

ABSTRACT

Firm value is a key factor considered by investors as a tool to increase their confidence in evaluating whether to invest in a company. Firm value reflects the company's performance if operational activities are carried out properly, it will create a positive impression on investors, and vice versa, poor operations will create a negative impression.

There is a phenomenon in the banking sub-sector companies listed on the Indonesia Stock Exchange, where several companies have a Price to Book Value (PBV) below 1. This indicates low firm value, which may lead to negative investor perception.

This study aims to examine the effect of corporate social responsibility (CSR) disclosure on firm value, moderated by financial distress, in banking sub-sector companies listed on the Indonesia Stock Exchange during the 2022–2024 period. The sampling technique used in this thesis is purposive sampling, resulting in a sample of 20 companies and 60 observations. The research method used is panel data regression and moderation regression analysis (MRA) with the random effect model (REM), processed using EvIEWS 12 software.

The results show that CSR disclosure and financial distress simultaneously affect firm value. However, partially, only financial distress has a negative effect on firm value, while CSR disclosure does not have a significant effect. The moderation test also shows that financial distress does not moderate the relationship between CSR disclosure and firm value in this study, financial distress only acts as an independent variable, not as a moderator.

Future researchers are encouraged to extend the research period and include additional variables that may influence firm value. Companies are advised to evaluate their CSR disclosure and financial distress conditions. For investors, it is recommended to consider other factors when making investment decisions.

Keywords: *Firm Value, Corporate Social Responsibility, Financial Distress*