SUMMARY

As a result of companies operating under the assumption that the only social obligation of the company is to act in its own interest (or more precisely, of its owners), global problems in the three areas of – environmental, social and governance (ESG) – have deepened in recent years. This situation has led to the need for a paradigm shift in terms of why and how companies operate, and the emergence of a new concept – Sustainable Finance. The concept encompasses not only the micro-, but also the macroeconomic sphere, the implementation of which is intended to enable a sustainable global economy to function in a way that the needs of present generations are met without compromising the ability of future generations to meet their own needs. In this concept, the benefits achieved in ESG areas coexist with economic benefits, so Sustainable Finance can foster solutions to some of the global problems present in both environmental and social areas, as well as governance issues.

The research problem formulated in this paper concerns the existence of a relationship between ESG results of companies and their market value. The formation of ESG results is intended to foster not only a comprehensive recognition of the directions and methods of shaping the value of listed companies, but also a broader justification of their role in making investment decisions by investors. The aim of the thesis was to assess the strength and direction of the impact of ESG performance on the market value of non-financial sectors public companies listed on regulated stock markets in the European Union (EU) Member States and the UK (K-28) between 2010 and 2022. ESG resultsconsiderwide scope of company's activities for its stakeholders and the surrounding, as well as the effects of these activities, so a simplified approach was used in the thesis. ESG scorings and ratings (i.e. ESG, E, S and G) were adopted as synthetic and comprehensive measures of companies' activities in ESG areas.To achieve set aim, tworesearchhypotheseswereformulated:

HB1: The magnitude of the ESG scoring of K-28 public listed companies has a positive and statistically significant impact on their market value.

HB2: Environmental (E) scoring has the strongest effect on the market value of public companies listed on K-28 stock markets.

In this paper, a series of analyses and theoretical-empirical studies were carried out to understand and estimate the relationship between ESG scoring and the market value of companies. The empirical research primarily used data from the Refinitiv Eikon database and adopted research process allowed to verify the research hypotheses.

The results of the performed research proved the existence of a relationship in the opposite direction to that assumed. Better ESG scores of companies (higher ESG scorings) decreased their market value. On this basis, the first research hypothesis was falsified. The same findings (in terms of relationships between variables) emerged for the environmental (i.e. E), social (i.e. S) and governance (i.e. G) scorings separately. The results of this part of the empirical research, therefore, did not provide a basis for the falsification of the second research hypothesis.

Sustainable Finance are and will continue to be actual due to the growing importance of environmental, social and governance issues in the context of global economic challenges. The emphasis on long-term stability and sustainability in investment strategies also plays a key role. Climate change, environmental degradation and growing social inequalities make the integration of ESG criteria in decision-making processes not only an ethical issue, but also a strategic one. Regulations and initiatives on sustainable finance force companies to be more transparent and accountable about their impact on theirsurrounding. This in turn contributes to the growing importance of Sustainable Finance as a key element in building more crisis-proof financial markets.The growing society awareness on Sustainable Finance and sustainability further enhances this effect. In an academic context, research on Sustainable Finance provides valuable data and analysis to help improve understanding of the benefits and challenges of implementing Sustainable Finance into economic practice. Continuing and developing research in this area is thencrucial to shape future policies and strategies, as it provides the tools to set the course for change for example with regard to the purpose of a company's operations, so that ultimately, it contributes to long-term economic and social well-being.

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