

ABSTRACT

Financial Literacy (X1) and Digital Financial Inclusion (X2) are key factors for investment decisions, but their empirical impact is inconsistent. This study addresses this gap by analyzing their direct impact on Investment Decisions (Y) and introducing ESG Awareness (Z) as a crucial moderator to explain when these factors are most effective. Using a sample of 347 experienced stock investors (>3 years) in Semarang City, this quantitative study was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM). Results confirm both Financial Literacy ($\beta=0.214$; $P=0.000$) and Digital Financial Inclusion ($\beta=0.165$; $P=0.000$) positively impact Investment Decisions. More importantly, moderation analysis reveals ESG Awareness is a significant strengthening moderator. The positive influence of Financial Literacy on Investment Decisions was strengthened by ESG Awareness ($\beta=0.134$; $P=0.022$), as was the influence of Digital Financial Inclusion ($\beta=0.140$; $P=0.011$). This confirms 'Awareness' (Z) acts as a cognitive catalyst; the benefits of 'Knowledge' (X1) and 'Access' (X2) are optimized when investors also possess high ESG consciousness.

Keywords: Financial Literacy, Digital Financial Inclusion, ESG Awareness, Investment Decision, Partial Least Squares Structural Equation Modeling (PLS-SEM)