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ESG STANDARD AS A STRATEGIC DETERMINANT OF BUILDING ORGANIZATIONAL RESILIENCE

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Purpose: The paper aims to present the ESG standard as a determinant contributing to building organizational resilience
Design/methodology/approach: To achieve the assumed goal, the paper applies a comprehensive review of Polish and foreign publications, with the use of the Web of Science and Scopus databases. The desk research analysis is based on data obtained from BNP Paribas publications, the "Risk Resilience" Report, the EY "Sustainable Value Research 2023" Report and the "Global Sustainable Investment Review".
Findings: The result of the research is the presentation of the draft ESG standard, which will be reported by enterprises in accordance with the EU CSRD. The presented content is illustrated by the perception of requirements related to sustainable development (ESG) by managers in Poland and in global corporations.
Research limitations/implications: The presented findings constitute an inspiration for further research, especially to seek answers to the question concerning the actual achievements of Polish enterprises in ESG areas.
Practical implications: The analysis and assessment of reporting in accordance with the ESG standard allows for specifying which areas of enterprise activity are affected by new requirements and what are the motives of managers when implementing sustainable development goals.
Social implications: The analysis and assessment of reporting consistent with the ESG standard should contribute to expanding the information base for various groups of internal and external stakeholders on the implementation of the concept of sustainable development and building the company's resilience.
Originality/value: The paper synthetically presents the increasingly important and urgent need to consider the ESG standard in connection with building the resilience of entities operating in the Polish and international arena.

Keywords: ESG, organizational resilience.

Category of the paper: General review.

1. Introduction

Enterprises are increasingly often forced to quickly and strategically respond to various types of changes, including political, technological as well as social, epidemic and ecological changes, which have become especially noticeable in recent years. Several types of turbulences and concerns are observed in the local and national environment, as well as on a global scale, which induces an increasing level of uncertainty. Such circumstances of enterprise operations require increased flexibility in various aspects of business activity to adapt and transform to rapidly changing external and internal conditions (Branicki, Steyer, Sullivan-Taylor, 2016; Linnenluecke, 2015; Witmer, Mellinger, 2016). This approach means building resilience, which requires transformation and flexibility at the individual and team level, in conditions of various market turbulences and discontinuities, in order to achieve a competitive advantage (Goncalvesi, Ribeiro 2019; Sharma et al., 2020).

The idea of sustainable development, i.e., development that meets the current needs of people without limiting the ability of future generations to meet their needs is the concept that now significantly determines the functioning of economic organizations. Sustainable development requires a joint effort to build a sustainable and disaster-resilient future for all people in the world. To achieve sustainable development, coherence of three key elements including economic growth, social inclusion and environmental protection is necessary. They are interconnected and extremely important for achieving benefits both for specific enterprises and their stakeholders, but also for the well-being of individuals, local communities and entire societies.

The ESG standard (an acronym for environment, social, governance) is an emanation of the concept of sustainable development. Various stakeholder groups are urging companies to take concrete and transparent actions on ESG issues. They are looking for business organizations that operate on the basis of a specific mission and care about areas that are important from the point of view of employees, communities, industries and the entire world. They value the transparency that the digital age provides them and are willing to invest money in initiatives that are consistent with their beliefs.

On the other hand, companies that include ESG-related requirements in their activities gain the opportunity to change their current approach, contribute to better respect for human rights, protect the environment and create new business value. Board members and senior management staff who are able to implement ESG disclosure principles are well on their way to building a business that skillfully integrates ESG elements into its strategic plans and is better prepared to manage risk, while the same time ensuring sustained value for stakeholders and increasing resilience of the company in the world driven by new rules.

The paper aims to present the ESG standard as a determinant contributing to building organizational resilience. It is not only about adapting to the requirements of the European Union CSRD and reporting requirements under ESRE, but entering a new level of development in which the ESG standard will become part of the genetic code of every enterprise.

The paper applies a comprehensive review of Polish and foreign publications with the use of the Web of Science and Scopus databases. Meanwhile, the desk research analysis is based on data obtained from BNP Paribas publications, the "Risk Resilience" Report, the EY "Sustainable Value Research 2023" Report and the "Global Sustainable Investment Review".

2. Organizational resilience – diversity of approaches

It is a kind of truism to say that it is difficult to present a single, universally acceptable definition of organizational resilience. This concept is found in the literature in many contexts, in a broad range of research areas, including environmental sciences, psychology, urban planning and organizational management sciences. Considering the latter, organizational resilience shifts the focus from an individual to a systemic perspective. From this perspective, organizational resilience studies power structures, processes, as well as collective social interactions in an organizational context under conditions of high stress. Organizational resilience refers to an organization's ability to respond productively to significant destructive changes, especially unexpected, emerging events (Witmer, Mellinger, 2016). From the systemic perspective, organizational resilience is based on mutual and symbiotic relationships within the organizational system and between the system and its environment (Bhamra, Dani, Burnard, 2011; Linnenluecke, 2015).

The first studies on resilience in the context of organizations focused primarily on crisis and the way in which an organization responded to a single disaster, both from the perspective of the organization's relationship with its environment and the individual psychological reactions of organization members (Branicki, Steyer, Sullivan-Taylor, 2016; Limnios et al., 2014). As Bundy states (Bundy et al., 2017), organizational resilience is manifested by the use of crisis management that is the organization’s response to phenomena that are difficult to predict; it is a process by which an organization responds to devastating, unforeseen events that threaten or are even harmful to the organization, its employees and other stakeholders. Based on the analysis of a broad range of literature on the subject, it can be concluded that crisis management and organizational resilience have much in common, however knowledge in these areas is currently developing in separate trends (Williams et al., 2017).

A broad approach to organizational resilience is a proactive approach which focuses on continuous preparedness for the unexpected (Burnard, Bhamra, Tsinopoulos, 2018; Limnios et al., 2014; Witmer, Mellinger, 2016). Resilient organizations have the ability to learn, respond, and adapt to both internal and external turbulences while maintaining their integrity as a system implementing its mission (Witmer, Mellinger, 2016). More recent theoretical frameworks combine various aspects and describe organizational resilience as a complex phenomenon that includes structural, relational, and contextual components, comprising both relational, collaborative, and rational processes in response to unstable and often competitive external conditions (Branicki, Steyer, Sullivan-Taylor, 2016; Burnard, Bhamra, Tsinopoulos, 2018; Mallak, Yildiz, 2016). Resilience is viewed as a positive state that every organization seeks to achieve in order to be relevant and responsive to current conditions (Limnios et al., 2014). Certainly, the existence of procedures for dealing with crisis situations, describing management techniques and behaviors, is an essential element shaping resilience, but this is not the whole picture of the phenomenon. What escapes attention in this case is the issue of individual resilience, making sense, behavior and emotions, rationalization, changing business models, and the organization's ability to respond to the crisis. Therefore, crisis management should be treated as one of the mechanisms leading to organizational resilience.

Literature derived from multidisciplinary and multifaceted research emphasizes various organizational elements that constitute the basis for building organizational resilience. The selected ones are presented in table 1.

Table 1.
Organizational contexts related to building its resilience

Organizational context	Characteristics
Decision-making processes	Decisions regarding changes, transformations and solving current problems are a key element that allows organizations to adapt. When describing the processes of adaptation and creating resilience, Williams et al. (2017) point to decision-making as one of the elements determining the introduction of changes aimed at survival. On the other hand, Van den Berg et al. (2022) emphasize the importance of delegating decision-making powers and positive empowerment, which may be crucial for taking quick and necessary actions in the face of unforeseen crisis situations.
Organization’s resources	They are a source and one of the carriers of organizational resilience. Financial resources (Searing, Wiley, Young, 2021) and the so-called slack resources (Aidoo et al., 2021), should be considered vital from the perspective of survival. They facilitate adaptation to new conditions through the possibility of introducing solutions adequate to new market circumstances. Many researchers (Visser, 2021; Webb, Chaffer, 2016; Ngoc et al., 2021) considered human resources to be equally important in building organizational resilience, paying special attention to their competences and the human resources management policy. Finally, modern information technologies used by enterprises are the third group of resources that attract the attention of researchers.
Attributes of individuals	First of all, managers, leaders, owners, main decision-makers and employees (Anwar, Coviello, Rouziou, 2022). Organizational response to a threat may depend on a set of individual characteristics, behavior in unfavorable situations, and attitude. Such features include, for example, narcissism and the tendency to take risks, managers' weaknesses (cognitive errors), optimism, a sense of self-efficacy, anxiety, cognition, emotions and psychological safety, gender, trust, leader resilience, short-term thinking or stress.

Cont. table 1.

Leaning and knowledge management	A number of studies highlight the role of learning from events that potentially could bring devastating consequences (Azadegan et al., 2019), and according to Audretsch and Belitski (2021), organizational resilience and knowledge management together can lead to above-average organizational effectiveness. According to Carmeli, Levi and Peccei (2021) access to knowledge and learning from experience promotes creative problem solving in project teams and leads to improvement of its effectiveness as well as increasing the resilience of the organization. In turn, Manab and Aziz (2019) opt for the inclusion of knowledge management in the practice of responsible risk management, which would lead to the survival of the organization.
Change	Building organizational resilience requires implementing actions focused more on transformation rather than just passive adaptation to the existing situation, i.e., accepting the new reality as normal (Clement, Rivera, 2017). In this context, both changes in the very organization as well as digital transformation are emphasized.
Strategy	Weigand et al. (2014) indicate the need to include foresight based on collaboration in long-term strategic planning. Rajala and Jalonen (2022) draw attention to the role of strategic planning as a mechanism that allows for preparing for a crisis or unforeseen difficulties. Strategy can be perceived as a factor supporting resilience, an element of the organization that allows for a conscious, planned and purposeful response to new events in a specified way (Alonso, Bressan, 2015).
Corporate governance	In recent years, threads regarding corporate governance have also occurred in the literature on the subject. Korbi, Ben Slimane, Triki (2021) analyze the processes by which international entities operating in joint ventures build resilience in management and corporate governance processes. In this context, increasing partner engagement and the emergence of transactional leadership are becoming key issues. In turn, Hadjielias, Christofi and Tarba (2022) focus in their considerations on building the resilience of small enterprises in which the owners are also people involved in management.
Organizational ambidexterity	Organizational ambidexterity is a concept that has a lot in common with paradoxes, reconciling contradictions and looking at the past and the future at the same time. Such skills offer managers and organizations the opportunity to learn from previous experiences on the one hand, and on the other, openness to new challenges (Karman, Savaneviciene 2020).
Interorganizational collaboration	The issues of coopetition and interorganizational collaboration discussed in publications indicate their significant role in strengthening the resilience of an enterprise to crisis (Chowdhury et al., 2019).
Corporate social responsibility	The authors of the publication emphasize the importance of stable and responsible business practices (recorded, for example, in ethical codes) for long-term benefits of the organization and fostering the resilience of the entire enterprise (Ortiz-de-Mandojana, Bansal, 2016).

Source: elaborated on (Williams et al., 2017; Van den Berg et al., 2022; Searing, Wiley, Young, 2021; Aidoo et al., 2021; Visser, 2021; Webb, Chaffer, 2016; Ngoc et al., 2021, Anwar, Coviello, Rouziou, 2022, Azadegan et al., 2019, Audretsch, Belitski, 2021, Carmeli, Levi, Peccei, 2021, Manab, Aziz, 2019, Clement, Rivera, 2017, Weigand et al., 2014, Rajala, Jalonen, 2022, Alonso, Bressan, 2015, Korbi, Ben Slimane, Triki, 2021, Hadjielias, Christofi, Tarba, 2022; Karman, Savaneviciene, 2020, Chowdhury et al., 2019; Ortiz-de-Mandojana, Bansal, 2016).

A lot of literature references on the subject especially emphasizes on the reactive and proactive approach to organizational resilience. Bhamra (2015) and Pratono (2022) describe organizational resilience in a reactive way through willingness to take risks, adaptation and return to the pre-crisis state. Reactive organizations seem to be passive in predicting the changing business environment (Granig, Hilgarter, 2020). Meanwhile, according to Holbeche (2018), a proactive approach to resilience is based on flexible team-based structures that enable sharing the learning process across the entire organization. An organization with the ability to develop strategic resilience is capable not only of adaptation, but also of entering a new level of development and ensuring competitive advantage in the future.

3. ESG standard

Business conditions are constantly changing. It is difficult to list all the determinants that affect the functioning of modern corporations, but considering recent years, climate change, degradation of the natural environment on a global scale, ecological disasters, the covid-19 pandemic, challenges related to digital transformation, armed conflicts, social unrest, human rights violations, labor rights violations, etc. should be mentioned. In the past, companies created products for consumers who had rather vague knowledge about how businesses were run, the resources consumed, the products used and ultimately disposed of. Today, various entities from around the world, including employees, suppliers, business partners, community members, activists and entire society, are equal participants – the stakeholders - in direct dialogue with the company about what they expect from it. Manifestations of various stakeholder groups' activation include, for example, climate strikes or the #Me Too campaign. There are strong voices that CEOs should be accountable not only to the management board or shareholders, but also to society.

The issue of the functioning of enterprises, going beyond purely business issues, is not an invention of recent years. Since the 1970s, the concept of CSR (*corporate social responsibility*) has been developing. Initially, it emphasized the issues of philanthropy and charity, then the impact of business on employees and local communities began to be highlighted. Blowfield (2005) defines CSR as a management concept in which companies integrate social and environmental issues in their operations and interactions with stakeholders. Increasing awareness of the harmfulness of certain businesses, promoting pro-ecological attitudes and tolerance for diversity is a prominent issue discussed as part of CSR. There are specific areas of corporate social responsibility, including organizational governance, human rights, labor relations, environment, fair market practices, consumer relations, and social involvement. Social campaigns, vocational training programs for disabled people or other groups deprived of civil rights, at risk of social exclusion, commitment to ensure employee diversity based on race, gender and sexual orientation, non-discrimination , recycling, lower energy and water consumption by the organization, more efficient supply chain, promoting the use of public transport or cycling, employee volunteering, direct donations to non-profit organizations, appropriate product labeling, or management systems are the tools most frequently applied to implement CSR in enterprises (e.g. ISO 9000, ISO 14000, SA 8000). It is the weakness of the CSR concept that it is voluntarily implemented in business organizations, and managers communicate the progress in its implementation to stakeholders in a rather free and arbitrary way. As a result, comparing the effects of CSR implementation between different companies is difficult, and sometimes even impossible (Stefańska, 2013). Over time, however, various stakeholder groups, especially investors, began to look for the possibility to compare CSR practices of different companies. This is how ESG emerged.

It refers to three areas enabling the assessment of the company's impact on the environment (E - environmental) and society (S - social) as well as the principles of applying corporate governance (G - governance).

Currently, CSRD (Corporate Sustainability Reporting Directive, 2022/2464/EU) is the central element of the ESG concept. The directive adapts companies' non-financial reporting with the SFRD (Sustainable Finance Disclosure Regulation, 2019/2088/EU), which regulates how financial market participants and financial advisors should disclose information on sustainable finance to end investors. The CSRD also considers the requirements arising from Regulation (EU) 2020/852 on the EU Taxonomy, which includes a uniform framework for the classification of sustainable investments and describes how to qualify a given activity as sustainable. The use of CSRD by companies will provide market participants with the information they need to assess their level of sustainability and will increase the link between a company's performance in this area and access to finance. The main assumptions of CSRD are presented in Table 2.

Table 2.
Main assumptions of CSRD

Assumption	Description
Increasing the number of companies subject to obligatory reporting	– from January 2024, large publicly traded companies currently covered by the NFRD (publication of the report in 2025), – from January 2025, other large entities4 not currently covered by the NFRD (publication of the report in 2026), – from January 2026 public interest SMEs, i.e., mainly listed entities5 (publication of the report in 2027), – from January 2027, non-EU entities that have a subsidiary in the EU and whose turnover exceeds EUR 150 million
Reporting in accordance with the so-called double materiality principle	Entities are obliged to analyze, on the one hand, the impact of their activities on the environment, and, on the other hand, the opportunities and threats to their financial situation arising from the environment in environmental, social and corporate governance terms in the short, medium and long term.
Emphasis on enterprise strategies, standards and sustainability goals	Reporting is not limited to presenting the results and effects achieved in a given reporting year and aspirations. It is necessary to disclose strategies, policies, action plans, resources and measurable goals and progress towards their achievement.
Reporting covering the value chain	Companies are obliged to present relevant information covering the value chain, both on the supplier side (*upstream*) and in the area of product distribution to final customers (*downstream*).
Reporting of greenhouse gas emissions in the entire value chain	Companies report GHG (*greenhouse gas*) emissions throughout the value chain. Therefore, companies will require data on GHG emissions from their suppliers, and it will be possible to provide estimates if such information cannot be obtained.
Uniform ESRS reporting standards	The CSRD ends the freedom of choice of a reporting standard, requiring companies to report in accordance with the European Sustainability Reporting Standards (ESRS), which are expected to be adopted by the end of August 2023.
Digitization of reporting	The report on management activity and the sustainability statement included therein are prepared in a format that allows for machine reading and automatic data analysis.
Mandatory audit	The directive introduced the obligation to verify the disclosed information by a statutory auditor or another authorized entity - initially at the *limited assurance* level, and after the EC adopts the appropriate standard at the *reasonable assurance* level.

Source: elaborated on (PKO, 2023)

Meanwhile, work is underway on EC implementing regulations related to the application of CSRD, which primarily include the following (PKO, 2023):

- European Sustainability Reporting Standards (ESRS),
- European Single Access Point Regulation establishing a publicly available platform of data, including on sustainable development, relating to EU companies,
- Regulation regarding the preparation of external audit reports,
- Corporate Sustainability Due Diligence Directive (CSDD), which increases companies' obligations in terms of analyzing and disclosing information about their supply chains.

In order to enable comparability of company reports and the data presented in them, the European Commission is developing new non-financial reporting standards (ESRS), which will be obligatory for entities covered by the CSRD Directive (Figure 1).

<table>
<tr><td colspan="6">NON-SECTOR-SPECIFIC-STANDARDS</td><td rowspan="3">SECTOR-SPECIFIC-STANDARDS
/COMING LATER/</td></tr>
<tr><td colspan="6">CROSS CUTTING STANDARDS</td></tr>
<tr><td colspan="3">ESRS 1
GENERAL PRINCIPLES</td><td colspan="3">ESRS 2
GENERAL, STRATEGY, GOVERNANCE AND MATERIALITY ASSESSMENT DISCLOSURES REQIREMENTS</td></tr>
<tr><td colspan="6">TOPICAL STANDARDS</td><td rowspan="4">SME STARNDARDS
/COMING LATER/</td></tr>
<tr><td colspan="2">ENVIRONMENT</td><td colspan="2">SOCIAL</td><td colspan="2">GOVERNANCE</td></tr>
<tr><td colspan="2">ESRS E1
CLIMATE CHANGE</td><td colspan="2">ESRS S1
OWN WORKFORCE</td><td colspan="2">ESRS G1
GOVERNENCE, RISK MANAGEMENT AND INTERNAL CONTROL</td></tr>
<tr><td colspan="2">ESRS E2
POLLUTION</td><td colspan="2">ESRS S2
WORKERS IN VALUE CHAIN</td><td colspan="2">ESRS G2
BUSINESS CONDUCT</td></tr>
<tr><td colspan="2">ESRS E3
WATER & MARINE RESOURSES</td><td colspan="2">ESRS S3
AFFECTED COMMUNITIES</td><td colspan="3"></td></tr>
<tr><td colspan="2">ESRS E4
BIODIVERSITY & ECOSYSTEMS</td><td colspan="2">ESRS S4
CONSUMERS & END-USERS</td><td colspan="3"></td></tr>
<tr><td colspan="2">ESRS E5
RESOURCE USE & CIRCURAL ECONOMY</td><td colspan="5"></td></tr>
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Figure 1. ESRS components – draft.

Source: study based on (EFRAG, 2023).

The ESRS consists of two cross-sectional standards (ESRS 1 and ESRS 2), 10 thematic standards and sector standards. The ESRS standard 1 describes the general principles and conceptual framework for reporting, while ESRS 2 describes general disclosures regarding the company, regardless of the topic or sector. The thematic standards include detailed reporting requirements in specific environmental areas (E1-E5); social, including labor and human rights areas (S1-S4) and those related to corporate governance (G1-G2).

4. ESG standard – implementation practice to build resilience

The implementation of new rules for conducting business activities in compliance with the ESG standard is part of the commitment to achieve the UN sustainable development goals and climate neutrality by EU countries in 2050. According to the data of the Risk Resilience Report

(2021) 85% of surveyed respondents around the world stated that the issues related to the ESG standard are very important and important for their business, and 15% considered them as little important. Considering business areas that are influenced by the implementation of the concept of sustainable development, clients/customers were indicated first (54%), followed by human capital (47%) and supply chain (47%). Slightly fewer indications were given to: reputation (43%), physical assets (42%) and market/stock price (38%). Referring once again to the Risk Resilience Report (2021), it should be noted that despite the relatively high awareness of managers regarding the implementation of the ESG standard, only 16% of the surveyed companies model/forecast it in a comprehensive way. The reasons for the growing interest in the implementation of the ESG standard among management staff around the world seem interesting. BNP Paribas publications (2019, 2021) show that the five most important determinants (drivers) include improved long-term returns, brand image and reputation, decreased investment risk, regulatory/disclosure demands and external stakeholder requirement (Figure 2).

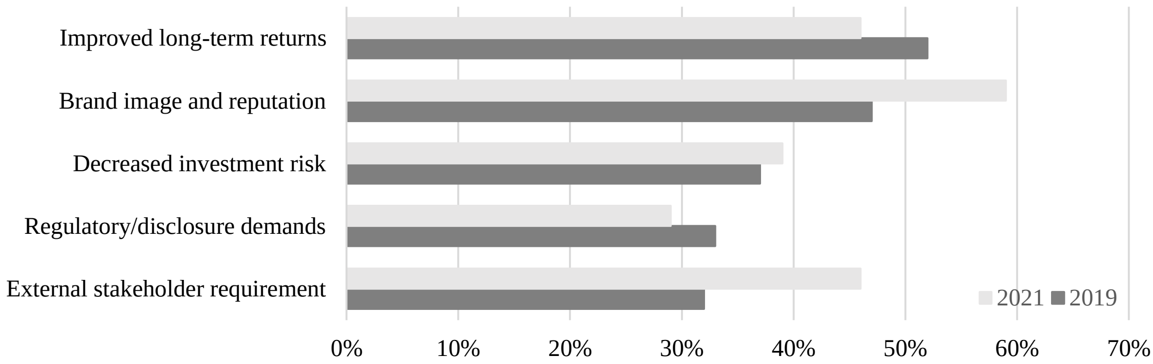

Figure 2. Top-5 drivers of ESG in 2019 and 2021.

Source: (BNP, 2019; BNP, 2021).

As Figure 2 shows, the order of drivers has changed in 2021 compared to 2019. While in 2019 improved long-term returns was the most crucial factor, in 2021 brand image and reputation took the leading position, whereas two factors, i.e., improved long-term returns and external stakeholder requirement took the second place. The obtained results can be interpreted in such a way that a significant group of managers working in the international business environment see better prospects for long-term financial benefits, improving the company's image among a wide range of stakeholders, as well as the possibility of attracting new investors and their capital in the implementation of the ESG standard. This is confirmed by the analysis of the Global Sustainable Investment Alliance (GSIA, 2021), according to which the value of assets from sustainable investment in the world reached USD 35 trillion in 2020, which means a 15% increase over the last two years. It is assumed that with such an increase, their value may exceed USD 50 trillion by 2025. Moreover, large investment funds compliant with ESG outperformed the rest of the market in 2020.

Companies operating in Poland are making increased efforts towards sustainable business, but in many respects they still lag behind the global average. As part of its ESG analyses, the consulting company E&Y has developed a study that concerns environmental issues. Considering the data contained in the Report (Wajer, Hummel, 2023), the following can be concluded:

- companies willingly declare emission reduction, but their goals are lower than those of companies worldwide - only 21% of companies declared negative, and 13% declared zero carbon dioxide emissions;
- 33% of companies do not intend to increase spending on reducing the negative impact on the natural environment, 33% declare they will increase it slightly;
- 22% of enterprises focus only on smaller or easily achievable goals with regard to negative impact on the environment;
- the most important motives in the fight against climate change include gaining a competitive advantage on the market, responding to the requirements of main stakeholders, compliance with regulations in force, compliance with the organization's goal and financial benefits;
- the ability to estimate the value of pro-climate activities is the problem for over 40% of Polish enterprises;
- to reduce greenhouse gas emissions, companies invest primarily in operations and supply chains, products and services, R&D, ICT and cybersecurity;
- only 20% of Polish companies managed to find employees suitably qualified in the field of environmental protection, while 46% are still looking for and recruiting them;
- 25% of organizations claim that too many groups in their organization deal with sustainable development, which makes it difficult to achieve goals;
- the most important external obstacles hindering the pursuit of sustainable development include uncertainty related to emerging regulations, difficult geopolitical and economic situation, as well as difficulties in obtaining financing for initiatives to combat climate change;
- however, as many as 52% of Polish entrepreneurs are convinced that their companies will be able to achieve the set environmental goals within the specified time.

Conducting a business transformation consistent with the concept of sustainable development should enable the organization to achieve goals related to increasing resilience, building long-term value and, consequently, ensuring development. However, many managers in Poland indicate several shortcomings regarding the implementation of the ESG standard. The most frequently raised issues include (PKO, 2023):

- Fear of disclosing sensitive information or other information that determines the company's competitive advantage;
- Copying of entries in reports by companies;

- Cost of implementation of the reporting system;
- Insufficient number of ESG and sustainability management specialists;
- Unfair competition from non-EU companies that apply lower sustainability standards.

However, it should be added that enterprises that do not report their progress in accordance with the CSRD will be exposed to various consequences, such as loss of trust and reputation, deterioration of their competitive position, or limited access to capital. In addition, financial penalties and legal sanctions, the level of which is determined by each country are provided. Their amount may depend on many factors, such as the size of the enterprise, repeated violations or the level of reporting irregularities. Currently, in accordance with the Polish accounting act, failure to prepare an activity report or including unreliable data in these reports is punishable by a fine or imprisonment of up to two years, or both (Sagnes, 2023).

Conclusions

Creating conditions for long-term growth should be based on the principles of environmental protection, social justice and appropriate corporate governance (Sang, Chune, Young, 2019; Gillan, Koch, Laura, 2021). Business practitioners, especially global companies, emphasize that implementing sustainable development and the ESG standard is a way of building the company's resilience to social, economic and geopolitical changes as well as crises. Moreover, the current geopolitical situation should be a catalyst for changes, especially in the energy transformation. Special attention is paid to the following benefits resulting from the implementation of ESG (PKO, 2023):

- Possibility to increase the transparency and credibility of the company in the eyes of investors and consumers;
- Better company management;
- Increasing the enterprise innovativeness;
- Better risk management related to relationships with entities in the enterprise's value chain;
- Possibility to reduce costs and obtain better financial results;
- Preventing accusations of using the so-called greenwashing or other pseudo-PR messages;
- Limiting unfair competition;
- Possibility to identify and highlight positive aspects of the activity.

Many Polish companies are already on this path. They implement solutions that minimize the negative impact of their activities on the environment with greater or lesser success. The new reporting rules should be perceived not only through the prism of regulatory obligations, but also through the opportunities to strengthen the market position of enterprises. Reporting both financial and non-financial data promotes better recognition of the actual opportunities and needs important for the development of the enterprise, which in turn constitutes important support in making operational and strategic decisions, and consequently in the process of building resilience (Folque, Escrig-Olmedo, Santamaria, 2021; Costa et al., 2022).

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