

CSR DISCLOSURE AND FIRM VALUE: EMPIRICAL EVIDENCE FROM VIETNAM'S LISTED FIRMS

DIVULGAÇÃO DE RSE E VALOR DA EMPRESA: EVIDÊNCIAS EMPÍRICAS DE EMPRESAS LISTADAS NO VIETNÃ

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Nguyen Hoai Anh*

*University of Labour and Social Affairs, Hanoi, Vietnam
anhnh@ulsa.edu.vn

Tran Phuong Thuy**

**Banking Academy of Vietnam, Hanoi, Vietnam
Orcid: <https://orcid.org/0009-0000-6837-4234>
thuyp@hvn.edu.vn

Tran Quynh Huong**

**Banking Academy of Vietnam, Hanoi, Vietnam
Orcid: <https://orcid.org/0009-0007-7941-8125>
huongtq@hvn.edu.vn

Do Ngoc Tram**

**Banking Academy of Vietnam, Hanoi, Vietnam
Orcid: <https://orcid.org/0009-0008-5401-1481>
tramd@hvn.edu.vn

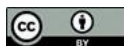
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Abstract

Corporate Social Responsibility (CSR) disclosure has become a strategic trend for firms aiming for long-term and sustainable development, particularly among companies listed on the stock market. In Vietnam, empirical studies over the past decade have begun to confirm a positive correlation between CSR disclosure and firm value. This study surveyed 182 investors in Vietnam and employed the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach for data analysis. The findings indicate that economic and social disclosures exert a positive impact on firm value, whereas environmental disclosure does not yet show a significant influence. This reflects a prevalent reality among Vietnamese listed enterprises, where the focus of disclosure remains heavily skewed toward financial and economic factors. The results suggest that Vietnamese listed firms need to enhance the comprehensiveness and balance of their CSR reporting. While an excessive focus on economic elements may yield short-term benefits, achieving sustainable development and long-term firm value appreciation requires expanding the scope of disclosure to environmental and

Resumo

A divulgação de informações sobre Responsabilidade Social Corporativa (RSC) tornou-se uma tendência estratégica para empresas que buscam um desenvolvimento sustentável e de longo prazo, especialmente entre as empresas listadas na bolsa de valores. No Vietnã, estudos empíricos realizados na última década começaram a confirmar uma correlação positiva entre a divulgação de informações sobre RSC e o valor da empresa. Este estudo entrevistou 182 investidores no Vietnã e empregou a abordagem de Modelagem de Equações Estruturais por Mínimos Quadrados Parciais (PLS-SEM) para a análise dos dados. Os resultados indicam que as divulgações econômicas e sociais exercem um impacto positivo sobre o valor da empresa, enquanto a divulgação ambiental ainda não mostra uma influência significativa. Isso reflete uma realidade predominante entre as empresas vietnamitas listadas, onde o foco da divulgação permanece fortemente inclinado para fatores financeiros e econômicos. Os resultados sugerem que as empresas vietnamitas de capital aberto precisam aprimorar a abrangência e o equilíbrio de seus relatórios de RSE. Embora um foco excessivo em elementos econômicos possa



social dimensions, in alignment with global ESG trends.

Keywords: Corporate Social Responsibility. Firm Value. Listed Companies.

render benefícios de curto prazo, alcançar o desenvolvimento sustentável e a valorização da empresa a longo prazo requer a ampliação do escopo da divulgação para as dimensões ambientais e sociais, em alinhamento com as tendências globais de ESG.

Palavras-chave: Responsabilidade Social Empresarial. Valor da Empresa. Empresas de Capital Aberto.

1 INTRODUCTION

Corporate Social Responsibility disclosure has emerged as a strategic trend for firms pursuing long-term and sustainable development, particularly for those listed on the stock market. As the stock market serves as a vital channel for capital mobilization, enterprises must meet rigorous requirements to gain access to this capital source. Notably, listed companies are mandated to comply with information disclosure regulations set by the State Securities Commission, investors, shareholders, and other relevant stakeholders. To promote transparency and bolster investor confidence, Circular No. 155/2015/TT-BTC issued by the Ministry of Finance (2015) which took effect on January 1, 2016 introduced requirements for public companies to disclose sustainability-related information. This regulation aims to align domestic practices with international standards and enhance corporate accountability toward the environment and society. CSR disclosure enables companies to cultivate a positive image among investors and stakeholders, demonstrating a balanced commitment to both shareholder interests and socio-environmental responsibilities.

Synthesizing literature on the impact of Corporate Social Responsibility disclosure on firm value, the majority of empirical findings encourage firms to disclose CSR information to enhance corporate value. Conversely, some perspectives argue that CSR disclosure either has no effect or negatively impacts firm value. This study collected data on the extent of CSR disclosure. Al-Twaijri, Christensen, & Hughes II (2014) conducted an integrated study on the relationships between environmental disclosure, environmental performance, and economic performance, concluding that environmental disclosure significantly influences economic efficiency. Similarly, Gnanaweera & Kunori

(2018) evaluated the determinants of CSR disclosure levels among 85 Japanese firms listed on the Tokyo Stock Exchange (TSE) from 2008 to 2014. In developing countries and specifically Vietnam, while research on this topic is relatively abundant, it lacks diversity. Studies such as Deswanto & Siregar (2018), Bich *et al.* (2015), Tien *et al.* (2017), and Tran (2020) primarily analyzed the binary impact (whether disclosure exists or not) rather than the intensity or extent of CSR disclosure. Using Weighted Least Squares for a sample of 100 firms on the Ho Chi Minh City Stock Exchange (HOSE) from 2002 to 2016, Ho & Ho (2017) demonstrated that commitments to product safety, quality, fair pricing, and environmental protection initiatives improve profitability, mitigate risk, and increase firm value. Employing a voluntary CSR disclosure scale, Thao & Le (2019) found positive effects of voluntary economic, environmental, social, and legal disclosures on the firm value of the VN100 top companies on HOSE (2014-2016). A literature review reveals that Vietnamese studies often address CSR disclosure broadly without delving into specific disclosure levels. Notably, previous research predominantly utilized index-based methods to measure CSR; few have integrated weighted methods with content analysis to assess disclosure levels in terms of both quantity and quality. Furthermore, most studies evaluate firm value through financial statement indicators, with limited attention given to the subjective perceptions of investors and financial experts a group capable of providing an objective market reflection of firm value.

Building upon the aforementioned rationales, this paper aims to provide a more comprehensive identification of the impact of Corporate Social Responsibility disclosure levels on the firm value of companies listed on the Vietnam Stock Market. Based on these findings, the study offers practical recommendations on enhancing CSR disclosure intensity to further drive corporate value appreciation.

2 LITERATURE REVIEW

In the early stages of research, numerous scholars focused on analyzing the short term impact of Corporate Social Responsibility related events particularly environmental issues on stock prices or stock returns (Barth & McNichols, 1994; Blacconiere & Patten, 1994; Blacconiere & Northcut, 1997). These findings generally indicated negative market reactions to adverse environmental or social incidents. However, recent studies utilizing

more comprehensive metrics, which incorporate both positive and negative information, have recorded a positive correlation, asserting that CSR disclosure can enhance firm value (Plumlee *et al.*, 2015; Clarkson *et al.*, 2013; Qiu *et al.*, 2016). Despite this, several studies still provide contrary evidence, suggesting that CSR does not increase or may even diminish corporate value, reflecting the heterogeneous nature of this phenomenon.

Various management theories provide a framework for explaining the underlying mechanisms of this impact. According to Stakeholder Theory, Corporate Social Responsibility disclosure satisfies the information demands of diverse stakeholder groups, thereby mitigating decision-making risks and enhancing firm value. From the perspective of Agency Theory, such disclosure helps reduce information asymmetry, minimize agency costs, and ultimately benefit shareholders. Meanwhile, Impression Management Theory suggests that enterprises increase CSR reporting to cultivate a positive image in the eyes of investors and the public, thereby driving an increase in market value.

International empirical evidence further bolsters this argument. In Finland and South Africa (Schadewitz & Niskala, 2010; de Klerk *et al.*, 2015), as well as in Germany (Verbeeten *et al.*, 2016), voluntary CSR disclosure has been shown to have a positive relationship with stock prices, as this non-financial information adds value to traditional financial statements. Studies in the United States (Plumlee *et al.*, 2015; Clarkson *et al.*, 2013) also indicate that even when disclosures include negative aspects, investors still value transparency, which in turn enhances confidence and firm value. Gregory *et al.* (2014), utilizing a sample of U.S. companies from 1992 to 2009, affirmed that voluntary CSR disclosure reduces investment risk and increases firm value, using the average annual stock price as a proxy. Recent research (Jihadi *et al.*, 2021; Castro *et al.*, 2021; Hermawan *et al.*, 2023) continues to demonstrate that CSR serves as a strategic tool for attracting investment capital, particularly for large-scale enterprises or those operating in environmentally sensitive industries.

In the Asian context, Yoon *et al.* (2018) examined 705 South Korean enterprises from 2010 to 2015, revealing that corporate governance serves as a mediating factor in the relationship between CSR disclosure and firm value. Specifically, a robust governance system enhances the credibility of CSR information, thereby stimulating positive market reactions. Similarly, Ahsan *et al.* (2022) reaffirmed this finding through

a study of 861 Chinese companies, indicating that CSR commitment helps bolster corporate image, improve access to capital, and drive firm value appreciation.

In Europe, Qiu *et al.* (2016) discovered that the stock prices of British companies increased following Corporate Social Responsibility disclosures, particularly regarding social aspects such as employee welfare and community engagement. However, the environmental factor was not statistically significant, reflecting that British investors prioritize social equity and human resource development. Research also indicates that industry-specific characteristics significantly influence disclosure levels and market reactions: enterprises in the energy, mining, and chemical sectors tend to provide more extensive CSR disclosures to mitigate reputational risks and enhance their corporate image.

Havlinova and Kukacka (2021) extended this line of inquiry by examining whether Corporate Social Responsibility (CSR) is utilized as a strategy to bolster stock prices. Using a sample of U.S. companies from 2007 to 2020, the authors demonstrated that a clear and consistent CSR disclosure strategy leads to a significant increase in stock prices. In their study, a CSR index was employed to measure the extent of disclosure, while the stock price after a six-month lag served as a proxy for firm value. The findings confirm that enterprises with well-structured CSR strategies and effective communication generate positive reactions from capital markets.

However, the impact of Corporate Social Responsibility (CSR) is not uniform across countries. Bowerman & Sharma (2016) found that British investors prioritize CSR information in their investment decisions, whereas Japanese investors show less concern. Findings from Indonesia and Malaysia also exhibit discrepancies: in Indonesia, CSR disclosure enhances corporate image and firm value, while in Malaysia, such information has yet to play a significant role (Hermawan *et al.*, 2023). This underscores the vital role of institutional contexts, investor perceptions, and the level of capital market development in shaping the impact of CSR on firm value.

In Vietnam, empirical studies over the past decade have increasingly confirmed a positive relationship between Corporate Social Responsibility (CSR) disclosure and firm value. Companies with higher levels of CSR disclosure tend to achieve greater market value, aligning with international trends, despite persistent variations in measurement methodologies. Numerous studies (Bich *et al.*, 2015; Tien *et al.*, 2017; Thao & Le, 2019;

Huyen, 2020) utilized Tobin's Q as a proxy for firm value and consistently reported the positive impact of voluntary CSR, with varying degrees of influence across dimensions: environment, product, community, and employees. Thao & Le (2019) expanded the analysis by employing a multi-dimensional CSR disclosure index (economic, environmental, social, and legal) using an ordinal scale (0-3 points) on a sample of 54 VN100 companies from 2014 to 2016; their results indicated that all CSR dimensions exerted a positive impact, particularly in the economic and social pillars. Furthermore, Tran (2020), examining a sample of 149 Top 500 enterprises (2013-2018), confirmed that CSR disclosure positively correlates with Tobin's Q and Price-to-Book (P/B) ratios. Notably, information regarding energy, community, and sustainable development positively influenced P/B, whereas employee-related information showed a negative impact, reflecting the distinct perceptions and priorities of Vietnamese investors.

In summary, the body of research indicates that the impact of CSR disclosure on firm value depends on the utility of the information provided to stakeholders, its capacity to enhance transparency, mitigate risks, and align investor expectations. Foundational frameworks including Stakeholder Theory, Legitimacy Theory, Agency Theory, and Impression Management Theory collectively provide a scientific basis for how CSR disclosure can generate or reinforce corporate value.

First, CSR disclosure regarding the economic dimension reflects corporate activities related to revenue growth, cost efficiency, tax contributions, job creation, and the protection of shareholder rights. This information not only demonstrates the firm's responsibility in creating sustainable economic value for stakeholders but also assists investors in evaluating long-term growth potential and financial stability. According to Signaling Theory (Spence, 1973), the transparent disclosure of economic information acts as a positive signal to the capital market, thereby bolstering investor confidence and increasing firm value. Consequently, the following research hypothesis is proposed: H1: Economic CSR disclosure has a positive impact on firm value.

Second, CSR disclosure regarding the social dimension focuses on issues related to employee welfare, customer responsibility, community contributions, and the assurance of social equity. Transparent social disclosure enhances a firm's image and reputation, thereby fostering trust among shareholders and investors. According to Legitimacy Theory (Suchman, 1995), enterprises increase social disclosure to bolster

their legitimacy and gain acceptance from stakeholders, which in turn strengthens their competitive position in the market. Consequently, the following research hypothesis is proposed: H2: Social CSR disclosure has a positive impact on firm value.

Third, CSR disclosure regarding the environmental dimension reflects a firm's commitment to environmental protection, efficient resource utilization, emission reduction, and the adoption of green technologies. This information has become increasingly vital within the context of global sustainable development, as investors pay closer attention to a company's environmental friendliness. According to Agency Theory (Jensen & Meckling, 1976), disclosing environmental responsibility helps mitigate information asymmetry, reduce agency costs, and enhance market confidence. Consequently, the following research hypothesis is developed: H3: Environmental CSR disclosure has a positive impact on firm value.

3 METHODOLOGY

Drawing from the three aforementioned hypotheses, the proposed research model posits that Corporate Social Responsibility disclosure comprising three core dimensions: economic, social, and environmental exerts a positive impact on firm value. This model builds upon and extends prior literature while remaining highly relevant to the context of companies listed on the Vietnam Stock Exchange, where the demand for transparency is escalating and corporate value is intrinsically linked to reputation and sustainability commitments.

In this study, firm value is measured based on the subjective perceptions of investors and shareholders, reflecting the market's assessment of the attractiveness and potential of listed enterprises. This approach has been widely adopted in international literature when analyzing constructs related to corporate value (Wang & Sarkis, 2013; Mahoney *et al.*, 2013; Fatemi, Glaum, & Kaiser, 2018).

Specifically, the Firm Value construct is operationalized through three dimensions: Stock attractiveness to investors (EV1, EV2), Competitive position in the market (EV3, EV4), and Market appreciation (EV5, EV6). All indicators are measured using a 5-point Likert scale, ranging from 1 = "Strongly disagree" to 5 = "Strongly agree." This measurement approach effectively captures the subjective perceptions and

expectations of investors and shareholders key factors that drive stock prices and corporate market value, particularly within the context of the Vietnamese stock market.

In this study, the author integrates the Global Reporting Initiative (GRI) Standards with prevailing Vietnamese regulations to develop a comprehensive framework for evaluating CSR disclosure. Building upon the approaches of Thao (2022) and Tran (2020), less common criteria were excluded, and items with similar content or meaning were consolidated to ensure relevance to the research context. The CSR disclosure indicators were manually collected from the annual reports and/or sustainability reports of listed companies for the year 2017. This period is particularly significant for assessment, as the legal framework was in a transitional phase and environmental emission data began to emerge more frequently in corporate CSR reporting. The CSR disclosure variable is operationalized through three fundamental dimensions based on the GRI Standards (2016) and established literature (Hackston & Milne, 1996; Clarkson *et al.*, 2008; Landau *et al.*, 2020), including: (i) economic dimension (EC1, EC2, EC3, EC4), (ii) environmental dimension (EN1, EN2, EN4), and (iii) social dimension (SO1, SO2, SO3, SO4).

In this study, a questionnaire-based survey was conducted to collect data for evaluating the perceptions and viewpoints of Vietnam's stock market participants regarding CSR disclosure and the value of listed enterprises. A total of 200 questionnaires were distributed through two channels: an online survey via Google Forms and direct distribution at specialized finance and accounting workshops and classes. Following the data collection and cleaning process which involved excluding incomplete or invalid responses 182 valid responses were retained, representing a 91% response rate. This relatively high response rate ensures the reliability and robustness of the research data.

Following data collection, the data were processed using SmartPLS 4.0 software, a widely utilized tool for Partial Least Squares Structural Equation Modeling (PLS-SEM). Initially, the study assessed the reliability of the measurement scales through Cronbach's Alpha and Composite Reliability (CR) indices. Subsequently, convergent validity and discriminant validity were evaluated using the Average Variance Extracted (AVE) and the Fornell-Larcker criterion. Once the measurement model met the necessary requirements, the structural model was estimated to determine the impact of each CSR

disclosure dimension (economic, environmental, and social) on firm value. Finally, the model fit was assessed through indices such as R^2 , Q^2 .

4 RESEARCH RESULTS

4.1 Measurement model assessment

The research results indicate that the indicators of the latent constructs Economic CSR Disclosure (EC), Environmental CSR Disclosure (EN), Social CSR Disclosure (SO), and Firm Value (EV) exhibit varying outer loadings, reflecting the relative contribution of each indicator to its respective latent variable. Specifically, the indicators for the economic dimension (EC) show outer loadings ranging from 0.756 to 0.919, all of which exceed the recommended threshold of 0.7 (Hair *et al.*, 2021). This confirms that indicators EC1-EC4 effectively represent the construct of economic CSR disclosure and demonstrate high convergent validity.

Regarding the environmental dimension (EN), indicators EN1 and EN3 exhibit exceptionally high outer loadings (0.948), whereas EN2 only achieves a loading of 0.542, falling below the generally accepted threshold of 0.7. This suggests that EN2 possesses a weaker explanatory power for the EN construct. Consequently, this indicator may require removal or refinement of its measurement content to enhance the overall scale reliability.

Meanwhile, all indicators of the Firm Value (EV) construct exhibit outer loadings ranging from 0.732 to 0.880, thereby meeting the criteria for indicator reliability. This demonstrates that the scale possesses the capacity to reflect the EV construct stably and consistently.

Regarding the social dimension (SO), the indicators SO2, SO3, and SO4 exhibit outer loadings of 0.765, 0.798, and 0.834, respectively, all of which satisfy the acceptable criteria. Conversely, SO1 recorded a loading of 0.550, which is below the 0.7 threshold, indicating that this indicator does not effectively represent the social construct within the model. The exclusion of SO1 could potentially enhance convergent validity and improve the overall fitness of the measurement model.

Overall, these results provide empirical evidence for the scale reliability and convergent validity of most research constructs, with the exception of EN2 and SO1.

Consequently, the author decided to exclude these two indicators SO1 and EN2 and re-evaluate the measurement model.

Table 1

Initial Outer Loadings (First Round)

	EC	EN	EV	SO
EC1	0.756			
EC2	0.835			
EC3	0.919			
EC4	0.792			
EN1		0.948		
EN2		0.542		
EN3		0.948		
EV1			0.829	
EV2			0.880	
EV3			0.819	
EV4			0.870	
EV5			0.780	
EV6			0.732	
SO1				0.550
SO2				0.765
SO3				0.798
SO4				0.834

After excluding SO1 and EN2, the measurement model was re-estimated. The results, presented in Table 2, indicate that all remaining indicators exhibit high outer loadings, reflecting a strong correlation between the indicators and their respective latent constructs. Specifically, the indicators for the Economic CSR Disclosure dimension (EC1-EC4) show loadings ranging from 0.756 to 0.919, all of which exceed the 0.7 threshold. This demonstrates that the scale achieves robust convergent validity and that the observed variables consistently reflect the EC construct.

Regarding the Environmental CSR Disclosure construct, the two indicators EN1 and EN3 exhibit outer loadings of 0.952 and 0.948, respectively, demonstrating a very strong explanatory power for the latent variable EN. Similarly, the indicators for Firm Value (EV) show loadings ranging from 0.733 to 0.880, all of which satisfy the criteria for convergent validity. This indicates that the EV scale possesses high stability and provides a reliable representation of the construct.

Furthermore, the indicators for the Social CSR Disclosure construct (SO2-SO4) exhibit outer loadings ranging from 0.779 to 0.855. All values exceed the 0.7 threshold,

providing evidence that these variables effectively measure the SO construct.

Overall, all indicators in the model satisfy the recommended thresholds proposed by Hair *et al.* (2021), thereby confirming the convergent validity and reliability of the measurement model. These results provide a robust foundation for proceeding with the structural model analysis in the subsequent stage of the research.

Table 2

Initial Outer Loadings (Final Round)

	EC	EN	EV	SO
EC1	0.756			
EC2	0.835			
EC3	0.919			
EC4	0.792			
EN1		0.952		
EN3		0.948		
EV1			0.829	
EV2			0.880	
EV3			0.819	
EV4			0.870	
EV5			0.779	
EV6			0.733	
SO2				0.796
SO3				0.779
SO4				0.855

The assessment of reliability and convergent validity for the scales within the PLS-SEM model indicates that the constructs Economic CSR Disclosure (EC), Environmental CSR Disclosure (EN), Social CSR Disclosure (SO), and Firm Value (EV) all satisfy the acceptance criteria recommended by Hair *et al.* (2021). Specifically, the Cronbach’s Alpha values range from 0.739 to 0.902, all exceeding the 0.7 threshold, which signifies a high level of internal consistency. Furthermore, the Composite Reliability (CR) values fall between 0.852 and 0.949, surpassing the minimum requirement of 0.7, thereby confirming that the observed variables consistently and stably reflect their respective latent constructs.

Additionally, the Average Variance Extracted (AVE) values for all constructs exceed 0.5, ranging from 0.657 to 0.903. This indicates that the scales achieve convergent validity, meaning that a majority of the variance in the indicators is explained by their respective latent factors. Notably, the EN construct attained the highest AVE value

(0.903), reflecting an exceptionally strong degree of convergence among the indicators measuring the environmental dimension.

Overall, the aforementioned indices demonstrate that the four scales employed in this study EC, EN, SO, and EV possess high reliability and robust convergent validity. These findings confirm the adequacy of the measurement model, providing a sound basis for the subsequent structural model analysis.

Table 3

Construct Reliability and Validity

Variable	Cronbach's Alpha	Composite Reliability	AVE
EC	0.845	0.896	0.685
EN	0.892	0.949	0.903
EV	0.902	0.925	0.672
SO	0.739	0.852	0.657

The cross-loading results reflect the discriminant validity between the latent constructs in the model by comparing the correlations of each indicator with different latent variables. According to the criteria established by Fornell and Larcker (1981) and Hair *et al.* (2021), the loading of each indicator on its designated latent construct must be significantly higher than its cross-loadings on any other constructs.

The results reveal that all indicators belonging to the Economic CSR Disclosure (EC) construct exhibit their highest loadings on the EC factor (ranging from 0.756 to 0.919), while their cross-loadings on the EN, EV, and SO factors are significantly lower. This confirms that indicators EC1-EC4 provide the most accurate representation of the EC construct, with no evidence of overlap with other latent variables.

Similarly, the indicators EN1 and EN3 exhibit loadings of 0.952 and 0.948, respectively, on the EN factor, which far exceed their remaining cross-loadings. This indicates a clear distinction between the environmental dimension and other constructs. Regarding the Firm Value (EV) construct, indicators EV1- EV5 show primary loadings ranging from 0.779 to 0.880. all of which are substantially higher than their cross-loadings on the EC, EN, and SO factors. These findings reflect the robust discriminant validity of the EV scale.

Finally, although the indicators for the social dimension (SO) are not displayed in the full table, the overall cross-loading trends indicate that they exhibit their highest

coefficients on the SO factor and lower coefficients on the remaining factors. This suggests that the SO construct also achieves an acceptable level of discriminant validity.

Table 4

Discriminant Validity Assessment: Cross-Loadings

	EC	EN	EV	SO
EC1	0.756	0.222	0.312	0.265
EC2	0.835	0.085	0.381	0.196
EC3	0.919	0.171	0.411	0.247
EC4	0.792	0.231	0.385	0.198
EN1	0.212	0.952	0.172	-0.013
EN3	0.189	0.948	0.166	0.035
EV1	0.363	0.183	0.829	0.244
EV2	0.348	0.204	0.880	0.260
EV3	0.346	0.102	0.819	0.212
EV4	0.454	0.202	0.870	0.227
EV5	0.351	0.125	0.779	0.230
EV6	0.349	0.038	0.733	0.265
SO2	0.219	0.014	0.243	0.796
SO3	0.270	0.049	0.214	0.779
SO4	0.178	-0.030	0.250	0.855

The Heterotrait-Monotrait Ratio of Correlations (HTMT) results are utilized to assess the discriminant validity between the latent constructs in the model. According to the criteria established by Henseler, Ringle, and Sarstedt (2015), the HTMT values between pairs of latent variables should be lower than 0.85 (or a maximum of 0.90 in certain cases) to confirm that the constructs exhibit a clear distinction and that no conceptual overlap occurs.

The analysis results indicate that all HTMT values in the model are below the 0.85 threshold. Specifically, the ratios are 0.247 for EC and EN; 0.514 for EC and EV; 0.351 for EC and SO; 0.194 for EN and EV; 0.057 for EN and SO; and 0.358 for EV and SO. These values range from low to moderate, demonstrating that the latent constructs including Economic CSR Disclosure (EC), Environmental CSR Disclosure (EN), Social CSR Disclosure (SO), and Firm Value (EV) exhibit clear discriminant validity and represent distinct concepts within the study.

In summary, combining the results from the cross-loading matrix and the HTMT ratios, it can be confirmed that the measurement model has achieved a high level of discriminant validity, ensuring that the research constructs are conceptually independent.

This establishes a robust foundation for proceeding with the testing of causal relationships within the Structural Model in the subsequent phase of the study.

Table 5

Discriminant Validity Assessment: Heterotrait-Monotrait Ratio (HTMT)

	EC	EN	EV	SO
EC				
EN	0.247			
EV	0.514	0.194		
SO	0.351	0.057	0.358	

4.2 Structural model assessment

The collinearity test results, indicated by Variance Inflation Factor (VIF) values ranging from 1.396 to 3.562, confirm the absence of serious multicollinearity among the independent variables. All values remain below the threshold of 5 as recommended by Hair *et al.* (2019). Furthermore, most VIF values fall between 1 and 3.5, reflecting an acceptable level of correlation that does not compromise the reliability of the model's estimates. Consequently, the research model satisfies the collinearity requirements and is suitable for the subsequent structural model assessment to examine the relationships between latent constructs.

The research findings indicate that the R^2 value for the Firm Value (EV) construct is 0.244, with an adjusted R^2 of 0.232. According to the guidelines by Hair *et al.* (2021), R^2 values of approximately 0.75, 0.50, and 0.25 are classified as substantial, moderate, and weak, respectively. Thus, an R^2 value of 0.244 suggests that the model possesses a low-to-moderate explanatory power, meaning that the independent variables (EC, EN, and SO) account for approximately 24.4% of the variance in the dependent variable EV. Although this value is not high, such an R^2 level is considered acceptable in studies concerning corporate behavior or socio-environmental factors, as non-financial elements are often influenced by numerous other variables beyond the scope of the research model.

Table 6

Coefficient of Determination R²

	R-square	R-square adjusted
EV	0.244	0.232

The f^2 results indicate the extent of each independent variable's impact on the dependent variable (EV). Specifically, Economic CSR Disclosure (EC) exhibits an f^2 of 0.170, representing a moderate effect; Environmental CSR Disclosure (EN) shows an f^2 of 0.011, indicating a small effect; while Social CSR Disclosure (SO) has an f^2 of 0.043, denoting a weak but significant effect. According to Cohen's (1988) criteria, f^2 values of 0.02, 0.15, and 0.35 are classified as small, medium, and large effects, respectively. These findings imply that within the research model, the economic disclosure factor (EC) has the most significant and substantial influence on firm value (EV), whereas environmental (EN) and social (SO) disclosures possess more limited impact levels.

Table 7

Coefficient of Determination f²

	EC	EN	EV	SO
EC			0.170	
EN			0.011	
EV				
SO			0.043	

According to the criteria established by Hair *et al.* (2021), a relationship is considered statistically significant at the 5% level when $|t| > 1.96$ or $p < 0.05$. The results are as follows: (i) $EC \rightarrow EV$ ($\beta=0.382, p=0.000$): highly statistically significant, indicating that economic disclosure has a strong positive impact on firm value. (ii) $EN \rightarrow EV$ ($\beta=0.095, p=0.220$): not statistically significant, meaning that environmental disclosure does not demonstrate a significant effect on firm value in this model. (iii) $SO \rightarrow EV$ ($\beta=0.187, p=0.005$): statistically significant, showing that social disclosure also positively influences firm value, albeit with a lower impact compared to the economic factor.

The hypothesis testing results for the structural model, as presented in Table 8, indicate that the relationship between economic disclosure (EC) and firm value (EV) has a path coefficient of $\beta=0.382$, which is highly statistically significant ($p=0.000 < 0.05$).

This confirms that economic disclosure exerts a strong positive impact on firm value. Conversely, the relationship between environmental disclosure (EN) and firm value (EV) yielded a p-value of $0.220 > 0.05$, indicating that the influence of this factor is not statistically significant within the model. Additionally, social disclosure (SO) has a coefficient of $\beta=0.187$ with $p=0.005 < 0.05$, demonstrating a significant positive impact on firm value, albeit with a lower magnitude compared to the economic dimension.

Table 8

Hypotheses Testing Results

	Original Sample	T statistics	P values	Result
EC - > EV	0.382	5,345	0.000	Supported
EN - > EV	0.095	1,226	0.220	Not Supported
SO - > EV	0.187	2,805	0.005	Supported

In conclusion, among the three components of CSR disclosure, the economic factor exerts the most significant impact on firm value, followed by the social factor. Conversely, the environmental factor does not demonstrate a distinct role in enhancing the firm value of the surveyed companies.

5 CONCLUSION AND DISCUSSION

The research findings indicate that among the three dimensions of Corporate Social Responsibility (CSR) disclosure, economic disclosure (EC) and social disclosure (SO) exert a positive impact on firm value (EV), whereas environmental disclosure (EN) does not demonstrate a significant effect. This reflects the current reality of listed companies in Vietnam, where the level of transparency and disclosure focus remains skewed toward financial and economic factors, while environmental and social contents have yet to receive adequate investment.

Firstly, the relationship between EC and EV exhibits the strongest impact ($\beta=0.382$; $p=0.000$), suggesting that information regarding economic performance, profitability, productivity, and financial contributions is the most highly valued factor by

the market. For Vietnamese investors, economic disclosure often serves as the direct basis for investment decision-making, reflecting a market mindset that remains heavily weighted toward short-term profitability. This finding is consistent with prior studies by Nguyen Thi Mai Trang (2020) and Le Van Huy (2021), which argue that financial transparency and business efficiency are the primary drivers influencing market value and the capital-raising capacity of listed companies..

Secondly, social disclosure (SO → EV) exerts a positive but moderate impact ($\beta=0.187$; $p=0.005$). This demonstrates that social activities, employee welfare, gender equality, and community support have begun to be recognized and valued by the market. Within the context of Vietnam's promotion of sustainable development and ESG-aligned corporate governance, this finding suggests that investor awareness of a firm's social responsibility is improving, although the magnitude of its influence remains limited.

Thirdly, the results indicate that environmental disclosure (EN → EV) is not statistically significant ($\beta=0.095$; $p=0.220$), reflecting the fact that environmental reporting in Vietnam remains largely symbolic. Many enterprises have yet to regard environmental reports as a mandatory obligation or a strategic asset for brand building. Furthermore, investor awareness regarding environmental risks remains low, leading to this information not being perceived as a factor that directly influences firm value in the market.

Overall, the research findings suggest that Vietnamese listed companies need to enhance the comprehensiveness and balance of their CSR disclosures. While an excessive focus on economic factors may yield short-term benefits, achieving sustainable development and long-term firm value enhancement requires expanding the scope of disclosure to environmental and social dimensions, aligning with global ESG trends. Concurrently, stock market regulatory authorities should refine the legal framework and CSR reporting guidelines. This would facilitate better corporate compliance and provide investors with a more comprehensive basis for evaluating the intrinsic value of firms.

TRANSPARENCY

The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and

that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.

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Authors' Contribution

All authors contributed equally to the development of this article.

Data availability

All datasets relevant to this study's findings are fully available within the article.

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