

## **ABSTRACT**

*As awareness of environmental issues continues to escalate, companies are increasingly compelled to not only focus on financial returns but also evaluate the ecological footprint of their operational activities. Transparency regarding carbon emissions and the maintenance of solid financial performance have become crucial instruments for corporations to ensure business continuity while preserving stakeholder trust. This study aims to empirically examine the effect of carbon emission disclosure and financial performance on firm value, with environmental performance operating as a moderating variable.*

*This study employs a quantitative approach utilizing Moderated Regression Analysis (MRA) for its hypothesis testing. The population in this study comprises all companies operating in the basic materials sector listed in the Indonesia Stock Exchange (IDX) during the 2021–2024 period. The total number of observational data utilized is 104, consisting of 26 companies observed over a 4-years period, selected through a purposive sampling method. The statistical processing and analysis withing this research were conducted using Eviews 14 software.*

*The statistical results indicate that carbon emission disclosure and financial performance have a positive and significant effect on firm value. Furthermore, the findings demonstrate that environmental performance is unable to moderate the effect of carbon emission disclosure on firm value, but environmental performance significantly proven to moderate the relationship between financial performance and firm value with a weakening direction.*

*Keywords: Firm Value, Carbon Emission Disclosure, Financial Performance, Environmental Performance.*