

Auditing the Sustainability Reports – Challenges and Perspectives

Abstract

This paper analyzes the most recent sustainability reports of Romania's largest companies listed on the Bucharest Stock Exchange (BVB), using NVivo to examine ESG-related keywords across sectors. The results highlight strong emphasis on governance and environmental themes, especially within the banking, technology, energy, and materials industries. In contrast, the healthcare and food & beverage sectors show comparatively lower sustainability engagement. While most companies demonstrate alignment with established frameworks, the depth and structure of disclosures vary. Despite the growing importance of audit and assurance under the CSRD, explicit references to these elements remain limited. This study offers a current snapshot of sustainability reporting practices in Romania, providing a reference point for comparative analysis with forthcoming disclosures.

Key words: sustainability reporting; Romania; BSE; NVivo; CSRD; EU Taxonomy; content analysis;

JEL Classification: M14, Q56, M41, G38

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1. Introduction

Sustainability reporting has become a key area of interest for companies and stakeholders within the business environment. In this context, it is essential to clearly define the applicable regulations and to identify the relevant standards, implementation rules, involved parties, as well as the processes of verification and certification of sustainability reports prepared by companies. As currently defined, sustainability reports primarily include information about the company, its operating environment, social activities, and aspects of corporate governance—thus falling under the umbrella of ESG, which stands for Environmental, Social, and Governance. This framework reflects the three key dimensions used to evaluate a company's broader impact: environmental, social and governance.

As this article examines auditing of sustainability reports on the Bucharest Stock Exchange, it sees growing interest in publishing such reports in Romania. The rise of sustainability reporting in Romania can be attributed to recognition of excellence through awards, as well as increasing stakeholder demand for transparent and direct disclosures, as seen in existing literature and the progression of ESG practices in Eastern Europe.

Romania is also following the global trend in the evolution of sustainability reporting, a trend that is gaining momentum worldwide. At the same time, although this growth has led to the emergence of numerous regulations, there are ongoing controversies regarding the implementation of these frameworks and, subsequently, the usefulness and transparency of the reports—especially considering the level of know-how being developed. Some critics argue that many reports fail to address the key points of interest for market participants.

To overcome this deficiency, independent assurance conducted by professional auditors is increasingly regarded as essential. Audited sustainability reports diminish information asymmetry and render ESG disclosures more credible. As emphasized by Auliani, Pramesti, & Yunita (2023), external audits conducted by government agencies, non-governmental agencies, or professional firms enhance public trust and ensure companies' adherence to sustainability.

The auditing of these kinds of reports guarantees the validity of financial and non-financial information since auditors use strict verification techniques. Their function is changing, going beyond classical financial control to

encompass examination of environmental and social data. The paper discusses how auditors make it possible to advance the quality and integrity of sustainability reports, providing an overview of current practice and directions for further research and activities for corporate accountability.

2. Literature Review

2.1. Sustainability reporting – purpose and benefits

Corporate reporting was mentioned as early as 1997 by John Elkington, who introduced the concept of the Triple Bottom Line (TBL). This concept refers to the idea that a company's or organization's performance should go beyond financial results and also present, alongside performance criteria, details regarding its social and environmental impact.

In the following years, the global frameworks recognized a considerable development, on the basis established by the Triple Bottom Line (TBL). Those most known reporting frameworks today are the Global Reporting Initiative (GRI) and the Corporate Sustainability Reporting Directive (CSRD). The GRI framework offers one of the most widely adopted structures for sustainability reporting, helping organizations disclose their ESG impacts clearly and comparably. Key standards include GRI 302 (Energy), GRI 305 (Emissions), GRI 403 (Occupational Health and Safety), GRI 404 (Training and Education), and GRI 205 (Anti-corruption). These guidelines support transparency on issues such as climate impact, labor practices, and governance, aligning corporate reporting with stakeholder expectations and global norms.

The Corporate Sustainability Reporting Directive (CSRD) was adopted by the European Union in 2022 as a major update to the Non-Financial Reporting Directive (NFRD). It came into force on January 5, 2023, and reporting obligations begin gradually starting with the 2024 financial year. The CSRD broadly enlarges the universe of sustainability reporting by requiring more companies—large non-listed and some SMEs—to report ESG information in a standardized, audited, and readily accessible electronic format. It integrates sustainability into business strategy and corporate governance in an effort to improve the quality, consistency, and credibility of non-financial information for stakeholders and investors.

There is no need to emphasize the general benefits of sustainability reporting—especially in the current business

context, where a company's actions are closely scrutinized and increasingly correlated with both financial outcomes and the broader impact of specific environmental, social, or governance (ESG) events. ESG analysis, which stands for Environmental, Social, and Governance assessment, plays a vital role in offering a multidimensional view of organizational performance beyond traditional financial metrics.

Such analysis contributes to enhanced transparency, helps identify potential risks at an early stage, supports alignment with legal and regulatory frameworks, strengthens corporate reputation, attracts long-term oriented and sustainability-focused investors, and improves strategic and operational coherence.

In this sense, researchers Raimo et al. (2025), using manual content analysis, evaluated 166 EU companies' integrated reports from 2023, systematically coding the presence or absence of required disclosures. A linear regression model was applied to assess the influence of firm size and environmental sensitivity.

Findings indicate a relatively low average compliance with ESRS but show that larger firms and those in environmentally sensitive industries are more likely to align with ESRS requirements. This study contributes empirical evidence on compliance gaps between the existing framework and the newly introduced ESRS, framing compliance as a strategic response to evolving regulations.

In this evolving business environment, where financial reporting alone is no longer sufficient, sustainability reporting emerges as a critical tool for ensuring corporate relevance and competitiveness. Stakeholder expectations have grown more complex, demanding integrated insights that reflect not only profitability but also ethical responsibility and environmental impact.

2.2. Implementation of sustainability reporting in Romania

In line with global developments, Romania has progressively aligned its corporate sustainability reporting practices with international and European frameworks.

At the European level, Romania has been subject to the Non-Financial Reporting Directive (NFRD) and, more recently, the Corporate Sustainability Reporting Directive (CSRD). These directives aim to harmonize ESG

disclosures across EU member states and ensure consistent quality and comparability of sustainability data.

The national transposition of these standards has been formalized through the Ordinance of the minister of finance (OMF) no. 85/2024, which represents a milestone in Romania's sustainability regulatory landscape. This ordinance lays out detailed obligations for ESG reporting applicable to large companies—including those listed on the Bucharest Stock Exchange, financial institutions, and other entities of public interest. It mandates transparent disclosure of both positive and negative sustainability impacts and requires ESG factors to be integrated into business strategy.

The ordinance mentioned introduces a phased implementation, starting with financial year 2024 for large entities with over 500 employees, and gradually extending through 2028 to smaller entities and subsidiaries of foreign companies. A particularly important clarification came in late 2024, when the Romanian Ministry of Finance confirmed that Wave 2 companies—initially thought to be required to report under NFRD standards—will only begin reporting obligations aligned with CSRD from 2025 onward.

According the Ordinance of the minister of finance no. 85, companies that meet the reporting criteria have two options: they can either prepare a local sustainability report or be included in their parent company's group-level sustainability report. However, if the second option is chosen, the report must clearly and separately present concise ESG-related information specific to the Romanian subsidiary. This ensures transparency and relevance for local stakeholders, even within a consolidated reporting structure.

Overall, the implementation of this legal framework significantly enhances Romania's sustainability reporting infrastructure, aligning it with EU ambitions while reinforcing corporate transparency over reporting, accountability of issued reports and stakeholder engagement.

Using sustainability reports from 668 Romanian companies during the period 2019-2021, the study examines the relationship between environmental performance, a non-financial metric, and financial performance. It applies two analytical methods: the grid method to assess environmental performance and a linear regression model to test its correlation with financial performance. Statistical techniques like tolerance analysis

and the Durbin-Watson test help refine the findings. Results reveal a positive correlation - companies with high turnover and longer operational histories tend to have stronger environmental performance. This underscores the connection between sustainability efforts and financial success (Dobre et al., 2025).

2.3. Contextual familiarization and regulatory alignment

Table no. 1 indicates a clear direction of the regulations for sustainability reporting and assurance in the European Union, while also referencing the local implementation measures adopted in Romania.

Table no. 1. Applicable frameworks for sustainability reporting		
Framework	Type	Purpose
CSRD (Corporate Sustainability Reporting Directive)	Legal directive (EU)	Mandates sustainability reporting for large and listed companies in the EU.
ESRS (European Sustainability Reporting Standards)	Reporting standards	Defines content, structure, and indicators for sustainability reports under CSRD.
ISAE 3000 (Revised)	Assurance standard	Outlines assurance procedures for non-financial information, including sustainability data.
OMF no. 85/2024 (Romania)	National legislation	Implements CSRD in Romania, establishing the national requirement for sustainability report assurance.

Source: authors' projection

Regulatory Foundation – CSRD (Corporate Sustainability Reporting Directive). The CSRD serves as the overarching legal framework that mandates sustainability reporting for large and listed companies across the EU. It significantly expands the scope and detail of prior requirements (formerly under NFRD), aiming to improve transparency and comparability of sustainability disclosures.

Reporting Framework – ESRS (European Sustainability Reporting Standards). To operationalize the CSRD, the ESRS provides the standardized content and structure for what companies must report. These standards define the specific environmental, social, and governance (ESG) metrics, ensuring consistency in sustainability disclosures across sectors and geographies.

Assurance Framework – ISAE 3000 (Revised). For verifying the reported non-financial information, ISAE 3000 (Revised) is the international standard used by auditors. It supports both limited and reasonable assurance engagements and outlines procedures for gathering and evaluating evidence on sustainability disclosures.

National Implementation – OMF no. 85/2024 (Romania). Romania has transposed the CSRD into national law through OMF no. 85/2024. This ordinance mandates the application of ESRS standards and formalizes the requirement for limited assurance on sustainability reports

by independent auditors, beginning with the 2024 financial year.

The EU's first Omnibus package, released on February 26, 2025, proposes changes to several sustainability regulations, including the Corporate Sustainability Reporting Directive (CSRD) and the Corporate Sustainability Due Diligence Directive (CSDDD). The "stop-the-clock" directive, a key part of the package, was adopted by the European Parliament on April 3, 2025, and by the Council of the EU on April 14, 2025. This directive postpones the application of certain CSRD and CSDDD requirements. Additionally, the Omnibus package includes proposals to simplify the EU Taxonomy and the Carbon Border Adjustment Mechanism (CBAM).

2.4. Assessment of the double materiality determination process

Following the initial phase of contextual familiarization and alignment with regulatory frameworks, the next critical step in the assurance process focuses on evaluating how the reporting entity determines its material sustainability topics. This begins with an in-depth assessment of the double materiality determination process (DMA). The auditor examines the methodologies used to assess actual and potential impacts across the value chain, as well as how financial risks are judged over short-, medium-, and long-term horizons. Special attention is

given to the stakeholder engagement processes, which are key to grounding materiality decisions in external expectations.

2.4.1. Substantiation of disclosures with verifiable evidence

The assurance process continues with the verification of whether all material sustainability matters identified through the DMA are appropriately disclosed in the report. Auditors examine the traceability and reliability of data, and whether:

- quantitative and qualitative disclosures are supported by primary documentation;
- the scope, boundaries, and assumptions underpinning the disclosures are clearly articulated and consistent with the assessment framework.

2.4.2. Types of the Assurance Opinion

Table no. 2 outlines the two recognized types of assurance engagements applicable to sustainability reporting under the CSRD and ISAE 3000 frameworks: limited assurance and reasonable assurance.

Table no. 2. Types of assurance			
Type of Assurance	Procedures performed	Opinion Formulation	Example Expression
Limited Assurance	Auditor performs limited procedures to identify material misstatements.	Negative assurance	"Nothing has come to our attention that... is misstated."
Reasonable Assurance	Auditor performs extensive testing, similar to financial audit standards.	Positive assurance	"In our opinion, the information presents fairly..."

Source: authors' projection

Limited assurance is the current requirement under CSRD and involves less extensive procedures—mainly inquiries and analytical reviews. The auditor's conclusion is expressed as a negative assurance, indicating that nothing has come to their attention to suggest material misstatements. This approach is more cost-effective and suited for the early stages of sustainability assurance implementation.

In contrast, reasonable assurance resembles a traditional financial audit in its depth and rigor. It provides a higher level of confidence and is expressed as a positive opinion, asserting that the sustainability disclosures are, in the auditor's opinion, free from material misstatement. While not yet mandatory, the shift toward reasonable assurance is expected in the coming years as assurance practices mature.

3. Materials and methods

The objective of this research was to assess the extent to which major Romanian companies listed on the Bucharest Stock Exchange (BVB) disclose non-financial information related to sustainability in their most recent publicly

available reports, for the companies analyzed (**Appendix 1**). The sample selection followed a three-step procedure. First, we identified the key economic sectors relevant both to the Romanian economy and to sustainability reporting, grouping them into six categories: Energy and Utilities, Materials Industry, Financial Services, Pharmaceutical and Healthcare Industry, Technology & IT, and Food & Beverage Industry. In the second step, we selected representative companies within each sector that are listed on the BVB, based on their financial size, market visibility, and sectoral relevance. In the final step, we included only those entities that had published a recent sustainability report (NFRD/CSRD/GRI, integrated report, or stand-alone ESG report), available for download either on the BVB platform or on their corporate websites. The resulting sample consists of 35 companies, regarded as ones the largest traded firms from Romania due to their compliance with all three criteria: sectoral importance, stock market listing, and transparency in ESG reporting (**Table no. 3**). Based on these reports (available in Romanian), obtained from the official BVB database and company websites, we conducted a qualitative content analysis to evaluate the level of sustainability disclosure.

Table no. 3. Analyzed companies

Sector	Companies
Energy and Utilities	Electrica S.A., Romgaz S.A., OMV Petrom S.A., Hidroelectrica S.A., Nuclearelectrica S.A., Transelectrica S.A., ENGIE România S.A., E.ON Energie România S.A., GreenGroup
Materials Industry	Alro S.A., Chimcomplex S.A., Romcarbon S.A., Holcim România S.A., ROCA Industry, TeraPlast S.A.
Financial Services	Banca Transilvania S.A., BRD - Groupe Société Générale, UniCredit Bank S.A.
Pharmaceutical and Healthcare Industry	Antibiotice S.A., Biofarm S.A., MedLife S.A., Farmaceutica REMEDIA S.A., Zentiva S.A., Rețeaua de Sănătate, Ropharma
Technology & IT	UiPath, AROBS Transilvania Software S.A., Digi Communications N.V., Autonom Services
Food & Beverage Industry	Coca-Cola HBC România, Ursus Breweries, Heineken România, Danone România, Aquila Part Prod Com S.A., Purcari Wineries Public Company Limited

Source: authors' projection

In addition, the aim of this research is to determine the key subjects addressed in the sustainability reports through a qualitative study facilitated by NVivo software. NVivo is a widely used tool in social science and policy research that supports systematic coding, querying, and visualization of textual data. According to Bazeley and Jackson (2013), NVivo enables researchers “to work more efficiently; to manage, shape and make sense of unstructured information” and facilitates deeper insights through thematic exploration and frequency analysis. The whole report database was uploaded to the software and the word frequency analysis tool utilized to extract and plot the most used words. This enables us to identify the most prominent themes highlighted by the reporting agencies.

Furthermore, we did a comparison of which reports contain the highest amounts of these essential words to try and determine if there are general patterns within industries or companies, or if different organizations write about similar topics differently, even with the presence of globally accepted sustainability reporting standards. Beside this, we have also analyzed the distribution of companies across various industries and whether their sustainability reports were subject to an assurance engagement.

Stemming from this conceptualization, the present study is informed by the following research questions:

Q1: What types of non-financial information are most frequently highlighted in the sustainability reports of the selected Romanian companies?

Q2: Can we identify patterns, gaps, or inconsistencies in how companies apply current sustainability reporting standards in practice?

4. Results

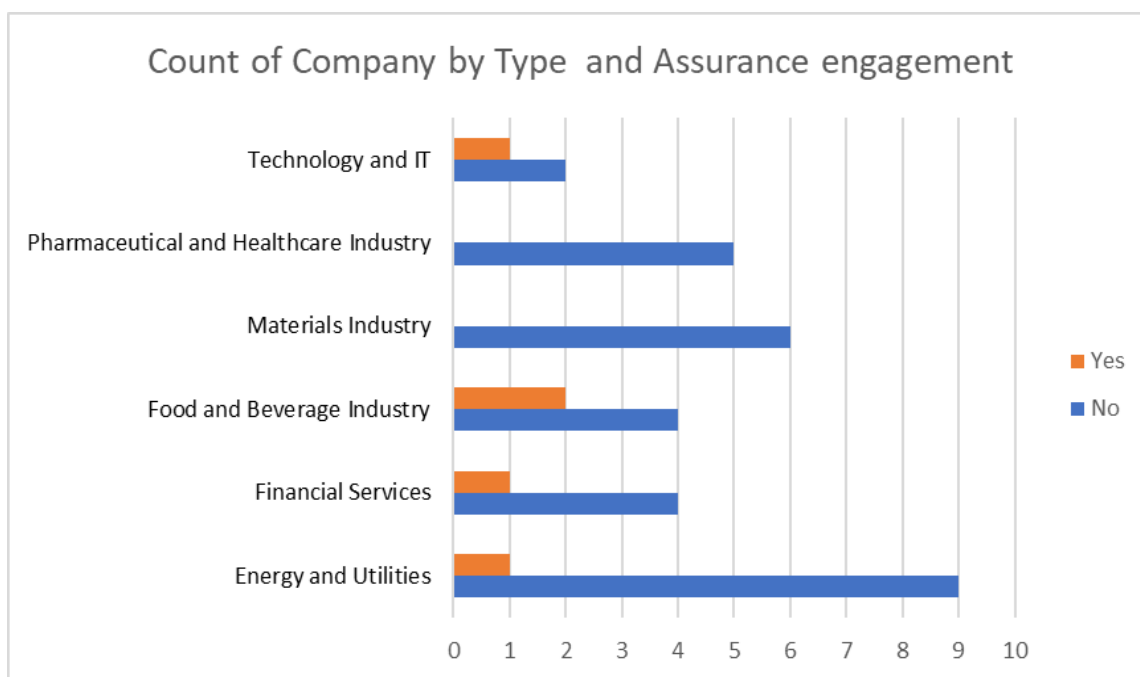
As part of this research, each sustainability report was individually reviewed to identify references to external assurance or audit procedures. The analysis involved a targeted search for key terms such as audit, assurance, and reporting (“audit”, “asigurare”, “raportare” in Romanian). This allowed for a systematic assessment of whether the disclosures were subject to any form of external verification or limited assurance engagement.

The chart in **Figure no. 1** illustrates the distribution of assurance engagements across various company types listed on the Bucharest Stock Exchange (BVB), based on an in-depth review of sustainability reports. According to the data, only a limited number of companies—most notably from the Food and Beverage, Financial Services, and Energy and Utilities sectors—explicitly reported having undergone third-party limited assurance.

Companies such as OMV Petrom, Banca Transilvania, Coca-Cola HBC România, and Heineken România disclosed having implemented assurance engagements in line with ISAE 3000 (Revised), typically covering selected performance indicators. These cases contrast with the broader trend observed in Pharmaceuticals, Healthcare, and parts of the Materials Industry, where reports either mention only internal checks, board approvals, or no assurance at all.

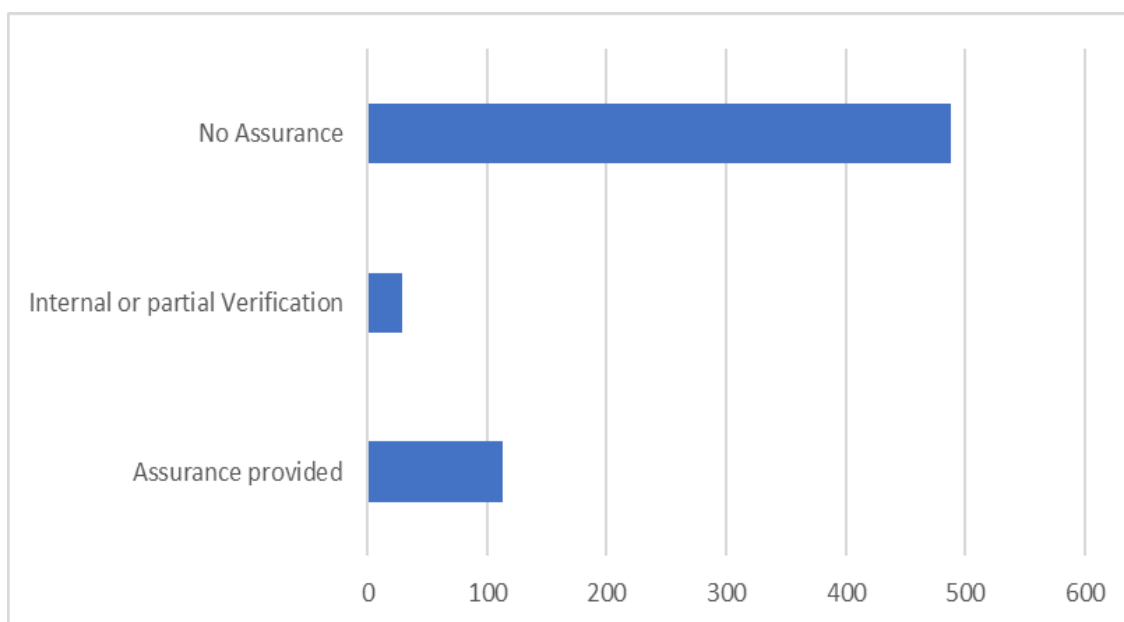
Out of the 35 sustainability reports analyzed, 34 were prepared and published at the local (Romanian) level. Only one report - Danone România - was included as part of a broader group-level report. However, in this case, the Romanian entity is referenced only briefly, with minimal information provided, highlighting a lack of visibility for country-specific performance within group disclosures.

Figure no. 1. Assurance engagements by company type



Source: authors' projection

Figure no. 2. Distribution of assurance in sustainability reports



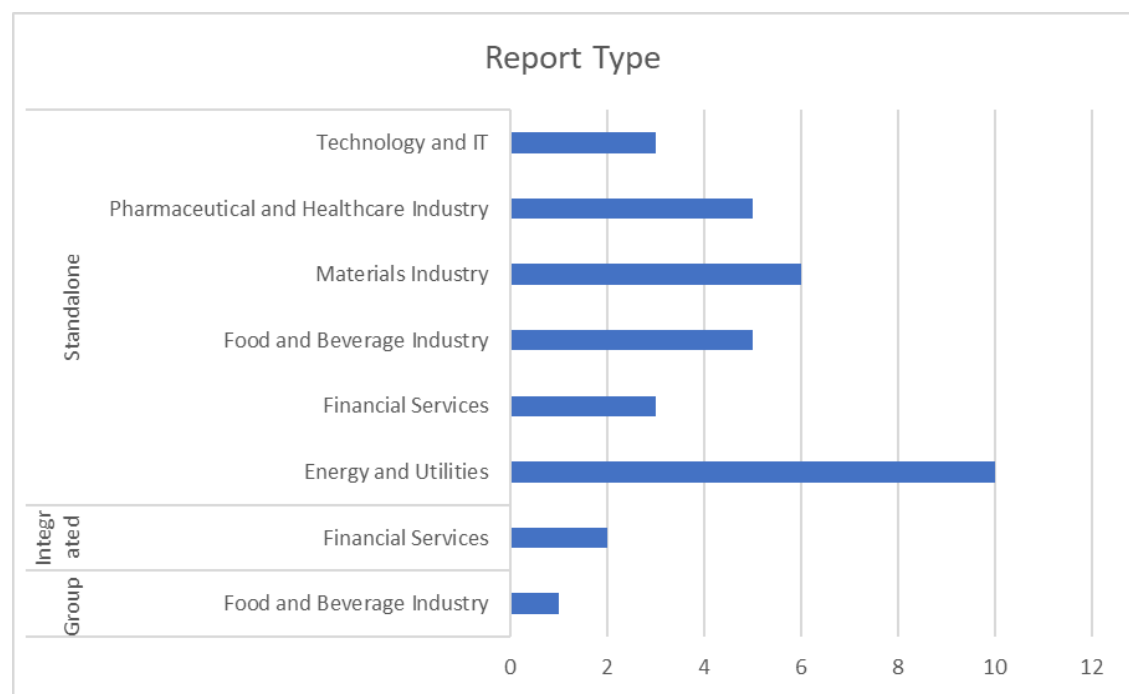
Source: authors' projection

The findings reveal a fragmented assurance landscape, with third-party verification still uncommon. While some sectors are beginning to align with CSRD expectations, most reports analyzed are from 2023 - before assurance became mandatory. Since 2024 reports were not yet available at the time of review, the low uptake reflects the absence of a legal requirement. As CSRD enforcement progresses, clearer guidance and stronger oversight may be needed to ensure consistency and credibility.

Figure no. 2 shows a clear imbalance in how companies approach assurance of their sustainability reports. Out of

the total analyzed, a significant majority - 28 companies - did not benefit from any third-party assurance, indicating that their disclosures were not independently verified. Only 5 companies reported having formal assurance engagements, typically involving limited assurance based on the ISAE 3000 standard. Additionally, just 2 companies referred to internal or partial forms of verification, such as internal audits or board-level reviews. These findings suggest that external assurance remains the exception rather than the norm in current sustainability reporting practices.

Figure no. 3. Report types per industry



Source: authors' projection

Figure no. 3 illustrates the distribution of sustainability report types across industries. The *Energy and Utilities* sector leads with the highest number of standalone reports, indicating a strong preference for separate ESG disclosures. Other sectors like *Materials*, *Healthcare*, and *Food and Beverage* also show a similar tendency. Integrated reports are less common and appear only in *Financial Services*, while group-level reports are rarely used, found mostly in *Food and Beverage*.

Table no. 4 shows that the average length of sustainability reports varies slightly across sectors.

Technology and IT reports are the most extensive, with an average of 71 pages, followed closely by Food and Beverage and Financial Services. In contrast, reports in the Pharmaceutical and Healthcare sector tend to be shorter, averaging 56 pages.

Further on, by applying the Word Frequency Query feature in NVivo, we extracted the most frequently used words from the entire dataset. The word cloud support is a visual representation of the results with each font size indicating the relative frequency of each word. We used the criteria: "within minimum length 9", "Display words:

100" and "include stemmed words". As predicted, the most dominant word is „sustenabilitate" (sustainability) standing for the key theme present among the documents under analysis. Other frequent words include „activități" (activities), „resurselor" (resources), „siguranță" (safety), „reducerea" (reduction), „raportare" (reporting), and „performanță" (performance).

Table no. 4. Average number of pages per report/industry

Industry	Average number of pages per report
Energy and Utilities	67
Financial Services	69
Food and Beverage Industry	70
Materials Industry	59
Pharmaceutical and Healthcare Industry	56
Technology and IT	71
Overall average	65

Source: authors' projection

Figure no. 4. Sustainability reports



Source: authors' projection

The findings highlight the principal concern areas that Romanian companies feature in their sustainability reports. The saliency of terms associated with resource utilization, occupational safety, risk management, and regulatory compliance („conformitate”) indicates strong adherence to the dominant ESG (Environmental, Social, and Governance) principles. Furthermore, the recurring mention of terms such as "taxonomie," "implementarea," and "standardele" indicates growing acknowledgment and familiarization with official reporting standards, which could encompass the EU Taxonomy Regulation and GRI Standards.

The application of this lexicographic charting (Figure no. 4) facilitates the identification of both the shared characteristics among firms and the potential deficits in disclosure of certain dimensions of sustainability. In the sections that follow, we will examine the various priorities for these issues by industry and assess the standardization of terminology as well as the scope of disclosure in the framework of existing sustainability standards.

According to **Table no. 5**, the two most common terms - "financiare" (financial) and "sustenabilitate" (sustainability) - represent a discourse where sustainability is regularly depicted in relation to financial performance and adherence to regulations.

Repeated terms, e.g., "management," "employees," "risks," and "compliance," demonstrate emphasis on internal control, compliance with regulations, and social responsibility. The occurrence of environmentally related words—e.g., "climatic," "materials," and "taxonomy" - demonstrates growing integration of European Union regulatory jargon and environmental risk-related issues within corporate communication. Typically, the iterative mention of the term "decembrie" (December) implies a patterned trend in reporting practice, namely that a significant number of organizations schedule their sustainability reports towards the close of the financial year. The observation emphasizes the strong link between the timing of non-financial and financial reporting and identifies the central role of December as a time marker in corporate sustainability discourse.

Table no. 5. Top used words and frequency

Top 10 words used in Sustainability reports from BVB			
Words	Lenght	Count	Weighted Percentage
financiare	10	4.105	0,25%
sustenabilitate	15	3.998	0,24%
management	10	2.133	0,13%
companiei	9	1.999	0,12%
angajaților	11	1.990	0,12%
riscurilor	10	1.951	0,12%
conformitate	12	1.895	0,12%
climatice	9	1.750	0,11%
materiale	9	1.680	0,10%
decembrie	9	1.640	0,10%
TOTAL	104	23.141	1,39%

Source: authors' projection

Table no. 6. Top keywords by ESG dimension identified in 2023 sustainability reports of BSE-listed companies

Environmental(E)	Social(S)	Governance(G)
climatic	employees	management
materials	health	compliance
emissions	communities	board
taxonomy	safety	reporting
resources	responsible	governance
climatic	employees	management

Source: authors' projection

Table no. 5 presents the most common terms used in Bucharest Stock Exchange-listed companies' sustainability reports, framed within the ESG (Environmental, Social, Governance) framework. The framing brings to the fore the thematic priorities of the reports under analysis and offers insight into the priorities and disclosure practices of Romanian businesses.

Table no. 6 illustrates the top recurring keywords by ESG dimension identified in the 2023 sustainability reports of BVB-listed companies. Within the Environmental (E) category, terms such as "climatic," "materials," "emissions," "resources," and "taxonomy" signal an increased concern with environmental impact and alignment with EU priorities like the Green Deal and Taxonomy Regulation (European Commission, 2020; Täger, 2021). The Social (S) dimension is represented by words such as "employees," "health," "communities," and

"safety," reflecting companies' focus on internal stakeholders and social responsibility, especially relevant in emerging market contexts (Hąbek & Wolniak, 2016; KPMG, 2020). For Governance (G), frequent terms like "management," "compliance," "reporting," and "board" emphasize the influence of regulatory structures and increasing adherence to frameworks such as the CSRD (Eccles et al., 2012).

Based on the dataset analyzed, the sustainability reports reviewed span across six major sectors in the Romanian economy: **Energy and Utilities, Materials Industry, Financial Services, Pharmaceutical and Healthcare, Technology and IT, and the Food and Beverage Industry**. These sectors were selected due to their economic significance and the presence of companies with established reporting practices.

Among the most prominent and long-standing reporters are **OMV Petrom**, **Electrica**, and **Romgaz** in the **Energy sector**, all of which have been consistently publishing non-financial or sustainability reports in line with EU guidelines. In the **Financial Services sector**, institutions such as **Banca Transilvania**, **BRD - Groupe Société Générale**, **UniCredit Bank**, and **BCR** are known for transparent ESG communication and are frequently cited in Romanian CSR media for their reporting maturity.

In the **Pharmaceutical and Healthcare industry**, companies like **Antibiotice S.A.**, **Biofarm**, and **MedLife** have increasingly adopted ESG disclosures, particularly regarding social responsibility and governance. The

Technology sector includes emerging yet active reporters such as **Bittnet Systems**, **AROBS**, and **Digi Communications**, while **Autonom Services** stands out as a local pioneer in integrated reporting and circular economy topics.

The **Food and Beverage industry** is represented by global actors with local subsidiaries, such as **Coca-Cola HBC România** and **Heineken România**, which typically follow high reporting standards dictated at group level.

Further on, we searched for the implication of external financial auditor into the sustainability reports (**Tables no. 7 and 8**).

Table no. 7. Sustainability reports including external assurance or audit references

Name of company	Number of references	Coverage
DIGI COMMUNICATIONS	4	0.01%
ANTIBIOTICE	2	0.01%
BRD	1	0.01%

Source: authors' projection

Table no. 8. Sustainability reports containing general references to audit or auditor terms

Name of company	Number of references	Coverage
DIGI COMMUNICATIONS	266	0,06
UNICREDIT	72	0,03
BRD	70	0,03
ALRO GROUP	69	0,03
MEDLIFE	37	0,02

Source: authors' projection

The presence of audit-related terminology ("raport de audit", "raportul de audit", "raport audit") was detected in a limited number of sustainability reports. The results show that only three companies - DIGI Communications, Antibiotice, and BRD - explicitly referenced audit or external assurance in their sustainability disclosures. The number of references remains extremely low (maximum 4 mentions, coverage 0.01%) and suggests that external assurance is still not a common to be integrated sustainability reports among BVB-listed companies analyzed.

To further investigate the presence of assurance-related content, we refined the text search in NVivo by using broader criteria: "audit" OR "auditor". This allowed us to

capture general references to the audit process, beyond the strict phrasing of "audit report". The results revealed that mentions of these terms remain limited across sustainability reports; however, several reports demonstrated a more consistent use of audit-related language. Specifically, reports from DIGI Communications, UNICREDIT Bank, Antibiotice S.A., ALRO Group, and MedLife recorded the highest number of occurrences. These results suggest that, while the formal inclusion of an audit report within sustainability disclosures is rare, some companies are increasingly integrating or referencing audit procedures in their ESG narratives. This may reflect a transition phase, as firms begin to align with the assurance obligations imposed by regulations

Table no. 9. Top keywords by ESG dimension identified in selected sustainability reports of BSE-listed companies

Name of company	References	Coverage
UNICREDIT	2.792	1.92%
DIGI COMMUNICATIONS	2.692	1.20%
ROMPETROL	1.691	0.91%
ROMCARBON	839	1.17%
ROCAINDUSTRY HOLDINGS	397	1.28%
TERAPLAST	370	1.11%
TOTAL	8.781	7.59%

Source: authors' projection

In **Table no. 9**, we used the *Text Search Criteria* function in NVivo, applying the AND operator to identify the co-occurrence of the top ten most frequent keywords within selected sustainability reports. The keywords included: “financiare” (financial), “sustenabilitate” (sustainability), “management”, “companiei” (company), “angajaților” (employees), “riscurilor” (risks), “conformitate” (compliance), “climatică” (climatic), “materiale” (materials), and “decembrie” (December).

The results show varying degrees of ESG keyword coverage across reports. UNICREDIT leads with 1.92%, followed by Roca Industry (1.28%) and DIGI (1.20%). While Romania has several strong market players, no single sector dominates ESG reporting. High coverage appears across diverse industries such as banking, technology, materials, and energy, indicating a dispersed engagement with sustainability topics. In contrast, healthcare and food & beverage companies show lower ESG keyword presence, suggesting either a different reporting focus or less alignment with standard ESG frameworks.

Conclusions

The analysis of sustainability reports from major Romanian companies listed on the Bucharest Stock Exchange (BVB) reveals a clear orientation toward topics such as “sustenabilitate” (sustainability), “financiare” (financial), “management”, and “riscurilor” (risks). These terms reflect a growing organizational focus on governance, regulatory compliance, and the integration of sustainability into risk and strategic management. The frequent presence of “climatică” (climatic), “emisiilor” (emissions), and “materiale” (materials) further indicates

increasing attention to environmental impact and alignment with EU initiatives such as the Green Deal and the Taxonomy Regulation.

In terms of governance, the repeated use of terms “conformitate” (compliance) and “raportare” (reporting) highlights a shift toward more formal, regulation-driven disclosures. This trend is most evident in sectors such as banking, technology, energy, and materials, where companies like UNICREDIT, DIGI, and Roca Industry demonstrate a higher density of ESG-related language. In contrast, healthcare and food & beverage sectors show lower engagement with ESG terminology, suggesting either a different strategic focus or a lag in applying comprehensive reporting standards.

Throughout the analysis, several inconsistencies were observed in the way companies apply sustainability reporting frameworks. Although many reports reference alignment with GRI or CSRD principles, the depth, terminology, and structure of disclosures vary considerably—even among companies within the same sector. Some reports present detailed, indicator-driven narratives, while others remain general and descriptive, lacking clear metrics or structured ESG categorization. These disparities point to an uneven level of maturity and raise concerns about the comparability and reliability of disclosed information, despite formal adherence to recognized standards.

This study also addresses a notable gap in the literature, as most academic research focuses on large multinational corporations or Western European markets. Romania, as an emerging EU member state, remains underrepresented in empirical studies on sustainability disclosure. By conducting a systematic keyword-based analysis using NVivo's Text Search Criteria (with “AND” operator), this

research provides new insight into how ESG principles are reflected in practice across various industries at the national level.

Although current findings show limited inclusion of audit-related content in ESG disclosures, broader keyword analysis indicates that some companies are beginning to reference audit processes more frequently – this is mostly generated by the fact that in 2024 (with reporting of 2023) the implication was limited, as there was no regulatory pressure in the market. At the same time, the identification of words such as “audit” or “auditor” suggests a growing awareness of the need for credible, externally validated reporting, considering CSRD requirements. As regulatory expectations evolve, the auditor’s involvement will be essential—not only for formal assurance but also for enhancing the transparency, comparability, and stakeholder trust in sustainability information.

This paper reveals that while a few companies have begun to adopt limited assurance practices aligned with

international standards like ISAE 3000, the majority either lack third-party verification or provide insufficient disclosure on assurance. This uneven landscape underlines the importance of future enforcement and harmonization once CSRD becomes fully applicable.

Nevertheless, several limitations should be acknowledged. All reports analyzed were written in Romanian, which may limit comparability with other studies conducted on English-language disclosures. Additionally, the study reflects primarily the reporting activity for the 2023 financial year, as the official deadline for 2024 reports had not yet passed at the time of writing. Therefore, the findings represent a preliminary snapshot rather than a complete view of post-CSRD implementation.

A follow-up study, once all 2024 reports are available, will be essential for capturing the full extent of regulatory impact and for evaluating the consistency of ESG integration in a more standardized disclosure landscape.

Appendix 1 – Referenced companies and sustainability report sources

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2. S.N.G.N. Romgaz S.A., <https://www.romgaz.ro/sites/default/files/2024-06/Raport%20sustenabilitate%20Romgaz%202023.pdf>
3. OMV Petrom S.A., <https://www.omvpetrom.com/services/downloads/00/omvpetrom.com/1522253251887/raport-de-sustenabilitate-omv-petrom-2023.pdf>
4. Hidroelectrica S.A., https://cdn.hidroelectrica.ro/cdn/raport_sustenabilitate/Raport_de_sustenabilitate_2023.pdf
5. Rompetrol Rafinare S.A., <https://rompetrol-rafinare.kmginternational.com/upload/files/2024-09-19-kmgj-sr-2023-ro-spread-14mb-3602.pdf>
6. ENGIE Romania S.A., <https://www.engie.ro/doc/engie-raport-sustenabilitate-2023.pdf>
7. E.ON Energie România S.A., <https://www.eon-romania.ro/content/dam/eon/eon-romania-ro/documents/Raport-Sustenabilitate-EON-Romania-2023-RO.pdf>
8. Transelectrica S.A., https://www.transelectrica.ro/documents/10179/16919692/01_Raport+sustenabilitate+al+Transelectrica+2023+final.pdf/f4696cbe-8396-4da6-bcaf-dd86837ee3a8
9. Nuclearelectrica S.A., https://nuclearelectrica.ro/ir/wp-content/uploads/sites/9/2024/04/SNN-Raport-sustenabilitate_RO_150mic_20240426-1.pdf
10. GreenGroup (GREEN TECH INTERNATIONAL S.A.), <https://www.green-group-europe.com/storage/files/docs/Green%20Group%20Raport%20sustenabilitate%202023%20digital%20RO-1.pdf>
11. Alro S.A., <https://www.alro.ro/sustenabilitate/rapoarte-sustenabilitate>
12. Chimcomplex S.A., <https://chimcomplex.com/wp-content/uploads/Chimcomplex-SA-Raport-de-Sustenabilitate-2023-RO.pdf>
13. Romcarbon S.A., <https://www.romcarbon.com/wp-content/uploads/2024/06/ROCE-Raport-de-sustenabilitate-2023-RO.pdf>
14. Banca Transilvania S.A., <https://www.bancatransilvania.ro/files/app/media/relatii-investitori/prezentari-roadshows->

- ri/Prezentari%20generale/Raport-Sustenabilitate-2023.pdf
15. BRD - Groupe Société Générale, https://www.brd.ro/sites/default/files/2024-12/Raport_Sustenabilitate_%20BRD_2023_RO.pdf
16. Antibiotice S.A., https://www.antibiotice.ro/wp-content/uploads/2024/06/RAI2023_Antibiotice.pdf
17. Biofarm S.A., https://www.biofarm.ro/assets/pdf/2022_ESG_Report_final.pdf?r=604
18. MedLife S.A., https://www.medlife.ro/sites/default/files/2024-08/MEDLIFE_RAPORT%20DE%20SUSTENABILITATE_ROMANA_FINAL.pdf
19. AROBS Transilvania Software S.A., <https://arobs.com/wp-content/uploads/2024/06/AROBES-ESG-report-2023-Final.pdf>
20. Purcari Wineries Public Company Limited, https://purcariwineries.com/wp-content/uploads/2024/06/Purcari-Wineries_Raport-Sustenabilitate-2023.pdf
21. Aquila Part Prod Com S.A., https://static1.squarespace.com/static/5f9280e565985529d8bbf8a5/t/66cc5b0c3d670b2996eccf57/1724668693345/Raport-de+Sustenabilitate_Aquila_2023.pdf
22. Holcim România S.A., <https://www.holcim.ro/sites/romania/files/2024-04/raport-anual-de-mediu-2023-holcim-romania-sa-ciment-alesd.pdf>
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24. TeraPlast S.A., https://investors.teraplast.ro/wp-content/uploads/2024/06/RO_Raport-de-sustenabilitate-2023.pdf
25. UniCredit Bank S.A., <https://www.unicredit.ro/content/dam/cee2020-pws-ro/DocumentePDF/Institutional-Rezultate-financiare/RAPORT-ANUAL-31-12-2023-IN-CONFORMITATE-CU-REGULAMENTUL-5-2018.pdf>
26. Farmaceutica REMEDIA S.A., https://corporate.remedia.ro/wp-content/uploads/2024/05/Remedia-Raport-de-sustenabilitate-2023_final_RO.pdf
27. Zentiva S.A., <https://www.zentiva.ro/-/media/files/zentivacom/sustainability/2024/2024-sustainability-report.pdf?la=ro-ro&hash=5D7C9D1C073C2DCDE06A9546A5E14A636CFE90D7>
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29. Digi Communications N.V., https://www.digi-communications.ro/ro/see-file/DIGI_20240507083713_Raport-Anual-2023.pdf
30. UiPath, <https://uipathfoundation.com/wp-content/uploads/2025/05/Annual-Report-2023.pdf>
31. Coca-Cola HBC România, <https://ro.coca-colahellenic.com/content/dam/cch/ro/documents/raport-2023-Coca-Cola-RO.pdf.downloadasset.pdf>
32. Ursus Breweries, <https://ursus-breweries.ro/dezvoltare-durabila/#rapoartele-de-dezvoltare-durabila-pdf>
33. Heineken România, <https://heinekenromania.ro/wp-content/uploads/2024/11/Raport-de-sustenabilitate-HEINEKEN-Romania.pdf>
34. Danone România, <https://danone.ro/rapoarte-anuale/>
35. ROPHARMA SA, https://ropharma.ro/pdf/rapoarte/rapoarte_anuale/CG_C_RA2024.pdf

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