

The Impact of ESG Listing on Firm Value in Indonesia: An Analysis Before and During the Covid-19 Pandemic

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Abstract

Awareness of environmental, social, and corporate governance (ESG) issues is increasing, encouraging companies to adopt sustainable practices. This study analyzes the effect of ESG listings on firm value in Indonesia, considering the periods before and during the Covid-19 pandemic. The sample consists of companies listed on the Indonesia Stock Exchange (IDX) during 2017–2023, with ESG listings measured using the SRI-KEHATI index. The results show that ESG listings have a positive effect on firm value, indicating that companies with good ESG performance tend to have higher valuations. However, the moderation results indicate that the Covid-19 pandemic did not significantly strengthen the relationship between ESG listings and company value. These findings emphasize the importance of ESG in creating value for companies, although the role of ESG in dealing with crises such as the pandemic still requires further research.

INTRODUCTION

Sustainable business practices have gained increasing attention in recent years, particularly as global concerns over environmental degradation, social inequality, and governance failures intensify. This trend has pushed businesses to look beyond traditional profit motives and adopt more holistic approaches that consider broader societal and environmental implications (Buallay, 2019; Melinda & Wardhani, 2020). In response to these pressures, the concept of Environmental, Social, and Governance (ESG) has emerged as a comprehensive framework to evaluate corporate sustainability.

In Indonesia, ESG implementation has gained traction with the launch of the SRI-KEHATI index, a collaborative initiative between the Indonesia Stock Exchange (IDX) and the Kehati Foundation. This index highlights companies with strong ESG performance, especially those that actively engage in environmentally and socially responsible practices. This move aligns with national efforts to promote sustainability in capital markets and reflects growing awareness among Indonesian stakeholders of the importance of long-term business responsibility. Supporting this trend, the Financial Services Authority (OJK) has introduced Regulation No. 51/POJK.03/2017, which mandates financial institutions to prepare sustainable finance action plans. Together, these initiatives aim to foster responsible investment and sustainability-driven corporate behavior.

Firm value, which reflects investor perception, profitability, and market competitiveness, remains a central metric for evaluating business success. Numerous studies suggest that ESG practices can enhance firm value by improving risk management, increasing operational efficiency, and strengthening corporate reputation (Aboud & Diab, 2018; Alareeni & Hamdan, 2020; Wong et al., 2021). ESG engagement may also attract long-term investors who are aligned with sustainable values, thereby providing firms with greater capital access and valuation premiums (Lins et al., 2017). This supports the idea that ESG can be used not only as a compliance tool but also as a value-creation strategy.

However, not all findings are uniformly positive. Some scholars argue that ESG implementation may incur significant costs—such as investment in green technologies or increased disclosure requirements—which could strain financial performance, particularly in the short run or within developing economies (Di Tommaso & Thornton, 2020; Ruan & Liu, 2021). Additionally, studies such as Husada & Handayani (2021) and Velte (2017) have observed that ESG may show no significant or even negative impact on firm value under certain conditions. These mixed results are especially pronounced in emerging markets, where ESG awareness and institutional support may still be developing. Contextual factors such as regulatory environments, investor literacy, and stakeholder expectations play critical roles in determining whether ESG practices effectively translate into improved firm valuation. These findings highlight the need for further investigation into how ESG impacts vary by region and market maturity.

The Covid-19 pandemic added a new dimension to this discourse by introducing external shocks that severely disrupted global markets and corporate operations. During the crisis, some studies found that firms with strong ESG profiles were better able to navigate uncertainty and maintain stakeholder trust, resulting in more stable performance (Albuquerque et al., 2020; Chouaibi & Chouaibi, 2021; Lins et al., 2017). However, others noted that investor attention shifted toward liquidity and immediate returns, temporarily downplaying ESG considerations. This inconsistency underscores the importance of examining whether the relationship between ESG practices and firm value remains robust during periods of crisis.

Against this backdrop, the current study investigates the relationship between ESG listing and firm value among Indonesian firms, using the SRI-KEHATI index as a proxy for ESG listing. In addition, this study evaluates whether the Covid-19 pandemic served as a moderating factor in that relationship. By spanning the period from 2017 to 2023, this research offers a longitudinal perspective that includes both stable and turbulent market conditions. In doing so, the study aims to enrich the existing ESG literature, particularly by addressing the scarcity of evidence from emerging markets such as Indonesia.

This study adopts legitimacy theory as its main theoretical foundation, which posits that firms seek to gain legitimacy from society through their activities and ESG disclosures. By being included in an ESG listing, companies are expected to enhance stakeholder trust and, ultimately, improve their firm value (Dowling & Pfeffer, 1975). Building on the theoretical framework and prior research, this study formulates two hypotheses. First, ESG listing is expected to have a positive effect on firm value, as companies that actively participate in ESG initiatives are believed to gain stronger investor trust, enhanced reputation, and long-term performance advantages (H1).

Second, it is hypothesized that the Covid-19 pandemic plays a moderating role in this relationship, potentially altering the extent to which ESG commitments influence firm value during crisis conditions (H2).

The structure of this study is arranged as follows: Chapter 1 introduces the research background, objectives, and significance. Chapter 2 presents the methodology, including data sources, variable measurements, and analytical techniques. Chapter 3 details the empirical results and further analyses. Finally, Chapter 4 discusses the findings, concludes the study, and suggests implications, limitations, and directions for future research.

METHODS

This quantitative research uses secondary data from IDX, the KEHATI Foundation, and Osiris. A total of 4,609 firm-year observations were selected through purposive sampling for the period 2017–2023. The purposive sampling criteria are as follows: (1) companies must be listed on the IDX from 2017 to 2023; (2) companies with incomplete data for firm value and control variables in Osiris were excluded; and (3) companies identified as outliers in firm value and control variables were also excluded. These criteria ensure that the sample consists of consistent, reliable, and representative firm-year observations for robust analysis.

The independent variable is ESG listing, represented by a dummy variable indicating whether a firm is included in the SRI-KEHATI index. The dependent variable is firm value, measured using Tobin's Q and Market-to-Book ratio. Covid-19 is used as a moderating variable, represented by a dummy indicating the pandemic period (2020–2023). Control variables include firm size (natural log of total assets), profitability (ROA), leverage (debt to asset ratio), and growth (asset growth rate).

The following regression models are employed:

$$FV_{it} = \alpha + \beta_1 ESG_Listing_{it} + \beta_2 Controls_{it} + e_{it} \quad (3.1)$$

$$FV_{it} = \alpha + \beta_1 ESG_Listing_{it} + \beta_2 Covid_{it} + \beta_3 ESG * Covid_{it} + \beta_4 Controls_{it} + e_{it} \quad (3.2)$$

In these models, FV denotes the dependent variable, ESG_Listing is the main predictor variable, Covid captures the moderating effect of the pandemic, and the interaction term $ESG_Listing \times Covid$ tests whether the pandemic modified the relationship between ESG listing and firm value. The inclusion of multiple control variables helps isolate the effects of ESG listing from other firm-specific financial factors.

Data analysis is conducted using Ordinary Least Squares (OLS) regression with robust standard errors to correct for heteroskedasticity. Additionally, sector fixed effects are included to control for industry-level variation. This analytical approach strengthens the validity of the findings by addressing both firm-specific and industry-level variation.

RESULTS AND DISCUSSION

Subheadings Level 2

This study employs descriptive statistical analysis to provide a clear overview of the data distribution for ESG listing, firm value, and control variables among firms listed on the Indonesia Stock Exchange (IDX) during the 2017–2023 period. The detailed results of the descriptive analysis are presented in Table 3 below:

Table 1
Descriptive Statistics

Panel A Continuous Variables					
	N	Minimum	Maximum	Mean	Std. Deviation
TQ	4.609	0,085	44,157	1,848	2,810
MTB	4.609	-96,147	99,750	2,362	6,449
Size	4.609	15,469	28,408	21,619	1,943
ROA	4.609	-1,670	0,944	0,016	0,116
Lev	4.609	0,000	35,787	0,542	0,898
Growth	4.609	-1,000	39,349	0,161	1,024
Panel B Categorical Variables					
ESG_Kehati	Category	Frequency		Percentage	
0	Firms not included in the SRI-KEHATI index (2017–2023).	4.434		96,2	
1	Firms included in the SRI-KEHATI index (2017–2023).	175		3,8	
Industry Sector		Frequency		Percentage	
Energy		348		7,6	
Materials		534		11,6	
Industrials		817		17,7	
Consumer Discretionary		641		13,9	
Consumer Staples		611		13,3	
Health Care		162		3,5	
Financials		543		11,8	
Information Technology		140		3,0	
Communication Services		267		5,8	
Utilities		38		0,8	
Real Estate		508		11,0	

Note: Panel A presents descriptive statistics of the continuous variables, and Panel B shows descriptive statistics of the discrete variables. TQ and MTB refer to firm value, ESG_Kehati indicates ESG listing status, Size represents firm size, ROA is profitability, Lev is leverage, and Growth is the asset growth rate.

Source: Author, 2025.

Table 1 panel A show considerable variation in firm value, profitability, leverage, and growth across firms listed on the IDX from 2017 to 2023, as reflected by high standard deviations in Tobin's Q, Market-to-Book ratio, ROA, and Growth. Most firms have similar sizes, suggesting a more uniform scale of operations. Meanwhile, panel B data indicate that ESG practices are not yet mainstream, only 3.8% of firms are listed in the SRI-KEHATI index. Sector-wise, industrials dominate the sample, while sectors like utilities remain underrepresented. These findings suggest limited ESG engagement and an industry concentration that may influence the generalizability of ESG's impact on firm value in Indonesia.

Table 2
Mean Comparison: ESG listing vs. Nonlisting

	ESG_Kehati		All Sample
	D=0 (n=4.434)	D=1 (n=175)	(n=4.609)
TQ	1,844	1,935	1,848
MTB	2,304	3,824	1,110
Size	21,481	25,120	2,810
ROA	0,014	0,059	4.609
Lev	0,541	0,567	2,362
Growth	0,163	0,099	1,142

Note: D=0 represents firms not listed in the SRI-KEHATI index; D=1 represents firms listed in the SRI-KEHATI index. TQ and MTB indicate firm value, ESG_Kehati denotes ESG listing, Size is firm size, ROA represents profitability, Lev is leverage, and Growth is firm growth.

Source: Author, 2025.

Table 2 presents that firms listed in the SRI-KEHATI index generally exhibit superior characteristics compared to non-listed firms, including higher firm value (TQ and MTB), larger size, greater profitability (ROA), and slightly higher leverage. These patterns suggest that ESG engagement is associated with stronger financial and operational performance. However, non-listed firms report higher average growth, indicating a possible trade-off where firms focusing on rapid expansion may deprioritize ESG compliance. This highlights that while ESG participation aligns with financial stability and maturity, it may be less prevalent among aggressively growing firms.

Table 3
Multiple Regression Analysis

	(1) TQ	(2) MTB
ESG_Kehati	1,144*** (0,214)	2,248*** (0,529)
Size	-0,343*** (0,023)	-0,300*** (0,056)
ROA	3,084*** (0,352)	5,662*** (0,868)
Lev	1,055*** (0,044)	-0,080 (0,110)
Growth	0,062* (0,037)	0,112 (0,092)
Industry FE	Yes	Yes
Observations	4.609	4.609
R2	0,164	0,034
Adjusted R2	0,161	0,031

*Note: This model examines the effect of ESG listing and control variables on firm value, measured by Tobin's Q in column (1) and Market-to-Book ratio in column (2). *, **, and *** indicate significance levels at 10%, 5%, and 1%, respectively. Standard errors are in parentheses.*

Source: Author, 2025.

Table 3 presents the results of a multiple regression analysis examining the effect of ESG listing on firm value using two metrics: Tobin's Q and Market-to-Book ratio (MTB). The regression results show that ESG_Kehati has a statistically significant positive effect on both TQ (1.144***) and MTB (2.248***), confirming Hypothesis 1. These findings align with prior studies like Aboud & Diab (2018) and Wong et al. (2021), suggesting that firms participating in ESG listings tend to enhance investor trust, credibility, and reputation, which are positively reflected in their valuation. Notably, the effect is stronger in the MTB model, indicating that market-based valuations respond more favorably to ESG disclosures compared to fundamental value indicators. This suggests that good ESG performance is more likely to be rewarded by market valuation, possibly due to investor optimism about firms' long-term sustainability. Moreover, since MTB is sensitive to investor perception, it may capture the effect of ESG signals faster than TQ.

Among control variables, profitability (ROA) shows a strong positive and significant effect in both models, highlighting the relevance of firm performance in valuation. Size has a significant negative relationship in both cases, suggesting potential market skepticism toward large firms' ESG efforts. Leverage and growth show mixed results: while they are significant in the TQ model, they are not in the MTB model, indicating variability in how different valuation approaches capture risk and expansion dynamics. Overall, the regression underscores the importance of ESG listing in driving firm value, particularly from a market perception perspective.

Additional Analysis

This additional analysis aims to further understand the impact of the COVID-19 pandemic on the relationship between ESG listing and firm value. The study divides the dataset into two periods: pre-COVID (2017–2019) and during COVID (2020–2023). This analysis consists of three stages. The first stage compares the average values of research variables across both periods. The second stage applies separate regression models to each period. The final stage involves a moderation test by adding an interaction term between ESG listing and COVID-19 into the regression model, as explained in Equation 3.2. These steps aim to provide a more comprehensive understanding of how the pandemic may have strengthened the impact of ESG listing on firm value.

Table 4
Mean Comparison: Pre-Covid vs. Covid

	Total	Non Listing	Listing	<u>Non Listing</u>		<u>Listing</u>	
				Pre	Covid	Pre	Covid
TQ	4.609	4.434	175	1.610	2.824	75	100
Mean	1,848	1,844	1,935	1,880	1,823	2,115	1,800
Median	1,110	1,111	1,104	1,068	1,138	1,150	1,044
Std. dev	2,810	2,808	2,878	2,818	2,802	3,639	2,148
MTB	4.609	4.434	175	1.610	2.824	75	100
Mean	2,362	2,304	3,824	2,323	2,294	4,286	3,477

Median	1,142	1,133	1,314	1,109	1,157	1,478	1,110
Std. dev	6,449	6,231	10,490	6,015	6,352	12,547	8,686
Size	4.609	4.434	175	1.610	2.824	75	100
Mean	21,619	21,481	25,120	21,639	21,391	25,008	25,203
Median	21,552	21,456	24,963	21,617	21,321	24,852	25,002
Std. dev	1,943	1,822	1,617	1,697	1,884	1,571	1,653
ROA	4.609	4.434	175	1.610	2.824	75	100
Mean	0,016	0,014	0,059	0,019	0,011	0,059	0,059
Median	0,016	0,015	0,040	0,017	0,014	0,038	0,042
Std. dev	0,116	0,117	0,078	0,101	0,125	0,081	0,077
Lev	4.609	4.434	175	1.610	2.824	75	100
Mean	0,542	0,541	0,567	0,546	0,538	0,596	0,545
Median	0,469	0,465	0,560	0,490	0,451	0,597	0,515
Std. dev	0,898	0,915	0,234	0,695	1,019	0,206	0,252
Growth	4.609	4.434	175	1.610	2.824	75	100
Mean	0,161	0,163	0,099	0,230	0,125	0,136	0,072
Median	0,045	0,043	0,075	0,060	0,033	0,092	0,060
Std. dev	1,024	1,044	0,128	1,615	0,470	0,145	0,106

Note: TQ and MTB indicate firm value, Size is firm size, ROA represents profitability, Lev is leverage, and Growth is firm growth. Non-Listing refers to firms not included in the SRI-KEHATI index; Listing refers to those included. The pre-COVID period is 2017–2020 and the COVID period is 2021–2023.

Source: Author, 2025.

Table 4 presents the results of the first stage of the additional analysis. This table compares the average characteristics of firms during pre-COVID and COVID periods, segmented into ESG-listed and non-listed groups. Notably, prior to the pandemic, non-listed firms had higher averages for TQ, MTB, leverage, and growth than during the COVID period. These decreases highlight the vulnerability of non-ESG firms to global economic shocks such as the pandemic.

Conversely, ESG-listed firms also experienced reductions in these key metrics during the pandemic, but the decline was more moderate. Interestingly, ESG firms saw an increase in ROA and firm size during the pandemic, suggesting that these firms were better equipped to maintain profitability and scale despite market instability. These findings support the notion that ESG-oriented firms exhibit greater resilience during periods of crisis.

Table 5

Regression Analysis: Pre-Covid vs. Covid

	(1) TQ		(2) MTB	
	Pre	Covid	Pre	Covid
ESG_Kehati	1,460*** (0,340)	0,954*** (0,275)	2,993*** (0,814)	1,740** (0,694)
Size	-0,454*** (0,041)	-0,289*** (0,027)	-0,467*** (0,098)	-0,215*** (0,069)
ROA	5,074*** (0,685)	2,036*** (0,413)	11,737*** (1,636)	2,964*** (1,043)
Lev	1,216*** (0,100)	1,002*** (0,049)	-0,044 (0,238)	-0,110 (0,123)
Growth	0,017 (0,041)	0,415*** (0,103)	0,041 (0,098)	0,675** (0,261)
Industry FE	Yes	Yes	Yes	Yes
Observations	1.685	2.924	1.685	2.924
R2	0,159	0,187	0,058	0,035
Adjusted R2	0,152	0,182	0,049	0,030

*Note: This model examines the effect of ESG listing and control variables on firm value using Tobin's Q in column (1) and the Market-to-Book ratio in column (2). The pre-COVID period covers 2017–2020 and the COVID period spans 2021–2023. *, **, and *** indicate significance levels at 10%, 5%, and 1%, respectively. Standard errors are in parentheses.*

Source: Author, 2025.

Table 5 presents the results from the second stage of the additional analysis. The regression results show that ESG listing has a positive and significant effect on firm value (TQ and MTB) during both the pre-COVID and COVID periods. These findings support the study's first hypothesis, which suggests that companies prioritizing ESG factors tend to have higher firm value. However, the strength of this effect was greater before the pandemic, suggesting that while ESG practices continued to contribute to firm value, their impact slightly diminished during the crisis. This reduction may be attributed to a market shift in focus toward operational resilience and immediate performance during economic uncertainty. Despite this moderation, the results reinforce that ESG remains a critical determinant of firm value, even in times of global disruption.

Table 6

Moderation Analysis

	(1) TQ	(2) MTB
ESG_Kehati	1.200*** (0.313)	2.648*** (0.773)
Covid	-0.122 (0.081)	-0.102 (0.199)
ESG_Covid	-0.100 (0.401)	-0.704 (0.990)
Size	-0.345*** (0.023)	-0.301*** (0.056)
ROA	3.072*** (0.352)	5.649*** (0.869)
Lev	1.054*** (0.044)	-0.081 (0.110)
Growth	0.059 (0.037)	0.110 (0.092)
Industry FE	Yes	Yes
Observations	4.609	4.609
R2	0.164	0.034
Adjusted R2	0.161	0.031

*Note: This model tests the moderating role of COVID-19 on the effect of ESG listing and control variables on firm value, measured using Tobin's Q in column (1) and the Market-to-Book ratio in column (2). ESG_Covid represents the interaction term between ESG listing and the COVID period. *, **, and *** indicate significance levels at 10%, 5%, and 1%, respectively. Standard errors are in parentheses.*

Source: Author, 2025.

Table 6 presents the final stage of the additional analysis. The results confirm that ESG listing continues to have a positive and significant effect on firm value, reinforcing previous findings that firms adopting ESG practices generally achieve higher valuations. However, the moderating role of the COVID-19 pandemic is not supported by the data. The interaction term ESG_Covid is negative and statistically insignificant, indicating that the pandemic did not significantly strengthen or weaken the relationship between ESG listing and firm value. Consequently, the second hypothesis of this study is not supported. These results indicates that during times of crisis, investors tend to focus more on a company's fundamentals than on sustainability practices. This finding is consistent with research by Ruan & Liu (2021), which found that during times of economic uncertainty, investor preference for ESG tends to decline as they prioritize financial stability.

Robustness Check

This study also conducts a robustness check to examine the reliability and consistency of the analysis results. The test is performed by using an alternative proxy for the independent variable ESG listing, replacing the SRI-KEHATI index with the ESG Leaders index published by the Indonesia Stock Exchange (IDX). The analysis starts by presenting descriptive statistics for the

independent variable ESG_Leaders to provide an overview of the data characteristics. Subsequently, multiple regression analysis is conducted to test the effect of ESG listing (ESG_Leaders) on firm value, measured using Tobin's Q (TQ) and the Market-to-Book ratio (MTB).

Table 7
Descriptive Statistics: ESG Leaders

Panel Categorical Variables			
ESG_Leaders	Category	Frequency	Percentage
0	Firms not included in the IDX ESG Leaders index for the 2021–2023 period.	2.176	96,0
1	Firms included in the IDX ESG Leaders index for the 2021–2023 period.	90	4,0

Source: Author, 2025.

The descriptive statistics in Table 7 show that 96% of the sampled firms were not part of the IDX ESG Leaders index during 2021–2023, while only 4% were included. This small proportion indicating that only companies with strong sustainability practices and sound governance made it into the index. Overall, the findings reflect the limited yet growing adoption of ESG principles among publicly listed companies in Indonesia.

Table 8
Robustness Regression

	(1) TQ	(2) MTB
ESG_Leaders	0,704** (0,302)	2,080*** (0,737)
Size	-0,267*** (0,032)	-0,234*** (0,077)
ROA	1,990*** (0,489)	3,372*** (1,191)
Lev	1,000*** (0,053)	-0,077 (0,128)
Growth	0,354*** (0,115)	0,572** (0,280)
Industry FE	Yes	Yes
Observations	2.266	2.266
R2	0,194	0,039
Adjusted R2	0,188	0,032

*Note: This model examines the effect of ESG listing and control variables on firm value, measured by Tobin's Q in column (1) and the Market-to-Book ratio in column (2). The period analyzed is 2021–2023. *, **, and *** denote significance levels at 10%, 5%, and 1%, respectively. Numbers in parentheses indicate standard errors.*

Source: Author, 2025.

The robustness analysis results in Table 8 confirm that the ESG Leaders index has a significant positive impact on firm value, both in terms of Tobin's Q (0.704**) and the Market-to-Book ratio (2.080***), consistent with previous findings using the SRI-KEHATI index. This consistency confirms that firms with high ESG commitment tend to have higher firm value, regardless of the ESG data source. Furthermore, the ESG coefficient for MTB remains higher than that for TQ, indicating that the market tends to value ESG initiatives more strongly than accounting-based measures. These findings strengthen empirical evidence for the positive impact of ESG practices on firm value.

DISCUSSION

This study shows that ESG listing positively affects firm value in Indonesia. Firms included in the SRI-KEHATI and ESG Leaders indices demonstrate better financial performance and market valuations, suggesting that investors respond positively to companies with strong ESG commitments. Based on 4,609 firm-year observations, the findings confirm that ESG listing, used as a proxy for strong ESG performance, contributes to enhancing firm value. These results are in line with previous research by Aboud & Diab (2018) and Wong et al. (2021), who found similar outcomes in Egypt and Malaysia.

Interestingly, when the Covid-19 pandemic is introduced as a moderating variable, it does not significantly affect the relationship between ESG listing and firm value. This implies that during periods of crisis, investors may place more emphasis on a firm's fundamentals rather than sustainability practices. The regression coefficients for ESG listing without the Covid-19 interaction are higher than those with it, indicating a slightly weakened ESG impact during the pandemic. This trend may reflect limited ESG awareness and implementation in Indonesia, where many firms still view ESG as regulatory compliance rather than strategic advantage. These findings are consistent with Ruan & Liu (2021), who found that during economic uncertainty, investor preference for ESG tends to decline in favor of financial stability.

Robustness checks using an alternative ESG proxy, the ESG Leaders index, confirmed the consistency of the results. The positive association between ESG listing and firm value persisted across both Tobin's Q and MTB models. This reinforces the conclusion that ESG practices are beneficial to firm valuation, irrespective of the ESG data source. These findings provide robust empirical evidence supporting the value-creating potential of ESG engagement.

CONCLUSION

This study provides strong empirical evidence that ESG listing positively influences firm value in Indonesia, as demonstrated by firms listed in the SRI-KEHATI and ESG Leaders indices. Despite the slight weakening of this relationship during the Covid-19 pandemic, the overall findings suggest that companies with strong ESG commitments enjoy better financial performance and investor confidence. The consistency of results across different proxies and valuation models reinforces the notion that ESG serves as a strategic asset, contributing to long-term firm value, although its impact may vary during periods of economic uncertainty. Despite these contributions, the study has several limitations. ESG performance was proxied solely through listing on the SRI-KEHATI and ESG Leaders indices, which may not capture all aspects of ESG engagement. Additionally, the Covid-19 pandemic was treated as a dummy variable, which may oversimplify its impact. The study period was limited to 2017–2023, and ESG literature in the Indonesian context remains sparse.

Based on these insights, the study recommends that ESG listing be considered an important factor in stakeholder decision-making. Indonesian companies should enhance the quality of their ESG performance and disclosures, not only to meet regulatory requirements but also to attract long-term investors. Future research could expand by using more granular ESG indicators, exploring industry-specific effects, or assessing ESG's long-term influence on corporate resilience and value creation in post-pandemic environments.

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