

ABSTRACT

Firm value is one of the things that needs to be considered by company management because firm value can describe the success of the company which is assessed by the company's share price. In addition to increasing firm value, for companies it is important to increase financial performance or financial performance of a company can be known from the company's financial statements. There are antecedents that can affect firm value and firm performance, one of which is using the proxy of Good Corporate Governance, namely the Audit Committee. In addition, ESG Disclosure is one of the factors that can attract shareholders to invest. Investors are more interested in investing their shares in companies that implement environmental, social, and governance concerns as part of their business activities. This study aims to analyze the effect of the Audit Committee on Firm Value and Firm Performance through ESG Disclosure in companies listed on the Sri Kehati Index BEI for the 2018-2022 period.

This study uses quantitative data types with secondary data sources obtained through the financial statements of each company downloaded through Bloomberg, the official website of the Indonesia Stock Exchange (www.idx.co.id) and financial reports downloaded from each company's website. The number of samples used was 25 companies listed on the Sustainable and Responsible Investment (SRIKEHATI) index listed on the Indonesia Stock Exchange for the period 2018-2022. The analytical tool used in this research is the PLS structural equation model (SEM).

The results of this study indicate that the Audit Committee has a significant positive effect on ESG Disclosure, the Audit Committee has a significant positive effect on Firm Value, the Audit Committee has a significant positive effect on Firm Performance, ESG Disclosure has no effect but is significant to Firm Value, and ESG Disclosure has a significant positive effect on Firm Performance.

Keywords: *Audit Committee, ESG Disclosure, Firm Value, Firm Performance, Sri Kehati*