ABSTRACT

Firm value reflects market perception of a company's performance, prospects, and ability to manage financial and non-financial risks. This study aims to examine the effect of ESG disclosure and environmental performance on firm value, with the proportion of independent commissioners as a moderating variable. This study uses secondary data obtained from annual reports, sustainability reports, Bloomberg Terminal, the Indonesia Stock Exchange, and PROPER ratings. The population consists of energy sector companies listed on the Indonesia Stock Exchange during 2022-2024. Using purposive sampling, this study obtains 22 companies with 66 firm-year observations. Firm value is proxied by Tobin's Q, ESG disclosure by Bloomberg ESG Disclosure Score, environmental performance by PROPER rating, and the proportion of independent commissioners by the ratio of independent commissioners to the total board of commissioners. Data are analyzed using panel data regression with the Common Effect Model and Moderated Regression Analysis through STATA 19. The results show that ESG disclosure has a positive and significant effect on firm value, while environmental performance has a negative and insignificant effect on firm value. The proportion of independent commissioners does not moderate the effect of ESG disclosure on firm value, but strengthens the effect of environmental performance on firm value. These findings indicate that ESG disclosure serves as relevant information for investors, while environmental performance requires stronger governance oversight to gain a positive market response.

Keywords: *ESG disclosure, environmental performance, independent commissioners, firm value, energy sector*