

***Analysis of The Effect of Green investment and Environmental, Social,
Governance performance on Firm value in the Energy Sector in Six ASEAN
Countries***

By Razqiya Rahma Fardillah

Abstract

The energy sector is a strategic industry currently facing significant pressures arising from the global energy transition, commodity price volatility, and increasing stakeholder demands for stronger sustainability practices. These challenges are particularly pronounced in the ASEAN region, where the energy mix remains heavily dominated by fossil fuels while simultaneously being urged to accelerate decarbonization efforts. This context underscores the importance of empirical evidence on the extent to which green practices and ESG performance contribute to firm value creation in the energy sector. This study examines the influence of green investment and the Environmental, Social, and Governance (ESG) pillars on firm value among energy companies across six ASEAN countries during the 2020–2024 period, using secondary data obtained from Refinitiv and panel regression techniques. The sample was determined through a census approach based on the availability of ESG and green CAPEX data, with firm value proxied by Tobin's Q and ROA and firm size included as control variables. The results reveal that green investment, environmental performance, social performance, and governance performance do not have a significant effect on firm value. These findings suggest that the implementation of green investment and ESG initiatives within the ASEAN energy sector remains predominantly compliance-driven and has not yet generated sufficiently strong economic signals to be recognized by the market. The implications of this study highlight the importance of strengthening the regional energy-transition ecosystem, improving the quality of sustainability implementation and reporting, and enhancing investor awareness to ensure that green investment and ESG performance can function more effectively in shaping firm value within the ASEAN energy industry.

Keywords : *green investment, ESG performance, firm value, green CAPEX, ASEAN.*

Analisis Pengaruh *Green investment* dan *Environmental, Social, Governance performance* Terhadap *Firm value* Sektor Energi di Enam Negara ASEAN

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Abstrak

Sektor energi tergolong sektor prioritas yang saat ini dihadapkan pada tekanan akibat transisi energi global, volatilitas harga komoditas, serta meningkatnya tuntutan pemangku kepentingan terhadap praktik keberlanjutan. Tantangan ini semakin relevan di kawasan ASEAN yang struktur bauran energinya masih didominasi oleh energi fosil, namun di sisi lain dituntut untuk mempercepat upaya dekarbonisasi. Kondisi tersebut menegaskan pentingnya bukti empiris mengenai sejauh mana praktik hijau dan kinerja ESG mampu menciptakan nilai perusahaan di sektor energi. Penelitian ini bertujuan menganalisis *pengaruh green investment* serta pilar *Environmental, Social, dan Governance* (ESG) terhadap *firm value* pada perusahaan energi di enam negara ASEAN selama periode 2020–2024, dengan menggunakan data sekunder Refinitiv dan pendekatan regresi data panel. Sampel ditentukan secara sensus berdasarkan ketersediaan data ESG dan *green CAPEX*, dengan *firm value* diproses menggunakan Tobin's Q serta ROA dan *firm size* sebagai variabel kontrol. Hasil penelitian menunjukkan bahwa *green investment, environmental performance, social performance, dan governance performance* tidak berpengaruh signifikan terhadap *firm value*. Temuan ini mengindikasikan bahwa implementasi investasi hijau dan kinerja ESG di sektor energi ASEAN masih bersifat memenuhi kepatuhan minimum dan belum menghasilkan sinyal ekonomi yang cukup kuat untuk dihargai oleh pasar. Implikasi penelitian menekankan perlunya penguatan ekosistem transisi energi, peningkatan kualitas implementasi serta pelaporan keberlanjutan, dan edukasi investor agar *green investment* dan kinerja ESG dapat berfungsi lebih efektif dalam membentuk nilai perusahaan di kawasan ASEAN.

Kata kunci : *green investment*, kinerja ESG, *firm value*, *green CAPEX*, ASEAN.