

ABSTRACT

This study aims to analyze the impact of environmental, social, and governance (ESG) issues on firm value in the Malaysian business sector between 2021 and 2023. Tobin's Q is used as the dependent variable to represent firm value, while independent variables include ESG, environmental, social, and governance disclosure scores, with firm size (Size) and leverage (LEV) as control variables.

The study covers 122 companies listed on Bursa Malaysia, which were selected using purposive sampling method, and the data were analyzed by panel data regression using STATA 17 software as well as Robust Standard Error technique. Secondary data were taken from Bloomberg and the company's financial statements.

The results show that ESG performance significantly affects firm value, as reflected in Tobin's Q. In particular, social performance (SOC) significantly affects firm value. In particular, social performance (SOC) has no significant effect on firm value, while environmental performance (ENV) and governance (GOV) have a significant positive impact.

Keywords: ESG Disclosure Score (ESG), Environmental Disclosure Score (ENV), Social Disclosure Score (SOC), Governance Disclosure Score (GOV), Tobin's Q, Leverage, Size

