

ABSTRACT

This study aims to examine the effect of ESG disclosure on firm financial performance with audit quality as a moderating variable. The variables used in this study are ESG disclosure as the independent variable, financial performance as the dependent variable, and audit quality as the moderating variable.

The research population consists of environmentally sensitive companies, namely energy and raw material sector companies listed on the Indonesia Stock Exchange (IDX) from 2018 to 2022. The sampling technique used purposive sampling and resulted in a sample of 21 companies. The data analysis method employed Moderated Regression Analysis (MRA) and was tested using the statistical tool SPSS 26.

The research findings indicate that ESG disclosure positively affects firm financial performance, while audit quality does not moderate the relationship between ESG disclosure and firm financial performance.

Keywords : *ESG disclosure, firm financial performance, audit quality*

