

Socially and environmentally responsible investments in the Russian industrial sector

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Abstract

Subject/topic. The article presents a theoretical and practical understanding of the concepts of ESG (ecological, social, government) and SRI (socially responsible investing) regarding the specifics and prospects for the development of the Russian industrial sector. **The purpose** of the article was to demonstrate the potential of these concepts in the practice of managing Russian industrial enterprises. **Methodology.** Methodologically, the article is based on the integration of statistical, econometric and content research methods on the problem associated with ensuring the dynamically sustainable development of Russian industrial enterprises. **Results.** The results of the study showed that despite the significant government support received by Russian industrial enterprises in recent years, the sustainability of their development cannot be considered unconditional. Inertia, extensiveness, financial instability and limited rationality in managerial decision-making are evidently traced. There are two external main reasons for this situation: institutional turbulence and shrinking market space for free market competition. For industrial enterprises that are part of public or private corporations, the possibility of using the concepts of environmentally and socially responsible investment, to increase, among other things, their own investment attractiveness, is limited. But high-tech small and medium-sized businesses in the Russian industrial sector can use the ESG and SRI concepts both to obtain investment resources and to increase their own investment attractiveness, and the sources of investment here will be platforms that are non-traditional for the Russian market (business angels, small collective investment funds, entrepreneurial fundraising, etc.). **Conclusions/Relevance.** The principles of socially and environmentally responsible investment developed in the article can be used as the basis for methodological developments, the creation of indicators that allow simultaneously calculating environmental safety, pro-sociality and economic efficiency of various projects of Russian industrial enterprises.

Keywords: *industry, investment, innovation, technology, environmental responsibility, social responsibility, sustainable development, economic growth, institutions, competition.*

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