

# Abstract

In this study, researcher mapped the corporate environmental performance with the sustainable development goals and its associated relevant targets. The PSX 100 index companies sample data was used in this research. Our mapping helps businesses to provide a concrete solution to align their Environmental performance with the sustainable development goals and track their progress solidly and efficiently towards achieving the SDGs as proposed by the United Nations in 2015 to protect the planet from the danger of climate change. The compliance of these goals was analyzed by using Pakistan Stock Exchange 100 index Companies' data through content analysis. In the second stage of the study, we conducted the test of GMM to analyze the impact of environmental performance on firm financial value. The term "environmental performance" and associated concerns have gathered ample of consideration in current global era due to the substantial issue of worldwide alterations in climate and environmental crises such as overall warming of the planet over the period of last forty years. Relevant global organizations and countries especially the developed world must take noteworthy steps to overcome and revert these challenges to address environmental issues. The world think tanks must work on the development of environment friendly strategies and practices to combat environmental challenges. This research has tried to highlight the financial implications on organizations to engage such environmental management activities. To unravel the connection between corporate environmental performance (CEP) and firm's financial value (FFV) and to develop comprehensive conclusion, advanced investigations have been carried out. Despite the fact that, our research results are inconsistent and contradictory to the previously published reports, yet our study paves the way to cover the gap in the already available literature and provides motivation for future examinations. Therefore, the basic goal of the current study is to explore the association between CEP and firm value of listed firms in the PSX 100 index companies. The study is strategically drafted to perform analysis in a way that it adds up and further support the pre-existing knowledge on the subject. First of all, we try to evaluate the impact of CEP on corporate financial value in the various sectors of PSX-100 index companies from 2017 to 2021. In this study, we have used 100 index companies of Pakistan Stock exchange and selected 98 listed firms (490 observations) of various sectors in order to realize the afore-mentioned aims, starting from 2017 to 2021. The secondary data records extracted from the Companies' Annual Reports were used to perform the analysis. We have adopted an econometric model of GMM to determine the correlation between the dependent variables (i.e., financial value indicators) and the self-reliant variables (i.e. Environmental performance) by using statistical tool "STATA". Afterwards, concrete link between CEP and CFV was explored by using the panel data regression instrumental variable.

**Keywords:** Sustainable Development Goals, Financial Performance, Environmental Performance, Research & Development, Firm Value