Reporting Sustainable Development Goals (SDGs) in Romanian listed companies

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A B S T R A C T

A significant challenge facing companies is to identify and implement sustainable best practices within their corporate strategies in order to align with the UN Sustainable Development Goals (SDGs). This study aims to assess companies’ perspectives on sustainable development and their approaches to its integration, focusing in particular on the social dimension. The research aims to examine the reporting of the SDGs adopted and implemented by four listed companies. Using a case study methodology, this article analyses the sustainability reports of OMV Petrom, One United Properties, Sphera Franchise Group and Alro for the year 2022. In addition to sustainability disclosure requirements, these reports provide information on the impact of companies on environmental, social and governance factors. Specifically, the inclusion of information related to the SDGs in the sustainability reports of these four companies differentiates them, as they represent a minority among Romanian companies in reporting such data. The novelty of the study consists in its contribution to the existing literature by providing an insight into the sustainability practices adopted and implemented by major Romanian companies.

Introduction

Companies are challenged to balance resource consumption with economic growth, which drives them to adopt green business practices to improve their economic, social and environmental performance. Increasing rates of pollution and depletion of natural resources have stimulated demands from various stakeholders for widespread adoption of sustainable practices. Adopting these practices is perceived as a way to increase operational efficiency and achieve economic and environmental benefits, thereby fortifying the competitive advantage of organizations (Mousa & Ohman, 2019).

The significance of sustainability has grown, profoundly influencing the evolution of a one-size-fits-all approach to human resource management. A key principle of sustainable human resource management (SHRM) is human resource development, which must be consistently integrated with other principles. This means approaching employee development from a long-term oriented perspective. It is essential to acquire the skills needed to implement the Industry 4.0 concept, also known as future skills (Piwowar-Sulej, 2020).

There is a close link between human capital development and sustainability, as education and community knowledge about conservation and resource efficiency can help protect the environment. However, recent literature shows mixed results regarding this relationship. According to Liu et al. (2022), in a study of 73 developing economies over the past three decades, it was found that human capital development should be a priority in future policies to ensure alignment with environmental sustainability goals. In contrast, other authors, such as Ahmed & Wang (2019) and Danish et al. (2019), investigated education and its returns as key indicators of human capital and concluded that they have a significant and negative influence on sustainability footprint.

The purpose of this study is to investigate and understand in detail the factors influencing the adoption and implementation of sustainable practices in human resources reporting. By analyzing these factors, the research aims to provide a deeper insight into how organizations manage and report on issues such as diversity, inclusion, employee rights and other relevant workforce issues. A deeper
understanding of these factors can serve as a basis for providing practical guidance and recommendations to improve reporting processes and promote a more accountable and transparent organizational culture in human resource management.

This study uses qualitative research, focusing on the analysis of sustainability reporting practices, to investigate sustainability reporting practices. The method provides an opportunity to gain an in-depth understanding of key issues related to HR reporting and to explore the contexts that influence them. According to legitimacy theory, companies are perceived in terms of their compliance with laws and social norms, and their activities contribute to maintaining a level of legitimacy in their operations. Non-financial reporting, including sustainability reporting in terms of human resources, can be seen as an effort to justify the right to conduct business by highlighting the company’s contribution to the community and society. Sustainability reporting and strategic human resource management can also be seen from a pragmatic perspective as a tool used to enhance the positive image and reputation of a company (Hronova and Spacek, 2021). In the situation described, it is essential to assess the sustainability and social commitment of companies, and one approach to this assessment is to use ESG criteria (Papuc et al., 2024). It is anticipated that the results of this research will validate the perception that the social pillar is recognized as an essential component for companies in Romania when it comes to reporting on sustainability objectives. In addition, the need to pay particular attention to the publication of sustainability reports and the mentioning of the SDGs within them is highlighted for Romanian companies.

This research focuses on identifying gaps in the literature on reporting human resource aspects of sustainability for companies in Romania. The relevance of the study to Romanian companies is due to their membership in the Eastern European economy, the countries included attracting particular attention in the specialized literature research following the systemic changes they have passed through since 1989. During that period, all of these countries made significant changes. These countries have also faced new challenges during their integration process into the European Union, where their main objective has been to reduce economic gaps with older EU Member States (Mutascu, 2016). By addressing these issues, the study makes significant contributions by clarifying reporting practices and policies through a detailed analysis of the literature and current reporting practices in Romanian companies, and by proposing improvements and practical recommendations that could help improve the quality of reporting and strengthen commitment to sustainable HR practices.

The following sections of this research include: the second section discusses the theoretical elements and sets out the research questions of the study, the third section addresses the research methodology, the fourth section is related to the presentation of the results and their interpretation, and the last section contains the research conclusions, limitations and future research proposals.

**Literature review**

Protecting and conserving natural ecosystem resources has become a major priority for decision-makers and managers in different business sectors. In the context of fierce competition, senior managers are forced to continually look for new ways to optimize key organizational resources, with a particular focus on human resources. Considered a key element for implementing sustainability policies and practices, human resources have a significant impact on organizational performance. Top management recognizes the crucial role of human resources in achieving success and maintaining a competitive advantage in the marketplace. By fostering innovation and performance, as well as effectively using organizational resources, including human resources, companies can remain competitive and address threats and obstacles in their business environment (Mousa & Othman, 2019).

Sustainable human resource management is the adoption of human resource management strategies and practices that contribute to the achievement of financial, social and environmental objectives and have a long-term impact both inside and outside the organization. This process involves monitoring possible side effects and negative feedback. Given that employees are often considered the most valuable resource of an organization, the perspective of sustainable human resource management is becoming increasingly relevant. Employees are not only participants in the direct processes of the organization, but also factors influencing the setting and coordination of the organization’s objectives. Therefore, many companies adopt sustainability management systems to gain a competitive advantage, and to be successful in implementing and evaluating these systems, managers need to involve human resources. Despite their importance to business success, the social sustainability approach to human resources has been undervalued. This perspective focuses on issues such as attracting and retaining talent, promoting work-life balance for employees, building trust among employees, encouraging continuous development, managing an ageing workforce, and improving the quality of life for employees and the community (Cachon-Rodriguez et al., 2022).

Sustainable human resource management is a strategic approach that aims to balance an organization’s activities by integrating environmental, economic and social aspects into human resource management processes. This practice aims to support corporate sustainability and promote sustainable development. Currently, we are seeing a significant increase in the adoption of this model in organizations, reflected in an upward trend in its application in the various subsystems of health, safety and quality of life at work, as well as in the area of employee training and development (Ramalho & Martins, 2022).

Zaid et al. (2018) show that there are a variety of human resources practices designed to promote sustainability ideologies and facilitate the implementation of sustainable management initiatives. A set of HRM practices contribute to improving sustainable performance by integrating environmental values and principles into the organizational structure. In essence, these practices are known for their positive influence in promoting and integrating sustainability into organizational operations. These include
sustainable recruitment, sustainable training and engagement, and rewarding and evaluating sustainable performance. Implementing these measures is essential for those leading teams, with the main aim of promoting a culture of sustainability in the workplace.

According to Wang et al. (2023) research, integrating sustainable Human Resource Management (HRM) systems into the Total Quality Management (TQM) system is considered essential, viewing sustainable HRM as a subsystem of the broader TQM system. They identify seven sustainable URM practices, divided into three distinct subsystems: developing competencies, fostering motivation and providing opportunities. It is observed that the motivation and competence enhancement subsystems of sustainable HRM influence all four sustainable knowledge creation and transmission processes.

Non-financial sustainability reporting is extremely beneficial for investors as it assists them in identifying the most promising investment options. Both external and internal factors motivate organizations to adopt sustainable practices, and new opportunities and trends are constantly emerging in this dynamic sector, including changes in reporting guidelines and the emergence of new ways of communicating. Reporting, including the part that relates to the sustainability of human resources and beyond, can compensate for the lack of publicly available information about the company's activities and procedures, especially for stakeholders outside the organization (Hronova and Spacek, 2021).

In 2015, all United Nations (UN) member states adopted the 2030 Agenda for Sustainable Development, with 17 Sustainable Development Goals (SDGs), covering areas such as poverty eradication and improved health. There is a global push to achieve the SDGs for the companies, marking a new shift towards sustainability. This process also provides an opportunity for global actors to work together to make progress in reducing poverty and securing a better future for humanity and the planet, with various entities, including governments, business and civil society, having a responsibility to do so (Radu et al., 2023).

**Research and Methodology**

To investigate the research question, the case study method, a detailed approach to examining a single example, is used. This method provides relevant knowledge through observation and detailed understanding of specific phenomena. However, critics of case studies point out the inability to develop theories based on a single investigation (Widdowson, 2011). The case study involves an empirical investigation that explores a phenomenon using multiple sources. These studies are valuable when one wishes to clarify a problem or situation by analyzing available information. Case study methodology is divided into three types: exploratory, descriptive and explanatory (Noor, 2008). Case studies are useful for analyzing in detail how individuals perceive and understand factors that influence the organizational environment. By using multiple case study methodology, it is possible to examine both commonalities and differences between different situations and to draw on a variety of data sources (Correll et al., 2023).

Sustainability reports are essential sources of information, but in Romania there is a lack of specific legislation requiring all companies to produce such reports. However, there are directives at European level that may affect certain companies, depending on their size and impact. The decision of some companies to voluntarily produce sustainability reports is an advantage and indicates their attitude towards social responsibility and meeting stakeholder expectations. It is essential for a company to show its commitment to sustainable reporting and human resource management practices in order to improve the relationship with stakeholders (Hronova & Spacek, 2021). The lack of essential data on the SDGs can create barriers for stakeholders involved in decision-making based on the sustainability reports disclosed (Radu et al., 2023). The quality and manner in which a report is written can influence investors' decisions on the direction of the company, and also contribute to building a strong brand image and reputation. There are both external and internal pressures in reporting on HR policies, strategies and employee behavior. Within the European Union, there are numerous non-financial reporting standards that are integrated into companies' annual reports (Hronova & Spacek, 2021).

Business involvement in implementing the SDGs remains limited and more intention than reality. Moreover, it points out that the assessment of business involvement in the SDGs faces various methodological difficulties, mainly related to the selection of indicators, availability of data and interpretation of results. Therefore, an attempt has been made to develop general frameworks to link ESG issues with the SDGs and, consequently, to assess firms' contribution to the SDGs based on their ESG performance (Khaled et al., 2021).

The research methodology applied in this study focuses on a critical assessment of sustainable human resource reporting practices using the data collected. This research falls within the scope of empirical and archival research. For data collection, sustainability report was used to obtain information on human capital. By applying the qualitative methodology of multiple case studies (Correll et al., 2023; Seyitoglu & Ivanov, 2022), the objective of this study is to develop a deeper understanding of the factors that influence compliance with sustainable practices in reporting human resource information for four companies from Romania belonging to different industries. For this purpose, four websites of Romanian companies listed on the Bucharest Stock Exchange that published sustainability reports and included information on the Sustainable Development Goals (SDGs) were analyzed. All the data used in this study were manually collected from the sustainability reports of OMV Petron, One United Properties, Sphera Franchise Group and Alro for the year 2022. For this study, the analysis of reports for the year 2022 was chosen because this is the last year in which sustainability reports were published.

According to the Department of Economic and Social Affairs report on sustainable development (DESA), 17 goals are identified. Table 1 explains each of the 17 goals: no poverty, zero hunger, good health and well-being, quality education, gender equality, clean
water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, reduced inequalities, sustainable communities and cities, responsible production and consumption, climate action, life below water, life on land, peace, justice and strong institutions, partnership for the goals (Guterres, 2023).

### Table 1: Sustainable global development goals

<table>
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<th>SDGs</th>
<th>Explanation</th>
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<th>Explanation</th>
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<tr>
<td>SDG1</td>
<td>No poverty</td>
<td>SDG10</td>
<td>Reduced inequalities</td>
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<tr>
<td>SDG2</td>
<td>Zero hunger</td>
<td>SDG11</td>
<td>Sustainable communities and cities</td>
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<tr>
<td>SDG3</td>
<td>Good health and well-being</td>
<td>SDG12</td>
<td>Responsible production and consumption</td>
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<td>SDG4</td>
<td>Quality education</td>
<td>SDG13</td>
<td>Climate action</td>
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<tr>
<td>SDG5</td>
<td>Gender equality</td>
<td>SDG14</td>
<td>Life below water</td>
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<tr>
<td>SDG6</td>
<td>Clean water and sanitation</td>
<td>SDG15</td>
<td>Life on land</td>
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<tr>
<td>SDG7</td>
<td>Affordable and clean energy</td>
<td>SDG16</td>
<td>Peace, justice and strong institutions,</td>
</tr>
<tr>
<td>SDG8</td>
<td>Decent work and economic growth</td>
<td>SDG17</td>
<td>Partnership for the goals</td>
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<tr>
<td>SDG9</td>
<td>Industry, innovation and infrastructure</td>
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**Source:** Guterres, 2023

Although certain studies (Kostoska & Kocarev, 2019) examine the three pillars of sustainability, economic, environmental, and social, the article referenced after Saetra (2021) specifically concentrates on evaluating and illustrating the Sustainable Development Goals (SDGs) within the three dimensions of ESG (environmental, social, and governance). Figure 1 illustrates how the SDGs are categorized into ESGs.

![Figure 1](image.png)

**Figure 1:** The 17 SDGs grouped into three pillars: environmental, social, governance; **Source:** Saetra, 2021, p. 4

Khaled et al. (2021) suggested assessing progress towards the SDGs by looking at their impact against ESG scores. However, there is no direct connection between ESG scores and the SDGs. It also investigated the nature of SDG reporting, whether it is more symbolic or substantive. The interpretation and prioritization of the SDGs in implementation is influenced by the specifics of each company (Radu et al., 2023).

The method used in conducting the research involves examining the company’s website to locate the section dedicated to publishing sustainability reports for each year. The focus is on the analysis of these reports.

Recognizing the limitations of this study, future research can expand the study by analyzing the results including the environmental and governance pillar by including more companies in the study. Companies in the same sector of activity can also be analysed or a comparison can be made between companies in Romania and companies from another Eastern European country. Research exploring the importance of reporting companies' sustainability strategies on the social pillar should be expanded to bring it to the attention of companies. Future research could expand the analysis by including a larger and more diverse sample of companies, thereby increasing external validity and providing a more detailed understanding of sustainability practices in the region. Also, considering sustainability practices and reporting over a longer period could highlight trends and changes in companies' approaches to sustainability. In addition, further research could complement the quantitative analysis of sustainability reports through interviews or focus groups with company representatives, thus providing a more detailed insight into motivations, challenges and strategies related to sustainable development.
Findings

The results of the research aim to analyze and identify the global sustainable development goals with reference to the 17 SDGs paying attention to the social pillar in order to observe the attitude of Romanian companies regarding the reporting of these goals.

Description of the companies included in the study

OMV Petrom is the leading energy company in South East Europe, with extensive involvement in all aspects of energy activities. The company is involved in the exploration and extraction of hydrocarbons, the refining process and the distribution of fuels. It is also involved in power generation and the marketing of natural gas and electricity. Structured into three interconnected divisions - Exploration and Production, Refining and Marketing, and Gas and Power, OMV Petrom benefits from an integrated business model that ensures financial stability, thanks to synergies between its divisions and the ability to mitigate the impact of oil and gas price fluctuations (OMV Petrom, 2022a).

One United Properties stands out as a sector leader in the development of residential and mixed-use properties in Romania, given its listing on the Bucharest Stock Exchange in July 2021. The company is known for creating sustainable residential, mixed-use and office properties in Bucharest and Constanta (Mamaia). With an impeccable reputation as a premium developer, ONE designs apartments for a range of clients, from middle-income to ultra-high-income. The ONE brand is associated with luxury, excellence, design, community, sustainability and ultimately highly sought-after locations. All buildings developed by ONE are certified for sustainability, energy efficiency and well-being, and the company is consistently recognized and awarded at both international and local real estate events (One United Properties, 2022a).

Sphera Franchise Group dominates the food service sector in Romania, owning companies that operate under license the KFC, Pizza Hut and Taco Bell brands in the country, as well as the KFC brand in Chișinău, Republic of Moldova, and certain regions of Italy. Sphera Franchise Group SA was incorporated on 16 May 2017 by the shareholders USFN and ARS and became listed on the Main Market of the Bucharest Stock Exchange on 9 November 2017. At the end of 2022, Sphera Franchise Group managed 96 fast food and quick service restaurants under the Kentucky Fried Chicken (KFC) brand in Romania, 2 in the Republic of Moldova and 20 in Italy. In addition, the group managed 22 restaurants under the Pizza Hut brand, 15 Taco Bell restaurants and one Paul's restaurant in Romania, as well as 21 KFC restaurants, including sub-franchises, and 5 Pizza Hut restaurants in Romania. In total, at the end of 2022, the Group had a workforce of 4,935 employees, of which 4,450 were working in Romania, 411 in Italy and 74 in the Republic of Moldova (Sphera Franchise Group, 2022a).

ALRO S.A. ranks among the leading vertically integrated producers in Europe in terms of aluminum production capacity. With operations covering all major stages of the aluminum manufacturing process, Alro S.A. is organized into sectors that manage both the bauxite mining and refining processes and the production and distribution of raw and processed aluminum. Founded in 1961 as an open-ended joint stock company, ALRO has its administrative and management headquarters in Romania. The company is registered under the trade name "ALRO S.A." and has been listed on the Bucharest Stock Exchange (BVB) since 16 October 1997. The company's shares are traded on the BVB under the symbol "ALR" (Alro S.A., 2022a).

Analysis of sustainability reports for companies included in the study

OMV Petrom

The Sustainability Report of OMV Petrom for 2022 provides significant information in terms of detailing global sustainability goals. Thus, it also presents the proposed targets grouped by ESG (Environmental, Social, Governance).

Figure 2 illustrates the global sustainable development objectives for OMV Petrom. Regarding the social dimension, according to the Sustainability Report of OMV Petrom (2022b), the sections that refer to these SDGs are Health, Safety, Security through SDG3, supported by targets 3.3 and 3.9 which aim to reduce the spread of contagious diseases, SDG8 which includes target 8.8 regarding the implementation of systems to ensure the respect of rights and the promotion of a safe working environment for all team members and SDG12 through target 12.4 which refers to the sustainable management of natural resources. Another area is Business Principles and Economic Impact, mentioning SDG1 through goal 1.4 on equal rights and SDG16 with goals 16.3, 16.5 and 16.6 “through our strict zero tolerance policy for bribery, fraud, theft and other forms of corruption and the implementation of our Code of Business Ethics” (OMV Petrom, 2022b, p. 63).

The supply chain is another section that addresses SDG8 with targets 8.7 and 8.8 "by adopting measures in line with rules throughout the supply chain aimed at eradicating forced labor, ending modern slavery and human trafficking, protecting workers’ rights and promoting safe and secure working environments” and SDG16 with target 16.5 “by enforcing our supply chain rules on corruption” (OMV Petrom, 2022b, p. 70). The section on Employees mentions SDG3 through target 3.3 which aims to combat communicable diseases, SDG4 through targets 4.3, 4.4 and 4.5 on gender equality, SDG5 through target 5.1 which refers to eliminating discrimination against women, SDG8 through target 8.2 and 8.5 which address diversity, updating technologies and promoting innovation, ensuring a fair and equal working environment for all team members and SDG10 through goal 10.3 which aims to eliminate all forms of discrimination (OMV Petrom, 2022b).
Five objectives are detailed in the Community Relations section. Thus, SDG1 is supported by SDG1.4 through sets of protocols and internal rules for stakeholder engagement and action, SDG3 through SDG3.3 on health care in local communities, SDG4 through SDG4.7 on actions in education, environment and assistance for vulnerable people, and SDG8 through SDG8.5 and SDG8.6 on actions for communities and youth programmes. The Human Rights chapter highlights two targets, mentioning SDG4 and target 4.7 related to human rights and SDG8 through target 8.7 which aims to ensure the full achievement of the UN target on the elimination of all forms of child labor or forced labor (OMV Petrom, 2022b).

**Figure 2:** Figure taken from OMV Petrom Sustainability Report; *Source:* OMV Petrom, 2022b, p. 16

**One United Properties**

In the Sustainability Report of One United Properties (2022b), the company provides updated and detailed information on the social pillar. Thus, the company has always highlighted the importance of a safe environment for all its employees and partners, as well as the promotion of equality. As part of its sustainability strategy, the company is committed to respecting not only itself, but all its suppliers, in terms of human rights, the highest standards of occupational health and safety and ethical standards. The distinctive feature that sets One United Properties apart from other developers is its ONE community. One United Properties has taken the lead in bringing the mixed-use development concept to Romania, solidifying its position as the primary player in this field nationwide. In contrast to traditional urban sprawl, mixed-use developments promote the formation of inclusive, interconnected communities. Within these integrated areas, residents enjoy a wide array of amenities such as housing, dining establishments, vital services, schools, green spaces, cultural hubs, and entertainment venues (One Untited Properties, 2022b). In line with SDG3, the company focuses on “developing healthy residential and office buildings where customers and tenants can live healthy lives” (One Untited Properties, 2022b, p. 31). SDG5 is met by “ensuring equal opportunities for all employees, regardless of gender, and promoting the advancement of women in the workplace” (One Untited Properties, 2022b, p. 31). Regarding SDG10, the company emphasizes that it “promotes the social, economic and political inclusion of all, regardless of age, gender, sexual orientation, disability, race, ethnicity, origin, religion, economic or other status” (One Untited Properties, 2022b, p. 32). In addition, in relation to SDG11, “the company builds buildings with low environmental impact, located in safe and green communities, considering its developments to be benchmarks of urban regeneration, sustainability and positive environmental impact, investing in the regeneration of urban areas and protecting Romania's cultural heritage” (One Untited Properties, 2022b, p. 32).

**Sphera Franchise Group**

According to its Sustainability Report of Sphera Franchise Group (2022b), the company points out that sustainability implies the adoption of a socio-economic development model that focuses on maintaining a balance between social, economic and environmental dimensions, as well as the valorization of natural capital. Sphera Franchise Group conducts its operations in line with its sustainability strategy, with sustainable management of human, food and environmental resources as its main pillars. The company have nine goals for the sustainability strategy, namely SDG1, SDG2, SDG4, SDG5, SDG7, SDG8, SDG10, SDG12 and SDG13. Within the Sphera Group, the focus on the impact on people and communities is as significant as the concern for the products offered to customers. One of the four primary pillars of the company's sustainability strategy focuses on People and the Community and the main SDGs mentioned in this chapter are illustrated in Figure 3, with the goal of providing customers with a memorable experience, supported by excellent service and unique products created by passionate teams. In order to achieve this goal, an organizational culture based on the collective experiences of employees is fostered, building together as a united team. As can be seen, the company follows five of the nine most important SDGs mentioned by the company, namely SDG1, SDG2, SDG5, SDG8 and SDG10. The company offers employees benefits such as a secure, lawful, and steady work environment, a collaborative work environment emphasizing practical solutions and conduct, access to training for job-specific skills and ongoing learning opportunities, opportunities for personal development, encouragement to promote a culture of diversity and inclusion, conditions conducive to dignified work (Sphera Franchise Group, 2022b).
The company upholds a strong culture of integrity based on ethical principles and compliance standards to maintain its reputation as a trusted employer. Sphera Group supports human rights and uses its influence to empower individuals and communities to enhance their well-being. These efforts are reinforced by aligning internal policies with the company's Code of Conduct. Importantly, the organization provides employees with avenues to report any misconduct through two direct communication channels, facilitated by a third-party partner to ensure anonymity and confidentiality (Sphera Franchise Group, 2022b).

**Figure 3:** Figure taken from Sphera Franchise Group Sustainability Report; *Source:* Sphera Franchise Group, 2022b, p. 73

**Alro**

The SDG targets related to the social pillar for the year 2022, according to the Sustainability Report (Alro, 2022b), are SDG1, SDG3, SDG4, SDG5, SDG8, SDG10, SDG16 and the report provides detailed information on these targets. According to Figure 4, the section on Healthy, fostered and prepared workforce is subdivided into four sub-chapters detailing the company's goals and targets on sustainability issues. These sub-chapters include human resources management, equal opportunities and non-discrimination, human rights and occupational health and safety. In the human resource management sub-chapter, the company's objectives include "ensuring a qualified workforce in line with the medium and long-term needs of the group", "maintaining the status of a top employer", and "offering continuous training and professional development programmes" (Alro, 2022b, p. 72-74).

**Figure 4:** Figure taken from Alro Sustainability Report; *Source:* Alro, 2022b, p. 19

Actions corresponding to these objectives include implementing dual education programmes for trades relevant to the ALRO Group, providing scholarships for students pursuing specializations of interest to the ALRO Group, retaining qualified staff by offering competitive salary packages, recruiting staff from the mining industry in Sierra Leone and other countries through rigorous advertisements and selection processes, assessing employees' skills and competencies, addressing any deficiencies through on-the-job training and certification programmes, and participating in external training and certification programmes. Also included are participation in career fairs and promotion in the media to maintain and strengthen the image as a leading employer, the introduction of a staff incentive policy and the initiation and running of training and career advancement programmes (Alro, 2022b). The second sub-chapter on equal opportunities and anti-discrimination contains a single objective, namely the promotion of women at all levels. Related actions include the implementation of policies to protect women's rights and interests in line with international standards, including the provisions of the UN Convention on the Elimination of All Forms of Discrimination against Women (Alro, 2022b).

The human rights sub-chapter contains a single objective, which aims to strengthen respect for human rights through actions that include implementing the Group's human rights strategy, developing a Group human rights policy, integrating human rights issues into organizational processes and procedures, conducting communication activities to promote human rights and organizing human rights training programmes (Alro, 2022b). The fourth sub-chapter aims to promote a culture of health and safety through actions to ensure the elimination of fatalities (Alro, 2022b).

Also, in the report for the year 2022, in the section related to Creating value for the community, as shown in Figure 5, one of the SDGs belonging to the social pillar is presented. Thus, in the sub-chapter on community relations, the objective of strengthening the company's connections with the community, continuing to play a substantial part in the development of the community. (Alro, 2022b).
The results presented in Table 2 show that the company with the most targets met is OMV Petrom with eight respected SDGs, followed by Alro with seven respected SDGs, then Sphera Group with five respected SDGs and then One United Properties with four respected SDGs. The targets found for all companies included in the study are SDG5 and SDG10, these targets referring to gender equality and reduced inequalities. SDG6 referring to clean water and sanitation and SDG9 on industry, innovation and infrastructure are targets included in the social pillar that are not found in the sustainability report of any of the companies analysed for the year 2022.

**Table 2: SDGs mentioned by the companies included in the study regarding the social pillar for the year 2022**

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
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<tbody>
<tr>
<td>Company</td>
<td>OMV Petrom</td>
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<tr>
<td>SDGs mentioned by companies for the social pillar</td>
<td>SDG1</td>
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<td></td>
<td>SDG3</td>
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<td>SDG4</td>
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<td>SDG12</td>
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<td>SDG16</td>
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**Source:** Author

Within Romania, companies focus specifically on the social pillar when reporting progress towards the Sustainable Development Goals (SDGs). This involves paying particular attention to social issues such as gender equality, education and access to health services when assessing their contribution to achieving the SDGs. According to research by Radu et al. (2023) based on an analysis of SDG reporting in Romania, the main impact on the advancement of the SDGs comes from the social aspect, focusing in particular on the workforce and community dimensions, with the social pillar being an important driver of SDG progress. Firoiu et al. (2019) state that Romania lags behind other European countries in terms of social services, social exclusion and poverty prevention, despite the creation or revision of legal norms in these areas. Although strategies and programmes have been developed to address this issue, Romania's poor performance on SDG 1 stems from the failure of the authorities to identify the factors causing the negative situations. Inadequate communication and partnership between government and local authorities aggravates the stagnation or regression of certain social groups. Effective planning, including financial and voluntary efforts, is crucial through local organizations and communities. While government plays a role in legal frameworks, local organizations drive change and support poor communities.

**Conclusions**

The main purpose of this study is to explore the complex factors related to the adoption and implementation of sustainable practices in HR reporting. The study looks at why and how organizations integrate sustainability principles into their HR reporting practices. Through detailed examination and analysis, the study aims to provide valuable information that can inform strategies, policies and initiatives aimed at promoting sustainability in human resources reporting in various organizational contexts.

Studies on the practices and policies adopted by Romanian companies are still an area of exploration. This study contributes to the expanding literature by examining the attitude of companies towards the concept of sustainable development and the practices used to implement it on sustainable reporting of the social pillar. This study contributes to the developing scientific literature by identifying human resource management practices in Romanian companies in the context of the social pillar with a focus on the human dimensions and well-being of employees, communities and society as a whole. Moreover, this research helps companies to better
understand the role of human resources in the context of reporting sustainable goals, including practical information for both employees and managers. On the one hand, HR managers can analyze and identify through this study what are the perspectives of companies in Romania on the importance of sustainable human resource goals and what is the contribution that companies make to communities. On the other hand, company leaders can identify through this study the companies’ commitment to the importance of human resources in terms of sustainability.

Detailed analysis of the data reveals that the social pillar of SDG reporting is an important pillar in Romanian companies. In the reports analysed for this study, specific targets were identified for this pillar, often detailed through company-specific targets and Targets for the coming years. However, there are very few companies publishing sustainability reports in Romania that include details on the SDGs. Given the results, the company with the most sustainable targets is OMV Petrom, and the company with the fewest targets is One United Properties.

In conclusion, the data suggest that reporting on objectives belonging to the social pillar is important for Romanian companies, highlighting a strategic approach to the role of employees in the success and development of sustainability issues in an organization.

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References


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