



“Responsible business in Poland 2009. Good practices” Report

SUMMARY

„Responsible business in Poland 2009. Good practices” Report is a summary of the activities undertaken by companies, institutions and non-governmental organizations in the domain of corporate social responsibility and sustainable development. Report is an abstract of all the events that took place last year in Poland, in regard to these issues. This year’s edition of the Report coincides with the 10th anniversary of the Responsible Business Forum (RBF) – it is also the 10th anniversary of the beginning of CSR promotion in Poland. For this reason, Forum is planning a series of jubilee events for this year, launched by the Report.

A core element of the publication are corporate good practices - this year Responsible Business Forum has chosen **110** initiatives from all the applications sent. They are inspiring examples of principles of responsibility application in all sections of business – in the workplace, towards market, society, and environment. In addition, the Report contains articles and experts’ statements, analysis and review of last year events, research results review, and press and publications overview.

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1. EXPERTS’ STATEMENTS AND RESEARCH RESULTS

In the introduction to the Report, **Mirella Panek-Owsiańska**, General Director and President of RBF, summarizes last year in regards to the development of the concept



of corporate social responsibility in local and global perspective. She highlights the importance of political incidents and transformations in the most important economies in the world – China and US. She emphasizes new trends in considering sustainable development. When analyzing the state of CSR in Poland, she highlights the role of the Responsible Business Forum, and she cites examples of the organization's last year activities.

Marcel Engel, Managing Director of regional partners network WBCSD, describes a new phase of the organization's activity in regards to the evolving approach to sustainable development. In his opinion, the time of raising awareness has finished, and now it's the time for implementing specific solutions. In the following years, we will be observing development of "green" innovations. WBCSD is entering this new phase with the project *Vision 2050*, which objective is to document all sorts of business solutions related to sustainable development.

Maria Jose Subiela, International Project Director at Business in the Community (BITC), summarizes last year and the state of corporate social responsibility in the world from the crisis perspective. She points out new challenges and dilemmas which emerged in the business and non-governmental organizations' environment, due to the economic situation. She highlights the need of regaining the trust to business, and verification of CSR models applied up to now by the companies.

Polish experts and consultants on CSR have presented short commentaries, which answered the question: "How was the year 2009 for responsible business in Poland?". The answers were presented by: **Jacek Dymowski** (Manager of CSR Institute, Values Grupa Firm Doradczych), **Małgorzata Greszta** (Managing Partner, CSR Consulting), **Liliana Anam** (Manager, CSRinfo), **Jacek Kuchenbeker** (Manager, Risk Management Department, Deloitte), and **Irena Pichola** (Sustainable Development and Responsible Business Team Leader at PricewaterhouseCoopers and RBF's Board Member). Experts have highlighted their recognition for the activities of the Ministry of Economy, and the creation of the first Polish stock index of responsible companies.

Georg Kell, Executive Director, Global Compact, describes last year as favorable for the idea of responsible business and for the Global Compact initiative, regardless of the financial crisis. In his opinion, it was a critical year, which has more than ever raised awareness of a need for responsible actions for ethical and environmental business standards.



Rafał Baniak, Undersecretary of State in the Ministry of Economy, describes the activities of the Group for Corporate Social Responsibility at the Ministry. The group is supported by four working groups, each working on specific solutions for promoting CSR in different business areas, and its surroundings. Among other activities undertaken last year, Rafał Baniak mentions the signing of a cooperation agreement between Responsible Business Forum and World Business Council for Sustainable Development, as well as preparing a guide for small and medium enterprises, entitled “Sustainable development”.

Eliza Durka, Director of Marketing, Warsaw Stock Exchange, analyzes the state of responsible business in Poland from the perspective of capital market. She describes the mechanisms of responsible investing (SRI – Socially Responsible Investing), and the principles of the first Polish ethical index, developed in November last year – Respect Index.

Aleksandra Biały, journalist at “Rzeczpospolita”, in a controversially entitled article “CSR in Poland is in bad shape” expresses her concern about the low level of consumer awareness and lack of citizens’ activity in Poland. She encourages to deepen the debate about CSR, and is hoping to strengthen the mechanisms of social and consumer monitoring of ethical aspects of companies’ activities in Poland.

Anna Paluszek and **Kamila Mazur**, coordinators of “Fashionably and ethically” program at Polish Humanitarian Action, are describing the principles of global supply chains. They point out the need to strengthen this element of CSR, which concerns company’s relations with suppliers from the so-called Global South.

Natalia Ówik, Knowledge Manager, Responsible Business Forum, cites the most interesting research from last year, regarding CSR-related issues. The results of research are showing that Polish society is in a process of deep transformation, including also attitudes towards business.

2. REGIONAL PROJECTS PROMOTING CSR

The Calendar includes the description of projects promoting CSR in different regions of Poland. These projects were implemented with help from the Union’s funds, and initiated by regional and sector organizations. The Calendar includes descriptions of projects implemented in the following regions: Wielkopolska, Lubelszczyzna, Świętokrzyskie province, Warmia i Mazury, Białystok, Górny Śląsk, Kujawsko-Pomorskie province.



3. GOOD PRACTICES

Business versus workplace

Studies on the perception of social responsibility prove that perceiving a company as a responsible one, depends mainly on their employees opinion. Trust, which is indispensable for business, begins in the company. Security, proper working conditions, transparency of communication, possibility of participation – those are all elements of management, which are becoming more visible in the companies' strategies, which in great measure is due to the development of CSR. Good practices in the area of workplace presented in the Report are inspiring examples of responsible approach to employees.

Many practices from this area have focused on health and security issues. **METRO Group** and **Nutricia Polska Sp. z o.o.** have carried out educational programs for employees in the domain of health prevention, **Kompania Piwowarska SA** has familiarized employees with the company's policy on principles of responsible alcohol consumption. **Servier Polska** and **Wincanton** have carried out educational activities on leukemia and have engaged their employees in blood drives and becoming bone marrow donors, whereas employees of **Polkomtel S.A.** had the possibility of acquiring life-saving skills.

New and important area in Polish companies was enabling employees participation in management. Initiatives of **Instytut Monitorowania Mediów** and **PGE Polska Grupa Energetyczna** had the objective of introducing bottom-up improvements. Whereas employees of **Grupa LOTOS** had the possibility to participate in special meetings, informing about the crisis, and company's policy during that period.

Other distinctive areas were: work-life balance and diversity management. **Danone Sp. z o.o.** and **Ikea Retail** have introduced solutions for better reconciliation of professional and family responsibilities. Employees of **IBM Polska** were given the possibility of acquiring skills in multicultural teams, i.e. when working for local communities.

Practices in the domain of business ethics were also very popular last year. **HSBC Bank Polska** has published its ethical code, **Kogeneracja S.A.** has established Committee of Ethics, and **Profes** has prepared principles of ethical cooperation in employees' teams.



Most practices were in the domain of **voluntary work**. Employees, with the support of their companies, have helped their communities, were gathering and appointing funds for aid programs, supporting local schools, and fulfilling children's wishes. Programs of voluntary work were conducted in: **Aviva, Bank Gospodarstwa Krajowego, BRE Bank SA, British American Tobacco Polska, DB Schenker, GlaxoSmithKline, Grupa TP, ING Bank Śląski S.A., Kompania Piwowarska SA, Kredyt Bank SA, Microsoft, PKN Orlen, Provident, Toyota Motor Manufacturing Poland, TUIR WARTA S.A., UPS Polska.**

Business versus marketplace

Due to the global economic crisis, in 2009 the debate on responsibility and ethics in companies activity has been extensive. After having directed much critic at the financial sector, there has remained a strong conviction, that companies activities in the area of a marketplace should be more transparent and responsible. Examples of good practices in this chapter point out that companies which CSR strategy is directed at this area, can make a step further – responsibility towards market participants is not only a source for legitimization, but also an area for development of innovation of products and services.

An interesting topic which came up last year in the “market” area, was responsible management of supply chain. **ABB Sp. z o.o.** has launched a help line for its business partners, **DB Schenker** has helped its suppliers in the time of flu pandemic, and **Danone Sp. z o.o.** has improved web service for milk suppliers. **PKN ORLEN S.A.** has started to sell fair trade coffee on its petrol stations.

Companies were also introducing all sorts of sustainable innovations. **Axel Springer Polska** has developed a system for optimizing production, sales, and distribution of press. **Kompania Piwowarska SA** has started a comprehensive management and reporting on sustainable development results system, and **Nestlé Polska** has reduced the weight of their products packaging, thanks to new technological solutions.

Five companies have carried out market education programs. **PricewaterhouseCoopers** in cooperation with Akademia Leona Koźmińskiego has started post-graduate course “CSR. The strategy of responsible business”. **Związek Pracodawców Polski Przemysł Spirytusowy** has trained sellers and persons serving alcohol in the topic of responsible alcohol selling. Provident has been educating market on CSR topic in original way, by creating a contest for journalists



writing about voluntary work. **Konferencja Przedsiębiorstw Finansowych** has published a guide for ethical vindication, and **Grupa Ergo Hestia** has prepared a publishing series on risk management in economic activity, i.e. environmental risk.

Some companies who have introduced innovative products and services for people with disabilities. **Grupa TP** has developed a program enabling people with disabilities to use eye movements when using Internet, **Irving** has started to print in Brail on its tea labels, and **Nordea Bank Polska** has introduced new type of services for the blind and sand-blind customers.

This year's new category was responsible investing. **TFI SKOK S.A.** has introduced first ethical fund which uses SRI criteria. The first ethical index – Respect Index - has been developed in Poland, as a joint initiative of **Deloitte Polska**, “**Forbes**” magazine, **Kulczyk Investments**, and **Warsaw Stock Exchange**.

Euro Bank S.A. has promoted entrepreneurship – in a contest “Win an eurobank!”, ? young entrepreneurs had the possibility to win management of a bank franchise. Thanks to **PricewaterhouseCoopers** and **PGNiG SA**, an initiative in the energetic sector has been started. During a conference “Responsible energy”, representatives from the biggest companies in the sector have signed a declaration on implementing the principles of sustainable development.

Business versus society

The elements that determine the functioning of economy – business, society, environment – are all linked together in a systemic way. Changes that occur in one of these areas, cause subsequent changes in others. This simple relationship has been ignored in companies' strategies for years. Thanks to the development of the concept of CSR, the way of thinking about role of business in the society has changed, which also caused change in the way that companies face social problems. Practices presented in this chapter are proving this important transformation.

Most initiatives in this area have focused on corporate community involvement – employees at **Alcatel-Lucent** have helped local community, **Kraft Foods Polska S.A.** and **Danone Sp. z o.o.** have directed their activities at hunger and malnutrition fight, for which Danone has made perfect use of social media. Children and youth help programs were very popular, and were implemented by **Grupa ATLAS**, **Grupa Muszkieterów**, **Procter & Gamble**, and **SziK**. Other companies have conducted programs supporting seniors - **UPC Polska** and **Ericsson w Polsce**. **Infakt** has



offered an application for electronic preparation of invoices to non-governmental organizations. **PricewaterhouseCoopers** has also been acting in favor of NGOs with its initiative “Charity SMS without VAT”.

Many practices were organized around health and security issues. Education programs concerning these issues have been conducted by **CenterNet S.A.**, **PAMSO S.A.**, **RoboNET Sp. z o.o.**, **Telefonia DIALOG S.A.**, **UPC Polska**, and **PGNiG SA**. **Avon Cosmetics Polska** and **GlaxosmithKline** have been educating and leading social campaigns – the first company has focused on violence against women, and the second one on tumor prevention. **Grupa Allianz Polska** has been promoting transplantology, and **Amway Polska** has been educating on child choking prevention. Original initiative by **Grupa Kapitałowa Polskiej Grupy Farmaceutycznej S.A.** consisted in helping people in difficult economic situation by giving them indispensable medicine. **Grupa Żywiec** has promoted responsible alcohol consumption, and **Grupa TP** has helped children with hearing difficulties. **UPC Polska** and **Microsoft** have focused on education on children’s safety in the Internet.

Górnośląska Spółka Gazownictwa in cooperation with **Vattenfall** has been educating on safe use of gas and electric energy. **Polskie Towarzystwo Przesyłu i Rozdziału Energii Elektrycznej** has been educating youth about safe use of electric equipment. **Renault Polska** has been educating about safety on roads and **Mazowiecka Spółka Gazownictwa** has been supporting education of gas technicians.

Companies have also initiated or continued activities related to promotion of equal rights and diversity: supporting children and youth education (**Bank BGŻ**, **Bank Gospodarstwa Krajowego**, **L’Oréal Polska**), supporting sportsmen with disabilities (**Aviva**). **METRO Group** has initiated a scholarship program related to business education, and **Citi Handlowy** has educated youth and teachers on finances.

Gaspol S.A. has focused on local development – it’s promoting ecologic solutions with the use of programs engaging local communities. **ArcelorMittal Poland** has also concentrated on local stakeholders, with special web service NHpedia dedicated to Nowa Huta’s history.



Business versus environment

Natural environment is a stakeholder that cannot express its view without help. It needs representatives to act in its name – non-governmental organizations, administration, consumers, political leaders. As ecologic awareness is raising, environmental protection is becoming an integrated and relevant element of business strategy, and many initiatives are going beyond legal requirements, reaching for innovations. This chapter summarizes what companies in Poland are doing in this area.

Practices focusing on ecologic solutions in the workplace or in production area were popular in 2009. “Eco-office” projects were conducted by **ProLogis**, **Henkel Polska**, and **Grupa Allianz Polska**. Ecologic modifications of internal systems have appeared in the form of innovations in IT – **Grupa TP** has introduced “Green IT” solutions. **ABB Sp. z o.o.** has introduced eco-effective requirements in its plants in Łódź.

Many companies have educated their stakeholders on ecologic issues. These initiatives were undertaken by: **UPC Polska**, **Tesco Polska**, **Bayer Sp. z o.o.**, and **KGHM Ecoren**. **Ikea Retail** has created a website educating clients on green solutions in household.

Other activities on environmental protection were related to: biodiversity protection (**Grupa LOTOS**), local environment treatment (**British American Tobacco Polska**), estimating, neutralizing, or limiting GHG emissions (**Bank Ochrony Środowiska S.A.**, **Grupa VELUX w Polsce**), educating and engaging consumers (**Żywiec Zdrój S.A.**), and waste management (**Total Recycling Services**, **Coca-Cola HBC Polska**, and **Coca Cola Poland Services**).

PKN ORLEN S.A. has continued actions resulting from joining an international initiative of chemical sector – Responsible Care. **UPS Polska** in cooperation with **Polska Agencja Żeglugi Powietrznej** has started a project with an objective of introducing ecologic methods of planes’ steering.

Management and reporting

When talking about corporate responsibility, one question returns: “Responsibility – for what?”. Although most of us are able to give an answer, based on intuition or knowledge and experience, we are expecting facts in the management sphere. CSR



reporting and management systems are enabling us to introduce principles of responsibility into economic practice, and to verify accurately, with the use of precise indices, a degree of corporate social responsibility. Report and CSR management systems are tools that are currently rarely used by companies in Poland and their stakeholders. Examples present in this chapter are valuable exceptions, which hopefully will inspire other subjects.

In 2009 **BRE Bank SA**, **Grupa LOTOS**, and **PKN ORLEN S.A.** have presented social reports, prepared on the basis of GRI methodology (G3), and have shared their experience in implementing GRI standards. It is worth mentioning that reports of all three companies have been awarded in the contest Social Reports 2009.

4. PRESS MONITORING AND CSR EVENTS CALENDAR

1500 articles regarding corporate social responsibility and related topics were published in 2009. Abstracts of 35 articles, in our opinion the most interesting ones or representing most popular thoughts, are available in the “**Overview of selected articles from 2009**” section of the Report (pp. 72-76).

A **Calendar** (pp. 77-93) contains selection of events regarding CSR, and is divided into social campaigns, conferences, seminars, meetings, contests, awards, projects, initiatives, actions, reports, research, and publications. Initiatives with participation or under the auspices of Forum are distinguished with a RBF’s logotype. The number of events in the Calendar proves that the topic of responsible business in Poland has become popular and diverse.

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