



The Effect of Profitability and Leverage on Corporate Social Responsibility with Firm Size as a Moderator

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Abstract. The purpose of this study is to examine how profitability and leverage affect Corporate Social Responsibility (CSR) disclosure in mining companies listed on the Indonesia Stock Exchange during the 2022–2024 period. In addition, this study also investigates the role of firm size as a moderating variable. Using a purposive sampling technique, 75 observations from 25 companies were obtained as research data. Moderation Regression Analysis (MRA) was employed to analyze panel data regression. The results show that leverage and profitability partially have a positive effect on CSR disclosure. Furthermore, the interaction variables between leverage and firm size (DER_LN) and profitability and firm size (ROA_LN) are also significant. These findings indicate that firm size moderates and strengthens the relationship between the two independent variables and CSR disclosure. Based on sub-group analysis, large companies (above the median) show a negative effect of profitability on CSR, while small companies (below the median) show positive effects of both leverage and profitability. The results support Stakeholder Theory, which suggests that larger firms face more complex challenges in legitimizing their CSR disclosures. This study provides strategic guidance for company management in designing CSR disclosures that align with the scale and financial condition of the organization.

Keywords: CSR Disclosure; Firm Size; Leverage; Mining; Moderation.

Abstrak. Tujuan dari penelitian ini adalah untuk mempelajari bagaimana profitabilitas dan *leverage* berdampak pada *Corporate Social Responsibility* (CSR) pada perusahaan pertambangan yang terdaftar di Bursa Efek Indonesia dari tahun 2022 hingga 2024. Selain itu, penelitian ini juga menyelidiki peran ukuran perusahaan sebagai variabel pemoderasi. Dengan teknik *purposive sampling*, 75 observasi dari 25 perusahaan digunakan untuk mendapatkan data penelitian. *Moderation regression analysis* (MRA) digunakan untuk melakukan analisis regresi data panel. Hasil penelitian menunjukkan bahwa *leverage* dan profitabilitas secara parsial berpengaruh positif terhadap pengungkapan CSR. Selain itu, variabel interaksi antara *leverage* dengan ukuran perusahaan (DER_LN) dan profitabilitas dengan ukuran perusahaan (ROA_LN) juga signifikan. Hasil ini menunjukkan bahwa ukuran perusahaan memoderasi dan memperkuat hubungan antara kedua variabel independen terhadap pengungkapan CSR. Menurut analisis sub-grup, perusahaan besar (di atas median) memiliki dampak negatif terhadap CSR karena profitabilitas, sementara perusahaan kecil (di bawah median) memiliki dampak positif terhadap baik *leverage* maupun profitabilitas. Hasil penelitian mendukung Teori Pemangku Kepentingan, yang menyatakan bahwa perusahaan besar menghadapi tantangan yang lebih rumit untuk melegitimasi pengungkapan CSR mereka. Penelitian ini memberikan panduan strategis bagi manajemen perusahaan dalam merancang pengungkapan CSR yang sesuai dengan skala dan kondisi keuangan organisasi.

Kata kunci: *Leverage*; Moderasi; Pengungkapan CSR; Pertambangan; Ukuran Perusahaan.

1. BACKGROUND

In 2023, Indonesia's mining sector contributed approximately 14.6% to GDP (Ministry of Energy and Mineral Resources, 2023). This indicates that the sector plays an important role in the national economy. However, the environmental and social impacts of this industry are also challenging. Data from the Ministry of Energy and Mineral Resources (2024) shows that there are more than 50,000 hectares of mined land that must be reclaimed by 2024. This demonstrates how important corporate social responsibility (CSR) is in this sector. In a broader philosophical context, this demand is associated with the idea of the Triple bottom line, which

states that corporate performance should be assessed in terms of economic (profit), social responsibility (people), and environmental sustainability (planet) (Elkington, 1997). This view is in line with Stakeholder Theory (Freeman, 1984), which forms the basis for multi-directional leverage on mining companies to consider the social and environmental impacts of their business activities on stakeholders, including the government, local communities, and environmental activists. Companies engaged in or related to natural resources are required to implement social and environmental responsibility, both within and outside the company's environment, according to regulations such as Government Regulation (PP) Number 47 of 2012 concerning Social and Environmental Responsibility of Limited Liability Companies. From the perspective of stakeholder theory and legitimacy theory (Roberts, 1992), this regulation constitutes a formalization of the "social contract" that requires companies to obtain and maintain the legitimacy of their operations from key stakeholders, in this case the government as the regulator.

PT. Antam Tbk UBPN SULTRA has implemented CSR programs, but previous research (Theofilus et al., 2019) shows that PT. Antam Tbk UBPN SULTRA needs to improve the distribution and supporting elements of the program because both contain excessive variables and are considered a waste of resources. The results indicate that, by effectively integrating the principles of the Triple bottom line into the core operations of the company, there is a possibility to decouple the relationship between CSR disclosure and implementation. This would be an effective way to respond to leverage from authorities or to seek legitimacy.

Two internal factors, namely leverage and profitability, play an important role in influencing the quality as well as the quantity of corporate social responsibility (CSR). Companies with a high level of profitability tend to have more resources to carry out and disclose CSR activities, which in turn can enhance reputation and investor trust (Yusra & Hadya, 2021). This is in line with the findings of panel data studies on companies listed on the Indonesia Stock Exchange, which show that profitability has a positive impact on CSR disclosure. Companies that are able to generate high profits have greater capacity to meet stakeholder expectations through comprehensive CSR disclosure (Waddock & Graves, 1997). This phenomenon supports the perspective of Stakeholder Theory, in which companies do not only focus on fulfilling financial needs (profit), but also respond to the demands of various stakeholders, such as investors and the public who are concerned with ESG (Environmental, Social, and Governance) aspects. Nevertheless, research conducted by Sembiring (2005) found insignificant results, particularly in Indonesian companies with a high profile, so this relationship still requires further study.

On the other hand, the level of leverage or the company's dependence on debt is also a crucial internal determinant. Companies with high leverage generally rely heavily on creditors as primary stakeholders, who can directly influence the allocation of corporate resources (Andreas & Chang, 2025; Kapitan & Ikram, 2022). Within the framework of stakeholder theory, creditors possess significant financial power and legitimacy (Mitchell et al., 1997), enabling them to shift the company's focus from social and environmental issues (people and planet) toward financial interests (profit). As a result, companies with high leverage tend to reduce their CSR disclosure. This is evidenced by the study of Fitriasari and Meirini (2014), which found that leverage has a significant negative effect on the level of CSR disclosure, particularly in mining companies in Indonesia.

Firm size is also important as a moderating variable. Large companies receive greater public and regulatory attention, which encourages them to disclose CSR more extensively to gain legitimacy and maintain relationships with stakeholders (Nasih et al., 2022). This is consistent with Stakeholder Theory and Legitimacy Theory, which state that broader disclosure as part of impression management strategies promotes leverage of legitimacy from more stakeholder groups. However, research also shows that factors such as firm size and ownership structure can influence how mining companies disclose their CSR practices (Fajarini et al., 2024). The study by Hackston and Milne (1996) found that firm size is the most accurate indicator of Corporate Social Responsibility (CSR).

Theoretical and practical ambiguity arises because previous research findings regarding the effect of leverage and profitability on CSR disclosure are inconsistent. According to Waddock & Graves (1997), profitability has a positive impact. However, according to Sembiring (2005), the impact is not significant. Kapitan and Ikram (2022) found benefits for leverage, while Fitriasari and Meirini (2014) found an unfavorable impact. This gap may reflect contextual dynamics and variations in stakeholder attention in each study. For example, if creditors only emphasize short-term financial performance, or if they are stakeholders who encourage ESG practices, the effect of leverage can be either positive or negative. Recent research, particularly related to the Indonesian mining industry from 2022 to 2024, which involves the pandemic period and economic recovery, needs to address this gap.

Additional research is needed to explain its relationship with CSR disclosure in mining companies in Indonesia because previous studies show diverse findings on this matter. Research models have not yet covered all aspects of different mining companies (commodities,

operational locations, and levels of environmental impact) that may influence CSR disclosure patterns. According to Jenkins and Yakovleva (2006), mining companies in developing countries face more complex stakeholders than companies in developed countries. This complexity can be viewed from the perspective of stakeholder theory and key concepts. The fact that the characteristics of power, legitimacy, and urgency of environmental NGOs such as local communities, local governments, or environmental NGOs vary greatly depending on location and type of operation affects the strategy and quality of CSR disclosure as well as the company's approach to the Triple bottom line. Research that considers the heterogeneity of mining companies in Indonesia is still limited.

The results of the study can help management allocate resources for CSR activities and disclosure more efficiently. Carroll and Shabana (2010) state that understanding the determinants of CSR disclosure can help companies in building more effective sustainability strategies..

2. RESEARCH METHOD

This study uses a quantitative approach with secondary data obtained from the official website of the Indonesia Stock Exchange (www.idx.co.id). The research population includes all mining companies listed on the IDX for the 2022–2024 period, totaling 42 companies, with a purposive sampling technique resulting in 25 companies as samples based on certain criteria, yielding a total of 75 observations. The data used consist of audited annual financial reports and sustainability reports, which contain variables of profitability (ROA), leverage (DER), firm size (total assets), and CSR disclosure. Data collection was carried out through documentation techniques by downloading and selecting company annual reports, which were then verified to ensure the completeness and accuracy of the data.

Data analysis was conducted using EViews software through several stages, namely descriptive statistics to describe data characteristics such as minimum, maximum, mean, and standard deviation values, as well as hypothesis testing using appropriate statistical techniques. This research was conducted in 2025 with the research location carried out online through the official IDX website, thereby enabling access to standardized, objective data that has been verified by external auditors.

3. RESULTS AND DISCUSSION

General Description of the Research Object

This study examines CSR disclosure in 25 mining sector companies listed on the IDX (sample from a population of 42 companies) during the 2022–2024 period, resulting in 75 key observation data points from three dimensions (Environmental, Social, Governance). The following is the sample data for this study.

Table 1. Research Object

NO	COMPANY CODE	COMPANY NAME
1	ADRO	PT Adaro Energy Tbk/ PT Alamtri Resources Indonesia Tbk
2	BSSR	PT Baramulti Suksessarana Tbk
3	BUMI	PT Bumi Resources Tbk
4	DSSA	PT Dian Swastatika Tbk
5	GEMS	PT Golden Energy Mines Tbk
6	HRUM	PT Harum Energy Tbk
7	ITMG	PT Indo Tambangraya Mega Tbk
8	KKGI	PT Resource Alam Indonesia Tbk
9	MBAP	PT Mitrabara Adiperdana Tbk
10	PTBA	PT Bukit Asam Tbk
11	SMMT	PT Golden Eagle Energy Tbk
12	BESS	PT Batulicin Nusantara Maritim Tbk
13	DWGL	PT Dwi Guna Laksana Tbk
14	MBSS	PT Mitrabahtera Segara Sejati Tbk
15	PSSI	PT IMC Pelita Logistik Tbk/PT Pelita Samudera Shipping Tbk
16	RIGS	PT Rig Tenders Indonesia Tbk
17	SGER	PT Sumber Global Energy Tbk
18	TCPI	PT Transcoal Pacific Tbk
19	TEBE	PT Dana Brata Luhur Tbk
20	TPMA	PT Trans Power Marine Tbk
21	COAL	PT Black Diamond Resources Tbk

22	ANTM	PT Aneka Tambang Tbk
23	BRMS	PT Planet Resources Minerals Tbk
24	DKFT	PT Central Omega Resources Tbk
25	IFSH	PT Ifishdeco Tbk

Descriptive Statistics Test

	CSR	ROA	DER	LNASSETS
Mean	0.460313	0.069099	1.110105	28.04272
Median	0.469378	0.069350	1.096802	28.05597
Maximum	0.798753	0.134692	2.585995	32.20196
Minimum	0.092748	0.001533	0.119662	25.23715
Std. Dev.	0.144296	0.031570	0.508386	1.345219
Skewness	-0.167735	-0.001126	0.096844	0.246895
Kurtosis	2.896000	2.464273	2.753452	3.003185
Jarque-Bera	0.385487	0.896902	0.307191	0.761994
Probability	0.824694	0.638616	0.857619	0.683180
Sum	34.52348	5.182452	83.25789	2103.204
Sum Sq. Dev.	1.540782	0.073755	19.12579	133.9115
Observations	75	75	75	75

Figure 1. Descriptive Statistics Test Results

The descriptive statistical results show that the CSR variable has an average (mean) value of 0.460313 and a standard deviation of 0.144296. There are significant differences in the level of CSR disclosure among companies in the sample, with a minimum value of 0.092748 and a maximum value of 0.798753. With a probability of 0.385487 (greater than 0.05), the Jarque-Bera normality test results for CSR data indicate that the CSR data distribution tends to be normal, with a skewness value of -0.167735 (slightly to the left) and kurtosis of 2.896 (around 3). This indicates that the CSR data distribution tends to approach normality. The profitability variable (ROA) has an average of 6.91% with a standard deviation of 3.16%. Leverage (DER) has an average of 1.11, and firm size (LNASSETS) has an average of 28.04. All research variables meet the normality assumption, and these three variables show a normal distribution with probabilities above 0.05 according to the Jarque-Bera test. Therefore, further regression analysis can be considered statistically valid. In addition, the current level of data variability indicates that the research sample is sufficiently representative to examine relationships among variables.

Uji Chow

Redundant Fixed Effects Tests
Equation: Untitled
Test cross-section and period fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	0.891886	(24,43)	0.6099
Cross-section Chi-square	30.299643	24	0.1750
Period F	0.609852	(2,43)	0.5481
Period Chi-square	2.097777	2	0.3503
Cross-Section/Period F	0.872681	(26,43)	0.6381
Cross-Section/Period Chi-square	31.780654	26	0.2005

Figure 2. Chow Test Results

The Chow test results produce probability (Prob.) values above 0.05 for cross-section effects, period effects, and their combination. This test was conducted using the F test and chi-square test. This indicates that individual business effects (cross-section), time effects (period), and interaction effects are not statistically significant. Because the research sample does not have significantly different characteristics across companies or periods, the Common Effect Model (CEM) or pooled model is the best choice. With this choice, research variables can be analyzed simultaneously without considering time differences or individual heterogeneity.

Hausman Test

Correlated Random Effects - Hausman Test
Equation: Untitled
Test cross-section random effects

Test Summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross-section random	2.652557	5	0.7534

Figure 3. Hausman Test Results

A Chi-Square statistic value of 2.652557 with a probability (Prob.) of 0.7534 was found based on the Hausman Test results. The null hypothesis stating that the Random Effects Model (REM) is more appropriate is accepted because the probability value is greater than 0.05. In other words, the Random Effects Model (REM) is chosen as a more effective model for panel data analysis in this study because there is no systematic significant difference between fixed effects and random effects model estimations.

Lagrange Multiplier Test

Lagrange Multiplier Tests for Random Effects
Null hypotheses: No effects
Alternative hypotheses: Two-sided (Breusch-Pagan) and one-sided (all others) alternatives

	Test Hypothesis		
	Cross-section	Time	Both
Breusch-Pagan	0.065257 (0.7984)	0.424329 (0.5148)	0.489586 (0.4841)
Honda	-0.255454 (0.6008)	-0.651406 (0.7426)	-0.641246 (0.7393)
King-Wu	-0.255454 (0.6008)	-0.651406 (0.7426)	-0.696700 (0.7570)
Standardized Honda	-0.128589 (0.5512)	-0.320615 (0.6257)	-4.904809 (1.0000)
Standardized King-Wu	-0.128589 (0.5512)	-0.320615 (0.6257)	-3.268640 (0.9995)
Gourieroux, et al.	--	--	0.000000 (1.0000)

Figure 4. Lagrange Multiplier Test Results

All probability values (p-value) for cross-section, time, and both effects are greater than the significance level of 0.05, according to the Lagrange Multiplier (LM) Test results for random effects. This applies to all testing variants, including standardized tests such as Breusch-Pagan, Honda, and King-Wu. Therefore, the null hypothesis, which states that there are no random effects either on individuals (companies) or on time, is accepted. Therefore, the Common Effect Model (CEM), not the random effects model, is the most suitable for this study's panel data.

Normality Test

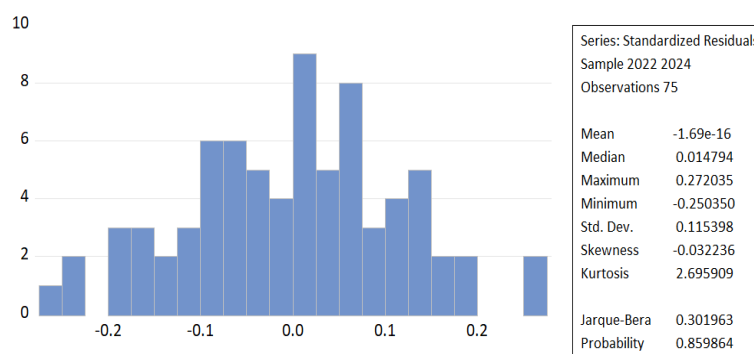


Figure 5. Normality Test Results

The Jarque-Bera test probability value of 0.859864 is greater than the significance level of 0.05, based on the Normality Test results on standardized residuals. This indicates that the regression model residuals have a normal distribution. In addition, the conclusion that the residual distribution is symmetrical and closer to a normal distribution is supported by

skewness (-0.032236) and kurtosis (2.695909) values that are close to zero. Therefore, the normality assumption is fulfilled in the regression analysis. Consequently, the results of hypothesis testing and coefficient estimation can be considered statistically valid and reliable.

Multicollinearity Test

Variance Inflation Factors			
Date: 02/08/26 Time: 18:46			
Sample: 1 75			
Included observations: 75			
Variable	Coefficient Variance	Uncentered VIF	Centered VIF
C	0.088757	466.1056	NA
ROA	0.207231	6.266426	1.070216
DER	0.000799	6.241965	1.070208
DER_LN	0.000504	1.092520	1.081615
ROA_LN	0.147487	1.088448	1.056752
LNASSETS	0.000116	478.2962	1.083499

Figure 6. Multicollinearity Test Results

Each independent variable in this study—ROA, DER, LNASSETS, and the interaction variable between firm size and leverage—has a Variance Inflation Factor (VIF) value below 5. This low VIF value indicates that there is no high correlation, or multicollinearity, among independent variables. Therefore, it can be concluded that each variable provides a distinct and independent contribution in explaining CSR variation. This condition enhances the reliability of the regression model used because coefficient estimates are not distorted by linear dependence among predictors.

Heteroscedasticity Test

Heteroskedasticity Test: White			
Null hypothesis: Homoskedasticity			
F-statistic	1.805916	Prob. F(17,57)	0.0499
Obs*R-squared	26.25459	Prob. Chi-Square(17)	0.0699
Scaled explained SS	18.84314	Prob. Chi-Square(17)	0.3376

Figure 7. Heteroscedasticity Test Results

The results of the White Heteroscedasticity Test show an ObsR-squared (Chi-Square) value of 26.25459 with a probability of 0.0699, which is greater than the significance level of 0.05. On the other hand, the F-statistic value is 0.0499, which is close to the significance threshold. Although the F test shows a marginal indication, it can generally be concluded that, at a 5% significance level, the null hypothesis of homoscedasticity is not rejected. This is

especially true for the Chi-Square statistic, which is more commonly used. Therefore, no significant heteroscedasticity problem is found in the regression model used. Consequently, the assumption of constant residual variance, also known as homoscedasticity, has been fulfilled, and the resulting coefficient estimates are considered efficient and reliable.

Autocorrelation Test

Dependent Variable: CSR				
Method: Least Squares				
Date: 02/08/26 Time: 19:04				
Sample: 1 75				
Included observations: 75				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.122818	0.297921	-3.768848	0.0003
ROA	0.436629	0.455227	0.959145	0.0408
DER	0.091976	0.028269	3.253582	0.0018
DER_LN	0.038915	0.022452	1.733263	0.0087
ROA_LN	0.092695	0.384041	0.241369	0.0099
LNASSETS	0.051627	0.010750	4.802683	0.0000
R-squared	0.360433	Mean dependent var	0.460313	
Adjusted R-squared	0.314087	S.D. dependent var	0.144296	
S.E. of regression	0.119506	Akaike info criterion	-1.334284	
Sum squared resid	0.985434	Schwarz criterion	-1.148885	
Log likelihood	56.03567	Hannan-Quinn criter.	-1.260257	
F-statistic	7.777086	Durbin-Watson stat	1.761853	
Prob(F-statistic)	0.000008			

Figure 8. Autocorrelaton Test Results

Based on the regression results obtained, the Prob(F-statistic) value of 0.000008 and the F-statistic value of 7.777086 indicate that the model as a whole is significant in explaining CSR variation, with an R-squared of 0.360433. Partially, the profitability variable (ROA) has a positive effect on CSR (prob. 0.0408), along with leverage (DER), which is significant at the 0.0018 level, and firm size (LNASSETS), which is also highly significant (prob. 0.0000). In addition, the interaction variable between leverage and firm size (DER_LN) and the interaction variable between profitability and firm size (ROA_LN) are also statistically significant (prob. 0.0087 and 0.0087). This confirms that firm size functions as a moderating variable that strengthens the positive influence of profitability and leverage on CSR. This is consistent with Stakeholder Theory, which states that large companies are more responsive to stakeholder leverage in disclosing CSR practices. The Durbin-Watson value of 1.761853 indicates that there is no significant autocorrelation in this model. Therefore, it can be concluded that the research hypotheses are accepted: the level of CSR disclosure is significantly influenced by profitability, leverage, firm size, and their interactions.

Hypothesis Test

Dependent Variable: CSR
 Method: Least Squares
 Date: 02/08/26 Time: 19:04
 Sample: 1 75
 Included observations: 75

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.122818	0.297921	-3.768848	0.0003
ROA	0.436629	0.455227	0.959145	0.0408
DER	0.091976	0.028269	3.253582	0.0018
DER_LN	0.038915	0.022452	1.733263	0.0087
ROA_LN	0.092695	0.384041	0.241369	0.0099
LNASSETS	0.051627	0.010750	4.802683	0.0000
R-squared	0.360433	Mean dependent var		0.460313
Adjusted R-squared	0.314087	S.D. dependent var		0.144296
S.E. of regression	0.119506	Akaike info criterion		-1.334284
Sum squared resid	0.985434	Schwarz criterion		-1.148885
Log likelihood	56.03567	Hannan-Quinn criter.		-1.260257
F-statistic	7.777086	Durbin-Watson stat		1.761853
Prob(F-statistic)	0.000008			

Figure 9. Hypothesis Test Results

Each independent variable and its interactions have a significant influence on CSR, according to the regression results. Specifically, leverage (DER) and profitability (ROA) have a direct positive effect on CSR, indicating that companies with higher debt and higher profitability tend to disclose more CSR. The significance of the interaction variables DER_LN and ROA_LN indicates the moderating role of firm size.

These results are consistent with Stakeholder Theory, which states that large companies are compelled to be socially and environmentally responsible by stakeholders. In addition to economic performance, a company's commitment to social and environmental issues demonstrates its support for the Triple bottom line. This model does not experience autocorrelation problems (Durbin-Watson 1.762), and is statistically significant (F-statistic 7.777; $p=0.000008$). Therefore, this study provides empirical evidence that organizational size plays an important role in strengthening the relationship between CSR disclosure and financial performance.

Sub-group Analysis

Dependent Variable: CSR
Method: Least Squares
Date: 02/08/26 Time: 19:09
Sample: 1 39
Included observations: 39

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.061162	0.478803	-2.216282	0.0333
ROA	-0.339365	0.679924	-0.499122	0.0420
DER	0.078107	0.045522	1.715814	0.0950
LNASSETS	0.051736	0.017292	2.991884	0.0051

R-squared	0.286210	Mean dependent var	0.479659
Adjusted R-squared	0.225028	S.D. dependent var	0.152135
S.E. of regression	0.133928	Akaike info criterion	-1.086112
Sum squared resid	0.627786	Schwarz criterion	-0.915490
Log likelihood	25.17918	Hannan-Quinn criter.	-1.024894
F-statistic	4.678011	Durbin-Watson stat	1.202475
Prob(F-statistic)	0.007512		

Figure 10. Above-Median Analysis Results

Overall, the model is significant (Prob. F = 0.0075) and has the ability to explain CSR variation by 28.62% based on regression results for the sub-group of companies above the median size. Profitability (ROA) partially has a significant negative effect on CSR (Prob. 0.0420), indicating that in large companies, an increase in profitability is actually followed by a decrease in CSR disclosure.

However, leverage (DER) has a positive effect at the 5% level but is not significant (prob. 0.0950), and firm size (LNASSETS) still has a positive and highly significant effect (prob. 0.0051). The results show that for large companies, leverage to maintain financial performance (profit) may be more dominant than the drive to increase social responsibility disclosure (CSR). As a result, although firm size remains a primary driver, a negative relationship between profitability and CSR emerges. This indicates that the relationship between CSR and financial performance is highly complex in large companies, where CSR motivation is not always linear and may be influenced.

Dependent Variable: CSR
Method: Least Squares
Date: 02/08/26 Time: 19:12
Sample: 1 36
Included observations: 36

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	-1.295499	0.477004	-2.715909	0.0106
ROA	1.124502	0.605290	1.857790	0.0424
DER	0.083548	0.034637	2.412096	0.0218
LNASSETS	0.056894	0.017666	3.220492	0.0029

R-squared	0.430254	Mean dependent var	0.439354
Adjusted R-squared	0.376841	S.D. dependent var	0.134256
S.E. of regression	0.105982	Akaike info criterion	-1.546656
Sum squared resid	0.359430	Schwarz criterion	-1.370710
Log likelihood	31.83981	Hannan-Quinn criter.	-1.485246
F-statistic	8.055142	Durbin-Watson stat	1.011949
Prob(F-statistic)	0.000388		

Figure 11. Below-Median Analysis Results

Profitability (ROA) in small companies actually has a positive and significant effect on CSR (prob. 0.04024), indicating that increased profits encourage higher CSR disclosure, possibly due to adequate financial resources. Based on regression results for the sub-group of companies below the median size, the model as a whole is significant (Prob. F = 0.000388) and is able to explain 43.03% of CSR variation. Firm size (LNASSETS) remains positive and highly significant (prob. 0.0029), which is consistent with its role as a driver of CSR. These results indicate that CSR tends to be viewed as a strategic investment to strengthen reputation and relationships with stakeholders for small companies. Here, leverage and profitability function as enablers rather than barriers.

4. CONCLUSION AND RECOMMENDATIONS

Based on the results of testing on mining companies listed on the Indonesia Stock Exchange for the 2022–2024 period, it can be concluded that profitability (ROA) and leverage (DER) have a positive and significant effect on CSR disclosure, thereby supporting H1 and H2 and aligning with Stakeholder Theory, Resource Slack Theory, and Signaling Theory; firm size is proven to moderate this relationship through the interaction of ROA_LN and DER_LN, thereby strengthening the influence of both on CSR (supporting H3 and H4), although sub-group analysis shows that in large companies profitability has a negative effect on CSR, while in small companies profitability and leverage remain significantly positive as an effort to build legitimacy; overall, the model is significant with an R^2 value of 36.04%, indicating that the research variables are able to explain more than one-third of the variation in CSR disclosure and emphasizing the importance of firm size as a contextual factor.

Based on the research findings, it is recommended that the management of mining companies develop CSR disclosure that is proportional and contextual, improve the quality and consistency of reporting by referring to standards such as GRI or ISSB, and strengthen engagement with stakeholders to enhance transparency and reduce risk. Future researchers are advised to expand the sample scope, add other moderating or mediating variables, and use a mixed methods approach in order to obtain a deeper understanding of the relationship between profitability, leverage, and CSR disclosure.

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