

Report on the study of competence and knowledge in the field of ESG

# Future leaders of ESG in the business sector

KA210-VET - Small scale partnerships in VET sector

Poland, Warsaw, 2023

# Contents:

## Chapter I

An age of responsibility	4
From CSR to ESG	6
Definitions used in the report.	7
ESG in Poland	9
ESG and sustainability as statistics regarding Google queries	12
ESG increase in the media	13
ESG in Poland, in practice	15
ESG leader	16

## Chapter II

Summary report containing research conducted as part of the project 'Futureleaders of ESG in the business sector' - In-depth interviews.	20
Summary of in-depth interviews	22
Summary report containing research conducted as part of the project 'Future leaders of ESG in the business sector' - Survey study.	24
Summary of the survey results	29
Summary report of the research conducted as part of the Future leaders of ESG in the business sector project. Group interviews.	32
Summary of the interviews	33
Authors	34

**The study, as well as its detailed description which is presented on the following pages of this report, was conducted as part of a project co-financed by the European Union entitled 'Future leaders of ESG in the business sector' no. 2022-2-PL01-KA210-VET-000094045. The project is executed by the Foundation for XBW by Ignacy Krasicki, in partnership with the Irish company EDU SMART TRAINING CENTER LIMITED.**





**Co-funded by  
the European Union**

# An age of responsibility

**When the great fortunes of John D. Rockefeller or Cornelius Vanderbilt were created in the United States in the 19th century, a belief began to sprout among entrepreneurs that activities which today may be part of CSR or ESG, bring more benefits than just a blind pursuit of profit.**

In times when entrepreneurs unreasonably exploited employees, evaded paying taxes and showed their indifference to the natural environment, it was difficult to talk about the definition of business ethics in today's understanding. However, there were also those who noticed the benefits of changing the approach to values such as social responsibility faster than others. They noticed that corporate charity brings an increase in employee loyalty and work efficiency.

When in 1892, one of the world's greatest riches, the American industrialist Andrew Carnegie and his business partner Henry Frick brutally suppressed a strike at the company's factory in the unknown Polish village of Chorkówka in Podkarpacie, the oil tycoon Ignacy Łukasiewicz created the largest employee package in Europe at that time. The Łukasiewicza Refinery then became

a dream place of work, which resulted in the loyalty and attachment of employees, and thus, high production efficiency. Carnegie changed his approach over time. He was an opponent of charity but donated huge amounts of money to build libraries and schools. Similarly, Łukasiewicz did not limit himself to building social facilities but also funded elementary schools for children in rural areas.

At the same time, another oil tycoon - John Davison Rockefeller, on the other side of the globe, introduced the first principles of waste management. While other companies in the US dumped gasoline into rivers as unnecessary waste, Rockefeller's „Standard Oil” company used it to power factory machinery. This policy resulted in huge savings which allowed, among other things, to raise employees' salaries and introduce a bonus system for ideas that improve the operation of the company. Rockefeller was particularly involved in charity at the end of his life, funding, among others, University of Chicago. At that time, he also established the world's largest foundation named after him. Considering that his grandson David Rockefeller is still operating the business today, these activities still pay off.

It is also worth paying attention to the chocolate factory „E. Wedel”, one of the most recognisable Polish brands of pre-war Europe, which is still operating today. The owners were the first entrepreneurs in Europe who built a residential house for their employees. A nursery and kindergarten were also opened for children.



Co-funded by  
the European Union





There was a doctor's office, a swimming pool, a vocational school and even an orchestra on the premises. After more than 170 years of activity, market experts point to the pre-war activity of the company as an example of a model dialogue between employers and employees.

“Finding and retaining the best employees is the most valuable skill. I would give everything I have, all my money, just to have this skill” - said John D. Rockefeller. Such views were the basis of strategic corporate philanthropy, the predecessor of CSR and then ESG.

Today the values related to sustainable development and CSR and ESG activities, as well as subsequent EU directives such as the CSRD directive, operate on completely different principles. The stimulus for the development of these activities is primarily the social market economy, environmental challenges, stakeholder expectations and competition. One thing has not changed; companies use similar activities to achieve success and multiply profits.

It is worth remembering that activities aimed at maximizing profit are not a bad thing, as evidenced by the already mentioned



example of Rockefeller, who was one of the first to introduce the principle of waste recycling. The construction of the company's swimming pool by Jan Wedel also had an impact on increasing the profit. Employees felt better, and as a result, their work was more efficient, and the level of loyalty was much higher.

Striving to maintain and develop competitiveness is conducive to conducting debates around subsequent concepts facing the future, for example RVC (Regenerative value creation).

# From CSR to ESG

**The ISO 26000 standard developed in 2010 by the International Organisation for Standardisation helped translate CSR principles into practical activities. Previously, the standards for corporate social responsibility activities were essentially voluntary. The widespread use of the ISO 26000 standard resulted from a simple calculation - ethics in business simply paid off.**

Unfortunately, it also paid off to take shortcuts and instead of genuine implementation of activities consistent with the goals of sustainable development, selected aspects of activity were promoted without disclosing those less responsible - which was used by many companies. CSR was increasingly associated with promotion and PR rather than a holistic change of business. The plague of greenwashing on the one hand, and climate risks on the other, made a systemic change necessary.

Today, sustainable development is not a matter of free choice, but our status quo on Earth. CSR is evolving towards ESG - enabling objective comparison of activities related to environmental, social, and corporate governance issues. These issues are important not only for companies that want to act responsibly, but

also for investors, stakeholders, and customers. ESG is no longer a niche area like CSR, but one of the pillars of activity. Reporting non-financial data is not a prize in the hands of PR and marketing and not just an important element of company reports, but a part of the strategic core business of enterprises.

It is important that ESG includes more elements than CSR in assessing non-financial activities to determine the value of a company. Making an assessment, according to ESG, assumes the amount of funds allocated to environmental protection, including the reduction of pollution, and lowering the level of energy

consumption, as well as the state of relations with the local community. Diversity of employment in terms of origin and gender, employee training, customer

satisfaction, a transparent structure of the company's authorities, clear remuneration rules, etc. are also important.

Of course, in order not to repeat the mistakes of the CSR era, systemic changes are necessary to describe non-financial data so that it can become measurable. Therefore, the key issue is to unify reporting standards and create tools that will allow to measure and compare the responsible activities of companies. Work on them is already underway - within the framework of the EU,

*Key issue is to unify reporting standards and create tools that will allow to measure and compare the responsible activities of companies.*



Co-funded by  
the European Union



the changes are described in CSRD Directive. The changes will come into force in 2024, which means that the Polish economy needs to be prepared for the transition to uniform European reporting standards now.

Key changes also include the introduction of the ESRS (European Sustainability Reporting Standards) - uniform EU ESG reporting standards, and mandatory external verification, i.e., audit of non-financial reports.

There is no alternative to the increasingly demanding regulatory reality in the field of sustainable development. Growing climate threats and the associated risks force a change in the way companies operate. The market, in order to survive, will support these changes.

## Definitions used in the report

**Abbreviations such as ESG or CSR, and key words like taxonomy are mentioned in the report, meaning the following:**

***ESG (environmental, social responsibility, corporate governance)***

It is an abbreviation for factors based on which ratings and non-financial assessments of enterprises, member states and other organisations are created. The main goal of ESG is to provide investors with the opportunity to compare alternative investment directions on one level through the analysis of these three parameters.





### ***CSR (corporate social responsibility)***

It is a concept according to which enterprises, when building a business strategy, consider social interests and environmental protection and care for relations with various groups such as stakeholders, and above all, with employees. Their conduct is transparent and ethical, contributing to the development and well-being of society.

### ***Social involvement***

Conscious participation of the company in social life to solve specific social problems. The company's social commitment is often expressed in charity activities, education of children and adults, and cooperation with universities or non-governmental organisations.

### ***Corporate governance***

It is a set of rules of conduct both for the bodies of companies, but also for members of the bodies of these companies - the supervisory board, the management board, and shareholders. The principles of corporate governance refer to the broadly understood management of the company.

### ***Non-governmental organisations***

These are all entities that are not public administration units or bodies and whose activities are not aimed at making a profit. They focus on pursuing a chosen social interest.

### ***Sustainable development***

Sustainable development is intergenerational solidarity consisting of finding solutions that guarantee further growth, which allow for the active inclusion of all social groups in development processes, while giving them the opportunity to benefit from economic growth through the implementation of SDG (Sustainable Development Goals).

### ***Integrated report***

The integrated report should be a concise message presenting how the organisation's strategy, management model, performance and future prospects, taken in the context of the external environment, lead to value creation in the short, medium, and long term.

### ***EU taxonomy (Taxonomy Regulation)***

Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020 on establishing a framework to facilitate sustainable investments 2020/852 („Taxonomy Regulation”), which entered into force on July 12, 2020 and became mandatory on January 1, 2022, is a tool to help companies and investors make investment decisions towards more sustainable economic activities. The mechanism is intended to provide uniform criteria for determining whether an economic activity is „environmentally sustainable”.



Co-funded by  
the European Union



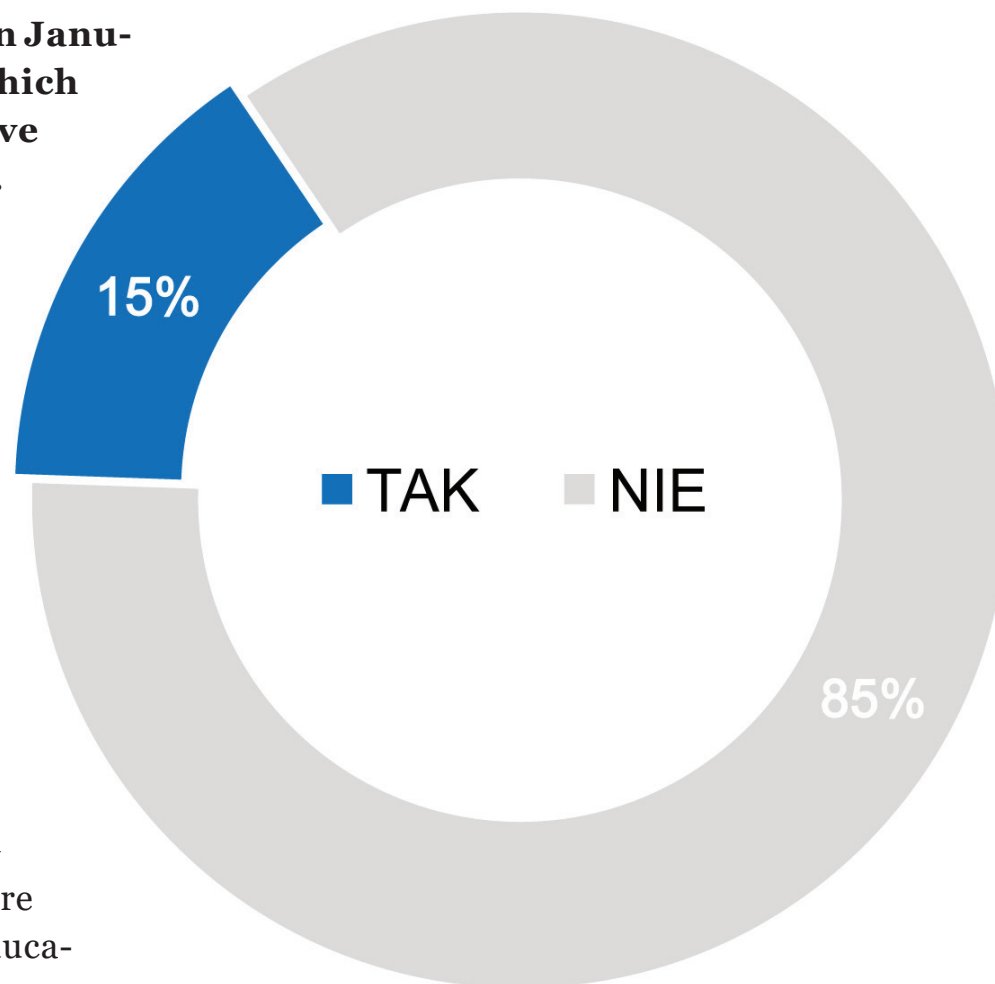


# ESG in Poland

**During the 2nd ESG Congress, which took place in January 2023 in Warsaw, research was presented which shows that as much as 85 percent of people have not come across the abbreviation ESG before. The research was conducted using the CAWI method on the population of Poles aged +18 by the nationwide Ariadna research panel. Their results are not optimistic.**

Awareness of ESG and sustainable development, despite many information campaigns, is not common knowledge. Many entrepreneurs still do not know or understand whether and to what extent they will be affected by the planned changes regarding the implementation of ESG.

Since January 1, 2024, listed companies with more than 500 employees will be required to report on ESG activities. The result of the study clearly shows that there is still much to be done in Poland when it comes to education in this area.



Co-funded by  
the European Union





*In January 2023, the EU CSRD entered into force, which extended the reporting obligations regarding the impact of enterprises on people and the environment. The obligation will apply as follows:*

*From January 1, 2024, for large public interest companies (with more than 500 employees) already covered by the NFRD (The Non-Financial Reporting Directive), with reports until 2025.;*

*From January 1, 2025, for large companies currently exempt from the Non-Financial Reporting Directive (with more than 250 employees and/or euro €40 million in turnover and/or €20 million in total assets), with reporting until 2026;*

*From January 1, 2026, for SMEs and other publicly listed enterprises, with reports until 2027. SMEs can resign until 2028.*





On the positive side, 40% of respondents answered that protection and counteracting the degradation of the natural environment should be a priority for companies operating in Poland. This means that actions are needed that will primarily organise the knowledge of Poles on ESG and sustainable development, to help them understand the definition of ESG and its application.

The awareness of these needs is known to representatives of state offices, including the spokesperson for SME Entrepreneurs, whose representative argued that entrepreneurs from the SME sector need knowledge about the obligations arising from the ESG, especially in the context of obtaining financing, as well as the risks of going out of business. This opinion was expressed by Dr. Marek Woch, deputy spokesman for SMEs, during the 8th European Congress of Local Governments, which took place in March 2023.

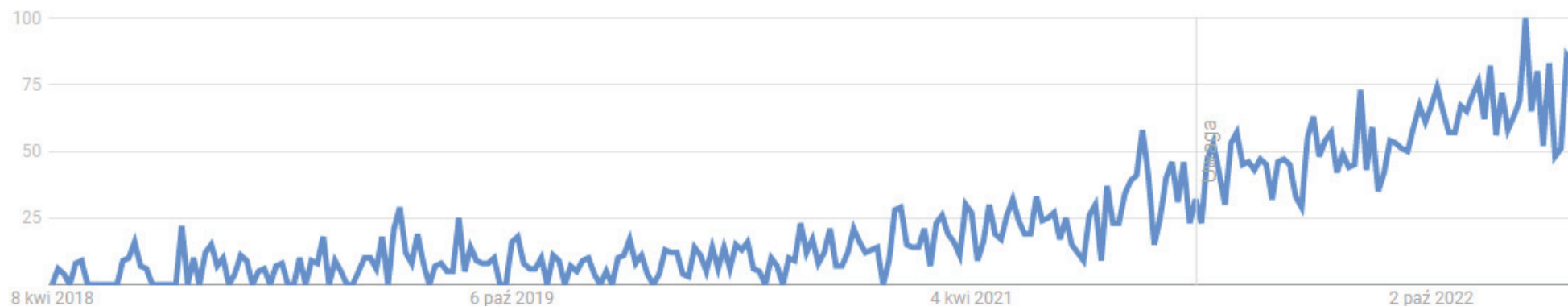


VIII European Congress of Local Governments in Mikołajki.

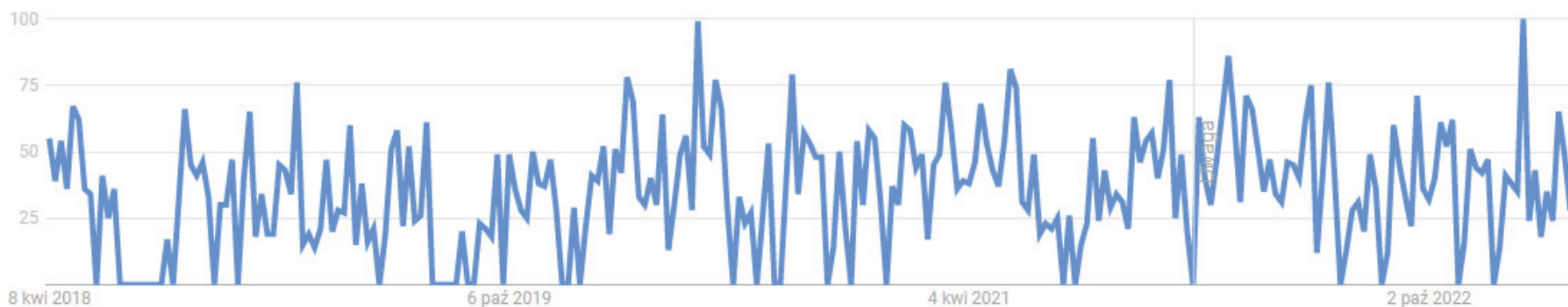


## ESG and sustainability as statistics regarding Google queries

Analysing the number of queries from Google users about ESG, it can be stated that their number has been growing all the time for 12 months. The peak of queries, according to the Google Trends tool, fell at the turn of January and February 2023. The growing interest in the ESG slogan can be seen in the chart showing the period of the past five years between 2018-2023.



The situation is different in the case of inquiries about sustainability. In this case, the graph showing the popularity of the word over the last year has the form of a sine wave, in which drops in interest occur during periods of reduced activity of Internet users, i.e., during holidays.





That only means one thing; Polish society, mostly entrepreneurs, need and seek knowledge about ESG and sustainable development.

Users who entered the search term ESG in the last 12 months were also looking for answers to questions about CSR activities and ESG reporting. They were also interested in topics related to audits, carbon footprint, and corporate governance. In the case of sustainable development, users were also interested in politics as a field of science and economy.

Based on this data, it can be concluded that the definition of sustainable development, compared to ESG, is no longer a new concept, and in the case of ESG, search engine users are still looking for answers to what ESG is and what it concerns.

## ESG increase in the media

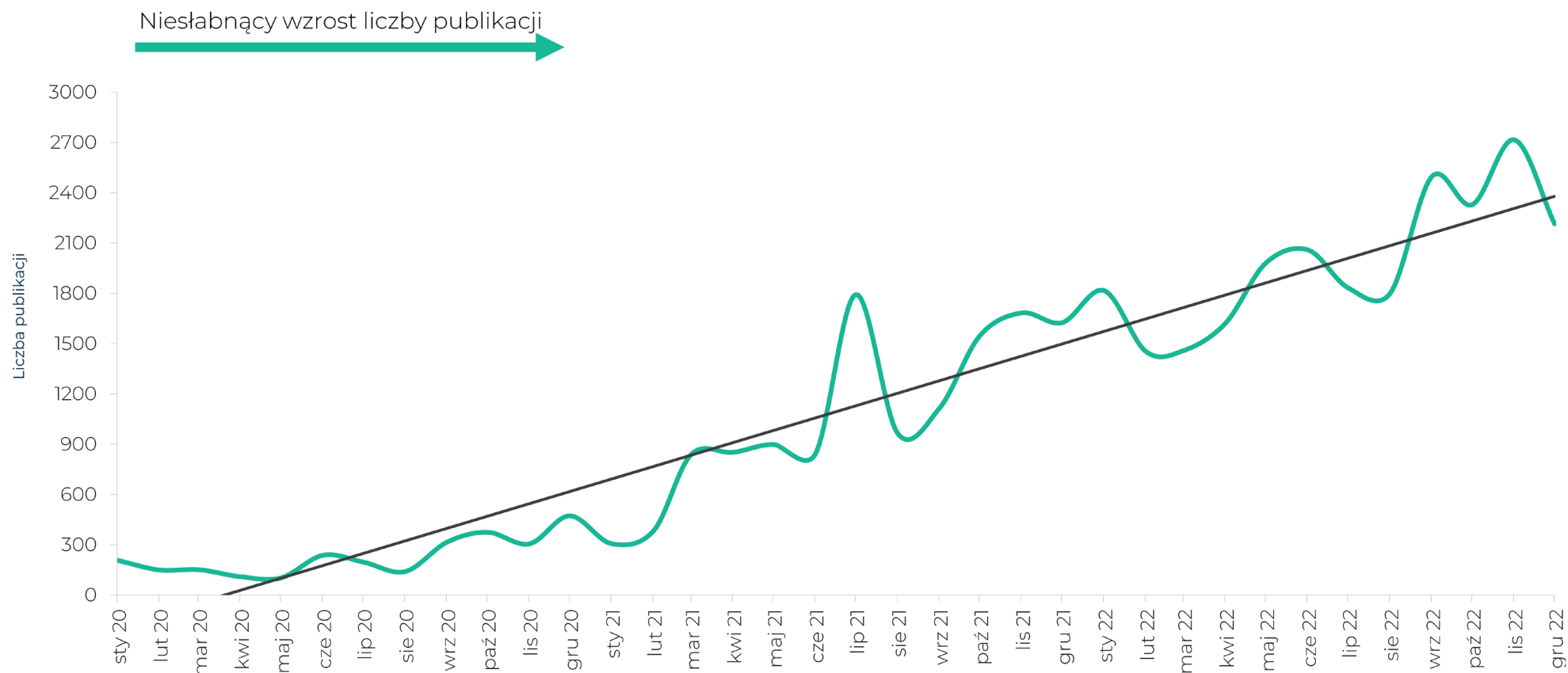
**A similar conclusion can also be drawn from the analysis carried out by companies that deal with media monitoring. An example is PSMM Monitoring & More, whose representative, Sebastian Bykowski, general director, informed about the increased interest in topics related to ESG.**

Explaining the specification of the analysis, he says “Every day we analyse about five million pieces of information from the press, radio, television, internet and social media and collect this information. In our archival reviews, we could go back up to three years and see how ESG-related communication has changed.”. “Over the last three years, the scale of interest has increased 8.5 times, so these are big jumps. When it comes to the information structure itself, the Internet obviously prevails here” - adds Bykowski.



Co-funded by  
the European Union





*The “ESG media coverage. Report 2020-2022”, presented the popularity of the ESG slogan over the last three years. Traditional media as well as the message in social media were analysed. The study shows the context and areas of activity of companies in the field of ESG and the best practices of companies in the field of ESG.*



# ESG in Poland, in practice

**Considering the presented research and analysis, even though many organisations still do not treat the ESG strategy on an equal footing with the overall company strategy, we are still observing the transformation of business models into sustainable models on the market. In such a situation, one can risk a statement that the impulse for these changes is the EU regulations imposing the reporting obligation.**

An additional factor increasing the interest of entrepreneurs in topics related to ESG are energy prices, the COVID-19 pandemic, and climate and social changes. All this makes investors and management boards aware that ESG issues can define the financial success of companies, and in the medium and long term will contribute to changing the nature of services and products as well as the ways of doing business.

It is also worth quoting the results of research by analysts from Allianz Trade, who believe that in the next few years, ESG will become the main driving force of the global market - by 2026, the value of ESG assets will incre-

ase by almost 13 percent annually, reaching the level of USD 34 trillion, while the growth of the entire market will be only 4.3 percent.

## Sustainable development in the context of the war in Ukraine

“The conflict beyond our eastern border shows that the abbreviation ESG is not an abstract idea. It’s a necessity. If we want to be safe, we need to accelerate the green transformation, especially since we have agricultural waste, wind, and sun at our fingertips,” - explains Damian Kuraś, director of the ESG Institute, referring to the situation in which Poland and the rest of Europe have found themselves today. Sustainable development is one that “secures the needs of the present without compromising the fulfillment of the needs of future generations”.

Piotr Maciążek, an expert on the energy and fuel market, shares the same opinion. He believes that the ongoing war in Ukraine will strengthen Europe’s desire to develop green energy sources and self-sufficiency. According to this expert perspective, the ESG rules not only gain importance, but can also become an element that reduces the exposure of the aggressor’s capital to EU markets. Maciążek also believes that ‘the ESG requirements will directly hit the authors of this unnecessary war’.



Co-funded by  
the European Union



## ESG leader

However, the awareness and knowledge of entrepreneurs are not all the steps that need to be taken to meet the EU requirements for proper ESG reporting. Practitioners, specialists and even teams of appropriate people for the position of ESG Leader (Head of ESG) are needed.

Data taken from PageExecutive , a company specialising in recruiting employees for top management positions, prove that the search for appropriate specialists is a trend across Europe.

“The number of inquiries about candidates for this type of role increased by 50% in 2022. When looking for an ESG director, it is worth remembering that the international experience of a recruitment consultant can support the client, thanks to which the path towards more sustainable development and competitiveness will bring them real profits, faster,” - explains Jakub Grabowski, Associate Partner at PageExecutive.

He adds that the new regulations on ESG reporting are a challenge for many companies that have so far focused exclusively on CSR issues to the extent that they defined them according to their needs. For many industries, ESG is a completely new field that everyone is learning.

## Finding a leader is a challenge

For obvious reasons, the biggest challenge for industrial companies will be the definition of the letter E, i.e., the natural environment. This may mean, for example, the need to hire a specialist in strategic management of energy consumption and sources, waste management, carbon footprint and CO2 emissions. Similarly, when it comes to the definitions of the letters S and G, which may generate the need to create positions related to Diversity, Inclusion & Wellbeing.

The ESG leader must tie these roles together and include them in the company's comprehensive strategy and day-to-day operations. A person in this position should therefore combine comprehensive competences in the field of creating and implementing projects in various fields. Soft skills such as openness, the ability to influence, communicativeness, creativity and curiosity will also be important. The person responsible for this area must also be able to cooperate and convince both the management board and the subordinate teams, often from different departments in the company, to their projects. Therefore, in this case we are talking not so much about managing people, as about influencing them.

Many organisations and companies that do not see how important of a role the ESG Leader can play in the development of the company, entrust this area of management to people performing other tasks daily.



Co-funded by  
the European Union





“This is not the right strategy - that can cost the company a lot - considering that ESG reporting will be subject to external audits and the data contained there must be absolutely transparent and verifiable” - explains Jakub Grabowski.

The importance of acquiring candidates with appropriate qualifications is shown, for example, by a study of the [Przemyslprzyszlosci.gov.pl](http://Przemyslprzyszlosci.gov.pl) – a portal of Polish manufacturing companies. Apart from the lack of money (25%), the respondents indicated the main barriers hindering climate protection initiatives as a lack of a strong business strategy (18.5%) and specialist knowledge in the field of sustainable development within the organization (15%).

At the same time, almost half (44%) believe that sustainable development is important in their companies, but there is no formal approach, and 30 percent incorporates into its strategies practices aimed at simultaneous care for the economy, society, and the environment.

## ESG factors

The need to organise the areas covered by ESG reporting is therefore high and results from both new regulations and internal processes in companies, as well as requirements set by private financing institutions.

It must also be emphasised that ESG factors will have to be permanently considered throughout the company's operations, which requires coordination and accountability at the board level.

There are many questions and challenges related to ESG, but the most important thing is to convince entrepreneurs that the implementation of ESG reporting will simply pay off.

The following arguments can be used for this purpose.

- In area E (natural environment), the company has a chance to optimise the acquisition and use of energy and waste management, as well as to improve and introduce modern and safe production processes for employees, as a result of which they reduce their costs.
- In terms of S (social responsibility) - the company, by opening to greater diversity, activities for the immediate environment and pay equality, definitely increase the pool of potential valuable employees.
- Finally, the organisation of G indicators (corporate governance) - such as the structure of the organisation, cooperation between shareholders, or the introduction of ESG as part of the company's operations, is already becoming a necessary condition for raising external capital. As a result, we will all benefit by introducing business to a more sustainable development path: effective, credible, transparent, as well as people- and planet-friendly.



Co-funded by  
the European Union



# CHAPTER II



Co-funded by  
the European Union



## Target Group

The direct recipients of activities related to the project are the associates of the Foundation XBW Ignacego Krasicki (FXBW) and EDU SMART TRAINING CENTER LIMITED (EDUS), as well as staff of small and medium-sized enterprises, sole proprietorships, representatives of organisations that are obliged to report non-financially, including entrepreneurs and management staff, non-profit organisations operating in the field of ESG, local governments, and experts. The survey was also addressed to representatives of state-owned companies and cluster coordinators.

## The purpose of the project

The most important goal of the project is to bring the subject of ESG closer and to improve the professional competences of employees of companies and institutions that have been or will be covered by the ESG reporting obligation in accordance with the new regulations and the CSRD directive in the coming years.

Our goal is also to create new tools and a catalogue of competences of the „ESG Leader” - development of competences in the field of sustainable management in the organisation - workshops and tools for managers, especially from the SME sector and business owners.

As we proved on the first pages of the report, the topic of ESG for small entities is currently an inaccessible topic, expensive, and difficult to implement due to the lack of appropriate competences. The aim of the project is therefore to supplement this knowledge and to show that ESG is not only about the preparation and publication of a non-financial report, but is primarily risk management, anticipation of potential crisis situations, or networking and creating new contacts with stakeholders through transparent and responsible business.

## Project activities

The activities presented in this report concerned the study of the level of knowledge and competence of people associated with FXBW and EDUS, management staff and entrepreneurs from the MSME sector in the field of ESG, desk research analysis and preparation of recommendations and strategies, as well as dissemination activities.

The activities were divided into stages, which consisted of:

- Preparation of the survey questionnaire,
- Conducting ten individual in-depth interviews (IDI) with FXBW associates and management from the MSME sector,
- Conducting two group interviews (FG),
- Preparation of desk analysis research (DR) and preparation of the report based on the interviews and results of IDI and FG research.



Co-funded by  
the European Union



# Summary report conducted as part of the ‘Future leaders of ESG in the business sector’ - In-depth Interviews

**In the period from February 27, 2023, to March 5, 2023, ten individual in-depth interviews (IDI) were conducted with associates of the XBW Foundation. Ignacy Krasicki, management staff from the sector of micro, small and medium-sized enterprises (MSME). The summary report of the study was prepared on March 6 this year.**

The interviewees were asked twelve questions concerning the Environment, Social, and Corporate Governance area. Their aim was checking the level of knowledge and social awareness on topics related to ESG, mainly when it comes to the definition of an ESG Leader.



Co-funded by  
the European Union

*XBW*  
FUNDACJA  
DŁ. XBW FUNDACJA KRASICKI

**DIALOG**  
of Transformation  
CENTRUM DIALOGU I WSPÓŁNOTY  
CENTRUM DIALOGU I WSPÓŁNOTY





## The following questions were asked:

1. Have you ever come across the acronym for ESG, which stands for Environment, Social and Corporate Governance, meaning sustainable development?

2. Please rate your level of knowledge in the field of ESG

3. Which of the areas of ESG, i.e., sustainable development, do you think needs to be better specified and explained to Polish society/entrepreneurs? And why?

- a. Environmental protection
- b. Social responsibility
- c. Corporate Governance

4. In your opinion, should Polish schools/universities provide education in the field of ESG, i.e., sustainable development? And why?

5. Which of the areas of sustainable development (ESG) should be, in your opinion, the most important (priority) for companies operating in Poland?

- a. Environmental protection, i.e., protection and counteracting the degradation of the natural environment.

b. Social responsibility, i.e., issues of corporate social responsibility and human rights (e.g. regarding diversity, equal treatment, etc.).

c. Corporate governance, i.e., supervision over the company, management board structure, respecting information obligations towards shareholders, remuneration of management staff, respecting shareholders' rights, tax transparency, counteracting corruption and bribery, etc.

6. Do you know who an ESG leader is?

7. Do you think that there is awareness in the society of who an ESG Leader is?

8. Do you know where you can acquire the competences required of an ESG Leader?

9. In your opinion, can anyone become an ESG Leader?

10. An ESG leader is...? (Who can he be compared to?)

11. What should an ESG leader look like in your opinion?

12. Please rate your level of knowledge about the CSRD and the Sustainable Development Goals?



Co-funded by  
the European Union



## Summary of in-depth interviews

All those interviewed said they had already come across the abbreviation ESG, which stands for sustainable development. One of the interlocutors also mentioned that one of his contractors, thanks to the fact that he meets the ESG-related directives, received funding from the European Bank for Reconstruction and Development.

Most people also considered their level of ESG knowledge to be at an average or low level. ESG is associated with activities related to CSR. There was also an answer that certain financial benefits can be achieved by respecting the principles or values related to ESG.

As for the ESG areas which, according to the interviewees, require more extensive explanation to Polish entrepreneurs, or Polish society in general, corporate governance was mentioned most often. The interlocutors also explained that issues related to environmental protection or social responsibility are widely known and require additional explanations, while corporate governance remains an issue that requires expanding knowledge.

The interviewees also agreed that education in the field of ESG should be conducted at Polish universities. However, they pointed out that this type of education should only be at the level of secondary school or university.

Nearly half of the respondents said that all ESG areas, i.e., environmental protection, social responsibility, and corporate governance, are the most important for companies operating in Poland. Other interviewees pointed out that social responsibility remains the most important area, followed by environmental protection. Corporate governance was indicated by only one person.

The answers to the question: who a leader of ESG is were divergent. The interviewees pointed out that both entities and persons can be leaders. Leaders were defined as people who share knowledge about ESG, report activities or manage processes related to ESG areas in a company or organisation. One of the interviewees compared ESG Leaders to lighthouse keepers, i.e., people who headed the digital education project „Digital Poland of Equal Opportunities” implemented by the Polish government in 2011-2015.

In the case of the question concerning the level of public awareness of who an ESG Leader is, the interviewees answered that the awareness was low or nonexistent. They pointed to the fact that this definition is relatively new and not everyone has been familiar with it.

Similar answers were given to the question regarding the acquisition of ESG Leader competencies. Most people did not know where or how to acquire such competences.



Co-funded by  
the European Union



Individual interviewees pointed to books or the opportunity to gain experience in large corporations.

The interviewees, in the vast majority, also decided that anyone can become an ESG Leader. When it comes to who, according to them, an ESG Leader is, it was pointed out that he is a creative, competent, and prepared to carry out tasks in the ESG areas, as well as open to others. In addition to extensive knowledge, the ESG Leader should also show sensitivity. In the case of leaders, as entities, companies that implement ESG activities without waiting for legal solutions, legislation or directives were indicated.

In the case of knowledge about the SDGs, the interviewees indicated that they were familiar with the topic, while the level of knowledge in the case of the CSRD was low or nonexistent.



# Summary report containing research conducted as part of the project ‘Future leaders of ESG in the business sector’ - Survey study.

**In the period from 6 to 17 March 2023, over 100 surveys were conducted in the form of a questionnaire, which included 25 questions in the field of ESG. The main group of respondents was the management staff from the sector of micro, small and medium-sized enterprises (MSME). The summary report was prepared on March 17 2023.**

The respondents were asked 25 questions concerning the Environment, Social and Corporate area Governance. Their aim was checking the level of knowledge and social awareness on topics related to ESG, mainly when it comes to the definition of an ESG Leader. The questionnaire was prepared using publicly available, free Google tools.

1. Czy kiedykolwiek wcześniej natknął się Pan/Pani się skrót pojęcia ESG czyli Environment, czyli Social and Corporate Governance, oznaczające zrównoważony rozwój? \*

☐ Tak

☐ Nie

2. Proszę ocenić jaki jest poziom Pani/Pana wiedzy w zakresie ESG. (Proszę ocenić w skali 1-5, gdzie 1 - niski, 5 - bardzo wysoki) \*

Niski      1      2      3      4      5      Bardzo wysoki

☐   ☐   ☐   ☐   ☐

3. Które z obszarów ESG, czyli zrównoważonego rozwoju, wymaga Pani/Pana zdaniem lepszego doprecyzowania i wyjaśnienia polskiemu społeczeństwu/polskim przedsiębiorcom? \*

☐ Ochrona środowiska

☐ Odpowiedzialność społeczna

☐ Ład korporacyjny

☐ Żadne, bo wszystkie są wystarczająco jasne i precyzyjne

4. Czy według Pani/Pana w polskich szkołach/polskich uczelniach powinna być prowadzona edukacja w zakresie ESG, czyli zrównoważonego rozwoju? \*

(Proszę ocenić w skali 1- 5, gdzie 1- Zdecydowanie nie, 5 - Zdecydowanie tak)

1      2      3      4      5

☐   ☐   ☐   ☐   ☐





## Questions:

1. Have you ever come across the abbreviation of the term ESG, which stands for Environment, or Social and Corporate Governance, meaning sustainable development?

2. Please rate your level of knowledge in the field of ESG.

3. Which of the areas of ESG, i.e., sustainable development, do you think needs to be better specified and explained to Polish society/entrepreneurs?

- Environmental Protection.
- Social Responsibility.
- Corporate governance.
- None, because they are all clear and precise enough.

4. In your opinion, should Polish schools/universities provide education in the field of ESG, i.e., sustainable development?

5. Which of the areas of sustainable development (ESG) should be, in your opinion, the most important (priority) for companies operating in Poland?

- Environmental protection, i.e., protection and counteracting the degradation of the natural environment.
- Social responsibility, i.e., issues of corporate social re-

sponsibility and human rights (e.g., regarding diversity, equal treatment, etc.).

- Corporate governance, i.e., supervision over the company, management board structure, respecting information obligations towards shareholders, remuneration of management staff, respecting shareholders' rights, tax transparency, counteracting corruption, and bribery, etc.
- Hard to say.

6. Do you know who an ESG leader is and how does it differ from a leader who does not specialise in ESG?

7. Do you think that there is awareness in society of who an ESG Leader is?

8. Do you know many ESG Leaders in your environment/place of residence?

9. Do you know where you can acquire the competences of an ESG Leader?

10. In your opinion, the main role of the ESG Leader, apart from preparing the strategy and non-financial report, in the field of sustainable development, is:

- risk management,
- taking care of employee rights and diversity management,



Co-funded by  
the European Union



- anticipating potential crisis situations, creating new contacts with stakeholders through transparent and responsible business,
- Other.

11. In your opinion, can anyone become an ESG Leader?

12. In your opinion, in what places (offices, companies, government administration, universities/schools, etc.) should an ESG Leader work?

13. Please rate the truthfulness of this sentence:

*An „ESG leader” is a person who creates and implements a sustainable development strategy, taking care of the implementation of the company’s/organisation’s activities in the field of environmental protection, human rights, and corporate governance. They are a person who manages risk, and cares about the long-term development of the company/organisation, who supports responsible business with his attitude and authority.”*

14. An ESG leader is a person who is:

- impartial,
- competent,
- calm,

- composed,
- professional,
- fair,
- impetuous,
- stressed,
- neutral,
- open to other people
- communicative,
- empathic,
- has knowledge of environmental protection and finances
- has a degree in management
- Other:

15. Please specify the truthfulness of the sentences describing the duties of the ESG Leader:

- Creating a relationship of trust between employees.
- Employee motivation.
- Risk management.
- Creating the company’s strategy.
- Creating non-financial reports.
- Implementation of educational campaigns.
- Rational reduction of company costs.
- Accounting.
- Company/organisation management.
- Openness to novelty and innovation.
- Taking care of certificates.



Co-funded by  
the European Union



- Introducing innovations in the operation of companies and improvements.
- Reducing the consumption of raw materials in the company/organisation.
- Reducing/controlling the organisation's/company's carbon footprint.
- Taking care of the credibility of the company.
- Keeping employees entertained.
- Motivating employees to develop.
- Recruitment of employees.

16. What, in your opinion, is the lowest acceptable education level of an ESG Leader?

- basic,
- medium,
- higher,
- higher doctoral studies,
- education doesn't matter.

17. Which of the following competencies of an ESG leader are the most important in your opinion?

- Knowledge of issues, standards, and regulations in the field of ESG.
- Reporting skills.
- Logical thinking and drawing conclusions.

- Ability to talk to people / openness to relationships.
- Communicativeness.
- Openness to knowledge.
- Openness to people - and their diversity.
- Ability to plan.
- Ability to manage projects.
- Ability to manage people.
- Leadership competencies - being a born leader.
- Innovative/creative thinking (out of the box).
- Knowledge of financial issues.
- Knowledge of environmental issues.
- Knowledge of HR issues.

18. How many foreign languages do you think an ESG leader should know?

- At least 1.
- At least 2.
- At least 3.

19. Please rate the truthfulness of the sentence:

*“ESG leaders act as managers of change – new times. In the face of climate change, lack of respect for human rights, wars - people are needed who will lead companies / organisations towards sustainable development - with respect for the planet, people, in accordance with applicable standards and laws.”*



Co-funded by  
the European Union



20. What should an ESG leader look like in your opinion?
21. In your opinion, to what extent should an ESG leader be familiar with the financial sector (knowledge of applicable regulations, directives, banking sector, etc.)
22. Do you think that managers who want to become ESG leaders should undergo specialised training to practice as an ESG leader/create ESG strategies and reports?
23. Please rate your level of knowledge about the CSRD and the Sustainable Development Goals?
24. If you are thinking about an ESG leader, what difficulties/barriers are you thinking about?
25. If you had the opportunity to take part in the ESG Leader profile training, would you be willing to?



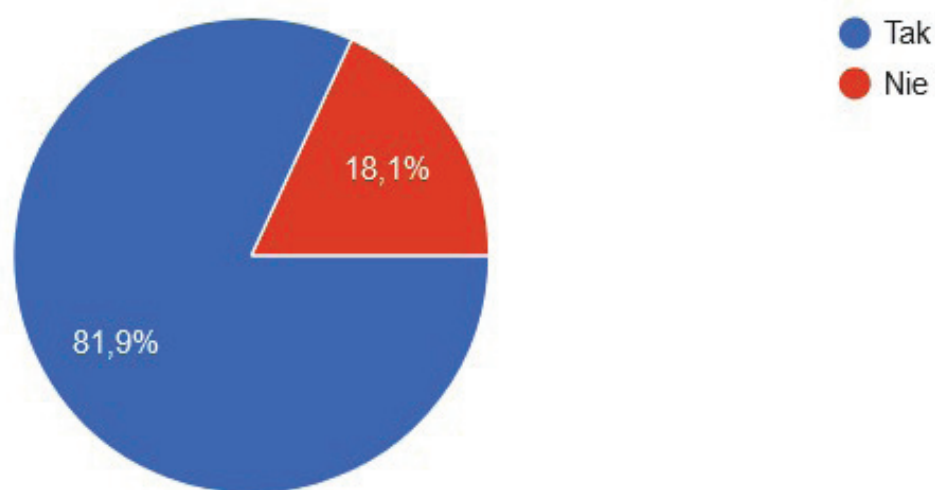
Co-funded by  
the European Union





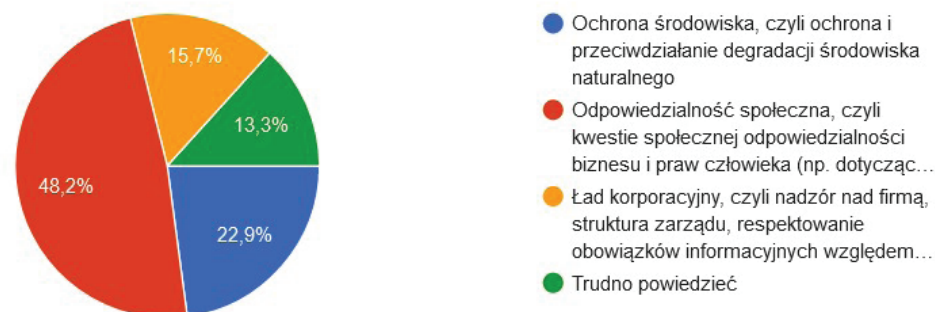
## Summary of the survey results

The first questions were designed to test the respondents' knowledge of ESG. Over 80 percent of respondents admitted that they had already encountered a similar concept, but only slightly more than 30 percent assessed the level of this knowledge as high or very high. Most respondents considered their knowledge to be at an average level.



The area that needs to be clarified better when it comes to ESG is corporate governance and social responsibility. Most respondents also agreed that ESG education should be provided in Polish schools.

The following questions concerned specific issues related to the subject of the study. We asked which ESG areas should be a priority for Polish companies - nearly half of the respondents considered social responsibility. Other ESG areas gained a lower but similar number of votes.



Difficulties among the respondents were caused by the question regarding the definition of an ESG Leader. Most did not know who an ESG Leader is and how it differs from leaders in other fields. Nearly 85 percent of respondents stated that there is no awareness of this subject in the society. The vast majority do not know ESG Leaders, nor do they know where to gain competences to become such.

When asked what the main role of an ESG Leader is, the respondents most often answered that taking care of employee rights and managing diversity. They also indicated the creation of new contacts with stakeholders through transparent and responsible business as important. A very similar result was obtained in the



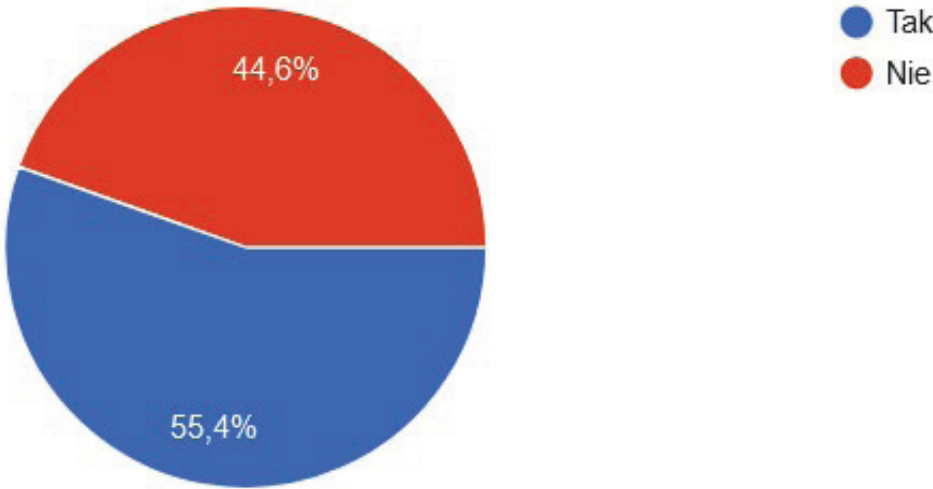
Co-funded by  
the European Union

XOBW  
FUNDACJA  
DR. KRYSTYNY KRAKOWSKIEJ

DIALOG  
of Transformation  
CENTRUM WSPÓŁPRACY I WYKONAWCZOŚCI



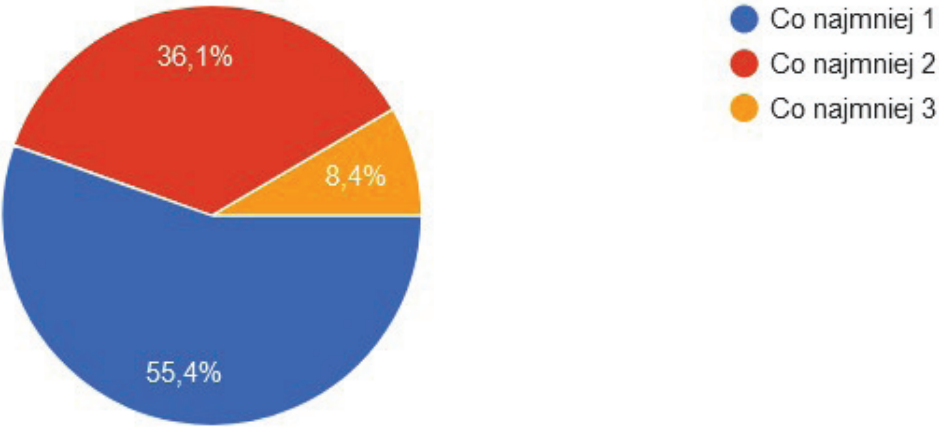
answer to the question, whether anyone can become an ESG Leader, with a slight majority of yes answers.



The respondents decided that an ESG Leader should work not only in companies, but also in offices and universities. Nearly 100 percent of respondents (95.5 percent) agreed with the statement that: „ESG Leader” is a person who creates and implements a sustainable development strategy, taking care of the implementation of the company’s/organisation’s activities in the field of environmental protection, human rights, and corporate governance. He is a person who manages risk and cares about the long-term development of the company/organisation, who supports responsible business with his attitude and authority.”

The most frequently mentioned features of an ESG Leader by the respondents were competence, knowledge about environmental protection, professionalism, and communicativeness. As for the duties of the ESG Leader, these are mainly: creating relationships based on trust between employees, reducing the carbon footprint and consumption of raw materials in the company or organisation, as well as implementing educational campaigns.

Over 60 percent of respondents answered that the ESG Leader should have higher education, but just over 18 percent, which is the second result, decided that education in this case does not matter. When it comes to knowledge of foreign languages, the respondents indicated that a leader should speak at least one foreign language.



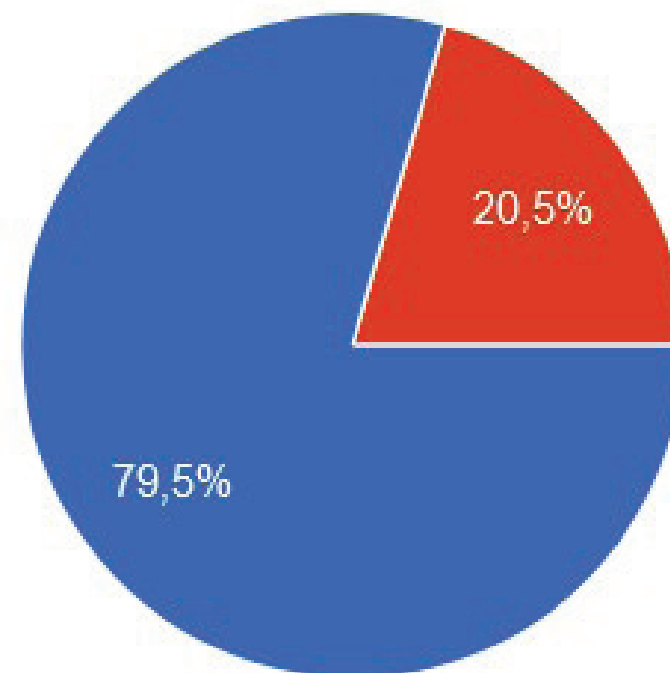
The most important competence of an ESG Leader should be knowledge of ESG issues, standards, and regulations (over 50%). The respondents also pointed to innovative and creative thinking. It is worth noting that the respondents could choose from as many as 16 different types of competencies.

Most people thought that the ESG Leader should be responsible and have knowledge of ESG-related topics. Respondents also paid attention to empathy and honesty. In turn, when asked about the difficulties and barriers that accompany ESG Leaders, the most answers were: I don't know.

Most respondents agreed that: “ESG leaders play the role of change managers – new times. In the face of climate change, lack of respect for human rights, wars - people are needed who will lead companies/ organisations towards sustainable development - with respect for the planet, people, in accordance with applicable standards and laws.”

Over 45 percent of respondents stated that an ESG leader should have extensive knowledge of the financial sector, especially when it comes to regulations and directives. A vast number of respondents believe that managers who want to become ESG Leaders should undergo specialist training.

In the last question, in which we asked if the respondent had the opportunity to take part in the ESG Leader profile training, nearly 80 percent answered in the affirmative.



If you had the opportunity to take part in the ESG Leader profile training, would you be willing?



# Summary report of the research conducted as part of the Future leaders of ESG in the business sector project. Group interviews.

**On March 22 and 24, 2023, two group interviews (FG) were conducted with associates of the XBW Foundation. Ignacy Krasicki, of management staff from the sector of micro, small and medium-sized enterprises (MSME). The summary report was prepared on March 27 this year.**

Six people participated in the first study. Eight people participated in the second study. The research took place at the headquarters of the XBW Foundation at ul. Smulikowski in Warszawa. The organisers of the meeting made sure that the group felt comfortable and safe so that the participants could present their true opinions and thoughts.

The meetings were conducted by the editors of the ReklamCSR.pl portal, who have the appropriate experience and the ability to conduct discussions, including the asking of questions. The questions were taken from a questionnaire that was used for in-depth interviews (IDI).



Co-funded by  
the European Union





## Summary of the interviews

Two meetings were attended by a group with the same social characteristics, which is why the report summarising the study treats the meetings as one and presents them in the document below.

Participants of the study had no problems explaining what the abbreviation ESG stands for, as well as what sustainable development is. Problems arose when it was necessary to expand the abbreviation and describe the ESG activities in detail. It is worth noting that the participants freely described the values supported by ESG.

During the discussion, the group jointly decided that corporate governance remains the most difficult issue, which seems natural due to the social characteristics of the group, i.e., functioning in the MSME sector. The interlocutors also argued that education in the field of ESG principles should start as early as possible, already at the level of primary schools. Some pointed out that the values related to ESG, such as environmental protection, are shaped already at the pre-school level, so it is worth developing them in the following years. On the other hand, topics related to corporate governance should be present only at the level of universities.

The talks also show that the ESG Leader still does not have a uniform definition among Polish entrepreneurs. The know-

ledge of the participants was limited to presenting a leader in accordance with the common opinion, i.e., a person who sets the direction of the company's or organisation's activities, enjoys the trust of colleagues, and takes responsibility for all actions. Participants had difficulty in defining the characteristics dedicated to ESG leaders. The discussion on this topic quickly turned into guesswork and had nothing to do with substance.

At the same time, the group concluded that the ESG Leader is a person with above-average social skills, with a wide knowledge of environmental topics, from as insignificant as the colors of recycling bins to as important as the impact of CO<sub>2</sub> on the state of the atmosphere and the associated health risks and life of humans or animals. The ESG leader must also be up to date with the regulations of the EU Commission, especially when it comes to directives related to ESG and sustainable development.

The participants of the survey recognised that ESG Leaders guide others, and are managers of new, good changes, whose task is to lead a business to a higher level than it was in the case of corporate social responsibility (CSR).

Everyone was also of the opinion that people who want to apply for a similar position must undergo specialist training, and additionally demonstrate empathy and negotiation skills.



Co-funded by  
the European Union





Foundation Ignacy Krasicki's XBW (FXBW) is a non-governmental organisation established in 2018. Among its goals is to support the economic development of Poland and promote good practices in the field of CSR and ESG. As part of FXBW, a dedicated advisory and analytical team has been established: Instytut ESG.



EDU SMART Training Center Limited (EDUS) is an organisation operating in the field of vocational training that cooperates with the employer community. It conducts multilateral educational, consulting, business, and training activities in the field of ESG. He is also an experienced implementer of Erasmus+ projects.