

ABSTRACT

Firm value is one of the indicators that reflects investors' assessment of a company's performance and prospects. In energy sector companies, firm value is related to increasing attention to environmental issues and carbon emissions. Carbon Emission Disclosure is one form of corporate transparency in providing information related to carbon emissions and environmental risks, while profitability reflects a company's ability to generate profits through the utilization of its assets. However, previous studies regarding the effect of Carbon Emission Disclosure and profitability on firm value have shown inconsistent results. Therefore, this study aims to analyze the effect of Carbon Emission Disclosure and profitability on firm value in energy sector companies listed on the Indonesia Stock Exchange during the 2020–2024 period.

This study uses a quantitative method with descriptive and verification approaches. The data used are secondary data obtained from companies' annual reports and sustainability reports. The sampling technique used is purposive sampling, resulting in a sample of 55 companies with a total of 275 observations. Data analysis was conducted using panel data regression with the assistance of EViews 12 software. The results indicate that Carbon Emission Disclosure has a positive and significant effect on Firm Value, with a probability value of 0.01505. Meanwhile, Profitability has no significant effect on Firm Value, with a probability value of 0.46745. Simultaneously, Carbon Emission Disclosure and Profitability have no significant effect on Firm Value, with a Prob. (F-statistic) value of 0.080036. The Adjusted R-squared value of 0.011179 or 1.12% indicates that Carbon Emission Disclosure and Profitability explain 1.12% of the variation in Firm Value, while the remaining 98.88% is explained by other factors outside the study.

Keywords: Carbon Emission Disclosure, Profitability, Firm Value.