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Through the looking glass

The emergence, evolution and embedding of sustainability accounting in a family business

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Appendix A: Document Index

No.	Title	Source	Date Received
External Sustainability Reports			
1	Environmental Report 2001	Website	7 January 2007
2	Environmental and Social Accountability Report 2002	Group member	29 March 2007
3	Environmental and Social Accountability Report 2002-2003	Group member	29 March 2007
4	Sustainability Report 2006	Group member	29 March 2007
5	Sustainability Report 2008	Field visit	9 March 2010
6	Sustainability Report 2010	Website	10 May 2012
7	Key Facts Sustainability Report 2010	Website	10 May 2012
8	Key Facts Sustainability Report 2012	Website	22 August 2013
Phase Two Documents and Other Media			
9	The Shaping of CC DVD	Group member	29 March 2007
10	A History of CC: The First 125 Years	Group member	29 March 2007
11	The Friday Interview	The Irish Times (print copy)	18 April 2008
12	Ethical Trading Policy	Group member	29 March 2007
13	Energy and Natural Resources Management Policy	Group member	29 March 2007
14	Guide to Waste Management	Group member	20 June 2007
15	Presentation to CCRPI directors – EAT [environmental action team] review for 2004	Group member	28 June 2007
16	Presentation to CCRPI directors – update on EAT workplan for 2005	Group member	28 June 2007
17	EAT Information for March 2007 Board Report	Group member	28 June 2007
18	CCRPI EAT – Meeting Minutes and Actions	Group member	28 June 2007
19	CCRPI EAT Workplan for 2007	Group member	28 June 2007
Phase Three Documents			
20	Being a Good Neighbour Policy	Group member	23 March 2010
21	Consumer Choice Policy	Group member	23 March 2010
22	Consumer Choice Targets	Group member	23 March 2010
23	Energy and Emissions (Buildings) Policy	Group member	23 March 2010
24	Energy and Emissions (Buildings) Targets	Group member	23 March 2010
25	Energy and Emissions (Transport) Policy	Group member	23 March 2010
26	Energy and Emissions (Transport) Targets	Group member	23 March 2010
27	Packaging Policy	Group member	23 March 2010
28	Packaging Targets	Group member	23 March 2010
29	Regulatory Compliance Policy	Group member	23 March 2010
30	Waste Management Policy	Group member	23 March 2010
31	Waste Management Targets	Group member	23 March 2010

No.	Title	Source	Date Received
32	McKinsey Quarterly – The five attributes of enduring family business	Group member	9 March 2010
33	JP Morgan Case Study of CC Group plc for the Family Business Honours Award for Business Success	Group member	9 March 2010
34	Pre-interview response	Group member	12 April 2010
35	Family Business network paper – Responsible Ownership of the Family Business: State-Of-The-Art	Group member	15 April 2010
36	Family Businesses Shine in 2010 “Most Ethical Companies” List	Group member	15 April 2010
37	Reduction in Primary Packaging Case Study	Group member	18 May 2010
38	Interview with CEO	CC website	9 May 2010
39	Excerpt from Board Report June 2010	Group member	29 June 2010
40	IGD Case Study, CC, Taking Miles off the Road and Improving Fuel Efficiency	Group member	15 June 2012
41	Retailer Waste Analysis Report	Retailer	26 June 2012
42	Summary of Board Minutes (1984-1986)	Group member	4 December 2012
Phase Four Documents			
43	Communication on Progress 2011	Website	10 May 2013
44	Communication on Progress 2011: Performance Update	Website	10 May 2013
45	Communication on Progress 2013	Website	22 August 2013
46	Meaning of Sustainability	Website	22 August 2013
47	Emerald Aisles: Supermarket Shakeup	The Irish Times (print copy)	10 August 2013
48 – 69	Various Media Articles	Active Paper: Archive Search	Search carried out on 22 August 2013

Appendix B: Interview Index

Inter- viewee No.	Inter- view No.	Position	Relationship to Company	Description	Code for Quotes	Date of Interview	Length of Interview in Minutes	Location
Phase Two Interviews								
1	1 (1 of 3)	CC Group Environmental Executive	Employee	Senior group executive responsible for sustainability	(I1, R1)	29 March 2007	126	Group head office
2	2 (1 of 2)	External Environmental Consultant	Consultant	External consultant	(I2, R1)	10 May 2007	74	Consultant's office
3	3	Group CEO (retired)	Employee	Group Director	(I3, R1)	19 June 2007	53	Hayfield Manor Hotel
4	4 (1 of 2)	Health and Safety Manager (Wholesale)	Employee	Divisional executive/manager	(I4, R1)	20 June 2007	66	Division office
5	5 (1 of 2)	Facilities, Health and Safety Manager (Franchise)	Employee	Divisional executive/manager	(I5, R1)	28 June 2007	60	Division office
6	6	Director	Employee	Divisional Director	(I6, R1)	15 August 2007	46	Division office
Round Two								
1	7 (2 of 3)	CC Group Environmental Executive	Employee	Senior group executive responsible for sustainability	(I1.2, R2)	9 March 2010	174	Group head office
1	8 (3 of 3)	CC Group Environmental Executive	Employee	Senior group executive responsible for sustainability	(I1.3, R2)	22 March 2010	44	By phone
7	9	Director	Family member	Family director on group board.	(I7, R2)	15 April 2010	155	Group head office

Inter- viewee No.	Inter- view No.	Position	Relationship to Company	Description	Code for Quotes	Date of Interview	Length of Interview in Minutes	Location
8	10	Staff	Employee	New product development (franchise)	(I8, R2)	18 May 2010	36	Division office
5	11 (2 of 2)	Facilities, Health and Safety Manager Franchise	Employee	Divisional executive/manager	(I5.2, R2)	29 June 2010	66	Division office
4	12 (2 of 2)	Health and Safety Manager (Wholesale)	Employee	Divisional executive/manager	(I4.2, R2)	21 July 2010	35	Division office
9	13	Staff	Employee	New product development (franchise)	(I9, R2)	26 July 2010	27	Division office
2	14 (2 of 2)	External Environmental Consultant	Consultant	External consultant	(I2.2, R2)	24 August 2010	48	Consultant's office
10	15	Logistics Director CCRPI	Employee	Divisional Director	(I10, R2)	6 December 2010	50	By phone
11	16	Group CEO	Employee	Group Director	(I11, R2)	21 December 2010	53	By phone
12	17	HR Manager	Employee	Group HR manager	(I12, R2)	9 December 2011	54	By phone
13	18	Head of Store Development	Employee	Senior executive	(I13, R2)	21 December 2011	37	By phone
14	19	Regional Store Manager (DIT student)	Employee	Manager	(I14, R2)	21 April 2012	53	DIT office
15	20	Logistics Manager (Franchise)	Employee	Manager	(I15, R2)	15 June 2012	42	Division office
16	21	Driver	Employee	Driver	(I16, R2)	21 June 2012	60	Clarion Hotel, Liffey Valley,

Inter- viewee No.	Inter- view No.	Position	Relationship to Company	Description	Code for Quotes	Date of Interview	Length of Interview in Minutes	Location
								Dublin
17	22	Retailer (owner)	Franchisee	Retailer/Franchisee	(I17, R2)	26 June 2012	77	Retailer's premises
18	23	Retailer (owner)	Franchisee	Retailer/Franchisee	(I18, R2)	26 June 2012	53	Retailer's premises
19	24	Retailer	Franchisee	Retailer/Franchisee	(I19, R2)	28 June 2012	50	Clarion Hotel, Liffey Valley, Dublin
20	25	Manager	Employee	Store Manager	(I20, R2)		25	Retail premises
21	26	Logistics Accountant (Franchise)	Employee	Accountant	(I21, R2)	13 July 2012	60	Division office
22	27	Group Archivist	Employee (part-time)	Group Archivist	(I22, R2)	4 December 2012	8	Group head office

Twenty seven interviews carried out with 22 individuals between March 2007 and December 2012.

Total length of interviews: 1632 minutes or 27 hours 12 minutes.

Average length of interview was 60 minutes.

Longest interview was 177 minutes and shortest was eight minutes (part-time company archivist).

Archive Visit – Access to Interviews

As part of the archive visit I was allowed access to two interviews carried out by the archivist. The first was an interview with a retailer; I was allowed to listen to and take notes about this transcript. The second interview was with the last CC family member to be CEO of the CC Group and I was allowed to read the transcript and take notes from it.

BITCI Interview Index

Interviewee No	Interview No	Description	Code for Quotes	Date of Interview	Length of Interview in minutes	Location
1	1	BITCI Senior Consultant	C1	16 April 2010	63	BITCI office
2	2	BITCI Consultant	C2	13 May 2010	46	BITCI office
3	3	BITCI Consultant	C3	23 June 2010	50	BITCI office
4	4	BITCI Consultant	C4	25 June 2010	70	BITCI office
5	5	BITCI Senior Executive	C5	20 August 2010	72	BITCI office
TOTAL					301 minutes 5 hours 2 minutes	

Appendix C: Master Interview Guide (Round One)

Reminder: Confirm position on recording the interview.

Questions on the Reporting Processes

1. In your opinion what has motivated CC to engage in social and environmental reporting?

Potential Probes:

- a. Communicate with stakeholders
- b. Reputation management/public relations
- c. External pressures/disturbances – legislation, NGOs, general greening pressures
- d. Accountability/responsibility
- e. Legitimacy
- f. Enlightened self interest

2. Could you please describe your role in the process?

3. Your reflections on the evolution of the social and environmental accounting (SEA) process from its instigation to the present (4 reports in last 5 years).

Potential Probes:

- a. Reasons for not producing a report in 2004/2005
- b. The difficulties/challenges involved in the establishment of the process
- c. The impact of the process on the organisation at the various operating levels
- d. The reality of implementation in comparisons with prior expectations
- e. Areas for improvement
- f. The audit process with CSR network

4. Openness/resistance to the process through the wider CC network?

Potential Probes:

- a. Franchises
- b. Suppliers

5. What do you perceive as the costs and benefits of the process?

6. Any specific organisational changes which have occurred due to the introduction and the ongoing process of social and environmental accounting?

Potential Probes: changes in ...

- a. vehicles, buildings, equipment (sub systems)
 - b. Information systems, organisational structure, decision process (design archetypes)
 - c. Beliefs, values, rules, policies, mission (interpretive schemes)
7. Feedback on the reports from industry and internal and external stakeholders?
 Potential Probes:
- a. Shareholders/Family/ Executives,
 - b. Employees,
 - c. Customers/Retailers,
 - d. Consumers
 - e. Suppliers
8. Your reflections on the stakeholder consultation process reported on in the 2006 report?
 Potential Probes:
- a. The difficulties/challenges involved
 - b. Identification of core stakeholders
 - c. Reflection on results of process
 - d. Plans for further consultation
9. In your opinion what effects (if any) have the reports had on CC's external reputation?
 Potential Probes:
- a. From the point of view of stakeholders
 - b. Wider business community
 - c. Media coverage
10. In your view what effects (if any) has the SEA process and reports had on CC's self-image?
- a. Feel good factor
 - b. Change in your personal view of CC
 - c. Employee and staff views
 - d. Management and board of directors
11. How would you define the boundaries of the CC organisation?
 Potential Probes:
- a. Retailers/franchises
 - b. Employees
 - c. CC family
 - d. Customers

12. In your view does CCs have regular contact and/or communicate regularly with the people and communities affected by the company?

a. If yes, what form does this contact take?

Potential Probes:

- i. Spatial proximity – business operates mainly in Ireland and UK.
- ii. Effect of SEA and reports on this contact
- iii. Dialogue with retailers/customers, suppliers and consumers as part of normal ops of the business
- iv. Dialogue with stakeholders

13. Anything you would like to add? Something I should have asked about but didn't?

Appendix D: Master Interview Guide for Group Members (Round Two)

Reminder: Confirm position on recording the interview.

1. Could you please tell me about your role in CC?
2. Are you involved in the social or environmental activities?
 - a. Recycling
 - b. Energy management
 - c. Charitable initiatives
 - d. Procurement
3. How did you become involved in the process?
4. Your reflections on the evolution of the sustainability programme since you have been involved?
 - a. The difficulties/challenges
 - b. Areas for improvement
5. Openness/resistance to the process through the wider CC network?
 - a. Suppliers
 - b. Retail partners
 - c. Strategies for gaining their support.
6. What do you perceive as the costs and benefits of the process?
7. Any specific organisational changes which have occurred due to the introduction and the ongoing process of social and environmental accounting?
 - a. Potential Probes: changes in...
 - i. vehicles, buildings, equipment (sub systems)
 - ii. Information systems, organisational structure, decision process (design archetypes)
 - iii. Beliefs, values, rules, policies, mission (interpretive schemes)
8. Are you aware of/would you read the sustainability reports or other communications?
9. Feedback on the reports/process from industry and internal and external stakeholders?
 - a. Shareholders/Family/ Executives,
 - b. Employees,

- c. Customers/Retailers,
 - d. Consumers
 - e. Suppliers
10. In your opinion what effects (if any) have the reports had on CC's external reputation?
- a. From the point of view of stakeholders
 - b. Wider business community
 - c. Media coverage
11. In your view what effects (if any) has the SEA process and reports had on CC's self-image?
- a. Feel good factor
 - b. Change in your personal view of CC
 - c. Employee and staff views
 - d. Management and board of directors
12. In your opinion what impact (if any) has the recession had on the sustainability programme?
- a. Budget/resource constraints
 - b. Greater focus on cost savings
 - c. Projects cancelled/discontinued
13. Who do you perceive as the most influential/significant supporters of the sustainability programme?
- a. Family
 - b. Board
 - c. Management
 - d. Employees
 - e. Franchisees
 - f. Suppliers
 - g. Government/regulatory
 - h. Media
14. In your opinion why is their support important/influential?
- a. Direct involvement in the process
 - b. Symbolic support
 - c. Influential with other members of the company
15. Have you actively sought their support? If so how do you try to gain their support?
- a. Demonstrate cost savings or other benefits of the process to them
 - b. Long-term benefits
 - c. Reputation benefits
 - d. Moral arguments
 - e. Identity fit
16. Which approaches do you perceive as having been most successful in gaining support for the process?

17. Are there external events or trends which have helped to support the process?
 - a. Consumer trends
 - b. Environmental awareness

18. How would you describe CC Group?
 - a. Central/key characteristics
 - b. What makes it distinctive from other companies in the industry?
 - c. What is its mission?

19. What is it like to work for CC?

20. In your opinion does the sustainability programme now form a part of who CC are?

21. Anything you would like to add? Something I should have asked about but didn't?

Appendix E: Master Interview Guide for Retailers (Round Two)

Reminder: Confirm position on recording the interview.

1. Is your store involved in social or environmental activities, for example, recycling, energy management and community or charity involvement?
2. How did you become involved in these areas?
3. Your reflection on any changes in these areas in your store or in CC operations?
4. How would you describe CC Group?
 - a. Prompts:
 - b. Central/key characteristics
 - c. Is it distinctive from other companies in the industry?
 - d. Mission, values, family.
5. What is it like to work with CC Group?
6. Do you think that the CC Group values influence the operation of the company?
7. Do you have any contact with the CC family?

Appendix F: Publications, Working Papers and Conference Presentations

ESRA Reports

- 1) Maughan, R. (2007). *European Sustainability Reporting Association: Report for Ireland*. Web-based publication. Available: <http://www.sustainabilityreporting.eu/esra/ireland/>.
- 2) Maughan, R. (2006). *European Sustainability Reporting Association: Report for Ireland*. Web-based publication. Available: <http://www.sustainabilityreporting.eu/esra/ireland/>.

Working Papers

- 1) Maughan, R. and O'Dwyer, B. (2007). An In-Depth Study of a Leading Irish Social and Environmental Reporter. In *Proceedings of the 19th International Congress on Social and Environmental Accounting Research*, September 3rd - 5th 2007, St Andrews University, Scotland.
- 2) Maughan, R. and O'Dwyer, B. (2010). Exploring Sustainability Practices and Reporting at CC Group: A Case Study of an Irish Private Company. In *Proceedings of the 23rd Annual Conference of the Irish Accounting and Finance Association*, 6th-7th May 2010, University of Ulster, Northern Ireland.
- 3) Maughan, R. and O'Dwyer, B. (2010). Exploring Sustainability Practices and Reporting at CC Group: A Case Study of an Irish Private Company. In *Proceedings of the 22nd International Congress on Social and Environmental Accounting Research*, September 3rd - 5th 2010, St Andrews University, Scotland.
- 4) Maughan, R. and O'Dwyer, B. (2010). Integrating the Corporate Sustainability programme: An Exploration of the Development of Internal Legitimacy for Corporate Social and Environmental Practices and Reporting. In *Proceedings of the 7th Corporate Responsibility Research Conference*, 15-17 September 2010, Euromed Management Marseille, France
- 5) Maughan R. and O'Dwyer. B. (2012). Where is the accounting? The role of internal accounting and external reporting in an emerging sustainability programme. [Published Abstract], *36th Annual Congress of the European Accounting Association*, Paris Dauphine University, 5-6 May 2013.

Book Chapters

- 1) Maughan, R. (2010). CSR in Ireland: Current Practice and Directions for Future Research. In Hogan, J., Donnelly, P. F., and O'Rourke, B. K. (Eds.) *Irish Business*

and Society: Reflections on Governing, Participating and Transforming in the 21st Century, Dublin: Gill & MacMillan.

- 2) Maughan, R. and O'Driscoll, A. (2012). *Reconsidering Community-based Retailing*. In O'Callaghan, E. and O'Riordan, D. (Eds.) *Retailing in Ireland - Contemporary Perspectives*, Dublin: Gill & Macmillan.

Conference Presentations

Number	Date	Event	Nature of Participation
1	July 2007	Asia Pacific Interdisciplinary Research in Accounting (APIRA) Emerging Scholars Colloquia	Oral Presentation
2	September 2007	19th International Congress on Social and Environmental Accounting Research	Oral presentation & non-refereed paper (Working Paper 1)
3	April 2008	British Accounting Association Doctoral Colloquium	Oral presentation
4	May 2009	22 nd Annual Conference of the Irish Accounting and Finance Association	Oral presentation
5	May 2010	23 rd Annual Conference and Doctoral Colloquium of the Irish Accounting and Finance Association	Oral presentations & non-refereed paper (Working Paper 2)
6	September 2010	22 nd International Congress on Social and Environmental Accounting Research	Oral presentation & non refereed paper (Working Paper 2 Draft 2)
7	September 2010	7 th Corporate Responsibility Research Conference	Oral presentation & non-refereed paper (Working Paper 3)
8	September 2012	24th International Congress on Social and Environmental Accounting Research	Oral presentation
9	May 2013	36 th Annual Congress of the European Accounting Association	Oral presentation & refereed paper (Working Paper 4)

Appendix G: Illustrative Quotes of Organisational Identity Claims

Family Claims

I think it (the culture) obviously, I think, originates from the CC family, Thomas and Stuart CC who came to Cork back in 1886 and came from very humble surroundings in North County Leitrim. And it was probably when you read the history about the ... you know, the first couple of generations you can see how they lived very modest lifestyles, the business survived through very difficult trading periods, through the World Wars, things like this. And there was never any affluence of any kind shown by any member of the family anywhere. And that probably setting the culture, although it was never described, I'm sure, in that way, but I think the culture that's there now that has evolved over years, I think, you know, when we describe it now and commit it to paper, things like working hard, yeah, these people work very hard, not being greedy. (I3,R1)

Yes, a very strong culture in the business, and it's fundamental I think the fact that it is family-owned. And ok that's a starting point but the fact that our - for example our division of the business has over twelve hundred employees, and that's only part of CC wholesale - CC Group. And it's a small part of it. So, even those twelve hundred employees, if you take a management conference, we had one there a couple of months ago, there was about 120 attendees, and 30 people were new to the business, but the rest have been here, and if you did a poll they probably averaged the number of years people are in the business is ten years plus, which is amazing in the climate we live and in terms of people chop and change roles a lot more in the economic climate. (I4, R1)

It's like working in a big company but working for a small family if that makes sense. So it's a big, big company but it still does have a very much long-term do the right thing, look after our values as a company which all stems back from the family and the direction that they've set. (I10, R2)

The other key is, are the family and the values, you know, we are a family business although we're very large, we're a family business, we're not quoted, we operate with our family values because we see ourselves as a family business working with family businesses. (I11, R2)

So, there's that family feel. And I know it's a bit of a cliché, people say "It's a real family feel here." But you do definitely feel that there's a family sort of feel to the entire ... And I think that comes from the CC family themselves. Because of the way that they treat people, the way that they work with people. It sounds a bit sugary but it isn't, you know. I mean I can be as cynical as the next person or whatever but there is definitely, I've worked in a lot of multi-national companies, and I've worked all over the world. CC is a different place, it really is different. Yes there are tough decisions that have to be made and it's a hard place to work, we work hard here. But in terms of the climate or the environment here it's certainly different. There's a different feel to it. (I1.2, R2)

Family retailers. Family wholesalers. I think the family thing is very important. I think it has always been important to them, and I think they have always wanted to be seen as a family business, irrespective of their size. (I2.2, R2)

Would you, for example, would you see them as a family company?

Ah, I used to, not any more, no. They're just, they've gotten so big that that element's kind of probably been lost a bit, I guess, like, when you're talking about something the turnover 7 billion, like, you know, it's hard to be family at 7 billion, if you know. And especially with times being tougher, everything's all the costs being looked at, and the whole lot, so it would ... I wouldn't ... Having said that they're still, like, like I'd be on first name basis with most of the board, and something like that, so they still, they would be, like, they wouldn't be like, say, as big as Tesco, or something like that, so, we've got the boards here, and you're here, like, but it's... But they have grown, so ... Like in cases that happens, like, when you're doing that kind of turnover you have to be so, you know, focused and ... (I20, R2)

But it's corporate, it's not your local family business by any means, you know. Until when you go to conference and then it's all the families, it's all the retailers there, you know. (I18, R2)

Value-Based Claims

So it is actually, as I said it goes back to us being very honest. And we are an honest, we actually are an honest company to deal with. (I6, R1)

Our values would centre around things like openness, honesty, not being greedy and working hard and I think all of those kind of values fit in and we've to live those values and they're well-articulated on a pretty regular basis. So, they're pretty serious as far as we're concerned. And by and large, I think, you know, people live by them within the organisation. (I3, R1)

... the CC core values, which is a very strong set of principles by which each of us is expected to operate our business, and in fact it is what we expect of our suppliers as well, and those that we do business with, that they similar appreciate and recognise and sort of almost sign up to those values. (I1, R1)

I think the fundamental values of CC that they've had for the last X number of years are still fundamentally the values held today, I don't know maybe X has spoken to you about those, and that's what's driving business. (I4, R1)

Things like openness and honesty; it's just, yeah the nature of the organisation as well. People feel free to speak their mind and they're encouraged to do so and to be honest in their comments. And are not taken apart for speaking their mind, as it were. And if, you know, again, if in circumstances where people may have made a mistake or done the wrong thing they're encouraged to actually open up and talk about it rather than try and hide it and hopefully they'll learn from that, so that feeds in then to people I suppose, part of the culture, that people are empowered to make decisions, insofar as that's possible, rather than having to check back all the time. These things feed into each other I think, yeah. (I3, R1)

But, I suppose what is very key in there (the strategy documents), you have got the strategic intention to, if you read it and it would probably be very useful for you to put it in, are the company values. So, all the values that I was speaking about they actually sat down and I don't see it written ... but it is actually contained in the long-term view, stable relationships, so, all the key words are in there. I suppose the point I am making. He was saying "Listen to me, if I am handing on or we are handing on to non-family Chief Executives we expect the company to be run in this way". So, the values that was sort of understood within the company and it becomes a way of working. (I7, R2)

Ahm, what else, I think if you look at the five values. The values would suit the company very good in terms of what the company is probably about. I would have been

involved in the values team in the very early days. I would have sat down to look at ...when I say the early days, back in the early noughties, that would have looked at the values and said “Does the company CC – do they live the values or do they aspire to live the values”? At the time we would have said that CC aspired to the values and we would have started off looking to see what new values would we put in place in the company. We would have presented that to the board. The board then would have taken the document and they would have if you like, re-looked at the values but they would have agreed certain aspects of it that we aspire to the values and didn’t live them. But, they would have gone back to the core values and then reinvented those into the company. So, I would now quite happily say that the company live the values, ten years later. (I5.2, R2)

When I started first I was like, Oh God, values! I was like, what is this about at all, but they really do. They talk about them all the time. They are not just something that is on the wall that nobody ever mentions. When we do brand planning and when we plan for 2015, like I said earlier, they will always bring in ...we must remember our core values of honesty and hardworking and so, yeah, I really, because as I said, when I started first I was like “Oh my God, what is this about, I will probably never hear these again ...” but ... I do believe they defiantly try and live them (I9, R2)

So, it is not a case of going as a lot of companies have done ... they go in and somebody says “You have to have a list of values”. So, people sit down and say “Well I like that one, I like that,” it is kind of like bingo. It doesn’t mean anything. I can honestly say when I worked in the company as a full time manager, I just took it as a given, there is long-term, honesty and a way of working. When I came back in again as a non-executive director I was walking into warehouses where the employees had put the values up on the warehouse walls and they were trying to come up with ways ... every week they would come up with a way to try and live the values. I have seen that in some of the warehouses. I think people do believe it. They aren’t values that are unique to CC but I think you have got to put your actually courage on the actual sticking plate. You have got to put it up there and say that is what we believe. Really they are the ways of working that have guided the behaviours which have got us ultimately where we are. (I7, R2)

I mean most of the thinking and the putting things together, I think, and my father was responsible for this, he realised that listen as the family stepped back from the day-to-day management and as it looked like in the short to medium term it wasn’t going to be a family managing director it was going to be a professional managing director. At that stage I think it is important as owners and probably as the MD as ... one of the senior family members who understand the company, it is important to begin to codify for the Executive what the family’s expectations are around the running of the company. I suppose there are certainly, probably under my father’s watch, as MDs there were two, well there was one very, very clear document which they did, a strategy document which I think is in the back of this which is done in 1996 just before he resigned as ... CC Strategy document 1996. This was done with the board, with family members and non-family and non-execs ... and what he was trying to do was actually codify what the family’s expectations were around the company ... But, I suppose what is very key in there ... are the company values. (I7, R2)

I think their values come through in absolutely everything that they do. I think they’ve very, very strong values, and I think that’s been fundamental ... basis to their ... they’ve very, very straight ... they obviously have a bottom line that they have to adhere to, but they’re not greedy greedy, you know? And I don’t think they would have built the brand had it all been about them. I think they’re very much ... it’s not a them and us. And historically, that’s kind of what ... when I came into the business, that’s nearly what I was kind of told. That’s them, this is us, never the twain shall meet. But actually they’ve totally ... as they grew the business and it became more than just a warehousing facility, their values have become more and more and more instrumental, I think, to the business. Yes, I think their values are absolutely fundamental. And that’s in their staff, it’s in ... it comes through to the person answering the phone down in Cork. (I17, R2)

Business-Model Claims

I think trying to do the right thing is definitely, or aiming to do the right thing. I mean, I don't think we can ever say we were doing the right thing in everything we do. But I think definitely we aim to be as good as we can or be among the best if you like. (I5, R1)

And I think that, I often say at presentations and at meetings and things like that, you know CC were doing CSR before the word CSR, the phrase CSR was really coined. You can go back through their history and you'll see that they made choices sometimes difficult choices, but always for the right reasons. You know there's a story about them after the war in Cork where there was tea rationing and tea was a very valuable commodity and CC had quite a bit of tea and could have sold it literally to the highest bidder and you know really could have profited on it. But what they did was they distributed the tea pro-rata based on what people's previous requirements were. So I'm talking now about commercial business, so if they had half the tea available then you got half of what you always got, if they only had quarter then you only got quarter, and they made sure everybody got something. And that's just one example of you know seeing the bigger picture. They could easily have sold it for 10 times its value and as I say profited from it but they chose not to. And they, that's the same attitude they have in business. (I1, R1)

In the earlier years you have the achievement sort of working hard, long-term stable relationships would have been pretty fundamental to the way of working. I suppose my great-grandfather, really, he wasn't a guy to pull actual strokes on people and for them it was a very natural way of managing that you were tough but fair and I think that was very evident in my great-grandfather from early part of the last century right up to 1954 ... and I think that way of working and the long-term approach, I suppose the honesty and the straight dealing and also I think the willingness to invest in the business led to the development of the foundations of the company. (I7, R2)

From a family perspective the values, coming back to what I said earlier, you know, are important and the family judge the business not just purely from an economic point of view, although clearly that's important in the long run, they also judge it as to whether it's doing the right thing because ultimately it's their name over the door. So one of the tasks I'm set is to make sure that the business absolutely lives its values so, you know, one of the challenges that that brings is how to measure that when you're looking at, you know, fairly esoteric values that are quite hard and judgemental to understand. (I11, R2)

Absolutely, we have stayed true to our values I think absolutely and, you know, again if you speak to people the vast majority of people will say the essence of the company is the same but I spoke earlier about being a paternalistic organisation. We're not as paternalistic now as we would have been a couple of years ago, absolutely not, we can't afford to be so, you know ... and I think we have taken a harder line with some people. People have left our business that weren't performing that maybe prior we might have said, okay, you know, we'll just let that, kind of, go. We just don't have the space for that anymore, you know. (I12, R2)

But I think have we stayed true to our values? Yes, the values are not just about what you do, it's how you do it so if I think back to that Galway example again, you know, making 145 people redundant is not a nice thing to do but you do it living our values and treat people with dignity and respect and so they feel when they walk out the door that while absolutely it's devastating that they've lost their job they have been treated in the right way and absolutely any of our employees would say that to you. (I12, R2)

The common theme that really runs in all those brands - because we have nine in Ireland, Britain and Spain - is the need to really be, to support our independent retailers to be in the local community. And I suppose our work on brands said, look, if we're going to be unique in the market place then we need to really understand what being in the local community actually means and we use terms such as being a good neighbour and also helping people build vibrant communities, and why that's important is because the

retailer's competing with multiples and discounters and so they have to offer something that's different and better. (I11, R2)

It's about being involved in your local community and it's about giving back, you know, Tidy Towns, GAA, all that sort of stuff. It's about being involved, sincerely being involved (I19, R2)

Very hard working company, very hard working company. Very ambitious company. We've very ... the company's very committed and passionate about what we do which is local active ... community active retailing, supporting independent retailers in the Republic of Ireland, Northern Ireland and the British Isles basically. (I12, R2)

Yes, and that whole community thing, they would preach that constantly, but they would also preach be sincere about it and I think that's what makes the difference these days is everybody can take advice and do these things, but if you are sincere about it, then you would achieve more, if you know what I mean, because people see that. (I19, R2)

Oh, they're tough. Oh, they are very tough, hardnosed people, but you will never feel that you can't turn your back on them for a second. There's an integrity about them, in their toughness, and I think that's the thing that really stands out about them as a company, hard but fair. (I2, R1)

Yes, CC is a tough business we're in a tough environment, because if you're you know if you're competing with the multiples you have to be tough. And if you're a supplier you'd probably say that CC are extremely tough. But at the end of the day it's about long-term relationships and about making sure that you don't, you don't leave people, you don't have people leaving a meeting feeling that they got a bad deal. That, yes, they've had to fight hard for it but at the same time that it's fair and equitable and that the, the benefits of that, that the business generates are shared. Because don't forget we know our retailers, we're dependant on the retailers, you know, for our sales but they're equally dependent on us for their margin so it's about making sure that we use the scale business to benefit everybody. They get a little, we get a little. And that's how, that's how it's designed. Similarly from I think from an environmental or corporate social responsibility perspective the view is that this is how business should be conducted. It doesn't matter that maybe other people don't conduct their business in that way, this how we, we want to do. (I1, R1)

There's an integrity about them, in their toughness, and I think that's the thing that really stands out about them as a company, hard but fair. (I2.2, R2)

Because we're in a tough economic climate and yet the decisions we're making, yes, of course they're being made to make the business emerge stronger from the current climate. But at the same time they're being made against the background of the family's values, if you like, or our values here as a business. I think that if we were a publicly quoted company the decisions we would make would be influenced in an entirely different way and would therefore be different. (I1.2, R2)

Very hard-working. People work very hard here, and there's an expectation that people will work hard here. People are very loyal to the company, and I think the company is loyal back to its Employees. You feel part of something bigger ... part of something bigger, almost, than a company. Very fair, and quite straight ... yes. And kind, I suppose, in its own way. I mean, I think it is kind of a kind company as well. (I22, R2)

We're a very forward-thinking and progressive company and we play well above our weight ... Because of the way the company conducts its business, it's a good place to work but there's always a challenge. Like it's a company ... in order for us to be progressive, everybody in the company is always challenged and that's the kind of company it is. Like the people who get on here are those kind of people and like you see it over a number of years. You see somebody coming in and move through the business.

Like it's a very progressive company. They challenge their people but ultimately it's a good place to work and that's what ... I suppose the combination of that is why we're able to punch above our weight. (I21, R2)

There's no doubt about it, the professionalism ... excuse me, the want to constantly push forward. It's always about challenge and challenging yourself to do better. (I19, R2)

I do think it's a tough company, yes. It's a tough company because it needs to be, just because of what you said, it's in a tough industry and it wants to be successful, so there needs to be a set major, a commercial toughness to how it does its business to make sure it is successful. (I15, R2)

The values around honesty, long-term relationships, not been greedy, working hard, innovation all these sort of things and they actually go right down into our performance review where you're scored on your outputs and so on. However, there is a question for the manager that no matter how well you have delivered to the business if you have delivered in a way that doesn't agree with the company values you will not move on. So you may have delivered amazing sales but if you have done it on the back of somebody else's work and not given them the credit or if you've been underhand in anyway it's not acceptable, and it's the same with people in trading. On one hand they're pushing for the best price, on the other hand they can push so hard that they push people out of business. So it's all about getting the balance right in the long-term relationship, and you are expected to live the values and you are, it is, it really is through everything you do the whole honesty and integrity piece, you know. (I14, R2)

They have got tougher, they've sharpened their teeth ... They have got tougher against their suppliers, you know, to try and become more competitive. You know, there was a lot of areas where they were out of line, compared to competitor pricing, compared to what you'd get out there on the market, you know. And there's been a lot of work done on that. There's a lot more work to be done but it has got a lot better. (I18, R2)

But also on the other side of that we're actually quite a reserved company and we're quite humble in that we don't ... we're not the best at PR pizzazz. We're, kind of, quiet but we're doers, if you know what I mean. I don't know if that makes sense to you. So I think maybe you might have come across that in your dealings with the other companies. So CC, we're never going to be out there shouting about look what we do. We're more let's do it. Let's support 30,000 Irish jobs. Let's make sure that, you know, we buy 75% of our products from local Irish suppliers. Let's ... you know, it's a bit of a ... what's the word, contradiction, I suppose really, but when you talk to people about the company we're very passionate. We're very ambitious. We're very hard working. We love what we do and we're very committed so ... (I12, R2)

As a business we're quietly determined and we're very ambitious and we will get there. (I12, R2)

Long-Term Perspective

It [taking a long-term view] is the one single biggest fundamental reason for CC's success, above anything else, it and its people. And there is absolutely, there is no debate or argument to it. A long-term view and it's people ... We have never had any requests for capital shot down because of the length of return on investment, ever. Never. (I6, R1)

All this starts in CCs with a passion about something. CCs tend to be a passionate business. Retailing is a bit passionate anyway, no matter where you are. And if CCs have a passion for something, it usually works. You know, and in fairness to the business there are things that we have had a passion about even from a business imperative, and a payback period could be twenty years. But if we passionately believe that that is the long-term fix for our business, we will actually stick with it once we have the passion ...

So we passionately usually believe in what we do. And usually there is a financial reward at the end of it, and that's not a bad thing because that makes you passionate about something else that's good. (I6, R1)

I suppose, given the type of company CC is, we focus very much on long-term decisions as opposed to short-term decisions. So, like, we could take ... if we can do something to ensure our sustainability over the long-term, CC, as a company, we'll tend to do that, whereas these companies that are listed on the stock exchange have to report to shareholders, they might be much more focused on short-term. They wouldn't have from the finance perspective and sustainability, they wouldn't take the same options that we would often take, I think. (I21, R2)

The company will take a long-term decision and like that comes down to the fact that it's not shareholders, not a bunch of shareholders saying that we need to hit X profit number. Do you know what I mean? We don't like, profit is stepping backwards but the family, they realise that. They know exactly why it is happening and I ... It mightn't be ... the step-back mightn't as bad if we took short-term decisions but the company ... the idea is to take long-term decisions and it'll pay ... it will benefit over the longer-term. (I21, R2)

I think their commitment to the long-term is probably something ... maybe that's because of the work I'm doing at the moment with retailers. I think the long-term strategy is something that has struck me recently, particularly when they started the X stores. There was no money to be made in that for a good ten, 15 years, but they stuck with it and, you know, became Y. And now, you know, it's that commitment to putting in the work for the long-term gain of the company. (I22, R2)

In fairness to CC I suppose one benefit of being the family business that they are is they're not subject to these short term demands of investors. So they can afford to take a long picture and they usually do, and they work through, they look at the where best to invest, but they're not going to pull money away from something that has long-term benefits. So I suppose in that respect they do think long-term, they do plan. If it's part of the strategy it's allowed for, it'll maybe cause them a bit of pain, but it's for something they want to roll out and get benefits from. (I14,R2)

Appendix H: Overview of Social and Environmental Activities and Projects Implemented between 1998 and 2006

Year	Social and Environmental Events/Projects	Policies	Reports
1998	<ol style="list-style-type: none"> 1. Appointment of external environmental consultants 2. Establishment of franchise environmental action team 		
1999	<ol style="list-style-type: none"> 1. Initiation of environmental process 2. Introduction of environmental items on the agendas of business meetings and forums. 3. Baseline environmental review of 23 Irish premises (4 distribution centres and 19 large stores) 		
2000	<ol style="list-style-type: none"> 1. Environmental action team address the retailers' councils on environmental risk management, waste management, packaging regulations and training 2. Consultation with retailers, suppliers and staff members on the Environmental Charter 3. Environmental training for staff and franchisees: <ul style="list-style-type: none"> o One day environmental management training course on the company training schedule o Environmental management module in the Retail Management Diploma (delivered with Dublin Institute of Technology) 4. Waste characterisation project at two distribution centres and five stores 5. Introduction of waste segregation at two distribution centres and an estimated 20% of stores 6. Waste management rooms a standard feature of new store design 7. Increase number of public recycling banks at CCRPI and store premises 8. Launch of road safety campaign 9. Dual-fuel cars added to fleet car list 10. Closed loop washing system for fleet cleaning 11. Introduction of backhauling system for chill deliveries between two depots 12. Paperless trading via EDI 13. Introduction of re-usable plastic crates to replace card and shrink-warp packaging 14. Introduction of degradable plastic bags in ROI stores 15. Acoustic assessments of haulage operations and construction of acoustic barriers at two depots 16. Elimination of CFC refrigerants 17. Plate heat exchanger technology fitted as standard on refrigeration systems in stores 18. Newer stores fitted with reverse cycle heat pump technology in air-conditioning units 19. Wood product sourcing policies included in store design criteria 	Corporate Environmental Charter	

Year	Social and Environmental Events/Projects	Policies	Reports
	20. Environmental criteria in lighting specification for stores 21. Inclusion of environmental checks in store audits		
2001	1. Hosting of Sustainable Construction workshop in May 2001 2. Environmental Communication Projects: <ul style="list-style-type: none"> ○ Communication of the CC Environmental Charter to local authorities, retailers, employees, suppliers, consumer groups and the media ○ Distribution of schools environmental information leaflet in Cork and Munster ○ Participation in Irish Government’s “It’s Easy to Make a Difference” campaign ○ Regular press releases on environmental initiatives ○ Set up of environmental notice boards ○ 13 major environmental presentations 3. Development of bespoke environmental training course and manual for business managers and retailers 4. Piloting of environmental training course 5. Three-year sponsorship of Action Cancer Mobile Detection Unit (NI) 6. Energy benchmarking for some retailers 7. Increased backhauling in the Chill department 8. Introduction of voltage protection system in new tractor units 9. Feasibility study of LPG delivery trucks 10. New recycling processes for IT equipment and printer cartridges 11. Survey of organic produce available in ROI stores. 12. Audit of own brand products compliance with EU GM labelling regulation. 13. Reformulation of own brand products to omit any GM content. 14. Sponsorship of The Organic Centre in Co. Leitrim. 15. Green purchasing of IT equipment.		Environmental Report 2001
2002	1. KPIs for the environmental action teams: <ul style="list-style-type: none"> ● Group waste recycled ● Office waste recycling ● Environmental action team meeting attendance ● Participation in environmental training ● Availability of one-stop-shop waste management services ● Waste contract participation 2. Inclusion of environmental measures in the supplier Code of Practice 3. Hosted a Greening the Supply Chain conference with 68 suppliers 4. Award of EPA grant for ecolabel feasibility study		Environmental Report 2002 – GRI compliant and independently assured

Year	Social and Environmental Events/Projects	Policies	Reports
	<ol style="list-style-type: none"> 5. Driver training in reduced fuel consumption and safety for 85 drivers in June 2002 6. Public Attitudes Survey on the role and importance of environmental issues in grocery retailing 7. Publication of Group Environmental newsletter to retailers 8. Introduction of regional one-stop-waste contract 9. Establishment of NI's environmental action team 10. Participation in the GRI's Assurance Working Group from January to April 2002 (one of only three reporting organisations to do so) 11. Initiated office paper recycling for franchise head office 12. Staff transport survey 		
2003	<ol style="list-style-type: none"> 1. Appointment of Group environmental executive 2. Establishment of wholesale and UK environmental action teams 3. Sign up to the UN Global Compact (first company in Ireland to do so) 4. Energy audit at wholesale premises 5. Extension of one-shop-waste contracts in ROI and NI facilities 6. Establishment of staff recycling service in franchise division's head office 7. Introduction of new route planning software 8. Installation of in-store energy monitoring equipment 9. NI division sign up to a Retailers Charter to support the Environment and Heritage Services Wake up to Waste campaign 10. Launch of healthy eating campaign and leaflets 11. Established Triathlon to raise funds for an Irish Children's hospital and the Irish Cancer Society. 12. Donation to Civic Trust project to restore historically significant building 13. UK's healthy eating campaign 		Environmental and Social Accountability Report 2002-2003 – GRI compliant and independently assured
2004	<ol style="list-style-type: none"> 1. New energy contract for 500 stores and Group facilities with 'greener' energy provider in 2004 2. Update of retailers' building contracts to ensure that stores are designed to operate at maximum energy efficiency 3. New schools' sports process launched with the Irish Sports Council. 4. Design of sustainable head office 		
2005	<ol style="list-style-type: none"> 1. Construction of sustainable head office incorporating the following design features: <ul style="list-style-type: none"> • Alignment of the building to make best use of available shelter from the prevailing south-westerly winds • Increased insulation thicknesses in exterior cladding and high specification double glazing to reduce solar gain in summer and heat losses in winter • Internal layout of the building and the use of a central atrium so as to maximise the use of ambient daylight 		

Year	Social and Environmental Events/Projects	Policies	Reports
	<ul style="list-style-type: none"> • A Geothermal Heating Ventilation and Air-conditioning (HVAC) System, accessing renewable solar energy contained in ground water on site • A solar water heating system incorporating roof mounted panels to provide all of the building's hot water needs • An intelligent automatic lighting system, including occupancy sensors, daylight level sensors and energy efficient fittings and lamps • A building energy management system to optimise energy usage and operational performance <ol style="list-style-type: none"> 2. Energy scoping surveys in ROI and NI facilities 3. Additional electricity meters in installed in the surveyed facilities allowing weekly and monthly reports of electricity usage for each site 4. Nominated Energy Champion in each facility 5. Energy Bureau office in ROI 6. Full time energy manager in UK 		
2006	<ol style="list-style-type: none"> 1. Stakeholder Consultation on Materiality 2. Indirect economic impact assessment for Navan, Co. Meath 3. Introduction of biodiesel for UK logistics fleet 4. Study of top own brand lines for packaging reduction opportunities 5. Engaging with the UK's WRAP campaign and signing up to the Courtauld Commitment 6. UK project to remove intensively farmed eggs, hydrogenated fats and unnecessary and/or controversial additives from their own –label range 7. Food labelling project 8. Communicating and implementing ethical trading policy to purchasing and supply chain teams and suppliers 9. Launch of Kids in Action project in ROI 10. Development of a food waste management system in 2006 and 2007 with an outside contractor – FSM Limited 	<p>Externally Published Policies:</p> <ul style="list-style-type: none"> • Energy and Natural Resources • Ethical Trading Policy • Environmental and Social Accountability Policy 	<p>Sustainability Report 2006 – GRI compliant and independently assured</p>

Appendix I: Overview of Sustainability Activities and Projects Implemented between 2007 and 2013

Year	Social and Environmental Events/Projects	Policies	Reports
2007	<ol style="list-style-type: none"> 1. Five-year sustainability strategy and targets 2. Integration of targets into existing KPI and performance management systems. 3. Disbanding of environmental action teams 4. Appointment of divisional board champions 5. Support of First Sale process with Enterprise Ireland and Bord Bia for start-up companies in 2007 (€2 million in sales) 	<p>Internal Policies:</p> <ul style="list-style-type: none"> • Being a Good Neighbour Policy • Consumer Choice Policy • Energy and Emissions (Buildings) Policy • Energy and Emissions (Transport) Policy • Packaging Policy • Regulatory Compliance Policy • Waste Management Policy 	
2008	<ol style="list-style-type: none"> 1. Detailed sourcing policies for all own-label products 2. Franchise division's office building constructed with <ol style="list-style-type: none"> a. geothermal system b. solar water heating technology c. lighting control systems, including occupancy detection sensors and daylight compensation auto-dimming systems 3. New eco-store in Ennistymon in Co.Clare 4. Centralised data capture and management system to record the amount and type of energy used throughout the building stock 5. Packaging reduction and optimisation project for own-brand fresh food supply chain 6. Review of alternative technologies for chilling trailers 		Sustainability Report 2008 – GRI compliant and independently assured
2009			
2010	<ol style="list-style-type: none"> 1. GPRS system installed in 50 trucks in 2010 to monitor driver performance 2. Extension of green electricity contract to all ROI facilities in March 2010 3. 300 retailers participated in Energy Map course 4. Register of opportunities to identify, evaluate and track the implementation of sustainable technologies across the company 5. Established a fraud hotline 		Web-based Sustainability Report 2010 – GRI compliant Sustainability Report Key Facts 2010

Year	Social and Environmental Events/Projects	Policies	Reports
2011	1. Water usage research		Communication on Progress (UN Global Compact) Communication on Progress 2011: Performance Update
2012	1. Process for merging environmental activities and processes across the Group		Web-based Sustainability Report Key Facts
2013	1. New sustainability targets for the 2013 to 2017 cycle		Communication on Progress 2013