

ADAPTING TO ESG TRENDS: SUSTAINABILITY REPORTING AND ASSURANCE PRACTICES IN ROMANIA

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Abstract

In today's challenging world, companies need to increasingly develop their ability to adapt to new challenges, while also maintaining their motivation to communicate with a broader audience, such as different stakeholders. This paper's goals are to highlight the key elements of a sustainability report published by the companies and to outline the procedures undertaken by the auditors in their sustainability assurance engagements. Thus, this study seeks to underline the importance of reporting on sustainability matters and to illustrate how companies from Romania have adapted their reporting package to the current trend.

To illustrate how companies address the relevant subject matters related to their activities, an analysis has been conducted on the sustainability reports, as well as the limited assurance reports provided by an independent third party. The selected companies are OMV Petrom S.A., Kaufland Romania S.C., Transilvania Bank S.A. and Coca-Cola HBC Romania S.R.L. As can be seen, the fields of activity are different, revealing which topics and subtopics from the European Sustainability Reporting Standards are material and relevant for each company.

The results of this research paper show that for the upcoming years, a gradual transition from limited assurance to reasonable assurance can be identified throughout the literature review. The conclusion of this research paper aims to highlight the positive impact that a company creates in the business environment at the moment when it publishes a sustainability report. Nevertheless, the key elements of this study consist of useful information on material subject matters for four different fields of activity in Romania, as well as the steps that an assurance practitioner has to follow during the engagement.

Keywords

sustainability assurance, limited assurance, ESG (environmental, social, governance), sustainability report.

JEL Classification

M41, M42, Q01, Q50

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