

ABSTRACT

This study aims to analyze the effect of corporate governance (as proxied by the frequency of board director meetings, frequency of board meetings, managerial ownership and frequency of audit committee meetings) on free cash flow with dividend payout ratio as the mediating variable.

The research sample was obtained from secondary data from manufacturing companies listed on the Indonesia Stock Exchange during 2016 to 2019. The research sample was 7 companies taken by purposive sampling technique. This study uses analysis tools in the form of panel data regression analysis.

The results of this study indicate that the dividend payout ratio can mediate the effect of board meeting frequency on free cash flow. Meanwhile the frequency of board director meetings, managerial ownership and frequency of audit committee meetings cannot be mediated by free cash flow.

Keywords: Frequency of board of directors meetings, frequency of board meetings, managerial ownership, frequency of audit committee meetings, free cash flow, dividend Payout ratio