SUMMARY

This study seeks to examine the effects of ESG disclosure on financial performance metrics, including ROE, ROA, Equity Multiplier, Net Profit Margin, and Total Asset Turnover. It employs a quantitative methodology that involves hypothesis testing to explore the relationships among these variables. The research is based on secondary data, specifically financial reports and the Bloomberg database. A purposive sampling method was used to select samples from coal companies listed on the Indonesia Stock Exchange (IDX) for the period of 2018-2022. Data analysis was conducted using Regression Analysis, utilizing Eviews 13 and Microsoft Excel.

The findings reveal that ESG disclosure does not significantly affect ROE, ROA, Equity Multiplier, or Net Profit Margin. However, it does have a positive impact on Total Asset Turnover (TATO). In terms of control variables, company size also does not influence ROE, ROA, Equity Multiplier, or Net Profit Margin, but it negatively affects TATO. Additionally, the analysis using the Du Pont framework indicates a decline in ROE and ROA during 2019 and 2020 due to the impact of COVID-19, which resulted in companies increasing their debt the following year to boost sales. By 2021, three out of seven companies began implementing strategies to reduce their debt levels, leading to improvements in ROE, ROA, NPM, and TATO. Conversely, the remaining four companies delayed their debt reduction measures until 2022.

Keywords: ESG Disclosure, Return on Equity, Return on Assets, Equity Multiplier, Net Profit Margin, Total Asset Turnover, Du Pont Analysis