CODE OF ETHICS AND CORPORATE RESPONSIBILITY IN INTERNATIONAL BUSINESS

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Abstract: This scientific article analyzes the role, content, and importance of ethics and corporate responsibility codes in international business practice and their significance within the international legal system. The research was conducted based on the standards of such international organizations as the OECD, the UN, ISO 26000, as well as the experience of large corporations. The findings conclude that the code of ethics is an important tool that ensures sustainable development of the company, strengthens public trust, and increases the effectiveness of the fight against corruption

Keywords: international business, code of ethics, corporate responsibility, UN principles, OECD, ISO 26000, sustainable development.

Introduction. In recent years, global business processes have rapidly developed, and corporations have begun operating in different countries. As each country has its own economic, social, cultural, and legal norms, the importance of international ethics and responsibility codes has increased. A code of ethics is a document that regulates the conduct of company employees, partners, and stakeholders. It defines corporate values and regulates issues such as corruption, conflict of interest, discrimination, and environmental responsibility.

The main ethical standards developed by international organizations include:
 • OECD Guidelines for Multinational Enterprises (OECD, 2023);
 • UN Global Compact Ten Principles (United Nations, 2022);
 • ISO 26000: 2010 Social Responsibility Standard (ISO, 2021).

 These documents are international norms recommended for multinational corporations to increase social responsibility, though not legally binding. The OECD Guidelines provide recommendations regarding corporate governance, anti-corruption policy, human rights, and environmental responsibility.[1] The UN Global Compact calls companies in more than 160 countries to observe ten principles related to human rights, labor relations, the environment, and anti-corruption.[2] ISO 26000 provides guidance for integrating social responsibility principles into corporate governance based on core subjects such as human rights, labor practices, the environment, fair operating practices, consumer rights, and community involvement.[3]

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[1] OECD (2023). Guidelines for Multinational Enterprises on Responsible Business Conduct. Paris: OECD Publishing.

[2] 2 United Nations Global Compact (2022). Ten Principles of the UN Global Compact.

[3] Iso 26000-2010 Social Responsibility Standard https://ru.scribd.com/document/81846618/Iso-26000-2010-Social-Responsibility-Standard

Literature Review. This section analyzes theoretical approaches, legal foundations, international standards, and corporate practices related to ethics and responsibility in international business. Modern academic studies view business not only as a source of economic benefit but also as a social institution. Donaldson and Dunfee (2020), in their works, emphasize the necessity of maintaining socially responsible relations between companies and society, promoting the concept of a "social contract." Crane, Matten, and Spence (2019) consider corporate social responsibility (CSR) as the foundation of sustainable development and ethical governance.

From a legal perspective, international business ethics is closely connected with the UN Global Compact (UNGC, 2022), OECD Multinational Enterprises Guidelines (2023), and ISO 26000:2010 (2021). These documents establish recommended standards regarding human rights, labor relations, environmental responsibility, and anti-corruption policies.

Research shows that companies implementing ethical principles achieve better results. According to the Ethical Corporation Report (2022), such companies have 12–14% higher profitability on average.[4] Ethisphere Institute (2023) reports that companies listed among the "World's Most Ethical Companies" show 13.6% higher returns than the S&P 500 index.[5]

Transparency International notes that the risk of corruption decreases by 25–30% in companies with a functioning ethics code, while employee trust increases by 20%.[6]

Google, Microsoft, Apple, Unilever, and Toyota are recognized as leading corporations that actively apply ethics codes. Their experience demonstrates that the code of ethics not only regulates employee behavior but also increases investor confidence and ensures social stability.

Overall, the literature review shows that ethics and responsibility codes are an integral element of the global governance system and a key factor in shaping corporate sustainable development strategies.

Methods

The following research methods were used in the study:

 1. Comparative analysis – comparing the ethics codes of large corporations (Google LLC, Apple Inc., Microsoft Corporation, Unilever PLC, Toyota Motor Corporation).

 2. Legal framework analysis – analyzing international and national norms related to business ethics.

 3. Empirical approach – studying practical recommendations from international organizations (OECD, UN, IFC).

Results. The results show that international companies prioritize the following ethics and responsibility norms (see Table 1):

Table 1

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[4] Ethical Corporation Report (2022) https://www.unhcr.org/sites/default/files/2024-08/unhcr-ethics-office-annual-report-2022.pdf

[5] Ethisphere Institute (2023) "World's Most Ethical Companies" https://ethisphere.com/ethisphere-announces-the-2023-worlds-most-ethical-companies/

[6] Transparency International (2024). Corruption Perceptions Index.

Important aspects of business ethics and responsibility in major international companies[7]

Company	Key Ethical Principles	Accountability Mechanisms	Distinctive Features
Google LLC	Integrity, transparency, user trust	Ethics committee, "Speak Up" system	AI ethics as a separate direction
Apple Inc.	Privacy, respect for human rights	Global ethics advisors, online monitoring	Ethical control of the supply chain
Microsoft Corp.	Accountability, fairness, responsible innovation	Ethics platform, employee training	Based on "Responsible AI" principles
Unilever PLC	Sustainability, environmental responsibility	Controlled by "Business Principles"	Harmonized with ESG indicators
Toyota Motor Corp.	Integrity, loyalty, human dignity	Internal ethics commissions	"Respect for People" philosophy as core value

Based on the information in this table, it can be observed that all companies define integrity and responsibility as core values in their codes of ethics; however, their implementation mechanisms vary. In technology companies, digital ethics systems are prioritized, while manufacturing companies place greater focus on people and society.

The analysis of normative and legal frameworks shows that all companies have aligned their business ethics codes with the United Nations Global Compact principles, the OECD Guidelines for Corporate Governance, and the ISO 26000:2010 Social Responsibility Standard. Ethical norms such as anti-corruption efforts, the protection of human rights, environmental sustainability, and fairness in labor relations are firmly embedded in these codes.

Empirical research shows that companies like Google and Microsoft focus on implementing regular ethics training and internal monitoring systems for employees; Unilever PLC integrates ethical values into its business strategy through the "Sustainable Living Plan"; Toyota applies ethical principles as an integral part of its production culture; and Apple prioritizes the inclusion of ethical responsibility as a mandatory term in supplier contracts.

Overall, empirical results demonstrate that the code of ethics is not merely a theoretical document but an effective tool in corporate governance.

The conducted analysis revealed the following key findings:

1. The code of ethics is a factor that strengthens trust in international companies. For example, Unilever PLC has aligned its ethics code with the United Nations Sustainable Development Goals (SDGs).[8]

2. The main components of a code of ethics generally include:

• respect for human rights;

• anti-corruption measures;

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[7] Formed by the author based on data from international companies.

[8] United Nations Global Compact (2022). Ten Principles of the UN Global Compact.

• prevention of conflicts of interest;
• environmental protection;
• prevention of workplace discrimination;
• information security and confidentiality.

3. Accountability mechanisms – Many companies have introduced ethical monitoring systems such as "Speak Up," "Business Conduct Hotline," "Code Support Line," and similar platforms that allow anonymous reporting.[9]

In particular:

• Google (Alphabet Inc.) – uses the "Speak Up" platform, which enables employees to anonymously report ethical violations (such as conflicts of interest, discrimination, corruption, and breaches of confidentiality).

• Microsoft Corporation – accepts anonymous reports through its global system "Business Conduct Hotline."

• Unilever PLC – provides the "Code Support Line," which allows employees and partners worldwide to submit anonymous reports.

• Apple Inc. – operates the "Business Conduct Helpline."

• Toyota Motor Corporation – has implemented the "Compliance Hotline" system designed for accepting and analyzing anonymous complaints.

The main purpose of such systems is to strengthen the ethical environment within the company and to provide employees with a safe and confidential means to express concerns. These systems help solve the following issues:

Table 2
The role of ethical monitoring platforms in international companies[10]

Type of issue	Role of the platform
Corruption and financial misconduct	Enables early detection of violations through anonymous reports
Discrimination, bullying, or ethical workplace violations	Ensures a safe and confidential reporting channel
Unauthorized disclosure of confidential information	Enables timely intervention by internal control bodies
Behavior contradicting ethical standards	Strengthens a culture of trust, accountability, and transparency

Discussion. The code of ethics in international business is not merely an internal regulatory document of the company but a key mechanism that ensures corporate culture, transparency, and social responsibility. Research shows that corporations with a functioning code of ethics have higher levels of employee loyalty, trust, and accountability.

Despite positive developments in this field, several practical issues remain unresolved:

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[9] https://www.hracuity.com/blog/what-is-a-whistleblower-hotline/

[10] Developed by the author based on the data of the international companies examined in the study.

1. The issue of the code "remaining on paper."

Although many companies officially adopt a code of ethics, it is not fully internalized by employees. One of the main reasons for this is the lack of adequate promotion and control mechanisms by management.

2. Misinterpretation of ethical principles due to cultural differences.

Global corporations employ individuals from various nationalities, cultures, and religious backgrounds, making the implementation of a unified ethical standard difficult.

3. Lack of trust in ethical reporting systems.

In some countries, particularly developing ones, trust in anonymous reporting platforms remains low. Employees fear retaliation or pressure from supervisors.

4. Lack of transparency in ethical investigation processes.

Internal investigations conducted within companies are often confidential, and outcomes are not publicly disclosed, which weakens the atmosphere of trust.

5. Shortage of qualified specialists in the field of ethics.

In many organizations, ethics committees or compliance departments focus only on legal issues, while ethical training and monitoring systems remain insufficient.

To address the challenges above, the following measures are recommended:

• Strengthen the practical implementation of ethics codes through enhanced digital monitoring and evaluation systems;

• Conduct annual training and seminars for employees on international ethical and responsibility standards;

• Establish independent committees to oversee ethical matters;

• Ensure clear policies that guarantee confidentiality within ethical reporting platforms;

• Improve the qualifications of ethics managers and regularly publish performance results within ESG (Environmental, Social, Governance) reports.

In Uzbekistan, this area is gradually developing. For example, several large state-owned enterprises (such as Uzbekneftgaz, Uzsuvta'minot, and commercial banks) have already adopted codes of ethics and distributed them among employees. However, aligning these frameworks with international standards remains an urgent task. Moreover, there is a need to develop a national "Corporate Ethics Code" for the private sector based on international best practices.

Conclusion. The code of ethics and corporate responsibility is one of the key factors determining a company's sustainable development, social trust, and corporate reputation in international business. It not only regulates the behavior of employees but also fosters mutual trust and responsible cooperation between the company and society. The code of ethics serves as a moral "compass" for international business — guiding companies to remain committed to fairness, integrity, and transparency even in complex economic and cultural environments.

Research findings indicate that companies which effectively implement ethics and responsibility codes:

• significantly reduce corruption risks;

• strengthen internal governance and accountability systems;

• increase international investor confidence;

• contribute to the achievement of the Sustainable Development Goals (SDGs).

However, adopting a code of ethics only as a formal document is not sufficient. Its real effectiveness is ensured through practical mechanisms — such as regular employee training, transparent audit systems, the work of independent ethics committees, whistleblowing hotlines, and internal monitoring tools.

In Uzbekistan, the process of developing ethics codes for international business entities and harmonizing them with national legislation is still emerging. In this regard, the following areas are of priority importance:

1. Making the "Business Ethics Code" mandatory in state-owned enterprises.

2. Developing guidance for the private sector based on international standards (OECD, ISO 26000, UN Global Compact).

3. Enhancing the qualifications of specialists in ethics and appointing responsible personnel within corporate governance structures.

4. Integrating the ethical component of corporate governance into the international certification system.

Thus, the code of ethics and corporate responsibility is not only an internal corporate regulatory document but also an essential part of national economic reforms and sustainable development strategies. A business environment grounded in ethical values will help position Uzbekistan as an attractive, competitive, and socially responsible country for international investment.

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