

Independent study title	SUSTAINABILITY AND CREDIT SPREAD: EVIDENCE FROM LISTED COMPANIES IN ASEAN 4
Author	Jidapa Pothong
Degree	Master of Science (Finance)
Major field	Master of Science Program in Finance (International Program)
Faculty	Faculty of Commerce and Accountancy
University	Thammasat University
Independent study advisor	Associate Professor Woraphon Wattanatorn, Ph.D.
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## ABSTRACT

This study aims to analyze the relationship between ESG score (including subcategory which are E, S and G pillars) with the credit spread of corporate bond in ASEAN 4 countries (Thailand, Malaysia, Philippines and Indonesia) which is the emerging market by using panel regression with fixed effect and confirm robustness test with 2SLS method and sensitivity analysis in country level. This study contains 2 type of bond which are conventional bond and Sukuk bond with time period in 2019 to 2023.

The study for conventional bond show ESG including E and S had significantly reduce the credit spread meaning that investor give premium to company that has more sustainability. However, when analyze on each country, that relationship only happen in Thailand, the others are not. For sukuk bond, found that ESG and the subcategory score have a negative trend on credit spread but it is not significant due to small sample size and it may be in early stage of ESG adoption.

**Keywords:** ESG score, Credit spread, Sukuk bond, Emerging Markets