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ENVIRONMENTAL DISCLOSURES ACCORDING TO ESRS IN ESG REPORTING OF SELECTED BANKS IN POLAND

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ABSTRACT: The aim of this article is to analyze the environmental disclosures of non-financial information presented in the selected Polish banks in terms of meeting the European Sustainability Reporting Standards (ESRS) guidelines. The ESRS reporting standards, adopted by the European Commission in July 2023, not only introduced an increase in the scope of reporting, but also clearly defined the information to be disclosed in reports that banks are obligated to submit. The research method used was a critical analysis of the subject-matter literature and, in the empirical part, a method of analyzing information posted on bank websites was assumed. Among the analyzed entities, 23 banks operating in Poland, functioning in the form of joint-stock companies, were taken into consideration. Research has shown that the required data is contained in various documents published by banks and their availability on websites is relatively low. The scope of environmental disclosures was assessed as insufficient in relation to the ESRS guidelines. The highest number of disclosures occurred in the "Climate" area, and the lowest in the "Biodiversity and Ecosystems" area, which may stem from the specificity of the banks' activities. The conducted research revealed that banks were inadequately prepared for reporting that takes into account ESRS guidelines.

KEYWORDS: non-financial reporting, ESG, ESRS, bank, sustainability reporting

Introduction

According to the 2023 Edelman Trust Barometer, climate change (76% of respondents), nuclear war (72%), food (67%) and energy shortages (66%) are among the strongest existential societal fears experienced by the global population (Edelman, 2023). Global eco-awareness is being built by subsequent studies published by recognized international institutions, such as The Intergovernmental Panel on Climate Change (highlighting the unprecedented scale of the challenge required to keep warming to 1.5°C in the context of climate crisis (IPCC, 2023)), the World Food Programme (showing that the global hunger is rising causing food crises (FSIN, 2023)), United Nations Development Programme (presenting rising number of people living in acute multidimensional poverty (UNDP, 2022)) and World Wide Fund For Nature (revealing an average decline of 69% in species populations since 1970 and general degradation of the environment (WWF, 2022)). Today, concerns about global environmental threats are predominant, both on an individual and institutional level. This causes a widespread belief that a need exists to take often revolutionary actions aimed at redesigning the previous development model; ones burdened with a substantial number of errors.

The idea of sustainable development, along with related concepts (including Kate Raworth's Doughnut Economics, the concept of degrowth, regenerative economics and stakeholder capitalism) is a new approach intended to ensure the sustainability of human development by meeting the needs of the present, without depriving the future generations of the opportunity to meet theirs (ONZ, 1991). The role of business in the implementation of this paradigm is crucial, not only because it contributed to many of the currently occurring negative consequences of the previous development model, but also because of its leading civilization-creating role in the modern world (Filek, 2014). At the same time, business is the only trusted institution, although trust in institutions is generally decreasing due to the observed lack of their effectiveness in solving global problems (Edelman, 2023). The global concept of sustainable development by business is supported by the idea of corporate social responsibility (CSR), in accordance with the international standard ISO26000 which focuses on organizations and their responsibilities towards both the society, and the environment. Within this framework, the primary goal of the organizations' social responsibility is contributing to the process of sustainable development (the goal of sustainable development being ensuring stable conditions of existence for both the society as a whole, and the planet; not just the stability or profitability of a specific organization) (PKN, 2023). Due to a certain weakness of this idea (also stemming, in part, from its improper/immature application by business), it has evolved into the concept of ESG (Environmental, Social and Corporate Governance) aimed at measuring, assessing and reporting activities undertaken for the purpose of sustainable development. For this reason, this new multidimensional and interdisciplinary approach to strategic management of an enterprise has become the subject of interest from capital markets, further accelerating changes in this area. Among enterprises, banks should show particular interest in implementing ESG, as they are – on the one hand – institutions of public trust and – on the other hand – entities that have significant financial resources at their disposal, which they can utilize to support investments that contribute to the implementation of sustainable development.

The aim of the article is to analyze environmental disclosures of non-financial information presented in documents published on the websites of banks operating as joint-stock companies active in Poland in terms of meeting the European Sustainability Reporting Standards (ESRS) guidelines. The article uses a critical analysis of the literature on the subject and, in the empirical part, a content analysis method.

Literature review

According to the stakeholder theory, the long-term success of an enterprise (market value, competitiveness) depends on its ability to meet the expectations of stakeholders (Freeman, 1984). According to the legitimacy theory, on the other hand, enterprises seek acceptance of their existence in society by proving that they operate in accordance with social values and norms (Mousa & Hassan, 2015). The third theory taken into account in the context of ESG, the institutional theory, notes that a company's behavior is determined by the institutional context (external and internal) in which it

operates, with its actions (including reporting practices) being determined by institutional pressures (coercive, normative, and mimetic) (DiMaggio & Powell, 1983). In this article, the point of reference is all three theories, because, although the ESRS analysed will be mandatory in the EU and the banks studied are obliged to report under the SFDR regulation (institutional pressure), the disclosures analysed, due to the generality of the applicable requirements, are largely voluntary and meet the expectations of stakeholders and the desire for legitimacy.

Until the mid-1990s, companies focused primarily on meeting the needs of shareholders as their sole stakeholder. However, growing global threats and the resulting change in societal expectations have gradually expanded this perspective. Other stakeholders began to put increasing pressure on companies, resulting in the inclusion of sustainability paradigms in the strategic management of companies, subsequently leading them to practice ESG (Environmental, Social, Governance) criteria (de Souza Barbosa et al., 2023). Therefore, the target of delivering value exclusively to the shareholders was transformed into the goal of creating shared value to all stakeholders (Porter & Kramer, 2011). Taking into account the currently expanding catalog of risks (according to the World Economic Forum (2023), among 10 global risks ranked by severity over 10-year period, 6 are environmental threats), institutional investors – as key stakeholders of most companies – are paying more attention to the impact of social and ecological factors on business development, assessing the risk of selected investment portfolios against those criteria (Chen & Xie, 2022). Institutional investors are also the driving force behind the development of sustainable and responsible investment (SRI) as a capital provider (Global Sustainable Investment Alliance, 2021; Wang et al., 2023). According to the latest report by the Global Sustainable Investment Alliance, in 2021 the SRI market accounted for 36% of all professionally managed assets across the world and has been growing rapidly in all regions (Blanc & Goyal, 2021). The rapid growth of sustainable investing has also led to a greater reliance on ESG ratings as the indicator of sustainability risk (Dunbar et al., 2023). Investors were also the primary reason why the ESG approach began to develop, as they began looking for opportunities to compare CSR (Corporate Social Responsibility) practices present among various companies (Biały, 2023).

However, company results in the field of ESG now also serve as a reference point for other stakeholders when making decisions regarding sustainable development, e.g. consumers, of whom globally 69% (in Poland: 60%) believe that recognized brands have an obligation to introduce changes in the field of ESG (Kucharczyk, 2021) and, even in times of current crises (pandemic, war, inflation), de facto implement ESG solutions themselves (Wierzychowska, 2023). Changing social expectations regarding consumption (and production) models are one of the many reasons why the discussion around ESG has gained significant momentum in recent years. The shift towards ESG is additionally driven by institutional changes, including political and regulatory ones.

The “Who Cares Wins” report, published by the Financial Sector Initiative in 2004, first integrated the dimensions of ESG and put forward the ESG concept. It highlighted that “a better inclusion of environmental, social and corporate governance (ESG) factors in investment decisions will ultimately contribute to more stable and predictable markets, which is in the interest of all market actors” (FSI, 2004). The Six Principles for Responsible Investment, developed by institutional investors in 2006 through the initiative of Kofi Annan, then UN Secretary General, served as an important milestone in the development of ESG, while – simultaneously – offering a variety of actions facilitating the incorporation of ESG initiatives into investment practices. In implementing them, signatories contribute to developing a more sustainable global financial system. They have attracted a global signatory base representing a majority of the world’s professionally managed investments. In 2021, the number of PRI signatories reached 3,826, with the number of PRI Asset Owners reaching 609 and assets under management achieving the value of 121.3 trillion USD (PRI, 2023). Those guidelines serve as a prime example of a soft law. Firstly, they make PRI signatories control and thus regulate company practices (civil regulation) and secondly – in accordance with them – PRI signatories who violate the guidelines can be criticized or forced into compliance (regulation of investor practices) (Du Rietz, 2018). Thanks to the PRI, the acceptance of ESG became more deeply rooted in investment decision-making. However, ESG entered concordance in 2008, with the release of an ESG guide by the Chartered Financial Analyst (CFA) Institute, although it is absurd to say that ESG arrived that year, as certain components of ESG had a previous history (Sultana et al., 2018).

Since the late 1990’s, a growing number of countries have implemented ESG disclosure mandates; either through laws and regulations, or through stock exchange listing requirements (Zhang et

al., 2023). An important driver of ESG development is the European Union which, in 2014, initiated regulations on ESG reporting with its Non-Financial Reporting Directive pertaining to the disclosure of non-financial and diversity information (Directive, 2014). Because it quickly turned out that the NFRD requirements were insufficient (as they covered only a small group of companies with reporting obligations, its provisions were general and did not contain specific indicators), it was replaced in 2022 by a more demanding Corporate Sustainability Reporting Directive (Directive, 2022). European Sustainability Reporting Standards have been prepared for CSRD (they will come into force in 2024) by containing a precise scope of qualitative and quantitative disclosures, as well as the requirements for independent external verification which guarantee the appropriate quality of the disclosed data. In the meantime (2019), the Sustainable Finance Disclosure Regulation (SFDR) was adopted which – while imposing a transparency requirement on financial market participants, especially when sustainable development risks are introduced into their activities – also supports the development of SRI, thus indirectly signaling the requirement for ESG disclosures by entities from outside the financial sector (Regulation, 2019). All three pieces of legislation require disclosures in three ESG dimensions. In the context of EU non-financing reporting, it is also worth mentioning the Taxonomy Regulation, which obliges public interest entities to disclose how and to what extent their activities are related to economic activities that qualify as environmentally sustainable (Regulation, 2020).

In times of growing public concerns about the emerging global threats, disclosing information on how a company manages risks is a way to meet societal expectations and respond to social and regulatory pressures. This, in turn, helps them foster a positive image as a good corporate citizen. Companies use non-financial disclosures to demonstrate that they are actively adopting environmental and social responsibilities, thereby increasing their reputation among both the consumers and the investors while, subsequently, gaining access to capital at lower costs, and improving their competitive advantage (Chen & Xie, 2022). Over 90% of CEOs believe that ESG metrics are critical to their company's profits and progress (Bitetto & Cerchiello, 2023). As a result, the percentage of companies publishing non-financial information has increased significantly from 35% in 2010 to 86% in 2021 (Mandas et al., 2023).

At present, the international community has not formed a unified and authoritative definition of ESG. ESG is an acronym that combines three dimensions, so all of its definitions used in countries around the world are focused on the performance of enterprises from the perspectives of the environment, the society, and governance (Hao et al., 2022).

The ESG concept involves the inclusion of environmental, social and corporate governance indicators in business and investment decision-making processes – recognizing their relevance they are incorporated into traditional financial analysis. Therefore, ESG can be viewed from the point of view of enterprise management. This is emphasized, for example, in the definition of ESG criteria concerning a set of organizational practices that take into account environmental, social and managerial factors in order to achieve long-term sustainable development (de Souza Barbosa et al., 2023). Another definition from this stream points out that ESG refers to the performance of enterprises in areas related to environment, society, and corporate governance, therefore serving as a tool for enterprise performance evaluation (Hao et al., 2022). ESG criteria are also used to assess a company's contribution to sustainable development and to monitor and manage its impact on the internal and external environment. They, therefore, provide quantitative and qualitative information about a company's sustainability practices and its potential impact on various stakeholders. But ESG criteria can be applied not only internally in managing a company, but also externally, as they help investors evaluate enterprises and their commitment to environmental, social, and governance issues (de Souza Barbosa et al., 2023). Consequently, ESG can be interpreted as taking environmental (E), social (S), and corporate governance (G) considerations as indicators that influence investment decisions. Following the triple bottom line theory of economy, environment, and society, ESG is integrated into investment analysis and the investment decision-making framework. ESG is a responsible investment strategy that requires the integration of environmental, social, and corporate governance risks into the investment analysis process (Hao et al., 2022).

As has already been emphasized, the key element of ESG is the reporting of non-financial data. ESG information disclosure can improve the transparency of information, enhance the ability of enterprises to manage risk, strengthen their social responsibility, and promote the process of sustainable development (Hao et al., 2022). ESG performance evaluation bases on ESG information disclosure

bases. Due to the investor/financial origins of ESG, the assessment of independent institutions, including rating agencies, is mainly used to measure companies' performance in this area (apart from data disclosed by the companies themselves). It should, however, be remembered that rating methodologies can be vastly different (definitions, indicators, criteria and their weights, assessment methods taken into account), so – consequently – ESG ratings for the same company may also display significant differences (Dunbar et al., 2023; Fiordelisi et al., 2023).

The same problem does arise when ESG assessments are based on the disclosures provided by the companies themselves, as reporting entities rely on different reporting standards (including the most well-known GRI Guidelines, in force since 2000 and currently referred to as GRI Standards regarding sustainable reporting (GRI, 2023)) and the scope and quality of disclosures may vary. This can lead to a lack of comparability and a level of confusion experienced by stakeholders reading ESG reports. Additionally, the companies themselves face challenges in understanding the constantly evolving EU regulations in the field of non-financial reporting, which further complicates the process of preparing reports (Jonsdottir et al., 2022) and then using them by various stakeholders.

In summary, it can be concluded that ESG involve several concepts. Listed companies issue ESG reports in accordance with their regulatory frameworks. Professional third-party raters carry out ESG ratings through ESG performance. Investment institutions in capital markets reach their ESG investment decisions in accordance with the ESG ratings. Enterprises also conduct corporate governance and value creation in congruence with ESG ratings (Wan et al., 2023). Reports and analytical recommendations are useful for the management, as they can highlight both the positive aspects of ESG that should be strengthened, and the problematic areas that need to be improved (Mandas et al., 2023).

Until a few years ago it was believed that the congruence between ESG and CSR was a given (Huang, 2021). ESG certainly grew out of CSR, because both concepts share the same foundation: striving to maximize the positive impact of business on the environment. Developed from ethical investment and responsible investment practices, this concept is the enrichment and extension of corporate social responsibility and has now become the core framework for the sustainable development of enterprises (Wan et al., 2023). That being said, CSR comprises company activities understood as part of their responsibility towards the environment, while ESG helps to measure, quantify and evaluate such activities (Biały, 2023). The latter is primarily achieved by constituting a set of factors that allow for the monitoring of company activities while – at the same time – containing criteria for assessing the organization's credibility (INFOR, 2023).

The latest literature on the subject lacks analyses on the degree to which Polish banks are prepared for reporting ESG data. The problem of ESG reporting was addressed by Szewczyk and Szustak (2023), who analyzed bank-client relations in terms of meeting the requirements of ESG regulations. They point to the difficulties on the part of the customers who have to meet the banks' requirements pertaining to new banking strategies, ones strongly focused on ESG issues. They also draw attention to the challenges that the banks currently face, being forced to thoroughly verify whether a financed project is consistent with ESG assumptions.

Other issues analyzed in the literature and related to the implementation of ESG in banks concern the impact of ESG on the bank's financial results. Heydarian and Mohammadi (2022) analyzed the impact of ESG results on the financial performance of the selected banks in the Nordic region. They conducted the analysis for the period between 2011 and 2021 and used four different dependent variables of Tobin's Q, ROA, ROE, and SR. They noticed a significant positive impact of ESG indicators on the banks' financial results. Similar conclusions were drawn by Ahmed et al. (2018) after examining the banks in Bangladesh. They found that banks which pioneered incorporating ESG factors into their lending decisions achieved better financial performance. The results of the research conducted in banks in Italy, on the other hand, show that ESG policies can negatively affect operational and market performance in the banking sector (Menicucci & Paolucci, 2023). However, the relationships between ESG dimensions are mixed when measured individually. The results show a significant positive impact of reducing emissions and waste on financial and operational performance, but a stronger engagement in social issues has been proven to reduce accounting performance.

Including the issue of ESG-related risk in the analysis of banks' operating risk is very important. As indicated by the research of Di Tommaso and Thornton (2020), conducted on 81 banks in 19 EU countries, the ESG performance of European banks has affected both the undertaken risks and the

value of the banks. High ESG scores are associated with a moderate reduction in the banks' risk-taking, but also with a decline in the bank's value aligned with the "overinvestment" in ESG engagement. The decline in the bank's value occurred despite a positive indirect relationship between ESG performance and the bank's value. It was found that managing a bank in line with the principles of environmental protection, social policies and corporate governance can significantly reduce risk-taking by European banks and thus support financial stability. However, this comes at the cost of reducing the value of banks by diverting scarce resources from investments. However, as noted by Ersoy et al. (2021), attracting more environmentally conscious consumers through the use of green marketing strategies and increasing the demand for shares due to the continuous increase in the number of sustainability-minded investors may increase the bank's value in the long run.

Research methodology

The aim of the study was to analyze the environmental disclosures of non-financial information presented in documents published on websites of banks operating as joint-stock companies within the scope of meeting the European Sustainability Reporting Standards (ESRS) guidelines.

The research procedure included the following elements: (1) selection of the research subject, (2) determination of the research method, (3) collection of research material, (4) identification of the requirements for environmental disclosures of non-financial information based on the ESRS guidelines, (5) analysis of environmental disclosures of non-financial information in the collected research material.

Banks operating in Poland in the form of joint-stock companies (Komisja Nadzoru Finansowego, 2023) were subject to the research. The analysis covered 18 banks (Alior Bank S.A., Bank BPH S.A., Bank Nowy S.A., BNP Paribas Bank Polska S.A., Bank Handlowy w Warszawie S.A., Bank Ochrony Środowiska S.A., Bank Pocztowy S.A., Bank Polskiej Spółdzielczości S.A., Credit Agricole Bank Polska S.A., Deutsche Bank Polska S.A., DnB Bank Polska S.A., PKO Bank Hipoteczny S.A., Nest Bank S.A., Plus Bank S.A., Powszechna Kasa Oszczędności Bank Polski S.A., VeloBank S.A., SGB-Bank S.A., Toyota Bank Polska S.A.) and 5 groups of banks (mBank S.A. and mBank Hipoteczny S.A., Millennium Bank Hipoteczny S.A. and Bank Millennium S.A., Santander Consumer Bank S.A. and Santander Bank Polska S.A., ING Bank Hipoteczny S.A. and ING Bank Śląski S.A., Bank Polska Kasa Dobrze S.A. and Pekao Bank Hipoteczny S.A.). Two banks were not included in the conducted analysis: Getin Noble Bank S.A. (under restructuring) and Mercedes-Benz Bank Polska S.A. (in liquidation). Therefore, the research covered a total of 23 banks/groups of banks.

Our empirical research used a content analysis method relevant in the field of environmental disclosures of non-financial information published in documents available on the websites of the surveyed entities. The results were therefore determined by the availability and relevance of the documents on the websites (only the latest documents from 2022 were included in the research, primarily due to the rapid evolution of non-financial reporting visible from year to year).

Due to the fact that banks publish non-financial data in various documents, the following research material was included in the analysis: (1) management reports on activities, (2) reports on non-financial information, (3) ESG reports, (4) annual reports, (5) information placed directly in the appropriate thematic tabs on the banks' websites (ESG, sustainable development, CSR). As the result of searching the websites of 23 banks/groups of banks, disclosures of non-financial data were identified in 18 management reports on activities, 6 reports on non-financial information, 5 ESG reports, 6 annual reports, and 6 thematic tabs.

The analysis of the research material was conducted in August 2023 based on the requirements for environmental disclosures of non-financial data specified in the European Sustainability Reporting Standards guidelines. The standards include 32 disclosures in the environmental area, of which 9 disclosures concern climate (E1), 6 disclosures concern pollution (E2), biodiversity and ecosystems (E4), resource use and circular economy (E5), and 5 disclosures concern water and marine resources (E3) (Table 1).

Table 1. Environmental disclosures of non-financial data in accordance with the European Sustainability Reporting Standards guidelines

ESRS	Disclosures
E1 Climate	E1-1 Transition plan for climate change mitigation E1-2 Policies related to climate change mitigation and adaptation E1-3 Actions and resources in relation to climate change policies E1-4 Targets related to climate change mitigation and adaptation E1-5 Energy consumption and mix E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions E1-7 GHG removals and GHG mitigation projects financed through carbon credits E1-8 Internal carbon pricing E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities
E2 Pollution	E2-1 Policies related to pollution E2-2 Actions and resources related to pollution E2-3 Targets related to pollution E2-4 Pollution of air, water and soil E2-5 Substances of concern and substances of very high concern E2-6 Potential financial effects from pollution-related impacts, risks and opportunities
E3 Water and marine resources	E3-1 Policies related to water and marine resources E3-2 Action and resources related to water and marine resources E3-3 Targets related to water and marine resources E3-4 Water consumption E3-5 Potential financial effects from water and marine resources-related impacts, risks and opportunities
E4 Biodiversity and ecosystems	E4-1 Transition plan on biodiversity and ecosystems E4-2 Policies related to biodiversity and ecosystems E4-3 Actions and resources related to biodiversity and ecosystems E4-4 Targets related to biodiversity and ecosystems E4-5 Impact metrics related to biodiversity and ecosystems E4-6 Potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities
E5 Resource use and circular economy	E5-1 Policies related to resource use and circular economy E5-2 Action and resources related to resource use and circular economy E5-3 Targets related to resource use and circular economy E5-4 Resource inflows E5-5 Resource outflows E5-6 Potential financial effects from resource use and circular economy-related impacts, risks and opportunities

Source: European Commission (2023b).

The conducted research included drawing conclusions based on documents available on banks' websites, including identification and selection and coding of environmental disclosures of non-financial information. The analysis of disclosures of non-financial information in the research material was made by assigning the values of 0 (no information) and of 1 (presence of information) without assessing the quality of the presented disclosures.

Results of the research

Of the 23 banks surveyed, 2 banks did not publish documents that were the subject of this research on their websites and 4 banks published such documents but did not disclose non-financial information. Figure 2 shows the number of banks presenting disclosures of non-financial data specified in the European Sustainability Reporting Standards.

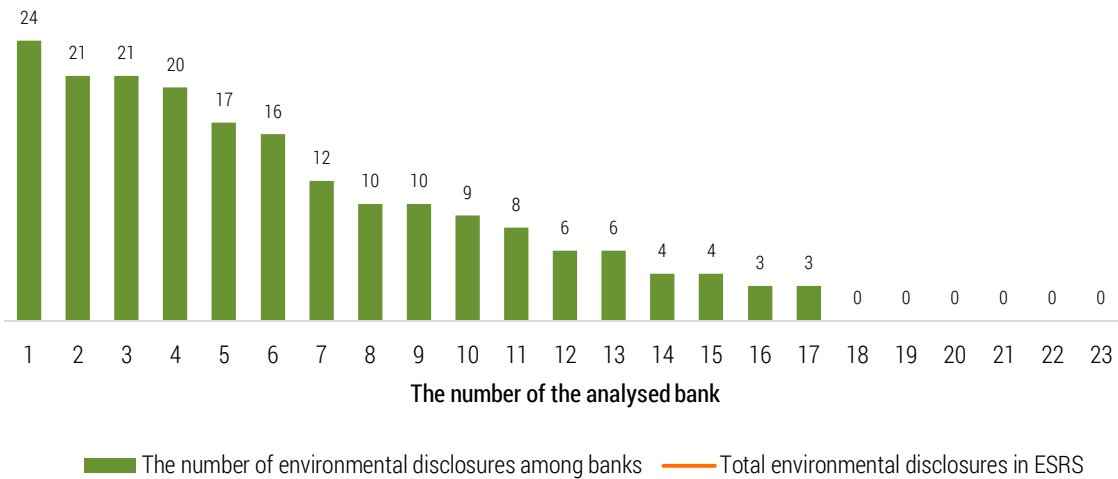


Figure 1. The number of disclosures of non-financial data specified in the European Sustainability Reporting Standards in the analysed banks

Figure 2 shows that none of the analyzed banks included all of the 32 environmental disclosure requirements specified by the European Sustainability Reporting Standards among the published documents that were the subject of this analysis.

ESRS E1 pertaining to the climate comprises 9 disclosures within the fields of: transition plan for climate change mitigation (E1-1), policies related to climate change mitigation and adaptation (E1-2), actions and resources in relation to climate change policies (E1-3), targets related to climate change mitigation and adaptation (E1-4), energy consumption and mix (E1-5), gross Scopes 1, 2, 3 and total GHG emissions (E1-6), GHG removals and GHG mitigation projects financed through carbon credits (E1-7), internal carbon pricing (E1-8) and anticipated financial effects from material, physical and transition risks and potential climate-related opportunities (E1-9) (European Commission, 2023b).

When it comes to ESRS E1 requirements pertaining to climate change, none of the disclosures among the analyzed banks can be considered comprehensive, i.e. taking into account all the guidelines described in the standard. Out of the 23 analyzed banks operating in the form of joint-stock companies, only 2 partially reported 7 out of 9 ESRS E1 disclosures for 2022, and 2 more reported 6 each. In the case of as many as 9 banks, no climate disclosures were found (these were companies that had only provided management reports on activities and/or annual reports).

As Table 2 shows, the analyzed banks most frequently presented their activities to implement climate policy (disclosure E1-3) – as many as 14 banks presented more and less detailed description of the implemented and planned activities. In addition to the adopted credit policies, the most commonly indicated climate actions by banks included: introducing energy-saving solutions within the Green Office (10 banks), replacing the fleet with more ecological vehicles (8), investing in renewable energy technologies (e.g. installation of photovoltaic panels)(6 disclosures) and limiting business trips (5). In the case of specific actions taken, the descriptions included in the reports usually omitted their effect, including the GHG reduction achieved as a result of the listed actions. If it was provided at all, it was only described in general terms, as annual GHG emission reductions achieved in the context of the established reduction goals. As part of E1-3, 13 banks presented the mandatory taxonomic disclosures for 2022. In the context of this category of disclosures, it is worth mentioning the distinctive practice of BNP Paribas, which – since 2022 – has been checking its suppliers to see if they have implemented a climate policy (BNP Paribas, 2023). It is also a good practice to link board of directors remuneration with climate action. Starting in 2021, Santander Bank Polska S.A., has implemented the process of achieving the goals of the Responsible Banking Strategy (including the implementation of tasks supporting the environment and counteracting climate change) as one of the criteria for determining the bonus amount granted to the Members of the Bank’s Board of Directors

(Santander Bank Polska S.A., 2023a). Similarly, at ING Bank Śląski S.A. the 2022 goals assigned to members of the Board of Directors were related to the ESG strategy and included, among others, the tasks of achieving zero CO₂ equivalent emissions by 2030 within scope 1 and 2 in accordance with the published Ecological Declaration (Grupa Kapitałowa ING Bank Śląski S.A., 2023b).

Table 2. ESRS E1 climate change disclosures

ESRS E1 disclosures	Number of banks reporting a given disclosure (partially)
E1-1 Transition plan for climate change mitigation	3
E1-2 Policies related to climate change mitigation and adaptation	6
E1-3 Actions and resources in relation to climate change policies	14
E1-4 Targets related to climate change mitigation and adaptation	9
E1-5 Energy consumption and mix	12
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	11
E1-7 GHG removals and GHG mitigation projects financed through carbon credits	3
E1-8 Internal carbon pricing	0
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	0

The second most frequent disclosure submitted by the analyzed banks is the E1-6 disclosure regarding energy consumption. 12 banks were transparent in this respect, of which 7 disclosed this consumption broken down by energy sources/types. It is worth noting that only PKO Bank Polski S.A. reported energy intensity (per employee and per assets) (PKO Bank Polski S.A., 2023).

The next most common disclosure was one pertaining to greenhouse gas emissions (E1-6). In 2022, out of 23 banks, as many as 11 reported them in scopes 1-2, and only 2 banks were planning scope 3. In the case of latter scope, banks more commonly include GHG Protocol categories in their calculations (World Resources Institute & World Business Council for Sustainable Development, 2023), i.e. more than just category 6 (business travel), they also provide category 1 (purchased goods and services), category 2 (capital goods), category 3 (fuel – and energy-related activities not included in scope 1 or scope 2), category 5 (waste generated in operations), category 7 (employee commuting) or category 13 (downstream leased assets). Three banks declared that they would disclose Category 15 (investments) in the future, with ING Bank Śląski S.A. being the only one that already reports CO₂e emissions from the portfolio of customer receivables (for the time being reported as estimated values) (Grupa Kapitałowa ING Bank Śląski S.A., 2023b). To calculate the volume of indirect GHG emissions, banks most often chose two methodological approaches: location- and market-based¹. Only 6 banks provided the intensity of GHG emissions (per employee, per customer, per income), with only 2 disaggregated emissions into group, bank and company (however provided without specific group units). In the context of disclosing GHG emissions, it is worth noting that the aforementioned ING Bank Śląski S.A. published a separate 2021 report on this subject, including comprehensive information on the methodology and data sources (Grupa Kapitałowa ING Bank Śląski S.A., 2021) and verified by an independent auditor (Bureau Veritas, 2023). Similar measures were also undertaken by mBank S.A. which, in 2022, had its carbon footprint calculated in scope 1 and 2 and subjected to an external audit by the Climate Strategies Poland Foundation (Grupa mBank S.A., 2023).

Disclosures regarding specific goals pertaining to mitigation and adaptation to climate change (and not just general declarations of striving for climate neutrality) can be found in the reports provided by 9 banks, although only 6 companies decided to actually adopt policies in this area. Two banks have joined the Science Based Targets initiative, which helps companies with setting emissions reduction targets that are grounded in climate science, another bank follows SBTi's methodology.

¹ A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A market-based method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice) (Sotos, 2023).

It is worth paying attention to the example of Credit Agricole Bank Polska S.A., which adopted specific KPIs for their climate goals, established as part of the Social Project pillar of its development strategy. Those KPIs include the carbon footprint of (direct) operations set at the level of 1,528 tCO₂e (-84% compared to 2019) and the balance of green financing being equal to 2 billion PLN (Credit Agricole Bank Polska S.A., 2023). That being said, the analyzed banks did not disclose information pertaining to decarbonization levers and their contribution to achieving climate goals. Only Santander Bank Polska S.A. generally declared that reducing its internal emissions and emissions related to the provided financial services (coupled with the exchange of good international practices within the Net Zero Banking Alliance, of which the Banco Santander Group is a founding member) will contribute to achieving decarbonization goals (Santander Bank Polska S.A., 2023a).

When disclosing climate change mitigation and adaptation policies, banks rarely provide such documents (if they do, they are broader environmental or sustainability policies), limiting themselves to describing their ESG strategies, with a generally-understood climate serving as one of the pillars. As a good practice in this context, we can point out the Santander Group's Climate Strategy based on four pillars (adjusting our portfolio to the goals of the Paris Agreement, supporting our clients in their ecological transformation, limiting our impact on the environment, taking climate into account in risk management) (Santander Bank Polska S.A., 2023a), as well as the Climate Policy of Bank Ochrony Środowiska S.A. (Bank Ochrony Środowiska S.A., 2023).

The disclosure of certain information pertaining to the transition plan for climate change mitigation (E1-1) posed a significant challenge for the analysed banks. Only 3 entities provided limited disclosures relevant to the standard's guidelines. As part of this disclosure, the companies presented – among others – the process of identifying climate risks and opportunities, as well as climate scenarios. Here, it is worth paying attention to Santander Bank Polska S.A., which assessed the sensitivity of the sectors in its portfolio to physical and transformational risk (on a scale of 1-5), analysing it in three perspectives: short-term (2025), medium-term (2030) and long-term (2050) while – simultaneously – taking into account the materiality of each portfolio sector (Santander Bank Polska S.A., 2023a). It should be emphasised that the bank decided to submit its disclosure on the description of climate-related risk identification and assessment process to an independent verification (Santander Bank Polska S.A., 2023a). In turn, ING Bank Śląski S.A. disclosed the results of their climate liquidity stress test (with horizons of 5, 10 and 20 years), which determined the threats and directions of climate change, while taking into account the impact of physical risk and transformation on the valuation of bonds and on the changes in credit volumes (the stress test will be repeated if necessary, but not less frequently than every 3 years) (Grupa Kapitałowa ING Bank Śląski S.A., 2023b). On the other hand, the ESG risk identification process submitted by Credit Agricole Bank Polska S.A. was based on heat maps (taking into account similar criteria as in the case of Santander Bank Polska S.A.), and the sensitivity of sectors was determined based on the results of stress tests performed by the European Central Bank (Credit Agricole Bank Polska S.A., 2023). Similar measures were taken by mBank S.A. (Grupa mBank S.A., 2023)). At the same time, Credit Agricole Bank Polska S.A. took into account the bank's current resistance to climate change in the assessment of residual risk (Credit Agricole Bank Polska S.A., 2023). In turn, Bank Ochrony Środowiska S.A. – in addition to indirect risks for its clients – identified several direct risks for the bank, such as the increase in costs caused by the need to implement systems for assessing and reporting on bank activities and the activities of its clients relevant in the field of climate resulting from new global/EU/local regulations. Other risks included the possibility of losing customers in the event of the implementation of stricter requirements pertinent to the bank in relation to its competitors or the risk of losing reputation as a result of the bank's exposure to contractors who may potentially be held liable for the negative impact of their activities on environmental and climate-related factors (Bank Ochrony Środowiska S.A., 2023). Santander Bank Polska S.A., on the other hand, identified direct operational risk (sudden weather phenomena that may affect business in the bank's branches, such as floods or lack of energy), as well as potential supply chain risk (sudden weather phenomena that may disrupt supply chains) (Santander Bank Polska S.A., 2023a).

As is the case with E1-1, only 3 banks disclosed GHG removals and GHG mitigation projects financed through carbon credits (E1-7). As part of this disclosure, the analyzed banks most often mentioned purchasing energy origin guarantees (5 cases). Thanks to them, Bank Millennium S.A. has canceled its indirect emissions in scope 2, calculated using market-based method (Grupa Banku

Millennium, 2023). However, it is difficult to consider guarantees of origin as an actual reduction of GHG emissions, it is rather a quick way to reduce emissions “on paper” to fortify the company’s image (Skłodowska, 2022). However, it was certainly a good practice, as seen in 3 of the analyzed banks, to use only renewable energy in their daily operations, as evidenced by 100% coverage of energy consumption with certificates confirming the origin of energy from renewable energy sources. Two banks use tree planting as a method of absorbing GHG (of them, only Bank Ochrony Środowiska S.A. reported the number of seedlings planted in the last year) (Bank Ochrony Środowiska S.A., 2023), and only Santander Bank Polska S.A. mentioned the purchase of carbon credits by the Banco Santander S.A. Group for all subsidiaries (Santander Bank Polska S.A., 2023a).

The biggest challenge was posed by the disclosures regarding internal carbon pricing (E1-8) and anticipated financial effects from material, physical and transitional risks and potential climate-related opportunities (E1-9). None of the analyzed banks reports those data yet.

As shown in the presented analyses, climate disclosures by banks that are joint-stock companies lag behind the requirements of the ESRS that are coming into force. The presented good practices which stand out among the other banks are relatively few and occur only among the banks that are clear ESG leaders in Poland (as confirmed by rankings and rating in which those companies frequently appear).

The next **ESRS E2** concerns pollution and includes 6 disclosures regarding: policies related to pollution (E2-1), actions and resources related to pollution (E2-2), targets related to pollution (E2-3), pollution of air, water and soil (E2-4), substances of concern and substances of very high concern (E2-5), and potential financial effects from pollution-related impacts, risks and opportunities (E2-6) (European Commission, 2023b).

In the case of the ESRS E2 – pollution, only 3 banks publish all disclosures: BNP Paribas Bank Polska S.A., Santander Bank Polska S.A. and ING Bank Śląski S.A. (with E2-6 being provided only in terms of risk identification). Among the remaining analyzed banks, only 5 partially reported 5 out of 6 ESRS E2 disclosures, and the other 2, 4 disclosures each. In the case of as many as 7 banks, no disclosures regarding ESRS E2 – pollution were found.

As Table 3 shows, the analyzed banks most frequently presented their actions and resources related to pollution (disclosure E2-2); half of the analyzed banks presented their achievements in this area. The most common activities concerned:

- reducing pollutants released into the air by reducing the consumption of electricity and heat (installation of photovoltaic panels, heat pumps, replacement of devices with energy-saving ones),
- organizing meetings online,
- optimizing the use of company vehicles,
- reducing plastic production by introducing a card-free offer (virtual card).

Table 3. ESRS E2 disclosures regarding pollution

ESRS E2 disclosures	Number of banks reporting a given disclosure (partially)
E2-1 – Policies related to pollution	6
E2-2 – Actions and resources related to pollution	16
E2-3 – Targets related to pollution	8
E2-4 – Pollution of air, water and soil	14
E2-5 – Substances of concern and substances of very high concern	7
E2-6 – Potential financial effects from pollution-related impacts, risks and opportunities	3

Quantitative analyses of pollutant emissions into air, water and soil (E2-4) mainly concerned pollutants released into the air. Most often, the description was quite general and—only in a few cases – detailed quantitative data could be found. The report on the non-financial activities of ING Bank Śląski deserves a special mention here (Grupa Kapitałowa ING Bank Śląski S.A., 2023a). Data on CO₂eq pollutant emissions are very detailed and broken down into types of pollutants, sources of

pollution and scopes (1, 2 and 3), covering the period between 2019 and 2022. Moreover, the methodology for calculating the volume of emissions and the data sources were made public (Grupa Kapitałowa ING Bank Śląski S.A., 2023c). Also in the ESG report provided by Santander Bank Polska S.A. (2023a), one can find detailed data on CO₂eq emissions for three ranges, including the division into emission sources. The bank boasts an almost 100% fleet of hybrid cars.

Issues related to ESRS E2 – pollution were most often included in the general environmental policy of the analyzed banks. In 6 cases it was found to be a fulfillment of the E2-1 disclosure. BNP Paribas deserves a mention here, as – in addition to having its own environmental policy since 2022 – it also requires its suppliers to adopt an environmental policy as part of a supply chain management initiative (BNP Paribas, 2023).

Pollution reduction goals (disclosure E2-3) could be found in the 7 of the analyzed banks, but not in all cases these goals were expressed quantitatively. Santander Bank Polska S.A. is included in the Global Net Zero Strategy covering the Santander Bank S.A. Group, according to which net zero emissions will be achieved by 2050. The bank intends to achieve this goal by reducing internal emissions (related to, among others, electricity consumption and business trips) and emissions related to the financial services provided such as loans, consulting and investment services provided to customers from all segments (Santander Bank Polska S.A., 2023a).

Within the scope of E2-5 – substances of concern and substances of very high concern, banks mainly indicated the need to deal with hazardous waste, i.e. used electrical and electronic equipment (air conditioners, screens, refrigerators, etc.).

The next ESRS E3 requirement: water and marine resources, includes 5 disclosures: policies related to water and marine resources (E3-1), action and resources related to water and marine resources (E3-2), targets related to water and marine resources (E3-3), water consumption (E3-4), potential financial effects from water and marine resources-related impacts, risks and opportunities (E3-5) (European Commission, 2023b).

Of the analyzed 23 banks operating in the form of joint-stock companies, only 3 reported 3 out of 5 ESRS E3 disclosures for 2022, 6 banks presented 2 disclosures each, and 5 banks presented one disclosure each. 9 banks did not provide any disclosure regarding ESRS E3. The number of banks reporting individual ESRS E3 disclosures is presented in Table 4.

Table 4. ESRS E3 disclosures regarding water and marine resources

ESRS E3 disclosures	Number of banks reporting a given disclosure (partially)
E3-1 Policies related to water and marine resources	0
E3-2 Action and resources related to water and marine resources	8
E3-3 Targets related to water and marine resources	6
E3-4 Water consumption	12
E3-5 Potential financial effects from water and marine resources-related impacts, risks and opportunities	0

Within the scope of ESRS E3, the most common disclosure was E3-4, i.e. water consumption. This disclosure was provided by 12 banks. Water consumption in banks depends on the number of employees hired and working in offices so, in most cases, the information presented by banks shows an increase in water consumption in 2022 as compared to 2021. Lower water consumption in 2021 was related to remote work caused by the Covid-19 pandemic, the temporary exclusion of branches from service, as well as a reduction in the number of branches and office buildings.

In terms of E3-2 disclosure, 8 banks presented activities related to water and marine resources. These activities included the use of water-saving fittings (sanitary faucets with aerators) (Citi Handlowy, 2023; Grupa Banku Millennium, 2023; Bank Ochrony Środowiska S.A., 2023; Bank Pekao, 2023; Grupa mBanku S.A., 2023; Nest Bank S.A., 2023; Grupa Kapitałowa ING Bank Śląski S.A., 2023b; Santander Bank Polska S.A., 2023b), fittings with motion sensors (Nest Bank S.A., 2023), dual-function (two-part) cisterns (Citi Handlowy, 2023; Bank Ochrony Środowiska S.A., 2023), waterless

urinals (Santander Bank Polska S.A., 2023b), gray water recovery installations (Grupa Kapitałowa ING Bank Śląski S.A., 2023b; Santander Bank Polska S.A., 2023b) and tanks for collecting rainwater (Bank Pekao, 2023; Santander Bank Polska S.A., 2023b). Dishwashers are also being used to reduce water consumption (Grupa Kapitałowa ING Bank Śląski S.A., 2023b; Santander Bank Polska S.A., 2023b). In the scope of the analyzed disclosure, it is worth mentioning the employee education program in the field of water consumption conducted by Bank Ochrony Środowiska (Bank Ochrony Środowiska S.A., 2023) and BNP Paribas supporting the construction of the International Polar Station in the Arctic Ocean which conducts scientific research and activities aimed at protecting ocean waters (BNP Paribas, 2023).

Disclosures regarding goals related to water and marine resources (E3-3 disclosure) in 2022 were presented by 6 of the analyzed banks. The banks' goal within this disclosure is to reduce/optimize water consumption. Moreover, the goal of BNP Paribas is to protect oceans, seas and marine resources and use them in a sustainable manner (UN Sustainable Development Goal 14) (BNP Paribas, 2023).

When discussing ESRS E3 – water and marine resources, none of the analyzed banks presented disclosures under E3-1 policies related to water and marine resources and E3-5 potential financial effects from water and marine resources-related impacts, risks and opportunities.

ESRS E4 – biodiversity and ecosystems includes 6 disclosures: transition plan on biodiversity and ecosystems (E4-1), policies related to biodiversity and ecosystems (E4-2), actions and resources related to biodiversity and ecosystems (E4-3), targets related to biodiversity and ecosystems (E4-4), impact metrics related to biodiversity and ecosystems (E4-5), potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities (E4-6) (European Commission, 2023b).

The analysis of the available documents shows that, under ESRS E4 – biodiversity and ecosystems, only 1 bank presented 2 disclosures for 2022, and 4 banks submitted one disclosure each. 18 banks did not provide any disclosures regarding ESRS E4. The number of banks reporting individual ESRS E4 disclosures is presented in Table 5.

Table 5. ESRS E4 disclosures on biodiversity and ecosystems

ESRS E4 disclosures	Number of banks reporting a given disclosure (partially)
E4-1 Transition plan on biodiversity and ecosystems	0
E4-2 Policies related to biodiversity and ecosystems	0
E4-3 Actions and resources related to biodiversity and ecosystems	3
E4-4 Targets related to biodiversity and ecosystems	3
E4-5 Impact metrics related to biodiversity and ecosystems	0
E4-6 Potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities	0

As Table 4 shows, 3 of the analyzed banks disclosed activities and resources related to biodiversity and ecosystems (E4-3) and goals related to biodiversity and ecosystems (E4-4).

Within the scope of the E4-3 disclosure, it is worth mentioning two initiatives implemented by the Bank Ochrony Środowiska Foundation: (1) the “Don't Be a Moose, Help in Kampinos” project, which aimed to support biodiversity and combat invasive species in the Kampinos Forest. Within this initiative, the volunteers—in cooperation with The Kampinoski National Park – removed invasive plant species from the Kampinos Forest (2) “The Traditional Orchard” was a grant competition, which aimed to increase biodiversity and protect natural ecosystems by restoring native varieties of fruit trees that were replaced by new generation varieties (Bank Ochrony Środowiska S.A., 2023). Activities in the field of biodiversity and ecosystem protection are also carried out by BNP Paribas. In 2022, the bank was a partner of two initiatives: (1) “Re:Generation”, organized in partnership with the UNEP/GRID-Warsaw Center and comprising the protection of meadow ecosystems in the Bay of Puck, with a particular emphasis on pollinating insects (the program allowed for the preservation

of molinian meadows, areas with high plant biodiversity and habitats, including the protected common ringlet butterfly), as well as (2) “BeeYope”, organized in partnership with YOPE and the Łąka Foundation, which was an educational campaign for primary schools investigating the role of wild bees and other pollinators in the ecosystem (as part of the initiative, educational packages were created that allowed 20,000 children to learn about the role of bees and to sow 20,000 m³ of meadows) (BNP Paribas, 2023).

The following objectives were formulated in the documents of the analyzed banks regarding E4-4 disclosure: (1) protect, restore and promote the sustainable use of terrestrial ecosystems, sustainable forest management, combat desertification, stop and reverse the process of land degradation and stop the loss of biodiversity (UN Sustainable Development Goal 15) (BNP Paribas, 2023), (2) protection and restoration of biodiversity and ecosystems (Grupa Kapitałowa ING Bank Śląski S.A., 2023b), (3) supporting and implementing activities to preserve biodiversity and protect ecosystems (Credit Agricole Bank Polska S.A., 2023).

When it comes to ESRS E4 – biodiversity and ecosystems, none of the analyzed banks presented disclosures under E4-1 transition plan on biodiversity and ecosystems, E4-2 policies related to biodiversity and ecosystems, E4-5 impact metrics related to biodiversity and ecosystems, E4-6 potential financial effects from biodiversity and ecosystem-related impacts, risks and opportunities.

In the context of ESRS E5 – resource use and circular economy, 6 disclosures are present pertaining to: E5-1 policies related to resource use and circular economy, E5-2 action and resources related to resource use and circular economy, E5-3 targets related to resource use and circular economy, E5-4 resource inflows, E5-5 resource outflows and E5-6 potential financial effects from resource use and circular economy-related impacts, risks and opportunities (European Commission, 2023b).

In the case of ESRS E5, it can be concluded that the disclosures concern primarily the use of resources and, to a lesser extent, the circular economy.

Only 3 banks: BNP Paribas, Santander Bank Polska S.A. and ING Bank Śląski S.A. published all 6 disclosures (with E5-6 being published only in terms of risk identification). No information regarding E5-6 potential financial effects from resource use and circular economy-related impacts, risks and opportunities was found in the reports of the other analyzed banks. Among the analyzed banks, only 5 partially reported 5 out of 6 ESRS E5 disclosures, one bank – 4 disclosures. In the case of as many as 11 banks, no disclosures regarding the ESRS E5 – resource use and circular economy standard were found.

The most common actions in the analyzed banks included actions and resources related to resource use and circular economy (Disclosure E5-2) – Table 6. These actions most often included:

- reducing the amount of paper used,
- reducing the water consumption,
- reducing the amount of electricity consumed by installing energy-saving lighting,
- optimization of the use of cleaning and hygiene products.

Table 6. ESRS E5 disclosures regarding resource use and circular economy

ESRS E5 Disclosures	Number of banks reporting a given disclosure (partially)
E5-1 Policies related to resource use and circular economy	7
E5-2 Action and resources related to resource use and circular economy	12
E5-3 Targets related to resource use and circular economy	8
E5-4 Resource inflows	11
E5-5 Resource outflows	9
E5-6 Potential financial effects from resource use and circular economy-related impacts, risks and opportunities	3

In terms of circular economy, individual activities were presented, mainly related to the use of recycled materials in the modernization of branches (Alior Bank S.A., Bank Ochrony Środowiska), the sale of used furniture and electronic equipment to external entities (e.g. Bank Ochrony Środowiska,

PKO Bank Polski S.A.), using recycled materials to produce advertising gadgets, and sending waste for recycling.

Within the scopes of E5-4 and E5-5, the disclosures concerned mainly fuel consumption (often divided into buildings and vehicles), electricity and heat consumption, water consumption and paper consumption. In the E5-4 – resource inflows disclosure, Bank Śląski ING presents historical data (since 2019) on the consumption of electricity, natural gas, heating oil and water; showing a constant reduction in the consumption of raw materials. It also discloses the amount of waste (including hazardous waste) sent for recycling. An example of E5-5 – resource outflows disclosure, the amount of energy produced from photovoltaic panels may be presented (Grupa Kapitałowa ING Bank Śląski S.A., 2023a).

Conclusions

The European Sustainability Reporting Standards adopted by the European Commission in July 2023 not only introduced an increase in the scope of reporting, but also clearly defined the information to be disclosed in the report. A significant change in the reporting of non-financial data stems from the introduction of the so-called dual significance analysis, i.e. transmitting information in two perspectives: “from the outside to the inside” and “from the inside to the outside”. The changes introduced by the European Commission are aimed at increasing the reliability and comparability of information on sustainable development activities reported by organizations.

ESRS-compliant reporting will certainly pose a challenge for organizations. Although some enterprises already have quite extensive experience in non-financial reporting (the NFRD Directive of 2014 obligated large entities that operate in the EU, employ over 500 people and – at the same time – are public interest entities, i.e. public companies, banks, insurance companies, among others, to include such disclosures in their activity reports, with additional statements on non-financial information), there is still a large number of entities on the market with little or no experience in the area of reporting on ESG issues.

This article presents the results of research aimed at analyzing environmental disclosures of non-financial information by banks operating as joint-stock companies in terms of meeting the ESRS guidelines. The choice of banks for the analysis was dictated by nearly 10 years of experience in the field of non-financial reporting and the SFDR regulations, stemming from the previous NFRD directive, as well as their special role in supporting sustainable development and the upcoming deadline for adapting reporting requirements to ESRS guidelines.

There are no research results available in the literature on the subject of environmental disclosures of non-financial data in accordance with the European Sustainability Reporting Standards published by banks. This is due to the short period of time since the standard has been adopted by the European Commission (July 2023). Therefore, this article presents current topics and new research results.

Based on the research conducted, it can be concluded that:

- 1) the availability of documents presenting non-financial data on bank websites is quite low (26% of the surveyed banks do not present non-financial data in terms of the environmental criterion),
- 2) non-financial data are disclosed by banks in annual reports, ESG reports, management reports, reports on non-financial information, and thematic tabs, which makes it difficult to find the necessary information,
- 3) the scope of environmental disclosures can be assessed as quite low (out of 32 disclosures required in the European Sustainability Reporting Standards, only one bank presented 24 disclosures),
- 4) the largest number of disclosures occurs in the E1 – climate area, and the smallest in ESRS E4 – biodiversity and ecosystems, which may result from the specificity of the banks’ activities,
- 5) the level of detail in terms of the information presented in the documents varies depending on the bank or the type of disclosures (none of the surveyed banks presented such disclosures as, for example: E3-1 policies related to water and marine resources, E3-5 potential financial consequences of the impact, threats and opportunities related to water and marine resources, E4-1 – biodiversity and ecosystems transition plan, E4-6 – potential financial impacts related to biodi-

iversity and ecosystems, threats and opportunities, E1-9 – potential financial impacts arising from significant risks physical and transitional and potential climate opportunities).

The conducted study confirmed the critical opinions (Korca et al., 2023) about the standards introduced by the European Commission. The strictly defined set of disclosures of non-financial information imposed in advance does not take into account the specific nature of the business and the significance of individual issues.

The limitations in this study are caused by the availability of documents presenting non-financial data on websites and their timeliness (only reports from 2022 were included in the study) and the focus on only one industry. In addition, an important limitation of the study is that the analysis of environmental disclosures in the research material was done by assigning a value of 0 (no disclosures) and 1 (presence of disclosures) without assessing the quality of the disclosures presented.

In order to obtain more complete information on the disclosure of non-financial data by banks in terms of meeting the guidelines of the European Sustainability Reporting Standards, it would be advisable to extend the research to the area of Social and Governance.

The contribution of the authors

Conceptualization, E.B., E.J. and A.L.-S.; literature review, E.B., E.J. and A.L.-S.; methodology, E.B., E.J. and A.L.-S.; formal analysis, E.B., E.J. and A.L.-S.; writing, E.B., E.J. and A.L.-S.; conclusions and discussion, E.B., E.J. and A.L.-S. The authors have read and agreed to the published version of the manuscript.

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UJAWNIAENIA ŚRODOWISKOWE WEDŁUG ESRS W RAPORTOWANIU ESG WYBRANYCH BANKÓW W POLSCE

STRESZCZENIE: Celem artykułu jest analiza środowiskowych ujawnień informacji niefinansowych prezentowanych w wybranych polskich bankach pod kątem spełniania wytycznych European Sustainability Reporting Standards (ESRS). Przyjęte w lipcu 2023 roku przez Komisję Europejską standardy sprawozdawczości ESRS wprowadziły nie tylko zwiększenie zakresu raportowania, ale też jasno określiły informacje przeznaczone do ujawniania w raportach, które będą musiały być składane przez banki. Jako metodę badawczą przyjęto krytyczną analizę literatury przedmiotu, a w części empirycznej metodę analizy informacji zamieszczonych na stronach internetowych banków. Przeanalizowano 23 banki działające na terenie Polski, funkcjonujące w formie spółek akcyjnych. Badania wykazały, że wymagane dane znajdują się w różnych dokumentach publikowanych przez banki, a ich dostępność na stronach internetowych jest dość niska. Zakres środowiskowych ujawnień oceniono jako niewystarczający w stosunku do wytycznych ESRS. Największa liczba ujawnień występuje w obszarze Climate, zaś najmniejsza w obszarze dotyczącym Biodiversity and ecosystems, co wynikać może ze specyfiki działalności banków. Przeprowadzone badania unaocniły słabe przygotowanie banków do raportowania z uwzględnieniem ESRS.

SŁOWA KLUCZOWE: raportowanie niefinansowe, ESG, ESRS, bank, raportowanie w zakresie zrównoważonego rozwoju