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CORPORATE SOCIAL RESPONSIBILITY (CSR) DISCLOSURES AND INVESTOR CONFIDENCE: A MULTI-COUNTRY ANALYSIS

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Abstract

This study aims to analyze the role of Corporate Social Responsibility (CSR) disclosure in shaping and strengthening investor trust across countries. Increasing investor attention to non-financial aspects encourages companies to disclose CSR information as part of their corporate transparency and accountability strategies. However, differences in institutional characteristics, levels of regulation, culture, and financial market development across countries lead to variations in the quality and impact of CSR disclosure on investor perceptions. This study uses a literature review method, examining scientific articles, international reports, and reputable academic publications that discuss the relationship between CSR disclosure and investor trust across developed and developing countries. The results indicate that comprehensive, credible, and consistent CSR disclosure tends to increase investor trust by reducing information asymmetry and risk perceptions, particularly in markets with strong levels of transparency and regulatory enforcement. However, the effectiveness of CSR disclosure is strongly influenced by each country's institutional context, including reporting standards, governance mechanisms, and investors' ESG literacy levels. This study provides a conceptual contribution by summarizing cross-country findings regarding the strategic role of CSR disclosure in building investor trust and its implications for companies, regulators, and global stakeholders.

Keywords: Corporate Social Responsibility, CSR Disclosure, Investor Trust, Cross-Country Analysis

INTRODUCTION

Developments in global capital markets over the past few decades have demonstrated a paradigm shift in investment decision-making. Investors no longer solely focus on traditional financial performance such as profit, cash

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flow, and financial ratios, but increasingly consider non-financial aspects that reflect a company's sustainability and social responsibility. This change is driven by growing awareness of the impact of business activities on the environment, society, and corporate governance, as well as by various financial crises and corporate scandals that have eroded investor confidence in conventional financial information. In this context, Corporate Social Responsibility (CSR) disclosure has become a crucial instrument for companies to convey ethical and sustainability commitments to stakeholders, particularly investors (Peng et al., 2021a).

CSR is no longer viewed solely as a voluntary philanthropic activity, but rather as an integral part of long-term business strategy and risk management. Companies that consistently disclose CSR information are perceived as more transparent, responsible, and aware of the social and environmental impacts of their operations. CSR disclosure signals to investors about the quality of management, long-term orientation, and the company's ability to manage non-financial risks that could potentially impact future performance (De Simone & Olbert, 2022). Thus, CSR disclosures have the potential to play a strategic role in shaping investor perceptions and trust levels in companies.

Investor trust is a fundamental element in maintaining the stability and efficiency of capital markets. Investors with high levels of trust in companies tend to be more willing to invest, hold investments long-term, and accept risks with a greater tolerance (Adamska et al., 2024). Conversely, low investor trust can trigger market volatility, increase the cost of capital, and decrease company value. In an increasingly integrated and competitive global market, companies are required to build and maintain investor trust through transparent and credible reporting practices, including CSR disclosure.

However, the relationship between CSR disclosure and investor trust is not always linear and uniform across countries. Differences in economic systems, levels of capital market development, regulatory frameworks, cultures, and levels of social awareness can influence how investors perceive and respond to CSR information. In countries with strong reporting regulations and high sustainability awareness, CSR disclosure tends to be considered an important indicator of corporate quality. On the other hand, in developing countries, CSR disclosure is sometimes still seen as a mere formality or legitimacy strategy, so its impact on investor confidence is less consistent.

Furthermore, CSR disclosure standards and practices also vary across countries. Although various international initiatives such as the Global Reporting Initiative (GRI), the United Nations Global Compact, and ESG standards have encouraged harmonization of sustainability reporting, their implementation at the national level still shows significant differences. This variation poses challenges for investors across countries in comparing the quality and credibility of CSR information across companies. This inconsistency has the potential to impact the effectiveness of CSR disclosures in building investor confidence globally (Choi et al., 2025a).

Furthermore, the increasing flow of cross-border investment demands a more comprehensive understanding of how investors from different countries respond to CSR information. Global institutional investors, for example, are increasingly integrating ESG and CSR factors into their investment strategies as part of risk management and long-term value creation. This suggests that CSR disclosure is not only relevant in the domestic context but also has significant international implications (Garzón-Jiménez & Zorio-Grima, 2021a). Therefore, cross-country analysis is crucial to more comprehensively capture the dynamics of the relationship between CSR disclosures and investor confidence.

Although research on CSR and capital markets has grown rapidly, most previous studies have focused on the context of a single country or region. This approach limits the generalizability of findings and is less able to explain differences in investor responses to CSR disclosures in a global context. Furthermore, there is ongoing debate in the literature regarding the extent to which CSR disclosures truly reflect a company's substantive commitments or are merely symbolic tools for building a positive image. This debate further emphasizes the importance of in-depth and comparative studies to understand the role of CSR disclosures in shaping investor confidence across countries.

In the post-pandemic context and heightened global uncertainty, the issue of investor confidence has become even more crucial. The global crisis has exposed the vulnerabilities of the economic system and emphasized the importance of sustainable and responsible business practices. Investors are increasingly sensitive to social and environmental risks that can impact long-term corporate performance (Garzón-Jiménez & Zorio-Grima, 2021a). Therefore, transparent, consistent, and credible CSR disclosures are expected to contribute to restoring and strengthening investor confidence, both in developed and emerging markets.

Based on the above description, it can be concluded that CSR disclosure has strategic potential in influencing investor confidence, but its impact is strongly influenced by the country context and capital market characteristics. The research gap related to cross-country analysis of the relationship between CSR disclosures and investor confidence is still wide open and requires a comprehensive study based on international literature. Therefore, the study entitled "Corporate Social Responsibility (CSR) Disclosures and Investor Confidence: A Multi-Country Analysis" is relevant and important to provide a deeper understanding of the role of CSR disclosure in building investor confidence across various country contexts, while also providing theoretical and practical contributions to the development of sustainability reporting policies and global investment decision-making.

RESEARCH METHOD

The research method used in the study, "Corporate Social Responsibility (CSR) Disclosures and Investor Confidence: A Multi-Country Analysis," is a systematic literature review with a cross-country comparative approach. This study collected and analyzed various relevant scientific literature sources, including articles from reputable international journals, global institutional reports, and academic publications discussing CSR disclosure, investor confidence, and capital market dynamics in various countries. The literature search was conducted through scientific databases such as Scopus, Web of Science, and Google Scholar using keywords related to CSR disclosure, investor confidence, ESG reporting, and international capital markets. The selected literature was selected based on the criteria of topic relevance, year of publication, journal quality, and the country context under study to ensure representation of diverse economic and regulatory characteristics.

Data analysis in this study was conducted using thematic analysis and narrative synthesis techniques to identify patterns, similarities, and differences in the influence of CSR disclosure on investor confidence across countries. The multi-country approach was used to compare how institutional factors, regulatory frameworks, levels of transparency, and non-financial reporting culture moderate the relationship between CSR disclosure and investor response. The results of the literature synthesis are then critically interpreted to build a comprehensive conceptual framework on the role of CSR disclosure in shaping investor confidence at the global level, while identifying research gaps that can form the basis for further empirical studies.

RESULT AND DISCUSSION

Investor Confidence

Investor confidence is a central concept in financial market studies because it serves as the primary foundation for determining the stability, efficiency, and dynamics of capital markets. In the modern economic context characterized by the rapid flow of information, the complexity of financial instruments, and the increasing global interconnectedness of markets, the level of investor confidence is becoming increasingly crucial. Investor confidence not only influences individual decisions to buy, hold, or sell financial assets but also has an aggregate impact on market liquidity, stock price volatility, and the sustainability of economic growth (Cupák et al., 2022). Therefore, a comprehensive understanding of the definition, indicators, influencing factors, and measurement methods of investor confidence is crucial in both academic studies and capital market practice.

Conceptually, investor confidence can be defined as the level of investor confidence in the ability of markets, companies, and related institutions to provide reasonable returns with an acceptable level of risk. This confidence reflects investors' perceptions of economic stability, the credibility of financial information, corporate governance, and the effectiveness of capital market regulations. Investors with high levels of confidence tend to view the market as a safe and rational investment vehicle, thus being willing to invest in the medium to long term. Conversely, low investor confidence is often associated with excessive risk perception, information uncertainty, and doubts about the integrity of market participants, which can ultimately trigger speculative behavior or even massive withdrawals.

Indicators of investor confidence are generally multidimensional and encompass psychological, economic, and institutional aspects. Psychologically, investor confidence is reflected in expectations about future market performance, including confidence in corporate profit growth and stock price stability. This indicator is often related to market sentiment, investor optimism, or pessimism regarding economic conditions. Economically, indicators of investor confidence can be seen through market responses to macroeconomic information such as gross domestic product growth, inflation rates, interest rates, and unemployment rates. Stable macroeconomic indicators typically boost investor confidence because they reflect a conducive investment environment (Tang et al., 2024). Meanwhile, institutionally, investor confidence is influenced by the quality of regulations, transparency of financial reporting, and the effectiveness of law enforcement in the capital market. When institutions are perceived as credible and capable of protecting investor interests, trust tends to increase.

The factors influencing investor confidence are diverse and interrelated. One key factor is the quality and transparency of financial information provided by a company. Accurate, timely, and independently audited financial reports provide positive signals to investors regarding a company's condition and prospects. Furthermore, non-financial disclosure practices, such as corporate social responsibility, corporate governance, and sustainability disclosures, are increasingly playing a role in shaping investor confidence, particularly in the era of ESG-based investing. Modern investors consider not only financial performance but also a company's reputation and commitment to social and environmental issues (Gupta et al., 2023).

Macroeconomic factors also significantly influence investor confidence. Political stability, consistent fiscal and monetary policies, and a conducive economic climate tend to increase investor confidence in market prospects. Political uncertainty, drastic policy changes, or economic crises can quickly and broadly undermine investor confidence. Globally, international economic conditions, exchange rate fluctuations, and global financial market dynamics also influence perceptions of risk and investment opportunities. Investors often respond to global events such as financial crises, geopolitical conflicts, or pandemics by adjusting their portfolios, reflecting changing levels of market confidence.

In addition to economic and informational factors, investor behavior and psychology also play a crucial role. Behavioral finance theory suggests that investor confidence is not always based solely on rational analysis but is also influenced by cognitive biases, emotions, and past experiences. Phenomena such as overconfidence, herding behavior, and loss aversion can influence how investors process information and make decisions. For example, in bullish market conditions, investors tend to be overly optimistic and increase risk exposure due to their confidence in the market's ability to continue growing. Conversely, in bearish market conditions, fear and uncertainty can exacerbate the decline in investor confidence and trigger excessive selling.

The role of media and information technology is also increasingly significant in shaping investor confidence. Widespread access to financial news, market analysis, and public opinion through digital media can accelerate the spread of both positive and negative sentiment. Credible and educational information can increase investor understanding and strengthen their confidence, while misleading or speculative information has the potential to cause panic and distrust. Therefore, financial literacy and investors' ability to discriminate between information are crucial supporting factors in maintaining sustainable investor confidence.

Measuring investor confidence is challenging due to its inherent inability to be directly observed. One commonly used method is the investor confidence survey, which collects data on investor perceptions, expectations, and attitudes toward market and economic conditions. These surveys are typically conducted periodically and produce an investor confidence index that reflects the level of market optimism or pessimism. The advantage of the survey method lies in its ability to directly capture psychological aspects and investor sentiment, although results can be influenced by respondent subjectivity and temporary conditions at the time of the survey (Phaju & Shrestha, 2024).

In addition to surveys, investor confidence indices based on market data are also frequently used as measurement tools. These indices are typically compiled by combining various quantitative indicators such as trading volume, market volatility, inflows and outflows, and stock valuation ratios. Changes in these indicators are thought to reflect the level of investor confidence in the market. For example, increases in trading volume and inflows into the stock market are often interpreted as signals of increasing investor confidence, while spikes in volatility and outflows may indicate declining confidence.

Changes in stock prices also serve as an indirect method of measuring investor confidence. Within the framework of efficient market theory, stock prices reflect all available information and investors' expectations regarding the company's future performance. Sustained stock price increases are often associated with increased investor confidence in the company's prospects and the market in general. However, this approach has limitations because stock prices are also influenced by speculative factors and short-term sentiment that do not always reflect fundamental investor confidence (Kedia, n.d.).

Other measurement methods include analyzing market volatility and risk indicators. High levels of volatility are often interpreted as reflecting uncertainty and low investor confidence, while stable volatility indicates a more confident and predictable market. Furthermore, the use of indicators such as the market fear index or implied volatility also helps understand the dynamics of investor confidence in response to risk. The combination of these measurement methods provides a more comprehensive picture of investor confidence levels, as each method captures different dimensions of this complex phenomenon.

The Impact of CSR Disclosures on Investor Trust

Modern investors no longer solely focus on short-term financial performance but also consider how a company manages its long-term social, environmental, and governance impacts (Gao et al., 2023). In this context, CSR disclosures serve as a strategic communication tool that provides insight into a company's values, ethical commitments, and operational sustainability. Consistent and credible CSR information can influence how investors assess a company's risks, prospects, and stability, ultimately shaping investor confidence in that business entity.

The influence of CSR on investor risk perception can be understood through the perspective of non-financial risk management, which is increasingly gaining attention in investment decision-making. Corporate risk stems not only from market fluctuations or financial performance, but also from potential social conflicts, ethical violations, environmental damage, and governance failures that can lead to reputational damage and regulatory sanctions. Comprehensive CSR disclosures signal that a company has systematically identified, managed, and mitigated these risks. Investors tend to view companies with good CSR practices as more stable and less likely to face unexpected negative events. Thus, CSR disclosures contribute to reducing investor risk perceptions, particularly long-term risks that are often difficult to measure through conventional financial reports (Sriersan et al., 2023).

Furthermore, CSR disclosures also influence risk perceptions by improving the quality of information available to the market. When companies transparently disclose environmental policies, labor practices, social responsibility, and governance mechanisms, information asymmetry between management and investors can be reduced. This reduced information asymmetry makes investors feel more confident that they have an adequate understanding of the company's condition and strategic direction. The trust generated by this transparency implies a more rational and moderate risk assessment, so investors are less likely to react negatively to external issues that may not necessarily reflect the company's fundamental condition.

Within the framework of signaling theory, CSR disclosures can be understood as a means of ethical and sustainability signals sent by companies to the market. Companies that voluntarily disclose extensive and structured CSR information are considered to have an incentive to demonstrate better internal quality than companies that disclose minimally. This signal reflects management's commitment to ethical values, regulatory compliance, and a long-term, sustainable orientation. Investors interpret these signals as indicating that a company is not solely focused on short-term profits but also strives to create sustainable value for all stakeholders. In uncertain market conditions, these ethical and sustainability signals are crucial factors in strengthening investor confidence (Stuart et al., 2021).

CSR as a signaling tool is also closely linked to a company's reputation in the eyes of the public and the investment community. A good reputation is built through consistency between verifiable CSR policies, practices, and disclosures. When CSR reports are supported by clear data, internationally recognized reporting standards, and independent audits or assurance, the credibility of the signals sent to investors is strengthened. Investors tend to place a trust premium on companies with a solid CSR reputation due to their perceived better governance and lower moral hazard risk. Conversely, symbolic or inconsistent CSR disclosures can arouse skepticism and undermine investor confidence (Martínez-Ferrero et al., 2021).

The impact of CSR disclosures on investor confidence is also reflected in the dynamics of stock price volatility. Stock price volatility is often viewed as an indicator of uncertainty and perceived risk in the market. Incomplete or unclear information can trigger market overreactions to rumors or external events, thus increasing stock price fluctuations (Hoang & Trotman, 2021). In this context, transparent and sustainable CSR disclosures act as a stabilizing information mechanism. Investors who have a better understanding of a company's sustainability commitments and strategies are less likely to panic when facing short-term issues, as they trust that the company has a strong foundation of values and governance.

High-quality CSR disclosures can reduce stock price volatility by increasing investor confidence in the company's long-term prospects. When investors perceive a company as a responsible and sustainable entity, they are more likely to maintain their investments over the long term rather than engaging in short-term speculative transactions. This more stable investment behavior contributes to reduced excessive buying and selling pressure in the market, thus more manageable stock price fluctuations (Zamir et al., 2020). Thus, CSR disclosures impact not only individual investor perceptions and attitudes but also overall market stability.

However, the relationship between CSR disclosures and stock price volatility is not always linear and positive. In some cases, CSR disclosures that reveal specific sustainability challenges or risks can trigger a negative market reaction in the short term. However, this reaction is often temporary and can be offset by increased long-term trust if investors perceive the company to be honest and proactive in managing risks. Transparency coupled with a clear improvement strategy can actually strengthen the perception that a company has strong adaptability, thereby reducing long-term volatility.

Multi-Country Analysis

Multi-country analysis in Corporate Social Responsibility (CSR) studies has become an increasingly relevant approach amidst the globalization of capital markets and increasing cross-border investment flows. This approach allows researchers to understand how CSR practices, regulations, and perceptions evolve in different economic, institutional, and sociocultural contexts. Differences in characteristics between countries often result in significant variations in the level of CSR disclosure and its impact on stakeholders, particularly investors (Peng et al., 2021b). Therefore, cross-country analysis serves not only as a comparative tool but also as a means to identify structural and contextual factors that shape the quality and effectiveness of CSR disclosure across jurisdictions.

The criteria for selecting study countries are fundamental to multi-country analysis because they determine the validity and generalizability of research findings. The selected countries generally represent different levels of economic development, such as developed countries, developing countries, and countries with transitional economies, allowing for the observation of variations in CSR practices across a broad development spectrum. Furthermore, the stability of the capital market system, the degree of economic openness, and the depth of financial markets are also important considerations because these factors influence investor pressure on corporate transparency and accountability. Countries with mature capital markets tend to have higher demands for non-financial disclosure, including CSR, compared to countries with developing market systems. Another important aspect is the difference in legal systems, such as common law and civil law, which have been shown to influence the level of investor protection and companies' propensity to voluntarily disclose information (Garzón-Jiménez & Zorio-Grima, 2021b). By considering this combination of economic, institutional, and legal factors, the selection of study countries is expected to provide a comprehensive picture of CSR dynamics in a global context.

A comparison of CSR regulations across countries reveals significant differences in approaches, both in terms of legal obligations and the nature of voluntary disclosure. In some developed countries, CSR regulations have been explicitly integrated into national legal frameworks and reporting standards, such as mandatory sustainability reporting or ESG disclosure for public companies. This type of regulation promotes consistency, comparability, and credibility of CSR information disclosed to the public. Conversely, in many developing countries, CSR regulations remain partial or based on general principles, leaving the quality and scope of disclosure largely dependent on company management initiatives. These differences reflect each country's level of institutional readiness and public policy priorities in promoting sustainable business practices. Furthermore, harmonization of international standards, such as the Global Reporting Initiative or the Sustainability Accounting Standards Board, is often adopted differently across countries, either as full adoption, partial adaptation, or simply as recommendations. Variations in the implementation of these regulations are a significant factor explaining differences in the intensity and quality of CSR disclosure in cross-country studies (Ma et al., 2025).

Diversity in corporate culture also plays a central role in shaping CSR practices and how companies view their social responsibilities. National cultures that emphasize collectivism, social concern, and harmony tend to encourage companies to be more active in CSR activities oriented towards the welfare of society and the environment. Conversely, more individualistic and financially performance-oriented cultures often view CSR as a strategic tool to enhance a company's reputation and competitiveness. These differences in cultural values are reflected in CSR reporting styles, with companies in some countries emphasizing ethical narratives and social impact, while others focus on quantitative metrics and long-term economic benefits. The corporate culture that develops in a country is also influenced by the business history, the relationship between the company and the state, and the level of public trust in institutions. These factors collectively influence the extent to which CSR is perceived as a moral obligation, a regulatory requirement, or an opportunistic business strategy (Choi et al., 2025b).

Empirical studies in multi-country analysis typically use a cross-country statistical comparison approach to examine the relationship between CSR disclosure and various economic and financial variables. This method allows researchers to identify general patterns as well as specific differences between countries by controlling for macroeconomic factors such as economic growth, inflation, and political stability. Cross-country panel data regression analysis is often used to assess the effect of CSR disclosure quality on indicators such as investor confidence, stock price volatility, and the cost of capital. Empirical studies show that while CSR disclosure is generally positively correlated with investor perceptions, the strength and significance of this relationship vary across countries. This variation reflects differences in institutional contexts, the effectiveness of regulatory enforcement, and investor literacy levels regarding sustainability issues. Thus, cross-country statistical comparisons not only provide empirical evidence regarding the impact of CSR but also emphasize the importance of national context in interpreting research results.

The Role of International Institutions and Regulations

The development of Corporate Social Responsibility (CSR) practices at the global level is inextricably linked to the role of international institutions and regulations, which serve as guides, facilitators, and moral pressures for corporations across borders. In the context of economic globalization and increasing attention to sustainability issues, international institutions play a strategic role in shaping norms, standards, and expectations regarding corporate social responsibility. Multinational companies operating in multiple jurisdictions face increasing demands not only to comply with national regulations but also to adhere to international frameworks deemed to reflect ethical, transparent, and sustainable business practices (Peng et al., 2021c). Therefore, the existence of international institutions is a crucial catalyst in encouraging the adoption and harmonization of CSR reporting globally.

The United Nations (UN) is a key actor in developing the global CSR and sustainability agenda. Through various initiatives such as the United Nations Global Compact (UNGC), the UN encourages companies to integrate human rights principles, labor standards, environmental protection, and the eradication of corruption into their business strategies and operations. The UNGC is not legally binding, but it holds significant normative power due to its international legitimacy and reputational pressures. Companies that join the UNGC are required to submit progress reports explaining how these principles are being implemented, thus indirectly encouraging more systematic and transparent CSR reporting practices. In this context, the UN plays a role as a global norm-setter, establishing CSR as an integral part of modern corporate governance (Choi et al., 2025c).

In addition to the UN, the Organisation for Economic Co-operation and Development (OECD) has also made significant contributions to developing a corporate social responsibility framework at the international level. The OECD Guidelines for Multinational Enterprises are a key reference instrument, providing comprehensive guidance on responsible business conduct, covering aspects of information disclosure, labor rights, the environment, and business ethics. Although the OECD guidelines are voluntary, many member countries have integrated them into national policies or referenced them in the development of CSR regulations (Siddiqui et al., 2023). The existence of National Contact Points (NCPs) in member countries also strengthens the implementation of these guidelines through dialogue mechanisms and non-judicial dispute resolution. Thus, the OECD plays a role not only as a standard-setter but also as a bridge between international norms and national practices, ultimately promoting consistency in CSR reporting across countries.

The European Union demonstrates a more assertive approach through binding regulations, particularly regarding the disclosure of non-financial and sustainability information. The EU has introduced various regulations, such as the Non-Financial Reporting Directive (NFRD) and later the Corporate Sustainability Reporting Directive (CSRD), which require certain companies to report standardized environmental, social, and governance (ESG) information. These regulations impact not only European-based companies but also non-European companies with significant business activities within the EU (Schröder, 2021). Thus, the EU plays a pioneering role in institutionalizing CSR and ESG reporting through robust legal mechanisms, while simultaneously promoting the convergence of reporting practices globally.

The influence of these international institutions collectively drives the harmonization of CSR reporting worldwide. This harmonization is crucial because differences in standards and regulations between countries can create uncertainty, high compliance costs, and difficulties in comparing CSR performance across companies. Through international frameworks initiated by the UN, OECD, and EU, CSR reporting is gradually moving towards uniform principles, terminology, and indicators. Global initiatives such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and the International Sustainability Standards Board (ISSB) are also developing in line with the encouragement of international institutions, creating an increasingly integrated and comparable reporting ecosystem across countries (Naheed et al., 2021).

Harmonization of CSR reporting not only benefits regulators and global stakeholders but also improves the quality of information for international investors. Investors operating in global markets require consistent and reliable CSR information to assess non-financial risks, long-term sustainability, and corporate reputation. With relatively harmonized international standards and regulations, information asymmetry can be reduced and trust in corporate CSR reports increased. In this context, the role of international institutions is crucial in bridging the interests of companies, investors, and the global community.

However, the process of harmonizing CSR reporting still faces various challenges, including differences in levels of economic development, institutional capacity, and corporate culture across countries. Developing countries often face limited resources and reporting infrastructure, resulting in suboptimal implementation of international standards. Therefore, international institutions also play a role in providing technical support, implementation guidance, and dialogue forums to ensure that harmonization is not exclusive, but inclusive and adaptive to local contexts. With this approach, international regulations and standards are expected to become not only compliance tools but also learning platforms and improving the quality of CSR practices globally.

Overall, the role of international institutions and regulations in the development and harmonization of CSR reporting is fundamental. The UN establishes a global normative and ethical foundation, the OECD provides operational guidance that bridges international and national practices, while the EU encourages the institutionalization of CSR through binding regulations. The synergy between these three actors creates an increasingly clear path toward a global CSR reporting system that is transparent, credible, and oriented towards long-term sustainability. In the context of multi-country research, understanding the role of international institutions and regulations is important to explain variations in CSR practices as well as the convergence tendencies that occur at the global level.

CONCLUSION

This study concludes that CSR disclosure plays a significant role in shaping and strengthening investor confidence across countries with varying market characteristics, regulations, and levels of economic development. The transparency and quality of CSR information provided by companies have proven to be important signals for investors in assessing a company's long-term commitment to sustainability, good governance, and non-financial risk management. In a cross-country analysis, differences in reporting standards, regulatory frameworks, and business cultures influence the extent to which CSR information is interpreted and valued by investors. However, in general, more comprehensive and credible disclosures tend to enhance positive perceptions of the company and reduce investment uncertainty.

Furthermore, the study's findings confirm that investor confidence is influenced not only by financial performance but also by the consistency and integration of CSR practices within a company's business strategy. Symbolic CSR disclosures that are not supported by concrete implementation have the potential to undermine investor confidence, particularly in markets with high levels of sustainability literacy and awareness. Therefore, this study emphasizes the importance of harmonizing CSR disclosure standards across countries and improving the quality of non-financial reporting as strategic efforts to strengthen investor confidence globally and encourage the creation of more sustainable capital markets.

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