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# SUSTAINABILITY IN LARGE UK LISTED RETAIL COMPANIES: A SECTORAL ANALYSIS

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## I INTRODUCTION

Sustainability has both become ubiquitous in the contemporary business world and become a common word in the corporate vocabulary, and especially on corporate websites and in reports.<sup>1</sup> This reflects the fact that the whole idea of sustainability as an issue that companies must address and be taken into account by businesses has become more and more important over some years, to the point where large businesses with a large turnover and public face cannot ignore it. All of this has led to many companies incorporating sustainability considerations into their decision-making processes and general operations.<sup>2</sup> It has been said that sustainability actually relates to the whole issue of corporate governance and to good board practice.<sup>3</sup> A growing number of companies, particularly large multinational corporations, have put sustainability strategies and voluntary codes of conduct into practice along with providing things like environmental annual reports<sup>4</sup> and wide-ranging sustainability reports thus sustainability is not seen as mere mantra. As far back as 2010 in a survey of chief executive officers conducted for the United Nations, 93% saw sustainability as important or very important to the future success of companies and 96% were of the opinion that sustainability issues should be fully integrated into the strategy and business operations of companies.<sup>5</sup>

In the 2017 Top of Mind survey undertaken by the Consumer Goods Forum 70% of customer-centric businesses identified sustainability as a key priority.<sup>6</sup> Sustainability's objective is to minimise harms and maximise benefits in relation to a company's

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<sup>1</sup> Justyna Przychodzen and Wojciech Przychodzen, 'Corporate sustainability and shareholder wealth' (2013) 56 *Journal of Environmental Planning and Management* 474, 474; Tom Thomas and Eric Lamm, 'Legitimacy and Organizational Sustainability' (2012) 110 *Journal of Business Ethics* 191, 192; Ivan Montiel and Javier Delgado-Ceballos, 'Defining and Measuring Corporate Sustainability: Are We There Yet?' (2014) 27 *Organization and Environment* 113, 113.

<sup>2</sup> Anne Wiese et al, 'Sustainability in retailing – a summative content analysis' (2012) 40 *International Journal of Retail and Distribution Management* 318, 318; Thomas and Lamm, *ibid*.

<sup>3</sup> IFC (International Finance Corporation), 2017, 'CG Updates' IFC Corporate Governance Group, IFC, 14.

<sup>4</sup> Mette Anderson and Tage Skjoett-Larsen 'Corporate social responsibility in global supply chains' (2009) 14 *Supply Chain Management: An International Journal* 75.

<sup>5</sup> UNGC (United Nations Global Compact), 'A new era of sustainability: UN Global Compact –Accenture CEO Study' 2010, New York, 12; Craig Carter and Dale Rogers, 'A framework of sustainable supply chain management: moving towards new theory' (2008) 38 *International Journal of Physical Distribution and Logistics Management* 360, 367.

<sup>6</sup> KPMG, Top of Mind Survey 2017, 28 <<https://home.kpmg.com/xx/en/home/insights/2017/06/top-of-mind-survey-2017.html>>

stakeholders.<sup>7</sup> As a result, and while not without dissent, some studies suggest that promoting sustainability benefits companies and shareholders alike.<sup>8</sup>

Given the importance of sustainability it is necessary to ascertain what attitude is being taken to sustainability in companies, and particularly large companies that affect most aspects of the lives of ordinary people. Accordingly, this paper documents a study of the largest UK general retail companies (and does not include food and drug retailers) and what they are doing in terms of sustainability. The contribution of the paper is to provide empirical insights into how UK retail companies are addressing sustainability. The paper asks: what is the attitude of companies to sustainability and how are they contributing to a sustainable world? The paper seeks to provide a descriptive presentation of material reported by companies and to furnish an interpretive analysis of what is discovered from this study. We endeavour to ascertain whether companies are embedding sustainability in their strategy and operations or whether they are simply seeing sustainability as 'a bolt on' perhaps simply in order to assuage those exerting pressure on them to be involved in sustainability matters. This is important as the literature suggests that sustainability should be integrated in the company's strategy and business plan and connections made between sustainability and strategy<sup>9</sup> and being built into existing goals and targets.<sup>10</sup> The study aims to describe the position taken by companies on sustainable issues and to provide an interpretive analysis of the data examined in order to gain greater understanding of what the companies are communicating and the attitude that they are taking in relation to sustainability. The study was intended to be a pilot study, that is, a small study conducted in advance of a planned larger and broader project that would examine more companies and in different industrial sectors, and specifically to test aspects of the research design and to allow necessary adjustment before final commitment to the design for the larger project. Having said that, we believe that the results of the study documented here are sufficiently substantive to constitute a standalone study and they do permit us to ascertain what is the state of sustainability in retail companies.

The research undertaken is both descriptive and positive in nature as it both describes what companies disclose they are doing in terms of sustainability and explains how it fits into the sustainability agenda. The paper is structured as follows. First, there is a consideration of the sustainability literature. Second, the paper explains the nature of the study and what was done. Importantly, this section of the paper explains what research method was employed, what data was analysed and what categories were used in order to code the data. Third, the paper explains the findings of the study and provides an analysis of the

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<sup>7</sup> Guy Morgan, Kwang Ryu and Philip Mirvis, 'Leading corporate citizenship: Governance, structure, systems' (2009) 9 *Corporate Governance* 39.

<sup>8</sup> Przychodzen and Przychodzen, above n 1, 491.

<sup>9</sup> FEE, *Environmental Social and Governance indicators in annual reports : An introduction to the current frameworks*, Brussels, Federation of European Accountants, 2011, 5 and 9 <[http://effas.net/pdf/cesg/ESG\\_indicators\\_in\\_annual\\_reports\\_An\\_introduction\\_to\\_current\\_frameworks\\_1105\\_Colour2652011551650.pdf](http://effas.net/pdf/cesg/ESG_indicators_in_annual_reports_An_introduction_to_current_frameworks_1105_Colour2652011551650.pdf)>.

<sup>10</sup> Cory Searcy, 'Corporate sustainability Performance Measurement Systems: A Review and Research Agenda' (2012) 107 *Journal of Business Ethics* 239, 240.

results. Fourth, the paper discusses the limitations of the study. Finally, there are some concluding remarks.

## II SUSTAINABILITY

While commentators have an intuitive understanding of the concept of sustainability it is a concept that is difficult to define in any precise fashion,<sup>11</sup> possibly because it is a multi-dimensional concept. Also, it is a contested concept<sup>12</sup> as well as being a controversial subject.<sup>13</sup> There have been ongoing debates amongst those who believe that it is important as what it actually means,<sup>14</sup> partly because the concept is a complex one.<sup>15</sup> Some even argue that it cannot be defined.<sup>16</sup> Others have branded the concept vague, ambiguous, pluralistic, and based on various value systems as well as being contested.<sup>17</sup> White has noted that Peter Senge, the economist, said, that he bet that there were 2,000 definitions.<sup>18</sup>

It has been said that sustainability involves a given activity being able to be continued indefinitely.<sup>19</sup> In its simplest form it has been said to be nothing more than 'an extension and re-interpretation of Hicksian income and traditional notions of capital maintenance' which sees a level that ensures maintenance of the planet's capital.<sup>20</sup> At its broadest the word has been seen to mean the effect that something in the present has on the options available in the future.<sup>21</sup>

Often sustainability is regarded as having three elements to it – the economic, the environmental and the social<sup>22</sup> – and often referred to as the triple bottom line. Sustainability is regarded by many as synonymous with sustainable development<sup>23</sup> or at least inextricably linked to the latter concept<sup>24</sup> and perhaps the most commonly cited definition of sustainable development, while subject to some debate and dissent,<sup>25</sup> is that of the Brundtland Report : 'Sustainable development is development that meets the needs of

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<sup>11</sup> Andrew Basiago, 'Methods of Defining 'Sustainability'' 3 *Sustainable Development* 109, 111.

<sup>12</sup> Dexter Dunphy, 'Corporate Sustainability: Challenge to Managerial Orthodoxy' (2003) 8 *Journal of the Australian and New Zealand Academy of Management* 1, 3.

<sup>13</sup> Güler Aras and David Crowther, 'Governance and Sustainability' (2008) 46 *Management Decision* 433, 436

<sup>14</sup> Searcy, above n 10, 239.

<sup>15</sup> Ibid, 240; Montiel and Delgado-Ceballos, above n 1, 123.

<sup>16</sup> Robert Costanza and Bernhard Patten, 'Defining and predicting sustainability' (1995) 15 *Ecological Economics* 193, 193.

<sup>17</sup> Don Clifton and Azlan Amran, 'The Stakeholder Approach: A Sustainability Perspective' (2011) 98 *Journal of Business Ethics* 121, 122.

<sup>18</sup> Mark White, 'Sustainability : I know it when I see it' (2013) 86 *Ecological Economics* 213, 213

<sup>19</sup> Paul Johnston et al, 'Reclaiming the Definition of Sustainability' (2007) 14 *Environmental Science and Pollution Research* 60, 61.

<sup>20</sup> Rob Gray, 'Accounting and Environmentalism: An Exploration of the Challenge of Gently Accounting for Accountability, Transparency and Sustainability' (1992) 17 *Accounting Organizations and Society* 399, 417.

<sup>21</sup> Aras and Crowther, above n 13, 435.

<sup>22</sup> John Elkington, *Cannibals with Forks – The Triple Bottom Line of 21<sup>st</sup> Century Business*, New Society, Stony Creek, 1997.

<sup>23</sup> Aras and Crowther, above n 13, 436.

<sup>24</sup> Basiago, above n 11, 111.

<sup>25</sup> Michael McCloskey, 'The Emperor has no Clothes : The Conundrum of Sustainable Development', (1999) 9 *Duke Environmental Law and Policy Forum* 153; Abdallah Hasna, 'Dimensions of Sustainability,' 2005 <[https://www.researchgate.net/publication/242301087\\_Dimensions\\_of\\_sustainability](https://www.researchgate.net/publication/242301087_Dimensions_of_sustainability)>.

the present without compromising the ability of future generations to meet their own needs.<sup>26</sup> Sustainability then is clearly aimed at achieving human development considering both present and future generations. Sustainable development is seen as development which provides for the needs of the present but in doing so does not compromise the ability of future generations to be able to have their needs met.<sup>27</sup> Although the emphasis has been on the three elements mentioned above, it has clearly become broader than that and has encompassed a much wider range of issues.<sup>28</sup> The scope of sustainability is such that now it is not limited to the three elements of the financial, the social and the environmental, and thus concepts like justice<sup>29</sup> and risk management<sup>30</sup> have become part of sustainability.

Sustainability can encompass a whole range of actions and it has developed to the point where it is a catch-all term used by large companies to encompass a range of actions and activities relating to CSR, the environment and profitability. It embraces actions such as reducing waste, the use of water and the amount of pollution.<sup>31</sup> It might entail companies embracing cleaner ways of production, increasing the efficiency of resource use, interacting with social actors in order to improve the performance of businesses in addressing social expectations<sup>32</sup> and the redesigning of company operations or initiating new ones which can give an impetus to a culture of innovation and ameliorate the position of stakeholders.<sup>33</sup>

While awareness and the practice of sustainability has attained universal significance,<sup>34</sup> generally speaking, much of what companies do in terms of sustainability is on a voluntary basis more or less, in that there is often no hard mandatory laws that have to be adhered to.<sup>35</sup> There are guidelines provided by various instruments that are designed to lead companies to engaging in a greater amount of sustainability. Examples are the United Nations Global Compact, Global Reporting Initiative's Sustainability Reporting Guidelines and Dow Jones Sustainability Index. More recently, in January 2016, there has been the putting into force of the United Nations Sustainable Development Goals (SDGs) which are a set of global initiatives through to 2030 that aim to end poverty, promote equality and wellbeing and preserve the environment. These documents only furnish broad principles and reporting frameworks, leaving it to the discretion of the company how the principles are to be applied.<sup>36</sup>

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<sup>26</sup> World Commission on Environment and Development, 'Our Common Future, From One Earth to One World,' 1987, para 27 <<http://www.un-documents.net/ocf-ov.htm>>.

<sup>27</sup> Ibid.

<sup>28</sup> Gray, above n 20, 416.

<sup>29</sup> Clifton, D., and Amran, A., 2011, 'The Stakeholder Approach : A Sustainability Perspective' *Journal of Business Ethics*, 98, 121, 129.

<sup>30</sup> Carter and Rogers, above n 3.

<sup>31</sup> KPMG, above n 6, 32.

<sup>32</sup> Clifton and Amran, above n 29, 124.

<sup>33</sup> John Peloza et al, 'Sustainability: How Stakeholder Perceptions Differ From Corporate Reality' (2012) 55 *California Management Review* 74, 74.

<sup>34</sup> Alice Klettner, Thomas Clarke and Martijn Boersma, 'The Governance of Corporate Sustainability' (2014) 122 *Journal of Business Ethics* 145, 150.

<sup>35</sup> Reinhard Steurer et al, 'Corporations, Stakeholders and Sustainable Development I' (2005) 61 *Journal of Business Ethics* 263.

<sup>36</sup> Klettner, Clarke and Boersma, above n 34.

The absence of government mandate on sustainability is manifested by the position in the UK. Here heavy mandatory approaches have tended to be eschewed and reliance has been placed on light touch regulation and voluntary actions,<sup>37</sup> although it can be said that at times in the past UK governments have been active in the construction of a political sustainability framework.<sup>38</sup> Also, it is important to note that as far as UK companies are concerned that the *Companies Act 2006* (UK) introduced a director's duty, in s 172(1), that requires directors, in the course of fostering the interests of the company, to take into account matters that are clearly related to sustainability. The provision states that:

'A director of a company must act in a way that he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to

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- (a) the likely consequences of any decision in the long term
- (b) the interests of the company's employees
- (c) the need to foster the company's business relationships with suppliers, customers and others
- (d) the impact of the company's operations on the community and the environment
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly between the members of the company.'

While it has been said that the provision does not move the UK away from a shareholder primacy approach because ultimately whatever directors do they are to act in a way that ultimately benefits the members,<sup>39</sup> the sub-section makes it a requirement that directors take into account the factors adumbrated in (a)-(f) in taking actions. For quoted companies, which embraces the companies that are the subject of this study, a report known as the Strategic Report must be included in the company's annual report setting out how the directors have discharged their duty under s 172(1).

Section 172 together with the reporting requirement under the Strategic Report introduced what is known as enlightened shareholder value ('ESV'). This concept was formulated by the Company Law Review Steering Group that had been established in 1998 by the UK government to undertake a wholesale review of the UK's corporate law. What the CLRS was concerned about was the fact that directors were managing their companies in order to achieve maximisation of shareholder wealth in a short-termist manner and that directors in fact have, in appropriate cases, an obligation 'to have regard to the need to build long-term and trusting relationships with employees, suppliers, customers and others in order to

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<sup>37</sup> Anja Schaefer, 'Sector-specific corporate responsibility in the UK' 2013, 24 <[http://oro.open.ac.uk/37384/3/Kap%2011\\_Schaefer\\_Corp%20Respon\\_mit%20Copyright.pdf](http://oro.open.ac.uk/37384/3/Kap%2011_Schaefer_Corp%20Respon_mit%20Copyright.pdf)>.

<sup>38</sup> Laura Albareda et al, 'The changing role of governments in corporate social responsibility : Drivers and responses,' (2008) 17 *Business Ethics : A European Review* 347.

<sup>39</sup> Andrew Keay, 'Tackling the Issue of the Corporate Objective: An Analysis of the United Kingdom's Enlightened Shareholder Value Approach' (2007) 29 *Sydney Law Review* 577.

secure the success of the enterprise over time.<sup>40</sup> These sentiments obviously chime to a large degree with sustainability. However, various empirical studies have demonstrated over the years that the impact of the provision is very limited<sup>41</sup> as have responses to a government Green Paper in 2016<sup>42</sup> in which the government was seeking evidence of how ESV had impacted on commercial life.

Clearly directors, in discharging their duty properly under s 172(1), are entitled to engage in sustainability type activity as they can usually justify their actions as promoting the success of the company. However, there are two major problems that exist. First, where there is concern that directors have not had regard for the factors in (a)-(f) in making decisions it is likely to be difficult in many situations to establish that directors did in fact fail to consider the factors. Second, even if it might be established that directors did not in fact have regard for those factors set out in the provision and so they are technically in breach of their duty, little can be done in legal terms. The directors' duty is owed to the company and this means that the board of directors would be empowered to institute legal proceedings against a director if a director failed to act properly. Yet, if it does not, for a variety of reasons, the only persons who can do anything about it are the shareholders, and they are unlikely to take action because of possible costs and the actions of the directors probably will not have harmed them.

### III THE ELEMENTS OF THE STUDY

#### *A The Method*

To address the aim of the research it was determined that a study of relevant company documents would be appropriate and the study would be based on a form of content analysis of the documents. Content analysis is a very flexible methodology<sup>43</sup> which covers a number of different strategies.<sup>44</sup> It has been used by scholars in various disciplines within the social sciences and humanities to analyse communications of different kinds. It is the research method that is employed most often to assess organisations' social and environmental disclosures.<sup>45</sup> Content analysis is a tool that enables researchers objectively and systematically to identify the characteristics and constituents of textual information to

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<sup>40</sup> Company Law Review, *Modern Company Law for a Competitive Economy* : Strategic Framework, 1999, London, DTI, para 5.1.22.

<sup>41</sup> For example, S. Fettiplace and R. Addis, 'Evaluation of the Companies Act 2006,' 2010, 77 <<http://webarchive.nationalarchives.gov.uk/20121205013304/http://www.bis.gov.uk/assets/BISCore/business-law/docs/E/10-1360-evaluation-companies-act-2006-volume-1.pdf>> ; Andrew Keay and Taskin Iqbal, 'The Impact of Enlightened Shareholder Value' (2018) *Journal of Business Law* (forthcoming).

<sup>42</sup> Department of Business, Energy and Industrial Strategy, 'Corporate Governance Reform.'

<sup>43</sup> Marilyn White and Emily Marsh, 'Content Analysis: A Flexible Methodology' (2006) 55 *Library Trends* 22; Satu Elo and Helvi Kyngas, 'The qualitative content analysis process' (2007) 62 *Journal of Advanced Nursing* 107.

<sup>44</sup> Mojtaba Vaismoradi and Terese Bondas, 'Content analysis and thematic analysis: implications for conducting a qualitative descriptive study' (2013) 15 *Nursing and Health Sciences* 399.

<sup>45</sup> Markus Milne and Ralph Adler, 'Exploring the reliability of social and environmental disclosures content analysis' (1999) 12 *Accounting, Auditing and Accountability* 237.

enable them to be able to draw inferences.<sup>46</sup> Hsieh and Shannon define it as ‘a research method for the subjective interpretation of the content of text data through the systematic classification process of coding and identifying themes or patterns.’<sup>47</sup> The research enables inferences to be drawn about the sender of the communication, the communication itself or the audience viewing the communication.<sup>48</sup> We decided that we would undertake a qualitative kind of content analysis that employed a form of deductive content analysis. This involved the a priori identification of categories and sub-categories as codes against which the company documents (the unit of analysis) were reviewed.<sup>49</sup> This strategy was chosen as it was reasoned that this approach to coding would enable results to be more reliable. Having said that, we were prepared, in line with the approach advocated by several scholars,<sup>50</sup> to add to or amend our classifications in light of our study of the data and so we were open to an inductive element to the study. Content analysis has been used several times to address corporate reports, particularly by accounting academics.<sup>51</sup>

The categories (and sub-categories) were derived from a study of the sustainability and corporate social responsibility literature (‘CSR’) and the issues that have been raised about sustainability by major organisations, including in government and quasi-government reports, that have commented on and analysed sustainability.<sup>52</sup> The sub-categories determined were designed to explain the broad categories identified and to assist in the coding of the unit of analysis.

The categories that we identified were those which we believed were the most relevant and valid.<sup>53</sup> We analysed the data that is described in the next section of the paper and placed it in the various pre-determined categories and sub-categories, in line with the approach adopted in many studies and argued for by Gray, Kouhy and Lavers.<sup>54</sup> This process relied partly on subjective judgment, and in order to limit the subjectivity and to ensure reliability, transparency and internal validity both researchers analysed independently the documents of the selected companies. After doing this we compared our findings and discussed any classifications that were ambiguous and checked all notes prepared from the reviews.

## B The Sample

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<sup>46</sup> Ole Holsti, *Content Analysis for the Social sciences and Humanities* (Addison-Wesley, 1969); Cornelia Beck, David Campbell and Philip Shrivess, ‘Content analysis in environment reporting research’ (2010) 42 *British Accounting Review* 207.

<sup>47</sup> Hsiu-Fang Hsieh and Sarah Shannon, ‘Three Approaches to Qualitative Context Analysis’ (2005) 15 *Qualitative Health Research* 1277, 1282.

<sup>48</sup> Devi Prasad, ‘Content Analysis : A method in Social Science Research,’ 2008 <<http://www.css.ac.in/download/Content%20Analysis.%20A%20method%20of%20Social%20Science%20Rese arch.pdf>>.

<sup>49</sup> Helvi Kyngas and Lynn Vanhanen, ‘Content analysis as a research method’ (1999) 11 *Hoitoteide* 3.

<sup>50</sup> For example, White and Marsh, above n 43, 39; Elo and Kyngas, above n 43.

<sup>51</sup> Feng Li, ‘Textual Analysis of Corporate Disclosures : A Survey of the Literature’ (2010) 29 *Journal of Accounting Literature* 143, 145.

<sup>52</sup> For example, White and Marsh, above n 43, 39; Elo and Kyngas, above n 43.

<sup>53</sup> White and Marsh, above n 43.

<sup>54</sup> ‘Constructing a research database of social and environmental reporting by UK companies’ (1995) 8 *Accounting Auditing and Accountability* 78.

For a content analysis researchers must select a sample or, as it is often referred to, a unit of analysis, as the basis for reporting analyses.<sup>55</sup> In order to address the aim of the study, it was decided to investigate the largest general retail companies by market capitalisation in the UK, namely those that are listed on the FTSE 100, a share index composed of the 100 largest companies that are listed on the London Stock Exchange according to market capitalisation. These companies were selected as part of this pilot study for a variety of reasons. The primary reasons were as follows. First, retailing is a large, diverse and dynamic sector of the economy where a large range of goods are offered to consumer.<sup>56</sup> This sector is the UK's largest private sector employer with 2.9 million people employed (and predicted to go up to 3.3 billion in 2018), and in 2016 it generated £321 billion.<sup>57</sup> In 2008 the sector generated six per cent of the country's gross domestic product.<sup>58</sup> Secondly, because of the first point, the activities of the retail sector impacts on the lives of a lot of people. Thirdly, the processes relating to the sector cover large amounts of energy and raw materials 'that are used to construct the retail environment and those used to create the goods that are produced, traded and consumed.'<sup>59</sup>

Fourthly, the retailers that were selected have, because of their size and buying power, a significant impact on upstream and downstream actors, and importantly over supply chains; they have a significant role in the value chain between supply and demand.<sup>60</sup> It has been asserted that retail power in this sector provides the impetus for the whole of the supply chain of which it is a part.<sup>61</sup> It has been stated that: 'Retailing companies assume sustainable management efforts to manage upstream activities by integrating sustainability indicators and targets into supply strategies and to influence downstream activities through marketing and sale initiatives.'<sup>62</sup> Besides addressing their own sustainability issues and building sustainability into their own businesses, such as reducing energy and transportation use, they can influence or even require sustainable changes in supply chains and the actions of manufacturers.<sup>63</sup> Retailers can change the products that they sell and even engage in producing their own goods for sale. As a consequence of these and other factors retailing companies are able to have a substantial impact on sustainability performance of national economies.<sup>64</sup>

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<sup>55</sup> White and Marsh, above n 43.

<sup>56</sup> Ismail Erol et al, 'Sustainability in the Turkish Retailing Industry' (2009) 17 *Sustainable Development* 49, 49; Peter Jones et al, 'Retailers and sustainable development in the UK' (2005) 33 *International Journal of Retail and Distribution Management* 207.

<sup>57</sup> Retail Appointment, (2017), <<https://www.retailappointment.co.uk/career-advice/talking-shop/uk-retail-facts-and-figures> accessed 8 November 2017>.

<sup>58</sup> Peter Jones, Daphne Comfort and David Hillier, 'UK retailing through the looking glass' (2008) 36 *International Journal of Retail and Distributive Management* 564.

<sup>59</sup> Joe Doak, 'An inspector calls: Looking at retail development through a sustainability lens' (2009) 8 *Journal of Retail and Leisure Property* 299, 302.

<sup>60</sup> Erol, above n 56, 50.

<sup>61</sup> Jones et al, n 56.

<sup>62</sup> Erol, above n 56, 50.

<sup>63</sup> Alastair Iles, 'Seeing Sustainability in Business Operations: US and British Food Retailer Experiments with Accountability' (2007) 16 *Business Strategy and the Environment* 290, 291.

<sup>64</sup> Erol, above n 56, 49.

Fifthly, in the 1990s UK retailers tended to be regarded as failing to address poor environmental and social impacts<sup>65</sup> and this study might enable us to determine whether there have been improvements and in what way. In the last 20 years there have been a number of issues that have precipitated many retailers deciding to make efforts to take a greater and more visible interest in the effects of their businesses on the environmental, the economic and the social. These include greater consumer awareness, pressure from government bodies, investors, customers, and trade unions,<sup>66</sup> to attract investment funds particularly from ethical investment funds, and it could possibly be a result of companies feeling that they had to do so in order to confirm their legitimacy.<sup>67</sup> In the KPMG Top of Mind survey in 2011 corporate responsibility including sustainability was ranked first by retailers as the most important issue for them.<sup>68</sup>

Jones et al undertook a study of the largest 20 UK retailers by sales as at 2002 in order to analyse sustainability engagement but this was a small study that only looked for the keywords of 'sustainability' and 'sustainable development' and it was conducted in 2005. Our study is broader in that it provides a detailed qualitative study and, of course, it is more recent, although it does not cover as large a range of companies. As indicated earlier, since 2005 the UK has enacted ESV and this might have had some impact. Notwithstanding the importance of the retail industry it has been submitted that the topic of sustainability in this sector is quite unexplored.<sup>69</sup>

The data analysed was text data gathered from company documents and websites that are generated by the companies to express their positions on relevant issues. The documents examined were Annual Reports, which included the Strategic Report, and CSR/Sustainability Reports for the year 2016/2017. Usually public companies produce annual reports due to mandatory requirements that exist in a majority of Western economies (Stanton and Stanton). The annual report is an integral method for financial communication among shareholders, management and others<sup>70</sup> and it is a way of communicating a company's identity and operating as a link between its identity and image.<sup>71</sup> It is even claimed to be the most important mechanism used for corporate communication,<sup>72</sup> and it is a way of a person external to the company to gain insights concerning the company's values.<sup>73</sup> It is considered to have credibility as a communication tool because it includes legally required and audited

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<sup>65</sup> Hugh Raven, Tim Lang, and Caroline Dumonteil, *Off Our Trolleys? Food Retailing and the Hypermarkets* (IPPR, 1995).

<sup>66</sup> Jones et al, above n 56; Craig Deegan, 'The legitimising effect of social and environmental disclosures - a theoretical foundation' (2002) 14 *Accounting, Auditing and Accountability Journal* 282.

<sup>67</sup> Deegan, *ibid.*

<sup>68</sup> Wiese, above n 2.

<sup>69</sup> *Ibid.*

<sup>70</sup> Susan Bartlett and Roy Chandler, 'The Corporate Report and the Private Shareholder: Lee & Tweedie Twenty Years On' (1997) 29 *British Accounting Review* 245.

<sup>71</sup> Beatrice Parguel, Florence Benoit-Moreau and Fabrice Larceneux, 'How Sustainability Ratings Might Deter 'Greenwashing'' (2011) 102 *Journal of Business Ethics* 15.

<sup>72</sup> Carol Adams, Andrew Coutts and George Harte, 'Corporate Equal Opportunities (Non-) Disclosure' (1995) 28 *British Accounting Review* 87 at 92.

<sup>73</sup> Jan Bebbington and Rob Gray, 'Accounts of Sustainable Development : The Construction of Meaning Within Environmental Reporting' 2000 <[https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=257438](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=257438)>.

financial statements.<sup>74</sup> Also, the company knows that it and other publicly available documents will be scrutinised by others.<sup>75</sup> The CSR/Sustainability reports were analysed because these reports are usually entirely focused on stakeholders and also this addresses sustainability issues.<sup>76</sup> It has been widely accepted that annual reports and standalone CSR or Sustainability reports can be used as the data for analysing the approach of companies to various concerns.<sup>77</sup> Including CSR type disclosures in the annual report or a separate CSR/Sustainability report is designed to establish the company's legitimacy<sup>78</sup> and the kind of disclosure is designed to inform shareholders and other stakeholders.<sup>79</sup> Also, the documents referred to above are important as they are the medium by which they communicate with the public.<sup>80</sup> Companies providing disclosure in reports is one critical way they can influence and, perhaps, change external perceptions of them as companies and the way that they conduct their businesses.<sup>81</sup> Reports of company activity that is taken from the website is more complete than viewing statutory reports in that everything in the statutory reporting is included along with a lot more detail.<sup>82</sup>

### *C The Categories*

The second stage involved the development of categories. These can be regarded as compartments and limited by boundaries into which the unit of analysis is coded;<sup>83</sup> the categories are in fact the means of describing the contents of the unit of analysis.<sup>84</sup> They provide a focus for the studying of the documents that form the sample and it enables a story to be told about what they say.<sup>85</sup> We identified four broad categories that we used as our code for the analysis of the data.

From the literature we then identified appropriate sub-categories. These are designed to expand the categories already identified so that the coding can be more specific. We discuss the sub-categories below under the category to which they relate.

#### *1 Disclosure*

##### *(a) Generally*

This involves consideration of the disclosures that are made and that relate to sustainability. Companies disclose information about their sustainability activities both to manifest a

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<sup>74</sup> R.D. Hines, 'The Usefulness of Annual Reports: the Anomaly between the Efficient Markets Hypothesis and Shareholder Surveys' (1982) 12 *Accounting and Business Research* 296.

<sup>75</sup> Bebbington and Gray above n 73.

<sup>76</sup> The requirements for the preparation, distribution and filing of accounts and reports are set out in Part 15, ss 380 to 474, of the Companies Act 2006.

<sup>77</sup> Petros Vourvachis, 'On the Use of Content Analysis (CA) in Corporate social Reporting (CSR),' 2007 <<http://eprints.kingston.ac.uk/4129/1/Vourvachis-P-4129.pdf>>.

<sup>78</sup> Deegan, above n 65.

<sup>79</sup> Selena Aureli, 'A comparison of content analysis usage and text mining in CSR corporate disclosure' (2017) 17 *International Journal of Digital Accounting Research* 1.

<sup>80</sup> Klettner, 153.

<sup>81</sup> Deegan, above n 65.

<sup>82</sup> Aras and Crowther, above n 13, 442.

<sup>83</sup> Prasad, above n 48.

<sup>84</sup> Elo and Kyngas, above n 43.

<sup>85</sup> Bebbington and Gray, above n 73.

commitment to the whole matter of sustainability and to provide accountability to stakeholders.<sup>86</sup> An important arrival on the scene as far as reporting goes is the Sustainability Reporting Guidelines which were developed by the Global Reporting Initiative ('GRI'). These 'provide a framework of principles and guidance, together with a list of disclosures and key performance indicators, for voluntary use by organizations in reporting their sustainability performance'.<sup>87</sup> We identified the following sub-categories.

*(b) Demonstration*

We considered how the company refers to sustainability and in what context. The data included in this sub-category constitutes general comments that are made by companies about sustainability and not more specific matters, the latter being included in other sub-categories.

*(c) Accountability Systems*

This is seen as an element of CSR and also it has been considered frequently in the context of sustainability.<sup>88</sup> If companies are more accountable then this provides an incentive for them to engage in more sustainable activity and to follow through with their goals and plans.<sup>89</sup> The assessment undertaken in this study seeks to identify accountability systems that have been devised that might help sustainability develop. This also covers transparency that is related to accountability, especially in corporate governance and transparency is an element of CSR and also it has been considered frequently in the context of sustainability.

*(d) Code of conduct/ key performance indicators /policies/ principles/guidelines*

The researchers sought to ascertain what, if any, code of conduct, key performance indicators, policies, principles or guidelines are set out in relation to fostering sustainability, and against which the company is to report.

*(e) Values base*

The study examined whether the unit of analysis discloses any value base or philosophical approach/policy as a foundation for the company's sustainability efforts?

*(f) Enlightened shareholder value*

Earlier we noted the fact that the UK legislature had embraced the notion of ESV. The study explored the unit of analysis to locate any consideration by the company of the notion.

## 2. Engagement

*(a) Generally*

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<sup>86</sup> Paolo Perego and Ans Kolk, 'Multinationals' Accountability on Sustainability' (2012) 110 *Journal of Business Ethics* 173, 174.

<sup>87</sup> Ibid.

<sup>88</sup> Charlotte Villiers, 'Directors' duties and the company's internal structures under the UK Companies Act 2006: obstacles for sustainable development' (2011) 8 *International and Comparative Corporate Law Journal* 47.

<sup>89</sup> Iles, above n 63, 290.

Engagement in the field of sustainability means having meaningful contact with the issues that pertain to sustainability and being involved in the process of developing sustainability.

(b) *Stakeholders*

In the sustainability literature there are many references to the need to address stakeholder requirements<sup>90</sup> and listening to such people can provide ideas relevant to the meaning of sustainability and what is to be considered as far as the business operations of the company are concerned.<sup>91</sup> Stakeholders can be a very wide classification. The primary stakeholders are usually seen as : shareholders, employees, creditors, customers, the local, national and even the international community, and the environment. The study seeks to ascertain what references to and discussion of stakeholders is contained in the unit of analysis as well as any mention of interaction with, and openness to, stakeholders. We considered how each of the primary stakeholders were referred to in the unit of analysis and this is manifested in the findings section of the paper.

(c) *Supply chains*

As foreshadowed earlier, as far as retailers are concerned supply chains are very important. How retailers deal with those people and organisations in the chain is critical for all concerned. The study seeks reference to and discussion of supply chains.

(d) *Monitoring and Compliance*

These are two related factors that feed into the issue of engagement. Companies need to be involved in monitoring what is being done and reported<sup>92</sup> to ensure that there is compliance with company principles and international guidelines as this is an important aspect of the carrying out of any policy. Monitoring involves seeing what is being done and compliance takes that further to see if what has been observed in fact complies with identified principles and/or policy. External organisations are increasingly being used in monitoring for compliance.<sup>93</sup> Kolk notes that some Japanese companies, such as Mitsui and Toyota, instructed an external law firm to staff a complaints desk.<sup>94</sup> The emergence of international standards, such as the GRI and the AccountAbility AA1000 Assurance Standard, which endeavour to promote greater sustainability practice and accountability, means that businesses are seeking to adhere to these<sup>95</sup> and they enable there to be benchmarking for compliance.

(e) *Verification/Assurance*

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<sup>90</sup> Searcy, above n 10, 239.

<sup>91</sup> Anderson and Skjoett-Larsen, above n 4.

<sup>92</sup> IFC, above n 3, 16.

<sup>93</sup> Suzanne Benn and Dexter Dunphy, 'Human and Ecological Factors : A Systemic Approach to Corporate Sustainability,' 102, <<http://citeseerx.ist.psu.edu/viewdoc/download;jsessionid=957C9D8BE2BE34821C1CAC10FBA5525F?doi=10.1.1.491.9262&rep=rep1&type=pdf>>.

<sup>94</sup> Ans Kolk, 'Sustainability, Accountability and Corporate Governance: Exploring Multinationals' Reporting Practices' (2008) 18 *Business Strategy and the Environment* 1, 9.

<sup>95</sup> Perego and Kolk, above n 86, 173.

In addition to compliance requirements, it is necessary, when sustainability undertakings of companies affect others and are being relied on by third parties there is a need to verify any statements made. Has the company in fact complied with applicable guidelines/policies? To be credible the verification should be effected by an independent and external body or person. Kolk records that the vast majority of statements of compliance with sustainability principles and policy is verified by accounting firms (especially the 'Big Four'), while other verifications are attended to by certification bodies, NGOs and consultants.<sup>96</sup> The G3 Guidelines developed by GRI, now superseded by the Sustainability Reporting Standards (GRI Standards), contain recommendations concerning the external assurance of company reports.

Clearly external and independent verification is intended to enhance the credibility of a company's reports in the eyes of stakeholders in particular and to avoid perceptions of greenwashing.<sup>97</sup>

### 3 *Integration and Planning*

#### *(a) Generally*

The literature suggests that for companies to be regarded as sustainable, companies need to interweave and integrate their sustainability initiatives in their strategy and business plan rather than having programmes that are administered separately from one another.<sup>98</sup> Connections should be made between sustainability and strategy<sup>99</sup> and it should be built into existing goals and targets.<sup>100</sup>

Sustainability has a major forward looking element to it, with activities focusing on the medium to long term<sup>101</sup> and futurity being seen as 'the handmaiden' of sustainability.<sup>102</sup>

#### *(b) Support and advice*

It would be appropriate and perhaps necessary in some cases for companies to seek support and advice from external bodies. For instance, Société Générale has sought opinions on its management of sustainability activities.<sup>103</sup> Therefore the intention was to see what, if any, indications are made concerning the seeing of support and/or advice from external sources.

#### *(c) Training*

The study examined whether and to what extent any training in sustainability and related issues for staff and others is provided.

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<sup>96</sup> Kolk, above n 94, 10.

<sup>97</sup> Parguel, Benoit-Moreau and Larceneux, above n 71.

<sup>98</sup> Paul Shrivastava, 'The role of corporations in achieving ecological sustainability' (1995) 20 *Academy of Management Review* 936.

<sup>99</sup> FEE, above n 9, 5 and 9.

<sup>100</sup> Searcy, above n 10, 240.

<sup>101</sup> Alice Klettner, 'The Governance of Sustainability' UTS, 2011  
<<https://www.uts.edu.au/sites/default/files/Catalyst.pdf>>.

<sup>102</sup> Basiago, above n 11, 110; Aras and Crowther, above n 13, 437.

<sup>103</sup> Kolk, above n 94, 11.

#### *(d) Embedding*

The sustainability literature indicates that it is critical that companies embed sustainability provision in their life and management, and thus we searched for any evidence of this.

#### *(e) Research*

In line with managing for the long term we examined what provision was made for research that takes into account sustainability.

### *4. Responsibility*

#### *(a) Generally*

This addresses the general notion of who has the responsibility for the creation and implementation of sustainable measures.<sup>104</sup> The extent to which the management of a company welcome or reject the trend of companies to integrate sustainability in their strategies and operations can determine whether a company is successful in becoming more sustainable.<sup>105</sup>

It can be argued that it is necessary to have the formulation of a committee that concentrates on sustainability and builds a framework for the integration of sustainability into the strategic planning that occurs at the board level.<sup>106</sup>

An important element of this is that there must be leadership at every level of the company.<sup>107</sup>

#### *(b) Framework*

Is there an explanation of any framework that has been established with sustainability in mind? This covered any provision for structure to enhance sustainability, such as the formulation of boards or committees and the roles that they play.

#### *(c) Leadership*

Consideration was given to who is involved in taking charge of adherence to sustainability principles applicable to the company, and whether there commitment to sustainability from those in leadership positions.

## IV FINDINGS AND ANALYSIS OF THE STUDY

### *A Disclosure*

#### *1 Demonstration*

All of the companies in the study went to considerable lengths to demonstrate their commitment to sustainability. Separate reports on sustainability were produced by all the

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<sup>104</sup> This may overlap with training.

<sup>105</sup> Thomas and Lamm, above n 1, 191.

<sup>106</sup> Klettner, above n 80.

<sup>107</sup> Morgan, Ryu and Mirvis, above n 7.

companies<sup>108</sup> but there was a variation in what the reports were called and considerable difference in the level of detail provided. For example, Kingfisher provides a very substantial sustainability report which has increased in length over time. Marks and Spencer's report on sustainability is known as Plan A and it produces a separate substantial human rights report as well. In comparison, the corporate responsibility report provided by Next was much shorter and less detailed.

Reference to the importance of sustainability was also a similarity among all the companies. Kingfisher states, 'Sustainability is at the core of our ambition and has been a key part of Kingfisher for many years now.'<sup>109</sup> Marks and Spencer's CEO mentions that 'to help build a sustainable society, supported by a sustainable economy, we need to engage all our stakeholders, especially customers. We need to create three big, bold engagement campaigns – on wellbeing, waste and community transformation – that they can really get behind.'<sup>110</sup> Similarly, Next states that its 'approach to corporate responsibility is to address key business-related social, ethical and environmental impacts in a way that aims to bring value to all our stakeholders.' It adds that the main focus is on continuous improvement.<sup>111</sup> Hence, all the companies acknowledged that a focus on sustainability is a significant part of how the companies are run.

## 2 Accountability Systems

All of the companies in the study attempted to demonstrate accountability in some way or another and to show a degree of accountability. They not only explained what they had done in terms of sustainability but also acknowledged their failures. Performance summaries outlining their successes and failures were provided. For example, Kingfisher devised its own milestones and reported on its progress in achieving those milestones. It states that :

Operating Companies and Group functions report progress against our targets to the Group once a year via our Foundations questionnaire. The results are reviewed by our operating company CEOs and senior directors at Group level. We publish an annual internal progress report which enables our senior leadership to track and compare performance across our companies. This is reviewed by the Group Sustainability Committee and communicated to all operating companies.<sup>112</sup>

This reflects that it constantly reviews its sustainability measures and contemplates on making improvements. It also admitted not attaining all of its sustainability goals and

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<sup>108</sup> See Kingfisher, *Kingfisher Sustainability Report 2016/17*, <[https://www.kingfisher.com/sustainability/files/reports/cr\\_report\\_2017/index.html#ref\\_sustainabilityreport](https://www.kingfisher.com/sustainability/files/reports/cr_report_2017/index.html#ref_sustainabilityreport)>; M&S, *M&S Plan A Report 2017*, <[http://planareport.marksandspencer.com/M&S\\_PlanAReport\\_2017\\_FullReport.pdf](http://planareport.marksandspencer.com/M&S_PlanAReport_2017_FullReport.pdf)>; Next, *Next Corporate Responsibility Report to January 2017*, page number, <<http://www.nextplc.co.uk/~media/Files/N/Next-PLC-V2/documents/cr-reports/cr-2017.pdf>>.

<sup>109</sup> Kingfisher Sustainability Report, above n 108, 5.

<sup>110</sup> M&S Plan A Report, above n 108, 1.

<sup>111</sup> Next Corporate Responsibility Report, above n 108, 2.

<sup>112</sup> Kingfisher Sustainability Report, above n 108, 12.

expressed intentions to perform better.<sup>113</sup> Similarly, Marks and Spencer reported on its progress against certain objectives and also identified areas where there was a need or scope for further improvement. Likewise, Next recognizes that certain human rights issues are a matter of concern in its supply chain but it remains committed to respecting human rights and continues to carry out due diligence processes which can uncover human rights issues in its supply chain.

### *3 Code of conduct/ key performance indicators /policies/ principles/guidelines*

All the retailers have their own Code of Conduct, Code of Ethics or Code of Practice that they adhere to or aim to adhere to. In addition to it, the various retailers also adopted certain international policies, principles and guidelines. They also mentioned adhering to the requirements under the Modern Slavery Act 2015. Marks and Spencer has its own Code of Ethics and an Anti-Bribery Policy.<sup>114</sup> It has also adopted the principles of the International Integrated Reporting Council's (IIRC) Integrated Reporting Framework.<sup>115</sup> Referring to other principles, it adds that :

We're committed to respecting internationally recognised human rights and the United Nations (UN) Guiding Principles on Business and Human Rights as a basis for dialogue and action. We also support the OECD Guidelines for Multinational Enterprises. Our Human Rights Policy is informed by the International Bill of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Human Right to Water and Sanitation and the Children's Rights and Business Principles. It was also informed by the UN Women's Empowerment Principles and the UN Global Compact, of which we are signatories. First introduced in 1998, our Global Sourcing Principles set out our minimum global supplier ethical and environmental standards. These standards are contractual and apply across our entire business.<sup>116</sup>

Kingfisher also has its own Code of Conduct and its approach to human rights is guided by international conventions and standards including the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. It is also a member of the UN Global Compact.<sup>117</sup> Lastly, Next also has its own Code of Practice<sup>118</sup> and makes references to various international guidelines such as the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles).<sup>119</sup>

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<sup>113</sup> Kingfisher Sustainability Report, above n 108, 5.

<sup>114</sup> M&S, *M&S Annual Report & Financial Statements 2017*, 36, <[http://annualreport.marksandspencer.com/M&S\\_AR2017.pdf](http://annualreport.marksandspencer.com/M&S_AR2017.pdf)>.

<sup>115</sup> M&S Plan A Report, above n 108, 14.

<sup>116</sup> M&S, *M&S Human Rights Report 2017*, 2, <[http://planareport.marksandspencer.com/M&S\\_Human\\_Rights\\_report\\_2017.pdf](http://planareport.marksandspencer.com/M&S_Human_Rights_report_2017.pdf)>.

<sup>117</sup> Kingfisher, *Kingfisher Annual Report & Accounts 2016/17*, 29, <<http://www.insightdiy.co.uk/articles/kingfisher-annual-report--accounts-20162017/932.htm>>.

<sup>118</sup> Next, *Next Annual Report and Accounts January 2017*, 32, <<http://www.nextplc.co.uk/~media/Files/N/Next-PLC-V2/documents/2017/Copy%20of%20WEBSITE%20FINAL%20PDF.pdf>>.

<sup>119</sup> *Ibid*, 37.

#### *4 Values Base*

Marks and Spencer is the only company that has clear values that it states is crucial to the way it operates. Its values of Inspiration, Innovation, Integrity and In Touch run through everything that is done in the company. It claims that 'this is a business that tries to do the right thing and this is demonstrated in many ways, from our Long Service Awards to helping disadvantaged people into work, to the charity support delivered through Plan A.'<sup>120</sup> Its values are core to way it uses the resources that are available to it.<sup>121</sup> These values influence the way it behaves and according to it, this is what makes the Marks and Spencer difference by 'making every moment special through the products and services we offer our customers in the UK and internationally.'<sup>122</sup>

Kingfisher does not specifically mention values as the basis on which it operates but it seems to be focused on the notion that a good home is a sustainable home. It states:

We believe that a good home is a sustainable home: one that is functional and evolves with family needs; is green outside and in; is resource and energy smart; clean and healthy to live in; durable in quality and style; coordinated to look good; and that provides the best economics possible. We want to help our customers create sustainable homes and to make our home – our business – sustainable too.<sup>123</sup>

Similarly, Next does not provide a specific set of values but, as mentioned earlier, its main goal seems to be to remain 'committed to the principles of responsible business by addressing key business related social, ethical and environmental matters in a way that aims to bring value to all our stakeholders.'<sup>124</sup>

#### *3 Enlightened shareholder value*

In general, all the companies failed to mention the concept of enlightened shareholder value specifically. However, Marks and Spencer refers to s 172 of the Companies Act 2006 in the Chairman's governance overview:

The tenets of Lord Sieff's words about the importance of considering a company's responsibilities to a broad stakeholder group, which I quoted earlier in the report and which pre-date by decades the s.172 directors' duties of the Companies Act 2006, have long been core to the M&S culture, values and decision-making.<sup>125</sup>

The Chairman mentions that considering a company's responsibilities to a broad stakeholder group has been a central part of Marks and Spencer's culture, values and

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<sup>120</sup> M&S Annual Report & Financial Statements, above n 114, 5.

<sup>121</sup> M&S Plan A Report, above n 108, 10.

<sup>122</sup> M&S Plan A Report, above n 108, 10.

<sup>123</sup> Kingfisher Sustainability Report, above n 108, 3.

<sup>124</sup> Next Corporate Responsibility Report, above n 108, 4.

<sup>125</sup> M&S Annual Report & Financial Statements, above n 114, 34.

decision making processes.<sup>126</sup> Kingfisher also states that ‘the Board’s primary responsibility is to promote the long-term success of the company and deliver sustainable shareholder value.’<sup>127</sup> Therefore, the ideas that the concept of enlightened shareholder value seeks to promote seem to be embedded in how the companies approach sustainability even though there is no specific mention of the concept itself or to how the duty under s 172 was fulfilled.

## *B Engagement*

### *1 Stakeholders*

The study showed that stakeholder engagement is important to all the retailers. All of the retailers identified the issues that affect their stakeholders and explained what is being done to address those concerns. For example, Marks and Spencer provides detailed information of its relations with stakeholders in its Plan A Report. The Report includes statements as to how it listens to stakeholders, what the stakeholders have said and then what it has done in response to the feedback. Next states: ‘Stakeholder Engagement is important to us, both formally through meetings and informally through requests for information and monitoring emerging issues.’<sup>128</sup> It explains that the board needs to understand and properly manage strategic risk, taking into account specific retail sector risk, in order to deliver long term growth for the benefit of Next’s stakeholders.<sup>129</sup>

The retailers also identified their key stakeholders. For instance, Kingfisher states that ‘our stakeholders include our customers, investors, people, suppliers and regulators as well as NGOs, the media and other organisations working on sustainability and business issues’.<sup>130</sup> It also recognised the importance of shareholders.<sup>131</sup> Now, the key stakeholders mentioned by all the retailers are discussed one by one.

#### *(a) Shareholders*

Kingfisher recognizes the importance of engaging with its shareholders and elaborates on the methods used to do so.

Kingfisher and the Board acknowledge the importance of having effective and regular lines of communication with both existing and potential shareholders. These engagements take a variety of forms and include capital markets events, presentations, road shows in Europe, North America and Asia, conferences, store and operational facility visits. Alongside the Investor Relations team, relations involve the Chief Executive Officer, Chief Financial Officer and other members of the Group Executive. In total, around 500 meetings were undertaken last year. Meetings with the Chairman, Senior Independent Director

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<sup>126</sup> M&S Annual Report & Financial Statements, above n 114, 34.

<sup>127</sup> Kingfisher Annual Reports & Accounts, above n 117, 56.

<sup>128</sup> Next Corporate Responsibility Report, above n 108, 6.

<sup>129</sup> Next Annual Reports & Accounts, above n 118, 31.

<sup>130</sup> Kingfisher Sustainability Report, above n 108, 12.

<sup>131</sup> Kingfisher Annual Reports & Accounts, above n 117, 52.

and other Board directors (e.g. with the Chair of the Remuneration Committee) are also offered to our major shareholders each year.<sup>132</sup>

Marks and Spencer also mentions that it has worked to increase engagement with its shareholders. Over the past six years, it has engaged with its major institutional shareholders to ensure as much transparency as possible. Through its Shareholder Panel, it states that it engages with its private shareholders in an unparalleled way.<sup>133</sup>

#### *(b) Employees*

The importance of their employees in the success of their business is acknowledged by all of the retailers. Employees are clearly a very significant stakeholder group. For instance, Next states that 'Next's employees are integral to achieving its business objectives. Next strives to create an environment to help to attract and retain the right people to work at every level. Next has established policies for recruitment, training and development of personnel and is committed to achieving excellence in health, safety, welfare and the protection of employees and their working environment.'<sup>134</sup> Kingfisher acknowledges the importance of investing in its employees by stating:

We're always looking for ways to improve how we operate as a business, and we know that it's our people who really make the difference. They're curious and diverse individuals motivated by excellence – and it's their commitment and drive that shape who we are. By investing in our people's progression and development, together we can build a stronger business for the future.<sup>135</sup>

Marks and Spencer had significant engagement with its employees as well. It ensures the involvement of its employees throughout the business by keeping them well informed about the performance and strategy of the company via personal briefings, regular meetings, emails and broadcasts by the CEO and members of the board.<sup>136</sup>

#### *(c) Customers*

This is another stakeholder group that is extremely important for all the retailers, as one might expect. Kingfisher mention that they think of customer needs first.<sup>137</sup> Marks and Spencer takes a similar approach and says that customers are put at the heart of everything that they do.<sup>138</sup> Next explains that:

maintaining good relationships with our customers, who are demanding better value for money with no compromise on the product choice, quality and service continues to be a key priority for the business. Customers contact us to resolve

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<sup>132</sup> Kingfisher Annual Reports & Accounts, above n 117, 59.

<sup>133</sup> M&S Annual Report & Financial Statements, above n 114, 5.

<sup>134</sup> Next Annual Reports & Accounts, above n 118, 36.

<sup>135</sup> Kingfisher Sustainability Report, above n 108, 44.

<sup>136</sup> M&S Annual Report & Financial Statements, above n 114, 81.

<sup>137</sup> Kingfisher Annual Reports & Accounts, above n 117, 6.

<sup>138</sup> M&S Annual Report & Financial Statements, above n 114, 6.

enquiries and issues in relation to our products, operations, policies or the service we provide and we believe that we have robust procedures in place to monitor, evaluate and respond to customer feedback where necessary.<sup>139</sup>

#### *(d) Community*

All of the retailers are committed to remaining engaged with local communities. Some information is also provided on interaction with communities in other parts of the world in which the companies have operations. For example, Marks and Spencer mentions that ‘In 2015, we launched our Global Community Programme, to help people in key regions of the world where we source M&S products. We’ve helped more than 130,000 people through the programme so far and in addition, provided training about employee responsibilities and rights, health care, numeracy and literacy to more than 890,000 people.’<sup>140</sup>

#### *(e) Environment*

Detailed information on the impact on environment and progress made in that regard is provided by all the retailers. Topics include carbon emission, waste reduction, energy usage.<sup>141</sup> The retailers recognise that they have a responsibility to manage the impact its business has on the environment both now and in the future.<sup>142</sup> For example, Next states that it ‘has a current and future responsibility to work to reduce the direct impact of its business operations on the natural environment. Our priority is to minimise our environmental impacts by reducing the carbon intensity of our activities and the natural resources we use.’<sup>143</sup>

#### *(f) Supply chains*

Lastly, suppliers are a crucial stakeholder group when it comes to sustainability as there are major concerns regarding human rights violations in supply chains. All the retailers provided detailed information on their supply chains and engagement with their suppliers. Kingfisher has conducted workshops to communicate to their suppliers what are their sustainability requirements.<sup>144</sup> It even has a whistleblowing service whereby suppliers can report any breaches of Kingfisher’s policies.<sup>145</sup> The company’s buying offices train relevant employees on ethical sourcing and workshops are conducted for suppliers on its ethical and environmental requirements.<sup>146</sup> Marks and Spencer also believes that a strong, ethical supply chain is vital to creating sustainable value.<sup>147</sup> In 2016, it published an interactive map online that provided details of all of its clothing, accessories and footwear suppliers.<sup>148</sup> In 2016, it also issued a revised Supply Chain Grievance Policy that explains the mediums

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<sup>139</sup> Next Corporate Responsibility Report, above n 108, 14.

<sup>140</sup> M&S Plan A Report, above n 108, 7.

<sup>141</sup> For example, see M&S Plan A Report, above n 108, 17-23.

<sup>142</sup> Next Annual Reports & Accounts, above n 118, 38.

<sup>143</sup> Next Corporate Responsibility Report, above n 108, 4.

<sup>144</sup> Kingfisher Sustainability Report, above n 108, 36.

<sup>145</sup> Ibid, 57.

<sup>146</sup> Ibid.

<sup>147</sup> M&S Annual Report & Financial Statements, above n 114, 13.

<sup>148</sup> Ibid, 7.

through which individuals and communities who may be adversely impacted by its operations can raise complaints or concerns.<sup>149</sup>

Information on auditing of the suppliers of the retailers are included by all them as well. Marks and Spencer has monitored the factories of its suppliers to make sure that they comply with the Global Sourcing Principles and it conducts audits of the factories of suppliers and will continue to do so on an unannounced basis.<sup>150</sup> In the same way, Next has audited 90 per cent of its suppliers' factories.<sup>151</sup> In 2016, it even disengaged with 41 factories that failed or refused to satisfactorily rectify their major non-compliance issues with its Code.<sup>152</sup>

## *2 Monitoring and Compliance*

Accounts of monitoring and compliance with both internal and external standards were given by the retailers. For example, Marks and Spencer has assessed its performance against GRI standards<sup>153</sup> and indicated in its Plan A report where it deals with the UN Global Compact.<sup>154</sup> References were also made in the report to where the UN Sustainable Development Goals are addressed.<sup>155</sup>

Kingfisher has a sustainability committee that monitors progress against targets and reviews risks and opportunities.<sup>156</sup> It states:

Operating companies and Group functions report progress against our targets to the Group once a year via our Foundations questionnaire. The results are reviewed by our operating company CEOs and senior directors at Group level. We publish an annual internal progress report which enables our senior leadership to track and compare performance across our companies. This is reviewed by the Group Sustainability Committee and communicated to all operating companies.<sup>157</sup>

Throughout its Plan A Report, Marks and Spencer provided information on audits conducted and its monitoring processes. It claims to have established overarching governance of processes through Plan A leadership.<sup>158</sup> Next also mentions that it believes in the growing experience of a team which carries out hundreds of audits every year.<sup>159</sup> It emphasizes the importance of this auditing process as a vital due diligence tool in regard to its suppliers.<sup>160</sup>

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<sup>149</sup> M&S Human Rights Report, above n 116, 13.

<sup>150</sup> Ibid, 15.

<sup>151</sup> Next Corporate Responsibility Report, above n 108, 5.

<sup>152</sup> Ibid, 12.

<sup>153</sup> M&S Plan A Report, above n 108, 42.

<sup>154</sup> Ibid, 43.

<sup>155</sup> Ibid, 44.

<sup>156</sup> Kingfisher Sustainability Report, above n 108, 11.

<sup>157</sup> Kingfisher Sustainability Report, above n 108, 12.

<sup>158</sup> M&S Annual Report & Financial Statements, above n 114, 32.

<sup>159</sup> Next Corporate Responsibility Report, above n 108, 9.

<sup>160</sup> Ibid, 12.

#### *4 Verification/Assurance*

The retailers have provided information on independent and external bodies or individuals that verified the statements that have been made by the companies. Both Kingfisher's and Marks and Spencer's sustainability performance is assessed by Forum for the Future. In addition, many aspects of Kingfisher's business have been verified by Deloitte, the large accounting firm. Examples include consumption of energy<sup>161</sup>, the sourcing of wood sustainably<sup>162</sup>, carbon footprint detail, employee diversity, health and safety of employees, suppliers, and reducing waste.<sup>163</sup> Kingfisher also added:

We have robust governance processes in place to ensure the completeness, accuracy and reliability of our sustainability performance data. These include the use of in-house and third-party experts to review data and qualitative statements included in our Annual Report and sustainability reporting. For example, sustainability experts Bioregional coordinate our head office data review process for sustainability and review our data and monitor our progress on sustainable home product innovation. Our timber data is reviewed by Efeca, an independent consultancy.<sup>164</sup>

In relation to Marks and Spencer, the independent assurance system regarding sustainability work was provided by DNV GL Business Assurance Services UK Limited. So it provided some assurance of the accuracy of the Plan A report.<sup>165</sup> The elements of Next's corporate responsibility are assured by the large accounting firm, PwC<sup>166</sup> and a detailed assurance statement is set out in the Corporate Responsibility Report.<sup>167</sup> The assurance relates to only a small number of matters, but it is significant data.

In addition, the retailers also mentioned the various awards won for sustainability efforts. Marks and Spencer performance has been recognised by over 240 awards ever since it launched Plan A in 2007.<sup>168</sup> Kingfisher has also received a number of awards in recognition of its work such as FTSE Executive Women Award at Business in the Community's Gender Equality Awards.<sup>169</sup> It was also one of just 35 companies in the world to receive the 2016 Gallup Great Workplace Award.<sup>170</sup>

#### *C Integration and Planning*

##### *1 Support and advice*

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<sup>161</sup> Kingfisher Sustainability Report, above n 108, 27.

<sup>162</sup> Ibid, 35.

<sup>163</sup> Ibid, 28.

<sup>164</sup> Ibid, 74.

<sup>165</sup> M&S Plan A Report, above n 108, 44-6.

<sup>166</sup> Next Corporate Responsibility Report, above n 108, 2.

<sup>167</sup> Ibid, 25-6.

<sup>168</sup> M&S Plan A Report, above n 108, 40-1.

<sup>169</sup> Kingfisher Sustainability Report, above n 108, 51.

<sup>170</sup> Ibid.

The retailers mentioned consulting or collaborating with other bodies for support and advice. Examples include Marks and Spencer working in collaboration with the Consumer Goods Forum in order to develop HFC free gases which could be retrofitted into existing equipment.<sup>171</sup> It also works in partnership with stakeholders such as WWF, Greenpeace, Sustainable Apparel Coalition and Zero Discharges of Hazardous Chemicals group.<sup>172</sup> In addition, it is also involved with:

many initiatives such as Clearview, Fast Forward, Verité and the Gangmasters and Labour Abuse Authority (GLAA) to refine the audit model so that it is more sensitive to human rights issues, and trialling other methods of deep listening and diagnosis and We use external data sets, for example those from the World Bank, ITUC, World Economic Forum, and the Gender Equality Index, to understand human rights risks by geography.<sup>173</sup>

Kingfisher also consults with a wide range of groups. For example, it has developed Sustainable Home Product Guidelines with the assistance of Bioregional, sustainability experts.<sup>174</sup> Next recognizes the importance of working with others in order to make improvements in its supply chains. It states that:

it is important and valuable to work with others to develop solutions for some of the more complex and systemic problems found within global supply chains. We believe that by maintaining strong direct relationships and undertaking collaborative work through sharing information and resources with other retailers, brands, trade unions and NGOs we are all able to work together in partnership to deliver real benefits to workers in our supply chains.<sup>175</sup>

## *2. Training*

Both Kingfisher and Marks and Spencer provide numerous examples of training their staff in regard to sustainability issues. Kingfisher states:

We invest in helping our people to build their sustainability knowledge and to share information and ideas. Sustainability is part of induction training at five of our operating companies and we run more detailed training for relevant employees in key areas. For example, we train our product teams on our Sustainable Home Product Guidelines. We make sure our leadership have the knowledge and skills to lead on sustainability. For example, during 2016/17, 35 senior employees in the business completed courses by the University of Cambridge Institute for Sustainability Leadership.<sup>176</sup>

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<sup>171</sup> M&S Plan A Report, above n 108, 18.

<sup>172</sup> Ibid, 32.

<sup>173</sup> M&S Human Rights Report, above n 116, 9.

<sup>174</sup> Kingfisher Sustainability Report, above n 108, 77.

<sup>175</sup> Next Annual Reports & Accounts, above n 118, 13.

<sup>176</sup> Kingfisher Sustainability Report, above n 108, 12.

It invests in training and development for its employees at every stage of their career.<sup>177</sup> In the same manner, Marks and Spencer provides human rights training for all members of the Plan A committee.<sup>178</sup> It also noted that by 2020 it will have developed employees' capacity to deliver Plan A locally in overseas countries where it has stores, using India as a pilot location.<sup>179</sup>

In comparison to Kingfisher and Marks and Spencer, fewer examples were provided by Next. Nonetheless, it stated that all of its new product team members have to attend its ethical training programme when joining Next. This programme and some other presentations aim to raise awareness and understanding of ethical issues, current risks and reinforces the impact buying decisions can have on suppliers.<sup>180</sup>

### *3. Embedding*

Countless examples of what is being done to embed sustainability in their businesses are provided by the retailers. They clearly acknowledge that it is critical to ensure embedding of sustainability measures in the corporate operations. Marks and Spencer is embedding sustainability through its Plan A strategy. It was launched in January 2007, to address the main environmental, social and ethical challenges they face. Now, after ten years, Plan A continues to lead the sustainable business agenda.<sup>181</sup> It claims that by 2017 it will 'ensure knowledge of Plan A is embedded across our international business through providing a range of materials and forms of communication including, newsletters and conferences.'<sup>182</sup>

Kingfisher also claims that it has made considerable progress in embedding sustainability in its business. In doing so, it has reached many important milestones 'in areas such as sales of sustainable home products, responsible sourcing of wood and paper, saving energy for customers and reducing energy use in our business'<sup>183</sup> It mentions that 'one of the most important things we've learnt over the last four years, is the need for an integrated approach, embedding sustainability in our products and services and in the way we work so it becomes natural and easy for our colleagues and customers.'<sup>184</sup> It has developed a programme called Net Positive, which is a long-term plan to create positive change in its business and in the world. It claims that this programme demonstrates their ambition to be a company that is truly sustainable and make sustainable homes both desirable and achievable for its customers.<sup>185</sup>

### *4. Research*

Information on research carried out to improve sustainability measures was provided by all of the companies. Next mentioned that 'We held a workshop with senior subject matter

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<sup>177</sup> Kingfisher Sustainability Report, above n 108, 50.

<sup>178</sup> M&S Human Rights Report, above n 116, 13.

<sup>179</sup> M&S Plan A Report, above n 108, 26.

<sup>180</sup> Next Annual Reports & Accounts, above n 118, 13.

<sup>181</sup> M&S Annual Report & Financial Statements, above n 114, 3.

<sup>182</sup> Ibid, 26.

<sup>183</sup> Kingfisher Sustainability Report, above n 108, 9.

<sup>184</sup> Ibid.

<sup>185</sup> Kingfisher Sustainability Report, above n 108, 8.

experts from across the business to complete a high-level materiality framework based on their knowledge of external stakeholders and oversight of Next's operations.<sup>186</sup> Kingfisher carried out research to enhance its understanding of customer attitudes to sustainability and in order to ensure it knows what really matters to customers.<sup>187</sup> Marks and Spencer also conducted interviews of 700,000 customers to ascertain their needs.<sup>188</sup> Furthermore it commissioned research to better understand the carbon footprint of its multi-channel retail operations in the UK and internationally by 2016 and it used the findings to make a plan to improve its overall carbon efficiency by 2020.<sup>189</sup> The company conducted very thorough research to gain insights on human rights data and trends.

## *D Responsibility*

### *1. Framework*

The companies have established frameworks with sustainability in mind. For example, Marks and Spencer has a leadership framework with several committees in place to address human rights issues. It also has a Sustainable Retail Advisory Board and a Human Rights Stakeholder Advisory Group.<sup>190</sup> Next has a Risk Management and Internal Controls framework that is embedded throughout the its business and 'this process ensures that all corporate responsibility risks throughout the business are captured, considered and resolved as appropriate.'<sup>191</sup> Lastly, Kingfisher has a sustainability lead in every operating company and sustainability teams in its largest markets. They report to a director or board member who is responsible for delivering its strategy. There is a monthly forum, the Kingfisher Sustainability Network, for its sustainability experts. There is an online Kingfisher Exchange which assists its colleagues in its sustainability, retail operations, health and safety and customer insight teams to share best practices.<sup>192</sup>

### *2. Leadership*

All of the companies provide information on the individuals or teams responsible for overseeing sustainability matters. Next reports:

Corporate responsibility matters are reported by the Corporate Responsibility Manager to the Group Finance Director who has responsibility for all corporate responsibility matters, including human rights and modern slavery. Regular updates are provided to the Audit Committee. In addition, the Global Code of Practice Manager provides monthly updates to the Product teams and seasonally to the Audit Committee, reporting on the performance of our global supply chain to our Code of Practice Principle Standards.<sup>193</sup>

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<sup>186</sup> Next Annual Reports & Accounts, above n 118, 7.

<sup>187</sup> Kingfisher Annual Reports & Accounts, above n 117, 28.

<sup>188</sup> M&S Annual Report & Financial Statements, above n 114, 8.

<sup>189</sup> M&S Plan A Report, above n 108, 18.

<sup>190</sup> M&S Human Rights Report, above n 116, 12.

<sup>191</sup> Next Corporate Responsibility Report, above n 108, 7.

<sup>192</sup> Kingfisher Annual Reports & Accounts, above n 117, 11.

<sup>193</sup> Next Corporate Responsibility Report, above n 108, 7.

In elaborating on the strong governance processes that are established to integrate sustainability into every aspect of its business, Kingfisher also discusses the role of leadership that comes from the very top. It states that :

sustainability, as a pillar of the ONE Kingfisher business strategy, is the responsibility of our Chief Executive Officer. This responsibility is discharged to our Chief Customer Officer, who is a member of our leadership team and reports directly to our CEO. He is responsible for integrating sustainability across the whole business.<sup>194</sup>

This indicates that integrating sustainability in the business is not something that is just left to the sustainability committees. It is seriously considered by the top leadership of the company.

Likewise, Marks and Spencer acknowledges the importance of its previous and current leadership in implementing Plan A:

Firstly and unsurprisingly, the role played by successive M&S CEOs. Lord Rose, who recognised the need for change and kick started the whole journey. Marc Bolland, who picked up the baton from Lord Rose and put us at the heart of national and global coalitions for change. And of course, our present CEO, Steve Rowe, who has been remorseless in his desire to build a plan that's both relevant at an emotional and intellectual level to all of our customers and employees, as well as transformational in building a truly sustainable M&S.<sup>195</sup>

It also mentions that its Director of Sustainable Business oversees the implementation, budget management and co-ordination of Plan A.<sup>196</sup>

## V LIMITATIONS OF THE STUDY

As we noted at the beginning of the paper, the study that is discussed here was a pilot study which was designed to be a basis for the formulation of a much broader study involving a far wider sample of companies. The study is narrow in that it only encompasses three companies. While restricting our consideration to retail companies may provide a significant understanding of the position of sustainability in this sector of industry, it also means, on the negative side, that it limits the generalisability of the findings. This tends to be a limitation with most studies where a sample is taken. It cannot be representative of UK companies as a whole or even UK retailers as a group.<sup>197</sup>

What our study cannot tell us is how stakeholders perceive the information that is provided. Also the information might be under-selling the amount of sustainability that is being initiated for two reasons. First, executives are concerned that there might be a stakeholder

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<sup>194</sup> Kingfisher Sustainability Report, above n 108, 11.

<sup>195</sup> M&S Plan A Report, above n 108, 8.

<sup>196</sup> Ibid, 36.

<sup>197</sup> Gray, Kouhy and Lavers, n 54

backlash if they see what the company is saying is self-serving.<sup>198</sup> Second, executives might be concerned that the shareholders will take the view that the company is engaging in too much sustainability and that it is leading to fewer profits from which dividends can be paid. After all shareholder value is still regarded as important by many companies.

It is not possible to determine the sincerity of companies' involvement in devising sustainability strategies; some might argue that some companies are engaged in some sustainability in order to assuage the demands of some stakeholders or government bodies.<sup>199</sup>

It is always possible that the companies are not acting in accordance with what they have said that they have done, although the verification that has been conducted seems to be solid and it would be hoped that that the verification process would have found any incorrect statements or a set of inaccuracies. What a company states about its operations might simply be a reflection of to what it aspires or what it believes the markets expects rather than how it really operates. This is a limitation recognised in other studies when using this kind of data,<sup>200</sup> although it has not been suggested that its use is without merit.

## VI CONCLUSION

What we are finding is that the retail companies whose affairs were examined have moved into the last stage of what Dunphy called the 'sustainability phase model,' namely companies are engaged in re-designing their strategies in order to address those things that are at the root of unsustainability.<sup>201</sup> Companies have gone beyond fostering sustainability for the competitive benefits that it might produce for them and it has become more of an ideological commitment to sustainability.<sup>202</sup> All the companies attempted to address the three commonly accepted elements of sustainability (the economic, the environmental and the social) along with the wider range of issues that have become part of sustainability over the years.

Our study is not able to determine definitively if the companies examined have embedded sustainability into their processes but there are indications that they have to some reasonable degree. Particularly, the examined companies have demonstrated efforts to integrate sustainability in strategies and business plans. We have identified some mechanisms which companies are using to enable them to go some way to embedding and there was evidence of steps being taken to embed sustainability into existing goals and targets.

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<sup>198</sup> Peloza, n 33, 88.

<sup>199</sup> Jones et al, n 56.

<sup>200</sup> For example, see Klettner, Clarke and Boersma, n 34.

<sup>201</sup> Dexter Dunphy, Andrew Griffiths and Suzanne Benn, *Organizational change for corporate sustainability* (Routledge, 2<sup>nd</sup> ed, 2007).

<sup>202</sup> Dunphy, above n 12, 6.

During the 1990s UK retailers were criticised for failing to address their environmental and social impacts.<sup>203</sup> This small study suggests that the companies examined have gone some way to deal with this concern, and they are, as we have demonstrated, prepared plans to go further. The fact is that retailers face a number of challenges in addressing sustainability, such as: determining what sustainability means and on which matters they need to focus, understanding environmental issues that relate to the actions of their suppliers, obtaining information concerning what those both upstream and downstream are doing, what systems can be introduced to monitor, certify and verify their sustainability impact, and how do they evaluate whether they are achieving benefits in sustainability terms. It was interesting to see that the retailers acknowledged some of challenges faced. The companies identified areas where there was need and scope for further improvement. One of the retailers even clearly admitted that it failed to achieve all of its sustainability goals and claimed that it aims to perform better in the future.<sup>204</sup> To a certain extent this also shows that the companies do not see sustainability as mere 'window-dressing' but are taking substantive actions to integrate sustainability in how the companies are run. There was a willingness to communicate the actions being taken to integrate sustainability into business plans and the results of those actions to their stakeholders.

To achieving sustainability is an ongoing process and businesses can never say that they have totally achieved it, but we have seen promising indications from the businesses the subject of this study.

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<sup>203</sup> Hugh Raven, Tim Lang, and Caroline Dumonteil, *Off Our Trolleys? Food Retailing and the Hypermarkets* (IPPR, 1995).

<sup>204</sup> Kingfisher Sustainability Report, above n 108, 5.