Introduction:

Nowadays, there is an increasing trend to shift towards sustainability reporting instead of the traditional financial reporting that supply stakeholders with financial information only, because sustainable reports acts as a base for providing economic, social and environmental information (Tumwebaze et al., 2022). The goal of sustainability reports is to capture both financial and non-financial information in order to enhance decision making.

Hence, global reporting initiative standards claimed that sustainability reporting develops the information quality through various principles; balance (there must be an equilibrium between both positive and negative issues for unbiased and reasonable information), comparability (the information has the ability to be compared across time and among organizations), accurate (the information has to be efficient and effective), timeliness (recent information should be provided), clarity (the information should be understandable) and reliability
(stakeholders can rely on the information during making decisions) (Boiral et al, 2019).

Furthermore, Sebrina et al. (2023) add that there is an external and internal point of views for the significance of non-financial information presented in the sustainability reports. The former is nonfinancial reporting enhance the organizations’ reputation and improve the stakeholders’ confidence. While the latter, they help in achieving long-term targets and organization’s value, evaluate risk and assist benchmarking.

Both corporate governance and sustainability share the concern to fulfill long term social, environment, and business value which in turn will ensure the business existence, improve the organization’s profits and transparency (Ganesan et al., 2017). The internal auditors are one of the primary components of corporate governance mechanisms. However, according to the Institute of Internal Auditors (IIA) the two primary tasks of internal auditors are to provide: advising services and assurance services. Thus, the management uses their assurance to make sure about the organizations’ abilities in reporting their sustainable activities.

Furthermore, greater understanding for sustainability assurance means improvement in overall internal organization environment and emphasize on its transparency. As a result, the internal auditors add value to the organizations through
The Role of Internal Auditors in Achieving Sustainability

Prof/ Ahmed Zaky Hussien Metwally

reinforcement of risk management and lower sustainability assurance costs (Amoako et al., 2023). However, the work of internal auditors in assuring sustainability is complement to the external auditors not a replacement.

Motivation of the Study:

There is a global trend towards sustainable development and the Egyptian government desire to achieve the “Sustainable Development Strategy: Egypt Vision 2030”, which reflects the sustainable development dimensions: economic, social and environmental to be fulfilled until 2030 (Ministry of Planning, Monitoring, and Administrative Reform, 2018). In addition to, environmental issues such as; air and water pollution, climate changes and ecosystem dangers), attention for corporate social responsibility and the risk the organizations faced during the spread of covid-19. Therefore, the stakeholders need to be well informed with those risks and how they can affect the organizations through disclosing how social and environmental issues impact the business operations.

Concerning the significant of the study, it is divided into; academic and practical importance. On the one hand, the academic significant of the study, it provides a corner stone for other researchers to shed the light for the rule of corporate governance in improving the sustainability reports. On the other hand, the practical significant of the study, it helps in making management
The Role of Internal Auditors in Achieving Sustainability
Prof/ Ahmed Zaky Hussien Metwally

more understandable for whether the internal resources of the organizations represented in internal auditors in auditing and providing guarantee for the quality of sustainability reports.

References: