# *ABSTRACT*

*This study aims to examine the effect of Environmental, Social, and Governance (ESG) performance on firm value among companies listed in the Indonesian Sharia Stock Index (ISSI) during the 2022-2024 period. This study is motivated by the growing attention to Environmental, Social, and Governance (ESG) practices, as well as the inconsistent findings of previous studies regarding the effect of ESG on firm value.*

*This study employed a quantitative approach using secondary data obtained from Bloomberg Terminal. The data were analyzed using panel data regression with the Fiixed Effect Model (FEM), supported by the robust Cross-Section SUR (PCSE) estimation method. Firm value was measured using Tobin's Q, while ESG performance was measured using the Bloomberg ESG Performance Score. This study also examined firm size (SIZE), profitability (ROA), leverage (DER), and an ISSI concistency dummy.*

*The results indicate that Environmental Performance has a positive but insignificant effect on firm value. Social Performance has a negative and significant effect on firm value, whereas Governance Performance has a positive and significant effect on firm value. Meanwhile, SIZE has a negative and significant effect, whereas ROA, DER, and the ISSI consistency dummy, do not have significant effect on firm value.*



*Keywords: Environmental, Social, and Governance (ESG), Firm Value, Tobin's Q, Indonesian Sharia Stock Index (ISSI).*