ABSTRACT

This study aims to examine the effect of Corporate Social Responsibility (CSR) on Financial Performance with Green Credit as a moderating variable in banking companies listed on the Indonesia Stock Exchange during 2017-2021. The independent variable used in this study is Corporate Social Responsibility (CSR) which is measured through 5 indicators including Dividend Payout Ratio, Staff Expenses Rate, Interest Payment Rate, Tax Proportion, and Proportion of Public Welfare Donation. The dependent variable used in this study is Financial Performance which is measured in 3 dimensions, namely the growth dimension with 4 indicators, namely Growth Rate of Total Assets (TAGROWTH), Growth Rate of Net Assets (NAGROWTH), Growth Rate of Operating Revenue (OIGROWTH), and Operating Profit Growth (OPGROWTH), profitability with 3 indicators, namely Return On Assets (ROA), Return On Equity (ROE), and Earning per Share (EPS), and risk management (risk) with 3 indicators namely Loan to Deposit Ratio (LDR), Capital Adequacy Ratio (CAR), and Non Performing Loan (NPL). The moderating variable used in this study is Green Credit as measured by the banking green credit distribution ratio (GCR).

The population in this study are banking companies listed on the Indonesia Stock Exchange during the 2017-2021 period. This type of research is a quantitative test. The sampling technique used is purposive sampling and obtained as many as 13 banking companies. This research uses PLS-SEM (Partial Least Square-Structural Equation Model) analysis with SmartPLS 3.0 application.

Based on the results of the study indicate that: 1) Corporate Social Responsibility (CSR) has a significant effect on Financial Performance and 2) Green Credit is not able to moderate the relationship between Corporate Social Responsibility (CSR) and financial performance.

Keywords: *corporate social responsibility (CSR), financial performance, green credit*