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PERCEIVED ESG PERFORMANCE TO RE-INVESTMENT INTENTION: THE ROLE OF INVESTOR CONFIDENCE AMONG INDIVIDUAL INVESTORS

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Abstract

Environmental, Social, and Governance (ESG) performance has become an important factor influencing sustainable investment decisions. This study examines the influence of Perceived ESG Performance on Re-investment Intention through Investor Confidence among individual investors with respect to ESG investments in Chennai. A descriptive and analytical research design was adopted, and primary data were collected from 226 individual investors using a structured questionnaire. The data were analysed using descriptive statistics, correlation, and regression analysis. The findings reveal that Perceived Environmental Performance and Perceived Governance Performance have a significant positive influence on Investor Confidence, whereas Perceived Social Performance does not show a significant effect. The results also indicate that Investor Confidence significantly enhances Re-investment Intention, and Perceived ESG Performance is positively associated with investors' intention to continue investing. The study contributes to sustainable finance literature by highlighting the importance of ESG performance in strengthening investor confidence and promoting long-term ESG investment decisions among individual investors.

Key Words: ESG Performance, Environmental Performance, Investor Confidence, Re-investment Intention, Individual Investors.

Introduction

Environmental, Social, and Governance (ESG) performance has become a fundamental criterion for evaluating corporate sustainability, risk management, and long-term value creation in global capital markets. Beyond conventional financial indicators, investors increasingly consider firms' environmental responsibility, social commitment, and governance quality while making investment decisions. Earlier studies reported that strong ESG performance enhances corporate reputation, financial performance, stakeholder relationships, and competitive advantage (Eccles et al., 2014; Buallay, 2019; López-Toro et al., 2021).

More recent research has demonstrated that ESG practices also promote organisational resilience, green innovation, operational efficiency, and sustainable value creation, particularly with the support of digital technologies and responsible corporate governance (Barbosa et al., 2023; Hadiqa Ahmad et al., 2023; Yu et al., 2025; Minhas, 2026). Furthermore, recent evidence highlights those investors have become one of the strongest drivers of corporate ESG performance, indicating that sustainability has evolved from a compliance requirement to a strategic investment consideration. The rapid growth of sustainable finance has significantly changed investors' behaviour, with ESG information becoming an important determinant of investment evaluation and portfolio selection. Earlier studies found that investors increasingly incorporate governance quality, environmental performance, and social responsibility into their investment decisions alongside traditional financial measures (Cohen et al., 2010; Khemir, 2019; Park et al., 2021). Subsequent studies reported that ESG awareness, transparent sustainability disclosures, corporate credibility, and financial literacy positively influence investment intention and responsible investment behaviour (Mehwish et al., 2022; Nafisa et al., 2023; Dikshit et al., 2025).

Recent studies have further shown that investor confidence plays a critical role in converting favourable ESG perceptions into sustainable investment decisions, while ESG information utilisation, behavioural intentions, and investors' sustainability orientation have become increasingly important in both developed and emerging markets (Gao & Zhao, 2026; Jang & Park, 2026; Robba&Lozza, 2026; Rosdiana et al., 2026). These findings suggest that ESG performance not only shapes investors' perceptions of corporate quality but also influences their confidence and long-term investment commitment.

Despite the growing body of literature, several important issues remain unresolved. Existing studies have predominantly examined ESG performance, investor confidence, investment intention, or firm performance as separate research streams, with limited attention to their integrated behavioural relationships. In particular, empirical evidence explaining how Perceived ESG Performance influences Re-investment Intention through Investor Confidence remains scarce. Most previous studies have also relied on secondary corporate data or focused on institutional investors and developed economies, providing comparatively limited evidence from individual investors in emerging markets.

Moreover, the increasing demand for sustainable investments has been accompanied by concerns regarding inconsistent ESG disclosures, information asymmetry, varying ESG assessment standards, and investor uncertainty, making confidence an important mechanism in sustainable investment decisions. Recent studies continue to emphasise the need to better understand investors' behavioural responses to ESG information across different market contexts. Therefore, the present study investigates the influence of Perceived ESG Performance, comprising environmental, social, and governance dimensions, on Re-investment Intention through the mediating role of Investor Confidence among individual investors in Chennai. This study contributes to the sustainable finance literature by providing evidence from an emerging economy using a behavioural framework and primary data.

Review of Literature and Research Gap

Review of Literature

Environmental, Social, and Governance (ESG) performance has become an important indicator of corporate sustainability and long-term business success. Earlier studies established that firms with strong ESG practices achieve better financial performance, enhanced corporate reputation, and improved stakeholder relationships (Eccles et al., 2014; Buallay, 2019; López-Toro et al., 2021). Recent studies have further shown that ESG implementation promotes organisational resilience, green innovation, and sustainable value creation through improved governance and digital transformation (Barbosa et al., 2023; Hadiqa Ahmad et al., 2023; Yu et al., 2025; Minhas, 2026).

The growing importance of ESG has significantly influenced investors' decision-making behaviour. Earlier studies found that investors increasingly consider governance quality, environmental responsibility, and social commitment alongside financial performance when evaluating investment opportunities (Cohen et al., 2010; Khemir, 2019; Park et al., 2021). More recent evidence indicates that ESG awareness, transparent disclosures, financial literacy, fintech-enabled information, and sustainability orientation positively influence investors' confidence and intention to invest in responsible companies (Mehwish et al., 2022; Nafisa et al., 2023; Dikshit et al., 2025; Kaushik, 2026).

Investor confidence has emerged as a key behavioural outcome of responsible corporate practices. Transparent governance, sustainability reporting, and ethical business practices have been found to reduce uncertainty and strengthen investor trust (Hammond et al., 2022; Hammond & Opoku, 2023). Subsequent studies reported that superior ESG performance enhances investor confidence, improves firm credibility, and increases investment attractiveness, thereby contributing to higher firm value and stronger investor relationships (Maghfiroh et al., 2023; Pong & Man, 2024; Tang et al., 2024; Gao & Zhao, 2026).

Re-investment intention has been widely recognised as an important behavioural outcome influenced by both financial and psychological factors. Earlier research demonstrated that investment satisfaction, profitability, trust, and perceived investment safety encourage investors to continue investing (Gyu-Yeol et al., 2008; Paek& Lee, 2016; Shin et al., 2018). More recent studies indicate that investor confidence, positive sustainability perceptions, perceived financial performance, and favourable ESG communication significantly strengthen investors' long-term investment commitment and re-investment intention (Patrick et al., 2021; Kashif et al., 2022; Sung-Ho et al., 2024; Robba&Lozza, 2026).

Overall, the literature suggests that ESG performance has become a strategic determinant of sustainable investment behaviour. While earlier studies established the direct effects of ESG on investment decisions and corporate performance, recent research increasingly highlights the behavioural role of investor confidence, trust, and perceived effectiveness in transforming ESG perceptions into long-term investment and re-investment decisions (Pong & Man, 2024; Tang et al., 2024; Padhmanabhan et al., 2025; Kaushik, 2026; Gao & Zhao, 2026; Robba&Lozza, 2026).

Research Gap

Although previous studies have established the importance of ESG performance, investor confidence, and investment behaviour, these relationships have mostly been examined separately. Limited research has integrated Perceived Environmental Performance, Perceived Social Performance, and Perceived Governance Performance as dimensions of Perceived ESG Performance while examining the mediating role of Investor Confidence in influencing Re-investment Intention, particularly among individual investors in emerging economies such as India. Therefore, the present study investigates the influence of Perceived ESG Performance on Re-investment Intention through the mediating role of Investor Confidence among individual investors in Chennai.

Conceptual Framework and Development of Hypothesis

Perceived ESG Performance and Investor Confidence

Perceived ESG Performance reflects investors' evaluation of a company's environmental, social, and governance practices. Strong ESG performance improves corporate credibility, transparency, and long-term sustainability, which enhances investors' confidence in the company. Previous studies have reported that firms with better ESG performance gain higher investor trust and confidence (Eccles et al., 2014; Buallay, 2019; Hammond et al., 2022). Recent studies also confirm that positive ESG perceptions strengthen investors' confidence and investment decisions (Pong & Man, 2024; Gao & Zhao, 2026).Therefore, the following hypothesis is proposed:

H1: Perceived ESG Performance (Environmental, Social and Governance)has a significant positive influence on Investor Confidence among individual investors with respect to ESG Investments.

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Perceived Environmental Performanceand Investor Confidence

Perceived Environmental Performance refers to investors' assessment of a company's environmental responsibility and sustainable practices. Companies with better environmental performance are perceived as more responsible and capable of managing future risks. Studies have shown that environmental initiatives improve corporate reputation and investor confidence (Park et al., 2021; Hadiqa Ahmad et al., 2023). Recent evidence also supports a positive relationship between environmental performance and investor confidence (Yu et al., 2025; Minhas, 2026).Hence, Perceived Environmental Performanceis expected to strengthen Investor Confidence.The evidence presented above supports the following hypothesis:

H1a: Perceived Environmental Performancehas a significant positive influence on Investor Confidence among individual investors with respect to ESG Investments.

Perceived Social Performanceand Investor Confidence

Perceived Social Performance reflects investors' evaluation of a company's responsibility towards employees, customers, and society. Socially responsible organisations are generally viewed as more trustworthy and sustainable. Previous and recent studies indicate that strong social performance enhances corporate image, investor trust, and confidence (Maghfiroh et al., 2023; Pong & Man, 2024; Rishikaysh et al., 2025; Kaushik, 2026).Therefore, Perceived Social Performance is expected to positively influence Investor Confidence.From the above discussion, the following hypothesis emerges:

H1b: Perceived Social Performancehas a significant positive influence on Investor Confidence among individual investors with respect to ESG Investments.

Perceived Governance Performanceand Investor Confidence

Good governance enhances transparency, accountability, and ethical decision-making, thereby increasing investors' confidence. Companies with effective governance practices are perceived as more reliable and less risky. Earlier and recent studies consistently reported that governance quality positively influences investor confidence (Khemir, 2019; Tang et al., 2024; Safitri et al., 2025; Rita et al., 2026).Therefore, the following hypothesis is proposed:

H1c: Perceived Governance Performancehas a significant positive influence on Investor Confidence among individual investors with respect to ESG Investments.

Investor Confidence and Re-investment Intention

Investor confidence is an important factor influencing investors' willingness to continue investing. Confident investors are more likely to retain and increase their investments over time. Previous studies have shown that investor confidence positively affects long-term investment behaviour and re-investment decisions (Gyu-Yeol et al., 2008; Hammond et al., 2022). Recent studies also support this relationship in the context of sustainable investments (Sung-Ho et al., 2024; Gao & Zhao, 2026).Therefore, the following hypothesis is presented for testing:

H2: Investor Confidence has a significant positive influence on Re-investment Intention among individual investors with respect to ESG Investments.

Perceived ESG Performance and Re-investment Intention

Perceived ESG Performance has become an important consideration in investors' long-term investment decisions. Companies with strong ESG practices are viewed as more sustainable, credible, and capable of generating stable returns. Studies have reported that favourable ESG perceptions positively influence investors' willingness to continue investing (Pedersen et al., 2021; Mehwish et al., 2022). Recent evidence also confirms that ESG performance strengthens re-investment intention by enhancing corporate credibility and reducing investment uncertainty (Dikshit et al., 2025; Padhmanabhan et al., 2025; Kaushik, 2026).The relationship conversed above gives rise to the subsequent hypothesis:

H3: Perceived ESG Performances(Environmental, Social and Governance)has a significant positive relationship withRe-investment Intention among individual investors with respect to ESG Investments.

Conceptual Framework Model and its Explanation

The conceptual framework of the present study explains the relationship between Perceived ESG Performance, Investor Confidence, and Re-investment Intention among individual investors. The framework is developed based on the premise that investors increasingly consider a firm's environmental, social, and governance (ESG) performance while evaluating long-term investment opportunities. Previous studies have shown that ESG performance has become an important determinant of investment decisions, corporate credibility, and sustainable value creation (Eccles et al., 2014; Buallay, 2019; Mehwish et al., 2022). Accordingly, the present framework considers Perceived ESG Performance as the independent variable, Investor Confidence as the mediating variable, and Re-investment Intention as the dependent variable.

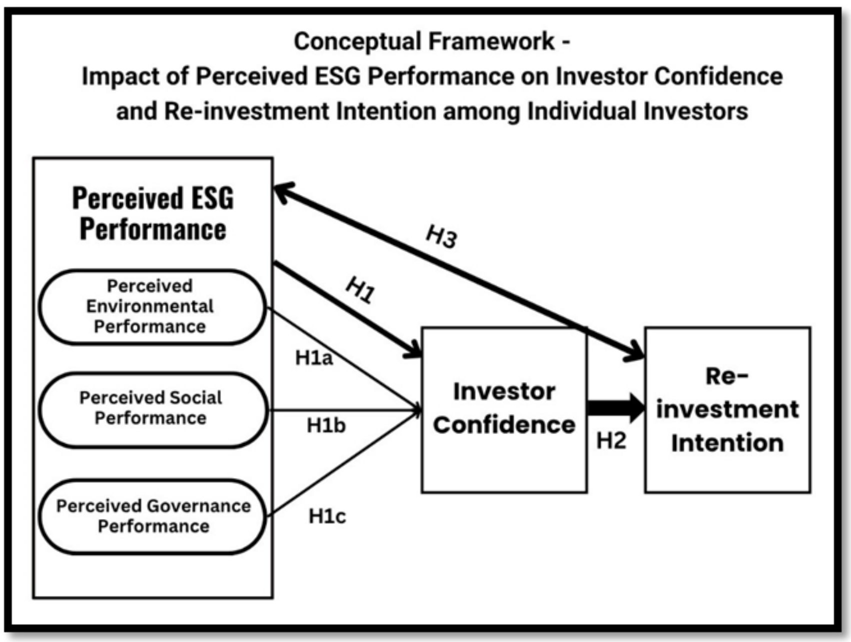

Figure 1: Conceptual Framework Model of the Research

Perceived ESG Performance is conceptualized through three dimensions: Perceived Environmental Performance, Perceived Social Performance, and Perceived Governance Performance. These dimensions capture investors' perceptions of a company's environmental responsibility, social commitment, and governance quality, which together influence the overall evaluation of corporate sustainability. Earlier studies have reported that companies demonstrating strong ESG performance are perceived as more transparent, accountable, and reliable, thereby enhancing investors' confidence and long-term investment preferences (Park et al., 2021; Hadiqa Ahmad et al., 2023; Tang et al., 2024). Therefore, the present study proposes that Perceived ESG Performance has a significant positive influence on Investor

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Confidence (H1). Furthermore, each dimension of Perceived ESG Performance is expected to contribute independently to investor confidence. Accordingly, Perceived Environmental Performance (H1a), Perceived Social Performance (H1b), and Perceived Governance Performance (H1c) are hypothesized to have a significant positive influence on Investor Confidence.

The framework further proposes that Investor Confidence plays a significant role in shaping investors' Re-investment Intention. Investors who have greater confidence in a company's ethical conduct, transparency, and long-term sustainability are more likely to continue or increase their investments. Previous studies have confirmed that investor confidence positively influences investment continuity and strengthens long-term investment behaviour (Hammond et al., 2022; Hammond & Opoku, 2023; Sung-Ho et al., 2024). In addition, recent studies suggest that favourable ESG perceptions directly encourage investors to maintain long-term investment relationships by reducing uncertainty and increasing trust in corporate performance (Pong & Man, 2024; Dikshit et al., 2025; Kaushik, 2026). Therefore, Investor Confidence is hypothesized to have a significant positive influence on Re-investment Intention (H2), while Perceived ESG Performance is also expected to have a significant positive influence on Re-investment Intention (H3). Thus, the proposed framework examines both the direct and indirect effects of Perceived ESG Performance on Re-investment Intention through the connecting role of Investor Confidence, providing a comprehensive understanding of sustainable investment behaviour among individual investors.

Methodology Adopted

The present study adopted a descriptive and analytical research design to examine the influence of Perceived ESG Performance on Re-investment Intention through Investor Confidence among individual investors with respect to ESG investments in Chennai. A quantitative research approach was employed to measure the study variables objectively and to test the proposed conceptual framework. The study considers Perceived ESG Performance as the independent variable, represented by Perceived Environmental Performance, Perceived Social Performance, and Perceived Governance Performance, while Investor Confidence serves as the mediating variable and Re-investment Intention as the dependent variable. A cross-sectional survey design was adopted, and primary data were collected from individual investors at a single point in time (Kothari, 2004). A structured questionnaire was used for data collection, comprising questions on respondents' demographic profile, investment characteristics, and statements related to Perceived ESG Performance, Investor Confidence, and Re-investment Intention. The questionnaire items were measured using a five-point Likert scale, ranging from Strongly Disagree (1) to Strongly Agree (5). The final analysis was carried out using 226 valid responses, selected from 250 distributed questionnaires based on completeness and suitability for analysis.

The collected data were analysed using both descriptive and inferential statistical techniques. Descriptive statistics, including frequency and percentage analysis, were used to describe the demographic and investment profile of the respondents. Inferential statistical methods were employed to examine the relationships among the study variables and to test the proposed hypotheses. The adopted methodology provides empirical evidence on how investors' perceptions of ESG performance influence their confidence and subsequently their intention to continue investing in ESG-oriented companies.

Data Analysis and Results

Demographic Profile andInvestment Pattern of Individual Investors with respect to ESG Investments

The demographic profile shows that male investors (152) outnumber female investors (74) in ESG investments. A majority of the respondents are married (143) and employed (145). The educational profile is almost evenly distributed, with 116 respondents having graduation/professional qualifications and 110 respondents having schooling/diploma qualifications, indicating that ESG investments attract investors with varied educational backgrounds.

The investment pattern indicates that ESG Mutual Funds (156) are the most preferred investment option, followed by ESG Bonds (42) and ESG Stocks (28). Most respondents have invested for less than one year (102) and invested less than ₹2 lakhs (144). Overall, the findings suggest that ESG investments are more popular among employed investors who prefer mutual funds and make relatively small, short-term investments.

Impact of ESG Performance on Investor Confidence among Individual investors in the context of ESG Investments

Multiple Regression Analysis (MRA) was employed to examine the influence of Perceived ESG Performance on Investor Confidence among individual investors with respect to ESG investments. Investor Confidence was considered the dependent variable, while Perceived Environmental Performance, Perceived Social Performance, and Perceived Governance Performance were treated as the independent variables. The analysis was carried out to determine both the overall explanatory power of Perceived ESG Performance and the individual contribution of each ESG dimension in influencing investor confidence.

The results of the multiple regression analysis indicate that the proposed model is statistically significant in explaining Investor Confidence among individual investors with respect to ESG investments. The model explains 63.4% of the variation (Table 1) in Investor Confidence ($R^2 = 0.634$), while the adjusted R^2 value of 59.8% confirms that the model has good explanatory power. The F-value of 289.245 is significant at the 1% level ($p = 0.000$), indicating that Perceived ESG Performance has a significant positive influence on Investor Confidence. Therefore, the main hypothesis H1 is accepted.

Table:1 Impact of ESG Performance on Investor Confidence among Individual investors in the Context of ESG Investments – Model Summary

R	**R^2**	**Adj. R^2**	**F-Value**	**F-Value**	**Sig.**
0.755	0.634	0.598	289.245	(3, 222)	0.000**

(Note: ** Significant at 1% level)

Table 2: Impact of ESG Performance on Investor Confidence among Individual investors in the Context of ESG Investments – Multiple Regression Analysis

Variables	**B**	**SE**	**β**	**t-value**	**p-value**
Constant	0.845	0.387	–	3.558	0.000
Environmental Performance	0.513	0.048	0.402	8.774	0.000**
Social Performance	0.074	0.060	0.076	0.985	0.106NS
Governance Performance	0.305	0.056	0.273	3.159	0.004**

Dependent Variable:Investor Confidence
(Significant at 1% level; NS = Not Significant)**

Among the three dimensions of Perceived ESG Performance as shown in Table 2, Perceived Environmental Performance has the strongest positive influence on Investor Confidence ($\beta = 0.402$, $p < 0.01$), followed by Perceived Governance Performance ($\beta = 0.273$, $p < 0.01$). This indicates that investors place greater confidence in companies that demonstrate strong environmental responsibility and sound governance practices. Hence, H1a and H1c are accepted. However, Perceived Social Performance does not have a significant influence on Investor Confidence (β = 0.076, p = 0.106), indicating that social initiatives alone are not sufficient to enhance investors' confidence in ESG investments. Therefore, H1b is rejected. Overall, the findings suggest that environmental and governance performance are the key drivers of investor confidence, whereas social performance has no significant contribution in the present study.

Impact of Investor Confidenceon Re-investment Intention among Individual investors in the context of ESG Investments – Simple Regression Analysis

A simple regression analysis was conducted to examine the influence of Investor Confidence on Re-investment Intention among individual investors with respect to ESG investments.

Table 3: Impact of Investor Confidence on Re-investment Intention among Individual investors in the context of ESG Investments– Model Summary

R	R^2	Adj. R^2	F-Value	DF	Sig.
0.689	0.613	0.557	226.981	(1, 224)	0.000**

Note: ** Significant at 1% level

The results presented in Table 3 show that the regression model is statistically significant, with an F-value of 226.981 at the 1% level (p = 0.000). The correlation coefficient (R = 0.689) indicates a strong positive relationship between Investor Confidence and Re-investment Intention. The model explains 61.3% of the variation in Re-investment Intention (R^2 = 0.613), while the adjusted R^2 value of 55.7% indicates good explanatory power.

Table 4: Impact of Investor Confidence on Re-investment Intention among Individual investors in the context of ESG Investments– Simple Regression Analysis

Variables	B	SE	β	t-value	p-value
Constant	1.225	0.289	–	4.118	0.000
Investor Confidence	0.812	0.048	0.774	12.831	0.000**

Dependent Variable:Re-investment Intention of Individual investors
(Sign. at 1% level)**

The regression coefficients in Table 4 reveal that Investor Confidence has a significant positive influence on Re-investment Intention (β = 0.774, t = 12.831, p = 0.000). The positive unstandardized coefficient (B = 0.812) indicates that an increase in investor confidence leads to a corresponding increase in re-investment intention. Since the relationship is statistically significant at the 1% level, the hypothesis H2: Investor Confidence has a significant positive influence on Re-investment Intention among individual investors with respect to ESG investments is accepted. The findings suggest that investors with higher confidence in ESG investments are more likely to continue and increase their investments in ESG-oriented companies.

Relationship between ESG Performance and Re-investment Intention among Individual investors in the context of ESG Investments – Correlation Analysis: A Pearson product-moment correlation analysis was carried out to examine the relationship between the dimensions of Perceived ESG Performance and Re-investment Intention among individual investors with respect to ESG investments. The results indicate that all three dimensions of Perceived ESG Performance have positive and statistically significant relationships with Re-investment Intention at the 1% level, suggesting that favourable perceptions of ESG performance are associated with a stronger intention to continue investing in ESG-oriented companies.

Table 5: Relationship between ESG Performance dimensions and Re-investment Intention among Individual investorstowardsESG Investments – Correlation Analysis

Variables	Mean	SD	(r)	p-value
Environmental Performance	4.12	0.59	0.721	0.000**
Social Performance	2.83	0.79	0.343	0.000**
Governance Performance	3.79	0.64	0.596	0.000**

(**Sign. at 1% level)

As shown in Table 5, Perceived Environmental Performance exhibits the strongest positive relationship with Re-investment Intention (r = 0.721, p = 0.000), followed by Perceived Governance Performance (r = 0.596, p = 0.000). Perceived Social Performance also has a positive and significant relationship with Re-investment Intention (r = 0.343, p = 0.000), although the association is comparatively weaker. These findings indicate that investors who perceive companies as environmentally responsible and well governed are more likely to continue investing in ESG-related investments.

Overall, the findings confirm that Perceived ESG Performance is positively associated with Re-investment Intention among individual investors with respect to ESG investments. Therefore, the hypothesis H3, which states that Perceived ESG Performance has a significant positive relationship with Re-investment Intention among individual investors with respect to ESG investments, is supported.

The results presented in Table 6 indicate that most of the proposed hypotheses are supported. Among the dimensions of Perceived ESG Performance, Perceived Environmental Performance (H1a) and Perceived Governance Performance (H1c) have a significant positive influence on Investor Confidence, whereas Perceived Social Performance (H1b) does not show a significant influence. This suggests that environmental and governance practices are more influential than social performance in building investor confidence towards ESG investments.

Table 6:Summary of Hypotheses Testing

Hypothesis	Variables	P-Value	Decision
H1a	Environmental PerformancehInvestor Confidence	0.000**	Supported
H1b	Social Performance h Investor Confidence	0.106	Not Supported
H1c	Governance Performanceh Investor Confidence	0.004**	Supported
H1	ESG PerformancehInvestor Confidence	0.000	Supported
H2	Investor Confidence hRe-investment Intention	0.000	Supported
H3	ESG PerformanceQRe-investment Intention	0.000	Supported

The findings further reveal that the overall Perceived ESG Performance has a significant positive influence on Investor Confidence, thereby supporting H1. In addition, Investor Confidence has a significant positive influence on Re-investment Intention, confirming H2. The study also establishes a significant positive relationship between Perceived ESG Performance and Re-investment Intention, supporting H3. Overall, the findings indicate that investors' perceptions of environmental and governance performance play a key role in strengthening investor confidence, which subsequently encourages their intention to continue investing in ESG investments.

The overall construct of ESG Performance was found to significantly influence Investor Confidence, supporting H1. Furthermore, Investor Confidence demonstrated a significant positive effect on Re-investment Intention, confirming H2. The findings also reveal a significant positive relationship between ESG Performance and Re-investment Intention, thereby supporting H3. Overall, the results suggest that effective ESG Performance, particularly informative, personalized, and interactive content, play a crucial role in strengthening Investor Confidence and encouraging Re-investment Intention among individual investors with respect to ESG Investments.

Suggestions and Recommendations

Companies should strengthen their environmental and governance practices, as these dimensions have a significant influence on investor confidence. Improving environmental initiatives, ensuring transparent governance, maintaining ethical business practices, and providing clear ESG disclosures can enhance investors' trust and encourage long-term investment. Companies should also communicate their ESG achievements regularly to improve investors' awareness and confidence.

Although social performance did not significantly influence investor confidence in the present study, organisations should continue investing in employee welfare, community development, and social responsibility initiatives while improving the visibility of these activities through effective ESG reporting. Policymakers, regulators, and financial institutions should also promote investor education programmes to enhance ESG awareness and help individual investors make informed and sustainable investment decisions.

Conclusion

Environmental, Social, and Governance (ESG) performance has become an important consideration in sustainable investment decisions. The present study examined the influence of Perceived ESG Performance on Re-investment Intention through the mediating role of Investor Confidence among individual investors with respect to ESG investments in Chennai. The findings reveal that Perceived Environmental Performance and Perceived Governance Performance significantly enhance investor confidence, whereas Perceived Social Performance does not show a significant influence. The study also confirms that Investor Confidence positively influences Re-investment Intention and that Perceived ESG Performance is positively associated with investors' willingness to continue investing in ESG-oriented companies.

The study contributes to the growing literature on sustainable finance by providing empirical evidence from the perspective of individual investors in an emerging market. It extends the understanding of ESG investment behaviour by integrating the three dimensions of Perceived ESG Performance, Investor Confidence, and Re-investment Intention within a single conceptual framework. The findings have practical implications for companies, fund managers, and policymakers by highlighting the importance of strengthening environmental initiatives, governance practices, and transparent ESG disclosures to build investor confidence and encourage long-term ESG investments.

Despite these contributions, the study has certain limitations. It is based on a cross-sectional survey of individual investors in Chennai, which may limit the generalisability of the findings to other regions and investor groups. Future studies may include larger and more diverse samples, compare different geographical regions or investor categories, and examine additional variables such as ESG awareness, perceived risk, financial literacy, or investment experience as mediating or moderating factors. Overall, the study concludes that strengthening Perceived ESG Performance, particularly its environmental and

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governance dimensions, is essential for building investor confidence and promoting sustainable Re-investment Intention in ESG investments.

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