

## **ABSTRACT**

*Research on Environmental, Social, and Governance (ESG) risks and corporate financial performance has been growing in tandem with increasing attention to sustainability, non-financial risks, and the integration of ESG factors into business and investment decisions. However, the existing literature still reveals inconsistent findings, variations in measurement indicators, and conceptual challenges in distinguishing between ESG risk, ESG performance, and ESG disclosure. Therefore, this study aims to analyze the development of research on the relationship between ESG risks and corporate financial performance during the 2015–2025 period, as well as to identify research gaps and challenges in the academic literature.*

*This study employs a qualitative approach using the Systematic Literature Review (SLR) method, adhering to the PRISMA 2020 guidelines (Preferred Reporting Items for Systematic Reviews and Meta-Analyses). The research data is sourced from the Scopus database, comprising articles published between 2015 and 2025. Through a systematic selection process, 28 articles meeting the inclusion criteria were identified. The analysis was conducted using narrative synthesis and thematic analysis based on the domains of environmental risk, social risk, governance risk, financial performance indicators, key findings, and research gaps.*

*The results indicate that studies on ESG risks and financial performance have shown significant development, particularly in the most recent period. In the early stages, research focused primarily on environmental risks, such as carbon emissions, pollution, environmental disclosure, and climate risks. Subsequently, research evolved toward a more multidimensional approach, incorporating social and governance dimensions. The majority of studies indicate that high ESG risks tend to have a negative impact on a company's financial performance. However, these results are not entirely consistent, as they are influenced by country context, industry sector, measurement indicators, and the study's time horizon.*

**Keywords:** *ESG Risk, Financial Performance, Systematic Literature Review, PRISMA 2020.*