

ABSTRACT

Currently, ESG has become very important in the business world to achieve the Sustainable Development Goals (SDGs). Corporate disclosure is considered as one way that companies can inform about ESG performance. This research aims to determine the effect of disclosure of each ESG component on financial performance as proxied by ROA and ROE. This research also uses control variables, namely Financial Leverage and Firm Size.

This research uses a sample of 37 ASEAN companies, including Indonesia, Malaysia, Singapore, Thailand, Philippines and Vietnam. The sampling technique uses a purposive sampling method with secondary data obtained through Bloomberg. The number of observations in this study was 185 over a period of 5 years (2018 - 2022). Data analysis used multiple linear regression analysis of panel data and was assisted by Eviews 12 software.

The findings from this research reveal that environmental disclosure and governance disclosure variables have a positive effect on ROA. Meanwhile, social disclosure has a positive effect on ROE. This research also reveals that environmental disclosure and governance disclosure have no effect on ROE, and social disclosure has no effect on ROA.

Keywords : *Financial Performance, Environmental Disclosure, Social Disclosure, Governance Disclosure, Return on Asset, Return on Equity.*

