

SUPPLEMENTARY FILE

TABLES

Table S1: Estimated results for the Environment, Social and Governance pillars, seperately

VARIABLES	Environment pillar				Social pillar				Governance pillar			
	S1.1	S1. 2	S1.3	S1.4	S1.5	S1.6	S1.7	S1.8	S1.9	S1.10	S1.11	S1.12
Supply base international diversification (SBID)	4.431 (1.997) [0.026]	10.228 (4.132) [0.013]	11.130 (3.573) [0.002]	5.047 (2.785) [0.070]	6.602 (1.622) [0.000]	13.697 (4.184) [0.001]	9.974 (2.895) [0.001]	6.967 (2.263) [0.002]	4.200 (1.639) [0.010]	6.018 (3.996) [0.132]	12.356 (2.943) [0.000]	6.313 (2.290) [0.006]
Supply base international diversification squared	-2.737 (1.042) [0.009]	-6.145 (2.649) [0.020]	-7.357 (2.035) [0.000]	-1.984 (1.777) [0.264]	-3.089 (0.846) [0.000]	-6.608 (2.508) [0.008]	-5.513 (1.648) [0.001]	-3.146 (1.445) [0.029]	-2.711 (0.854) [0.002]	-4.319 (2.304) [0.061]	-7.327 (1.681) [0.000]	-3.243 (1.462) [0.027]
Firm sustainability (E or S or G) score	-0.010 (0.017) [0.578]	0.020 (0.027) [0.451]	-0.011 (0.017) [0.512]	-0.010 (0.017) [0.548]	0.029 (0.016) [0.074]	0.070 (0.027) [0.010]	0.029 (0.016) [0.077]	0.029 (0.016) [0.077]	0.014 (0.012) [0.245]	0.014 (0.024) [0.557]	0.015 (0.012) [0.216]	0.014 (0.012) [0.264]
SBID x Firm sustainability (E or S or G) score		-0.106 (0.065) [0.105]				-0.119 (0.064) [0.061]				-0.029 (0.060) [0.627]		
SBID squared x Firm sustainability (E or S or G) score		0.060 (0.041) [0.141]				0.058 (0.037) [0.115]				0.026 (0.035) [0.458]		
SBID x SB relationship embeddedness			-13.745 (6.131) [0.025]				-6.922 (4.966) [0.163]				-16.828 (5.052) [0.001]	
SBID squared x SB relationship embeddedness			9.326 (3.548) [0.009]				4.890 (2.873) [0.089]				9.394 (2.932) [0.001]	
SBID x SB institutional distance				-12.592 (10.082) [0.212]				-3.366 (8.201) [0.681]				-18.052 (8.320) [0.030]
SBID squared x SB institutional distance				1.902				1.140				6.715

				(6.125)				(4.985)				(5.050)
				[0.756]				[0.819]				[0.184]
Firm size	-0.778	-0.754	-0.726	-0.814	0.001	0.025	0.026	-0.004	-0.596	-0.587	-0.597	-0.628
	(0.529)	(0.530)	(0.527)	(0.530)	(0.435)	(0.434)	(0.436)	(0.436)	(0.384)	(0.385)	(0.384)	(0.385)
	[0.142]	[0.155]	[0.169]	[0.125]	[0.999]	[0.954]	[0.953]	[0.993]	[0.120]	[0.127]	[0.120]	[0.102]
Firm age	0.012	0.014	0.012	0.011	0.020	0.022	0.020	0.020	0.010	0.010	0.011	0.010
	(0.018)	(0.018)	(0.018)	(0.018)	(0.015)	(0.015)	(0.015)	(0.015)	(0.013)	(0.013)	(0.013)	(0.013)
	[0.518]	[0.450]	[0.485]	[0.554]	[0.178]	[0.137]	[0.173]	[0.180]	[0.415]	[0.419]	[0.393]	[0.435]
Equity ratio	0.030	0.031	0.030	0.030	0.019	0.021	0.019	0.019	0.020	0.020	0.021	0.020
	(0.018)	(0.018)	(0.018)	(0.018)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)	(0.014)
	[0.089]	[0.077]	[0.091]	[0.089]	[0.185]	[0.152]	[0.191]	[0.184]	[0.158]	[0.164]	[0.136]	[0.153]
Current ratio	-0.354	-0.350	-0.342	-0.363	-0.199	-0.197	-0.194	-0.201	-0.153	-0.157	-0.132	-0.161
	(0.262)	(0.262)	(0.262)	(0.262)	(0.214)	(0.213)	(0.214)	(0.214)	(0.212)	(0.212)	(0.212)	(0.212)
	[0.177]	[0.183]	[0.192]	[0.166]	[0.350]	[0.355]	[0.365]	[0.347]	[0.471]	[0.459]	[0.531]	[0.445]
ROA	0.002	0.001	0.002	0.006	0.013	0.012	0.013	0.014	0.017	0.017	0.016	0.020
	(0.031)	(0.031)	(0.031)	(0.031)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)	(0.026)
	[0.943]	[0.986]	[0.956]	[0.845]	[0.605]	[0.629]	[0.610]	[0.586]	[0.510]	[0.507]	[0.543]	[0.433]
Intangible fixed assets	-0.034	-0.034	-0.032	-0.035	0.004	0.004	0.006	0.004	0.014	0.014	0.017	0.013
	(0.024)	(0.024)	(0.024)	(0.024)	(0.020)	(0.020)	(0.020)	(0.020)	(0.019)	(0.019)	(0.019)	(0.019)
	[0.159]	[0.155]	[0.192]	[0.147]	[0.837]	[0.859]	[0.776]	[0.846]	[0.440]	[0.443]	[0.358]	[0.469]
SB average size	5.983	5.960	5.994	5.950	4.472	4.444	4.472	4.468	3.342	3.337	3.376	3.317
	(0.323)	(0.323)	(0.323)	(0.323)	(0.263)	(0.263)	(0.263)	(0.263)	(0.262)	(0.263)	(0.263)	(0.262)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
SB average ROA	0.004	0.005	0.004	0.002	-0.009	-0.007	-0.009	-0.010	0.028	0.029	0.028	0.026
	(0.025)	(0.025)	(0.025)	(0.025)	(0.020)	(0.020)	(0.020)	(0.020)	(0.021)	(0.021)	(0.021)	(0.021)
	[0.866]	[0.853]	[0.885]	[0.947]	[0.655]	[0.730]	[0.645]	[0.641]	[0.174]	[0.166]	[0.182]	[0.205]
SB diversification	-2.025	-2.188	-2.289	-1.265	-3.280	-3.469	-3.374	-3.150	-1.054	-0.971	-1.713	-0.416
	(1.707)	(1.713)	(1.735)	(1.729)	(1.388)	(1.391)	(1.412)	(1.408)	(1.392)	(1.395)	(1.415)	(1.411)
	[0.236]	[0.202]	[0.187]	[0.464]	[0.018]	[0.013]	[0.017]	[0.025]	[0.449]	[0.487]	[0.226]	[0.768]
SB diversification squared	0.442	0.486	0.527	0.248	0.421	0.481	0.453	0.385	0.319	0.290	0.514	0.141
	(0.509)	(0.511)	(0.516)	(0.514)	(0.414)	(0.415)	(0.420)	(0.419)	(0.415)	(0.416)	(0.421)	(0.419)
	[0.385]	[0.342]	[0.308]	[0.630]	[0.309]	[0.247]	[0.281]	[0.357]	[0.441]	[0.486]	[0.222]	[0.737]
SB relationship embeddedness	-5.622	-5.588	-2.910	-5.710	2.889	2.960	4.084	2.880	-0.083	-0.074	4.932	-0.131
	(1.066)	(1.067)	(2.399)	(1.066)	(0.867)	(0.868)	(1.946)	(0.869)	(0.877)	(0.878)	(1.960)	(0.877)

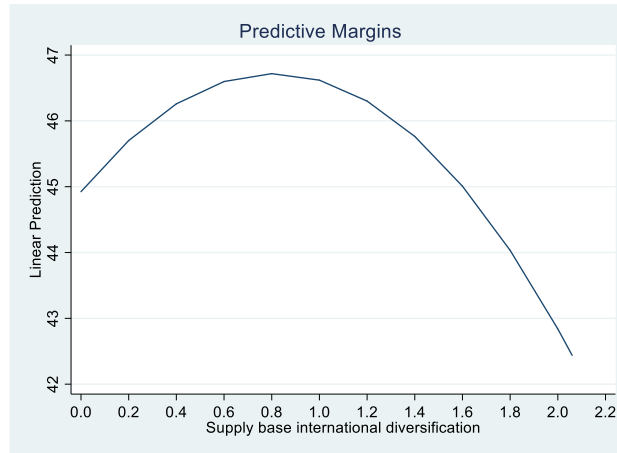
	[0.000]	[0.000]	[0.225]	[0.000]	[0.001]	[0.001]	[0.036]	[0.001]	[0.924]	[0.932]	[0.012]	[0.881]
SB average distance	0.001	0.002	0.001	0.001	0.002	0.002	0.002	0.002	0.002	0.002	0.002	0.002
	(0.001)	(0.001)	(0.001)	(0.001)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
	[0.011]	[0.010]	[0.011]	[0.012]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]
SB average institutional distance	6.496	6.307	6.355	13.697	3.001	2.841	2.937	4.511	5.102	5.012	4.833	12.837
	(2.433)	(2.436)	(2.433)	(4.159)	(1.973)	(1.976)	(1.974)	(3.379)	(2.004)	(2.007)	(2.001)	(3.434)
	[0.008]	[0.010]	[0.009]	[0.001]	[0.128]	[0.151]	[0.137]	[0.182]	[0.011]	[0.012]	[0.016]	[0.000]
SB average cultural distance	2.676	2.626	2.799	2.772	-2.197	-2.245	-2.127	-2.180	-1.997	-1.992	-1.861	-1.941
	(1.204)	(1.206)	(1.203)	(1.204)	(0.979)	(0.979)	(0.980)	(0.980)	(0.970)	(0.971)	(0.970)	(0.970)
	[0.026]	[0.029]	[0.020]	[0.021]	[0.025]	[0.022]	[0.030]	[0.026]	[0.040]	[0.040]	[0.055]	[0.045]
Constant	-86.277	-87.566	-88.555	-85.908	-64.271	-66.137	-65.225	-64.286	-19.210	-19.241	-22.066	-19.106
	(11.391)	(11.438)	(11.436)	(11.408)	(9.336)	(9.359)	(9.408)	(9.350)	(8.614)	(8.664)	(8.667)	(8.629)
	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.000]	[0.026]	[0.026]	[0.011]	[0.027]
Observations	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054	2,054
Number of firms	320	320	320	320	320	320	320	320	320	320	320	320
chi2	658.1	660.7	669.4	664.4	597.3	603.9	599.6	596.9	378	377.9	389.5	385.7
chi2 (p value)	0	0	0	0	0	0	0	0	0	0	0	0
R-squared	0.385	0.384	0.386	0.385	0.365	0.368	0.366	0.365	0.262	0.261	0.266	0.264

Notes: Standard errors in round brackets and p values in square brackets. Industry-specific fixed effects are included but not reported for brevity.

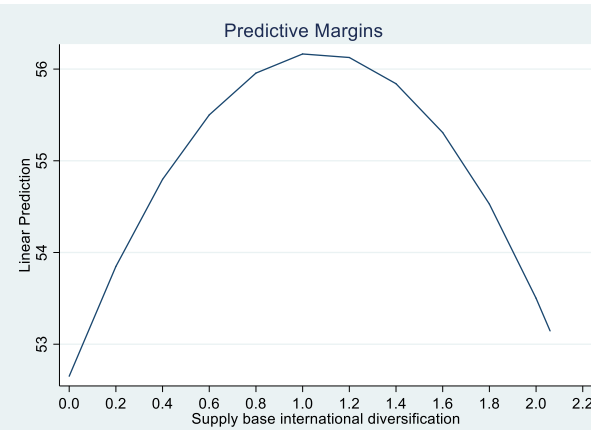
Table S2: Turning points

Specification	Moderator=Mean-1SD	Moderator=Mean	Moderator=Mean+1SD
Model 4	0.913	0.878	0.761
Model 5	0.854	0.894	1.023
Model 6	1.009	0.911	0.740
Model S1.1		0.810	
Model S1.2	0.814	0.768	0.683
Model S1.3	0.767	0.791	0.961
Model S1.4	1.191	0.818	0.286
Model S1.5		1.069	
Model S1.6	1.043	1.049	1.063
Model S1.7	0.970	1.062	1.253
Model S1.8	1.102	1.080	1.056
Model S1.9		0.775	
Model S1.10	0.740	0.773	0.822
Model S1.11	0.814	0.750	0.213
Model S1.12	0.940	0.733	0.091

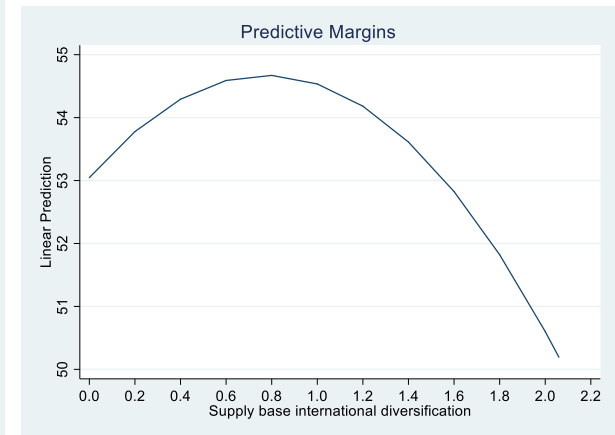
FIGURES



S1(a): Environment pillar

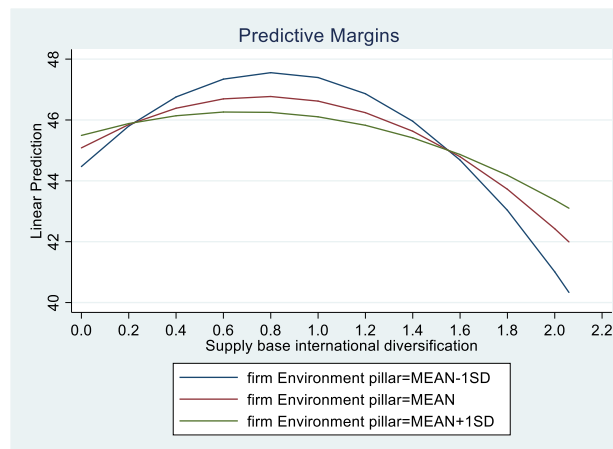


S1(b): Social pillar

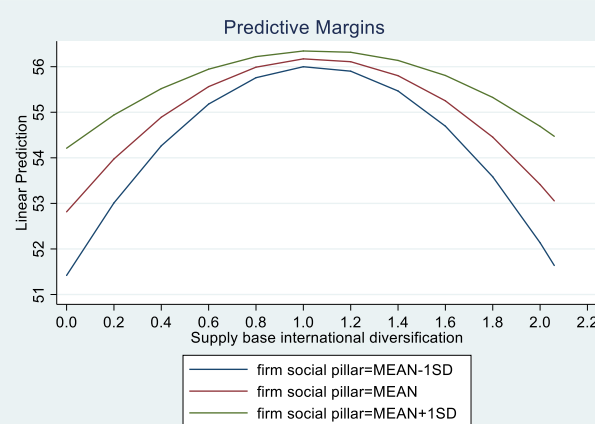


S1(c): Governance pillar

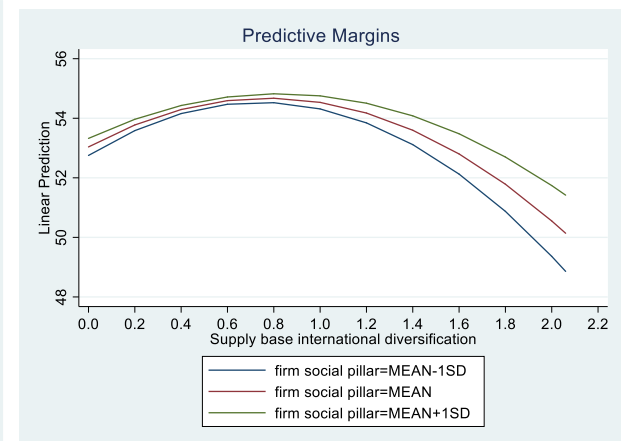
Figure S1: Predictive margins for the impact of supply base international diversification on supply base sustainability performance (Environment, Social and Governance pillars, separately)



S2(a): Environment pillar

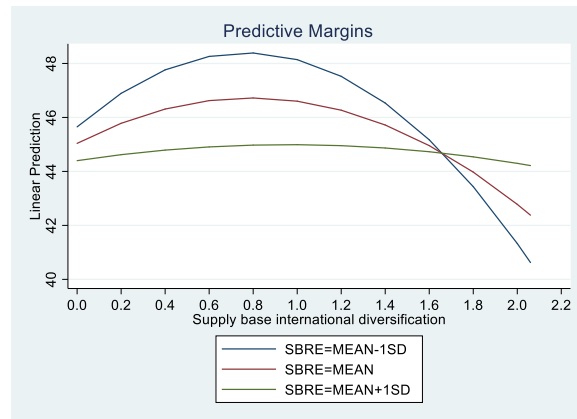


S2(b): Social pillar

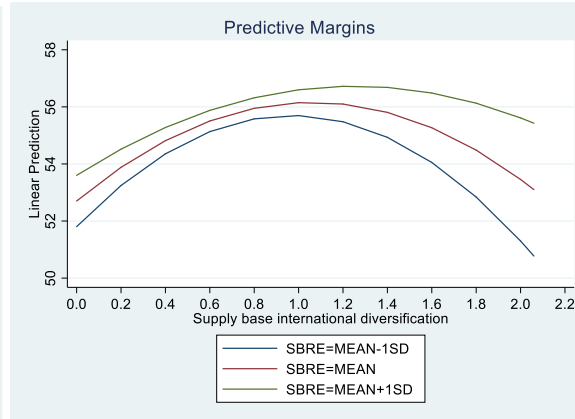


S2(c): Governance pillar

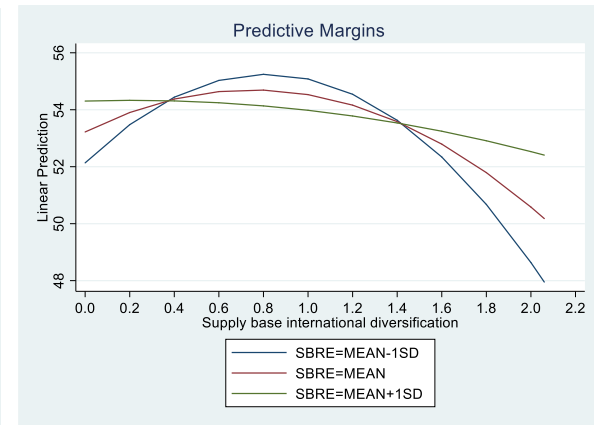
Figure S2: Predictive margins for the moderating effect of the MNE's (own) sustainability performance on the impact of supply base international diversification on supply base sustainability performance (Environment, Social and Governance pillars, separately)



S3(a): Environment pillar

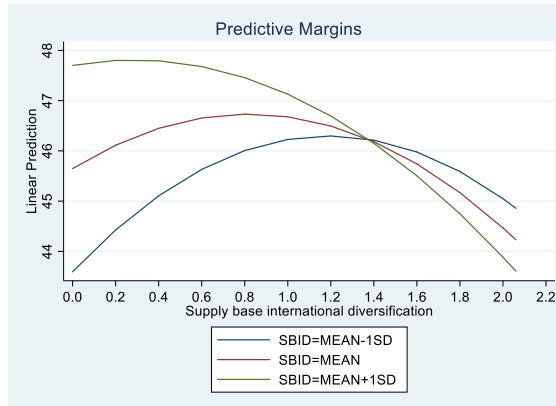


S3(b): Social pillar

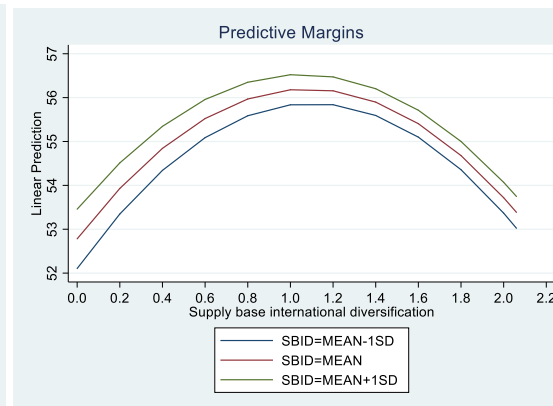


S3(c): Governance pillar

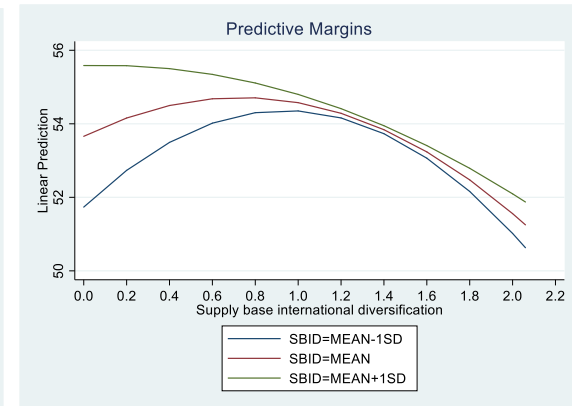
Figure S3: Predictive margins for the moderating effect of supply base relational embeddedness (SBRE) on the impact of supply base international diversification on supply base sustainability performance (Environment, Social and Governance pillars, separately)



S4(a): Environment pillar



S4(b): Social pillar



S4(c): Governance pillar

Figure S4: Predictive margins for the moderating effect of supply base institutional distance (SBID) on the impact of supply base international diversification on supply base sustainability performance (Environment, Social and Governance pillars, separately)