

ABSTRACT

The objective of this study was to examine and analyze the effect of corporate social responsibility's performance on the company's cost of debt. This research was conducted at manufacturing companies, because they contribute the largest amount to Gross Domestic Product (GDP), and manufacturing companies directly had relations to the environment and society. Profitability, Company's Size, Market Capitalization and Leverage are used as control variables. The sample of this study used 25 companies listed on the Indonesia Stock Exchange (IDX) from 2016 to 2019. The sampling technique used in this research are purposive sampling, while the test method used was the classical assumption test and regression analysis using SPSS IBM Statistic.

The result of this research is that the performance of corporate social responsibility has a significant negative effect on the cost of debt to the company. Then, overinvestment in corporate social responsibility has a significant negative effect on the cost of debt in manufacturing companies. While the control variable affects the influence of the performance of corporate social responsibility and overinvestment in corporate social responsibility on the cost of debt in manufacturing companies.

Keywords: *Corporate Social Responsibility, Cost of Debt, Profitability, Company's Size, Market Capitalization, Leverage, Manufacturing Companies.*