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ESG Disclosure and Firm Value in Emerging Markets: A PRISMA-Guided Systematic Review with Bibliometric Analysis

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Abstract: This study examines the relationship between environmental, social, and governance (ESG) disclosure and firm value in emerging markets through a PRISMA-guided systematic literature review and bibliometric analysis. A systematic search was conducted on 15 May 2026 using Google Scholar, Scopus, and Web of Science for studies published between 2020 and 2025. The search identified 13,700 records. The review included peer-reviewed empirical articles published in English or Indonesian, indexed in Scopus, Web of Science, or Sinta, and focused on ESG or corporate social responsibility disclosure and firm value or financial performance in emerging markets. After identification, screening, eligibility assessment, and full-text evaluation, 22 studies were included in the final synthesis. Bibliometric mapping was conducted using VOSviewer through keyword co-occurrence and co-citation analyses. The findings show that 18 of the 22 studies, or 82%, reported a statistically significant positive relationship between ESG disclosure and firm value. The environmental dimension showed the strongest and most consistent association with firm value, while the effects of social and governance disclosure varied across institutional and market contexts. Firm size, institutional ownership, leverage, regulatory quality, and economic sustainability emerged as important moderating or mediating factors. The bibliometric analysis identified three main research clusters: ESG reporting and disclosure mechanisms, firm value and financial performance measures, and corporate governance and stakeholder-related factors. The review also identifies methodological and geographical gaps, particularly the limited use of causal research designs and the underrepresentation of African and Latin American emerging markets. These findings provide relevant implications for corporate managers, investors, regulators, and future ESG researchers.

Keywords: Bibliometric Analysis, Emerging Markets, ESG Disclosure, Firm Value, Systematic Literature Review

A. Introduction

Environmental, social, and governance disclosure has become an essential component of corporate reporting and investment decision-making. ESG information allows investors to assess corporate sustainability, managerial quality, long-term risks, and future financial performance (Khanchel & Lassoued, 2025; Ma, 2024; Wang et al., 2025). The growth of sustainability-oriented investment confirms the increasing importance of ESG information in global capital markets. Previous studies suggest that ESG disclosure may increase firm value by improving transparency, reducing information asymmetry, strengthening stakeholder confidence, and lowering reputational and operational risks (Chong & Loh, 2023; Upaa & Iorlaha, 2023). Most empirical evidence reports a neutral or positive relationship between ESG performance and financial performance (Friede et al., 2015). Strong ESG performance may also improve corporate resilience during financial crises, while voluntary disclosure may produce a stronger valuation effect than mandatory disclosure because it signals greater corporate commitment (Broadstock et al., 2021; Kim & Li, 2021).

However, empirical findings remain inconsistent (Wang et al., 2025) . Some studies identify a positive relationship between ESG disclosure and firm value, while others report weak, insignificant, or nonlinear effects (Upaa & Iorlaha, 2023). Results also differ across environmental, social, and governance dimensions (Chong & Loh, 2023). These variations indicate that the influence of ESG disclosure depends on national institutions (Dwimayanti et al., 2023), industries (Hassanein & Elsayed, 2026), ownership structures (Hua et al., 2026), regulatory systems, disclosure quality, and market conditions (Atan et al., 2018; Drempetic et al., 2020; Velte, 2023). This relationship is more complex in emerging markets because these economies differ from developed markets in regulatory quality, investor protection, disclosure enforcement, ownership concentration, capital market efficiency, and investor awareness. Although many emerging economies have introduced sustainability regulations, ESG reporting often remains inconsistent due to differences in reporting standards, indicators, and rating systems. Weak enforcement may also encourage symbolic disclosure and greenwashing. Therefore, findings from developed economies cannot be directly generalized to emerging markets.

Four theoretical perspectives explain the relationship between ESG disclosure and firm value. Stakeholder theory states that companies must consider the interests of shareholders, employees, customers, suppliers, creditors, governments, communities, and other affected parties(Yin, 2018). Credible ESG disclosure can strengthen stakeholder trust, reduce conflict, improve corporate reputation, and support long-term value creation (Alsayegh et al., 2020; Freeman, 1984). Legitimacy theory explains that companies disclose ESG information to demonstrate conformity with societal values, institutional expectations, and accepted standards. ESG reporting can protect a company’s social license to operate by showing environmental, social, and governance accountability. However, symbolic disclosure without substantive improvements may weaken credibility and reduce its effect on firm value (Buallay, 2019; Suchman, 1995).

Agency theory focuses on conflicts of interest and information asymmetry between managers and shareholders. ESG disclosure may improve monitoring, accountability, governance quality, and transparency regarding corporate risks and resource allocation. Nevertheless, managers may use ESG reporting to improve their reputation without changing corporate practices. Effective governance is therefore necessary to ensure that disclosed information reflects actual performance (Jensen & Meckling, 1976). Signaling theory explains that companies with strong ESG performance disclose credible information to distinguish themselves from weaker firms. High-quality disclosure may signal managerial competence, operational resilience, effective risk management, and long-term strategic orientation. Voluntary, verified, and standardized disclosure generally provides a stronger signal than generic or unverified information (Kim & Li, 2021; Spence, 1973).

Together, these theories show that ESG disclosure may increase firm value through stakeholder trust, corporate legitimacy, accountability, reduced information asymmetry, risk management, and credible market signals (Chen et al., 2023). However, its effectiveness depends on governance quality, institutional conditions, ownership structure, firm size, disclosure credibility, investor awareness, and regulatory enforcement (Triwacananingrum et al., 2024). Despite the growing literature, several issues remain unresolved. Studies disagree about which ESG dimension has the strongest influence on firm value. Researchers also use different measures, including Tobin's Q, market capitalization, stock returns, return on assets, and return on equity. ESG rating agencies may assign different scores to the same company, while geographical evidence remains concentrated in East and Southeast Asia. Many studies also rely on conventional panel regression and provide limited treatment of endogeneity and causal inference.

Previous narrative reviews often provide limited transparency regarding study identification and selection. Bibliometric studies generally map broad ESG research but do not specifically examine ESG disclosure and firm value in emerging markets. Therefore, an integrated review combining systematic study selection, thematic synthesis, and quantitative bibliometric mapping remains necessary. This study addresses the gap by applying the PRISMA 2020 framework and bibliometric analysis using VOSviewer. PRISMA ensures a transparent and replicable process for identifying, screening, evaluating, and selecting studies. Bibliometric analysis maps keyword relationships, citation structures, thematic clusters, and emerging research trends (Page et al., 2021; van Eck & Waltman, 2010).

The study contributes by evaluating the direction and consistency of the relationship between ESG disclosure and firm value, identifying dominant theories, variables, measurements, research designs, moderators, and mediators, and mapping research clusters, knowledge gaps, and future research directions. Its novelty lies in examining emerging markets according to their institutional characteristics rather than treating them as a uniform category. It also integrates thematic synthesis with

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bibliometric mapping and connects stakeholder, legitimacy, agency, and signaling theories with empirical findings.

This study addresses three research questions: RQ1: What is the relationship between ESG disclosure and firm value in emerging markets, and which ESG dimensions have the strongest predictive influence? RQ2: What theoretical frameworks, variables, measurements, and research methods dominate studies of ESG disclosure and firm value in emerging markets? RQ3: What research clusters, methodological limitations, geographical gaps, and future research directions characterize this field? The integrated theoretical framework guides the analysis of the direction and strength of the ESG firm value relationship, the theories and methods used in previous research, and the identification of underdeveloped themes and future research opportunities.

B. Methods

This study used a systematic literature review based on the PRISMA 2020 framework and bibliometric analysis. PRISMA ensured a transparent, structured, and replicable article-selection process. The systematic review synthesized the theories, methods, variables, and empirical findings of the selected studies. Bibliometric analysis used VOSviewer to map keyword relationships, citation patterns, thematic clusters, and changes in research topics over time. Together, these methods examined both the substantive findings and intellectual structure of ESG disclosure and firm-value research in emerging markets.

Table 1. Database Selection and Publication Period

Component	Description
Databases	Scopus, Web of Science, and Google Scholar
Search date	15 May 2026
Publication period	January 2020 to December 2025
Scopus and Web of Science	Used because they provide structured bibliographic metadata, citation information, broad peer-reviewed journal coverage, and data required for bibliometric analysis
Google Scholar	Used to broaden the coverage of regional and multidisciplinary studies
Google Scholar verification	Articles were included only when their journal indexing could be verified in Scopus, Web of Science, or Sinta

The publication period was selected to capture recent developments in ESG regulation, sustainability reporting, responsible investment, and corporate valuation.

Search Strategy

The search combined terms related to ESG disclosure, firm value, and emerging markets. The Boolean search string was adjusted to the technical syntax of each database and applied to titles, abstracts, and keywords when supported.

Table 2. Search Strategy

Search Component	Keywords
ESG disclosure	"ESG disclosure," "ESG reporting," "sustainability disclosure," "sustainability reporting," "CSR disclosure," or "non-financial disclosure"
Firm value and performance	"firm value," "Tobin's Q," "market capitalization," "stock return," "financial performance," "return on assets," or "return on equity"
Emerging markets	"emerging market," "developing economy," "ASEAN," "BRICS," "China," "India," "Indonesia," "Malaysia," "Pakistan," "Ghana," or "Gulf Cooperation Council"

The initial search identified 13,700 records from Google Scholar, Scopus, and Web of Science.

Table 3. Eligibility Criteria

Inclusion Criteria	Exclusion Criteria
Published in a peer-reviewed academic journal	Book chapters, conference abstracts, editorials, dissertations, news articles, opinion pieces, and non-academic reports
Published between 2020 and 2025	Studies published outside the selected period
Written in English or Indonesian	Studies that did not meet the language requirement
Journal indexed in Scopus, Web of Science, or Sinta	Journals without verifiable indexing
Examined ESG, sustainability, or CSR disclosure as a principal variable	General CSR discussions without a measurable disclosure component
Measured firm value or financial performance using Tobin's Q, market capitalization, stock returns, ROA, ROE, or similar indicators	Studies that did not examine firm value or financial performance
Focused on an emerging market or contained an identifiable emerging-market sample	Studies focused exclusively on developed markets
Used a quantitative, qualitative, or mixed-methods empirical design	Studies without empirical findings

The article-selection process followed the four PRISMA stages

Table 3. Study Selection Process

PRISMA Stage	Process	Remaining Records
Identification	Records were retrieved from three databases, combined, and checked for duplicates	13,700
Screening	Two reviewers independently assessed titles and abstracts. Studies unrelated to ESG disclosure, firm value, emerging markets, or the publication period were excluded	1,990
Eligibility	Full texts were assessed. A total of 1,168 articles were excluded based on publication type, indexing, language, market context, variables, or empirical design	822
Inclusion	A specific relevance and methodological-quality assessment excluded 800 articles that did not directly examine ESG or sustainability disclosure and firm value or financial performance in emerging markets	22

Both reviewers conducted the screening and eligibility assessments independently. Disagreements were resolved through discussion and reassessment based on the predefined criteria.

Data Extraction

A structured form recorded the following information from each included study:

Table 4. Data Extraction

Category	Extracted Information
Publication profile	Author and publication year
Research context	Country, regional market, industry, and sector
Sample	Sample characteristics and observation period
Theoretical basis	Theoretical framework
ESG variable	ESG disclosure measurement
Outcome variable	Firm-value or financial-performance measurement
Methodology	Research design and analytical method
Additional variables	Moderating, mediating, and control variables
Results	Main findings
Research gaps	Limitations and recommendations

The extracted data supported comparisons of theoretical perspectives, methodological approaches, ESG dimensions, firm-value indicators, and empirical findings.

Quality Assessment

The methodological quality of each study was evaluated using five criteria:

Table 5. Quality Assessment

Criterion	Assessment Focus
Research objectives	Clarity of the research objectives
Research design	Appropriateness of the selected design
Variable measurement	Transparency of measurement procedures
Analytical method	Suitability of the analysis
Empirical findings	Clarity of the reported results

Studies were also required to provide sufficient information about samples, data sources, and statistical or qualitative procedures. No combined numerical score was assigned. The assessment functioned as a structured appraisal to determine whether each study provided adequate evidence for thematic and bibliometric synthesis.

Thematic Synthesis

The selected studies were classified according to:
1. The direction of the relationship between ESG disclosure and firm value.
2. The relative influence of environmental, social, and governance dimensions.

3. The theoretical framework.
4. The research method.
5. The role of moderating and mediating variables.

The synthesis also examined methodological patterns, including panel regression, generalized method of moments, structural equation modeling, difference-in-differences, portfolio analysis, and other analytical techniques. Geographical and sectoral distributions were analyzed to identify areas with limited empirical evidence.

Bibliometric Analysis

Bibliometric analysis was conducted using VOSviewer version 1.6. Before analysis, the bibliographic data of the 22 studies were cleaned and standardized. Variations in author names, keywords, abbreviations, and synonymous terms, including "ESG reporting" and "ESG disclosure," were reviewed to minimize duplication.

Table 6. Bibliometric Analysis

Analysis	Parameter	Purpose
Keyword co-occurrence	Minimum of three occurrences	Identified 47 qualifying keywords grouped into three principal thematic clusters
Co-citation analysis	Minimum of five citations	Identified influential references and the intellectual foundations of the field
Network visualization	Node size and link strength	Displayed thematic clusters, occurrence frequency, and relationships among terms or references
Overlay visualization	Average publication year	Examined changes in research topics over time

Node size represented occurrence frequency, while link strength indicated the degree of association between keywords or references.

Data Synthesis and Reporting

The findings were reported through descriptive statistics, thematic interpretation, tables, and bibliometric visualizations. The analysis addressed three main areas:

1. The relationship between ESG disclosure and firm value.
2. The dominant theories and methodological approaches.
3. The main research clusters, limitations, and future research directions.

C. **Result and Discussion**

1. Result

Bibliometric Analysis: Keyword Co-occurrence

Keyword co-occurrence analysis was conducted using VOSviewer to identify the principal themes in ESG disclosure and firm value research in emerging markets. The analysis applied a minimum threshold of three occurrences per keyword. After synonymous terms were standardized and irrelevant terms were removed, 47 keywords met the inclusion threshold and formed three principal thematic clusters. The network visualization used node size to represent keyword frequency and link strength to indicate the intensity of relationships between keywords. The most frequently occurring anchor terms were “ESG reporting” with 17 occurrences, “Tobin’s Q” with 14 occurrences, and “corporate governance” with 12 occurrences. Table 4 summarizes the thematic clusters, while Figure 3 presents the keyword co-occurrence network.

Cluster 1: ESG Reporting and Disclosure Mechanisms

The first cluster focused on the mechanisms, standards, and quality of ESG disclosure. Its principal keywords included “ESG reporting,” “GRI standards,” “sustainability disclosure,” “transparency,” and “non-financial reporting.” ESG reporting was the strongest anchor term in the network, with 17 occurrences. The relationship between “ESG reporting” and “transparency” had a link weight of 0.74. This result indicates that researchers increasingly focus on disclosure credibility and quality rather than only the amount of information published. Studies in this cluster examined reporting standards, disclosure comparability, external assurance, and differences between voluntary and mandatory reporting. This cluster relates closely to legitimacy and signaling theories. Legitimacy theory explains how companies use ESG disclosure to demonstrate conformity with social and institutional expectations. Signaling theory explains how credible reporting communicates managerial quality, risk-management capacity, and long-term corporate commitment.

Cluster 2: Firm Value and Financial Performance

The second cluster examined the financial consequences of ESG disclosure. Its principal keywords included “Tobin’s Q,” “return on equity,” “return on assets,” “market capitalization,” “stock returns,” and “financial performance.” Tobin’s Q was the dominant term, with 14 occurrences across the 22 reviewed studies. It was followed by return on equity with nine occurrences, return on assets with eight occurrences, and market capitalization with seven occurrences. These results confirm that Tobin’s Q remains the main market-based measure used to evaluate the ESG disclosure and firm value relationship. Market-based indicators reflect investor expectations and perceptions of future corporate value. Accounting-based measures reflect realized profitability and operational performance. The use of different measures contributes to variation in empirical results because market and accounting indicators capture different dimensions of corporate performance.

Cluster 3: Corporate Governance and Stakeholder Factors

The third cluster covered governance and institutional conditions that influence the ESG disclosure and firm value relationship. Its principal keywords included "corporate governance," "institutional ownership," "board independence," "ownership structure," "stakeholder engagement," and "agency theory." Corporate governance appeared 12 times and served as the principal anchor of this cluster. The cluster shows that ESG disclosure cannot be separated from board oversight, ownership concentration, investor monitoring, regulatory enforcement, and stakeholder pressure. These factors influence both disclosure credibility and investor interpretation. Agency theory explains how governance mechanisms and ESG disclosure reduce information asymmetry and managerial opportunism. Stakeholder theory explains how companies create value by addressing the interests of shareholders, employees, customers, regulators, communities, and other affected groups.

The Lower Network Density, Communities, and Other Affected Groups

The lower network density of this cluster indicates that several governance issues remain underdeveloped. These issues include board diversity, gender representation, political connections, audit quality, ownership concentration, and external assurance.

Overlay Visualization and Research Trends

The overlay visualization examined thematic developments according to average publication year. Earlier studies focused on ESG reporting, corporate social responsibility, sustainability disclosure, and financial performance. These topics established the conceptual foundation of the field. Studies published after 2021 increasingly examined climate-risk disclosure, green finance, green bonds, Sustainable Development Goal-aligned reporting, and ESG performance during the COVID-19 period. This shift indicates growing attention to specific environmental risks and sustainability-related financial instruments.

Climate-related keywords show that investors increasingly assess regulatory transition risk, physical climate risk, carbon exposure, and resource efficiency. Sustainable Development Goal-related topics also connect corporate ESG practices with wider international sustainability objectives. Overall, the keyword network contains three interconnected domains: disclosure mechanisms, financial outcomes, and governance conditions. ESG reporting, Tobin's Q, and corporate governance function as the main intellectual anchors of the field.

Bibliometric Analysis: Co-citation Analysis

Co-citation analysis was conducted to identify the intellectual foundations of ESG disclosure and firm value research in emerging markets. Two references were treated as co-cited when they appeared together in the reference list of the same document. The analysis applied a minimum threshold of five citations per reference. References that met this threshold were retained and grouped by VOSviewer into three interconnected clusters. Node size represented the citation frequency of each reference, while link strength showed how frequently two references were cited together. The available dataset confirms the minimum threshold of five citations and the formation of three clusters. However, it does not report the exact number of references that met the threshold. Therefore, an unsupported numerical value should not be stated until the VOSviewer output file or summary table is available.

Cluster 1: ESG and Corporate Financial Performance

The first cluster consisted of foundational studies examining ESG performance, sustainability activities, and corporate financial outcomes. These studies evaluated whether ESG performance creates, preserves, or reduces firm value. The cluster primarily addressed market-based and accounting-based outcomes, including Tobin's Q, stock returns, return on assets, and return on equity. Its central network position indicates that the ESG and financial performance relationship constitutes a major intellectual foundation of the reviewed literature.

Cluster 2: ESG Disclosure, Transparency, and Firm Value

The second cluster focused on ESG disclosure quality, transparency, information asymmetry, and firm valuation. Studies in this cluster examined whether credible sustainability information affects investor perceptions, monitoring effectiveness, and corporate valuation. This cluster draws mainly on signaling and agency theories. ESG disclosure functions as a signal of corporate quality and as a mechanism for reducing information asymmetry. It also distinguishes substantive ESG performance from the way companies communicate that performance.

Cluster 3: Corporate Governance and Institutional Context

The third cluster examined corporate governance, ownership structure, stakeholder relationships, institutional investors, and regulatory conditions. It showed that ESG disclosure operates within specific governance and institutional environments. Board independence, institutional ownership, regulatory enforcement, and stakeholder scrutiny can strengthen or weaken the relationship between ESG disclosure and firm value. Differences in these factors also explain why empirical results vary across companies, industries, and countries.

Intellectual Structure of the Field

The co-citation network identifies three connected intellectual domains. The first concerns ESG and corporate financial performance. The second concerns disclosure quality, transparency, and information asymmetry. The third concerns corporate governance and institutional context. Keyword co-occurrence and co-citation analyses provide complementary evidence. Keyword analysis identifies the main research topics, while co-citation analysis identifies the scholarly traditions and references supporting those topics.

2. Discussion

Comparison with International Research Findings

The findings show that ESG disclosure generally has a positive relationship with firm value in emerging markets, consistent with international evidence that reports mostly positive or neutral links between ESG practices and financial performance (Friede et al., 2015). However, results vary more than in developed economies because reporting systems, investor protection, external assurance, and enforcement are less established. The effect therefore depends strongly on institutional and firm-specific conditions. The dominant environmental effect reflects growing attention to climate risk, carbon exposure, energy efficiency, regulation, and climate-related financial disclosure. Investors view environmental information as financially material because it can affect production costs, capital access, legal exposure, and business continuity. Yet environmental performance is not always the strongest ESG component. Social factors may matter more in labor-intensive and consumer industries, while governance may dominate in markets with dispersed ownership and active shareholder monitoring. ESG materiality therefore differs across sectors and institutions.

Governance disclosure may receive weak responses when formal structures do not reflect managerial practice. Concentrated ownership, political connections, family control, and weak enforcement can reduce the value of board independence, shareholder protection, audit quality, and ownership transparency. Findings on firm size and institutional ownership align with international research. Larger firms disclose more because they face greater scrutiny and possess stronger reporting resources, while their visibility increases investor attention (Drempetic et al., 2020). Institutional investors can strengthen ESG effects through monitoring, risk assessment, reduced information asymmetry, and pressure for long-term sustainability. Voluntary reporting can also send a stronger signal than mandatory disclosure when it is detailed, credible, decision-relevant, and externally verified.

Overall, ESG disclosure has positive valuation potential, but its effect depends on regulation, ownership, disclosure credibility, investor sophistication, and market development.

Theoretical Implications

Stakeholder theory explains how credible ESG disclosure can reduce uncertainty and strengthen trust among investors, employees, customers, regulators, communities, and other stakeholders. These benefits may improve reputation, loyalty, employee commitment, and access to capital. However, stakeholder priorities differ. International investors may focus on climate and governance risks, while local communities may prioritize employment, environmental damage, and social responsibility. Value creation therefore depends on stakeholder influence and perceived materiality.

Legitimacy theory is also supported because ESG disclosure helps firms demonstrate conformity with social expectations, regulation, and sustainability standards. This function is important in emerging markets with lower public trust and uneven enforcement. However, symbolic reporting, selective disclosure, and greenwashing weaken legitimacy. Credibility depends on consistency between reported information and actual practice, not disclosure quantity alone. Agency theory highlights information asymmetry, institutional ownership, and governance. ESG disclosure can improve external monitoring by revealing managerial decisions, sustainability risks, and resource allocation. Institutional investors reinforce this function through stronger oversight. Conversely, managers may use ESG programs for personal reputation or objectives unrelated to shareholder value. Reporting creates value only when governance limits opportunism and reflects actual performance.

Signaling theory explains why credible voluntary disclosure can distinguish strong ESG performers. Signals become more effective when information is detailed, comparable, assured, and costly to imitate. In weak institutional environments, however, investors may distrust ESG information or lack the ability to interpret it. No single theory fully explains the relationship. Stakeholder theory addresses relationship-based value, legitimacy theory explains social acceptance, agency theory focuses on monitoring, and signaling theory explains market interpretation. An integrated approach is therefore more suitable for emerging markets.

Methodological Implications

Most research uses observational panel-data designs. Panel regression captures firm-level changes and unobserved heterogeneity but does not fully solve reverse causality, omitted-variable bias, or measurement error. Financially stronger firms may have more resources for ESG activities and reporting, while ESG disclosure may itself improve value. Positive associations therefore do not necessarily prove causality. Some studies use generalized method of moments with lagged instruments, but reliability depends on instrument validity, model specification, and avoiding excessive instruments. Researchers should report instrument selection, diagnostics, and sensitivity tests. Quasi-experimental methods, including difference-in-differences, regression discontinuity, instrumental variables, and natural experiments, remain underused despite their relevance when disclosure regulations or stock-exchange rules change.

Researchers must distinguish ESG performance from ESG disclosure. Performance concerns actual practices, while disclosure concerns communicated information. Firms may perform well but disclose little, or disclose extensively without substantive performance. Combining both concepts may obscure greenwashing and produce misleading conclusions. Measurement inconsistency also limits comparability. ESG providers use different indicators, weights, methods, and data sources, while researcher-developed indices vary in coding and scoring. Studies should clearly report sources, dimensions, indicators, weighting, missing-data treatment, validation, coding rules, and intercoder reliability.

Firm-value indicators are not interchangeable. Tobin's Q reflects market expectations, return on assets and equity capture accounting performance, stock returns show short-term reactions, and market capitalization reflects size and valuation. Outcome selection should match the theoretical mechanism. Aggregate ESG scores can also conceal differences among environmental, social, and governance dimensions. Future studies should use both aggregate and disaggregated measures and examine firm size, institutional ownership, leverage, ownership structure, regulatory quality, and economic sustainability as moderators or mediators rather than only controls.

Geographical and Sectoral Gaps

Research remains concentrated in East and Southeast Asia, particularly China, Malaysia, Indonesia, South Korea, and ASEAN countries. This concentration reflects rapid ESG regulatory and capital-market development but limits generalizability because emerging markets differ in legal systems, political conditions, ownership structures, investor protection, reporting standards, and enforcement. Africa remains underrepresented despite challenges related to extractive dependence, infrastructure limitations, environmental degradation, community conflict, weak institutions, and limited ESG data. Latin America also receives limited attention, although deforestation, mining, agriculture, energy, labor rights, and governance are highly material. The Middle East and Gulf region requires broader study because state ownership, family control, Islamic finance, hydrocarbon dependence, and policy reform may shape ESG disclosure and investor responses. Cross-country studies should not treat emerging markets as homogeneous. They should incorporate regulatory quality, rule of law, investor protection, corruption control, market development, and enforcement. Multilevel analysis can distinguish firm-level from country-level effects.

Sectoral coverage is also uneven. Manufacturing, extractive, and industrial firms dominate because their environmental impacts are more visible. Financial institutions require greater attention because they influence sustainable capital allocation and face credit, regulatory, reputational, and investor risks. Technology firms raise concerns about data privacy, artificial intelligence, labor conditions, platform accountability, cybersecurity, and digital inclusion. Retail, food, healthcare, and tourism also deserve study because social performance, product responsibility, employee welfare, and customer trust may be more material than environmental disclosure. An industry-materiality perspective is therefore essential. Environmental disclosure may be most relevant in mining and energy, social disclosure in healthcare and consumer sectors, and governance disclosure in banking and technology. Broader geographical and sectoral coverage will improve external validity and support context-specific theory, measurement, and policy.

Limitations of the Review

This review included peer-reviewed journal articles published between 2020 and 2025. Therefore, earlier foundational studies were excluded from the final corpus. The review also limited inclusion to Scopus, Web of Science, or Sinta-indexed studies. Although this improved quality control, it may have excluded regional journals, books, dissertations, conference papers, working papers, and institutional reports, creating publication bias against insignificant or negative findings. The review used Google Scholar, Scopus, and Web of Science, which differ in coverage and search functions. Google Scholar is less reproducible because its indexing and ranking may change, while predetermined keywords may omit alternative terminology. Only 22 studies were included, mostly from East and Southeast Asia, which limits representativeness.

Differences in ESG datasets, indices, rating providers, firm-value measures, study periods, and statistical methods prevented direct comparison and formal meta-analysis. Therefore, the proportion of positive findings should be interpreted descriptively rather than as a pooled effect. The review also combined ESG disclosure, ESG performance, sustainability reporting, and corporate social responsibility disclosure, although these concepts are not identical. Bibliometric findings depended on metadata consistency. Variations in author names, keywords, citations, and references may have affected network results, while the small sample may have reduced cluster stability. The review also excluded unpublished data and did not contact authors to clarify incomplete methods. Its conclusions therefore depend on the accuracy and transparency of the selected studies.

Future Research Directions

Future research should apply stronger causal methods, including instrumental variables, difference-in-differences, regression discontinuity, propensity-score matching, and natural experiments. Changes in sustainability regulations and stock-exchange requirements provide suitable settings for causal analysis. Researchers should distinguish ESG disclosure from ESG performance and examine whether firm value results from substantive improvement, communication, or their interaction. ESG measurement also requires greater standardization and transparent reporting of indicators, weights, sources, and validation methods. Comparative studies should test robustness across Bloomberg, MSCI, Refinitiv, and locally developed measures. Environmental, social, and governance dimensions should be analyzed separately because materiality differs across sectors. Research should expand to Africa, Latin America, the Middle East, and Eastern Europe and assess the roles of regulation, investor protection, ownership concentration, political connections, and market development. Sector-specific studies should prioritize finance, technology, healthcare, retail, and digital platforms. External assurance may strengthen disclosure credibility and reduce greenwashing. Future studies should compare assured and non-assured reports and evaluate assurance quality. Investor heterogeneity also requires attention because institutional, foreign, retail, and socially responsible investors may interpret ESG information differently based on awareness, investment horizon, and risk preferences. Artificial intelligence and machine learning can support ESG scoring, textual analysis, sentiment analysis, and controversy detection, although they may create transparency and bias concerns. Social-media data can also capture stakeholder sentiment, activism, and digital controversies. Combining formal reports with online data may provide a broader assessment of perceived sustainability performance.

Managers should prioritize the quality, consistency, and credibility of ESG disclosure rather than reporting volume. Reports should include measurable targets, comparable indicators, historical results, and material risks. Disclosure should reflect industry priorities and connect ESG initiatives with efficiency, risk reduction, stakeholder relationships, and long-term growth. External assurance and recognized standards can improve reliability and reduce selective disclosure and greenwashing. Investors should evaluate individual ESG dimensions, disclosure quality, ownership structure, firm size, governance, and institutional context rather than rely solely on aggregate scores. Institutional investors can strengthen accountability through engagement, voting, and disclosure requirements. Policymakers should establish clear and comparable ESG rules without encouraging superficial compliance. Companies should disclose material risks, methods, targets, and progress using international frameworks and sector-specific indicators. Stock exchanges and supervisors should strengthen monitoring, sanctions for misleading reporting, assurance standards, and accessible ESG databases. Regulators should also support smaller firms through technical guidance, simplified standards, training, and digital reporting tools.

D. Conclusions

This study examined the relationship between ESG disclosure and firm value in emerging markets using a PRISMA-guided systematic literature review and bibliometric analysis. Most studies reported a positive relationship between ESG disclosure and firm value or financial performance. However, the strength and consistency of this relationship varied across ESG dimensions, sectors, ownership structures, and institutional conditions. Environmental disclosure showed the most consistent association with firm value, while social and governance effects were more context dependent. ESG disclosure affects firm value through several mechanisms. Firm size, institutional ownership, ownership structure, regulatory quality, disclosure credibility, and investor awareness influence how ESG information is communicated and interpreted. Economic sustainability may also translate ESG practices into operational efficiency, stronger financial performance, and higher firm value. These findings support an integrated framework based on stakeholder, legitimacy, agency, and signaling theories. Keyword co-occurrence analysis identified three main research areas: ESG reporting and disclosure mechanisms, firm value and financial performance, and corporate governance and stakeholder factors. Recent studies increasingly focus on climate-related disclosure, green finance, SDG-aligned reporting, and ESG information credibility. The findings suggest that companies should provide material, measurable, comparable, and verifiable ESG information. Investors should assess individual ESG dimensions, disclosure quality, governance conditions, and industry characteristics rather than rely only on aggregate ESG scores. Regulators should establish consistent reporting standards, strengthen enforcement, and promote independent assurance. This review is limited by its publication period, database coverage, geographical concentration, and differences in ESG measurements and research methods. Future studies should expand research in Africa and Latin America, examine underrepresented industries, distinguish ESG disclosure from actual ESG performance, and apply stronger causal methods. Further research should also investigate external assurance, investor characteristics, social-media sentiment, and artificial intelligence-based ESG assessment.

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