

## **ABSTRACT**

*This study examines the influence of profitability, social responsibility disclosure (CSR), green financing, bank size, and leverage on Environmental, Social, and Governance (ESG) performance in the Indonesian banking sector. The research is motivated by the wide variation in ESG scores, limited social disclosure based on GRI 400, and inconsistent implementation of green financing, highlighting the need to understand the determinants of bank sustainability performance.*

*Using panel data from 15 banks over the 2019–2023 period, the analysis employs regression techniques with model selection based on Chow and Hausman tests, which identify the Fixed Effect Model (FEM) as the most appropriate. The variables include ROA, CSR measured through GRI 400 indicators, the proportion of green financing, bank size, and leverage, while ESG scores are sourced from Bloomberg. Classical assumption tests confirm that the model is free from issues of normality and multicollinearity, ensuring reliable interpretation of the findings.*

*The results show that profitability and leverage have a significant negative effect on ESG performance, whereas CSR and bank size have a significant positive effect. Green financing is found to be insignificant. These findings indicate that sustainability performance improves in banks with greater institutional capacity and stronger social, while financial pressure through high leverage or profit orientation tends to hinder ESG advancement.*

*Keywords: ESG, profitability, CSR, green financing, bank size, leverage.*

