

ABSTRACT

This study aim to analysis impact of ESG disclosure score and the dimension of ESG included Environmental, Social and Governance on firm value (Tobin's Q) with profitability (ROA) serving as a mediating variable of non-financial companies listed on ASEAN region. This study also used firm size (SIZE), leverage (LEV), liquidity (LIQ) , revenue growth (REV), and firm age (FA) as a control variables.

The population of this study was non-financial companies listed on ASEAN region, covering the period 2020 to 2023. Using a panel data regression approach with Ordinary Least Squares (OLS) estimation, this study examines how ESG agregate and each dimension of ESG influences firm value both directly and indirectly through profitability. The sample consists of 396 non-financial companies selected through a purposive sampling method.

The findings reveal that ESG, environmental disclosure, social disclosure, and governance disclosure all have a positive and significant effect on firm value, supporting the positive role of ESG performance in enhancing corporate value. Profitability is positively influenced by ESG, environmental, and social disclosures, though governance disclosure does not have a significant impact on profitability. Furthermore, profitability significantly mediates the relationship between ESG, environmental, and social disclosures and firm value, confirming its role in enhancing the financial performance of companies. However, profitability does not mediate the relationship between governance disclosure and firm value. These findings contribute to the understanding of the financial benefits of ESG practices and provide practical implications for managers and policymakers in improving sustainability and corporate value in the ASEAN region.

Keywords : ASEAN, ESG, firm value, profitability, sustainability