

ABSTRACT

This study aims to analyze the effect of implementing green banking, operational efficiency, problem financing, liquidity, and capital, as well as examine the moderating role of good corporate governance variables on the effect of green banking variables proxied by green coin rating (GCR), operational efficiency proxied by the BOPO ratio, Non-performing financing is proxied by the NPF ratio, liquidity is proxied by the FDR ratio, and capital is proxied by the CAR ratio to bank profitability as measured by ROA in Islamic commercial banks in Indonesia

The research data is taken from the financial reports of Islamic commercial banks registered with the Financial Services Authority (OJK) for the 2017-2021 period. The number of samples used in this study were 14 banks using a purposive sampling technique. The analytical method used is Multiple Linear Regression and Moderated Regression Analysis.

The results of this study state that the variables GCR, FDR, and CAR have a positive and significant influence on profitability as measured by ROA. Meanwhile, the BOPO and NPF variables have a negative and significant effect on ROA. In addition, this study shows that good corporate governance has a positive and significant influence in moderating the effect of the GCR, NPF, and CAR variables on ROA. Meanwhile, the influence of BOPO and FDR variables on ROA is not able to be moderated by good corporate governance.

Keywords : ***Green Banking, BOPO, NPF, FDR, CAR, Good Corporate Governance, Profitability.***