

ABSTRACT

THE EFFECT OF ENVIRONMENTAL PERFORMANCE ON FINANCIAL PERFORMANCE OF COMPANIES WITH CORPORATE SOCIAL RESPONSIBILITY (CSR) DISCLOSURE AS AN INTERVENING VARIABLE

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This study aims to examine the influence of environmental performance on the companies financial performance both direct and by Corporate Social Responsibility (CSR) Disclosure as intervening variable. Environmental performance in this study analyzed using PROPER. Financial performance measured by company's ROI value from annual report. Corporate Social Responsibility (CSR) Disclosure measured by CSR index.

In order to achieve the objective of the study, this research was conducted in the manufacture companies listed in the Bursa Efek Indonesia and join PROPER. About 10 companies and the data from annual report 2010-2012 period. Statistic method using simple regression, multiple regression and SPSS 17.

The result illustrates that environmental performance significantly influence on the financial performance., environmental performance significantly influence on Corporate Social Responsibility (CSR) Disclosure, then Corporate Social Responsibility (CSR) Disclosure significantly influence on financial performance companies. Corporate Social Responsibility (CSR) Disclosure as the intervening variable create higher influence of environmental performance on financial performance, it proven by the result both direct influence has higher result than the indirectly influence.

Keywords: environmental performance, Corporate Social Responsibility (CSR) Disclosure, financial performance