

ABSTRACT

***THE EFFECT OF FREE CASH FLOW, INVESTMENT
OPPORTUNITY SET, AND LEVERAGE
ON DIVIDEND POLICY***

(Study on SRI-KEHATI Index Issuing Companies on the Indonesia Stock Exchange)

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The purpose of this research is to determine and analyze Free Cash Flow, Investment Opportunity Set, and Leverage on Dividend Policy (Study on SRI-KEHATI Index Issuing Companies on the Indonesia Stock Exchange). The research method used is a quantitative verification method with an explanatory approach, while the sampling technique used was purposive sampling. The data collection technique used for secondary data is done through desk research, secondary data obtained from the company's financial statements. The analysis tool uses multiple linear regression analysis. The results of this research indicate that Free Cash Flow has no effect on Dividend Policy, Investment Opportunity Set affects Dividend Policy and Leverage has no effect on Dividend Policy.

Keywords: Free Cash Flow, Investment Opportunity Set, Leverage, and Dividend Policy