**ABSTRACT** 

Hedging is an activity carried out by a company for minimize the risk of loss

caused by fluctuations in exchange rates or interest rates in the future. Hedging can

be a strategy aimed at reducing the impact of unexpected business risks.

The purpose of this study was to determine the significance of the effect of

leverage, company size and company growth opportunities on the implementation

of hedging policies in food and beverage companies.

The data used in this research is secondary data obtained from the annual

financial reports of food and beverage sub-sector companies for the 2016-2021

period. The samples obtained were 84 obtained from 14 companies in the food and

beverage sub-sector for the 2016-2021 period. The method used is purposive

sampling. The technique used in this analysis is logistic regression and descriptive

statistics.

The results of this study indicate that the variable leverage, firm size and

growth opportunities simultaneously affect the implementation of hedging policies.

While partially the leverage variable has a significant negative effect, the firm size

variable and the company's growth opportunities do not affect the implementation

of hedging policies.

From the research results, suggestions that can be given to the next

researcher is to add the research period, using the research object another, as well

as adding other variables. And for companies in the food and beverage sub-sector

to protect assets from fluctuations in exchange rates, a hedging policy needs to be

implemented because they will be vulnerable to fluctuations in exchange rates.

Keywords: Hedging, Leverage, Company Size, Growth Opportunities

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