilk has determined that the primary and central goal is to create long-lasting and useful values for stakeholders through the value chain in order to move towards a more sustainable future and share prosperity values to the community, contributing to the goals of economic growth, social development and environmental protection.’ The success of the strategy relies on close and regular relationships with stakeholders. And the governance structure of the company fully integrates sustainable development.

g. VINGROUP:

The reasons for Vingroup's sustainability strategy are, for environmental aspects, to 'ensure environmental protection during the design, construction and operation of its businesses' in order to deliver positive environmental impact and foster sustainable practices', and for social aspects to bring benefits for its employees and the 'development of society at large'.

▪ 2.2.2.4 The application of a sustainable strategy and ESG criteria:

a. BAOVIET:

Baoviet has designed a Strategic Sustainability Framework and a 5-step process under the guidance of the SDG Compass: Step 1 UNDERSTANDING THE SDGS (Identify priorities), Step 2 DEFINING PRIORITIES (defining goals), Step 3 SETTING GOALS (Integrating sustainability), Step 4 INTEGRATING SUSTAINABILITY (reporting and communicating with stakeholders), Step 5 REPORTING AND COMMUNICATING (reporting and communicating with stakeholders).

Objectives are set for the short term (2 years), and the medium and long term (5 years) in economic, social and environmental terms.

Governance is the object of distinct section in the report with a focus on ethics and integrity, a Corporate Governance framework with a Code of Conduct and the application of Best Practices in Corporate Governance (OECD and ASEAN).

b. FPT:

Actions to support sustainable development, based on the GRI system, are classified under the three headings of economy, society and environment, and 33 criteria for specific fields (these criteria do not appear in the report).

For the 'economy' the action plans are to 'maintain economic growth', to 'promote labor productivity through technological diversification, innovation and improvement', to 'provide SMEs with more access to technology', 'upgrade technology capacity in industries'.

For 'society' the action plans are to 'ensure quality, inclusive and equitable education and promote lifelong learning opportunities for all', to promote 'equal opportunities in leadership at all levels', to 'provide decent and quality work for all women and men, including young people and people with disabilities, and pay equally for work of equal value'.

For the environment the action plans are to 'comply with regulations on environmental protection and propagate to raise employees' awareness of saving energy; against climate change' and to 'Increase use of energy sources, recyclable resources, and energy-efficient materials.'

A method called 'critical issue identification' made up of three steps ('identification, evaluation, selection – of issues having a significant impact on operations and the interests of stakeholders') is used.

It can be noted that the company is ISO 9001 registered but not ISO 14001.

As can be seen commitments remain at a general level. There are some achievements presented but we do not know if they match targets that had been set. There are no targets for the future and no information about a measurement system.

Corporate governance, as mentioned above, is the subject of a different chapter.

At a general level FPT follows the OECD Principles of Corporate Governance, the ASEAN Corporate Governance Scorecard and Vietnam Corporate Governance Code of Best Practices.

In the organizational chart of the company, there is no specific department devoted to sustainable development.

There is a policy for conflicts of interest, anti-corruption and fraud, compliance with tax regulations, and anti-corruption for suppliers.

There is an internal control model involving the CEO responsible for ‘reviewing and approving the compliance control plan, directing to solve problems as well as improving the system, developing, approving, implementing and controlling the Corporation’s risk management framework; the Head of the Compliance Monitoring Board responsible for ‘organizing the control of compliance with legal requirements and high-risk areas/ activities in governance, organizing inspection sessions at the request of the BOM’; the Chief quality Officer responsible for ‘planning and organizing the control of compliance with governance system requirements, organizing inspection sessions at the request of the BOM’; the Head of functional departments responsible for ‘reviewing and updating the corporate governance documents to ensure compliance with relevant legal requirements, national and international standards, and actual operations, coordinating with the Quality Assurance Department and the Compliance Monitoring Board to control activities, solve problems, and improve the system.’

c. PAN Group:

As there is no reference to ESG criteria, we must find their spirit in various aspects of the organization of the governance. In the Group’s structure, sustainability is part of the Legal Compliance Department, which may suggest that it is understood in a rather restrictive way. However, there is a Sustainable Development Committee directly linked to the Board of Directors, and headed by the General Director, who is also Vice-chairwoman and CEO of the Group.

The PAN Group is a member of The Vietnamese Business Council for Sustainable Development.

The company uses a sizeable number of GRIs (Global Reporting Initiatives) but does not relate them to the SDGs.

A Sustainability Performance Index has been devised with 18 items (4 with an economic scope, 9 a social scope, 4 an environmental scope, and 1 a governance scope). This index is used to monitor the sustainability performance.

In terms of environment, ‘the PAN Group has gradually upgraded and built all new manufacturing plants and farms with modern technology, optimizing production lines to save resources and protect the environment.’ Actions are carried out to reduce waste, use of material, energy and water. All the factories are equipped with wastewater treatment.

The company follows the Good Agricultural Practices (GAPs).

A project called “Life from Forestry” was launched in 2020 consisting in a program of tree planting.

The Group is committed to reducing green house gases emission and combat climate change.

It also embraces the concept of a circular economy mainly illustrated by what is called a closed supply chain.

In terms of social policies, there is a number of provisions for employees with varied benefits, commitments to equality, non-discrimination and human rights, the will of developing the livelihoods of local residents (farmers communities) and a number of charity programs.

However, all these actions are not explicitly expressed as driven towards the improvement of the wellbeing of populations notably in relation to environmental issues.

In terms of governance, apart from the elements already mentioned an Anti Corruption & Bribery Policy was initiated in 2019.

The sustainability Performance Index is not of great help as, at least as it is presented in the report, it only gives the results for the year, not the evolution nor the target for each item.

d. PETROVIETNM FERTILIZER AND CHEMICALS:

Although there are no ESG criteria adopted, some actions can be related to sustainability. The company is implementing projects and programs to reduce greenhouse gas emissions, it 'adheres to programs for safe technology management and maintenance... to reduce energy consumption and carbon dioxide emissions.' It abides by some international standards, notably ISO 9001 and 14001. There is an allusion to goals for energy conservation and use, but these goals are not explicitly stated.

The report provides very few data. There is some on natural gas, electricity, water consumption and waste management. But there are no targets expressed and no information on progress.

In the social field, under the phrase 'corporate social responsibility', almost only charity actions are mentioned.

From the governance point of view, there is no department related to sustainability in the organizational chart. The chapter on corporate governance does not touch on the sustainability issue.

e. VIETCOMBANK:

If there are no ESG criteria used, the company follows some GRIs. Five of them are referred to: GRI 200, GRI 305, GRI 307, GRI 401 and GRI 402.

GRI 200, about 'economic standard' is a mix of corporate governance (selection of suppliers committed to protecting the environment, anti-corruption, effectiveness in economic activities), environmental aspects (funding of green projects) and social aspects (support people to overcome difficulties), the three fields being interconnected.

GRI 305, about 'emissions', concerns exhaust gases, wastewater, waste and noise.

GRI 305, about 'environment', concerns the company's commitment to protecting the environment, creating a pleasant work environment for its employees, supporting a green corporate culture by focusing on electricity, water, paper, and office supplies conservation.'

GRI 401 and 402, about 'employment', concerns recruitment, remuneration and welfare, occupational health and safety, training and human rights (non-discrimination), responsibility to the community and society (community development programs which are listed).

However, there are no data, no targets, no trends communicated.

There is no indication about an ISO 9001 and ISO 14001 certification.

As for governance, the management structure does not show a specific department devoted to sustainable development matters but a risk management committee, purely related to financial matters, and HR and strategy committees, without any reference to sustainable development, directly emanating from the BOD.

f. VINAMILK:

The governance structure is built on the concept of sustainable development. The report states that 'the Sustainable Development based management structure is established to ensure effective and efficient performance of Sustainable Development.' Twenty managers across different departments are involved in Sustainable Development.

Moreover, Vinamilk has engaged PwC to 'perform an independent limited assurance engagement on sustainability development indicators.' This initiative is a guarantee of having a reporting free of the company's own biases and the risk of publishing a report tainted with 'greenwashing'.

The sustainable development strategy relies on three pillars: Nature (reduction of carbon footprint, environmentally friendly techniques, management of natural resources through the circular economy, and of waste sources, tree planting programs); People (create success, and share values for mutual development with stakeholders); Products (quality, safety, value, benefits for human health, environmentally friendly products and services, transparent and responsible communication).

The objectives are connected with the SDGs, most of which being covered (1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 17). The company uses GRI standards for monitoring. Six standards are used with measurement (203 sales, FP6 products, 305 emissions, 302 energy, 303 water, 306 waste, 403 health).

There is a method in 8 steps for ‘defining materiality areas’ and there is a Risk portfolio (16 risks related to SD are identified) under the Sustainable Development program for monitoring. The PwC report covers all the relevant SDGs and gives the data for each of them.

We then have a full picture of the company’s implementation of its Sustainable Development strategy.

g. VINGROUP:

The governance for sustainable development relies on a division in the group’s structure named the Group environmental Protection and Resource Optimization Division. The tool for the implementation of sustainable goals is the Sustainable Finance Framework governed and monitored by the Sustainable Financing Working Group. Within the framework, projects led by the company are called Sustainable Financial Transactions. The Group is committed to reporting on the various SFTs every year with the ‘allocation of net proceeds and associated impact metrics’.

The projects are divided into two categories. The first one is the ‘Eligible Green Project’ category and the second one is the ‘Eligible Social Project’ category.

The first category includes Green Buildings and Clean transportation related to SDGs 9, 11 and 13, Sustainable water and wastewater management (SDG 6), Pollution prevention and control (SDG 12), Energy efficiency (SDG 7) and Renewable Energy (SDGs 7, 11).

The second category includes Affordable Housing (SDGs 8, 11) and Access to Essential Services – Healthcare (SDGs 3, 11).

In a similar way as VINAMILK, a Second-Party Opinion by SUSTAINANALYTICS confirms and supports the strategy and its implementation by Vingroup.

- 2.2.2.5 The expectations from applying a sustainable development strategy and ESG criteria

a. BAOVIET:

In the economic field, the expectations of the company’s sustainable strategy are to ‘increase revenue and market share through sustainability marketing, reduce costs and increase product value through sustainable supply chain, reduce operating costs through improved internal resource management’.

In the social field, the company expects to contribute to ‘narrowing the income gap between urban and rural areas’ through ‘investing in poor alleviation activities to improve living conditions for people in disadvantaged areas, to ensure benefits and proper working environment for employees, to improve education.’

In the environmental field, the expectations are to ‘reduce usage of energy and natural resources thereby reduce greenhouse effects, promote sustainable consumption’ (‘Go green lifestyle’).

In the field of governance, the expectations are to ‘ensure the efficiency and sustainability of growth in the long term; as well as to improve the brand image and brand values of the Group’, which confirms the findings of the PwC Report.

b. FPT:

The expectations of the company are summarized in the ‘Development Strategy’ section: ‘the long-term goal of becoming a standard-bearing digital enterprise and being among the Top 50 global comprehensive digital transformation service providers by 2030; ... the desire of

becoming a reliable partner of businesses and organizations that provide excellent digital experiences through near-real-time data-driven governance and operations.’ It is to be noted that the expectations are market centred without specific references to sustainable development.

c. PAN Group:

The expectations that the company has from its sustainable strategy and policies are presented under three headings: production and business, governance and sustainable development.

For production and business the company aims at ‘becoming a leading regional company in agriculture and food (...) focusing on market solutions to prevent disease and climate change risks’.

Concerning governance, ‘the PAN Group Board of Directors will continue to focus on building strong human resources and a corporate governance system to maintain its leading position and achieve growth sustainable’.

As for sustainable development, the report states that ‘sustainable development is an inseparable task for the PAN Group to affirm its position, to enhance its reputation, to increase its influence and to contribute to enhance the level of Vietnam’s agriculture and food industry.’

The report remains at the level of general statements with very few specific goals targeted.

d. PETROVIETNAM FERTILIZER AND CHEMICALS:

With such an incomplete and superficial coverage of ESG issues and generally of sustainability, it is not possible to find any expectations about these subjects.

The expectations of the company remain purely economic.

e. VIETCOMBANK:

There is nothing in the Chapter about sustainable development, nor in the Annual Report in general, that could be interpreted as expectations from adopting sustainable policies. The company’s expectations remain purely of an economic nature.

f. VINAMILK:

Interestingly, and in keeping with the commitment of ‘building trust’, the expectations are approached from the point of view of the stakeholders.

The expectations and related actions to fulfil them are classified according to the different groups of stakeholders. For suppliers and partners they focus on cooperation for co-development and sustainable growth; for employees on human rights, working environment, training and development; for the community on development, environmental protection, social responsibility, sustainable husbandry and animal welfare; for the government and industry on respect of the law, contribution to the state budget, development of the economy and industry; for shareholders and investors on sustainable growth effective use of capital, enterprise value, corporate governance; for customers/consumers on quality, safe, diversified, reasonably priced products, good relationships.

g. VINGROUP:

The expectations from the sustainable strategy are expressed in general terms in the document. They concern the protection of the environment (‘providing clean, environmentally friendly products in every business segment, including green transportation, ensuring bio-diversity preservation’) and the wellbeing of populations (‘eco-efficient smart living and essential social services’) in accordance with the ESG notion.

The analysis of the Sustainability Development Reports of these seven companies selected for illustrating big different economic sectors, listed on the Stock Exchange and recognized as

committed to Sustainable Development by the VNSI Index comprising 20 companies, shows that in fact only three of them (Baoviet, Vinamilk and Vingroup) provide a convincing Sustainability Development strategy and actions. This is evidence that even these recognized companies still have rather long way to go before they become '*wellbeing enterprises*'. Two main reasons may account for the shortcomings in sustainability demonstrated by these examples. The first one is that the commitment to Sustainable Development is relatively recent so they are still hesitant in finding the 'way' as the Buddha would say. The second reason is that the Vietnamese government has also only recently committed itself to making Sustainable Development a priority in its policies. It is on the occasion of the COP 26 that it officially pledged to adopt the UNO's SDGs and ESG criteria and that legislation in the field has been completed and strengthened. We will have to see in the coming years how effective it will be. But we must remember that only a minority of companies will be affected by it. It can be hoped that it will create a new management spirit that will spread throughout the country. Therefore we can wonder what the situation is for the thousands of other companies operating in the country. The study of our second sample of companies will give an illustration of where they stand.

- 2.2.3: Group 2: Unlisted companies surveyed

18 companies have been surveyed. 12 of them operate in the service sector and 8 operate in the production sector. 6 companies are small companies (less than 50 employees), 3 companies are medium (between 51 and 250 employees), 9 are big (more than 250 employees). 6 companies are less than 10 years old, 6 companies are between 10 and 20 years old, 4 companies are more than 20 years old, and the date of establishment is unavailable for 2 companies. The managers interviewed, all male but one, through semi-structured interviews of a qualitative nature, are the owners of the companies for 11 of them and members of the top management for 7 of them. The top managers of 6 companies are between 30 and 40 years old and the managers of 12 companies are more than 40 years old.

So, the majority of companies surveyed are 'family companies' run by their founders and relatives or persons close to them, which is indeed the case of the huge majority of companies in Vietnam. We will see that this characteristic significantly impacts these companies' attitude towards Sustainable Development, the resort to some sort of measurement system and globally their strategic direction, when they have a strategy. All these companies are run according to the traditional top-down style, particularly in terms of Human Resource Management, which is in keeping with the dimension of a strong power distance in the Vietnamese culture. Employees apply the decisions of the top management without being involved in the decision-making process, which, of course is not favourable for developing an inclusive corporate culture animated by shared values, which is a key requirement for deploying a sustainable strategy and implementing ESG based policies. Even if we could hypothesize that younger companies and younger managers would be more concerned by sustainable development issues and try to manage their businesses along the principles of the *wellbeing enterprise* as exposed in the first part, no significant correlation can be evidenced between the age of the company and/or the age of the managers and the (limited) actions undertaken or the absence of actions.

Asked about the existence of a (more or less) formalized Sustainable Development strategy, all managers, save one, said that there was none. The exception is a branch of a national company which is by law obliged to have a Sustainable Development strategy. So, each branch follows the strategy devised by the national headquarters, but are not responsible for its design. It is worthwhile noting that none of the business owners of the 'family companies' are aware of what a Sustainable Development strategy can be. Even in the case of the branch of the national

company, the managers of the branch have no knowledge of ESG criteria and declare that they would not know how to translate ESG goals into concrete management actions.

When asked why there is no SD strategy, half of the managers answer that they do not know why. They have a lack of knowledge, lack of interest and lack of understanding about the issue. They only focus on making as much profit as they can, disregarding all other aspects. Their attitude is totally ingrained in the concept of *homo economicus* and Friedman's view that the 'social responsibility of business is to increase its profits' (1970). The other half may have some interest about Sustainable Development but do not know how to design a strategy and then translate it into actions. They all think that their companies are not concerned by Sustainable Development, and anyway that they get no information from the government about it.

Therefore, we can safely conclude on this point that the managers of those companies are not aware of the importance of Sustainable Development, do not see the point for their businesses and, if they did, would not know what to do. Their governance structure and way of operating is also an obstacle to designing and deploying a sustainable strategy. Their attitude also shows that, in spite of the efforts of authorities both at the national level and local level, the communication between them and the business environment has no or little impact.

When trying to go a little deeper into the issue by asking them if they know about ESG goals and criteria, some managers have heard about them but do not know what they are. A few express something looking like Sustainable Development goals, but in a general way ('safe environment, safe natural resources, safe health') without any formalization and targets. Even in the case of the national company of which a branch has been surveyed, when we look at the latest Annual Report, in the governance section, there is nothing related to Sustainable Development, and in the 'Sustainable Development report', there are no specific objectives, no targets and only 'responsibility to customers, shareholders and employees (not specifically related to Sustainable Development goals) is mentioned. CSR actions, mainly against poverty and for education, are in fact purely charitable actions.

One classic way of approaching the issue of Sustainable Development is through the adoption of standards which can be used as a stepping stone for developing a Sustainable Development strategy. But, here again, the picture is bleak. Only three companies have got ISO 9001 certification. This means that, whatever they may say, they are not interested in a formalization of their governance and relationships with suppliers and customers; hence they have no reliable monitoring tools for their management and no way to make controlled improvements. Rather surprisingly, even if the sample is small, no company has got ISO 14001 certification, which is usually the first step to care about the environment. Seven companies say that they refer to ISO 26000, which is a good basis for Sustainable Development, but the influence of the standard on their management does not appear. The managers' answers reveal that they do not understand properly the goals and requirements of the standards and do not see what they would bring to their business operations. Only one company (not certified but using ISO 26000) seems to have some explicit goals and acts to save water, reduce emissions and garbage, and use some recycled materials.

As for the companies' actions, there are some piecemeal ones that could be related to ESG, but without any plan or monitoring. They relate to the (natural) environment, such as saving water, electricity and using recycled materials, quoted 7 times and society, quoted 4 times. There seems to be a misunderstanding between Sustainable Development actions for the wellbeing of populations and mere charity actions. But in any case, there is hardly any monitoring.

What companies expect from those actions is in-keeping with PwC's study; brand image and market share come up several times, employee satisfaction, occupational safety, process

improvement, satisfying government requirements are also mentioned; governance is only mentioned once.

Difficulties mentioned are lack of understanding and lack of resources. They are not aware of the part that cultural traits can play in management, and they see people's behaviours as a handicap instead of trying to encourage cultural aspects which can be favourable for sustainable development and wellbeing. There are also the consequences of the Covid-19 crisis. Several companies just struggle to survive and are hardly profitable and manage day by day without any long-term vision. It is symptomatic to note that the managers interviewed were surprised and taken aback by the questions asked and were at a loss to give answers.

In spite of all the talk about sustainable development, environmental management and corporate social responsibility, and the efforts of national and local authorities to set up a framework for sustainable management, it appears that there has been, for now at least no or very little effect on the management of mainstream enterprises in Vietnam. There is a huge gap between the practice of very big internationalized companies listed in the VNSI, even if the latter still have a long way to go, and 'ordinary' companies.

Even if the sample studied is not meant to be statistically representative of Vietnamese companies the results obtained from the interviews certainly hint at a general situation in the country.

Mid-field enterprises have not integrated into their management the challenges raised by the global environment (economic, corporate, environmental and social) and are not ready at all to meet them. Companies suffer from an inexistant or failing leadership and absence of communication.

This will lead a good number of them to disappear under the pressure of stricter and stricter rules set by authorities, the pressure of customers who tend to be more quickly active against unsustainable corporate policies, and the pressure of the international context as they get excluded from supply chains internationally and then nationally. In this respect bigger companies could play a leading role and act like a sort of coach (what Vinamilk is doing for example) for SMEs.

Consequently, it is urgent that the top managers of mainstream companies become fully aware of the stakes and integrate Sustainable Development principles into their strategy, into their organizational structure, into their management style and actions and into their policies and practices. It is also of prime importance that all the human resources be trained about Sustainable Development in a participative way and then able to implement sustainable policies. This could be helped by relying on cultural traditions ingrained in social behaviours, though more on a limited scale (i.e. family in its extended sense) than on the scale of the entire society. Simply relying on Hofstede's dimensions for a start, companies could build their corporate culture on the 'collectivism, femininity and long-term orientation' dimensions that have sustained and structured Vietnamese culture for centuries.

Conclusion:

Since the days of Adam Smith, economics and management theories and practices have been dominated, in spite of a number of criticisms from various horizons, by the concept of *homo economicus* putting the stress on the maximization of profit as the overriding goal, ignoring the negative externalities of such a standing which affects the environment and seriously endangers it, and today lead to an impasse. The ignorance of the sustainability of strategies, policies and practices by companies more than jeopardizes the wellbeing of populations.

This bleak future calls for a re-founding of the theory of the firm and of management. The concept of the *wellbeing enterprise* where the overriding end of management becomes the

wellbeing of all stakeholders, that is of everybody, and the preservation of the natural environment which is a *sine qua non* condition for this wellbeing, can help us design a new way of managing.

This concept of the *wellbeing enterprise* does not come out of the blue. It can be grounded in the philosophies of Plato and Aristotle in the ‘Western world’ and those of the Buddha and Confucius in the ‘Eastern world’. These philosophies can be combined to lay the foundations of a theory of the firm which is not founded on the ‘egoist’ dimension of man as in Adam Smith’s *Wealth of Nations* or John Stuart Mill’s *Utilitarianism* but on the ‘altruist’ dimension for the ‘good’ of society (Plato), the ‘wellbeing of the city’ (Aristotle), ‘generosity and wisdom’ (Buddha) and ‘benevolence, humaneness, goodness’ (Confucius).

In order to appraise the progress of management on the road to the *wellbeing enterprise*, an explorative study of the Vietnamese case has been carried out. Vietnam is an interesting case on the one hand because studies overwhelmingly bear on companies from the ‘old’ developed world and on the other hand, Vietnam has moved in two decades from an economy of shortages in all fields to an economy of relative abundance, even not for everybody, meaning that companies had to start from scratch. There are scant studies about the integration of sustainable development, and even CSR, into the strategies of Vietnamese companies, and none about the concept of *wellbeing enterprise*.

To get a picture, necessarily partial, of where Vietnamese companies stand, two samples have been selected, the first one made up of 7 companies listed in the VNSI stocks index for their recognized commitment to sustainability and care of populations and the second one made up of 18 companies whose top managers have been interviewed about the main aspects of sustainability and care for the natural and human environment.

The results show that the VNSI listed companies are indeed committed to sustainability, the preservation of the environment and the wellbeing of people but with quite different levels of actions, monitoring and evaluation of results. So, although on the right track, these companies still have a long way to go.

The results concerning the second group of companies are quite different. Although the sample is not meant to be representative of SMEs in the country, the results are so converging that it can be assumed that it is a widespread situation. The managers of these SMEs hardly know what sustainability means, consequently there is deficient leadership and employee training. None has any strategies and policies about sustainable development. Some have vague goals about the preservation of the environment and carry out some actions in favour of some populations, which are purely charitable. They are not aware of environmental and human stakes and the urgency to act, in spite of a legislation becoming stricter and stricter and encouragement by national and local authorities. Consequently, many of them will disappear under the pressure of the political, economic and social environments, unless they change tack very rapidly.

Vietnamese companies, and this can be valid for the other Far-Eastern countries, could rely on the Buddhist and Confucian values that structure people’s everyday life but which, strangely, have not permeated corporate governance.

The Master said, “When you go out your front gate, continue to treat each person as though receiving an honoured guest. Do not do to others what you would not wish done to you.”
(Confucius, Analects, 12.2)

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ANNEX 1: VNSI Companies

	NAME OF COMPANY	ACTIVITY	Securities symbol	DATE
1	BAOVIET	Insurance	BVH	1964
2	FPT	IT & Telecom	FPT	1988
3	PAN Group	Agriculture & Food Processing	PAN	1998
4	PETROVIETNAM Fertilizer & Chemical Corp.	Industry	DPM	2003
5	VIETCOM Bank	Banking	CTG	1963
6	VINAMILK	Dairy products	VNM	1976
7	VINGROUP	Conglomerate	VIC	1993

ANNEX 2: Unlisted companies

	NAME OF COMPANY	ACTIVITY	INTERVIEWEE(S)	SIZE	DATE	MANAGERS AGE
1	Ausifood Việt Nam JSSC	PRODUCTION	Owners	SMALL	2022	3
2	ColorMedia	SERVICE	TM	MEDIUM	2010	3
3	Dong A Retail JSC	SERVICE	Owners	SMALL	2015	3
4	Edupia JSC	SERVICE	TM	BIG	2018	2
5	iHunter	SERVICE	Owners	SMALL	2017	2
6	INTECH group	PRODUCTION	Owners	BIG	2011	3
7	ITALIANO Fashion JSC	PRODUCTION	Owners	MEDIUM	na	3
8	Lead One Invest JSC	SERVICE	Owners	BIG	2014	3
9	Linkstart JSC	SERVICE	Owners	SMALL	2012	2
10	LME Indusy JSC	PRODUCTION - SERVICE	Owners	MEDIUM	2015	2
11	Lumi Vietnam	PRODUCTION	Owners	BIG	2012	3
12	Repu Digital	SERVICE	Owners	SMALL	na	3
13	Sen Tài Thu	SERVICE	TM	BIG	1992	3

14	Sunhouse	PRODUCTION,	TM	BIG	2000	3
15	Telephram	PRODUCTION - SERVICE	Owners	SMALL	2000	3
16	TK Elevator Vietnam JSC	PRODUCTION	TM	BIG	2007	3
17	Vietinbank	SERVICE	TM	BIG	1988	2
18	Vinmec Healthcare System	SERVICE	TM	BIG	2012	2
NOTE: small < 50 employees, medium <250, big > 250						1= less than 30 2= 30 to 40 3=more than 40