SUSTAINABILITY REPORTING IN THE RETAIL SECTOR OF SOUTH AFRICA

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ABSTRACT

This research analysed the sustainability reports of six retail companies that are listed companies in South Africa and part of the FTSE/JSE Responsible Investment Index. A sustainability report provides internal and external stakeholders with an overview of the economic, environmental and social dimensions of the company.

The 2030 Agenda for Sustainable Development covers a wide range of interrelated global goals, including poverty eradication, economic growth, social inclusion, environmental sustainability and peace for all by 2030. The 17 United Nations Sustainable Development Goals (UNSDG) include universal goals aiming to promote more inclusive societies, fight inequalities and recognise the importance of cooperation and partnerships in pursuit of sustainable development along with human development.

A content analysis schedule was developed to provide the basis for the information to be extracted from the sustainability reports. Three categories, namely, biographical information, reporting format and the theoretical framework were included in the schedule.

The results show that of the six companies that operated in the retail sector, 67% mainly operated in South Africa. Only 49% of the companies used Sustainability Reports while 17% used Annual Integrated Reports, Abridged Integrated Reports as well as Sustainability Living Reports, respectively. The majority (or 67%) of the companies used recognised frameworks and legislation as their guiding framework in developing their reports, for example the Global Reporting Initiative (GRI) Framework, King IV (2016) Edition, South African Companies Act 71 of 2008, the UNSDG and Broad-Based Black Economic Empowerment (B-BBEE).

The majority of the sustainability reports focussed on social issues while governance issues are sparsely reported on. As companies emerged from the global COVID19 pandemic, the retail sector is growing at levels not seen in twenty years and retailers

can be the frontrunners to achieve the stated sustainability goals. Some important trends are also evident from the results and include the need for a regulator for sustainability reporting and the standardisation of sustainability report content in South Africa.

INTRODUCTION

Listed companies are expected to compile sustainability reports to reflect their performance on issues pertaining to sustainable development. Powell (2016:2), further emphasizes that listed companies are expected to provide internal and external stakeholders with an overview of the corporate position and activities on economic, environment and social dimensions. However, it has been noted that despite the expectation for companies to have sustainability reports, there are no stipulations in place which clearly guide companies on the content of sustainability reports (Jebe 2017). Driven by a lack of stipulations and guidelines on sustainability reporting content, there is a need to know what comprises the content of sustainability reports compiled by listed South African companies.

One of the main purposes of sustainability reporting is to ensure sustainable development, particularly in developing countries. This paper will examine the sustainability reports of listed retail companies in South Africa to investigate the contents of the sustainability reports.

BRIEF LITERATURE OVERVIEW AND THEORETICAL FRAMEWORK

The 2030 Agenda for Sustainable Development covers a wide range of interrelated goals, including poverty eradication, economic growth, social inclusion, environmental sustainability and peace for all by 2030 (El-Jardali *et al.*, 2018). The United Nations 17 Sustainable Development Goals (SDGs) outline targets within various economic sectors. Garcia *et al.* (2017) describe the SDGs as universal goals aiming to promote more inclusive societies, fighting inequalities and recognising the importance of cooperation and partnerships in pursuit of sustainable development along with human development.

The SDGs are an outcome of the Rio20 Summit held in Brazil in 2012 and replace the previous millennium development goals (MDGs). The Rio20 outcome document *The Future We Want*, highlights the need for a post-2015 Agenda with economic, social and environmental objectives, which are balanced and integrated and which encourages the participation of all stakeholders (UNESCO, 2017).

The MDGs were criticised for advocating for a development model wherein developing countries depend on funding from developed countries and lines of credit, which is not sustainable as funding disadvantages developing economies (Kumar *et al.*, 2016). It is against this background that the SDGs were adopted as a set of goals that are broader and relevant to all countries.

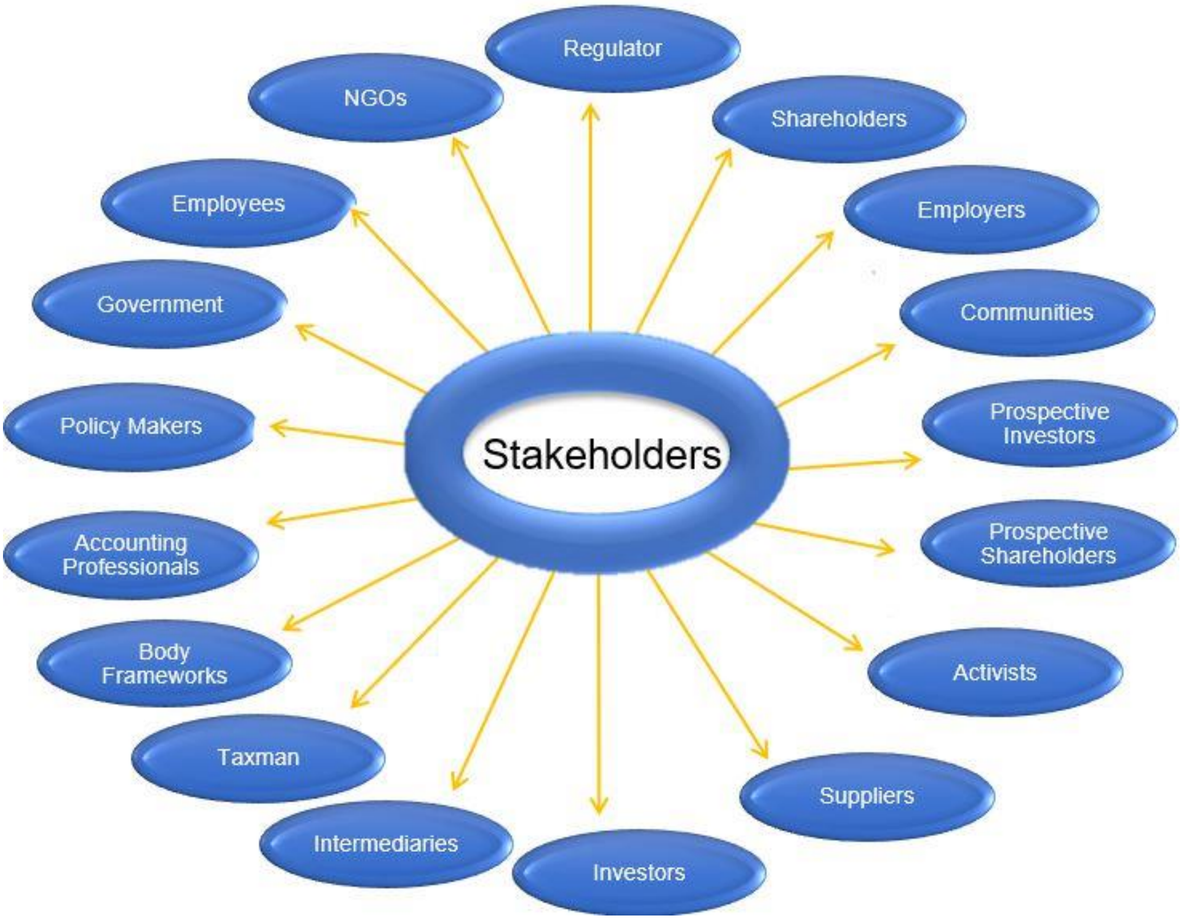
According to Jebe (2017:38), sustainability reporting has no regulator in South Africa. This implies that there is no statutory body that determines what information companies should disclose in their sustainability reporting. Rather, only suggestions are given as to what the content of sustainability reporting should include. As a result, this leads to inconsistency in the content of sustainability reports of listed companies. Conversely, it is worth noting that the guidelines from the Global Reporting Initiative (GRI) and International Integrated Reporting Council (IIRC) on sustainability reporting frameworks provide direction on what can be made available in a company’s reports.

Clarification of concepts

The Global Reporting Initiative (2011:3) states that sustainability reporting is regarded as the practice of measuring, disclosing, and being accountable to internal and external stakeholders for organisational performance towards the goal of sustainable development. This means that a company is not operating in isolation of its external stakeholders irrespective of the economic value they add in the company on a short- or long-term basis as most companies focus on what they benefit from the community. All the stakeholders of a company are important to a company for its existence and continuity. Therefore, company operations are observed and monitored by all the stakeholders and the company must be accountable for its activities. This is supported by Groenewald and Powell (2016:2) when they define sustainability reports as *“public reports by companies to provide internal and external stakeholders with an overview of the corporate position and activities on economic, environmental and social dimensions”* of a company.

This means that internal and external stakeholders are indeed crucial to the success or failure of a company. Companies, therefore, should disclose their operations to all stakeholders. It is of utmost importance that companies are aware of the fact that external stakeholders have an influence on the companies, and, unfortunately, the company cannot control them. Companies must be vigilant as the pressure exerted by external stakeholders may not be felt in the short run although it may result in severe financial hurdles in the future. Figure 1 depicts the stakeholders of a company.

Figure 1: Stakeholders of a company



Source: Own Compilation

Figure 1 shows examples of stakeholders that a company directly and or indirectly interacts with in its operations.

It is important that when reports are published, both the shareholders and the stakeholders are accommodated, leaving each party informed about the activities that take place in the company. This ensures that stakeholders feel recognised and acknowledged. This is particularly important for external stakeholders and confirms the company's commitment to the principle of transparency, which is one of the pillars of good governance.

Sustainability reporting is at the forefront to equip companies from getting into financial losses owing to ignorance of the communities in which they operate. Sustainability reports emphasise that companies must highlight the role they play in promoting social, economic, and environmental upliftment. According to the Global Reporting Initiative (GRI) (2011), in terms of social performance, a company should focus at least on labour practices, human rights, society and product responsibility. Economically, the focus must be on pricing, economic performance, market presence as well as indirect economic impact.

Lastly, regarding environmental issues, a company should focus on materials, energy and water usage, biodiversity, emissions, effluents and waste as well as suppliers and transport. Reporting on these issues supplements and compliments the financial reports of companies. Companies must try to find a way of understanding the importance of sustainability reporting and cascade this from the top to the bottom of the company. This means that from the level of strategy through to every level of employee rank, the value of sustainability reporting must be communicated and and understood as core to the essence of the company's existence. (Groenewald & Powell 2016)

Although Kiyanga *et al.* (2016:43) concur with Groenewald and Powell (2016) in their definition of sustainability reporting, they bring another dimension. Kiyanga *et al.* (2016) include in their definition, the issue of corporate governance as one of the fundamentals of sustainability reporting. Through corporate governance, the critical issues of transparency, fairness, accountability, and ethical standards are ensured. Kiyanga *et al.* (2016) also show that there is a critical role that is played by all stakeholders that are directly, partly or indirectly affected by the activities of the company. Some of the stakeholders may at reporting time be indirectly involved while they can be the shareholder in the same company in the future. Kiyanga *et al.* (2016:44) further suggest that non-financial information is of equal importance as financial information.

Furthermore, Searcy and Elkhawas (2012:80) add the benefits of companies complying with the prescriptions of sustainability reporting. They argue that it is imperative for companies to track sustainable development initiatives. This includes enhancement of the ability to track progress against set targets and objectives as well as development of awareness of broad environmental issues. Searcy and Elkhawas (2012:80) further state that compliance and governance lead to the enhancement of the company's reputation, identification of cost efficiencies, improvement of staff morale and transparency within the company is improved.

Similarly, Groenewald and Powell (2016:2) define sustainable reports as *"public reports by companies to provide internal and external stakeholders with an overview of the corporate position and activities on economic, environment and social dimensions"* of the company. From these definitions, it is apparent that one of the focal points of sustainability reporting is accounting to "*internal and external stakeholders*". Also important in sustainability reporting is the need for companies to account regarding their economic, environment and social activities.

Theoretical framework

According to Esty and Winston (2009:33), *"companies realise that the ruthless depletion of natural resources and the exploitation of communities in which they operate and through which they generate their revenues will result in negative sentiment with shareholders that may even lead to their demise"*. The critical issue of "depletion of natural resources" as well as "exploitation of communities" by companies necessitates the need for sustainability reporting, which meets the prescriptions and guidelines of a well-established regulator. In summary, sustainability reporting and a regulating body will ensure that natural resources and members of communities are protected from exploitation, and this will also ensure that environmental degradation is prevented.

The Brundtland Report (1987) emphasises that "*companies can no longer only focus on achieving financial gain without taking into consideration the effect this has on the environment and the people".* The issues that are of importance to sustainability reporting include social, economic, environmental and governance issues. Table 1 outlines a summary of the theoretical framework in this study.

Table 1: Proposed theoretical framework of the study

Social issues	Economic issues	Environmental issues	Governance issues
Issues that promote the well-being of humans	Issues that promote economic freedom and empowerment of all the stakeholders	Issues that promote awareness, protection and maintenance of the environment for sustainability	Issues that are planned to enhance and promote good governance

Source: Own compilation

The aspects outlined in table 1 are discussed in the following paragraphs.

a) Social issues in a company

Social issues involve stakeholders of the company that are directly or indirectly affected by the company's existence. According to Kiyanga *et al.* (2016:45), "*a firm's stakeholders are all those with whom the company has an implied social contract - that is shareholders, employees, suppliers, customers, the government and society as a whole*". On the other hand, the Global Reporting Initiative (GRI) (2011) on sustainability guidelines categorised social issues as labour practices, human rights, and society and product responsibility. These categories depict the welfare of a company's stakeholders internally and externally. As South Africa is a diverse country, it is imperative for companies in their sustainability reporting to describe exactly what is being done to balance the issue of diversity in the workplace and outside their premises. For example, there is a need for companies to run diversity workshops so as to empower their employees with information that will improve the way they relate with communities.

b) Economic issues in a company

Economic issues are part of the macro-environment over which a company does not have any control. Companies can only to adapt to the changes and challenges that are brought by this environment. Nonetheless, companies must show in their sustainability reporting what they are doing in terms of economic issues such as uneven income distribution, corruption, inflation and recession. According to Sonnenberg and Hamann (2006:315), "*there is no standardised form of economic* *reporting"*. These shortcomings on reporting accelerate the need for a "regulator". Without a regulatory body, the external environment will be more vulnerable to the actions and activities of companies. Companies must be accountable for the impact of their actions on communities in which they operate.

c) Environmental issues in a company

Sustainability reporting also requires that companies disclose their environmental responsibility in their reports. This is echoed by the King 11 report, which set out the requirements that the Johannesburg Stock Exchange (JSE) listed companies should apply in South Africa. Although there are requirements set out, not all the listed companies apply them. Only a certain percentage of those companies that have international exposure as well as resources, report on incidents that affect the environment. According to Sonnenberg and Hamann (2006:313), *"no South African-based companies have gone as far as reporting on remedial measures to address shortcomings*". More concerning is the fact that the South African-based companies fail to report on how they will rectify this occurrence. This is exacerbated by the lack of a "regulator" who would have a mandate to impose strict rules, severe penalties and fines for non-compliance. Some of the environmental issues that companies need to be concerned with, include global warming and climate variability, deforestation, water conservation, desertification and land degradation, waste and littering, achieving the obligations contained in the Bill of Rights within the South African Constitution, as well as environmental issues (Darkoh 2009). The presence of a regulator will address the gaps between different body frameworks; as well as the ensure respect for the obligations in the Bill of Rights and enable conservation of the environment for future generations.

d) Governance performance of a company

The King Code 111 highlights that companies must strive for good governance. Good governance is about transparency, accountability, responsibility, fairness and social responsibility of companies to stakeholders at all times. For a company to have a good reputation among all its stakeholders these triple bottom line issues, namely, social, economic, and environmental should be disclosed, as a core component of good governance. To achieve this, all management levels in a company must understand the meaning of good governance and cascade and entrench this across all people within the company. This can in turn exert a positive influence on other stakeholders that interact and work with the company, such as their suppliers. Sustainability reporting in this manner becomes clear, fair and transparent as there are people who are responsible and accountable for any issues that may need clarity. All this is based on the fact that there is a need for sustainability reporting that will serve the interests of all the different stakeholders.

In addition to these theoretical issues, Dimitrov and Davey (2011:86) argue that *"limitations of the existing financial reporting frameworks for reporting environmental and social transactions are poorly understood, inadequately identified and not reported within a consistent framework, if reported at all*". This demonstrates a call for a regulator to enforce standardised sustainability reporting by all companies. The regulator would also give guidance on how to consistently identify social and environmental issues in the communities where the companies do business. This action will give companies an opportunity to show transparency, whether positive or negative, on the impact of their operations and, where necessary, how remedial work will be achieved. By so doing companies will portray a good image to all their stakeholders.

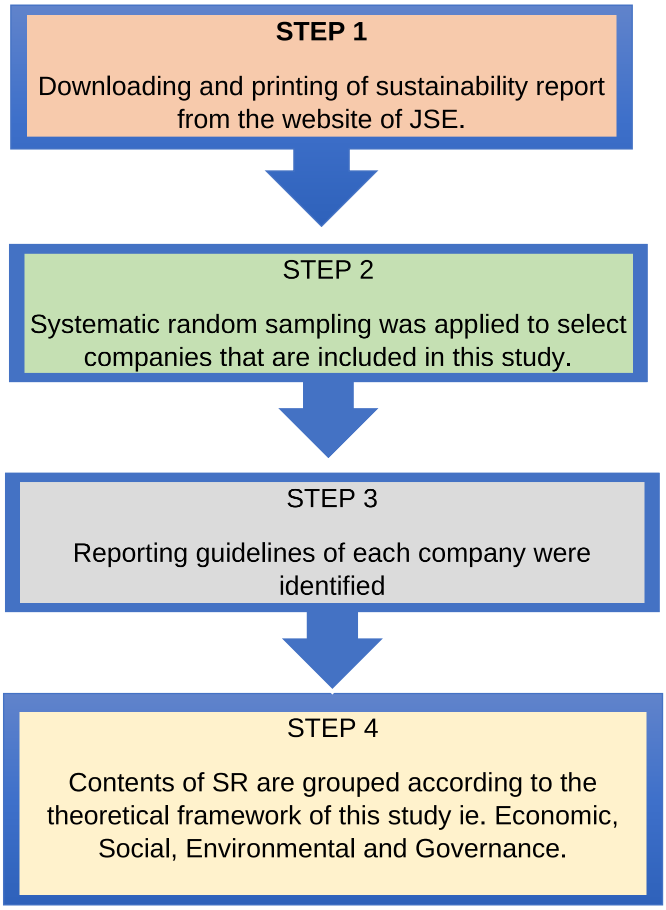
RESEARCH DESIGN AND METHOD

Struwig and Stead (2023) define research design as a plan according to which research participants are obtained and how information is collected from them. In this study, sustainability reports of South African listed companies were retrieved from the JSE securities website. These reports were analysed to determine the content of their sustainability reporting. Out of a population of 73 FTSE/JSE Responsible Investment Index Constituents, a sample of 6 responsible companies were selected randomly using systematic sampling.

Data collection

Figure 2 outlines the steps in the process of data collection that were followed in this study.

FIGURE 2: STEPS IN DATA COLLECTION FOR THIS STUDY



Source: Own compilation

The reports comprised the primary data, which is the data that represents original information including the sustainability reports of South African listed companies on the Johannesburg Stock Exchange (JSE). Struwig and Stead (2023) state that a *"population is the combined total of all the components a researcher is focusing on".* The population in this study consisted of 73 FTSE/JSE Responsible Investment Index Companies listed on the JSE. The FTSE/JSE Responsible Investment Index series benchmark was chosen because it represented a catalyst for best practice sustainability reporting among South African listed companies. It was expected that the sustainability reports of these companies should be comprehensive as they were regarded as the most suitable companies in South Africa.

The sampling technique that was used in this study was systematic sampling. Van Zyl (2014) asserts that systematic sampling is a random sampling procedure in which increments determine who becomes part of the sample. In this study a sample of 6 Responsible Investment Index retail companies was randomly selected.

The retail sector was chosen as retailing is growing at levels not seen in over 20 years. Retail sales grew by 7% in 2020 and by over 14% in 2021. The National Research Foundation (NRF) forecasts that sales will grow by between 6% and 8% to more than $4.9 trillion in 2022.

A schedule to content analyse the sustainability reports was used. Section A of the schedule gives biographical information and Section B of the schedule addresses the format of reporting. Section C of the schedule contains the sustainability reporting components.

a) Data analysis

After the primary data was collected, it was recorded in an excel sheet according to responses on the content analysis schedule. Quantitative statistical techniques were used to analyse the data collected. Both descriptive and chi-square data analysis were used.

Mixed methods research was used for this study. The quality concept in a qualitative study encompassed trustworthiness. According to Guba (1981:80), trustworthiness can be assessed by four criteria, namely, credibility (internal validity), transferability (external validity), dependability (reliability) and conformability (objectivity). Various strategies were adopted to achieve trustworthiness in this qualitative study. To ensure credibility in this research, the researcher adopted appropriate and well-recognised research methods as well as using peer scrutiny of the project. Background data and detailed descriptions were provided to establish the context of the research and allow for transferability. A full audit of this study was kept.

For this study, content analysis was applied which involved the frequencies of occurrence and sequencing of particular words, phrases or concepts to identify keywords or themes (Struwig & Stead 2023). For the theoretical framework of this study, economic, social, environmental and governance issues were the keywords or themes. Words or concepts identified from the sustainability reporting of selected companies were coded according to these themes or keywords. The coding of this data highlighted the issues that each company reported on and answered the review objective of this study. Table 2 is an example of the content analysis schedule used in this study.

Table 2: Example of the content analysis schedule

Section A: Biographical information	**Section B: Format of reporting**	**Section C: Theoretical framework**
Introductory background of companies	• Types of reports • Reporting guidelines • Listing requirements	• Social issues • Economic issues • Environmental issues • Governance issues

Source: Own compilation

Table 2 shows how the content of the various company reports was analysed to achieve the objectives of this study.

RESULTS OF THE STUDY

Biographical detail results of companies in the retail sector

The retail companies to be analysed in this study were part of South African communities and make the lives of the community members meaningful in many ways. These companies are job suppliers, innovators, bursary funders and contribute many philanthropic aspects that change the lives of people for the better. The retail companies that were investigated included the Clicks Group, BIDCORP, Spar Group, Hammerson, Pick ‘n Pay and Shoprite.

a) Clicks Group’s biographical overview

Clicks was founded in 1968 and listed on the JSE since 1996 with its headquarters in Cape Town. Clicks is a retail-led health-care company that focuses on heath and beauty products. Its target market is middle to upper income earners. Clicks is building its value by focusing on all its stakeholders and on issues that are important to all.

b) BIDCORP's biographical overview

Bidcorp was founded in 1988, and is a food services offering. This company strives to take into consideration the needs of its stakeholders. To Bidcorp, the important stakeholders that they consider are employees, customers, authorities, suppliers, shareholders, environment and communities where they operate. This company operates in developed and developing economies in five continents.

c) The Spar Group's biographical overview

The Spar Group is a food retail store, which was founded in Netherlands in 1932 by Andrian Van Well. Spar is a multinational company and has a culture of caring for its people. For the Spar Group, they are part of the community and community to them is like a family. This encourages Spar to serve high quality products that are not harmful to the people and the environment.

d) Hammerson's biographical overview

Hammerson is a European operation company that focuses on retail, leisure and entertainment brands. This company creates value through respecting current and future generations. They support people with talent within as well as outside the workplace. Value creation, skills development and employment, enhancement of health and well-being, support of young people and enterprise development are part of their operational objectives. Environmental maintenance is regarded as the life blood of this company demonstrated through about 90% of their assets being recycled, no waste to landfill and support of local diversity. Hammerson focuses more on the "Net Positives" and what these do for their targets on Environmental, Social and Governance (ESG) issues.

e) Pick 'n Pay's biographical overview

Pick 'n Pay was founded by Raymond Ackerman who also became the chair of Consumer Goods Council of South Africa. Pick 'n Pay values society and the environment in which it operates. In 2004, their first sustainable development report was implemented and was listed on the JSE Socially Responsible Investment (SRI)

Index. Pick ‘n Pay is supporting and in partnership with a number of programmes that are focused on small business and on improving the lives of the underprivileged.

f) Shoprite’s biographical overview

Shoprite is operating in fifteen countries in Africa and its headquarters is in Cape Town, South Africa. Because Shoprite is perceived as playing a role in demonstrating strong environmental, social and governance (ESG) practices, it has become one of the FTSE4Good Index Series. Shoprite is following principles of improving the lives of people in the communities where they operate, and, as a result, they regard themselves as agents of change, thus “#Actforchange” initiative. They believe that they have an obligation as a retailer within the communities to act like citizens by transforming communities especially vulnerable people, using projects like soup kitchens, gardens and early childhood development. In addition to this, Shoprite has partnered with different social support organisations such as Gift of the Givers; Food and Trees for Africa; as well as the Lunch Box in working to uplift the quality of life of communities where they operate.

Results of report types used in the retail sector

Retail companies in this study used different types of reports. For example, Bidcorp used an Annual Integrated Report. Clicks, Hammerson and Shoprite used Sustainability Reports while The Spar Group used an Abridged Integrated Report and Pick n Pay used a Sustainability Living Report. With the exception of Hammerson, the other companies indicated the use of JSE listing requirements. In terms of body frameworks used, Hammerson mentioned the Global Reporting Initiative (GRI), The Task Force on Climate-Related Financial Disclosures (TCFD) and the Energy and Petroleum Regulatory Authority (EPRA) while the others mentioned the South African Companies Act 71 of 2008 as amended, King IV (2016) on corporate governance, as well as GLOBAL REPORTING INITIATIVE (GRI) Sustainability Reporting Standards.

Table 3 shows the report types used in the retail sector. Different reports have been used.

Table 3: Frequency distribution of report types used in the retail sector

Report	**Frequency distribution**	**Percentage**
Sustainability Report	3	49%
Annual Integrated Report	1	17%
Abridged Integrated Report	1	17%
Sustainability Living Report	1	17%
Total	6	100%

Source: Own compilation

Table 3 represents the types of reports used in the retail sector companies that were included in this study. Across the six retail companies in the sample, 49% used sustainability reports while 17% used annual integrated reports, abridged integrated reports and sustainability living reports, respectively.

Reporting guideline results of the retail sector

This section elaborates on the results of reporting guidelines followed by the retail sector.

a) Clicks Group's reporting guidelines

Clicks consulted the King IV (2016) Edition Report on Corporate Governance for South Africa as guidelines for reporting. Global Reporting Initiative (GRI) standards and the requirements of Companies Act 71 of 2008 were also used as they relate to the role and responsibilities of the social and ethics committees. This company further used the Johannesburg Stock Exchange (JSE) listing requirements. The inclusion of Clicks in the FTSE/JSE Responsible Investment Top 30 Index has motivated the company to disclose more on their Environmental, Social and Governance (ESG).

b) BIDCORP's reporting guidelines

The reporting guidelines used by this company leveraged different standards. For example, International Financial Reporting Standards and International Integrated Reporting Council Integrated Reporting Framework. The South African Companies Act 71 of 2008 was also consulted. King IV (2016) Edition on Corporate Governance and the JSE listing requirements were also considered in making sure that the report complied with reporting standards of the JSE.

c) The Spar Group's reporting guidelines

The Spar Group used King IV (2016) Edition on Corporate Governance for developing their intention statement. In addition to this, the International Financial Reporting Standards and the International Integrated Reporting Council (IIRC) Integrated Reporting <IR> Framework were also consulted. South African Companies Act 71 of 2008, Global Reporting Initiative (GRI) Sustainability Reporting Standards, BBBEE Codes of Good Practices of the Department of Trade and Industry, and Custormer Data Platform (CDP) also played a significant role in the reporting guidelines of Spar. JSE listing requirements played a pivotal role in this company's report.

d) Hammerson's reporting guidelines

Hammerson did not mention much about which instruments and frameworks guided the development of their statement. The report directed the reader to the company website for further information. Nonetheless, they mentioned the use of Global Reporting Initiative (GRI) Standards as the core of their report, EPRA Sustainability Best Practise Report Standards as well as Task Force Climate-Related Financial Disclosures (TCFD), and CDP. The use of JSE listing requirements was not mentioned.

e) Pick 'n Pay's reporting guidelines

Pick 'n Pay mentioned the use of King (1V) ESG as one of their guidelines in developing their sustainability living report. In addition, the Ten Principles of the United Nations Global Compact (UNDC), United Nations Sustainable Development Goals (UNSDGs), SA Company Act no. 71 of 2008 as well as the B-BBEE were mentioned.

f) Shoprite's reporting guidelines

Shoprite followed legislation and a range of regulations in developing its report, for example, the International Integrated Reporting <IR> Framework of the International Integrated Reporting Council. In addition, the King IV (2016) Edition, UNSDG and South African labour legislation were mentioned. Shoprite reported by means of a sustainability report in conjunction with the Shoprite Holdings Integrated Annual Report (2019), which needed to be consulted for clarity for finding purposes and missing information in its sustainability report.

Listing requirement results of companies in the retail sector

From the reporting guidelines of companies in the retail sector, it was noted that four out of six companies mentioned the use of JSE listing requirements. This is illustrated in Table 4.

Table 4: Frequency distribution of JSE listing requirements

Company	Frequency	Percentage
Companies that indicated JSE listing requirements	4	66%
Companies that did not indicate JSE listing requirements	2	34%
Total	6	100%

Source: Own compilation

Table 4 highlights the use of JSE listing requirements employed by retail companies. A notable of 66% of the companies mentioned the use of JSE listing requirements while 34% did not mention this.

Theoretical component results of companies in the retail sector

As the theoretical aspect of this study focused on social, economic, environmental and governance issues, this section also considers these issues in the retail sector.

a) Clicks' theoretical component results

Table 5 provides the results of Clicks' theoretical component results.

Table 5: Clicks' theoretical component results

Social issues	Economic issues
• Empowering and motivating passionate people • Building a trusted and accessible health-care network • Providing over-the-counter medicine (OTC) • Developing an online store • Providing education and awareness among employees and customers • Awarding bursaries and internships • Ensuring salaries remain competitive • Supporting employee empowerment • Promoting gender equity (female 64% male 36%) • Having a wellness programme	• Having an employee share ownership programme (ESOP) • Providing shares and dividends • Having long-term incentives
Environmental issues	**Governance issues**
• Supporting WWF for Nature (World Wide Fund) • Supporting CDP (Carbon Disclosure Project)	• Regulating pharmaceutical products • Supporting government policies for health legislation and regulations • Implementing accountable, transparency, ethical and fair management

	• Integration between financial and non-financial reporting

Source: Own compilation

b) BIDCORP's theoretical component result

Table 6 provides the theoretical component results of BIDCORP.

Table 6: BIDCORPS's theoretical component results

Social issues	**Economic issues**
• Having competitive salaries • Acknowledging diversity • Offering quality products/services	• Rewarding shareholders • Procuring from local Small Meduim Enterprises (SMEs)
Environmental issues	**Governance issues**
• Reducing carbon footprint	• Following King IV (2016) • Having fair labour practices • Maintaining International Financial Reporting Standards

Source: Own compilation

c) The Spar Group's theoretical component results

Table 7 provides the theoretical component results of the Spar Group

Table 7: Spar Group's theoretical component results

Social issues	**Economic issues**
• Recognising local employment • Accommodating all income levels • Observing diversity • Supporting youth empowerment • Developing leaders	• Collaborating with small-scale farmers • Supporting local supply chains, fresh produce • Having a Commodity Selection Index programme

• Offering training initiatives • Developing Youth Enterprise Support initiatives • Supporting U13 soccer players	
Environmental issues	**Governance issues**
• Reducing waste • Promoting digital initiatives	Supporting the following regulations: King IV (2016) • B-BBEE • GLOBAL REPORTING INITIATIVE (GRI) • IIRC<IR> Framework • South African Companies Act 71 of 2008

Source: Own compilation

d) Hammerson's theoretical component results

Table 8 provides the theoretical component results of Hammerson.

Table 8: Hammerson's theoretical component results

Social issues	**Economic issues**
• Offering employment • Supporting local engagement • Supporting homeless people	• Supporting project initiatives for local people • Allocating capital to the needy • Supporting communities
Environmental issues	**Governance issues**
• Decreasing carbon emission by 12% • Conserving water • Using solar PV • Supporting waste reuse	Supporting the following regulations: • TCFD (Task Force for Climate-related Financial Disclosures framework) • FTSE4Good - a collection of socially

• Concern for climate change • Using recyclable material	responsible, or ESG stock indexes • GRESB – Global benchmark • DJSI – sustainable index • EPRA

Source: Own compilation

e) Pick ‘n Pay’s theoretical component results

Table 9 provides the theoretical component results of Pick ‘n Pay.

Table 9: Pick ‘n Pay’s theoretical component results.

Social issues	**Economic issues**
• Promoting healthy living • Advancing employee opportunity and diversity • Awarding bursaries • Supporting learnerships, internships and apprenticeships • Supporting creches • Supporting Pick ‘n Pay Club schools • Creating jobs	• Developing skills • Supporting Enterprise and Supplier Development Programmes • Supporting small black-owned businesses • Supporting black women businesses • Supporting local suppliers and service providers • Creating jobs from plastic recycling • Supporting SMMEs • Supporting CSI
Environmental issues	**Governance issues**
Supporting the following initiatives: • Carbon Disclosure Project • WWF • Recycled plastic bags • Customer environmental awareness • Recycling and reusing	Supporting the following regulations: • UNSDG • BBEE • Consumer Goods Council of South Africa

• From plastic waste to activist art	

Source: Own compilation

f) Shoprite's theoretical component results

Table 10 provides the theoretical component results of Shoprite.

Table 10: Shoprite's theoretical component results

Social issues	Economic issues
• Ensuring health and safety • Supporting corporate citizenship • Supporting hire-to retire-models • Providing a mobile app for employees • Awarding bursaries • Supporting Chartered Accountant Training Programme • Ensuring food safety and hygiene • Supporting education and training • Supporting early childhood development • Donating food to registered charities • Supporting food forward South Africa supply chain	• Providing youth employment • Providing continued training and employment • Supporting SMEs • Supporting black-owned women suppliers • Providing inclusive market access for suppliers • Providing bank-training for unemployed people • Supporting CSI
Environmental issues	**Governance issues**
• Managing waste • Supporting sustainable packaging • Conserving water and energy efficiency • Managing food losses and waste • Supporting CDP • Supporting WWF-SASSI • Conserving energy, and minimising	Supporting the following regulations: • UNSDG • B-BBEE • King IV (2016) • UNGC • SASSI framework (voluntarily) by WWF

Social issues	Economic issues
greenhouse gas and emissions	

Source: Own compilation

The theoretical aspects of these retail companies show some similarities in the issues on which they report.

DISCUSSION AND RECOMMENDATIONS

The results show that it is important to develop the content of a company's sustainability report.

- Of the six retail sector companies whose reports were analysed, 67% mainly operated in South Africa.
- Only 49% of these retail sector companies used Sustainability Reports while 17% of the companies used Annual Integrated Reports, Abridged Integrated Reports as well as Sustainability Living Reports, respectively.
- The majority (or 67%) of the companies used known and adopted frameworks and legislation as their supporting guideline in developing their reports, for example the Global Reporting Initiative Framework, King IV (2016) Edition, SA Companies Act 71 of 2008, UNSDG and B-BBEE.
- Regarding independent assurance, only 34% of the companies in the retail sector used PwC and the Institute of Directors in South Africa Non Profit Company, while 17%, respectively, used Earnings Yield, mPowerRatings as well as FSA/Intertek. Only one company did not mention the independent assurance they utilized.

This research shows that practitioners should consider the following issues regarding sustainability reporting:

- Establishment of a regulator for sustainability reporting.
- Standardisation of sustainability report content.
- Need for specific legislation and industry/sector frameworks that provide guidance and direction for compiling sustainability reports, and the content thereof.

- Sustainability reporting should be in accordance with the pillars set out in the theoretical framework of this study.
- Companies must report to all stakeholders irrespective of the economic value a particular stakeholder contributes to the company.
- Sustainability reports must be comprehensive, and contain all relevant information, rather than merely making reference to and re-directing the reader to other reports or websites.

CONCLUDING THOUGHTS

The viability of companies is dependent on consumer choice. This is particularly true in the retail sector, where a number of stores sell the same products. Sustainability is embedded within the global socio-political agenda, with multi-country acceptance of and agreement with intentions and commitments in instruments such as the Sustainability Development Goals. Concern for and commitment to sustainability is increasingly a factor in consumer choice. Sustainability reports are a vital tool that retail companies can use to demonstrate to consumers, communities, financiers and stakeholders across the board, that the company is actively implementing and pursuing sustainability. In this way, sustainability reporting can maintain the loyalty of existing customers and expand markets by attracting new customers that similarly value sustainability and wish to spend their money at a chosen retailer.

The findings of this research show that sustainability reporting in the retail sector is at an early stage. There is much for retailers to benefit from deepening and tailoring the content of sustainability reporting as recommended.

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