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Effects of Corporate Social Responsibility Disclosure and Environmental Performance to Financial Performance in Indonesia Stock Exchange

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Abstract: **This study aims to examine the influence of environmental Performance, disclosure of corporate social responsibility and financial performance, to determine whether there is influence of environmental performance and corporate disclosure social responsibility to financial performance in the mining company listed on the Stock Exchange for 2010-2012. This study uses causal descriptive verification. The study sample is based on purposive sampling method in which sampling is based on certain criteria, obtained by 10 mining companies as the study sample during 2010-2012.**

Tests are carried out using multiple regression. Results of the study show the simultaneous presence of influence between environmental performance and corporate disclosure of social responsibility on financial performance.Results of the study show that partially environmental performance has no significant effect on the financial performance, whereas disclosure of corporate social responsibility has a significant impact on financial performance.

Keywords: **Environmental Performance, Disclosure of Corporate Social; Responsibility, and Economic Performance.**

1. INTRODUCTION/BACKGROUND OF THE STUDY

Environmental problem in Indonesia is an important factor that must be considered, given the impact of poor environmental management which is increasingly apparent. The company with a high level of environmental risks in Indonesia is a company engaged in mining. The company type is a company dealing with the environment directly, in which the raw materials for the production process are taken directly from nature.

Mining companies in Indonesia have not fully implemented good environmental management, it can be seen from the examples of the following cases: (1) PT Lapindo Brantas generating a leakage of hydrogen sulfide gas (H_2S) accompanied by the mudflow as a result of drilling activity that resulted in highly great losses for people of Sidoarjo (2) PT newmonth leaving the burden on Buyat bay and relatively heavy environmental damages. It causes environmental pollution in Buyat Bay.

The incidence of PT Lapindo Brantas and PT newmonth leads to significant changes in financial performance in both large companies as capital markets react to the occurrence of incidence beyond the economic sector. The situation provokes the companies to be responsible so that it will result inresponsibilitiy fee or corporate social accountability budgeted larger than usual before the disaster occurred.

The Government through the Ministry of Environment has even established a program called the Proper as a form of company environmental compliance in Indonesia. It is done in order to assess the environmental performance of companies and spur so that the companies are getting better in terms of company's concerntoward the environment. Good response on the Proper program as an assessment of the environmental performance of companies continues to increase. It is shown by an increase in the number of participants from year to year from 627 participants in 2006/2007 to 750 participants in 2008/2009 and 690 participants in 2009-2010 (PROPER, 2009).

In decision-making, management does not only rely on the company's financial performance but also requires social information. Anggraini (2006) explains that the individual investor is interested in the social information, variable input related to social and environmental sustainability issues. Investors are more likely to invest in companies with good business ethics, good employee practice, concern about the environmental impact and social responsibility.

Environmental performance is the measurable results of the environmental management system, which is associated with control of its environmental aspects. The assessment of environmental performance is based on environmental policy, environmental objectives, and environmental targets (Sturm, 1998). Proper is the research method instructed by the Ministry of Environment in measuring whether or not there is the influenceof environmental performance to financial performance as good environmental management can avoid claims of society and government as well as improve the quality of products that can ultimately improve the company's financial performance (Sarumpaet, 2005).

According to the researchpractice conducted by Sudaryanto (2011), environmental performance has no effect on the financial performance. However, based on research results conducted by Fitriyani (2013) and Syriac (2013) suggesting that environmental performance has a significant influence to the financial performance. These results indicate better environmental performance will be responded positively by the investors through the company's stock price fluctuations that can improve the company's financial performance.

Corporate Social Responsibility is a process of communicating social and environmental impacts of economic activities of the organization to specific groups concerned and to society as a whole. The intensity of the implementation disclosure of social responsibility is a measure of the strength disclosure of social responsibility of a company. Social disclosure shows how widely the points of disclosure have been disclosed (Sembiring, 2005).

As a form of corporate responsibility towards society and other stakeholders, companies are often engaged in activities of corporate social responsibility. Socity and stakeholders can give a positive response to companies involved in activities of corporate social responsibility. Positive responses given by the society and stakeholders in the form of trust and acceptance of the products produced by the company, as a result, can improve the operation of the company, and this will have implications on the improvement of company's financial performance (Sitohang, 2012).

2. LITERATURE REVIEW ENVIRONMENTAL PERFORMANCE

Ministry of Environment Republic of Indonesia explains that environmental performance is the result of the policy of natural resource management and integrated environment, in order to support the achievement of sustainable development, with emphasis on the green economy. This is consistent with the statement of Suratno, (2006) that environmental performance is the performance of the company in creating a good environment (green). According to Lankoski (2000), the concept of environmental performance refers to the level of environmental damage caused by activities undertaken by the company, lower environmental damage level shows better company's environmental performance. Likewise, the higher the level of environmental damage, the worse the environmental performance of the company. Meanwhile, according to Sturm (1998) cited in Astuti (2013),

environmental performance is the result of the environmental management system, which is associated with control of its environmental aspects.

Corporate Social Responsibility (CSR)

The definition of Corporate Social Responsibility (CSR), or often referred to as Tanggung Jawab Sosial Perusahaan has been expressed by experts and international institutions. Some definitions of CSR gaining critical attention are as follows. Corporate Social Responsibility is a way for companies to manage their business activities either in part or as a whole which has a positive impact for the company and the environment. (Hadi, 2011: 46)

Johnson and Johnson (2006) cited in Hadi (2011: 46) defines "Corporate social responsibility (CSR) is about how companies manage the business processes to produce an overall positive impact on society".

Schermerhorn (1993) cited in Suharto (2007: 102) defines CSR as one concern of the business organizations to act in their own ways in serving the interests of the organization and external public.

3. DISCLOSURE OF SOCIAL RESPONSIBILITY

Anggraini (2006) states that the demand against the company to provide transparent information, accountable organization and good corporate governance (GCG) forces the companies to provide information about their social activities. The society needs information regarding the extent to which the company has been carrying out social activities so that the right of people to live safely and peacefully, employee welfare, and safety of foods can be met. Therefore in the present development, conventional accounting has been widely criticized because it cannot accommodate the interests of society at large, so that it later appears a new accounting concept called the Social Responsibility Accounting (SRA) or Akuntansi Pertanggungjawaban Sosial.

Syaketi and Wondabio (2007) cited in Wilman (2012) argue that the disclosure of corporate social responsibility is the disclosure of social activities undertaken by the company as a form of social responsibility.

4. FINANCIAL PERFORMANCE

The company's performance is a formal business conducted by the company to evaluate the efficiency and effectiveness of the company's activities that have been implemented in a specific time period. According to Fahmi (2011: 84), definition of the financial performance is an analysis performed to see the extent to which a company has implemented the rules of financial performance well and correctly. Meanwhile, according to IAI (2007), financial performance is the company's ability to manage and control its resources.

According to Roos et.al (2004: 78),financial ratio is “Relationships calculated and a company's financial information used for comparison purposes.” Meanwhile, according to Jumingan (2006: 242),“Financial Ratio Analysis is an analysis by comparing one statement post with the other financial statement posts, either individually or jointly in order to determine the relationship between a particular post, both on the balance sheet and the income statement.” The ratio reflectsa relationship and comparison between the amount specified in the financial statement post with others on other financial statement post.

The ratio used in this study is:

- Return on Asset

Earning after tax/total asset

- Return on Equity Earning after tax/equity

- Earning per share

Earning after tax – devident/Equity

Environmental Performance against Financial Performance

Environmental performance is the performance of the company to create a good environment or when the company issued the costs associated with the environmental aspect which will automatically establish a good image in the eyes of stakeholders and potential investors so that it will be responded positively by the market and as a form of responsibility and concern for the environment (Ikhsan, 2009).

Almilia and Vitello (2007) argue that companies that have good proper score (EMAS) will affect the company's financial performance as reflected in the company's annual rate of return compared with the return of the industry. Companies that have good environmental performance are also good news for investors and potential investors that will be responded positively by investors through the company's stock price fluctuations. (Gardana, 2013).

Fitriyani’s research results (2013) suggest that environmental performance has a significant impact on financial performance. Likewise Restuningdiah (2010) found a positive relationship because there is significant influence between environmental performance to financial performance.

The Influence of Corporate Social Responsibility Disclosure on Financial Performance

Corporate Social Responsibility by Gray et al (2001) is defined as a process of providing information designed to raise issues related to social accountability, in which this action can be typical justified in the media such as the annual report and the form of social-oriented advertisements. Deegan (1996) defines Corporate social responsibiluity (CSR) disclosure as a method by which the management will be able to interact with the society at large to affect the perception of the outside society to an organization or company.

As a form of corporate responsibility towards society and other stakeholders, companies are often engaged in activities of corporate social responsibility. Communities and stakeholders can give a positive response to companies involved in activities of corporate social responsibility. Positive responses given by the society and stakeholders in the form of trust and acceptance of the products produced by the company, as a result, can improve the operation of the company, and this will have implications on the improvement of company's financial performance (Sitohang, 2012).

Based on research conducted by Sudaryanto (2011), Syahnaz (2013), Suryani (2013), the disclosure of corporate social responsibility activities have significant influence on the financial performance of the company.

5. METHODOLOGY

This study is classified as causal descriptive research verification. Descriptive research is a statistic serving to describe or give a description of the object studied through a data sample or population, without analyzing and making conclusion applied to the public. The study is also included into the research verification because it aims to test the truth of the hypothesis. In addition, this study is causal because it is useful to analyze the relationship of a variable (independent) to another variable (dependent).

6. POPULATION AND SAMPLE

The population in this study is all mining companies listed on the Indonesia Stock Exchange (BEI) during the years of 2010-2012 as many as 30 companies.

As for the sampling criteria are as follows:

- The mining company listed on the Indonesia Stock Exchange
- Mining companies which are consistently listed in the Indonesia Stock Exchange during 2010-2012.
- Mining companies which have Performance Rating Program (PROPER) in Environmental Management 2010-2012.
- Mining companies which consistently publish annual report for the year of 2010-2012

Data Analysis Technique Descriptive Statistic Test

Sugiyono (2012: 199) states that descriptive study is a statistic serving to describe or give a description of the object studied through a data sample or population, without analyzing and making conclusions applied to the public.

In this research, descriptive analysis is used to describe the environmental performance (X1), the disclosure of corporate social responsibility (X2), and financial performance (Y)

Classical Assumption Test

Classical assumption test needs to be conducted to determine which test that can be used and cannot be used on multiple linear regression analysis. The tests carried out are as follows:

1. Normality test
2. Multicollinearity test
3. Heteroscedasticity test

Multiple Linear Regression Analysis

Problem analysis using multiple linear regression analysis is a method that analyzes the influence between two or more variables, especially the variables that have a causal relationship between the dependent variable and the independent variable (Sugiyono, 2011: 265).

Multiple Linear Regression formulation: $Y = a + BX_1 + BX_2 + \varepsilon$

Hypothesis testing

Hypothesis testing in this study is done using partial and simultaneous testing.

1. Simultaneous Testing (F-test)

H_0: Environmental performance and corporate social responsibility disclosure have no significant impact on financial performance

H_1: Environmental performance and corporate social responsibility disclosure have a significant influence

2. Partial Testing (t-test)

H_{02}: Environmental performance has no significant effect on financial performance.

H_{a2}: Environmental performance has significant influence on financial performance

H_{03}: Corporate social responsibility has no significant effect on financial performance

H_{a3}: Corporate social responsibility has a significant influence on financial performance

7. RESULT AND DISCUSSION

Environmental Performance, Corporate Social Responsibility Disclosure, and Financial Performance inthe Mining Company Listed in Indonesia Stock Exchange (BEI) Year of 2010-2012

Environmental Performance

Measurement of environmental performance usedEnvironmental Performance Rating Program of Company Performance (PROPER). PROPER is grouped into five

(5) color rating. Each color rating reflecting the company's performance, in this study will be scored. The best environmental compliance performance is gold rating with value of 5, and green is with value of 4, then blue with value of 3, the red with value of 2, and the worst compliance performance is black rating with value of 1. The highest value for the Environmental Performance by value of 5 or gold rating was obtained by PT ADARO Energy Tbk in 2005 and PT BUMI Resources in 2010 and 2011, while the lowest value was obtained by PT Aneka Tambang Tbk in the period 2010-2012, PT INDY Tbk in the period of 2010-2012, PT TINSin the period of 2010-2012, PT Bayan Resources in the period of 2011 and PT Indo Tambangraya Megah Tbk in 2012 by obtaining value of 3 regarding environmental performance. The average of the company's environmental performance in the mining company in the period of 2010-2012 was 3.5.

Disclosure of Corporate Social Responsibility

The measurement instruments of Corporate Social Responsibility (CSR) disclosure in the mining industry that will be used in this research refer to research conducted by Branco and Rodrigues (2006) cited in Yuniarti (2007), the instruments used are derived from the Global Reporting Initiative Index (GRI), which has been adapted in accordance with the banking industry due to more comprehensive in assessing a company's CSR activities by using three focuses of disclosure, ie economic, environmental, and social. Variable of environmental disclosure measured by CSR Index can instantly determine the companies that have been fully implementing CSR or not, the smaller the average value of CSRI disclosed by the company means that the company does not implement CSR as a whole and vice versa. The data obtained show a minimum value of 41,025 is obtained by Indika Energy Tbk in 2010, while for the maximum value of 76,923 is obtained by Aneka Tambang Tbk in 2012.

Financial performance

Financial performance is the company's ability to manage and control its financial resources so that the company knows the level of financial ratios consisting of liquidity ratios, leverage ratios, activity ratios, and profitability ratios. Financial performance variables in this study use profitability ratios of Return on assets,Return on equity, and Earning per share. From the data obtained that PT Indo Tambang Raya Megah Tbk in 2011 had the largest ROA ratio of 9 other companies, namely of 0.35. Meanwhile, PT Bumi Resources had the lowest ROA ratio, namely -

0.096. The overall average of ROA is 0.0644. The deviation value is equal to 0.1074, which means ROA ratio is greater than the average, it shows that the data are varied.

Research data show that PT Indo Tambang Raya Megah Tbk in 2011 had the highest return on equity ratio compared with 9 other companies, which is equal to 0.51, while in 2012 PT Bumi Resources had the lowest return on equity ratio which is equal to -1.799. The average ROE in the mining company in the year of 2010 - 2012 is 0.1321 while the standard deviation is 0.4123. Therefore,ROE ratio in the mining companies in the period of 2010-2012 is relatively varied.

The research data show that largest EPS was obtained by PT. Bukit Asam (PERSERO) Tbk amounted to 1.339 in 2011. Bumi Resources Tbk had the lowest EPS which is equal to -32.82. Average EPS obtained was 63,015 and standard deviation was 361,556. Itleads to Earning per Share of mining companies in 2010- 2012 is relatively varied.

Testing

Analysis of Classical Assumption Test

Based on test results that the regression model meets the required assumption namely:

a. Normality test using Komolgorov-Smirnov (K-S), concludes normal distribution equation because of all the variables have met the assumptions of normality requirement because it has a significant level above 0.05.

b. Heteroscedasticity test with scatterplot graph used to test whether the regression model generatesvariance inequality of residual from one observation to another observation. It can be seen from the distribution of the points in which it does not have a clear pattern, as well as the points distribute above and below the number 0 on the Y axis, so it does not occur heterocedasticity in the equation.

c. Multicollinearity test is conducted to test whether there is a correlation between independent variable. The test results found that the regression model did not occurmulticollinearity.It can be seen from the test results showing that the value of tolerance for all variables is above 0.1 or equal to VIF value below 10.

Analysis of Determination Coefficient

Determination coefficient testing of 1st Regression Model:

TABLE 1.11

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.009[a]	.000	-.118	2.36469	1.217

a. Predictors: (Constant), CSR, KL

b. Dependent Variable: LNROA

For the 1st research model that the determination coefficient obtained is 0%, it explains that an independent variable in the regression model cannot explain the dependent variable, or in other words, the dependent variable is affected by factors outside the independent variable in the regression model in the amount of 100 %.
Determination coefficient testing of 2nd Regression Model:

TABLE 1.12

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.166[a]	.028	-.102	1.11620	1.34

a. Predictors: (Constant), CSR, KL

b. Dependent Variable: LNROE

For the 2nd research model that the determination coefficient (R^2) obtained is 2.8%, it explains that the independent variable in the regression model can only explain the dependent variable of 2.8%. While the rest 97.2% is explained by other variables outside the independent variable used in this study.

Determination coefficient testing of 3rd Regression Model:

TABLE 1.13

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin- Watson
1	.493[a]	.243	.171	4.46987	.965

a. Predictors: (Constant), CSR, KL

b. Dependent Variable: LNEPS

For the 3[rd] research model that the determination coefficient (R^2) obtained is 24.3%, it explains that the independent variable in the regression model can only explain the dependent variable of 24.3%. While the rest 75.7% is explained by other variables outside independent variable used in this study.

Simultaneous Significance Testing

1st Regression Model Testing:

TABLE 1.14

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.008	2	.004	.001	.999[b]
	Residual	95.060	17	5.592		
	Total	95.068	19			

a. Dependent Variable: LNROA

b. Predictors: (Constant), CSR, KL

Based on ANOVA test or F test results, it is obtained the result of F_{count}value of 0.001 and the significant value of 0.001 and a significance value of 0.999. As the significance value is greater than 5%, the independent variable of CSR and Environmental Performance simultaneously have no effect on Return on Assets. In other words, $H_0$is rejected and $H_1$is accepted.

2nd Regression Model Testing:

TABLE 1.15

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.532	2	.266	.214	.810[b]
	Residual	15.688	15	1.246		
	Total	19.220	17			

a. Dependent Variable: LNROE

b. Predictors: (Constant), CSR, KL

Based on ANOVA test or F test results, it is obtained the result of F_{count} value of 0.214 and a significance value of 0.810. As the significant value is greater than 5%, the independent variable of CSR and Environmental Performance simultaneously have no effect on Return on Equity.In other words, $H_1$is rejected and H_o is accepted:

3rd Regression Model Testing:

TABLE 1.16

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	134.811	2	67.406	3.374	.054[b]
	Residual	419.574	21	19.980		
	Total	554.386	23			

a. Dependent Variable: LNEPS

b. Predictors: (Constant), CSR, KL

Based on ANOVA test or F test results, it is obtained the result of F_{count} value of 3.374 and a significance value of 0.054. As the significance value is greater than 5%, the independent variable of CSR and Environmental Performance simultaneously have no effect on the Earning per Share. In other words, $H_0$is rejected and $H_1$is accepted.

Influence of Environmental Performance and Corporate Social Responsibility Disclosure to Financial Performance of Return on Assets Partially

TABLE 1.17

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(constant)	-2.369	4.227		-.560	.582
	KL	-.005	.781	-.001	-.006	.995
	CSR	.002	.055	.009	.038	.970

a. Dependent Variable: LNROA

The dependent variable in the regression model is the Return on Assets, while the independent variable is the environmental performance and the Corporate Social Responsibility (CSR). Regression model based on Table 4.15 is as follows:

Ln ROA = -2369 – 0.005 KL+ 0002 CSR + ε

Influence of Environmental Performance on Return on Assets

Based on Table 1.17 shows that the variable of environmental performance partially has no significant effect on Return on Assets, it can be seen from the significance level of 0.995.

Influence of Corporate Social Responsibility on Return on Assets

Based on Table 1.17 shows that the variable of Corporate Social Responsibility partially has no significant effect on Return on Assets, it can be seen from the significance level in which the significance level of Corporate Social Responsibility on Return on Assets amounted to 0.970.

Influence of Environmental Performance and Corporate Social Responsibility Disclosure partially on Return On Equity

TABLE 1.18

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(constant)	-3.307	2.001		-1.653	.119
	KL	.109	.371	.075	.295	.772
	CSR	.015	.026	.143	.558	.585

a. Dependent Variable: LNROE

The dependent variable in the regression model is Return on Equity whereas the independent variable is the Environmental Performance and Corporate Social Responsibility. The regression model results of the regression analysis are as follows:

Ln ROE = -3307 +0.109 KL + 0.015 CSR + ε

Influence of Environmental Performance on Return on Equity

Based on Table 1.18, it can be seen that the Environmental Performance has no significant effect on return on equity, it can be seen from the significant value that is equal to 0.772 or above specified criteria of 0.05.

The Influence of Corporate Social Responsibility Disclosure on Return on Equity

Based on Table 1.18, it can be seen that Corporate Social Responsibility has no significant effect on return on equity, it can be seen from the significant value that is equal to 0585.

The Influence of EnvironmentalPerformance and Corporate Social Responsibility Disclosure partially on Earning Per Share

TABLE 1.10

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(constant)	-7.926	7.201		-1.101	.283
1	KL	-1.360	1.328	-.194	-1.024	.317
	CSR	.218	.091	.456	2.400	.026

a. Dependent Variable: LNEPS

The dependent variable used in the regression model is Earning per Share, while the independent variable is the Environmental Performance and Corporate Social Responsibility. The Regression modelfrom the result of the regression analysis is as follows:

Ln EPS = -7.926 – 1.360KL + 0.218 CSR + ε

Influence of Environmental Performance on Earningper Share

The study states that the Environmental Performance does not significantly affect the Earning per Share, it can be seen in the significance level that is equal to 0.317.

Influence of Corporate Social Responsibility Disclosure on Earning per Share

Based on SPSS testing found that corporate social responsibility has significant effect on earning per share. It can be seen from the significance level of Corporate Social Responsibility variable to EPS variable amounting 0.26 $<\alpha$ = 0:05. Disclosure of corporate social responsibility has a significant positive effect on Earning per Share which means that the higher the value of disclosure of corporate social responsibility of a company, the higher the value of the EPS of a company. This is in accordance with statement of Septiani (2013) that with the disclosure of corporate social responsibility of the company used as one of the considerations in investment decisions. The existence of completed, accurate and timely information allows the investors to make rational decisions based on the expected results.

Research conducted by Anggraini (2006), Rosmasita (2007) and Aini (2011) show a positive relationship between managerial ownership with CSR Disclosure. The results are consistent with research conducted by Samy et al. (2010) which suggests that the earning per share may affect the profitability of the company because the company will disclose CSR practices comprehensively in order to inform stakeholders.

8. CONCLUSION AND SUGGESTION CONCLUSION

Based on the research result and discussion on the Influence of Environmental Performance and Corporate Social Responsibility Disclosure on Financial Performance (Study on Mining Companies Listed in Indonesia Stock Exchange Period of 2009-2011), it can be concluded as follows:

1. The influence of environmental eerformance and corporate social responsibility disclosure on the financial performance simultaneously:

a Based on ANOVA test or F test results show $F_{count}$of 0.001 and the significant value of 0.001 and a significance value of 0.999. As the significance value is greater than 5%, the independent variable of CSR and environmental performance simultaneously has no effect on Return on Assets.

b. Based on ANOVA test or F test results show F_{count} of 0.214 and a significance value of 0.810. As the significance value is greater than 5%, the independent variable of CSR and environmental performance simultaneously has no effect on Return on Equity

c. Based on ANOVA test or F test results show F_{count} of 3.374 and a significance value of 0.054. As the significance value is greater than 5%, the independent variable of CSR and environmental performance simultaneously has noeffect on Earning per Share.

2. The influence of environmental performance and corporate social responsibility disclosure on the financial performance partially:

a. Environmental performance partially has no significant effect on Return on Assets, it can be seen from the significance level of 0.995

b. Corporate social responsibility partially has no significant effect on Return on Assets, it can be seen from the significance level of 0.970.

c. Environmental performance no significant effect on Return on Equity, it can be seen from the significant value that is equal to 0.772

d. Disclosure of corporate social responsibility has no significant effect on Return on Equity, it can be seen from the significant value that is equal to 0.585

e. Environmental performance does not significantly influence the Earning per Share, it can be seen in the significance level that is equal to 0.317.

f. Disclosure of corporate social responsibility significantly influence the Earning per Share, this is expressed as a significance level of 0.26.

SUGGESTION

Theoretical Aspects

Based on these results, the author tries to give suggestions for the next similar research, among others:

1. Further studies are suggested to pay attention to other data that can be used for basic assssment of environmental performance and control variable which could possibly be striving towards financial performance as Ownership, Firm Size, Growth Opportunities, Profit Margin, Capital Structure, and the Age of the company.

2. Further studies are expected to use other broader and representative samples which can also be developed using the other group or index listed in the Indonesia Stock Exchange.

3. Further studies may extend the period of observation with a different period or time range, it can improve the distribution of better data.

Practical aspects

Based on these results, the author tries to give suggestions for practitioners and other users, among others:

1. For mining companies listed on the Indonesia Stock Exchange.

a. In the case of disclosure of corporate social responsibility, mining company in Indonesia should improve the disclosure of corporate social responsibility for the sake of the sustainable development and given that there are companies that have fully and continuously expressed disclosure as additional information for the investors.

2. For the investors

a. Investors are expected to better utilize the information provided by the company relating to the environment to be a reference for decision making, because the information is one thing that can affect the company's long-term condition.

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