

ABSTRACT

This study aims to analyze the effect of biodiversity disclosure on firm value with firm size as a moderating variable in companies included in the ESG Quality 45 IDX KEHATI index for the 2021–2024 period. The research employs a quantitative method using panel data, with testing conducted through the Generalized Least Squares (GLS) Common Effect model to obtain efficient estimations. The results show that biodiversity disclosure has a significant negative effect on firm value, indicating that biodiversity disclosure is not fully perceived by investors as a positive signal, but rather as a potential additional burden. However, firm size is proven to moderate this relationship, as companies with larger assets are able to reduce the negative impact of biodiversity disclosure on firm value. This finding suggests that the resource capacity of larger companies enables the implementation of more comprehensive biodiversity disclosure, thereby enhancing investor confidence.

Keywords: *ESG Quality 45 IDX KEHATI, biodiversity disclosure, GLS Common Effect.*