

To solve these problems, the following work should be carried out in order to further develop and increase the efficiency of investments in securities in banks:

- In order to widely develop and increase the efficiency of investment operations with securities, it is necessary to develop an information base on all shares and other securities issued in the Republic and to establish a system of their publication and advertising through the mass media. An individual or legal entity should have all the information to purchase and resell any security without any obstacles.

- The issuance of securities of enterprises and organizations operating with regular profits on the stock market will undoubtedly increase the amount of investments made by banks in securities. This, in turn, will lead to an increase in liquid securities in the stock market, and as a result, the interest of both banks and other investors in securities will increase. There are a lot of such enterprises in our country, for example, textile enterprises or other enterprises engaged in export. If necessary, it would be advisable to ensure the participation of state-owned enterprises, since the activities of state-owned enterprises and the level of risk of their securities are relatively low.

- It would be advisable to issue government securities to the stock market, in which case, in our opinion, the share of income from securities would be set above the inflation rate. As a result, the share of government securities in the securities portfolio of our banks, like Russian banks, could have a significant share. We believe that this will attract banks in the future due to the guaranteed and risk-free income from these securities and will have a significant impact on the development of our national stock market;

- In our opinion, the formation of a rating of stock market participants based on the liquidity of their securities would also create an opportunity for banks and other investors to contribute to the development of the stock market. This makes it easier and more convenient for banks and other investors to determine which issuer's securities to buy and when to resell them. Based on this, the issuer whose shares or bonds are more liquid will be invested in that security.

UNLOCKING UZBEKISTAN'S POTENTIAL: THE STRATEGIC ROLE OF ESG IN CORPORATE SUCCESS ALONG WITH THE PRINCIPLES OF "UZBEKISTAN-2030" STRATEGY

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Abstract. The growing focus on climate change has led to a heightened interest among capital investors in sustainable investments. Concurrently, there is increasing demand from stakeholders, regulators, and general public to gain a






deeper understanding of how sustainable reporting can enhance business outcomes. This research provides an overview of the academic literature on Environmental, Social, and Governance (ESG) factors. The implementation of ESG principles can offer companies a range of benefits beyond financial performance, including enhanced reputation, improved risk management, increased innovation, and a positive contribution to a more sustainable society. Accordingly, this conceptual paper aims to present comprehensive information on ESG practises and their impact on company performance, specifically focusing on the context of Uzbekistan.

Key words: ESG principles, Uzbekistan-2030, financial performance, sustainable, social responsibility

1. Introduction.

In today's world, the economic decisions and actions we take have an increasingly significant and far-reaching impact on the environment, with their effects being more profound and widespread than ever before in history. According to the president of the Republic of Uzbekistan, Shavkat Miromonovich Mirziyoyev, air and water pollution, soil erosion, desertification, and excessive use of fossil fuels are leading to global warming, an increase in natural disasters, and harming the environment and public health. Taking all these ecological crises into account, the president proposed declaring 2025 the "Year of Environmental Protection and Green Economy" in Uzbekistan. It is one of the steps towards aligning Uzbekistan's development goals with environmental sustainability, encouraging responsible resource use, and fostering a green economy to protect the country's future. For this particular reason, "Uzbekistan – 2030" Strategy was introduced in September of 2023. The "Uzbekistan – 2030" Strategy [1] is a long-term development plan launched by the government of Uzbekistan to guide the country's socio-economic, political, and infrastructural growth through the year 2030. While the strategy's exact content may evolve over time, the general goals and vision behind it revolve around creating a more prosperous, inclusive, and sustainable Uzbekistan by addressing various key areas.

Table 1. Priority directions of the "Uzbekistan-2030" Strategy

	I. Creating suitable conditions for each person to realize their potential	44 goals
	II. Ensuring the well-being of the population through sustainable economic growth	17 goals
	III. Conservation of water resources and environmental protection	12 goals
	IV. Ensuring the rule of law, establishing a public administration "at the service of the people"	16 goals
	V. Continuing the work of turning the country into a safe and peace-loving state	11 goals

It is evident that Uzbekistan is actively working towards achieving sustainable economic growth while ensuring the well-being of its society. This presents an opportune moment for companies to adopt ESG principles, as doing so would not only contribute to sustainable development but also help attract both foreign and domestic investors. Environmental, social and governance (ESG) is a framework used to assess an organization's business practices and performance on various sustainability and ethical issues. Uzbekistan shares the view of the world community on the need to make every effort to prevent global climate change. Based on the capacity and responsibility, Uzbekistan has updated and strengthened its commitments (NDC) under the Paris Agreement for the period until 2030. [2]

2. Literature Review

2.1 ESG Pillar and impact

As Kate Raworth says in her book: "The most powerful tool in economics is not money, nor even algebra. It is a pencil. Because with a pencil you can redraw the world" we, as an intelligent individual, should learn these redrawn ideas, if we are to care about our own lives. [3] Earlier research primarily focused on the impact of overall ESG ratings on company performance. However, subsequent studies have taken a more detailed approach by examining the individual pillars of Environment, Social, and Governance (ESG) separately. This more nuanced analysis enhances the understanding of how each specific ESG component influences company performance, providing deeper insights into the distinct ways in which these factors contribute to business outcomes. (Radzi et al., 2023) [7]

2.1.1 Environment Pillar

This pillar focuses on a company's environmental impact and practices. It includes factors such as energy usage, waste management, carbon emissions, water conservation, and the company's contribution to environmental sustainability. According to (Covachev et al., 2025) [4], the carbon factor has positive exposure to the market and safety factors and negative loading on the size and profitability factors.

2.1.2 Social Pillar

The social aspect looks at how a company manages its relationships with employees, suppliers, customers, and the communities in which it operates. Additionally, social sustainability issues such as gender or ethnic discrimination are now widely recognised problems within society in accordance to (Gibbon et al., 2025) [5]. Not surprisingly, individuals and institutional investors prefer investments that can help solve such issues.

2.1.3 Governance Pillar

It refers to the company's leadership, organizational structure, and internal controls. Strong governance ensures that the company operates in a fair, responsible, and ethical manner. Study done by (Kang & Hong, 2025) [6] underscores the strategic importance of government improvements and

customised ESG frameworks in enhancing financial outcomes, investment performance, and stakeholder trust.

3. Methodology

As a conceptual paper, the study employed a descriptive approach. An extensive review of various sources, including academic papers, journals, books, research reports, and other relevant materials on ESG practices and company performance, was conducted. Additionally, data was gathered and organized through literature research, article screening and selection, and the synthesis and analysis of selected articles related to ESG practices and corporate performance.

4. Results and Discussion

ESG is integral to the “Uzbekistan-2030” Strategy by advancing sustainable development across key sectors. The Environmental pillar emphasizes effective resources management and the reduction of carbon emissions. The Social component focuses on improving living standards, promoting social inclusion, and fostering employment opportunities. The Governance aspect ensures transparency, accountability, and ethical practices, facilitating a stable investment climate. By incorporating ESG principles, Uzbekistan can achieve its strategic objectives while ensuring responsible and sustainable economic growth. It is important to understand that Uzbekistan is still at the initial stage of implementing sustainable development practices. The market is growing rapidly, understanding of the need for such practices is only just forming – this is only the beginning of a long journey. Among the 54 large companies in Uzbekistan, only 13 report according to international financial reporting standards. Of these, 11 companies do so on a regular basis, while two are preparing to publish their first sustainability report for 2023. Companies expected to receive ESG ratings include Uzbekneftgaz JSC, Navoi Mining and Metallurgical Combine JSC, Almalyk Mining and Metallurgical Combine JSC, Uzbekistan Airports JSC, and Uzbekistan Airways JSC.

Integrating ESG-focused value elements into branding can bring significant advantages to companies. These elements may encompass principles such as ethical responsibility, social consciousness, environmental stewardship, inclusivity, well-being, and minimizing waste. ESG concerns were in the top three most important purchasing criteria among 200,000 consumers in four countries. In addition, consumers are increasingly “divesting” from brands with less perceived commitment to sustainability. It makes a lot of sense, since every individual, consumer, would claim that they would boycott companies with poor labor standards, given that Uzbek people are renowned for their deep compassion, often prioritizing the well-being of others over their own needs.

5. Conclusion

In conclusion, this conceptual paper has critically examined the role of Environmental, Social, and Governance (ESG) factors in driving superior corporate performance. Through a comprehensive review of existing literature and theoretical framework, it has been demonstrated that ESG initiatives, when strategically integrated into corporate operations, not only enhance company's

reputation and stakeholder trust but also foster long-term value creation. For Uzbekistan to meet global standards and stay competitive in an increasingly interconnected and conscious global market, it is imperative to integrate ESG principles into its corporate and national strategies. Given the country's rich natural resources, emerging market potential, and commitment to modernization, integrating ESG practices is not only feasible but could serve as a catalyst for positive growth. The growing global emphasis on ESG makes it an essential component for Uzbekistan's future competitiveness and resilience in the global economy.

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HUDUDLAR RAQOBATBARDOSHLIGI VA BARQAROR RIVOJLANISHINI TA'MINLASHDA MOLIYA BOZORINI RIVOJLANTIRISHNING NAZARIY VA AMALIY ASOSLARI

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Annotatsiya: Mamlakatning ijtimoiy, iqtisodiy va siyosiy rivojlanishida investitsiyalar, xususan, xorijiy investitsiyalar katta ahamiyatga ega. O'zbekiston iqtisodiy siyosatining muhim yo'nalishlaridan biri hududlarning barqaror