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REFRAMING ESG AND CSR: CONCEPTUAL FOUNDATIONS, OVERLAPPING DOMAINS, AND INTEGRATED STRATEGIES

This paper explores the evolving relationship between environmental, social, and governance (ESG) standards and corporate social responsibility (CSR), reframing them as integrated frameworks essential for modern business strategy. While ESG and CSR have distinct origins - investment risk management and ethical corporate citizenship – they increasingly intersect in practice. Through a comprehensive literature review and analytical comparison, the study clarifies their conceptual foundations, highlights areas of overlap and divergence, and proposes strategies for meaningful integration. The findings reveal that firms aligning ESG's measurable metrics with CSR's ethical commitments can achieve stronger resilience, improved stakeholder trust, and sustainable value creation. However, integration requires more than reporting alignment; it demands authentic leadership, cultural shifts, and transparent governance. The paper offers practical guidance for managers and policymakers seeking to embed sustainability into core operations and suggests avenues for future research, including sector-specific integration models and enhanced measurement tools. By bridging ESG and CSR, companies can navigate rising expectations and strengthen both financial performance and social impact.

Keywords: *ESG performance, corporate social responsibility, sustainability strategy, corporate governance, stakeholder engagement, ethical leadership, risk management, integrated reporting.*

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ПЕРЕОСМИСЛЕННЯ ESG ТА КСВ: КОНЦЕПТУАЛЬНІ ОСНОВИ, СФЕРИ ПЕРЕТИНУ ТА ІНТЕГРОВАНІ СТРАТЕГІЇ

У сучасному корпоративному середовищі екологічні, соціальні та управлінські стандарти (Environmental, Social, and Governance – ESG) та корпоративна соціальна відповідальність (КСВ) посідають центральне місце у визначенні цілей компаній і критеріїв їхнього успіху. Попри спільну спрямованість на забезпечення відповідності бізнес-практик суспільним і екологічним очікуванням, ці два підходи мають різне походження, різняться за цільовою аудиторією та механізмами реалізації. ESG виник як інвестиційно орієнтована система, що базується на кількісних показниках для оцінки ризиків і довгострокової стійкості компаній. Натомість КСВ формувалася як ширше етичне зобов'язання, яке виражає добровільну участь компаній у вирішенні соціальних і екологічних питань поза межами правових норм. Дана стаття має на меті концептуалізувати ESG і КСВ як взаємопов'язані конструкції, що посилюють одна одну, а також запропонувати інтегровані підходи для їх ефективного впровадження у корпоративні стратегії. На основі систематичного огляду літератури у статті висвітлено основні характеристики кожного з підходів, їхні спільні та відмінні риси, а також представлено практичні приклади успішної інтеграції ESG та КСВ у діяльність компаній. Результати дослідження свідчать, що ефективна інтеграція ESG і КСВ дозволяє компаніям не лише відповідати нормативним вимогам і очікуванням інвесторів, але й зміцнювати репутацію, підвищувати рівень довіри зацікавлених сторін і забезпечувати довгострокову конкурентоспроможність. Зокрема, ESG забезпечує структурованість і прозорість завдяки вимірюваним показникам, тоді як КСВ поглиблює етичні засади діяльності компанії та підсилює взаємозв'язки зі стейкхолдерами. У статті також акцентовано на ключових викликах, що супроводжують інтеграцію цих підходів. Зокрема, автор зазначає, що інтеграція не повинна обмежуватися формальною відповідністю стандартам чи простим звітуванням. Вона потребує глибоких організаційних змін, зокрема трансформації корпоративної культури, перегляду управлінських процесів та впровадження механізмів реальної підзвітності. Практичні рекомендації, запропоновані *у статті, орієнтовані як на менеджерів компаній, так і на регуляторів. Вони включають стратегії впровадження інтегрованих систем управління ESG і КСВ, розробку єдиних стандартів звітування та налагодження ефективної комунікації зі стейкхолдерами. У висновках наголошено, що поєднання ESG і КСВ є не лише актуальним трендом, а й стратегічною необхідністю для компаній, що прагнуть досягти авансованої форми сталого розвитку. Перспективні напрями подальших досліджень передбачають поглиблене вивчення галузевої специфіки інтеграції ESG і КСВ, розробку уніфікованих індикаторів для вимірювання соціального і екологічного впливу, а також аналіз довгострокових фінансових результатів компаній, що впроваджують інтегровані стратегії сталого розвитку.*

Ключові слова: *ефективність ESG, корпоративна соціальна відповідальність, стратегія сталого розвитку, корпоративне управління, взаємодія зі стейкхолдерами, етичне лідерство, управління ризиками, інтегрована звітність.*

Introduction. In today's corporate landscape, environmental, social, and governance (ESG) standards and corporate social responsibility (CSR) have become central to how firms define their purpose and measure success (Alkandi, 2025; Pasko, Zhang, Proskurina, et al., 2024). While both concepts aim to align business operations with societal and environmental goals, they have evolved from different origins, serve distinct audiences, and operate under varying regulatory and market pressures. ESG emerged primarily as an investment-driven framework, offering quantifiable metrics to guide capital allocation and assess long-term risks. CSR, on the other hand, developed as a broader ethical commitment, reflecting a firm's voluntary engagement with social and environmental issues beyond legal obligations.

Despite their separate roots, ESG and CSR increasingly intersect in practice (Z. Liu et al., 2025; Pasko, Zhang, Markwei Martey, et al., 2024). Firms often deploy both to strengthen stakeholder trust, improve reputation, and drive sustainable value creation. Yet, the boundaries between them remain blurred. Without conceptual clarity, companies risk fragmented strategies, investors face inconsistent signals, and policymakers struggle to design effective frameworks.

This paper addresses this gap by reframing ESG and CSR as integrated, mutually reinforcing constructs. Drawing on a systematic review of the literature, it clarifies the foundations of each concept, maps their overlapping domains, and proposes pathways for strategic alignment. The goal is to provide scholars, practitioners, and regulators with a clearer understanding of how firms can navigate the ESG–CSR nexus to achieve sustainable impact and competitive advantage.

The remainder of the paper is structured as follows. Section 2 defines ESG and CSR, highlighting their conceptual distinctions. Section 3 examines the areas where they overlap and interact. Section 4 develops an integrated framework for aligning ESG and CSR within corporate strategy. Section 5 discusses practical implications, and Section 6 offers concluding insights and directions for future research.

2. Theoretical Background

2.1. Defining Corporate Social Responsibility (CSR). Corporate Social Responsibility (CSR) refers to the practices and policies through which companies take responsibility for their impact on society and the environment (Chan et al., 2025; Pasko et al., 2022, 2023; Pasko, Kharchenko, et al., 2024; Ravi et al., 2025). Its intellectual roots stretch back to the 1950s, when scholars like Howard Bowen first asked whether corporations had obligations beyond making profits. Over the decades, CSR has grown into a formalized concept, shaped by landmark frameworks (Overesch & Willkomm, 2025; Pasko, Chen, et al., 2021; Pasko, Zhang, et al., 2021; Yen & Chen, 2025). Archie Carroll's CSR pyramid, for example, laid out four key responsibilities: economic (profitability), legal (compliance), ethical (doing what is right), and philanthropic (giving back). Edward Freeman's stakeholder theory further broadened the scope, arguing that companies must consider the needs and rights of all stakeholders – including employees, customers, communities, and the environment – not just shareholders(Hung, 2025; Y. Liu et al., 2025).

To clarify how corporate social responsibility (CSR) is conceptualized in both academic literature and institutional frameworks, Table 1. presents a compilation of key definitions drawn from diverse scholarly works and reports.

This table highlights the rich diversity of CSR interpretations, reflecting its evolution from a voluntary, ethically driven concept to one increasingly shaped by measurable business practices and stakeholder expectations. The inclusion of both classic and recent definitions demonstrates the ongoing debate over CSR's scope-whether it should remain focused on ethical obligations or be integrated more fully with financial performance and governance standards. This variety underlines the importance of clear, unified terminology, especially when CSR is analyzed alongside ESG frameworks in research and corporate practice.

Historically, CSR was framed as a voluntary commitment. Firms engaged in charitable donations, environmental projects, or ethical supply chain management as a sign of moral leadership. These efforts were often separate from core business strategy, treated as add-ons rather than integrated elements of competitive advantage (W. Li et al., 2025; Rahman et al., 2025). Yet over time, this boundary has blurred. Governments, international organizations,

Table 1 – Selected Definitions of Corporate Social Responsibility (CSR) from Academic and Institutional Sources

	Source	Definition
1	Sanusi & Kartini, 2022	"Corporate Social Responsibility (CSR) is an improvement in the quality of life which means the ability of humans as individual community members to be able to respond to existing social conditions, be able to enjoy and take advantage of the environment, in other words, it is a way for companies to regulate business processes to produce positive impacts on the environment" (Sanusi & Kartini, 2022, p. 128)
2	Amah, 2022	"CSR has emerged as a crucial aspect of contemporary business strategy, focusing on initiatives that benefit society alongside profit maximisation" (Amah, 2022, p. 117)
3	Sacconi, 2004	"Corporate social responsibility (CSR) as an extended model of corporate governance accounts for a voluntary approach to CSR, meant as voluntary compliance with CSR strategic management standards, in terms of an economic theory of self-regulation based on the concepts of social contract, reputation and reciprocal conformism" (Sacconi, 2004, p. 5)
4	Lougee & Wallace, 2008	"CSR refers to corporate investments in socially responsible behavior that may influence financial performance and shareholder value" (Lougee & Wallace, 2008, p. 21)
5	Żuchowski I., 2022	"CSR 2.0 assumes, among other things, the use of social media in CSR practices, which enables companies to communicate their socially responsible activities more effectively" (Żuchowski, I. (2022), p. 165)
6	United Nations, 2014	"Corporate social responsibility (CSR) is a concept which has many interpretations and typically has economic, social and environmental dimensions" (United Nations. (2014)., p. 11)
7	Jaysawal & Saha, 2015	"CSR refers to the obligations of businessmen to pursue those policies to make those decisions or to follow those lines of relations which are desirable in terms of the objectives and values of our society" (Jaysawal & Saha, 2015, p. 3)
8	Helmold, 2021	"The term Corporate Social Responsibility (CSR) was used in 1953 by Howard R. Bowen and stands for the social responsibility of companies, emphasizing their impact on the lives of ordinary citizens" (Helmold, 2021, p. 212)

and industry groups have developed CSR-related standards, guidelines, and even mandatory disclosure rules. As a result, CSR today exists in a hybrid space: part voluntary, part regulated, and increasingly subject to scrutiny by investors, consumers, and policymakers.

Critically, CSR focuses on process and intention as much as outcome. It is less about measurable financial returns and more about demonstrating commitment, reputation, and ethical alignment. This focus has led some critics to accuse firms of "window dressing" or symbolic compliance, while others defend CSR as a necessary expression of corporate citizenship in a complex global society.

2.2. Defining Environmental, Social, and Governance (ESG). Environmental, Social, and Governance (ESG) emerged from a different pathway. Born out of the investment community, ESG provides a structured, data-driven way to assess how companies manage non-financial risks and opportunities (Dou et al., 2025; Z. Liu et al., 2025). ESG metrics allow investors to evaluate whether firms are resilient, forward-looking, and well-positioned to navigate challenges like climate change, labor rights, or governance failures (J. Li & Liu, 2025; Ragazou et al., 2024). Unlike CSR, which emphasizes ethical responsibility, ESG focuses on quantifiable performance indicators tied to material financial outcomes.

To complement the exploration of CSR, Table 2. compiles a selection of ESG definitions sourced from contemporary academic publications.

This table demonstrates how ESG has evolved into a multifaceted framework that encompasses environmental protection, social responsibility, and governance standards. The collected definitions reflect both theoretical and practical perspectives, highlighting ESG's growing role as a global benchmark for sustainability performance and risk management. Notably, the variety of emphases-ranging from stakeholder integration to corporate strategy alignment-underscores the dynamic nature of ESG discourse. This reinforces the need for clarity and consistency when ESG frameworks are applied in business and research contexts.

The environmental component covers issues such as greenhouse gas emissions, resource efficiency, pollution control, and climate strategy. The social component addresses labor practices, diversity and inclusion, human rights, customer safety, and community engagement. The governance component focuses on board composition, executive pay, audit quality, shareholder rights, and transparency. Each dimension is rated, scored, and benchmarked through specialized agencies and rating systems, such as MSCI, Sustainalytics, or Bloomberg ESG.

Importantly, ESG has transformed from a niche investment screen into a mainstream financial tool. Institutional investors, asset managers, and regulatory bodies now routinely integrate ESG analysis into capital allocation decisions (Y. Chen et al., 2025; Sun & Xiong, 2025). For firms, ESG performance directly affects access to financing, investor confidence, and

Table 2 – Key Definitions of Environmental, Social, and Governance (ESG) from Recent Literature

	Source	Definition
1	Huang, 2024	"Environmental, social and governance (ESG) is an important standard for the green transformation of enterprises in the new era and is also an important tool for guiding green investment" (Huang, 2024, p. 75)
2	Zhang, 2023	"Environmental, Social and Governance (ESG) refers to the aspects of environmental protection, social responsibility and good governance that enterprises should consider in the course of their operations" (Zhang, 2023, p. 113)
3	Zhao, 2024	"ESG (Environmental, Social, and Governance) is a set of standards used to measure a company's performance in environmental protection, social responsibility, and governance structure" (Zhao, 2024, p. 19)
4	Fuadah et al., 2023	"The stakeholder theory is widely used in research from previous studies on ESG, defining it as the integration of environmental, social, and governance concerns into business operations and decision-making processes" (Fuadah et al., 2023, p. 89)
5	J. Chen, 2024	"The concept of ESG (Environmental, Social, and Governance) has become a crucial framework for corporate strategies and investment decisions globally" (Chen, 2024, p. 44)
6	Ginting & Oginawati, 2024	"Environmental, Social, and Governance (ESG) has become a rapidly growing instrument worldwide, driven by commitments to enhance environmentally sustainable economic growth" (Ginting & Oginawati, 2024, p. 52)
7	Paužuolienė & Derkach, 2024	"The term ESG, which stands for Environmental, Social and Governance, has gained significant traction in the business world, reflecting a company's awareness of its impact on society and the environment" (Pauzuoliene & Derkach, 2024, p. 103)
8	Lin et al., 2024	"Environmental, social, and governance (ESG) measurement in the tourism and hospitality industry remains in its infancy, particularly missing a developing country's perspective" (Lin et al., 2024, p. 156)

market reputation. This shift has raised the stakes: ESG is no longer a public relations exercise, but a measurable standard tied to long-term business viability.

Moreover, ESG frameworks are often aligned with global sustainability goals, such as the UN Sustainable Development Goals (SDGs) or the Paris Agreement on climate change (Lee et al., 2025; Y. Liu et al., 2025). This alignment signals a deeper shift in how markets define value – moving beyond pure financial metrics to include social and environmental dimensions.

Despite these advances, ESG is not without criticism. Concerns include inconsistent definitions, variable data quality, and the risk of "greenwashing" – where firms exaggerate or misrepresent their ESG achievements. Still, ESG's emphasis on transparency, accountability, and comparability marks a significant departure from the less formal, more narrative-driven nature of traditional CSR.

3. Overlaps and Differences between ESG and CSR. While ESG and CSR share a common goal – aligning business practices with societal and environmental interests – they differ in origins, scope, purpose, and measurement. Understanding these differences is essential for scholars, practitioners, and policymakers who aim to design integrated strategies.

At a high level, CSR is an ethical and voluntary framework focused on a company's responsibility to society. It includes activities like philanthropy, community engagement, and ethical labor practices. ESG, by contrast, is a financial and performance-driven framework that uses measurable indicators to assess how environmental, social, and governance factors affect a firm's risk profile and long-term value.

The following table summarizes key points of comparison (Table 3).

While ESG and CSR often overlap, there are clear cases where the two diverge in focus, purpose, and outcomes, underscoring the need to understand their distinct roles in corporate practice. While ESG and CSR are often viewed as complementary, real-world examples show that they can diverge in both implementation

Table 3 – ESG vs. CSR: Conceptual and Operational Comparison

Dimension	CSR	ESG
Origin	Ethical theory, stakeholder obligations	Financial sector, investment risk and performance
Focus	Voluntary social and environmental commitments	Measurable environmental, social, and governance risks
Main Audience	Broad stakeholders: community, employees, public	Investors, asset managers, regulators
Accountability	Self-reported, often narrative-driven	Data-driven, rating agencies, quantitative metrics
Purpose	Ethical alignment, reputation, corporate citizenship	Risk management, value creation, capital access
Regulatory Status	Historically voluntary, some increasing formalization	Increasingly embedded in regulatory and reporting frameworks
Criticism	Risk of symbolic action ('window dressing')	Risk of inconsistent metrics, greenwashing

and impact. A company may excel in ESG performance by meeting rigorous governance standards and providing transparent disclosures, yet show limited engagement in community development or social initiatives. Conversely, some firms emphasize CSR through high-profile philanthropy and community projects but fail to meet robust environmental or governance benchmarks. For instance, Rio Tinto, a global mining corporation, has invested significantly in local education and health programs in host communities (CSR), yet has faced criticism and legal challenges over environmental violations and governance failures related to mining operations (ESG). The financial sector presents a similar pattern: banks may score well on governance criteria under ESG assessments but attract scrutiny for their limited grassroots social involvement, revealing a disconnect between formal compliance and deeper social responsibility.

In some cases, ESG and CSR are so closely aligned that they become virtually inseparable within corporate strategy. Companies that embed sustainability into their core business-rather than treating it as an add-on-often achieve this integration. For example, Patagonia, the outdoor apparel company, has built its brand around environmental responsibility by using recycled materials, reducing carbon emissions, and ensuring ethical labor practices across its supply chain. These actions satisfy ESG criteria through measurable environmental and social performance while simultaneously fulfilling broader CSR commitments to environmental stewardship and community welfare. Firms that take this comprehensive approach strengthen both their accountability and their reputation, fostering lasting trust with investors, customers, employees, and regulators alike.

The following table illustrates how ESG and CSR can be integrated in practice across key operational areas. It presents concrete examples of actions that simultaneously address ESG performance metrics and contribute to broader CSR objectives.

These examples demonstrate that successful ESG–CSR integration requires action across multiple dimensions – from environmental performance and risk management to community engagement and governance practices. By aligning ESG metrics with CSR objectives, firms can create a cohesive sustainability strategy that delivers measurable impact and builds lasting stakeholder trust.

To further clarify the conceptual relationship between ESG and CSR, Figure 1 provides a visual representation of their key distinctions and areas of overlap. This diagram helps illustrate how the two frameworks differ in focus and scope, while also highlighting the shared goals that can drive integrated strategies.

Table 4 – Examples of ESG–CSR Integration in Corporate Practice

Area of Focus	Example Action	ESG Dimension	CSR Contribution
Carbon Emissions	Setting science-based CO_2 reduction targets and disclosing progress in annual reports	Environmental performance, transparency	Demonstrating ethical commitment to climate action
Supply Chain Management	Auditing suppliers for labor practices and environmental impact	Social and environmental risk management	Supporting fair labor and responsible sourcing
Board Diversity	Establishing policies for gender and minority representation on boards	Governance structure, accountability	Promoting inclusion and equal opportunity
Community Engagement	Partnering with local NGOs to deliver education, health, or infrastructure programs	Social impact, stakeholder relations	Building trust and contributing to local well-being
Sustainable Innovation	Investing in green technologies and sustainable product development	Environmental innovation, long-term value creation	Aligning business strategy with societal needs

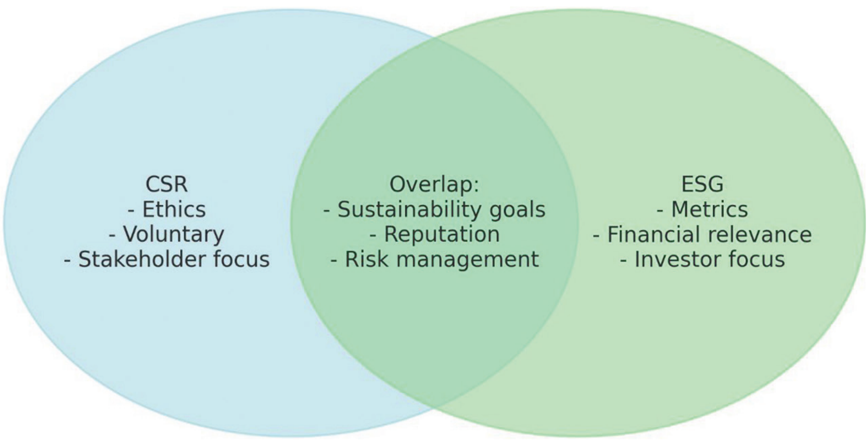

Figure 1 – Conceptual Overlap and Differences Between CSR and ESG

As shown in the figure, ESG emphasizes quantifiable metrics, financial materiality, and investor-oriented performance, whereas CSR centers on ethical commitments, voluntary initiatives, and broader stakeholder engagement. The overlap underscores common ground in sustainability goals, reputation management, and risk mitigation-areas where firms can effectively bridge both approaches to achieve stronger, more resilient outcomes.

To deepen the analysis of how ESG and CSR function both independently and in tandem, Table 5 presents a detailed comparison across strategic, operational, and financial dimensions. This table breaks down the distinct roles each framework plays, highlighting their interdependencies and the tensions that can arise when they are not effectively integrated.

As shown, CSR shapes a company's ethical direction and stakeholder legitimacy, while ESG formalizes sustainability through measurable goals and structured governance. Together, they influence every layer of corporate practice – from culture and reporting to financial performance and regulatory compliance. The table also underscores how integration strengthens both resilience and legitimacy, offering firms a clear path to sustainable competitive advantage.

This comparative analysis confirms that neither ESG nor CSR alone is sufficient to address the full scope of modern sustainability challenges. Instead, it is the alignment between ethical commitments and quantifiable performance that enables firms to meet rising expectations and deliver lasting impact.

To further illustrate the integration of ESG and CSR within corporate structures, Figure 2 maps their dynamic interplay across three key layers: strategic, operational, and financial. This visual helps clarify how each framework contributes at different levels of business management and how their alignment strengthens overall sustainability efforts.

As depicted, the strategic layer focuses on defining a company's direction and purpose—where CSR ensures ethical grounding and stakeholder legitimacy,

Table 5 – Advanced Analytical Comparison of CSR and ESG Across Strategic, Operational, and Financial Dimensions

Dimension	CSR Role	ESG Role	Interdependence / Tension
Strategic Intent	Defines ethical direction, corporate purpose, stakeholder legitimacy	Sets measurable sustainability goals, aligns with investor expectations	Without integration, CSR risks being vague; ESG risks being narrow
Operational Practices	Shapes corporate culture, employee behavior, social engagement	Formalizes reporting, risk management, governance mechanisms	CSR informs ESG frameworks; ESG gives teeth to CSR values
Measurement and Accountability	Relies on narratives, qualitative stories, symbolic acts	Relies on quantitative data, benchmarks, third-party ratings	CSR enhances meaning; ESG ensures rigor and comparability
Financial Impact	Builds reputation, social license to operate, community trust	Affects cost of capital, investor flows, market valuation	Jointly drive sustainable competitive advantage
Regulatory Environment	Historically voluntary, now partly shaped by soft and hard law	Increasingly embedded in formal disclosure regimes (EU taxonomy, SEC rules)	Joint compliance strengthens resilience and legitimacy

Figure 2 – Dynamic Interplay Between CSR and ESG Across Corporate Layers

while ESG sets measurable goals aligned with investor expectations. The operational layer emphasizes implementation, with CSR shaping culture and social practices, and ESG guiding risk management and governance. Finally, the financial layer shows how CSR builds reputation and social license, while ESG directly impacts cost of capital and market valuation.

This layered approach underscores that ESG and CSR are not standalone concepts but interconnected elements that must work in harmony to drive sustainable corporate success. Firms that integrate these dimensions across all levels are better equipped to manage risks, meet stakeholder demands, and achieve long-term resilience.

Therefore, the integration of ESG and CSR is not just a theoretical exercise; it offers firms a path to build resilience, strengthen stakeholder relationships, and create sustainable competitive advantage. While ESG and CSR have historically been treated as parallel or even separate tracks, leading companies increasingly combine them into unified strategies that align ethical commitments with measurable outcomes.

One key area of intersection is strategy formulation. Firms that integrate ESG and CSR align corporate mission, vision, and values with concrete goals, ensuring that sustainability is embedded into core business decisions. For example, companies may set carbon reduction targets (ESG) while simultaneously engaging communities affected by their operations (CSR). This alignment creates synergies, where reputational gains reinforce financial performance, and vice versa.

Operational practices offer another intersection point. Firms that combine ESG and CSR adopt sustainability across supply chains, product design, employee practices, and governance processes. For instance, sourcing materials responsibly addresses both ESG metrics and CSR expectations. Similarly, improving board diversity enhances governance ratings while advancing social responsibility goals.

Investor relations and reporting provide a third area of integration. Firms that align ESG disclosures with CSR narratives present a coherent message to stakeholders, reducing the risk of inconsistency or reputational gaps. This integrated approach strengthens credibility with investors, regulators, employees, and customers. Yet integration is not automatic. It requires deliberate efforts to align metrics, reporting systems, incentives, and organizational culture. Without careful design, firms risk creating fragmented efforts where ESG performance and CSR initiatives run on separate tracks, leading to inefficiency or even conflicting messages.

Discussion. This study reframes ESG and CSR as complementary frameworks that, when integrated, enhance both corporate responsibility and financial performance. The findings emphasize that while ESG and CSR stem from distinct origins-investment-driven metrics versus ethical commitments – they increasingly converge in practice. Firms that treat them as separate risk inefficiencies, fragmented strategies, and missed opportunities for creating sustainable value.

The analysis confirms that ESG provides the measurable backbone of sustainability, while CSR deepens stakeholder trust and reinforces ethical legitimacy. Companies that align the two not only meet regulatory and investor expectations but also strengthen their social license to operate. This dual approach builds resilience, enhances reputation, and creates a competitive edge in markets that increasingly reward sustainability.

The study also highlights critical challenges. Integration requires more than aligning metrics; it demands cultural shifts, robust governance, and authentic commitment. Without these, firms may fall into the trap of symbolic compliance-either inflating ESG ratings without substantive change or relying on CSR narratives that mask underlying risks. To avoid this, companies should ensure that ESG disclosures and CSR initiatives are mutually reinforcing, transparent, and tied to core strategy.

For investors and regulators, the results underscore the need for clearer standards that bridge ESG metrics with CSR principles. Harmonized reporting frameworks would reduce inconsistencies and help stakeholders assess both risk and ethical performance with greater confidence.

This discussion points to a broader implication: sustainable business success depends on breaking down silos between performance and purpose. ESG and CSR, when properly integrated, provide the roadmap for firms to deliver measurable impact while staying true to their ethical foundations. Future research should continue exploring best practices for integration, particularly across industries and cultural contexts, to deepen understanding of how firms can achieve long-term sustainability.

Conclusion. The primary goal of this paper was to clarify the conceptual foundations of ESG and CSR, explore their overlapping domains, and propose strategies for effective integration. By reframing these frameworks as interconnected rather than separate, the study aimed to provide clearer guidance for companies, investors, and policymakers navigating the growing complexity of corporate sustainability.

The findings confirm that ESG and CSR, despite their distinct roots, are most effective when treated as complementary. ESG offers the structure and measurable indicators needed for transparency and accountability, while CSR reinforces ethical intent and deepens stakeholder relationships. Firms that successfully align these dimensions can unlock synergies that enhance resilience, reputation, and long-term value creation.

However, the study also underscores key challenges. Integration is not merely a matter of reporting;

it requires a cultural shift within organizations, a commitment to genuine action, and alignment between strategy and operations. Without this depth, companies risk falling into superficial practices that satisfy formal requirements but fail to deliver meaningful impact.

For practitioners, the paper highlights practical pathways for embedding ESG and CSR into corporate DNA-from aligning governance processes and stakeholder engagement to developing integrated reporting frameworks. For regulators, it underscores the importance of creating harmonized standards that bridge financial performance with broader social and environmental accountability.

Future research should deepen understanding of sector-specific dynamics, as integration strategies may differ across industries with varying regulatory landscapes and stakeholder expectations. Longitudinal studies could also examine the long-term financial and reputational outcomes of integrated ESG–CSR strategies. Additionally, more work is needed to develop robust measurement tools that capture both qualitative and quantitative aspects of sustainable performance.

In conclusion, this study affirms that bridging ESG and CSR is not just a trend but a strategic imperative. Firms that embrace this integrated approach are better positioned to meet rising expectations, manage risks, and contribute meaningfully to sustainable development.

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