**ABSTRACT**

**Purpose:** This study aims to verify the efficiency of economic, organisational, social and environmental dimensions of sustainability performance.

**Methodology:** Disclosure analysis and 2-stage data envelopment analysis (DEA) examining the efficiency of sustainability engagement of listed banks in Poland, Croatia, and Romania disclosed in the annual and CSR/sustainability reports for 2015–2018.

**Findings:** There are apparent differences between the efficiency of sustainability engagement in the banking sectors of the three countries examined in the study. Banking sectors in all these countries are on different stages of their paths to value creation via the efficiency of sustainability engagement.

**Practical implications:** The results of this study may help compare sustainability engagement and understanding of the further directions of sustainable development in the banking sector in both the analysed and other countries, as well as in other institutions from other sectors. These results may be important for the decision-makers in determining the actions focused on improving efficiency on the way to value creation.

**Originality/value:** Since only a limited number of studies examine the efficiency of sustainability engagement, especially in CEE countries, little is known about value creation, understood as the efficient use of the resources and activities concerning sustainability. This paper contributes to filling in this gap. It also proposes an alternative approach, analysing the relationship between sustainability engagement and value creation based on efficiency rather than on the direct impact on financial results giving ambiguous results. This approach may be extended to different sectors and other countries.

**Key words:** CSR/sustainability, efficiency, banks, value, CEE, 2-stage DEA