

THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY (CSR) AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DISCLOSURES ON THE COMPANY'S ROA

By: Marisa Agitha

Abstract

This study aims to provide empirical evidence regarding the effect of Corporate Social Responsibility (CSR) and Environmental, Social and Governance (ESG) disclosures on the ROA of banking companies listed on the Indonesia Stock Exchange in 2019-2021. The data used is secondary data obtained from financial reports and sustainability reports of banking companies. The dependent variable of this research is profitability as measured by return on assets (ROA). The study was conducted on 12 companies where the data were analyzed using the partial and simultaneous significance test method. The results of this study indicate that CSR disclosure has a significant effect on a company's ROA, but the ESG score has no significant effect on a company's ROA.

Keywords: Disclosure, CSR, ESG and Return On Assets

