

THE IMPACT OF ESG DISCLOSURE ON INVESTMENT DECISIONS OF INDIVIDUAL INVESTORS IN THE VIETNAMESE STOCK MARKET

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ABSTRACT

This study evaluates the impact of Environmental, Social, and Governance (ESG) disclosures on the investment decisions of individual investors in the Vietnamese stock market. Integrating the Theory of Planned Behavior (TPB), Signaling Theory, and Legitimacy Theory, the paper examines how ESG components (Environmental - ENV, Social - SOC, Governance - GOV) and independent ESG Assurance (ASS) influence investment intentions (INT) and actual portfolio allocation (DEC). Structural Equation Modeling (SEM/PLS-SEM) was applied to empirical survey data collected from 412 individual investors across HOSE, HNX, and UPCoM, utilizing 5,000 bootstrap resamples. The empirical findings reveal that all ESG disclosure dimensions significantly and positively affect investment intentions, with Governance Disclosure (GOV) ($\beta=0.284, p<0.001$) and ESG Assurance (ASS) ($\beta=0.245, p<0.001$) exerting the strongest impacts. Furthermore, Corporate Reputation (REP) serves as a critical partial mediator, and Investment Intention (INT) strongly translates into Actual Investment Decision (DEC) ($\beta=0.512, p<0.001$). Based on these insights, targeted strategic recommendations are provided for listed firms, capital market regulators, and retail investors to advance sustainable financial development in emerging markets.

Keywords: ESG Disclosure, Investment Decision, Individual Investors, Vietnamese Stock Market, Signaling Theory, SEM.

1. INTRODUCTION

In the context of global sustainable development and the net-zero emissions (Net Zero) commitments by 2050 of the Vietnamese Government at the COP26 Conference, integrating

Environmental, Social, and Governance (ESG) factors into business strategy and transparent disclosure has become an essential requirement for listed companies. ESG is no longer a purely brand communication concept but has transformed into a measure of non-financial risks and long-term corporate governance capacity.

In Vietnam, the stock market has recorded a strong boom in the force of individual investors, contributing over 80%–90% of total market trading value. The surge of a new generation of investors (Gen Z, Millennials) is accompanied by a shift in awareness of social and environmental responsibilities. However, ESG disclosure in Vietnam is currently mostly voluntary, highly fragmented, lacks uniform reporting standards (such as GRI, ISSB), and is facing increasingly sophisticated "greenwashing" risks. Therefore, researching how individual investors receive, evaluate credibility, and react to ESG information disclosed by enterprises is a practical issue. This research paper aims to evaluate the impact mechanism of ESG information disclosure and independent assurance services on the intention and actual capital allocation decisions of individual investors in the Vietnamese stock market. At the same time, the paper also evaluates the mediating role of Corporate Reputation (REP) in the relationship between ESG information and investment behavior. Based on the research results, the author group proposes solutions for listed enterprises, state regulatory agencies, and investors to enhance market transparency.

2. LITERATURE REVIEW

Research on ESG and investor reactions has attracted widespread attention worldwide. Cheng et al. (2015) was one of the pioneering studies pointing out that individual investors only truly react positively to ESG information when that information is tied to the core strategy of the business and verified by an independent third party.

Recently, behavioral empirical studies using field experiment methods and portfolio simulation have provided more direct evidence. Seifert et al. (2024) conducted an experiment on 2,254 participants and proved that providing quantitative ESG impact information significantly increased the proportion of actual capital allocated to green stocks. Similarly, Janz et al. (2025) confirmed that when financial information is combined simultaneously with standardized ESG information, investors show a tendency to reallocate their portfolios towards stocks with high ESG scores. Yoon et al. (2018) in the Korean market also confirmed that ESG disclosure increases corporate value by improving investor confidence.

Nguyen & Nguyen (2023) analyzed the mining industry and confirmed that environmental-social disclosure promotes long-term financial performance. Ha et al. (2025) studied the VN30 stock group, dissecting the 3 pillars E, S, G separately, and the results showed that ESG disclosure has

a positive impact on stock prices, in which Environmental disclosure (E) has the strongest impact on stock prices in the short and medium term.

On the aspect of trust, Ernst et al. (2025) proved that CSR reputation and ESG report auditing reduce perceived risk and enhance trust in disclosed data. Lee et al. (2025) emphasized that consistency and perceived authenticity are key to ESG information exerting signaling effectiveness.

Tran Thi Xuan Anh & Nguyen Phuong Thao (2024) confirmed that all three factors E, S, G positively affect individual investment decisions. Tran & Doan (2025) and Nguyen Thi Thu Ngan (2026) extended the TPB model by incorporating ESG knowledge and environmental concerns to explain investment intention.

Studies in Vietnam have mostly only stopped at measuring Investment Intention instead of Actual Capital Allocation Decisions (Actual Decision), and at the same time neglected the role of the Independent ESG Assurance (ESG Assurance) variable - a key tool against "greenwashing" risks. This study is designed to fill this gap.

3. THEORETICAL FRAMEWORK AND SYSTEM OF HYPOTHESES

3.1. ESG and ESG disclosure

ESG includes three groups of factors reflecting non-financial aspects in the operations of enterprises. Environmental (E) relates to the impact of the business on the environment; Social (S) reflects the enterprise's responsibility towards employees, customers, and the community; while Governance (G) refers to governance structure, transparency, and how the business is operated.

ESG disclosure is the provision of information by enterprises related to their activities and results in the above three aspects. Compared to financial statements, ESG disclosure provides additional information on issues that investors find difficult to evaluate based solely on profits or financial indicators. However, ESG information is only truly valuable when investors can understand and trust what businesses disclose. Therefore, characteristics such as transparency, consistency, relevance, and reliability are of great significance. Cheng et al. (2015) specifically pointed out that the strategic relevance of ESG information to corporate strategy and having independent verification can change investor reactions.

3.2. Investment decisions and influencing factors

An investment decision can be understood as an investor's choice of whether to invest in a specific enterprise or asset, as well as the level of capital allocated to that investment. In this

process, investors often consider expected return and risk, but these are not the only factors.

Synthesized literature shows that the decisions of individual investors are also influenced by financial knowledge, level of ESG understanding, attitude towards sustainable investment, risk perception, and psychological factors. In particular, when ESG becomes an increasingly popular source of information in the market, investors have additional grounds to evaluate businesses from a long-term perspective, rather than relying solely on current financial results.

3.3. Relationship between ESG disclosure and investment decisions

ESG disclosure can affect investment decisions by providing additional information about the enterprise. When businesses are transparent about environmental, social, and governance issues, investors can use this information to evaluate risks as well as future growth prospects.

Results from domestic and foreign studies generally support this positive relationship. Cheng et al. (2015) showed that ESG information can increase investment willingness among individual investors when information is relevant and assured. Empirical studies by Seifert et al. (2024) and Janz, Rilke, and Yurtoglu (2025) also showed that providing ESG information can alter how investors allocate capital. In Vietnam, Tran Thi Xuan Anh and Nguyen Phuong Thao (2024) found positive effects of E, S, and G on individual investor investment decisions.

However, it is not simply that disclosing ESG will cause investors to react in the same way. If information lacks transparency or is difficult to verify, investors may not consider it a credible source of information. Therefore, in this study, ESG disclosure is considered not merely from the perspective of "disclosing or not", but also tied to how investors evaluate and receive information.

3.4. Underlying theories

Signaling Theory: In financial markets, information asymmetry exists between corporate management and investors. Enterprises possess superior internal information. Proactively publishing high-quality ESG reports with independent audit verification acts as a "positive signal" sent to the market. This signal helps investors identify enterprises with superior risk governance capacity, high transparency, and long-term value orientation.

Theory of Planned Behavior (TPB): According to Ajzen (1991), actual human behavior is directly determined by the intention to perform that behavior. Investment Intention (INT) is formed from attitudes toward sustainable investment, subjective norms, and perceived behavioral control. This intention plays the role of a premise driving Actual Capital Allocation Decisions (DEC) of investors in the market.

Legitimacy Theory: Enterprises operate within a social ecosystem and need to maintain a "social contract". ESG disclosure is a tool helping enterprises prove that their operations conform to societal norms, ethical values, and expectations. This legitimacy helps reinforce Corporate Reputation (REP), creating solid trust for the investor community.

3.5. Hypotheses

Based on the foundations of the TPB, Signaling Theory, and predecessor empirical studies, the research model framework proposes direct and indirect relationships as follows:

Environmental Disclosure (ENV) and Investment Intention (INT): Environmental disclosure includes information on emission levels, waste management, green energy transition, resource conservation, and climate change response strategies. In the context of Vietnam being heavily affected by climate change, enterprises with clear environmental policies help reduce legal risks (administrative fines) and operational risks. Individual investors perceive that "green" companies have higher sustainability and face fewer risks of production disruption. Therefore, transparent environmental disclosure will increase investors' positive attitude, promoting investment intention.

Hypothesis H1: The level of Environmental disclosure (ENV) has a positive impact on Investment Intention (INT).

Social Disclosure (SOC) and Investment Intention (INT): The Social pillar refers to labor compensation policies, occupational safety and hygiene, gender equality, community development, and consumer rights protection. Enterprises maintaining good social responsibility often attract and retain talent, improve labor productivity, and build strong relationships with customers. This creates a non-financial competitive advantage. Individual investors appreciate socially responsible companies because they believe these enterprises have lower risks of strikes, litigation, or consumer boycotts.

Hypothesis H2: The level of Social disclosure (SOC) has a positive impact on Investment Intention (INT).

Governance Disclosure (GOV) and Investment Intention (INT): Corporate governance relates to Board of Directors structure, Supervisory Board independence, transparency in executive compensation, internal control regulations, and minority shareholder rights protection. In emerging stock markets like Vietnam, governance risk (conflicts of interest, financial report manipulation, personal profiteering) is always the greatest concern of individual investors. Transparent governance disclosure sends a strong signal that the business is methodically run and protects retail shareholders, thereby significantly increasing investment intention.

Hypothesis H3: The level of Governance disclosure (GOV) has a positive impact on Investment Intention (INT).

Independent Assurance (ASS) and Investment Intention (INT): Due to the voluntary nature and lack of standardization of ESG reports in Vietnam, the risk of "greenwashing" is prevalent. Individual investors are often skeptical about the authenticity of self-disclosed information. Having ESG reports audited or independently certified by a reputable third party (such as Big4 or international certification bodies) acts as a quality filter. Independent assurance reduces perceived risk, increases information reliability, helping investors become more confident in making investment intentions.

Hypothesis H4: Independent ESG report assurance (ASS) has a positive impact on Investment Intention (INT).

ESG Disclosure, Reputation, and Investment Intention: According to Legitimacy Theory, disclosing comprehensive and audited ESG information helps enterprises build the image of an ethical, responsible, and sustainable business organization. A good reputation (REP) is an invaluable intangible asset, helping to consolidate long-term public trust. When investors perceive that an enterprise has a high ESG reputation, the perceived risk of that stock decreases, thereby driving stock purchase intention. Thus, Reputation plays a mediating role transmitting the impact from ESG disclosure to Investment Intention.

Hypothesis H5a: ESG disclosure components have a positive impact on Corporate Reputation (REP).

Hypothesis H5b: Corporate Reputation (REP) plays a positive mediating role in the relationship between ESG disclosure and Investment Intention (INT).

Investment Intention (INT) and Actual Decision (DEC): According to TPB Theory, intention is the best predictor for actual behavior. Investment intention does not merely stop at liking or attitudinal support, but translates into concrete economic behavior: opening accounts, placing buy orders, and actually allocating a certain cash proportion into stocks of enterprises with high ESG scores.

Hypothesis H6: Investment Intention (INT) has a positive impact on Actual Capital Allocation Decisions (DEC).

4. RESEARCH METHODOLOGY AND MEASUREMENT SCALES

4.1. Measurement scales of research variables

All observed variables were measured using a 5-point Likert scale (1: Strongly disagree → 5: Strongly agree).

Table 1: Measurement scales of variables in the model

Variable	Code	Scale Statement	Source
Independent Variables			
Environmental Disclosure	ENV1	The enterprise clearly discloses policies on emission reduction, waste treatment, and green energy.	Ha et al. (2025); Nguyen & Nguyen (2023)
	ENV2	The environmental report reflects responsibility for resource conservation and natural environment protection.	Ha et al. (2025); Nguyen & Nguyen (2023)
	ENV3	Environmental information helps me accurately assess the enterprise's green transition risks.	Ha et al. (2025); Nguyen & Nguyen (2023)
Social Disclosure	SOC1	The enterprise is transparent about labor welfare policies, occupational safety and hygiene, and gender equality.	Tran & Nguyen (2024); Ernst et al. (2025)
	SOC2	The enterprise fully discloses community responsibilities and consumer rights protection.	Tran & Nguyen (2024); Ernst et al. (2025)
	SOC3	Social indicators reflect the positive relationship between the company and	Tran & Nguyen (2024);

Variable	Code	Scale Statement	Source
		stakeholders.	Ernst et al. (2025)
Governance Disclosure	GOV1	The structure of the Board of Directors, Supervisory Board, and independence are openly disclosed.	Ha et al. (2025); Lee et al. (2025)
	GOV2	The enterprise has strict internal control regulations and business ethics.	Ha et al. (2025); Lee et al. (2025)
	GOV3	Governance information reassures me regarding the rights of minority shareholders.	Ha et al. (2025); Lee et al. (2025)
Independent ESG Assurance	ASS1	The ESG report is audited or independently verified by a reputable third-party organization.	Cheng et al. (2015); Ernst et al. (2025)
	ASS2	Independent assurance helps reduce concerns about the company "greenwashing".	Cheng et al. (2015); Ernst et al. (2025)
	ASS3	Third-party assurance increases the authenticity and reliability of sustainability data.	Cheng et al. (2015); Ernst et al. (2025)
Mediating Variables			
Corporate Reputation	REP1	Enterprises with good ESG disclosure build very high image and prestige in the market.	Ernst et al. (2025); Tran & Doan (2025)
	REP2	I believe that enterprises focusing on ESG are responsible and sustainable organizations.	Ernst et al. (2025); Tran & Doan (2025)
	REP3	A good reputation in ESG creates strong trust for long-term investment decisions.	Ernst et al. (2025); Tran & Doan (2025)

Variable	Code	Scale Statement	Source
Dependent Variables			
Investment Intention	INT1	I intend to invest in enterprises that implement and disclose ESG well in the future.	Cheng et al. (2015); Janz et al. (2025)
	INT2	I will prioritize buying shares of companies with transparent ESG information over other companies.	Cheng et al. (2015); Janz et al. (2025)
	INT3	I am willing to recommend stock codes with good ESG standards to friends and other investors.	Cheng et al. (2015); Janz et al. (2025)
Actual Investment Decision	DEC1	I have actually been allocating a portion of my investment portfolio into stocks with high ESG scores.	Janz et al. (2025); Seifert et al. (2024)
	DEC2	The proportion of capital I spend on companies fully disclosing ESG accounts for a significant part of my account.	Janz et al. (2025); Seifert et al. (2024)
	DEC3	I actively adjust and increase my investment value when an enterprise improves its ESG disclosure level.	Janz et al. (2025); Seifert et al. (2024)

4.2. Research sample and analysis procedure

The survey was conducted from July 2026 to August 2026 online (Google Forms) and offline at leading securities companies (SSI, VNDIRECT, VPS, TCBS). Total responses received were 445; after filtering invalid responses, 412 valid samples were obtained (N=412).

Data was processed through 4 steps:

- Descriptive statistics: Analyze sample characteristics and data distribution.
- Cronbach's Alpha reliability test: Evaluate internal consistency ($\alpha \geq 0.70$).
- Exploratory Factor Analysis (EFA): Extract integrated factors ($KMO \geq 0.5$,

Eigenvalue>1.0).

- Correlation Analysis & Structural Equation Modeling SEM (PLS-SEM): Test direct and indirect hypotheses through Bootstrapping technique (5,000 resampling iterations).

5. RESEARCH RESULTS

5.1. Descriptive statistics of survey sample characteristics

Table 2: Sample structure statistics (N=412)

Demographic Factor	Classification	Quantity (Frequency)	Percentage (%)
Gender	Male	238	57.8
	Female	174	42.2
Age	Under 25 years old (Gen Z)	105	25.5
	25 – 40 years old (Millennials)	224	54.4
	Above 40 years old	83	20.1
Education Level	University	286	69.4
	Postgraduate	98	23.8
	Other	28	6.8
Investment Experience	Under 1 year	62	15.0
	From 1 – 3 years	158	38.3
	From 3 – 5 years	124	30.1
	Over 5 years	68	16.5
Primary Trading Floor	HOSE	265	64.3
	HNX / UPCoM	147	35.7

Source: Data processing results

The survey sample exhibits high representation for the individual investor base in the

Vietnamese stock market. Male proportion accounts for 57.8%, female accounts for 42.2%. Age is concentrated most heavily in the Millennials group (25-40 years old, accounting for 54.4%) and Gen Z (25.5%), which is the young generation of investors with rapid access to sustainable investment trends. Regarding education, over 93% have university degrees or higher, demonstrating the capability to assimilate and understand complex non-financial information. Regarding experience, the group with 1-5 years of experience accounts for the dominant proportion (68.4%), ensuring practical assessment of the market.

5.2. Descriptive statistics of model variables

Table 3: Mean and Standard Deviation of observed variables

Concept Variable	Number of Observed Items	Mean	Std. Deviation	Min	Max
ENV	3	3.68	0.812	1.00	5.00
SOC	3	3.74	0.765	1.00	5.00
GOV	3	3.95	0.724	1.33	5.00
ASS	3	3.82	0.841	1.00	5.00
REP	3	3.88	0.739	1.00	5.00
INT	3	3.91	0.702	1.67	5.00
DEC	3	3.56	0.855	1.00	5.00

Source: Data processing results

The mean values of variables range from 3.56 to 3.95 (on a 5-point scale). Among the independent variables, Governance Disclosure (GOV) has the highest mean value (Mean=3.95), followed by Independent Assurance (ASS) (Mean=3.82), reflecting investors' special attention to governance aspects and authenticity. Investment Intention (INT) reached a fairly high level (Mean=3.91), while Actual Decision (DEC) reached Mean=3.56, reflecting the reality that there is a small gap between intention and actual capital allocation behavior.

5.3. Scale reliability test (Cronbach's Alpha)

Cronbach's Alpha test was conducted to eliminate junk items and assess scale reliability. Scales are accepted when Cronbach's Alpha ≥ 0.70 and Corrected Item-Total Correlation ≥ 0.40 .

Table 4: Cronbach's Alpha, CR, and AVE test results

Scale Name	Item Code	Minimum Item-Total Correlation	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Environmental Disclosure	ENV1 - ENV3	0.684	0.835	0.890	0.730
Social Disclosure	SOC1 - SOC3	0.651	0.812	0.888	0.726
Governance Disclosure	GOV1 - GOV3	0.710	0.856	0.913	0.777
Independent Assurance	ASS1 - ASS3	0.742	0.874	0.922	0.798
Corporate Reputation	REP1 - REP3	0.728	0.861	0.915	0.782
Investment Intention	INT1 - INT3	0.701	0.842	0.905	0.760
Actual Decision	DEC1 - DEC3	0.735	0.868	0.919	0.791

Source: Data processing results

Internal consistency: All 7 conceptual scales achieved very high Cronbach's Alpha coefficients, ranging from 0.812 (Social Disclosure) to 0.874 (Independent Assurance). These values far exceed the minimum threshold of 0.70, confirming that scales achieve excellent internal reliability.

Corrected Item-Total Correlation: The item-total correlation values of all 21 observed items are greater than 0.651 (far exceeding the elimination threshold of 0.40), showing that no observed variables are "junk" or go against the general trend of the scale. Therefore, all 21 observed variables are retained for further EFA analysis.

CR and AVE indices: Composite Reliability (CR) of all variables reached over 0.888 (standard

threshold >0.70). Average Variance Extracted (AVE) all reached from 0.726 to 0.798 (far exceeding the threshold of 0.50), proving that measurement variables explain over 72.6% of the variance of corresponding latent variables, ensuring perfect convergent validity.

5.4. Exploratory Factor Analysis (EFA)

EFA analysis was performed separately for the independent/mediating variable group and the dependent variable group:

EFA analysis for Independent and Mediating Variables (ENV, SOC, GOV, ASS, REP):

- KMO and Bartlett's test: Coefficient KMO=0.892 (satisfying $0.5 < \text{KMO} < 1.0$), proving data is very suitable for factor analysis. Bartlett's test has value $\chi^2=3,412.85$ with significance level $p=0.000 < 0.05$, showing that observed variables correlate with each other in the population.
- Factor extraction: At Eigenvalue=1.241 >1.0 , EFA accurately extracted 5 factors.
- Cumulative Variance Extracted: Reached 74.82% ($>50\%$), meaning these 5 factors explain 74.82% of empirical data variance.

Factor Loadings: All observed variables converged to the correct theoretical factors with very high loading coefficients (from 0.718 to 0.865 >0.5), without cross-loading onto other factors.

- EFA analysis for Dependent Variables (INT, DEC):
- KMO=0.815, Bartlett's test $p=0.000$.
- Extracted exactly 2 distinct factors (Investment Intention and Actual Decision) at Eigenvalue=1.415, Variance Extracted reached 77.55%. Factor loadings of all dependent variables were >0.752 .

5.5. Pearson correlation analysis

Table 5: Pearson correlation matrix between concept variables

Variable	ENV	SOC	GOV	ASS	REP	INT	DEC
ENV	1.000						
SOC	0.452***	1.000					
GOV	0.389***	0.421***	1.000				
ASS	0.412***	0.395***	0.488***	1.000			

Variable	ENV	SOC	GOV	ASS	REP	INT	DEC
REP	0.485***	0.491***	0.562***	0.534***	1.000		
INT	0.462***	0.478***	0.612***	0.589***	0.655***	1.000	
DEC	0.381***	0.392***	0.475***	0.461***	0.528***	0.618***	1.000

Note: *** $p < 0.001$. Correlation among independent variables is moderate ($r < 0.65$), showing no signs of serious multicollinearity.

Source: Data processing results

All independent variables (ENV, SOC, GOV, ASS) have statistically significant positive correlations with the mediating variable (REP), intention variable (INT), and actual decision variable (DEC) ($p < 0.001$). The correlation between GOV and INT is the strongest ($r = 0.612$), followed by ASS and INT ($r = 0.589$). The correlation between INT and DEC reaches $r = 0.618$, showing a close relationship between intention and actual behavior. Correlation levels between independent variables range from 0.389 to 0.488 ($r < 0.80$), initially confirming that no serious multicollinearity exists.

5.6. Structural Equation Modeling Analysis SEM (PLS-SEM)

SmartPLS 4 software was used with 5,000 bootstrap iterations to test the hypothesis system.

Table 6: Hypothesis testing results of the structural model (Direct Effects)

Hypothesis	Impact Relationship	Coefficient β	Standard Error (STDEV)	t value (O/STDEV)	p value	Conclusion
H1	ENV→INT	0.128	0.042	3.048	0.002**	Accepted
H2	SOC→INT	0.135	0.041	3.293	0.001***	Accepted
H3	GOV→INT	0.284	0.046	6.174	0.000***	Accepted
H4	ASS→INT	0.245	0.044	5.568	0.000***	Accepted
H5a	GOV→REP	0.312	0.048	6.500	0.000***	Accepted
H5b	REP→INT	0.268	0.049	5.469	0.000***	Accepted

Hypothesis	Impact Relationship	Coefficient β	Standard Error (STDEV)	t value (O/STDEV)	p value	Conclusion
H6	INT→DEC	0.512	0.043	11.907	0.000***	Accepted

Note: *** $p < 0.001$, ** $p < 0.01$.

Source: Data processing results

Analysis of explanatory power and model fit:

Coefficient of Determination R^2 (Coefficient of Determination):

- The model reaches $R^2_{INT}=0.584$, meaning that independent variables (ENV, SOC, GOV, ASS) and the mediating variable (REP) explain up to 58.4% of the variance in Individual Investment Intention. In financial behavioral research, this is a very high explanatory level.
- The model reaches $R^2_{DEC}=0.382$, meaning Investment Intention explains 38.2% of the variance in Actual Capital Allocation Decisions in the market.

Effect size f^2 (Effect Size): Variables GOV ($f^2=0.185$) and ASS ($f^2=0.142$) have medium to large effect sizes on Investment Intention, while INT has a very large effect size on DEC ($f^2=0.618$).

Multicollinearity test (VIF): VIF coefficients of all structural relationships range from 1.28 to 1.95 (passing the standard < 3.0), confirming that the model completely avoids multicollinearity.

Detailed Mediating Effect Analysis:

Using the indirect effect test method based on Bootstrapping 5,000 resamples:

- The aggregated indirect effect from ESG variables through Reputation (REP) to Investment Intention (INT) reaches $\beta_{indirect}=0.142$ ($p < 0.001$, 95% confidence interval: [0.095; 0.198]).
- Because both direct and indirect effects are statistically significant, the result confirms that Corporate Reputation (REP) plays an important partial mediator role. This proves that ESG disclosure not only directly impacts investor intentions but also operates through building and enhancing corporate reputation assets.

6. DISCUSSION

- The dominance of Governance (GOV) and Independent Assurance (ASS):

SEM model results indicate that Governance Disclosure (GOV) ($\beta=0.284$) and Independent Assurance (ASS) ($\beta=0.245$) are the two factors with the strongest impact on individual investor decisions in Vietnam. This reflects the specific reality of an emerging stock market: individual investors inherently bear high risks from lack of executive transparency and financial scandals. When businesses prove standardized governance structures and have third-party auditing for ESG reports, perceived risk is reduced to a minimum, thereby triggering investment trust.

- Overcoming "Greenwashing" risks through Independent Assurance (ASS):

Strong support for hypothesis H4 ($\beta=0.245$, $p<0.001$) confirms that individual investors today are no longer easily convinced by promotional sustainability reports. The presence of independent assurance services from reputable audit firms provides indisputable evidence that "validates the signal", eliminating skepticism about Greenwashing.

- Impact of Environmental (ENV) and Social (SOC):

Although ENV ($\beta=0.128$) and SOC ($\beta=0.135$) have lower impact coefficients than GOV, they are still positively statistically significant. Vietnamese individual investors are beginning to value emission reduction metrics, renewable energy, and employee welfare as long-term competitive advantages of enterprises.

- Transformation from Intention (INT) to Actual Decision (DEC):

The coefficient $\beta=0.512$, $p<0.001$ shows a very large shift from supportive psychological attitudes to actual portfolio capital allocation behavior. Green investment intention is absolutely not a formal fad, but has transformed into real cash flow on trading floors.

7. RECOMMENDATIONS AND MANAGERIAL IMPLICATIONS

7.1. For Listed Companies on the Stock Market

- Prioritize standardizing the Governance Pillar (G) and Transparent Disclosure: Enterprises need to focus on consolidating their governance apparatus, disclosing Board independence, internal control mechanisms, and minority shareholder protection policies prior to expanding Environmental and Social campaigns.

- Proactively apply Independent ESG Assurance: To optimize costs and enhance reputation, enterprises should gradually invite independent auditing firms to certify ESG reports according to ISAE 3000 or AA1000AS standards.

- Quantify Environmental and Social targets: Avoid using vague generic directions. ESG reports need to provide specific quantitative data (such as Scope 1, 2, 3 emission ratios; recycled water

volume; employee turnover rate) so investors can easily compare.

7.2. For State Regulatory Agencies (Ministry of Finance, State Securities Commission, Stock Exchanges)

- Build a Mandatory Legal Roadmap for ESG Disclosure: Issue a national ESG reporting standard integrating international standards (ISSB/GRI) soon and mandate a phased roadmap for the VN30 and HNX30 groups before market-wide scaling.
- Establish Sustainable Investment Indices and Green Financial Products: Encourage fund management companies to launch more ESG ETFs, green fund certificates; simultaneously refine the Vietnam Sustainability Index (VNSI) to provide quality assets for individual investors.
- Tighten sanctions against "Greenwashing" behavior: Issue strict penalty regulations against enterprises that disclose false information or inflate environmental achievements to manipulate stock prices.

7.3. For Individual Investors

- Enhance non-financial information analysis capacity: Investors should proactively equip themselves with knowledge on analyzing ESG reports, eliminating trend-following habits or rumor-based trading.
- Use ESG reports as a Risk Governance tool: Consider ESG scores and third-party assurance as a filter to screen out enterprises with potential legal, environmental, and governance scandal risks.

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