

ABSTRACT

The purpose of this research is to examine the effect of environmental performance and Corporate Social Responsibility (CSR) Disclosure on financial performance. The dependent variable is financial performance which is proxied by ROA and ROE while the independent variables are environmental performance as measured by PROPER and CSR disclosure as measured by GRI Index.

This research uses multiple linear regression analysis method with secondary data. The samples used in this research were 63 companies selected using purposive sampling techniques with criteria for manufacturing and mining companies to be listed on the Indonesia Stock Exchange and PROPER during the 2017 and 2018 periods.

The results of this research indicate that the environmental performance variable doesn't effect the financial performance that is proxied by ROA and ROE. While the results of research that has been done also shows that there is a positive and significant effect between CSR disclosure on financial performance proxied by ROA and ROE.

Keywords: environmental performance, PROPER, corporate social responsibility, financial performance, ROA, ROE.