

DOI: [10.55643/fcaptop.3.62.2025.4704](https://doi.org/10.55643/fcaptop.3.62.2025.4704)

Siti Nurlatifah

Candidate of Economy Sciences,
Doctoral Student, Krisnadwipayana
University, South Jakarta, Pondok
Gede, Indonesia;
ORCID: [0009-0001-8175-7210](https://orcid.org/0009-0001-8175-7210)

Tri Widyastuti

D.Sc. in Economics, Professor of the
Academician, Pancasila University,
South Jakarta, Indonesia;
ORCID: [0009-0008-8908-4760](https://orcid.org/0009-0008-8908-4760)

Nurmala Ahmar

D.Sc. in Economics, Pancasila
University, South Jakarta, Indonesia;
e-mail: nurmala.ahmar@univpancasila.ac.id
ORCID: [0000-0001-8255-0513](https://orcid.org/0000-0001-8255-0513)
(Corresponding author)

Received: 21/01/2025

Accepted: 18/05/2025

Published: 30/06/2025

© Copyright
2025 by the author(s)



This is an Open Access article
distributed under the terms of the
[Creative Commons CC-BY 4.0](https://creativecommons.org/licenses/by/4.0/)

NEXUS OF ESG DISCLOSURE, SUSTAINABILITY PERFORMANCE AND FINANCIAL PERFORMANCE ON FIRM VALUE: THE ROLE OF CORPORATE REPUTATION AND SUSTAINABILITY REPORTING QUALITY

ABSTRACT

This research aims to explore how the disclosure and performance on the ESG aspect are related to the firm's value, with corporate reputation possibly acting as the mediating variable in such relations, while the sustainability reporting quality serves as a moderating variable. The samples used in this research are ESG SRI KEHATI index companies collected from IDX during 2017-2022. For that, the present study has taken purposeful sampling methods where a sum of 19 firms was taken and their total number of observations accounts for 114 observations. The regression analysis of these factors shows that ESG disclosure along with sustainability and financial performance in giving reputation to the corporation results in high significance on corporate values. Corporate reputation successfully mediates the relationship of ESG disclosure and sustainability performance with financial performance on corporate value. Meanwhile, sustainability reporting quality only moderates the relationship of ESG disclosure, sustainability performance, and financial performance towards corporate value but does not moderate the relationship of the variables towards corporate reputation. This in practice means that this research shows that managers have to improve the quality of sustainability reporting, while one should build a corporate reputation by being responsible and transparent in business conduct. The current paper develops the signalling theory and the resource-based theory for accounting and sustainability.

Keywords: corporate reputation, ESG disclosure, firm value, performance and the quality of sustainability reporting

JEL Classification: L14, L25, M14, M41

INTRODUCTION

The research on ESG (Environmental, Social, and Governance) demonstrates that implementing ESG contributes to improved operational performance, with most companies adopting ESG practices showing a positive correlation with increased stock prices and valuation (Arofah and Khomsiyah, 2023). ESG factors have become so popular among investors worldwide; however, only a few companies are practising them in Indonesia. The OJK has implemented regulations supporting ESG disclosure and the transition to sustainable finance. Furthermore, the government has introduced a new ESG index to support the green economy. Companies with high levels of ESG disclosure tend to exhibit better financial and market performance, enhanced transparency for investors (Fatemi et al., 2017; Feng and Wu, 2023), and improved firm value (Astuti, Widyastuti, and Ahmar, 2022). Firm value is influenced by ESG disclosure, sustainability performance, financial performance, corporate reputation, and sustainability reporting quality, reflecting a company's ability to create long-term value by integrating economic, environmental, and social responsibilities (Ahmar., Rahmah., Darminto, 2024). Sustainability performance reflects the integration of these responsibilities (Safitri et al., 2022) and its contribution to creating long-term value for stakeholders (Dinarjito and Ahmar, 2023). Financial performance, which measures profitability and cash flow, determines growth prospects and profitability, affecting investor and creditor expectations and correlating

with firm market value. Corporate reputation plays a critical role in boosting customer loyalty, attracting talent, and strengthening a company's market position, consistent with the resource-based view theory (Astuti et al. 2022). Sustainability reporting quality enhances transparency and accountability, reduces information asymmetry, and demonstrates the company's commitment to sustainability, aligning with signalling theory (Fatemi, Glaum, and Kaiser, 2018). Several previous studies support the findings of this research. ESG disclosure is positively associated with firm value in global real estate companies (Abdi, Li, and Càmara-Turull, 2022); ESG scores enhance firm value in companies across 47 countries (Bud-saratragoon and Jitmaneeroj, 2021); and ESG implementation positively impacts firm value and financial performance in the aviation industry (Yu and Zhao, 2015). Sustainability performance is also shown to positively affect firm value (Chairani and Siregar, 2021), as demonstrated by European companies with high sustainability rankings (Djazuli, 2021). Regarding the impact of financial performance on firm value, evidence suggests a positive relationship for manufacturing companies in Indonesia (Khanifah et al., 2019). Similar findings have been empirically validated in companies listed on the stock exchanges of Indonesia, Thailand, and Singapore (Hesari, Shadiardehaei, and Shahrabi, 2021). Corporate reputation also correlates positively with firm value, where consistency in social and environmental performance increases corporate reputation (Permatasari et al., 2020). Environmental performance has been found to significantly and positively affect corporate reputation but negatively impact firm value. Corporate reputation can directly and indirectly influence environmental performance and firm value (Şeker and Şengür, 2021). Higher commitment to responsible resource utilization, green creativity, corporate reputation, and brand performance has been shown to increase with the implementation of corporate social responsibility (Manning et al. 2019). The novelty of this study lies in the development of a strategic model for sustainability reporting aimed at maximizing firm value through the effective implementation of ESG practices. This holistic and systemic approach integrates ESG disclosure, sustainability performance, financial performance, corporate reputation, and sustainability reporting quality, using data from companies listed in the ESG SRI KEHATI index on the Indonesia Stock Exchange.

LITERATURE REVIEW

Generally, the potential implications of environmental, social, and governance practices for firm value and long-term sustainability have attracted the interest of scholars and practitioners over the last couple of decades. ESG disclosure, sustainability performance, and financial performance are important starting points for any literature review aimed at understanding business processes of value creation with consideration for various stakeholders' interests. This section therefore reviews some of the most recent literature on such dimensions through their theoretical underpinning and also key empirical findings. ESG Disclosure as Value Creation ESG disclosure is a good policy in terms of enhanced transparency and reduced asymmetry of information between the firm and its stakeholders. In this respect, the attitude of the firm toward sustainability through the practice of ESG disclosure will enhance corporate reputation and finally firm value. Consequently, Fatemi et al. (2018) report that good ESG disclosure decreases capital costs because it provides better access to market accessibility and sends good signals to investors about business responsibility. Thus, Feng and Wu (2023) raise the view that stakeholders reward the company with good ESG disclosure by increasing the amount of confidence and market legitimacy. This is even more relevant in emerging markets where stakeholder scepticism towards corporate practices is relatively high, thereby making transparency an important factor in value creation.

Sustainability performance represents the degree to which a firm incorporates environmental, social, and governance dimensions into its operation; it is just such a type of strategic resource. Companies with high sustainability performance will have better risk management and more operational efficiencies in their novel practices of sustainability; hence, their value will be higher. Chairani & Siregar, (2021) and Djazuli, (2021) have shown that firms showing the best level of sustainability performance have been better able to adapt to relevant changes both in regulation and the marketplace, such businesses can hold even more advantageous positions of competition. Financial Performance and Firm Value are among the most underlying aspects of a company's success; it is, therefore, directly related to the value of a firm: good financial performance signals to all investors that their management is adequate, profitable, and promising. Khanifah et al. (2019) included that the interaction effect of financial performance and ESG practices increases the value of firms; this simply means that those firms that are strong in their financial and sustainability performance are good for better performance of the firm value. Mediation Effect of Corporate Reputation Corporate reputation mediates the relationship between ESG practices and firm value. Thus, through good ESG disclosure and performance, a good reputation secures stakeholders' trust and loyalty. According to the views of Permatasari et al. (2020), corporate reputation assures that customers maintain strong relations with them and makes qualified employees and investors seek firms for value creation. At the institutional level, Şeker and Şengür (2021) identify the fact that reputation becomes a source of legitimacy in the marketplace, especially for firms that happen to be operating within regulated industries.

Sustainability Reporting Quality as a Moderator The quality of sustainability reporting has been considered an important moderator for the relationship between ESG practices and firm value. High credibility in reporting quality amplifies the disclosures on sustainability-related information, making their information less asymmetric and building stakeholder confidence in them. According to Fatemi et al. (2018), those firms that invest in comprehensive and transparent sustainability reporting tend to do a better job of communicating their commitment to sustainable practices. Empirical Evidence on ESG, SP, FP, and SRQ Other studies that focus on the combined impact of ESG, SP, FP, and SRQ pointed out their importance regarding value creation. Yu and Zhao (2015) proved the fact that ESG practices post an after-effect felt in the financial and market performance in the aviation industries; hence, the effects are universal. On the other hand, Hesari et al., 2021 have obtained that companies operating integrated ESG and Financial strategies show strong firm value through Southeast Asian Markets.

AIMS AND OBJECTIVES

This study aims to analyze the impact of ESG (Environmental, Social, and Governance) disclosure, sustainability performance, and financial performance on firm value, with corporate reputation as a mediating variable and sustainability reporting quality as a moderating variable.

METHODS

The samples collected from manufacturing industries, whether financial and non-financial firms registered in IDX and listed in the SRI KEHATI index, during the years 2017-2022, show a committed enthusiasm to performing sustainability in the areas of nature conservation, social responsibility related to community and human resources, human rights, and corporate governance.

Table 1. Operational definition.		
Variable	Definition	Formula
Firm value Brigham (2018); Serem et al., (2024)	The market value of the firm reflecting investors' perceptions about future performance.	$\frac{\text{Fair Market Value of Firm}}{\text{Book Value of Assets}}$
ESG Disclosure Xu et al., (2024); Fatemi et al., (2018)	Disclosure of information on environmental, social, and governance performance.	$\frac{\text{Number of ESG disclosure items}}{\text{Number of GRI items}}$
Sustainability Performance (SP) Khanifah et al., (2019); Kheiredine et al., (2024)	The level at which firms perform over and above sustainability factors such as practices involving environment management, social responsibility, efficient use of energy, and also ethical governance level. It exhibits the sustainability level or responsible dimension on whose aspects the operations are extended.	Rating a Company achieved in PROPER-Program to Rank the Company performance implemented by the Government.
Financial Performance (FP) Brigham & Houston (2018)	Profitability-the ability of the firm to generate profits from its assets. It is measured by Return on Assets (ROA)	$\frac{\text{Net Income}}{\text{Total Assets}}$
Corporate Reputation Amran et al., (2024); Gomez et al., (2020)	Public perception with regard to the image and identity of the firm.	$\frac{\text{Number of awards received by firm}}{\text{Total awards received}}$
Sustainability Reporting Quality (SRQ) Permatasari et al., (2020);	Sustainability reports with both completeness and transparency represent information on companies' performance with validity on the basis of appropriateness. High-quality reports provide high comprehensiveness that results in having actual representations on clarity for any firm on various practices at environmental, social and governance sections together with respective risks and corresponding overall performance.	Global Reporting Initiative (GRI) items (dummy) 1 = If disclosed by GRI 0 = if not disclosed by GRI
Profitability (Control Variable 1) Brigham & Houston (2018)	The ability of the company to seek profits in a certain period. It is measured by Return on Equity (ROE)	$\frac{\text{Net Income}}{\text{Total Equity}}$
Leverage (Control Variable 2) Brigham & Houston (2018)	The ability of the firm to meet the obligations and the comparison between total liabilities and equity. It is measured by Debt to Equity Ratio (DER)	$\frac{\text{Total Debt}}{\text{Total Equity}}$
Firm size (Control Variable 3) Brigham & Houston (2018)	A scale which classifies the size of a firm using total assets.	Log natural of Total Assets

Model 1

$$FV=b_0+b_1 ESGD+b_2 SP+b_3 FP+b_4 CR+b_5 SRQ+b_6 ESGDSRQ+b_7 SPSRQ+b_8 FPSRQ+b_9 FS+b_{10} PROF+b_{11} LEV+e$$

Model 2

$$CR = a_0 + a_1 ESGD + a_2 SP + a_3 FP + a_4 SRQ + a_5 ESGDSRQ + a_6 SPSRQ + a_7 FPSRQ + a_8 FS + a_9 ROE + a_{10} LEV + u$$

Model 3

$$SRQ = c_0 + c_1 I_1 + c_2 I_2 + c_3 I_3 + c_4 I_4 + v$$

while: (Y) = Firm Value (FV); (X₁) = ESG Disclosure (ESGD); (X₂) = Sustainability Performance (SP); (X₃) = Financial Performance (FP); (Z) = Corporate Reputation (CR); (M) = Sustainability Reporting Quality (SRQ); (C₁) = Firms Size (FS); (C₂) = Profitabilitas (PROF); (C₃) = Leverage (LEV); (I₁ - I₅) = Indicators of Sustainability Reporting Quality; (a₀, b₀, c₀) = Constanta; (a₁ - a_{10}, b₁ - b_{11}, c₁ - c₄) = Regression Coefficient; (u, e, v) = error

This study employs the SEM approach through PLS as an alternative method in data analysis. This was chosen because the study involved mediating and moderating variables within a structural equation model (Hair et al., 2021). Moreover, the SEM-PLS approach does not require normal distribution in the data. Thus, SEM-PLS is an appropriate method for this study.

RESULTS

In the outer model of the present research study, a reflective measurement model has been used. Hair et al. (2021) have contended that a reflective measurement model is tested with respect to the following: Loading Factor > 0.70, Composite Reliability (CR) > 0.70, Cronbach's Alpha > 0.70, Average Variance Extracted (AVE) > 0.50. The outer loading factor represents the quality of representation of an indicator for its intended construct. An outer loading value itself indicates that a certain indicator strongly reflects the measurement for a construct. Normally, above 0.70 outer loading value is considered valid, meaning very good convergent validity of the indicator. In that regard, Table 2 would then show the outer loadings of each indicator from the model concerning their respective validities in the measurement of the associated constructs.

Table 2. Loading Factor. (Source: data processed SmartPLS, 2024)

Variable	Loading Factor	Conclusion
ESGD 1 (X _{1.1})	0.892	Valid
ESGD 2 (X _{1.2})	0.875	Valid
ESGD 3 (X _{1.3})	0.865	Valid
Sustainability Performance 1 (X _{2.1})	0.781	Valid
Sustainability Performance 2 (X _{2.2})	0.832	Valid
Sustainability Performance 3 (X _{2.3})	0.861	Valid
Sustainability Performance 4 (X _{2.4})	0.824	Valid
Financial Performance (ROA) (X ₃)	1.000	Valid
Firm Value (Y)	1.000	Valid
Corporate Reputation (Z)	1.000	Valid
Sustainability Reporting Quality (M)	1.000	Valid
Firm Size (Control Variable 1) (C1)	1.000	Valid
ROE (Control Variable 2) (C2)	1.000	Valid
DER (Control Variable 3) (C3)	1.000	Valid

ESGD1 has an outer loading value of 0.892, which exceeds the threshold of 0.70, indicating that this indicator is valid in measuring the ESGD construct. Any changes in the ESGD variable will be reflected in the variation of ESGD1 by (0.892 ×

0.892 = 0.79), or 79%. Based on the outer loading values, all indicators in the table are valid in measuring their respective constructs.

Table 3. Composite Reliability and Average Variance Extracted (AVE). (Source: data processed SmartPLS, 2024)

Variable	Cronbach Alpha	Composite Reliability	AVE
ESGD	0.752	0.861	0.676
SP	0.845	0.895	0.680
FP	1.000	1.000	1.000
FV	1.000	1.000	1.000
CR	1.000	1.000	1.000
SRQ	1.000	1.000	1.000

Based on Table 3, it can be concluded that all variables are reliable and valid since Cronbach alpha >0.70 and Average Variance Extracted >0.50 (Hair et al., 2021).

Table 4. R square. (Source: data processed SmartPLS, 2024)

Variable	R-Square	Adjusted R-Square
Corporate Reputation (Z)	0.215	0.163
Firm Value (Y)	0.896	0.884

Table 4 shows that the influence of variables on Firm Value through Corporate Reputation (CR) is 16.3%, which indicates a low level of influence. The combined influence of the variables on Firm Value is 88.4%, which represents a high level of influence. These results highlight that the model effectively explains Firm Value, while the contribution of Corporate Reputation as a mediator remains relatively limited.

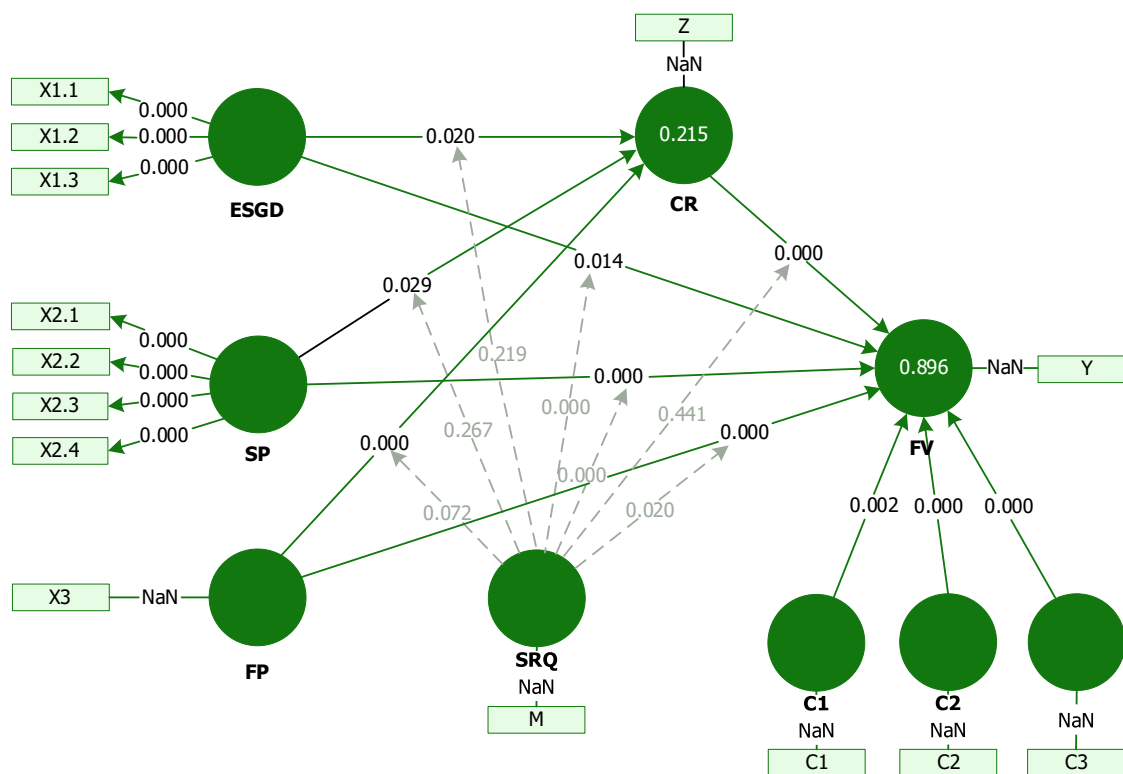


Figure 1. Path Coefficient Diagram and P-Value.

Table 5. Hypothesis test. Note: environment, social, and good governance disclosure (ESGD); Sustainability Performance (SP); Financial Performance (FP); Corporate Reputation (CR); Sustainability Reporting Quality (SRQ); Firm Value (FV). (Source: data processed SmartPLS, 2024)

Hypothesis	Relation	Original Sample	T-statistic	P-Value	Conclusion
H1	ESGD -> FV	0.464	2.205	0.014	Accepted
H2	SP -> FV	0.267	3.739	0.000	Accepted
H3	FP -> FV	0.435	5.109	0.000	Accepted
H4	CR -> FV	0.314	5.494	0.000	Accepted
H5	SRQ -> FV	0.068	1.157	0.124	Rejected
H6	ESGD -> CR	0.347	2.048	0.020	Accepted
H7	SP -> CR	0.298	1.889	0.029	Accepted
H8	FP -> CR	0.429	4.254	0.000	Accepted
H9	SRQ x ESGD -> FV	0.271	4.715	0.000	Accepted
H10	SRQ x SP -> FV	-0.233	3.455	0.000	Accepted
H11	SRQ x FP -> FV	-0.090	2.063	0.020	Accepted
H12	SRQ x ESGD -> CR	-0.107	0.775	0.219	Rejected
H13	SRQ x SP -> CR	0.112	0.623	0.267	Rejected
H14	SRQ x FP -> CR	0.090	1.459	0.072	Rejected
H15	SRQ x CR -> FV	0.007	0.147	0.441	Rejected

Results of hypothesis testing presented in Table 5 show the following: ESGD has come out to be a value driver of FV, having a path coefficient of 0.464 with a P-value of 0.014 ($p < 0.05$). Thus, the hypothesis that increased ESGD will lead to higher FV stands proved. Hence, hypothesis H_1 is accepted. Similarly, Sustainability Performance significantly influences Firm Value, having a path coefficient of 0.267 with a P-value of 0.000 ($p < 0.05$). Therefore, hypothesis H_2 is accepted. The financial performance significantly and positively affects the firm value, as evidenced by the path coefficient of 0.435, with its P-value standing at 0.000 ($p < 0.05$), which confirms the hypothesis that with better FP comes better FV; thus, the conclusion H_3 stands accepted. The path coefficient of CR with FV was 0.314 and the P-value was 0.000 meaning $p < 0.05$ showing that it is significantly important for enhancing FV and H_4 is accepted. This shows that there is no significant effect of Sustainability Reporting Quality on Firm Value with a path coefficient of 0.068 and the P-value came out to be 0.124; $p > 0.05$. Thus, the hypothesis H_5 has been rejected.

ESGD significantly influences CR, with a path coefficient of 0.347 and P-value of 0.020 ($p < 0.05$), and hence the hypothesis (H_6) is accepted. Sustainability performance significantly influences corporate reputation, with a path coefficient of 0.298 and a P-value of 0.029, $p < 0.05$. Hence, Hypothesis (H_7) is accepted. Financial Performance significantly affects Corporate Reputation, with a path coefficient of 0.429 and a P-value of 0.000 ($p < 0.05$). This validates that the hypothesis (H_8) is accepted.

SRQ moderates the relationship between ESG disclosure and firm value through CR (H_9 is accepted) because it has a Path Coefficient of -0.233 and a P-value of 0.000 (< 0.05). The results show that SRQ significantly moderates the relationship between ESGD and FV through CR. Thus, hypothesis (H_9) is accepted. SRQ Moderates the Relationship Between SP and FV through CR. It has a Path Coefficient of -0.090 and a P-value of 0.020 ($p < 0.05$) and hypothesis (H_{10}) is accepted. The interaction of SRQ and SP significantly moderates the relationship between SP and FV through CR. However, its negative coefficient reflects the fact that if too much emphasis is laid on SRQ which is not aligned to SP then there is a law of diminishing returns. SRQ mediates the relationship between FP and FV via CR. Path Coefficient: Positive value of 0.090. The P-value is 0.072, ($p > 0.05$), so it leads to rejection of hypothesis (H_{11}). It reflects that the effect of FP on FV does not come through CR by SRQ.

This suggests that the interaction effect between SRQ and ESGD insignificantly influences CR due to its path coefficient of -0.107 with a P-value of 0.219 ($p > 0.05$), hence rejecting the hypothesis (H_{12}). Also, the interaction effects between Sustainability Reporting Quality and Sustainability Performance insignificantly influence CR, path coefficient = 0.112, P-value = 0.267, $p > 0.05$. The interaction between SRQ and SP does not significantly influence CR. Thus, H_{13} is Rejected. The path coefficient regarding the interaction between SRQ and FP on CR is 0.090 while its P-value is 0.072 ($p > 0.05$).

Thus, hypothesis (H₁₄) is rejected. The interaction between SRQ and CR does not significantly influence FV. It has a Path Coefficient of 0.007 and a P-value of 0.441 ($p < 0.05$) and hypothesis H₁₅ is rejected. Figure 1 also informs that the results of testing the control variables firm size (C1), profitability (C2) and Leverage (C3) have a significant effect on firm value because the P value of each variable is < 0.05 .

DISCUSSION

1. Impact of ESG Disclosure on Firm Value

Firms with high levels of ESG disclosure have been performing better in financial and market aspects than firms with low ESGD. ESG disclosure reduces capital costs, improves access to capital markets, and reflects good sustainability performance. The findings here support that the stakeholder theory provides that every firm needs to satisfy societal expectations and other interest groups like environmental, social, and governance concerns. Such fulfilment would then give firms social support and resources for enhanced firm value (Fatemi et al., 2018; Feng & Wu, 2023). The findings were thus in line with Atan et al. (2018) and Chen et al. (2024), which pointed out that ESG disclosure positively impacts firm value. ESG disclosures have higher firm values because such practices reinforce corporate reputation and appeal to socially responsible investors. Companies within the sustainability-oriented indices like SRI KEHATI are perceived as less risky and more forward-looking, thus attracting investors and boosting firm value.

2. Sustainability Performance and Firm Value

As the investors take a new focus to invest based on sustainable performance, better-performing companies at present about sustainability are generally seen to perform best prospect in their survival at a long time to reduce possible environmental and social issue-related risks as well as earn extra returns in emerging green and ethical preferring business and emerging markets which also increase investor attraction and its market value end. Value tends to increase as companies improve in such sustainability practices as carbon emission reduction, social impact enhancement, or governance strengthening (Dinarjito et al., 2023). This is based on the RBV, emphasizing that the source of a firm's competitive advantage is related to resources and capabilities that are unique and inimitable. In this context, sustainability performance acts as a strategic resource that contributes to better risk management and enhances the firm's operational efficiency and innovation in sustainable products and services. These factors all help increase firm value. According to Huang et al. (2024), further insights are provided by the Signalling Theory, which suggests that companies use SP disclosure as a signal of quality and prospects to the market. The signalling of sustainability and long-term value creation by the firm generates positive market responses: increased investor confidence and demand for stocks. SP, therefore, improves not just the operational and risk management contributions to firm value but also corporate reputation, investor confidence, and market perceptions. Alsayegh et al. (2020), Ahmed (2020), and Abrams et al. (2021) support the findings of the research. They find that sustainability performance increases firm value in general across markets.

3. The Impact of Financial Performance on Firm Value

Companies earn more profit, lower costs, achieve efficiencies, or manage financial resources effectively, investors realize this strength and are ready to assign a higher value to the company in the market. Investors closely watch the financial performance of a company since it is closely related to profitability, cash flow, and potential future growth. In turn, strong financial outcomes, such as increasing revenues or profitability, often mean that the company is well-managed and will be able to continue this in the longer term, and therefore become more attractive to investors (Djazuli, 2021). This will inevitably lead to an increase in stock price, and hence the firm value. Good financial performance reflects effective management, successful business strategies, and an ability to make satisfactory profits, so enhancing investor and creditor confidence. This favourable market response, therefore, shows in increased firm value. The financial strength of the firms facilitates the financing of investments and growth with internally generated profits, reducing thereby their dependence on expensive and risky external financing. Financially strong firms are also capable of increasing the firm value further through efficient capital management. These results are supported by a study conducted by Li, Gong, Zhang, and Koh (2018) and Chairani & Siregar (2021) which finds that financial performance positively affects company value.

4. Impact of Corporate Reputation on Firm Value

A firm acquires good reputation, and it is more probable that the stakeholders would perceive the organization favourably like its customers, investors, and employees, and would give more market confidence leading to a high valuation of firms. Corporate reputation has a profound impact on the extent to which investors view a firm's future stability and profitability.

Good reputations about the quality of its offerings, integrity, and social responsibility make investors confident about the performance of the firm as reflected in its high stock price and great firm value. Investors often regard companies with a high reputation as less risky and more reliable for better performance. A good reputation suggests that a firm is well-managed, offers high-quality products or services, and is socially responsible. This finding is supported by Chen et al., (2024) and Hesari et al., (2021). Such positive signals improve investor and creditor confidence, which increases the value of the firm (Park et al., 2021). Stakeholder Theory also provides further support for these results, arguing that a firm needs to satisfy the expectations and interests of various stakeholders, such as customers, employees, suppliers, local communities, and investors. A strong reputation allows the firm to establish stronger relationships with stakeholders. This should therefore be beneficial to the firm's value since higher levels of customer loyalty and satisfaction also strengthen investor confidence, improve stakeholder relations, and enhance legitimacy at an institutional level. Therefore, these findings stress the importance of corporate reputation, which is a key factor for long-term value creation for a company.

5. Sustainability Reporting Quality and Firm Value Relationship

Investors are more likely to be concerned with other factors that may comprise firm value, including financial performance, market trends, or ESG performance, rather than the quality of sustainability reporting. Although high-quality sustainability reporting does add transparency, it is not in itself a factor on which investors might focus in the near term. That is to say, although quality in sustainability reporting can be fundamental regarding corporate governance and transparency, that fact may not be sufficient to affect the way the market values a firm in the short term. Even though high-quality SRQ can contribute to the improvement of the transparency and accountability of a firm, evidence indicates that increases in SRQ do not positively impact increased firm value. This is probably because sustainability reporting is not a core factor when valuing a firm, or the stakeholders lack confidence in either the veracity or comprehensiveness of the information disclosed in these reports (Serem et al., 2024; Suhartini et al., 2024). Though SRQ improves the legitimacy of sustainability information, the stakeholders would, after all, concern themselves with actual implementation rather than the quality of reporting. Thus, low-quality reporting is not going to alter the value of the firm unless or until the evidential performance regarding sustainability can't be maintained. On the other hand, there are studies in which Sahetapy (2023), and Nguyen (2020), reported an SRQ could alter the value of the firms. In other words, Agency Theory is also moving toward the process affecting management as well as Shareholders' mutual interest in conflict through such an improvement making the process transparent and Accountable with higher-quality reporting. This, however, is revealed to be such an improvement in SRQ that has even failed to ward off information asymmetry and has a very dreadful effect on the value of the firm. This could be attributed to the fact that investors do not consider the information contained in the sustainability reports as valid.

6. Corporate Reputation Mediates the ESG Disclosure-Firm Value Relationship

High-quality ESG disclosure shows that the firm cares about sustainability and social responsibility, and, at the same time, it does work to improve positive effects on corporate reputation. As a strategic resource, the best reputation provides continued competitive advantages that consequently maximize the growth of the Firm Value. More importantly, Stakeholder Theory upholds that businesses should be created to serve the wants and needs of all stakeholders. Good ESG disclosure strengthens the confidence and loyalty of all interested parties-investors, customers, and employees alike. A good reputation, on the other hand, is supported by good stakeholder relationships and therefore builds a critical increment of firm value. Some insight is provided by Institutional Theory, in which the firm operates in the environment created by norms, values, and expectations from society. Therefore, successful ESG disclosure will align these expectations of regulatory risks with companies, improve stakeholder legitimacy against firms, and make them less likely to experience such dangers. Such legitimacy also proves to be a two-edged sword for a company in terms of gaining better reputation and earning capital and market. Hence, proper disclosure of ESG effectively leads to improvement in reputation which in turn is also helpful in the proper handling of stakeholders and greater institutional legitimacy. Such results signify the relevance of corporate reputation in mediating ESGD toward firm value for companies to contribute to long-run value creation. As shown by Xu and Zheng (2024) and Rohendi et al., (2023), the performance of ESG is positively related to the firm's value by using the firm's reputation as a mediating variable. This finding was supported by Hesari et al., (2021) and Zimon et al., (2022). It indicates the result wherein a firm showing much better ESG is more likely to show greater enterprise value that would be owed mainly to its high corporate reputation. The fact is verified even further in this study as even though it indirectly shows minuscule performance on ESG related to its value-determining capability for a firm, corporate reputation could pretty much heighten it.

7. Corporate Reputation Mediates Sustainability Performance and Firm Value

Sustainability performance is a dynamic capability that makes firms cope with demands put on them; therefore, it strengthens the corporate reputation. That is to say, good sustainability performance leading to a good reputation attracts better investors, customers, and employees to the firm; therefore, value increases. In other words, the focus of Stakeholder Theory is more on response to the expectations and interests of the stakeholder. More investors, customers, and employees will continue to foster confidence and loyalty with superior sustainability performance. Good reputation-based stakeholder relationship increases firms' value creation. These findings repeat that corporate reputation will play a vital role in transforming sustainability performance for better value realization of firms. Companies outperform changed stakeholder expectations and changed market conditions in overcoming sustainability practices and do so in generating long-term value. According to Amran, Abbasi, Foroughi, and Tanggamani (2024), a sustainability report will normally have positive outcomes on financial performance because the latter has a mediating effect on corporate reputation. Further, Gomez et al., (2020) tested the linkage between sustainability and corporate reputation. According to findings, strategic management of sustainability, as well as reputation, can be used as a channel of firm value enhancement.

8. Corporate Reputation as a mediator between financial performance and the value of the firm

Financial performance is reported by several scholars and researchers to be one of the main determinants supporting this idea about the ability to create value for the company; hence, is associated with an improved reputation. An enhanced reputation is a strategic resource providing sustainable competitive advantages and, therefore increases FV. This is further supported by Stakeholder Theory whereby a firm should satisfy the expectations of various stakeholders which include shareholders, customers along employees. If the business entity is financially performing, then stakeholders are bound to develop mutual trust and long-term loyalty. Likewise, a good reputation ultimately strengthens the constituent linkages and enhances value in the firm as well. This hypothesis supports the assumption that financial performance boosts the value of the firm, as it relates to the accessibility of firms to show that they can produce value for their shareholders. This is strengthened by the effect of corporate reputation because it reflects the capabilities, integrity, and social responsibility of the company. It hypothesizes that good financial performance serves as a positive signal to the investors, eliminates the information asymmetry, and increases transparency and credibility, which in turn would positively enhance the reputation and value of the firm (Chen et al., 2024). A good reputation means the company should be aligned with the values of society, with expected expectations, to enhance the stakeholders' support for the Legitimacy theory. Aouadi and Marsat (2018) add that corporate reputation, being a moderating variable, has played a great role in mediating the relationship between financial performance and the value of the company, especially in international markets.

9. SRQ Moderates ESG Disclosure through Corporate Reputation towards FV

Contingent variable, which describes the strength or direction of relationships. It was the argument from contingency theory that would only propose the effectiveness of strategy or action adopted if and when several conditions existed. In the given case, SRQ acted as the moderating factor involved with ESGD-CR interaction impact on FV besides the influence relationship between FV-CR. Quality sustainability reporting is the positive ESG reporting quality, thereby maximizing ESGD effect towards corporate reputation. A better reputation based on SRQ would have a stronger impact on the value of the firm (Permatasari et al., 2020). Better than what has been presented ahead, the moderating effect of SRQ justified the Theory of Signaling. Reports published by the firms show interest in responsible business conduct within the marketplace. The superior reporting created a superior signal which reduced the information asymmetry while enhancing stakeholders' trust and loyalty as well. Thus, excellent sustainability reporting would carry the underlying principle that adds credibility as well as transparency towards ESG disclosure to improve the firm's value. On the whole, firms that report on a more significant number of activities related to the environment, society, and governance along with the quality of these reports being highly transparent and verifiable experience more significant market reactions than their peers. In addition, quality sustainability reporting would therefore create signals for the investors who would provide improved market performance and hence create value accordingly. According to Suhartini et al. (2024), it is stated that corporate reputation is of a positive type which has increased firm value due to the positive impact of disclosure of ESG. It would then be expected that when an organization acts well and responsibly, then the stakeholders observe the disclosure under ESG very genuinely, and trust them all the more. This consequently would feed into the investor's confidence and positively impact the value of the firm. There will be a reasonably large number of well-supported companies that have good sustainability practices and proper care taken for corporate reputation. These would have high-quality reporting and an enabling environment where the disclosure of ESG information can be regarded as strategic for firm value.

10. Sustainability Reporting Quality mediates the relationship of sustainability performance with firm value regarding corporate reputation

In the contingency perspective, the theory said that for particular instances or circumstances, a certain strategy or any given action happens to be successful, and such a variable case, according to this study, happens to be SRQ, for the relationship SP-FV with CR. The essence of sustainability reporting is that it increases the credibility and transparency of the sustainability information; high value thereby reinforces SP to increase the influence of SP on CR and further that of CR on FV. Signal Theory also supports this moderating role because sustainability reporting sends a signal to the market with regard to business responsiveness to their commitment to responsible business practices (Permatasari et al., 2020). The higher the quality of reporting, the better the signal. Consequently, stakeholders' level of trust and loyalty increased together with a reduction in the level of information asymmetry. Thus, SRQ strengthens the interaction between SP and CR and then CR and FV. Further, Institutional Theory holds that organizations operate within environmental constructs imposed by societies and the norms that such societies or people have espoused to be essential to the particular setting. A sustainability quality report thus aligns a corporation with such societal expectations and thereby enhances its stakeholder legitimacy in addition to reducing regulation risks. Improved legitimacy enhances SP's influence on CR and that of the latter on FV so that the creation of long-term values is realized. This study is, therefore supported by the works of Kheireddine et al. (2024) and Prashar (2023).

11. Sustainability Reporting Quality Moderates the Relationship Between Financial Performance and Firm Value Through Corporate Reputation

Therefore, the enhanced quality of SRQ enhances information about the credibility and transparency of the financial statement, thereby allowing FP to influence CR significantly followed by an impact of CR on FV. In this connection, yet another related stream of literature provides more relevant information, and that is Signaling Theory. The sustainability report would be used by companies to signal to the markets that they run responsible businesses. Because SRQ is of higher quality, it makes the signal more potent at establishing trust-loyalty in stakeholders and reducing the information asymmetry. The link gets stronger from FP to CR as well as from CR to FV. Coupled with this, institutional theory takes it further by stating that companies operate within the wider society and the framework of the norms, values, and expectations. Similarly, high-quality sustainability reporting also aligns the companies to these expectations from the societal set and thus increases legitimacy among the stakeholders while decreasing the regulatory risk. In this case, stronger legitimacy arises on further effects of FP over CR and vice-versa of CR over FV. The results of the present research are also supported by the findings of Amran et al., (2024) and Mshana (2024) investigating the relationship between sustainability reporting, corporate reputation, and financial performance. They note that ESG disclosure is positively related to corporate reputation, especially for firms with better financial performance in less sensitive industries.

12. Sustainability Reporting Quality Does Not Heighten the Relationship Between ESG Disclosure and Corporate Reputation

The analysis reveals that contrary to the hypothesis, high-quality sustainability reporting does not heighten the relationship. These conditions imply that in the absence of overt actions on sustainability issues, stakeholders believe that high-quality ESG reporting in and of itself will not serve to enhance the firm's reputation. In the context of Signaling Theory, high-quality reporting is meant to indicate an overall commitment to responsible business conduct of the company. Those findings seem indicative that signals related to ESGD are weak, enabling important reputation effects only when linked to visible, quantifiable results related to sustainability performance. Again, Institutional Theory would ensure firms get their form due to a broader social expectation that defines what is good for norms, hence good expectations; no doubt again the result suggests good reporting is never really going to help corporations develop reputations unless such good impactful and substantive effort toward actual sustainable move and implementations happen first. This fact is supported by Baker et al., (2021), but finds no support in findings presented in (Alkaraan et al., 2022; Awaysheh et al., 2020). It would indicate how quality in sustainability reporting strengthens the association between ESG disclosures and CFP. Sustainability reporting by companies leads to the determination that better accessibility and accuracy in the reported ESG information directly relate to improved financial performance. This paper will therefore determine that the sustainability reporting quality impacts the effect of ESG disclosure on firm value and corporate reputation.

13. SRQ does not mediate the relationship between SP and CR

Although a high SRQ, as well as a high SP, may separately indicate to party's transparency and sound ethics respectively contributing independently towards corporate reputation, there is no interaction between SRQ and SP creating any multiplicative effect. It is found both variables have independently contributed to the fulfilment of stakeholder's expectations. There are different kinds of stakeholders whose interests and perceptions the organizations need to grapple with—investors, customers, employees, and regulatory bodies. In this case, investors and regulatory bodies care about the depth of reporting but quality reporting is even less relevant than the tangible sustainability outcomes for customers or the public. This makes the overall contribution of SRQ and SP toward CR of doubtful importance because those stakeholders consider SRQ and SP as two parts of the two separate strands of corporate responsibility, Chen et al. (2024). According to Institutional Theory, firms competing for legitimacy and acceptance within the same environment or business line tend to engage in analogous practices. Companies enjoying an advantage in industries that have very high SRQ and SP do not gain a proportionately greater reputation since the practice involved becomes a norm. Therefore, overperformance on one dimension will not lead to a multiplicative reputation as the value from the SRQ-SP intersection is capped by the degree of industry norms. Zimon et al. (2022) show that the quality of sustainability reporting augments the favourable relationship between sustainability performance and firm reputation. It proves the reasoning that effective, transparent sustainability reporting may facilitate investor and public confidence and as such can contribute to a robust reputation of the firm.

14. Sustainability reporting quality does not mediate between financial performance and corporate reputation

The quality of the sustainability report does not even enhance the relationship further, for stakeholders may well believe that only the report without actual performance, is considered impotent to drive a valid effect on enhancing firm reputation at an adequate pace. This conclusion was also proposed by Mshana (2024) and Chen et al., (2024). Sustainability reports operate as signals coming from a corporation to its stakeholders about what it intends concerning performing business ethically. While it does show a sort of signal from the FP nothing in that effect spills into the CR if other material results of finances do not validate. Institutional Theory extends further explaining the theory by explaining how companies ought to behave like in keeping up to expectations and what are considered the norm by the society concerning their stakeholders in terms of gaining legitimacy. While quality sustainability reporting is expected to boost legitimacy, results show that quality reporting does not have a strong impact on corporate reputation if it is not accompanied by material financial success clearly.

15. Sustainability Reporting Quality Does Not Moderate the Relationship Between Corporate Reputation and Firm Value

The interaction of SRQ and CR does not have a significant effect on FV. Besides, sustainability reporting is very cumbersome and disparate as well, and above all the majority of the time because investors give priority to solid financial bottom line results compared with general market circumstances in a short time. So accordingly, the quality of sustainability reporting will not be potent enough to soften also the tie connecting corporate reputation to the value of a firm. While quality in sustainability reporting is important for public relations value, it will not contribute to variations in financial performance and firm value at all times. This may be because investors and stakeholders have placed more interest on hard-core, tangible performance measurements, like the profit margin, and growth in comparison to some qualitative efforts to achieve sustainability which have yet to demonstrate any specific measurable financial result (Li et al., 2018; Sahetapy, 2023). This means that the quality of sustainability reporting would not be strong enough to impact the relationship between reputation and value. If the firm has a long-term strategy and deals with ESG issues, there probably should be more quality in sustainability reporting (Şeker & Şengür, 2021). That would mean reputation would have more significance toward firm value in the short run when market conditions and investor behaviour are more prone to short-run performance rather than metrics of sustainability.

CONCLUSIONS

The current research examines how disclosure and performance on environmental, social, and corporate governance, sustainability performance, and financial performance will impact the firm value by incorporating corporate reputation as a mediating variable and quality of sustainability reporting as a moderating variable. The results showed that ESG disclosure and sustainability performance could not be related directly to financial pro-firm value but corporate reputation managed to mediate between ESG disclosure and sustainability performance with financial performance to firm value. However, the quality of the sustainability report only moderates the association between ESG disclosure, sustainability performance,

and financial performance to firm value but not to corporate reputation. The contributions of the research have several theoretical implications. First, this research strengthens the signalling theory, which mentions that good ESG disclosure can reduce the information asymmetry between companies and stakeholders, thus giving rise to corporate value. It means management will have to improve ESG disclosure transparency accountability, manage sustainability risks and opportunities, and improve corporate reputation by undertaking responsible business practices and communicating effectively. Regulators must formulate regulations to increase the disclosure of ESG elements by companies.

The limitations of the data are only from 2017 to 2022, and the data source is taken only from ESG-indexed companies on the Indonesia Stock Exchange, making the findings probably inappropriate to be generalized to firms on other exchanges or to other countries.

Some important aspects included in the future research agenda are: other potential topics for research are the study of the effect of ESG disclosure on firm value among nonfinancial companies listed on other exchanges, such as other exchanges than ASX in a wide meaning, for instance, Asia or any other developing countries.

ADDITIONAL INFORMATION

AUTHOR CONTRIBUTIONS

All Authors have contributed equally.

FUNDING

The Authors received no funding for this research.

CONFLICT OF INTEREST

The Authors declare that there is no conflict of interest.

REFERENCES

- Abdi, Y., Li, X., & Càmara-Turull, X. (2022). Exploring the impact of sustainability (ESG) disclosure on firm value and financial performance (FP) in the airline industry: the moderating role of size and age. *Environ Dev Sustain* 24, 5052–5079. <https://doi.org/10.1007/s10668-021-01649-w>
- Abrams, R., Han, S., & Hossain, M. T. (2021). Environmental performance, environmental management and company valuation. *Journal of Global Responsibility*, 12(4), 400–415. <https://doi.org/10.1108/JGR-10-2020-0092>
- Ahmed, B. (2020). Understanding the impact of investor sentiment on the price formation process: A review of the conduct of American stock markets. *The Journal of Economic Asymmetries*, 22. <https://doi.org/10.1016/j.jeca.2020.e00172>
- Alkaraan, F., Albitar, K., Hussainey, K., & Venkatesh, V. (2022). Corporate transformation toward Industry 4.0 and financial performance: The influence of environmental, social, and governance (ESG). *Technological Forecasting and Social Change*, 175. <https://doi.org/10.1016/j.techfore.2021.121423>
- Amran, A., Abbasi, M. A., Foughi, B., & Tanggamani, V. (2024). Sustainability Reporting, Corporate Reputation, and Firm Performance: Moderating Role of Third-Party Assurance. *Corporate Reputation Review*. <https://doi.org/10.1057/s41299-024-00185-3>
- Aouadi, A., & Marsat, S. (2018). Do ESG Controversies Matter for Firm Value? Evidence from International Data. *Journal of Business Ethics*, 151, 1027–1047. <https://doi.org/10.1007/s10551-016-3213-8>
- Astuti, T., Widyastuti, T., & Ahmar, N. (2022). Green Accounting and Green Intellectual Capital Practices: Study of The Influence of Indirect Financial Firm on Firm Value. *Asian Journal of Accounting and Finance*, 4(3), 101–112. <https://myjms.mohe.gov.my/index.php/ajafin/article/view/20235>
- Atan, R., Alam, M. M., Said, J., & Zamri, M. (2018). The impacts of environmental, social, and governance factors on firm performance: Panel study of Malaysian companies. *Management of Environmental Quality*, 29(2), 182–194. <https://doi.org/10.1108/MEQ-03-2017-0033>
- Ahmar, N., Rahmah, L.A., & Darminto, D.P. (2024). Green banking disclosure from the perspective of corporate governance, financial slack and human resource slack in Indonesia. *Banks and Bank Systems*, 19(2), 101–114. [https://doi.org/10.21511/bbs.19\(2\).2024.08](https://doi.org/10.21511/bbs.19(2).2024.08)
- Baker, E. D., Boulton, T. J., Braga-Alves, M. V., & Morey, M. R. (2021). ESG government risk and international IPO underpricing. *Journal of Corporate Finance*, 67. <https://doi.org/10.1016/j.jcorpfin.2021.101913>
- Brigham, E. F., & Houston, J. F. (2018). *Fundamentals of Financial Management*, 15th edition. Cengage Learning.
- Budsaratagoon, P., & Jitmaneeoj, B. (2021). Corporate Sustainability and Stock Value in Asian–Pacific Emerging

- Markets: Synergies or Tradeoffs among ESG Factors? *Sustainability*, 13(11), 6458. <https://doi.org/10.3390/su13116458>
13. Chairani, C., & Siregar, S.V. (2021). The effect of enterprise risk management on financial performance and firm value: the role of environmental, social and governance performance. *Meditari Accountancy Research*, 29(3), 647-670. <https://doi.org/10.1108/MEDAR-09-2019-0549>
 14. Chen, X., Lakkanawanit, P., Suttipun, M., Swatdikun, T., & Huang, S.-Z. (2024). Green Technology Innovation and Corporate Reputation: Key Drivers of ESG and Firm Performance. *Emerging Science Journal*, 8(6). <https://doi.org/10.28991/ESJ-2024-08-06-021>
 15. Dinarjito, Agung, dan Nurmala Ahmar. (2023). Is Green Organizational Identity Related to Sustainability Performance? A Good Review. *International Journal of Environment, Sustainability and Social Sciences*, 4(2), 463–76. <https://doi.org/10.38142/ijesss.v4i2.513>
 16. Djazuli, A. (2021). Financial Performance and Firm Value: The Moderating Role of Corporate Social Responsibility Disclosure. *LINGUISTICA ANTVERPIENSIA*, (3). <http://repository.um-palembang.ac.id/id/eprint/17077/1/1476-Article%20Text-2475-1-10-20210801-abid.pdf>
 17. Ali, F., Glaum, M., & Kaiser, S. (2018). ESG Performance and Firm Value: The Moderating Role of Disclosure. *Journal of Global Finance*, 38, 45–64. <https://doi.org/10.1016/j.gfj.2017.03.001>
 18. Feng, Z., & Wu, Z. (2023). ESG Disclosure, REIT Debt Financing and Firm Value. *J Real Estate Finan Econ*, 67, 388–422. <https://doi.org/10.1007/s11146-021-09857-x>
 19. Gomez-Trujillo, A. M., Velez-Ocampo, J., & Gonzalez-Perez, M. A. (2020). A literature review on the causality between sustainability and corporate reputation: What goes first? *Management of Environmental Quality*, 31(2), 406–430. <https://doi.org/10.1108/MEQ-09-2019-0207>
 20. Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N.P., & Ray, S. (2021). *Partial Least Squares Structural Equation Modeling (PLS-SEM) Using R*. Cham: Springer.
 21. Hesari, A.E., Shadiarhaei, E., & Shahrabi, B. (2021). The Effect of Corporate Social Responsibility on Brand Performance with the Mediating Role of Corporate Reputation, Resource Commitment and Green Creativity. *Tehnički glasnik*, 15(1), 84–91. <https://doi.org/10.31803/tg-20200922163131>
 22. Huang, Y., Hussin, N., Tareq, M. A., & He, R. (2024). A Bibliometric and Context Analysis of the Impact of ESG Disclosure on Firm Value. *Journal of Scientometric Research*, 13(3), 833–848. <https://doi.org/10.5530/jscires.20041223>
 23. Kheireddine, H., Lacombe, I., & Jarboui, A. (2024). The moderating effect of environmental performance on the relationship between sustainability assurance quality and firm value: a simultaneous equations approach. *Benchmarking: An International Journal*, 31(10), 3690–3722. <https://doi.org/10.1108/BIJ-06-2022-0389>
 24. Khanifah, K., Udin, U., Hadi, N., & Alfiana, F. (2019). Environmental Performance and Firm Value: Testing the Role of Firm Reputation in Emerging Countries. *International Journal of Energy Economics and Policy*, 10(1), 96–103. <https://www.econjournals.com/index.php/ijeeep/article/view/8490>
 25. Li, Y., Gong, M., Zhang, X.-Y., & Koh, L. (2018). The impact of environmental, social, and governance disclosure on firm value: The role of CEO power. *The British Accounting Review*, 50(1), 60–75. <https://doi.org/10.1016/j.bar.2017.09.007>
 26. Manning, B., Braam, G., & Reimsbach, D. (2019). Corporate governance and sustainable business conduct—Effects of board monitoring effectiveness and stakeholder engagement on corporate sustainability performance and disclosure choices. *Corporate Social Responsibility and Environmental Management*, 26(2), 351–366. <https://doi.org/10.1002/csr.1687>
 27. Mshana, A. A. (2024). Sustainability committee effectiveness and integrated reporting quality in the oil and gas industry 'does corporate financial performance matter?'. *Cogent Business & Management*, 11(1). <https://doi.org/10.1080/23311975.2024.2401155>
 28. Nguyen, T. T. D. (2020). An Empirical Study on the Impact of Sustainability Reporting on Firm Value. *Journal of Competitiveness*, 12(3), 119–135. <https://doi.org/10.7441/joc.2020.03.07>
 29. Park, S. H., Chung, S. H. B., & Rajagopalan, N. (2021). Be careful what you wish for: CEO and analyst firm performance attributions and CEO dismissal. *SMS: Strategic Management Journal*, 42(10), 1880–1908. <https://doi.org/10.1002/smi.3312>
 30. Permatasari, P., Gunawan, J., & El-Bannany, M. (2020). A Comprehensive Measurement for Sustainability Reporting Quality: Principles-Based Approach. *Indonesian Journal of Sustainability Accounting and Management*, 4(2), 249–265. <https://doi.org/10.28992/ijssam.v4i2.282>
 31. Prashar, A. (2023). Moderating effects on sustainability reporting and firm performance relationships: a meta-analytical review. *International Journal of Productivity and Performance Management*, 72(4), 1154–1181. <https://doi.org/10.1108/IJPPM-04-2021-0183>
 32. Rohendi, H., Ghozali, I., & Ratmono, D. (2023). Environmental, social, and governance (ESG) disclosure and firm value: the role of competitive advantage as a mediator. *Cogent Business & Management*, 11(1). <https://doi.org/10.1080/23311975.2023.2297446>
 33. Sahetapy, K. (2023). Sustainability Report and Firm Value: an Evidence from Indonesia. *Jurnal Riset Akuntansi dan Auditing*, 10(1). <https://doi.org/10.55963/jraa.v10i1.513>
 34. Şeker, Y., & Şengür, E.D. (2021). The Impact of Environmental, Social, and Governance (ESG) Performance on Financial Reporting Quality: International Evidence. *Ekonomika*, 100(2), 190–212. <https://doi.org/10.15388/Ekon.2021.100.2.9>

35. Safitri, N., Ahmar, N., Zaky, M., & Rahmani, M. A. (2022). Green Intellectual Capital And Environmental Management Accounting: A Literature Review. *Jurnal Proaksi*, 9(3), 281–291. <https://doi.org/10.32534/jpk.v9i3.3096>
36. Serem, W. K., Gudda, P., Ombok, M., & Manyaga, C. B. A. (2024). Effect of Sustainability Reporting on Firm Value: Evidence from the Nairobi Securities Exchange, Kenya. *Journal of Finance and Accounting*, 8(1), 29–49. <https://doi.org/10.53819/81018102t2302>
37. Suhartini, D., Tjahjadi, B., & Fayanni, Y. (2024). Impact of sustainability reporting and governance on firm value: insights from the Indonesian manufacturing sector. *Cogent Business & Management*, 11(1). <https://doi.org/10.1080/23311975.2024.2381087>
38. Xu, Y., & Zheng, H. (2024). ESG performance and corporate value: The mediating role of reputation. *Industrial Engineering and Innovation Management*, 7(1), 30–38. <https://dx.doi.org/10.23977/ieim.2024.070105>
39. Yu, M., & Zhao, R. (2015). Sustainability and firm valuation: an international investigation. *International Journal of Accounting & Information Management*, 23(3), 289–307. <https://doi.org/10.1108/IJAIM-07-2014-0050>
40. Zimon, G., Arianpoor, A., & Salehi, M. (2022). Sustainability Reporting and Corporate Reputation: The Moderating Effect of CEO Opportunistic Behavior. *Sustainability*, 14(3), 1257. <https://doi.org/10.3390/su14031257>

Нурлатіфа С., Відястуті Т., Ахмар Н.

ВЗАЄМОЗВ'ЯЗОК РОЗКРИТТЯ ІНФОРМАЦІЇ ПРО ESG З ПОКАЗНИКАМИ СТАЛОГО РОЗВИТКУ ТА ФІНАНСОВИМИ ПОКАЗНИКАМИ Й ВАРТІСТЮ ФІРМИ: РОЛЬ КОРПОРАТИВНОЇ РЕПУТАЦІЇ ТА ЯКОСТІ ЗВІТНОСТІ ПРО СТАЛИЙ РОЗВИТОК

Це дослідження спрямоване на вивчення того, як розкриття інформації та ефективність у аспекті ESG пов'язані з вартістю фірми, при цьому корпоративна репутація, можливо, виступає як посередницька змінна в таких відносинах, водночас якість звітності зі сталого розвитку виступає як модеруюча змінна. У цьому дослідженні використані зразки індексних компаній ESG SRI KENATI, зібрані з IDX протягом 2017-2022 років. Для цього були використані цілеспрямовані методи вибірки, де було взято суму 19 фірм, а загальна кількість спостережень становить 114. Регресійний аналіз цих факторів показує, що розкриття інформації в ESG поряд зі сталістю та фінансовими показниками в наданні репутації результатам корпорації має велике значення для корпоративних цінностей. Корпоративна репутація успішно опосередковує відносини розкриття інформації про ESG та показники сталого розвитку з фінансовими показниками щодо корпоративної вартості. Водночас якість звітності зі сталого розвитку лише пом'якшує зв'язок між розкриттям інформації в галузі ESG, показниками сталого розвитку та фінансовими показниками щодо корпоративної вартості, але не пом'якшує відношення змінних до корпоративної репутації. На практиці це означає: це дослідження показує, що керівникам необхідно покращувати якість звітності зі сталого розвитку, а будувати корпоративну репутацію потрібно шляхом відповідального та прозорого ведення бізнесу. У поточній роботі розробляються теорія сигналізації та ресурсна теорія для бухгалтерського обліку й сталого розвитку.

Ключові слова: корпоративна репутація; розкриття інформації про ESG; вартість фірми; продуктивність і якість звітності зі сталого розвитку

JEL Класифікація: L14, L25, M14, M41