A Study on the Mechanism of ESG Performance's Impact on Stock Returns: A Dual-Mediating Model Based on Total Asset Turnover and Financing Constraints

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ABSTRACT

With the rise of the concept of sustainable investment, the relationship between the performance of environmental, social, and governance (ESG) and stock returns has gradually attracted attention. However, most of the research so far only focuses on the direct impact of ESG on stock returns, or a single intermediary approach. The research on the communication mechanism behind it, especially the chain of multiple intermediaries, is not enough. This paper investigates two important issues. First, whether the total asset turnover is a complete intermediary or a partial intermediary in the process of transferring ESG results to stock returns. Secondly, whether Whited-Wu Index (WW Index) is a complete intermediary or a partial intermediary is the next way to transfer from total assets to stock returns. Therefore, this study takes 50 listed companies in China A-share medical field from 2011 to 2020 as samples, and makes a research on "ESG\rightarrow total asset turnover\rightarrow WW Index\rightarrow stock returns". In this study, the procedure of mediation analysis is used to investigate the actual data in fixed-effects panel regression. Through practical investigation, total asset turnover has played a part in mediating between ESG performance and stock returns. In addition, WW Index also supports the partial impact of total asset turnover on stock returns, which accounts for about 30.3% of the total. This paper reveals the chain way that ESG affects stock returns through operational efficiency and financing constraints, and helps investors improve the way of selecting ESG-related varieties, as well as enterprises.

Keywords: ESG performance; Stock returns; Total asset turnover; Financing constraints; Mediating effect

1. INTRODUCTION

In recent years, environmental, social, and governance (ESG) investment has changed from an ethical preference among investors to an important factor affecting asset market pricing. A large number of studies show that company with good ESG scores tend to get high stock returns or low risks. However, how ESG affects stock returns is still unclear, and its basic structure is almost a "black box". Up to now, there are few studies that have investigated the fundamental path of enterprise operating efficiency in detail. In fact, better ESG results will help improve the relationship with stakeholder and improve the efficiency of resource utilization, which may accelerate the turnover rate of total assets.

Does total asset turnover play an intermediary role in the way ESG affects storage results? If it does act as a mediator, is it the sole mediator, or one among several? This is the first central problem of this paper. In addition, even if the experiment proves that asset transfer is an effective mediating variable, how does it affect the storage results? It's just that the increase of turnover does not necessarily become excess returns. The reasonable explanation is that the higher turnover releases the internal cash flow, thus alleviating the financial contract of the enterprise, thus improving the grasp of investment opportunities and increasing the final expected result. Obviously, financing constraints play a role here. To measure financing constraints, this paper uses WW Index. So, what kind of mediating role will WW Index play in the way that total asset turnover influences stock returns? This is the second central issue of this paper.

Based on the above analysis, the paper takes 50 Chinese A-share listed companies as samples and establishes a dual media model to study the following two words. First of all, in the process of ESG influencing stock returns, whether total asset turnover is a complete medium or a partial medium. Second, whether WW Index is a complete medium or a partial medium in the process that total asset turnover affects the details of stock returns.

This paper has theoretical contribution and practical significance, mainly in three points. First, about the structure. For the first time, we break down the propagation path of ESG influencing stock returns into the chain-mediation framework of

"ESG → Total Asset Turnover → WW Index → Stock Returns". It provides a new analytical framework for understanding the working principle of ESG asset pricing through a single mediation and direct effect testing. The second is the confirmation of the degree of mediation. By distinguishing between "full mediation" and "partial mediation", this study reveals the possibility of many ways. If partial mediation is confirmed, it means that there are multiple roads side by side. On the contrary, full mediation means that there is only one way to go, so it can be used as a signpost for future research. The third is about practical significance. The results of this study will provide a basis for investors who want to improve the stock selection strategy based on ESG elements at the road level.

The remainder of this paper is structured as follows: Section 2 presents a literature review; Section 3 offers a theoretical analysis; Section 4 outlines the research design; Section 5 presents the empirical results and analysis; and Section 6 concludes with findings and implications.

2. LITERATURE REVIEW

2.1 The Direct Relationship Between ESG Performance and Stock Returns

So far, many studies have shown that there is a good relationship between ESG performance and stock returns. Yin, Li, and Su (2023) used the fixed-effects model of China's listed firms from 2011 to 2020, which used unbalanced panel data, and put ESG performance and ste in non-state-owned enterprises and companies located in eastern China. This effect is stronger [1]. In 2025, Borges, Klotzle and Pinto also found ESG momentum effect in the Brazilian market. They found that companies with high environmental and social score have high demand from the market and high stock returns [2]. However, it is not completely clear that ESG affects the transmission mechanism of stock returns, and it has always remained a "black box".

2.2 Mediating Mechanisms Through Which ESG Influences Stock Returns

2.2.1 The Mediating Role of Financial Performance and Competitive Capability

Based on stakeholder theory, Yin et al. (2023) put financial performance and competitive capability into the influence path of ESG as mediating variables. An empirical analysis was conducted, and they indicated that financial performance and competitive capability are both partial mediators [1]. This discovery points out two ways to create ESG value. However, the disadvantage of this study is that the composite financial performance index used is not divided into specific categories of operational efficiency.

2.2.2 The Mediating Role of Cost of Capital and Risk Premiums

Another important transmission channel involves ESG influencing equity returns by affecting the cost of capital. In 2025, Wilberg et al. found that environmental performance exerts a negative effect on both equity and debt costs [4], which undoubtedly supports the "green premium" hypothesis—namely, that investors demand lower risk compensation from companies with superior environmental performance. From the perspective of responsible investment growth, Ferrat, Daty, and Burlace found in 2022 that the return gap between sustainable stocks and conventional stocks is primarily driven by price pressures in the short term, while in the long term, it exerts a sustained impact through changes in the cost of capital [3]. These studies collectively indicate that the cost of capital is one of the key mediating variables through which ESG influences stock returns.

2.3 Other Relevant Studies

Some researchers have focused on more specific transmission mechanisms or moderating factors. Singh and Chakraborty (2024) found in the Indian market that the interaction between air pollution levels and public concern affects stock returns, with companies having lower environmental scores experiencing greater negative impacts [5]. This study confirms a positive correlation between environmental (E) factors and stock returns. Regarding corporate governance (G), Arevalo et al. (2024), based on ESG bond issuance events in Latin America, found that firms issuing ESG bonds for the first time achieved significant positive cumulative abnormal returns, and that corporate governance mechanisms moderated this signaling effect [6]. Although these studies did not directly test mediation effects, they all reveal the complex impact of ESG on the stock market.

2.4 Literature Review and Gaps

At the level of mediating mechanisms, existing research has identified multiple pathways, including financial performance, competitive ability, market reactions, and cost of capital. However, current research still has some limitations. First, the

neglect of the operational efficiency dimension. Although financial performance is widely used as a mediating variable, it is a comprehensive indicator comprising multiple components such as profitability, capital turnover, and financial leverage; few studies have further explored which specific component plays a role. As a core operational indicator measuring a firm's asset utilization efficiency, total asset turnover has not yet been examined independently for its mediating role in the pathway through which ESG influences stock returns. Second, the lack of examination of chained multiple mediation. Existing studies mostly test single or parallel mediation, with very few examining the chained structure of "ESG → A → B → stock returns." Given these research gaps, this paper proposes to establish a dual-mediation model of "ESG → Total Asset Turnover → WW Index → Stock Returns" to systematically examine the mediating role of total asset turnover in the relationship between ESG and stock returns, as well as the mediating role of the WW Index in the relationship between total asset turnover and stock returns, with the aim of enriching the theoretical understanding of ESG asset pricing mechanisms.

3. THEORETICAL ANALYSIS AND HYPOTHESES

3.1 The Impact of ESG Performance on Stock Returns

3.1.1 The Impact of ESG Performance on Total Asset Turnover

Total asset turnover is commonly used by companies to cover their income from assets, and it has become a central indicator of work performance. According to stakeholder theory, a company's ESG performance improves its relationships with important stakeholders, thus enhancing the quality of its work. Specifically: 1. Good environmental performance reduces the waste of money and resources on compliance and increases the utilization ratio of total assets. 2. Moving forward with social responsibility will undoubtedly speed up inventory turnover, as it will increase the ease of work for employees and customer loyalty. 3. Proper corporate governance can help optimize resource allocation decisions and reduce the amount of assets that remain unused. Research conducted by Wang and colleagues in 2025 confirmed this result; based on data from companies listed on China's A-share market, they found that ESG performance has a significant positive impact on the company's work. [7] They went on to say that the main mechanism by which ESG increases job satisfaction is to strengthen economies of scale. As early as 2023, Wang and his colleagues used the perspective of resource allocation efficiency to identify three ways in which ESG performance can affect enterprise resilience, and work gossip is one of the key communication mechanisms [8]. Based on the logic and actual evidence of the theory written above, this paper proposes as follows:

H1: Good ESG performance can increase total asset turnover

3.1.2 The Impact of Total Asset Turnover on Stock Returns

An increase in total asset turnover usually shows the power of a company to generate more revenue with the same capital investment. From the idea of signaling theory, a high turnover rate conveys good information to the market about the power of a company's work. This improves investors' expectations for the company's future earnings, which ultimately leads to higher stock prices. That's why total asset turnover is an important part of the DuPont analysis framework. When improved, return on equity (ROE) is directly improved, and it plays a major role in determining the stock price. In a study of the impact of ESG preferences on asset pricing in China's A-share market, Sun et al. (2025) included total asset turnover in the regression model. Although total asset turnover was not treated as a central explanatory variable, the results showed that asset turnover was indirectly an important factor affecting equity returns. [9] Based on this, in conjunction with H1, this paper proposes the following hypothesis:

H2: Total asset turnover mediates the relationship between ESG performance and stock returns.

3.2 The Chain Mediation of WW Index

3.2.1 The Relationship Between Total Asset Turnover and the WW Index

The Whited-Wu Index (WW Index) is a measure of common financing restrictions. The higher the value, the stricter the financing constraint. Pecking order theory of finance said that companies like to use internal funds first, then raise funds through debt, and finally raise funds through stocks. Undoubtedly, after the turnover rate of total assets improves, the company can use assets efficiently and generate a large amount of operating cash flow. This will greatly increase the available internal funds and reduce the dependence on external financing, thus easing the financing restrictions. Specifically, when the total asset turnover rate is high, The Whited-Wu Index will be reduced through the following mechanisms. First, fast turnover will generate stable cache inflow and improve the company's self-financing ability.

Second, efficient business performance enhances the trust of creditors and reduces the difficulty and cost of obtaining funds from outside. Third, high business efficiency reduces information asymmetry and alleviates the problem of adverse selection in external financing. Therefore, based on the above discussion, the paper proposes:

H3: An increase in total asset turnover leads to a decrease in the WW Index.

3.2.2 The Impact of the WW Index on Stock Returns

The influence of financing constraints on stock returns can be understood in two ways. From the investment point of view, for companies facing tight financing constraints, it is easy to give up profitable investment opportunities, thus inhibiting future cash flow and profit growth and reducing expected returns. Secondly, from the perspective of risk compensation, firms with high financing constraints face greater financial and bankruptcy risks, so its investors require higher risk premium. However, this premium is often not enough to fully compensate for the actual risks, resulting in lower net returns. There are few studies directly investigating the relationship between WW Index and stock returns, but in the financing constraint theory, it is generally believed that financing constraints have a negative effect on stock returns, and the existing empirical research so far also indirectly holds this view. For example, in 2025, Xu et al. found that alleviating financing constraints would enhance firm value, and indirectly indicated that there was a negative correlation between financing constraints and stock returns [10], so this paper proposes the following hypothesis.

H4: The WW Index mediates the relationship between total asset turnover and stock returns.

4. RESEARCH DESIGN

4.1 Sample and Data Selection

Bloomberg ESG data has a high reputation and popularity in academic research at home and abroad. Because it is easy to understand and get the figures in the same way, the experimental results can be repeated and compared. This study mainly investigates the new ways in which ESG scores affect stock profits in China A-share market. Bloomberg ESG score covers a wide range of A-share listed companies in China. From 2010 to 2022, almost all A-share listed companies got 13,671 disclosure scores, which fully met the empirical research needs of this study. Because several data were not enough, the final data set became 340. Other data of this study are all taken from CNRDS and Wind databases.

4.2 Variable Definitions

In this study, Annual stock return is used as a variable to represent the result. This is a measure of the value return that firm bring to shareholders. Generally speaking, the higher the Annual stock return, the more value returns firm get. The independent variable of this study is ESG performance. This reflects the overall role of firm in three aspects: environmental protection, social responsibility and corporate governance. This study will investigate how ESG performance affects the analysis stack return. On the basis of the above theoretical analysis, let's talk about the intermediary role of total asset turnover (ATO) and WW Index (WW). ATO is an important indicator of the efficiency of moving firm' assets, which indicates how much income the whole assets can get per unit. WW Index is often used to measure the size of firm financing restrictions, and the higher the value, the stricter the financing restrictions. In 2023, Yin, Li and Su discovered several ways that ESG performance influenced Annual stock return, so [1] In order to adjust other factors that affect the annual stock return, this study selected the following control variables: firm age (AGE). Because, companies with a long history generally have good management ability; ownership concentration (Top10). This reflects the efficiency of corporate governance and the degree of power gathering in ESG decision-making; debt-to-equity ratio (Lev). Represents financial leverage; Tobin's q (tobinq). Measure the company's development opportunities and market evaluation; ownership type (own). This is a virtual variable, where 1 means state-owned enterprise and 0 means non-state-owned enterprise. The following table lists all the variables used in this study:

Table 1. Variables and Measures

Variable Type	Variable Name	Symbol	Definition and Measurement
Dependent Variable	Annual stock return	RET	
Key explanatory variables	ESG Performance	ESG	Bloomberg ESG Disclosure Score
Intermediary variables	Total Asset Turnover	ATO	Revenue / Average Total Assets
Intermediate Variable	WW Index	WW	Calculated based on cash flow, dividend payments, leverage, scale, etc.
Control variables	Company Age	AGE	Natural logarithm of the difference between the observation year and the year the company went public
Control variables	Shareholding Concentration	Top 10	Shareholding ratio of the top 10 shareholders (10%)
Control variable	Debt-to-Equity Ratio	Lev	Total Liabilities / Total Assets
Control Variable	Tobin's Q	Tobin Q	(Market value of equity + Market value of net debt) / Total assets
Control variables	Nature of Ownership	OWN	Set to 1 for state-owned enterprises, 0 for non-state-owned enterprises

4.3 Model Development

The baseline model in this paper is as follows:

$$RET_{i,t} = \alpha + \beta_1 ESG_{i,t} + \gamma Controls_{i,t} + Year_t + Firm_i + \varepsilon_{i,t} \quad (1)$$

Based on the theoretical analysis above, this study hypothesizes that total asset turnover will serve as a mediating variable through which ESG performance influences stock returns, while the WW Index mediates the relationship between total asset turnover and returns. Therefore, the following recursive equation is constructed to test this hypothesis:

$$ATO_{i,t} = \alpha + \beta_2 ESG_{i,t} + \gamma Controls_{i,t} + Year_t + Firm_i + \eta_{i,t} \quad (2)$$

$$RET_{i,t} = \alpha + \theta ATO_{i,t} + \gamma Controls_{i,t} + Year_t + Firm_i + \mu_{i,t} \quad (3)$$

$$WW_{i,t} = \alpha + \beta_3 ATO_{i,t} + \gamma Controls_{i,t} + Year_t + Firm_i + \lambda_{i,t} \quad (4)$$

$$RET_{i,t} = \alpha + \beta_4 ATO_{i,t} + \zeta WW_{i,t} + \gamma Controls_{i,t} + Year_t + Firm_i + \rho_{i,t} \quad (5)$$

In Models (1) through (5), `$Year$` and `$Firm$` are time dummies and firm dummies, respectively; `$\varepsilon, \eta, \mu, \lambda, \rho$` is the random disturbance term; and `$Controls$` represents the aforementioned control variables.

Model (1) is used to test the impact of ESG performance on annual stock returns. If the coefficient of ESG performance ($ESG_{i,t}$) is significantly positive, it indicates that good ESG performance helps improve annual stock returns. Given that the existing literature has thoroughly explored this issue and most empirical results indicate that excellent ESG performance does indeed have a positive impact on stock returns, this paper will not elaborate further on this point.

Model (2) aims to examine the relationship between ESG performance and asset turnover (ATO). If the coefficientβ_2 is significant, it indicates that changes in ATO can be explained by ESG performance; ifβ_2 is significantly positive, it suggests that ESG performance has a positive effect on ATO.Model (3) is used to test the effect of ATO on annual stock returns. If the coefficientθ is significantly positive, it indicates the existence of a transmission channel through which ATO promotes annual stock returns. Consistent with existing literature, since financial performance and competitive ability have been proven to be mediating variables in the relationship between ESG performance and stock returns, ATO can and should only serve as a partial mediator . Models (4) and (5) are used to test the mediating role of the WW Index. If the coefficientsβ_3 andζ are both significantly negative, this indicates that the WW Index mediates the relationship between

ATO and annual stock returns. Furthermore, ifβ_4 in Model (5) is significantly positive, the WW Index acts as a partial mediator; conversely, ifβ_4 is not significant, it acts as a full mediator.

5. EMPIRICAL ANALYSIS

Next, this paper will examine whether the mediating pathways identified in the theoretical analysis exist.In this paper, Model A corresponds to the first mediation chain (ESG→ ATO→ RET), and Model B corresponds to the second mediation chain (ATO→ WW→ RET). First, we test whether the effects of the independent variables on the mediating variables are significant. Next, we include both the independent variables and the mediating variables in the regression analysis to examine the coefficients of the mediating variables relative to the independent variables, thereby determining the existence and completeness of the mediation paths.

5.1 Testing the Mediating Effect of Asset Turnover

Table 2 reports the regression results for the mediating effect of total asset turnover (ATO) between ESG performance and stock returns. Equation (1) takes ATO as the dependent variable to test the effect of ESG performance on ATO. The estimated coefficient of ESG is 0.0097 and is statistically significant at the 1% level ($t = 4.115$, $p < 0.001$). This finding suggests that stronger ESG performance leads to higher total asset turnover, i.e., improved asset utilization efficiency. Thus, the first half of the first mediation chain is validated. Equation (2) directly examines the relationship between ATO and RET. If ATO is found to have a positive effect on RET, the latter half of the mediation chain is established; conversely, ATO cannot serve as a mediating variable. The regression results show that the coefficient for ATO is 0.3769, which is significant at the 1% level ($t = 3.285$, $p < 0.01$). Combining the above analysis, it can be concluded that ATO indeed acts as a mediating variable in the pathway through which ESG performance influences stock returns. Given that existing literature has identified other mediating variables, ATO is classified as a partial mediator.

Table 2. Regression Results for the ATO Mediation Effect

Variables	Equation (1) ATO	Equation (2) RET
ESG	0.0097***	
	(0.0023)	
ATO		0.3769***
		(0.1148)
ln*AGE*	0.1462	0.3596
	(0.2522)	(0.4981)
TOP 10	-0.5499***	0.1762
	(0.1781)	(0.3439)
LEV	0.6718***	0.0954
	(0.1101)	(0.2312)
TQ	0.0275***	0.1054***
	(0.0052)	(0.0107)
Year fixed effects	Yes	Yes
Firm fixed effects	Yes	Yes
Observed value	340	340
AdjustmentR^2	0.881	0.639

Note: *, **, *** indicate significance at the 10%, 5%, and 1% levels, respectively; the numbers in parentheses are the robust standard errors of the corresponding coefficients.

5.2 Testing the Mediating Effect of the WW Index

Table 3 reports the regression results for the mediating effect of the WW Index between total asset turnover (ATO) and stock returns (RET). Equation (1) tests the total effect of ATO on RET. The results show that the coefficient of ATO is 0.3769, which is significant at the 1% level ($t = 3.285$, $p < 0.01$), indicating that an increase in total asset turnover is conducive to the growth of stock returns.Equation (2) uses the WW Index as the dependent variable to examine the effect of ATO on financing constraints. The results show that the coefficient of ATO is -0.0567, which is significant at the 1% level ($t = -5.847$, $p < 0.001$), indicating that an increase in total asset turnover significantly alleviates firms' financing constraints (i.e., a decrease in the WW Index). Equation (3) includes both ATO and the WW Index in the regression equation for RET. The experimental results show that the coefficient of ATO is 0.2629, and the 5% level is significant ($t = 2.190$, $p < 0.05$). The coefficient of WW Index is -2.0131, which is significant in 1% level ($t = -2.876$, $p < 0.01$). These results clearly show that WW Index will be used as a mediating variable in the path of ATO affecting RET. After considering the role of WW Index, ATO continues to have a great positive impact on RET, and it can be seen that WW Index is a partial mediator. Compared with Equation (1), the coefficient of ATO decreased from 0.3769 to 0.2629 after WW Index was added, which decreased by about 30.3%. This shows that in the overall effect of ATO on RET, the indirect effect through WW Index accounts for about 30.3%, and there are other direct influence ways.

Table 3. Results of the WW Mediation Test

Variables	Equation (1) RET	Equation (2) WW	Equation (3) RET
ATO	0.3769***	-0.0567***	0.2629**
	(0.1148)	(0.0097)	(0.1200)
WW			-2.0131***
			(0.6999)
ln *AGE*	0.3596	0.0792*	0.5190
	(0.4981)	(0.0421)	(0.4949)
TOP 10	0.1762	0.0459	0.2686
	(0.3439)	(0.0290)	(0.3410)
LEV	0.0954	-0.0048	0.0858
	(0.2312)	(0.0195)	(0.2283)
TQ	0.1054***	0.0004	0.1061***
	(0.0107)	(0.0009)	(0.0106)
Year fixed effect	Yes	Yes	Yes
Firm fixed effects	Yes	Yes	Yes
the observed value	340	340	340
AdjustmentR^2	0.639	0.778	0.648

Note: Same as Table 2.

5.3 Full Chain Model: Combined Effects of ESG, ATO, and WW

Table 4 shows the results of the overall chain model. This shows the influence of ESG performance, ATO and WW Index on RET. The results show that the direct influence of ESG is no longer meaningful after ATO and WW Index are added ($t = -0.498$, $p = 0.619$). This shows that the influence of ESG data collected in this study on stock returns has been fully spread through the chain path of asset turnover and financing constraints. This result supports the chain mediation hypothesis given in this study. As for ATO, the coefficient is 0.2777, which is significant at the level of 5% ($t = 2.243$, $p < 0.05$). This shows that even if the financing constraints are adjusted, the operational efficiency itself will have an independent and good impact on the return of stocks. Combined with the significant negative impact of ATO on WW

Index explained in Equation 2 of Table 3, the coefficient of WW Index is -1.9975 by ATO through "directly improving return" and "relaxing financing constraints and indirectly improving return", which is significant at the level of 1% (t = -2.847, p = 0.005). This is consistent with the theoretical expectation. The stricter the financing constraints, the lower the return of the stock. This result further confirms that financing constraints are a key mediating variable linking operational efficiency and stock returns.

Table 4. Regression Results of the Overall Chain Model

Variable	Coefficient
ESG	-0.00235
	(0.00472)
ATO	0.27769**
	(0.12382)
WW	-1.99746***
	(0.70155)
ln *AGE*	0.51894
	(0.49555)
TOP 10	0.31627
	(0.35458)
LEV	0.08931
	(0.22871)
TQ	0.10599***
	(0.01061)
Year fixed effect	Yes
Firm fixed effects	Yes
Observation	340
AdjustedR^2	0.647

Note: Same as Table 2.

6. CONCLUSIONS AND IMPLICATIONS

In this study, 50 A-share listed companies in China healthcare industry were used as samples. According to the mediation effect testing model, this paper systematically studies the new transmission mechanism of ESG performance affecting stock returns. The novelty of this study lies in the establishment of a dual media chain model of "ESG → ATO → WW → RET" to distinguish "full mediation" from "partial mediation". The main conclusions are as follows: First, total assets transfer has a partition function between ESG performance and storage results. The findings show that ESG performance not only directly affects stock returns, but also plays a role through various media channels, of which total asset turnover is one of the important contents. This conclusion is followed by Yin et al. (2023)' s "financial performance and firm competitiveness act as partial mediating variables in the relationship between ESG performance and stock returns"— [1]. The higher the total asset turnover, the lower the company's financing constraints will be, and then the stock returns will rise. In addition, WW Index analyzes this relationship, and the indirect impact accounts for about 30.3% of the total impact of ATO on returns. This means that in addition to easing financing constraints, total asset turnover also has an independent mechanism to influence stock returns. For investors, corporate managers and policymakers, this paper is of great significance in theory and practice. First of all, when making the ESG investment battle plan, investors should not only look at the ESG rate of the company, but also seriously investigate whether the ESG results really improve the working

efficiency of asset. Please give priority to companies with good ESG and efficiency. Secondly, for company managers, ESG activities should not just release information according to rules. It really must be included in the management of work. Only by transforming ESG's idea into improving the efficiency of asset use can the company make a profit in capital markets. Third, the regulatory authorities should further disclose ESG and financial information. In this way, investors can easily find out how ESG activities can improve work efficiency. At the same time, we can also consider putting the work efficiency value such as total asset turnover into the mechanism of evaluating ESG.

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