

ABSTRACT

The value of a company is one of the key indicators in gaining investor trust. However, fluctuations in firm value over time indicate uncertainty in the factors that influence it. This study aims to examine the effect of ESG disclosure, dividend policy, firm size, and cash holding on firm value, with the moderating role of cash holding.

This research was conducted using a sample of companies that received a PROPER rating and were listed on the Indonesia Stock Exchange (IDX) from 2020 to 2023. The sample was selected using purposive sampling, resulting in a total of 21 companies that met the specified criteria. The analysis method employed was panel data regression, with the fixed effect model being the chosen model to observe both direct and moderating effects.

The results show that cash holding have a significant positive effect on firm value, ESG and firm size have a significant negative effect on firm value, while dividend policy does not have a significant effect. Further analysis reveals that the environmental component of ESG has a significant negative effect, while the social and governance components show no significant effect. In addition, cash holding is not found to moderate the relationship between ESG and firm value.

Keywords: ESG, dividend policy, firm size, firm value, cash holding

