ABSTRACT

This study aims to analyze the effect of Corporate Social Responsibility (CSR) on the financial performance of Indonesian companies for 2020-2022 period. Financial performance is measured using return on assets (ROA) and return on equity (ROE). The independent variable, namely CSR, is proxied by the ESG Disclosure Score and the control variables, namely leverage (LEV) and revenue growth (RG).

The samples used in this study were 83 companies listed on the Indonesia Stock Exchange (IDX) with complete data needed for 2020-2022 research period. Samples were taken using the purposive sampling method. The data used is secondary data obtained from Bloomberg and the company's financial statements. The data is processed using panel data regression analysis with the help of the STATA 17 application.

The results showed that CSR has a significant positive effect on return on assets (ROA). However, CSR has no significant effect on return on equity (ROE).

Keywords: Corporate Social Responsibility, Financial Performance, ESG Disclosure Score