

ACHIEVING SOCIAL SUSTAINABLE DEVELOPMENT GOALS THROUGH ESG - A CONCEPTUAL ANALYSIS

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Abstract: The concept of ESG is dynamic and versatile and particularly targets the conduct of companies that, in addition to financial and performance criteria, propose to integrate social, environmental and good governance elements. Through this compliance with ESG, companies aim to be able to maintain their dominant position in the market, to obtain investments or bank loans much more easily or under better conditions, but also to contribute positively and actively to the world in which they operate. From this perspective, ESG becomes an assessment tool and attitudinal guidance at the company management level regarding sustainability and responsible behavior. At the macroeconomic level, the extensive and generalized application of ESG at the company level can create structural changes in society regarding organizational performance, contributing to the achievement of the 2030 Agenda. From this perspective, the study aims to analyze the conceptual framework regarding the interdependencies between ESG and sustainable development targets regarding the social component. The methodology aims at a theoretical, explanatory, conceptual and functional analysis of the connections between the two elements. From this perspective, the study will focus on the conceptual analysis of SDGs 3,4,5,8 and 10 in relation to ESG. The results confirm the capacity of ESG to assess and implement sustainable development targets at the company level, but also the capacity of SDGs to expand and build the broad normative framework for ESG functioning.

Keywords: ESG framework, SDGs, social sustainability.

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1. Introduction

The ESG (Environmental, Social, and Governance) framework represents a dominant factor promoting sustainable organizational policies and strategies, constantly aiming not only to achieve the vital economic and financial elements of the company, but also elements that can strengthen its resistance over time and create opportunities for medium and long-term development in full harmony with society's desires for a better, more qualitative life, more connected to the environment and community.

The ESG standard on the social component targets the company's relationship with suppliers, customers, employees and communities and refers to working and living conditions, especially health, safety, education and training, diversity, social inclusion, compliance with corporate social responsibility by relating to people. Not only economic objectives are valuable, companies through ESG aim to achieve objectives such as: gender equality between women and men, increasing employee health, increasing employee digital education, employing people with disabilities or

supporting families of employees with such problems, but also other initiatives and projects that achieve the motivation and involvement of human resources at the company level.

The article aims to analyze the conceptual, theoretical, logical and functional relationship between the Social Objectives of the Sustainable Development Goals (SDGs) (especially SDG3 - Good health and well-being, SDG 4 - Quality education, SDG 5 - Gender equality, SDG 8 - Decent work and economic growth and SDG 10 - Reduced inequalities) and ESG. By pursuing the SDGs at the company level, but also by society as a whole, their aggregate effort can be reflected in profound structural changes in society, but also in the performance and conduct of the organization in the environment in which it operates, potentially boosting the achievement of the 2030 Agenda objectives.

The integration of sustainable development goals at the company level can be considered as a function of the social, environmental and governance parameters of ESG. If we refer strictly to the social framework, we can consider that the social sustainable development goals (SSDGs) can be met at the company level to the extent that the ESG policy of this type (SESG or the S form ESG) is identified, recognized, understood and integrated. Of course, the social ESG externalities are beyond the social framework, also affecting good governance and environmental policies, but for simplicity, it can be considered necessary to first understand the link between ESG social and social SDGs.

2. Literature Review

The literature accurately captures the multifaceted nature of ESG with implications for company success, increasing firm value, promoting quality management and good practices, reducing risk, and promoting investment (Eccles, Ioannou, & Serafeim, 2014; Friede, Busch & Bassen, 2015; Palma-Ruiz, Castillo-Apraiz, Gómez-Martínez, 2020; Liang, Lee, & Jung, 2022; Narula, Rao & Rao, 2023; Shehawy, Khan and Madkhali, 2024; Zairis, Liargovas, & Apostolopoulos, 2024). The social ESG captured by the literature emphasizes that it has the ability to reduce social inequality, ensure inclusion and safety at work, support employees, suppliers, customers, investors, but the company's effort must be real and verifiable, otherwise it is perceived as a narrative devoid of content and penalized in assessments (Barrientos, Gereffi and Rossi, 2011; Piasecki and Gudowski, 2017; Amel-Zadeh and Serafeim, 2018; Cao et al., 2023; Chen et al., 2025).

Regarding regulatory frameworks, although there are many frameworks (e.g. Global Reporting Initiative - GRI; International Integrated Reporting Council – IIRC; Task Force on Climate-Related Financial Disclosure -TCFD), the literature points out that the European regulatory framework (European Sustainability Reporting Standards ESRS), is more integrated, transparent, predictable, normalized, comprehensive, mature and comprehensive, providing the guidelines for companies in the EU and beyond this specific area (European Commission, 2023; Leal Filho et al, 2025; Costea et al., 2025). That's why many studies use the definitions, terminologies and regulations at the EU level as good references for specific ESG requirements.

The link between ESG and SDGs is analyzed by a multitude of studies, most of which reflect the capacity of corporate leadership and strategy to implement the basic principles of sustainability at the company level. These aspects are also reflected in rigorous analyses that track social impact. For example, Alhazemi (2025) analyzes the impact of ESG factors and ethical leadership on community well-being, employees, education and training, through a structural equation modeling – partial least squares (SEM-PLS) based on a sample of 871 respondents. The results of this study indicated that good governance and responsible and ethical leadership improve community and employee well-being and engagement, inclusion and diversity, especially in supporting SDGs 3, 4, 5, 8, 10, 11 and 16. These results are also confirmed in other studies capturing the effects of ESG on other SDGs (Wilburn & Wilburn, 2020; Bezerra et al., 2024; Chen et al., 2025; Costea et al., 2025). However,

there is still a growing need to deepen and understand the connection between ESG and SDGs, starting from theoretical frameworks to deepening empirical and applied analyses.

3. Methodology

The study methodology consists of a comparative, interrogative analysis of the specialized literature, in outlining and finding theoretical, explanatory, conceptual and operational arguments in the majority of the analyzed studies from the main data sources WOS and MDPI, etc. The study mainly tries to clarify the theoretical framework and find the best coupling between ESG with a focus on social ESG and SDGs with a focus on social objectives. Although the literature abounds in the use of numerous SDGs, including those of governance or those that describe rather primary needs, the present analysis focuses only on SDGs 3,4,5,8 and 10. This should not be seen as limiting; subsequent studies may narrow or broaden the area of study of SDGs depending on the concrete needs of future studies.

4. Results and Discussion

The *conceptual framework* attempts to explain the importance of social ESG (ESGS) as an element of expanding the framework for evaluating a company's performance beyond profitability, performance, market share, etc., by pursuing employee rights, social inclusion, well-being, health, diversity, community relations. These elements are pursued at the SDG level, in particular through the targets SDG 3 (Good Health and Well-Being), SDG 4 (Quality education), SDG 5 (Gender Equality), SDG 8 (Decent work and economic growth) and SDG 10 (Reduced Inequalities).

SDG3 aims to ensure health (reproductive, infant, mental, disease transmission and epidemic containment, mortality reduction, reduction of risk factors, but also of non-communicable diseases) and well-being of people in the medium and long term through assistance with medical care.

SDG4 aims at access to education throughout life, trying to prepare, from early childhood to adulthood, to obtain important skills that allow employment or obtaining decent jobs. Although it does not strictly achieve social objectives, education is the quintessence of a better life, a fulfilled social life, the basis for a better job, for a decent or high income and the excess of concern for tomorrow, as well as the basis for careful involvement in the objectives of the family, the community, but also of the workplace where the individual works.

SDG5 is concerned with gender equality, eliminating violence, discrimination, eliminating practices against women and young women and encouraging public and private leadership and female entrepreneurship. From gender-based violence to pay, education and leadership, women face stressful and disadvantaged situations throughout their lives, a fact carefully reflected in specific monitoring indicators such as: Early leavers from education and training by sex; Gender pay gap in unadjusted form; Seats held by women in national parliaments and governments; Physical and sexual violence to women by age group; Population in private households by educational attainment level; Gender employment gap, by type of employment; Persons outside the labour force due to caring responsibilities by sex; Positions held by women in senior management (Source: Eurostat).

SDG8 looks at the general framework of social development such as sustainable economic growth and productivity, job creation, decent working conditions, quality and well-paid jobs and the creation of opportunities for workforce development.

SDG10 addresses the issue of inequalities between and within countries, regardless of the type of inequality: disability, ethnicity, religion, age, social status, gender, race, income, implicitly addressing the issue of migration as a cause of inequality and poor social inclusion as a result of migration or other causes.

ESG is a management vehicle for implementing sustainable development goals, constantly measuring alignment with these goals, representing an input or input factor in the corporate implementation of the SDGs, closely monitoring the impact of responsible investments with the desired and expected social impact. Thus, the SSDGs objectives are translated into social ESG (SESG) as an integral part of the company's policies, which must, in addition to the interests of shareholders, also protect the interests of employees, suppliers, customers and the local community. Also, through an appropriate transparency and social involvement policy, companies can see social, governance and environmental impact as a concrete material aspect of financial reporting, actively including them in internal policies through corporate responsibility. Thus, ESG reporting can improve not only transparency and public image, but also the responsibilities of companies in relation to all social stakeholders, contributing to overall social development. Thus, to achieve the SSDGs (especially targets 3,4,5,8 and 10), SESG influences social factors at the company level by adopting policies of equity, diversity, education, occupational health, and inclusion.

Thus, from a *theoretical and functional* perspective, it can be considered that ESG is a corporate mechanism with an operational function that aims, through the social dimension, to achieve the global normative framework of the SDGs. So metaphorically speaking, social ESG is the vehicle that moves on a well-oriented predetermined path, the social dimension, and the environment are the social sustainable development goals (SSDGs) (see Figure 1).



Figure 1. General framework for analyzing the link between SESG and SSDGs

Source: Authors' conception, Chat GPT assistance in creating the image

Figure 2 shows the successive stages or the logical model of materializing the implementation of social ESG up to the level of achieving the social Sustainable Development Goals (SDG). Thus, ESG can be considered an input factor, which can reconfigure the company's internal panoply of tools, then it goes through a transmission process, transfiguring itself into the company's social policies, then follows the result, in which part of the ESG targets can be tracked whether they are achieved or not, and then the degree of alignment with the SDGs is analyzed. If it can be considered that the degree of alignment is precarious, a new entry into the circuit with additional requirements is restarted from the targets, so a new design of ESG in social matters is projected until the desired result is obtained.

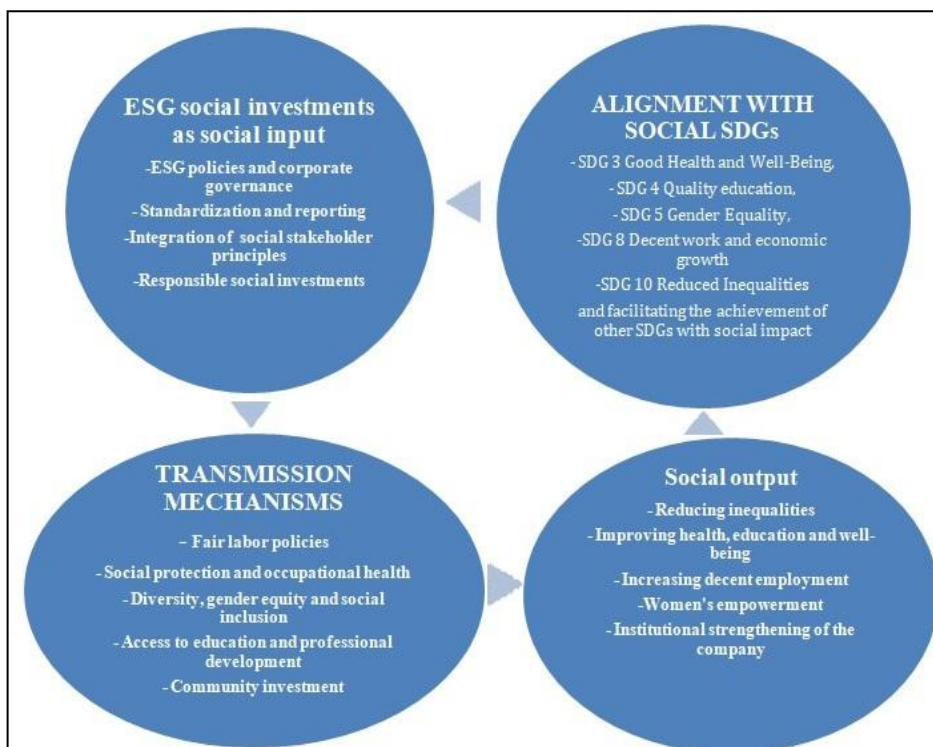


Figure 2. The logical model for integrating social ESG into the SDGs

Source: Authors' conception

The same process can be reproduced with regard to the degrees of integration or the levels of deepening of the problem at the level of the company. Thus, table 1 starts from the conceptual, assertive level, it follows an operational integration, in which a series of ESG indicators are designed to be achieved through an internal strategy well aligned with ESG. In the last phase, the degree of transformational integration is analyzed, in which the company not only has ESG strategies properly aligned with the SDGs, but are also well put into practice, and the results are fully visible in society, in the company's external environment.

Table 1. Degrees of integration of SESG into SSDGs

Degree of integration	Description	Application
Assertive integration	SSDGs identified in SESG reports	Sustainable development reports and other internal reports which show concerns for sustainable path.
Operational-functional integration	Key indicators of SESG in line with SSDGs targets	Gender alignment indicators, inequality reduction indicators, educational indicators monitored at company level etc.
Timely and strategic integration	SSDGs integrated into SESG and the company's business model	Human resources policies and strategies focused on good social practices and inclusion, diversity, health and education at work, etc.
Transformational integration	A business model already well adapted to society, implemented to bring maximum impact	Investments with considerable social impact.

Source: Authors' conception

Figure 3 presents the conceptual mapping between ESG indicators and the social Sustainable Development Goals (SDGs). The matrix highlights the alignment of ESG indicators related to health, education, employment and inequality with the SDGs and the visualization illustrates the extent to which ESG indicators contribute to achieving specific SDGs in a simultaneous manner.

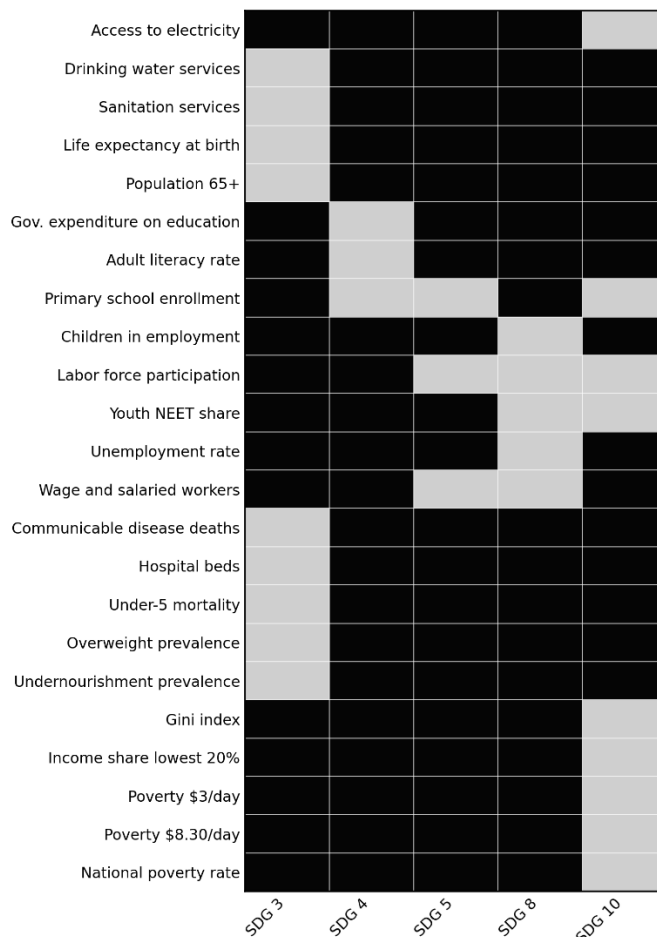


Figure 3. The logical model for integrating SESG into the SSDGs

Source: Authors' conception, base on World Bank database and Sustainable development in the European Union Monitoring report on progress towards the SDGs in an EU context 2025 edition (Eurostat, 2025), Chat GPT assistance in creating the image.

Note: Dark cells indicate the existence of a link between ESG and SDGs, and a lighter color indicates the absence of a direct correlation.

Thus, it can be seen that in most cases, the various types of social ESG analysis directions have a good reflection and the targets of sustainable development with the same character, and that in general the various ESG aspects are covered almost at par with the targets of sustainable development (the dark color in the graph reflects this). However, there are gaps in coverage, ESG indicators and policies with a social character are not unitary, and they do not have a universal character, which is why the degree of local, national, regional and international comparability is still relatively low.

5. Conclusions

The article attempts to clarify from a theoretical, conceptual and functional perspective the role of social ESG (SESG) in the implementation of SSDGs by providing companies with an evaluative

structure and operational implementation mechanisms, and in return the SSDGs framework offers a wide range of options that allow companies to have policies and strategies in which the company's practices and conduct lead to a long-term sustainable global development framework.

The results of the theoretical analyses indeed indicate the capacity of ESG to transpose the SDGs at the company level, but elements such as the lack of unitary standardization in ESG reporting and a lack of clear and unified methodology for measuring social impact must be taken into account, affecting the compatibility and ability to concretely track the contribution to achieving the SDGs.

The study may be of particular interest to managers, leaders, public decision-makers and activists in the field of sustainability. In order to increase the importance of ESG in achieving the targets of sustainable development, not only internal policies must be aligned with ESG and SDGs, but especially the way of choosing and training management personnel, teams and all employees, so that it is a priority for all of them to create and support an ethical, inclusive, non-discriminatory, motivational and sustainable work environment.

The social ESG framework represents not only a conceptual analysis of dangers and risks for employees, customers, suppliers, society, managers and the community, but also possibilities and opportunities, which depending on the context, industry, organization, geographical position, climate, etc., can prove extremely valuable in the development of the company in the future. Therefore, it is important to use SESG framework as an active tool for managing the dangers that may lurk in the company, using the challenges as a lever for internal development to actively prevent possible unfavourable evolutions in the future.

For better integration of sustainable development targets with social character (SSDGs), a company must adjust its intensity of ESG implementation, reporting policies, manage social pressure from all stakeholders, but also adjust accordingly to the social, political, economic, institutional context, etc. at the local, national, regional and international levels.

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