

Pengaruh ESG Disclosure dan Ukuran Perusahaan terhadap Nilai Perusahaan dengan Kinerja Keuangan sebagai Moderasi

Dela Nur Azizah¹, Moh. Ubaidillah², Heidy Paramitha Devi³

Program Studi Akuntansi, Fakultas Ekonomi dan Bisnis, Universitas PGRI Madiun
email: dela_2203101048@mhs.unipma.ac.id

Abstrak

Penelitian ini bertujuan menganalisis efek Pengungkapan ESG serta Ukuran Perusahaan dalam memengaruhi Valuasi Perusahaan, sembari menempatkan Kinerja Keuangan sebagai variabel pemoderasi. Objek pengamatan mencakup emiten sektor Consumer Non-Cyclicals pada Bursa Efek Indonesia sepanjang kurun waktu 2021 hingga 2025. Metodologi kuantitatif berbasis data sekunder dipergunakan melalui penelusuran laporan keuangan, laporan tahunan, serta laporan keberlanjutan. Dari populasi awal sebanyak 84 entitas, diperoleh 80 perusahaan yang sesuai kriteria *purposive sampling*, sehingga terhimpun 400 data observasi. Tahapan pembersihan data dari *outlier* dan proses transformasi menghasilkan 239 unit observasi akhir yang siap dianalisis. Pengolahan data mengeksekusi uji statistik deskriptif, uji asumsi klasik, *Moderated Regression Analysis* (MRA), uji signifikansi parsial (t) dan simultan (F), serta koefisien determinasi via IBM SPSS Statistics 27. Hasil kajian membuktikan bahwa Pengungkapan ESG maupun Ukuran Perusahaan memberikan dampak negatif yang signifikan terhadap Nilai Perusahaan. Di samping itu, variabel Kinerja Keuangan terkonfirmasi mampu memoderasi keterkaitan antara Pengungkapan ESG dan Ukuran Perusahaan terhadap Nilai Perusahaan.

Kata Kunci: Pengungkapan ESG, Ukuran Perusahaan, Kinerja Keuangan, Nilai Perusahaan.

Abstract

This quantitative study investigates the impact of Environmental, Social, and Governance (ESG) disclosure and firm size on firm valuation, incorporating financial performance as a moderating variable within the Consumer Non-Cyclicals sector on the Indonesia Stock Exchange from 2021 to 2025. Secondary data extracted from annual reports, sustainability disclosures, and financial statements served as the primary empirical foundation. From an initial pool of 84 companies, purposive sampling identified 80 qualified entities, yielding 400 preliminary observations. Following data processing and outlier elimination, 239 observations were retained for final evaluation. Data analysis was executed via IBM SPSS Statistics 27, encompassing descriptive statistics, classical assumption testing, Moderated Regression Analysis (MRA), t-tests, F-tests, and coefficient of determination assessments. The findings demonstrate that both ESG disclosure and firm size exert a significant negative effect on firm value. Furthermore, financial performance significantly moderates the relationship between ESG disclosure and firm value, as well as the link between firm size and firm value.

Keywords: ESG Disclosure, Firm Size, Financial Performance, Firm Value.

A. INTRODUCTION

1. Background

Investors heavily prioritize corporate valuation because it represents how the market gauges a firm's historical performance alongside its future expansion potential. Within this research, enterprise value is quantified through the Price to Book Value (PBV) ratio, which demonstrates the relationship between market capitalization and the fundamental net asset value of the firm. The Consumer Non-Cyclicals sector provides a compelling backdrop for analysis due to its resilient nature and provision of essential everyday goods, while its operational footprint remains closely tied to environmental, social, and governance factors. empirical data collected for this thesis reveals that the PBV metrics of firms across the Consumer Non-Cyclicals domain fluctuated from 2021 to 2025, alongside clear variations across individual firms. Such divergence highlights a clear heterogeneity in investor market sentiments toward companies within this industry.

Parallel to these market dynamics, the imperative for Environmental, Social, and Governance (ESG) reporting has gained significant momentum across Indonesia. Under the mandate of OJK Regulation No. 51/POJK.03/2017, institutions are urged to adopt sustainable financing practices and publish transparent sustainability disclosures. These reports yield vital non-financial intelligence regarding corporate governance and environmental-social stewardship, ultimately shaping investment decisions. Additionally, enterprise size serves as a critical parameter; although larger corporations command broader asset portfolios and financial leverage, massive asset bases do not intrinsically guarantee superior value creation efficiency. Meanwhile, financial profitability—quantified through Return on Assets (ROA)—is positioned as a potential moderating variable given its capacity to signal how effectively corporate assets generate earnings.

Existing literature reveals contradictory findings regarding the interplay among ESG reporting, enterprise scale, and overall corporate valuation. On one hand, robust

ESG transparency can minimize information asymmetry and reinforce investor confidence, though it simultaneously imposes immediate operational expenditures with deferred financial yields. On the other hand, expanding firm scale provides greater resource access and market credibility, yet it risks introducing organizational complexity and operational inefficiencies. These empirical inconsistencies underscore an important research gap that warrants further empirical scrutiny. Consequently, this research investigates how firm size and ESG disclosure influence total enterprise value, while assessing how financial performance moderates these relationships within Indonesia Stock Exchange-listed Consumer Non-Cyclicals companies.

2. Literature Review and Hypotheses

Organizational duties transcend traditional equity holders to embrace a broader spectrum of constituents—including workforce members, consumer bases, regulatory entities, surrounding communities, and environmental ecosystems—as grounded in stakeholder theory. Concurrently, legitimacy theory frames corporate behavior as an ongoing pursuit of societal endorsement achieved by aligning enterprise practices with prevailing social norms and expectations. To further extend these arguments, the mitigation of information asymmetry between company insiders and external parties is conceptualized through signaling theory via corporate reporting. Jointly, these theoretical foundations establish the linkage between Environmental, Social, and Governance (ESG) reporting practices and key organizational outcomes, including firm scale, profitability metrics, and overall market valuation.

Market valuation is expected to respond to ESG disclosures because sustainability metrics equip capital providers with deeper intelligence regarding prospective operational risks and growth trajectories. Furthermore, enterprise magnitude serves as a proxy for resource availability and capital access, thereby influencing company valuation. Financial performance may further condition these interrelationships. This framework assumes that market entities assess both firm scale and ESG metrics primarily based on an enterprise's

capability to yield returns from its underlying asset portfolio. Accordingly, this study posits:

- **H1:** Firm Value is influenced by the extent of ESG Disclosure.
- **H2:** Firm Value is impacted by the magnitude of Firm Size.
- **H3:** The interaction between ESG Disclosure and Firm Value is moderated by Financial Performance.
- **H4:** The effect generated by Firm Size on Firm Value is conditioned by Financial Performance.

B. METHOD

1. Research Design and Data

Employing a quantitative research framework, this investigation examines Consumer Non-Cyclical companies traded on the Indonesia Stock Exchange across the 2021–2025 observation period. The empirical assessment relies on secondary metrics compiled from public stock exchange databases and corporate channels, encompassing audited financial statements, annual disclosures, and sustainability reports. Content analysis calibrated against the 2021 GRI Standards serves to evaluate Environmental, Social, and Governance (ESG) reporting practices. Regarding key corporate variables, total assets expressed in natural logarithm form represent firm size, the Price to Book Value (PBV) metric indicates market valuation, and Return on Assets (ROA) measures operational financial performance.

2. Population and Sample

Out of an initial pool of 84 firms categorized under the Consumer Non-Cyclicals sector, four were eliminated due to incomplete annual financial disclosures during the studied period, yielding 80 qualified entities. Over a five-year study duration, this generated a baseline sample of 400 firm-year observations. Following data screening and outlier treatment, the final dataset was adjusted to 239 valid observations for statistical analysis.

Table 1. Sample Selection

Description	Number
Consumer Non-Cyclicals companies listed during 2021–2025	84
Companies excluded based on annual-report availability	(4)
Companies meeting sampling criteria	80
Observation period	5 years
Initial observations	400
Final observations after transformation/outlier treatment	239

Source: Data from the research sample, processed by the researcher (2026).

3. Data Analysis

The empirical workflow commenced with descriptive statistical evaluations alongside standard diagnostic assumption tests, which preceded a three-stage Moderated Regression Analysis (MRA). Within this framework, Model I isolated the association between ESG Disclosure and Firm Size, Model II integrated Financial Performance into the equation, and Model III specified the interaction effects—namely ESG Disclosure $\times$ Financial Performance as well as Firm Size $\times$ Financial Performance. All proposed hypotheses were evaluated against a threshold of $\alpha = 0.05$. Computational procedures were carried out through IBM SPSS Statistics (Version 27).

C. RESULTS AND DISCUSSIONS

1. Descriptive Statistics

After natural-log transformation and outlier treatment, 239 observations were retained. The descriptive statistics show the distribution of the transformed variables used in the regression analysis.

Table 2. Descriptive Statistics After Transformation and Outlier Treatment

Variable	N	Minimum	Maximum	Mean	Std. Deviation
LN_X1 (ESG Disclosure)	239	-0.70	-0.02	-0.3206	0.14943
LN_X2 (Firm Size)	239	1.08	1.49	1.3394	0.11586
LN_Y (Firm Value)	239	-1.10	0.53	-0.1017	0.35778
LN_Z (Financial Performance)	239	-2.00	-0.66	-1.1884	0.31377

Source: Data processed using IBM SPSS Statistics 27 (2026).

2. Classical Assumption Tests

Subsequent to outlier remediation and data adjustment, the residual distribution satisfied the assumption of normality, as demonstrated by an Asymp. Sig. (2-tailed) output of 0.200 from the Kolmogorov–Smirnov test, which well exceeds the standard 0.05 alpha level. Diagnostic checks for multicollinearity revealed tolerance metrics exceeding 0.10 alongside VIF scores remaining strictly under 10. Furthermore, the Glejser test demonstrated significance values above 0.05 across all predictor variables, indicating the absence of heteroskedasticity. Lastly, applying the Cochrane–Orcutt transformation successfully resolved earlier Durbin–Watson discrepancies, ensuring the regression model complied with the non-autocorrelation assumption.

3. Moderated Regression Analysis and Hypothesis Testing

Table 3. MRA and Hypothesis Testing Results

Variable / Interaction	Coefficient (B)	Sig.	Decision
ESG Disclosure (LN_X1)	-0.583	0.000	H1 accepted
Firm Size (LN_X2)	-0.878	0.000	H2 accepted
Financial Performance (LN_Z)	0.120	0.080	Not significant
ESG Disclosure × Financial Performance (X1_Z)	-1.354	0.001	H3 accepted
Firm Size × Financial Performance (X2_Z)	-1.755	0.003	H4 accepted

Source: Data processed using IBM SPSS Statistics 27 (2026).

Empirical analysis reveals that ESG Disclosure exerts a statistically significant adverse effect on Firm Value. These results imply an inverse relationship within the analyzed dataset, wherein expanded environmental, social, and governance reporting corresponds to a reduction in corporate valuation. This result does not fully support the signaling perspective that ESG disclosure should function as a positive market signal. One possible interpretation, consistent with the research discussion, is that investors may place greater weight on financial performance and economic prospects, while ESG implementation may require costs whose benefits are not immediately reflected in market valuation.

Firm Value is negatively and significantly impacted by Firm Size, indicating that expanding an enterprise's asset base does not automatically yield an increase in its

overall valuation. Large companies may face greater operational complexity, management costs, and risks. The result also indicates that the efficiency with which assets are managed may be more important to investors than asset size alone.

Financial Performance acts as a statistically significant moderator in the link connecting ESG Disclosure to Firm Value. Given the negative interaction coefficient, this moderating effect operates in an inverse direction, demonstrating that higher financial performance attenuates the relationship between the two primary constructs. This suggests that the market response to ESG disclosure depends on the financial condition of the company. Financial performance therefore provides an additional context through which investors evaluate ESG information.

The structural relationship linking Firm Size to Firm Value is significantly conditioned by Financial Performance, which acts as a moderator characterized by a negative interaction term. Such finding demonstrates that financial outcomes alter both the strength and orientation of the size–value relationship, steering the interactive impact in a downward trajectory. In light of this, the degree to which enterprise scale drives market appraisal hinges on how effectively management leverages organizational assets to generate financial results.

4. Model Fit

Statistical evaluation via the F-test confirms the overall significance of the regression model ($F = 19.777, p = 0.000$), thereby establishing its validity for subsequent hypothesis testing. The model yields a coefficient of determination (R^2) of 0.155, indicating that ESG Disclosure, Firm Size, and Financial Performance collectively account for 15.5% of the variance in Firm Value. Conversely, the remaining 84.5% of the variation is driven by unobserved exogenous variables excluded from the specified framework.

D. CONCLUSIONS

Empirical evidence from this study demonstrates that within the Consumer Non-Cyclicals sector of the Indonesia Stock Exchange (2021–2025), both Firm Size and ESG Disclosure exert a adverse effect on Firm Value. These findings imply that neither the amplification of corporate scale nor the extension of ESG reporting transparency automatically translates into superior market valuation. Furthermore, Financial Performance acts as a moderating factor in both associations, demonstrating that a firm's financial condition significantly shapes investor interpretation of corporate scale and ESG disclosures. This research is constrained by its focus on the Consumer Non-Cyclicals sector, the application of GRI Standards 2021 for ESG measurement, and a reliance on the accuracy and consistency of secondary reports. Future research should consider extending the analysis to broader sectors, longer timeframe observations, additional determinants of Firm Value, and alternative measurement methodologies.

E. SUGGESTIONS

Broader empirical insights may be achieved in subsequent investigations by extending the observation timeframe and diversifying the research scope beyond the Consumer Non-Cyclicals sector. Given that a substantial proportion of Firm Value variance remains unaccounted for by the existing model, incorporating supplementary determinants—such as Good Corporate Governance, capital structure, leverage, liquidity, dividend policy, or corporate growth—is strongly advised. To validate the structural integrity of these empirical findings, subsequent studies are advised to implement varied proxy indicators for Firm Value, Financial Performance, and ESG Disclosure.

REFERENCES

- Abdi, Y., Li, X., & Càmara-Turull, X. (2022). Exploring the impact of sustainability (ESG) disclosure on firm value and financial performance (FP) in airline industry: The moderating role of size and age. *Environment, Development and Sustainability*, 24(4), 5052–5079.
- Dewi, et al. (2023). The impact of sustainability reporting quality, stakeholder engagement, and corporate governance on firm value. *Journal of Governance and Regulation*.
- Erfada, & Priono. (2024). Research on the moderating role of profitability in the relationship between firm size and firm value.
- Global Reporting Initiative. (2021). GRI Standards 2021. Global Reporting Initiative.
- Helfaya, et al. (2023). An examination of corporate environmental goals disclosure, sustainability performance and firm value: An Egyptian evidence. *Journal of Cleaner Production*.
- Rahmah, N. A., Purwohedi, U., & Handarini, D. (2024). The moderating role of profitability and firm size in ESG disclosure towards firm value. *International Journal of Education, Social Studies, and Management*, 4(2).
- Reber, et al. (2022). ESG disclosure and idiosyncratic risk in initial public offerings. *Journal of Corporate Finance*.
- Rohendi, et al. (2024). Research on ESG disclosure, financial performance, and firm value.
- Velte, P. (2023). Research on ESG disclosure, sustainability, and corporate value.
- Yan. (2024). Research on ESG disclosure, financial performance, and firm value.
- Otoritas Jasa Keuangan. (2017). Peraturan Otoritas Jasa Keuangan Nomor 51/POJK.03/2017 tentang penerapan keuangan berkelanjutan bagi lembaga jasa keuangan, emiten, dan perusahaan publik.