The Influence of ESG Disclosure, Green Investment, and Green Fund on Company Value in the Energy Sector Listed on the Indonesia Stock Exchange

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ABSTRACT

The growing global awareness of climate change has driven energy sector companies to adopt sustainable business practices. As one of the largest contributors to carbon emissions, the energy sector faces increasing pressure from society, regulators, and markets to enhance environmental responsibility through Environmental, Social, and Governance (ESG) practices, Green Investment, and Green Fund initiatives. This study aims to examine the effect of ESG Disclosure, Green Investment, and Green Fund on firm value in energy sector companies listed on the Indonesia Stock Exchange (IDX). The research employed an associative method with a quantitative approach. The population consisted of all 40 energy sector companies that published a 2024 sustainability report and disclosed ESG or CSR initiatives. Data collection was conducted through documentation of the sustainability reports, and analysis was carried out using multiple linear regression. The regression model produced was Y = 23.308 - 0.024 X1 + 0.161 X2 - 0.242 X3. The correlation coefficient (R) was 0.316, indicating a weak relationship among the variables. The coefficient of determination (R²) was 0.100, meaning that only 10% of the variation in firm value can be explained by the three variables. The F test showed a significant simultaneous effect (Sig. 0.000 < 0.05). However, partial tests revealed that only Green Fund had a significant effect (Sig. 0.022 < 0.05), while ESG Disclosure and Green Investment did not. The study concludes that while ESG, Green Investment, and Green Fund collectively affect firm value, Green Fund is the only factor with a significant individual impact.

INTRODUCTION

The issue of climate change and environmental degradation has always been the center of global attention from year to year (Singh & Singh, 2016). The issue of climate change is a global challenge involving an increase in the average temperature of the earth due to the accumulation of greenhouse gases in the atmosphere, such as carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O). In addition, human activities such as the burning of fossil fuels (oil, gas, and coal), deforestation and the most influential climate change, namely industrial activities that increase the concentration of the greenhouse effect, thus accelerating global warming.

The implementation of environmental management must be applied to reduce the use of natural resources, and air emissions (greenhouse gas effects, carbon emissions, ozone-depleting substances and others), waste disposal and preservation of biodiversity. Thus, good

environmental management practices are needed in the company's operational activities to reduce the negative effects that occur on the environment.

Agus (2020) stated that, Indonesia is one of the developing countries that produces a variety of flora and fauna and is the lungs of the world, because along with increasing public awareness of climate change and environmental degradation, the public is also starting to pay attention to companies that are directly involved in environmental pollution. The high level of public awareness of environmental concerns, companies are also starting to be required to carry out their work operations more responsibly towards the environment (Lee et al., 2018).

The energy sector, which is one of the sectors that contributes to a greater impact on the environment because it produces carbon emissions, is at the forefront of this pressure. The increasing urgency of climate change in the world brings more serious economic threats to developing countries that have weak systems and infrastructure, so that sustainability reporting studies are needed (Gunawan et al., 2022).

Align with research from Delina (2017), the increasing urgency of the climate change issue, the energy sector faces pressure to accelerate the transition to more sustainable practices. This pressure comes not only from society, but also from regulators and markets that require companies to comply with environmental policies, such as carbon taxes, emission limits, and the adoption of low-carbon technologies. Regulations like this encourage energy sector companies to innovate, either through diversifying their energy portfolios, investing in renewable energy, or implementing carbon capture technology.

In addition, investors are increasingly focusing on transparency related to sustainability through ESG (Environmental, Social, and Governance) reporting, which is one of the important indicators in making investment decisions. The energy sector is the main focus in implementing ESG because it has a large environmental impact, especially as a major contributor to greenhouse gas emissions (Baratta et al., 2023). In addition, the industry is also often associated with pollution, ecosystem damage, and social impacts on local communities. Pressure from regulators, investors, and the public is pushing energy companies to improve transparency, social responsibility, and good governance.

With its important role in the transition to a low-carbon economy, the energy sector is required to transform to align with sustainability principles. Sustainability reporting not only reflects a company's commitment to reducing environmental impacts, but also helps developing countries with weak infrastructure mitigate the economic impacts of climate change (Dissanayake et al., 2016). In this context, the energy sector is in the spotlight, given its significant contribution to global carbon emissions. Energy companies, whether operating in the oil and gas, electricity, or renewable energy sectors, have a responsibility to balance the world's energy needs with their commitment to sustainability.

Energy sector companies are now divided into several main categories based on their type of operations. First, oil and gas companies such as ExxonMobil, Chevron, BP, Pertamina, and Shell are now starting to diversify towards clean energy. Second, electricity companies such as PLN, Siemens, and General Electric are leading innovation in renewable energy-based power generation. Third, renewable energy companies such as Vestas (wind), Tesla Energy (energy storage and solar), and Orsted (offshore wind farms). Finally, coal companies such as Adaro Energy and Bumi Resources are starting to shift their focus to renewable energy.

Energy sector companies that include various companies such as ABM Investama Tbk, Adaro Energy Indonesia Tbk, AKR Corporindo Tbk, Bumi Resources Tbk, to Indika Energy Tbk, the company's value can be analyzed from its contribution to sustainability, innovation, and economic growth. These companies operate in various fields, including mining, renewable energy, infrastructure, to energy transportation, each of which has a significant impact on the environment and the economy. For example, companies such as Adaro Energy Indonesia Tbk (ADRO) and Bumi Resources Tbk (BUMI) that have focused on the coal sector have begun to

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shift their focus to investing in renewable energy and low-carbon technologies.

This move not only increases their environmental value through reduced carbon emissions but also strengthens their position in the increasingly sustainability-oriented global market. On the other hand, companies such as AKR Corporindo Tbk (AKRA) and Indika Energy Tbk (INDY) have also demonstrated a commitment to diversifying their energy portfolios. This reflects a stronger economic value as they are able to attract more investors interested in future-oriented businesses. In addition, companies such as Dian Swastatika Sentosa Tbk (DSSA) and Energi Mega Persada Tbk (ENRG) play an important role in the development of renewable energy-based power plants, which support the transition to cleaner energy use.

 Overall, the value of the companies in the energy sector listed in the table is not only measured by their financial strength but also by their adaptive strategies and contributions to sustainability. Companies that are able to combine economic performance with social and environmental initiatives will remain relevant in an increasingly competitive and sustainable market. This transition also creates opportunities for energy sector companies to build long-term value and strengthen their position in the global economy.

Thus, ESG Disclosure, Green Investment, and Green Funds not only play a role in creating a more sustainable business but can also increase company value through investor trust, access to green funding, and stronger competitiveness in the market. The P/E Ratio is an important tool in assessing how these sustainability factors affect a company's valuation and its future profitability expectations. The P/E ratio is one of the most common indicators used by investors to assess whether a stock or company is fairly valued (undervalued/overvalued) in the market. Therefore, it is relevant as a proxy for company value.

In the investment world, the number of shares outstanding has a direct impact on the company's value and its performance in the market. Companies with a large number of shares outstanding, such as Bumi Resources Tbk (BUMI) and Capitol Nusantara Indonesia Tbk (PGE) which have billions of shares, often face challenges in increasing their share prices due to the high supply in the market. Conversely, companies with fewer shares outstanding may experience more significant stock price movements because changes in investor demand more quickly affect their market value.

Align with research from Tamuntuan (2015), The number of shares outstanding also affects earnings per share (EPS), which is a key indicator of a company's profitability. EPS is calculated by dividing net income by the number of shares outstanding, so the more shares outstanding, the lower the earnings per share if net income remains the same. This can affect investors' perceptions of the company's investment attractiveness. If the number of shares outstanding is too large but the company's profit does not grow significantly, EPS will be low, which can depress stock valuations in the market.

Most companies in the Green Fund table do not have clear disclosures regarding the use of special funds for green projects. Only a few companies show concrete commitments, such as MEDC which reported the use of green bonds to support environmentally friendly projects. Several companies, such as ABMM, report initiatives related to renewable energy, but information related to special funding is not detailed. In addition, companies with high scores such as ADRO show commitments through green financing reports for renewable energy projects, including solar panels and energy efficiency.

In general, this low level of disclosure reflects a lack of attention to the transparency of green funding, which is a major challenge in increasing financial support for environmental sustainability (Sun et al., 2019). In Indonesia, the Indonesia Stock Exchange (IDX) continues to motivate companies, especially in the energy sector, to implement ESG practices as part of their business strategy. This study reveals that Environmental, Social, and Governance (ESG), Green Investment, and Green Fund disclosures have a positive impact on the value of companies in the energy sector listed on the Indonesia Stock Exchange.

The implementation of sustainability principles through ESG not only reflects the company's commitment to environmental and social responsibility, but also becomes an attraction for investors who are increasingly focused on sustainability aspects. ESG disclosure helps companies build a positive reputation, increase market confidence, and attract sustainability-based investment. Meanwhile, green investment and green funds are important strategies in supporting the development of environmentally friendly projects and low-carbon technology innovations. However, most companies still face challenges in increasing transparency and details related to sustainability initiatives, indicating the need for further improvement.

In conclusion, the strategic integration of ESG Disclosure, Green Investment, and Green Fund can be the key to increasing company value while supporting the transition to a green economy. This requires collaboration between companies, regulators, and investors to ensure the achievement of sustainability goals holistically. Based on the background described above, the researcher is interested in conducting research with the title: "The Effect of ESG Disclosure, Green Investment, and Green Fund on Company Value in the Energy Sector Listed on the Indonesia Stock Exchange".

METHODOLOGY AND PROCEDURES

The research method used by the author is the associative method. The definition of the associative approach according to Sugiyono in Novianti et al. (2024), associative research strategy is a formulation of a research problem that aims to ask about the relationship between two or more variables. While the analysis method in this study uses a quantitative approach. According to Nugroho (2018) Quantitative research methods can be interpreted as research methods based on the philosophy of positivism, used to research certain populations or samples, data collection using research instruments, data analysis is quantitative/statistical, with the aim of testing the established hypothesis. So, this study aims to determine the effect of ESG Disclosure, Green Investment, and Green Fund on the value of companies in the Energy Sector listed on the Indonesia Stock Exchange. The data collection technique used in this study is the documentation technique. Documentation is a method used to obtain data and information in the form of books, archives, documents, written numbers and images in the form of reports and descriptions that can support research. The document used in this study is the sustainability report of 40 energy sector companies listed on the Indonesia Stock Exchange.

According to Sugiyono in Saleha (2020), "Population is a generalization area consisting of: objects/subjects that have certain qualities and characteristics determined by researchers to be studied and then conclusions drawn. The population in this study are companies engaged in the production, distribution, and sales of energy, namely companies in the energy sector listed on the Indonesia Stock Exchange. There are 40 energy sector companies listed on the Indonesia Stock Exchange. A sample is part of the number and characteristics possessed by the population. The sampling technique in this study is a saturated sampling technique. The criteria for determining the sample for this writing are: (1) Companies that report sustainability reports in 2024; (2) Companies that include the application of ESG or CSR in their sustainability reports in 2024. Based on the sample criteria above, there are 40 energy sector companies that meet these requirements.

Data Analysis Techniques

The classical assumption test in this study includes normality, multicollinearity, heteroscedasticity, autocorrelation, and linearity tests. The normality test aims to test whether the residuals in the regression model are normally distributed using the One Kolmogorov-Smirnov test with the Monte Carlo approach. Multicollinearity is tested to ensure there is no correlation between independent variables, using tolerance values and variance inflation factor (VIF). The heteroscedasticity test uses the Glejser method to detect inequality in residual variations between observations. The autocorrelation test through the Run Test aims to determine whether the residuals have a certain pattern over time. The linearity test is carried

out to determine whether the relationship between variables is linear or not, using the Lagrange Multiplier (LM) test, with a chi-square distribution approach to determine the best panel data regression model, whether Common Effect or Random Effect. Furthermore, the hypothesis test is carried out using multiple linear regression analysis, which is used to test the effect of ESG Disclosure, Green Investment, and Green Fund on company value. The Correlation Coefficient (R) test is used to see the level of relationship between variables, while the Determination Coefficient (R^2) test measures the model's ability to explain variations in the dependent variable. The simultaneous test (F test) aims to determine the joint influence of independent variables on the dependent variable with decision criteria based on significance values. The partial test (t test) is used to test the influence of each independent variable individually on the dependent variable. The hypothesis is tested by looking at the significance value, where H0 is rejected if the Sig value <0.05 and accepted if Sig> 0.05.

RESULTS AND DISCUSSION

Normality Test

The test is used to test whether the dependent variable and independent variable have a normal distribution or not. Normality in this study uses the Kolmogorov-Smirnov statistical test. The level of significance has a value above 0.05 then the data is normally distributed, while if the value is below 0.05 then the data is not normally distributed. The results of the normality test are presented as follows:

Table 1. Results of the One Sample Kolmogorov-Smirnov Normality Test

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		40
Normal Parameters[a,b]	Mean	,0000000
	Std. Deviation	17,18167765
Most Extreme Differences	Absolute	,116
	Positive	,116
	Negative	-,083
Test Statistic		,116
Asymp. Sig. (2-tailed)		,191[c]
a. Test distribution is Normal.		
b. Calculated from data.		
c. Lilliefors Significance Correction.		

Source: SPSS Processed Data, 2025

Based on table 1 above, the results of the normality test using Kolmogorov-Smirnov show a significance value of 0.191, which is above 0.05. This indicates that the residual model is normally distributed.

Multicollinearity Test

The multicollinearity test is used to test whether the regression model finds a correlation or similarity between independent variables. This test uses the calculation of tolerance values and Variance Inflation Factor (VIF). A good regression model is free from multicollinearity. A regression model that is free from multicollinearity occurs if the tolerance value is greater than 0.10 or equal to a VIF value of less than 77 10. While the tolerance value is less than 0.10 or equal to a VIF value greater than 10, then there is high multicollinearity between the independent variables. The results of the multicollinearity test are presented as follows:

Table 2. Multicollinearity Test Results

Coefficients[a]

Model		Collinearity Statistics	
		Tolerance	Vif
1	(Constant)		
	Esg Disclosure	,300	3,334
	Green Investment	,804	1,244
	Green Fund	,323	3,101
A. Dependent Variable: Nilai Perusahaan			

Source: SPSS Processed Data, 2025

Based on table 2 above, the analysis results show that all independent variables have a Tolerance value above 0.1 and a VIF below 10, namely ESG Disclosure of 3.334, Green Investment of 1.244, Green Fund of 3.101. These values indicate that there is no multicollinearity between the independent variables. Thus, each independent variable does not influence each other linearly, so that the regression estimate can be trusted.

Heteroscedasticity Test

According to Ghozali (2018), the heteroscedasticity test aims to test whether in the regression model there is inequality of variation from the residuals of one observation to another. In this observation, it can be done using the Glejser test. The Glejser test is a hypothesis test to determine whether a regression model has indications of heteroscedasticity by regressing the absolute residuals. The basis for decision making with the Glejser test is if the significance value > 0.05 then the data does not experience heteroscedasticity and if the significance value < 0.05 then the data experiences heteroscedasticity. The results of the heteroscedasticity test are presented as follows.

Table 3. Heteroscedasticity Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	23,308	4,156		5,608	,000
	ESG DISCLOSURE	-,024	,160	-,038	-,151	,881
	GREEN INVESTMENT	,161	,091	,270	1,765	,186
	GREEN FUND	-,242	,101	-,579	-2,395	,222
a. Dependent Variable: Abs_RES						

Source: SPSS Processed Data, 2025.

Based on table 3 above, the results show that all independent variables have a significance value above 0.05, namely ESG Disclosure of 0.881, Green Investment of 0.186, and Green Fund of 0.222. Thus, it can be concluded that there is no heteroscedasticity in this regression model. The error variance is constant (homoscedastic), which means that the regression model meets the assumption of residual variance stationarity.

Autocorrelation Test

According to Ghozali (2018), the autocorrelation test is carried out to test whether there is a correlation between the disturbing error in period t and the disturbing error in period t-1 (previously) in a linear regression model. A good linear regression model is one that is free from autocorrelation. If a correlation is found, it is called an autocorrelation problem. To carry out the autocorrelation test, you can use the Run Test. The results of the autocorrelation test are presented as follows.

Table 4. Autocorrelation Test Results

Runs Test	
	Unstandardized Residual
Test Value[a]	-3,94770
Cases < Test Value	19
Cases >= Test Value	21
Total Cases	40
Number of Runs	20
Z	-,145
Asymp. Sig. (2-tailed)	,885
a. Median	

Source: SPSS Processed Data, 2025

Based on table 4 above, the test results show a significance value of 0.885, which means it is greater than 0.05. This indicates that there is no autocorrelation in the residual model.

Linearity Test

According to Ghozali (2018) the linearity test is a test used to determine whether the model information used is correct or not. Whether the function used in the empirical study must be linear, quadratic, or cubic. In this study, the researcher used the SPSS program by looking at the ANOVA table or often referred to as the linearity test. The test that can be done is the Lagrange Multiplier. The Linearity Test Results are presented as follows.

Table 5. Results of Lagrange Multiplier Linearity Test

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,316[a]	,100	,072	12,36239
a. Predictors: (Constant), X3Sqr, X2Sqr, X1Sqr				
b. Dependent Variable: Unstandardized Residual				

Source: SPSS Processed Data, 2025

Based on table 5 From table 3 the output results show that the R Square value is 0.100. With the number of observations as many as 40, the value of the calculated X^2 in this equation is 40x0.100 = 4.00. This value is compared with the value of the X^2 table with the calculated df = 40-3 = 37 and a significance level of 0.05, the value of the X^2 table is 5.991. Therefore, the value of 4.00 <5.991, it can be concluded that this equation model is a linear model.

Multiple Linear Regression Analysis

Multiple linear regression test to calculate the quantitative influence of a change in an event (variable X) on another event (variable Y). The results of the calculation of the multiple linear regression test can be seen in the following table:

Table 6. Results of Multiple Linear Regression Analysis

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	23,308	4,156		5,608	,000
	Esg Disclosure	-,024	,160	-,038	-,151	,881
	Green Investment	,161	,091	,270	1,765	,086
	Green Fund	-,242	,101	-,579	-2,395	,022
A. Dependent Variable: Company Values						

Source: SPSS Processed Data, 2025

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From Table 6 above, the multiple linear regression equation can be seen as follows:

$Y = 23,308 - 0,024 X1 + 0,161 X2 - 0,242 X3$

From the multiple regression equation, it can be explained as follows: (1) The constant value (a) is 23.308 with a positive value, meaning that the Company Value (Y) will be 2.436 if the ESG disclosure, green investment, and green fund variables (X) are 0; (2) The ESG disclosure value (X1) has a regression coefficient of -0.024 with a negative value, meaning that the direction of ESG Disclosure on the company value is significantly negative. With a one-unit increase in the ESG disclosure variable, it will cause a decrease in the company value of -0.024 assuming that the other variables are constant; (3) The green investment value (X2) has a regression coefficient of 0.161 with a positive value, meaning that the direction of the influence of the company value is significantly positive. With a one-unit increase in the green investment variable, it will cause an increase in the company value of 0.161 assuming that the other variables are constant; (4) The green fund value (X3) has a regression coefficient of -0.242 with a negative value, meaning that the direction of the influence of the company value is significantly negative. A one-unit increase in the green fund variable will cause a decrease in the company's value by -0.242, assuming the other variables are constant.

Correlation Coefficient (R) Analysis

According to Ghozali (2018) "Correlation coefficient testing is a test to find relationships and prove the hypothesis of the relationship between two variables if both variables are in the form of intervals or ratios. The following are the results of the correlation coefficient analysis.

Table 7. Correlation Coefficient Test Results

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error Of The Estimate
1	,316[a]	,100	,072	12,36239
A. Predictors: (Constant), Green Fund, Green Investment, Esg Disclosure				
B. Dependent Variable: Company Values				

Source: SPSS Processed Data, 2025

From table 7 it can be seen that the R value (correlation) obtained is 0.316. Where this value is between 0.20 - 0.399, this means that the relationship between ESG Disclosure (X1), Green Investment (X2), and Green Fund (X3) to Company Value (Y) is weak.

Determination Coefficient Analysis (R^2)

This test is to find out how much the X variable contributes to the Y variable. The results of the determination coefficient test calculation can be seen in table 7 stating that the determination coefficient value or R Square obtained is 0.100. This means that 10% (1 x 0.100 x 100%) of the influence on investment decisions is explained by the ESG disclosure, green investment, and green fund variables, while the remaining 90% is explained by other variables that are not included in the research variables.

Simultaneous Influence Test (F Test)

The simultaneous influence test is used to find out whether the independent variables simultaneously affect the dependent variable. The results of the simultaneous test (F test) can be seen in the following table:

Table 8. Simultaneous Test Results

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12,345	3	4,115	32,538	,000[b]
	Residual	5,700	36	,074		

	Total	18,045	39			
A. Dependent Variable: Company Values						
B. Predictors: (Constant), Green Fund, Green Investment, Esg Disclosure						

Source: SPSS Processed Data, 2025

Based on the results of the F test in table 8, it states that the significant value for ESG disclosure, green investment, and green funds simultaneously on company value is 0.000 <0.05. The results of the study on the simultaneous test (F Test) can be concluded that ESG disclosure, green investment, and green funds simultaneously have a significant effect on company value.

Partial Influence Test (t Statistic Test)

The t test is conducted to test the effect of all independent variables partially on the dependent variable. The results of the t test can be seen in the following table:

Table 9. Partial Influence Test Results

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	23,308	4,156		5,608	,000
	Esg Disclosure	-,024	,160	-,038	-,151	,881
	Green Investment	,161	,091	,270	1,765	,086
	Green Fund	-,242	,101	-,579	-2,395	,022
A. Dependent Variable: Company Values						

Source: SPSS Processed Data, 2025

Based on table 9, it can be seen that the magnitude of the influence of each independent variable, namely ESG disclosure, green investment, and green fund on company value is as follows: (1) The ESG Disclosure variable (X1) shows a significant value of 0.881> 0.05, so Ho is accepted and Ha is rejected. The first variable does not have a significant effect on company value; (2) The Green Investment variable (X2) shows a significant value of 0.086> 0.05, so Ho is accepted and Ha is rejected. It can be seen that green investment individually does not have a significant effect on company value; (3) The Green Fund variable (X3) shows a significant value of 0.022> 0.05, so Ho is rejected and Ha is accepted. It can be seen that green funds individually have an influence on company value.

CONCLUSION

The number of samples used in this study were 40 energy sector companies listed on the Indonesia Stock Exchange that reported sustainability reports and included the implementation of ESG and CSR in the sustainability report. The multiple linear regression equation shows that the regression equation is: Y = 23.308 - 0.024 X1 + 0.161 X2 - 0.242 X3. The correlation coefficient (R) obtained was 0.316, which indicates that the relationship between ESG Disclosure, Green Investment, and Green Fund on company value is relatively weak. If the ESG Disclosure (X1), Green Investment (X2), and Green Fund (X3) variables increase, then the Company Value (Y) variable will also increase. The determination coefficient (R^2) of 0.100 indicates that company value is influenced by ESG Disclosure, Green Investment, and Green Fund by 10%, while the remaining 90% is influenced by other variables not examined in this study. Based on the results of the simultaneous influence test (F test), it is known that ESG Disclosure, Green Investment, and Green Fund simultaneously have a significant influence on company value, with a significance value of 0.000 <0.05. The partial influence test (t test) shows that ESG Disclosure and Green Investment do not have a significant influence on company value, while Green Fund has a significant influence. In the ESG Disclosure variable (X1), the significance value is 0.881> 0.05, so H0 is accepted and Ha is rejected. This means

that ESG Disclosure does not have a significant effect on company value. These results are reinforced by research by Sedyadan and Wijaya (2025) which shows that environmental, social, and governance disclosures do not affect company value in a sample of IDX energy companies for the 2021–2023 period. In the Green Investment variable (X2), the significance value of 0.086> 0.05 also shows that Green Investment does not have a significant effect on company value. Agatha & Aryati's (2024) research supports these results, showing that Green Investment has no effect on company value. Meanwhile, the Green Fund variable (X3) has a significance value of 0.022 <0.05, which means that H0 is rejected and Ha is accepted, indicating that Green Fund individually has a significant effect on company value. These results are supported by research by Aeni & Murwaningsari (2023), which states that the implementation of green finance, especially green funds, has an effect on the market value and reputation of companies in the financial services sector listed on the IDX.

SUGGESTION

For Investors, it is recommended to consider green finance aspects such as Green Investment and Green Fund in assessing the prospects and value of a company, especially in the energy sector. The results of this study indicate that both factors have a significant influence on company value, indicating that sustainability is not only an ethical issue, but also contributes to market performance and perception. Investors also need to be more critical of ESG Disclosure practices, because although ESG is often disclosed, its impact is not necessarily reflected directly in the company's value. For energy sector company management, it is better not to only focus on ESG disclosure, but to emphasize more on real implementation through green investment and allocation of funds for environmentally friendly activities. This study shows that Green Fund has a significant influence on increasing company value. Therefore, the Company needs to develop a more proactive financial strategy in supporting sustainable projects. ESG Disclosure should not only be symbolic, but also equipped with measurable and transparent sustainability performance indicators in order to get a positive response from the market. For further researchers This study has limitations in terms of the number of samples and the industrial sectors studied. Therefore, it is recommended for further researchers to expand the scope of sectors or time periods, in order to see the impact of ESG and green finance in the long term, include additional variables such as profitability, capital structure, environmental reputation, or business risk as moderating or mediating factors, use a panel data regression approach to overcome autocorrelation problems and improve the accuracy of the estimation model.

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