THE INFLUENCE OF FINANCIAL PERFORMANCE AND CORPORATE GOVERNANCE ON DISCLOSURE OF GREEN BANKING PRACTICES

Vivi Yunita Sari[1], Laila Syifa Sari Ardiansyah[2], Agus Triyani[3]

[1] Accounting Faculty of Economics and Business, Wahid Hasyim University, Semarang, Indonesia.
Email: 22101021020@student.unwahas.ac.id

[2] Accounting Faculty of Economics and Business, Wahid Hasyim University, Semarang, Indonesia.
Email: 22101021003@student.unwahas.ac.id

[3] Accounting Faculty of Economics and Business, Wahid Hasyim University, Semarang, Indonesia.
Email: agustriyani@unwahas.ac.id

ABSTRACT

This study aims to examine and analyze the influence of financial performance and corporate governance on the disclosure of green banking practices in conventional banking subsector companies listed on the Indonesia Stock Exchange for the 2021-2023 period. This study is quantitative. The influence of performance is proxied using the variables (ROA) and (CAR) presented by the company in the Annual Report and Financial Statements. Corporate Governance is proxied by (Board of Commissioners Size) and (Board of Directors Gender Diversity). Disclosure of Green Banking Practices is measured using a dummy variable obtained from the GBDI and the company's sustainability report. The sampling technique used purposive sampling with a total of 25 companies included in the Banking Subsector, for the observation period 2021-2023. The analysis technique was carried out using panel data regression. The results of this study indicate that the variables ROA, CAR, and Directors Gender Diversity do not significantly influence the disclosure of green banking practices, while the Size of the Board of Commissioners has a significant effect on the Disclosure of Green Banking Practices. The company with the lowest GBD is Bank Krom Indonesia at 9.6%, and the highest GBD is Bank Pembangunan Daerah Jawa Timur at 18.8%.

Keywords: Financial Performance, Good Corporate Governance, Disclosure of Green Banking Practices

INTRODUCTION

Environmental issues have long been a concern for all countries. The threat of an environmental crisis that threatens natural resources for sustainability in the future requires efforts to prevent similar problems from recurring in the coming years. Government policies that address other parties directly responsible for environmental pollution are also needed. According to a World Economic Forum survey, economic and environmental issues are the main risks in the short and long term, but ensuring the environment is well maintained is everyone's responsibility. This is especially true for industrial sectors considered major contributors to environmental pollution, such as mining, automotive, hospitals, banking institutions, and other processing industries. Although regulations governing green banking practices already exist, a Katada (2020) report entitled "Survey of Public Perceptions of Sustainable Financial Products," involving 3,105 respondents across Indonesia, showed that only four banks were widely perceived to have implemented green banking principles. Furthermore, research by Handajani (2019) showed an increase in the green banking disclosure index during the 2015-2017 period. However, the average disclosure index over the three observation periods was 0.377, or 37% of the expected green banking disclosure index. These results indicate that disclosure of green banking practices by banks in Indonesia is not yet optimal. Environmental damage and degradation by companies suspected of obtaining financing from banks also persists, despite regulations governing green banking practices.

Banks play an important role in helping achieve the Sustainable Development Goals (SDGs) as financial service providers, and it is hoped that they can reduce environmental degradation (Nwagwu, 2020). The Minister of Finance of the Republic of Indonesia, Sri Mulyani Indrawati, said that funding sources from banks are important in realizing a green economy (Dewi Fadhilah, 2022). A green economy is needed as a step to change the economic system to prioritize environmental protection and achieve sustainable development (IESR, 2021). On the other hand, the role of banks as agents of development actually contributes to environmental degradation, both directly and indirectly through their business activities. The carbon footprint and use of resources from bank operations, such as electricity and paper, are direct impacts that result (Bukhari et al., 2019). The buildings used by banks also contribute to greenhouse gas emissions (Nurmalia et al., 2012). Banks can indirectly contribute to environmental damage by providing loan facilities to industries that contribute harmful carbon emissions into the atmosphere, such as the cement, chemical, garment, and paper industries (Miah et al., 2021). Therefore, banks also fund activities that have an impact on the environment.

The banking sector is beginning to attract attention because its profits and funds can actually make significant social and environmental contributions. Currently, the banking sector is increasingly involved in environmental protection and management initiatives to reduce carbon emissions and maintain environmental sustainability by introducing practices called green banking (Burhany et al., 2020). Although not directly involved, the banking sector plays a role in environmental aspects. The use of energy (electricity and water) and paper (which comes from trees) is quite high in this sector. Likewise, the concern shown in the form of charitable giving to the community proves that this sector plays a significant role in CSR (Corporate Social and Environmental Responsibility). A bank's reputation and legitimacy are assessed based on its social responsibility to the community through its social programs. Environmental issues can pose both risks and opportunities, both internally and externally. The implementation of green banking is a step banks take to meet public expectations regarding these environmental issues. According to Bank Indonesia, green banking is defined as banking that applies the principles of sustainable development, in accordance with the World Bank's definition of green banking, where "green" refers to nature, human well-being, the economy, and society.

The role of corporate governance is crucial in the financial sector, as banks face the risk of returns to shareholders, while simultaneously addressing social and environmental risks stemming from sustainable business pressures to create long-term value. Corporate governance can align the interests of company owners and management. Corporate governance is considered capable of making decisions that are not detrimental to either party, allowing for objective decision-making.

THEORETICAL BASIS
1. Signaling Theory
Signaling theory explains how companies signal to various parties who need the information (Mumtazah & Purwanto, 2020). Providing information is expected to convince external parties regarding the company's reported earnings. This can lead external parties to believe that the reported earnings are true, reflecting the company's performance, and not the result of manipulation to increase profits to send a positive signal to external parties. Positive signals provided by the company will influence shareholder decisions, which in turn will lead to an increase in share ownership. Therefore, this theory relates to the influence of financial performance, as proxied by ROA and CAR, on green banking disclosure practices. This is because the influence of performance at the profitability stage influences green banking disclosure practices.

2. Stakeholder Theory
Stakeholder theory explains that companies, in their business activities, must consider the interests and provide benefits to stakeholders, rather than solely focusing on fulfilling their own interests (Sihombing & Yuliandhari, 2022). Stakeholders are all parties affected by business actions and activities: customers, suppliers, competitors, NGOs, employees, the media, scientists, legislators, residents of the area where the company operates, labor unions, and government organizations. Therefore, this theory

relates to the influence of good governance, which is proxied by the size of the board of commissioners and the gender diversity of the board of directors.

3. Legitimacy Theory

Legitimacy theory is the idea of a "social contract" between a company and the community in which it operates. Legitimacy theory is widely used to explain the background to companies' voluntary disclosure of social and environmental information. Based on legitimacy theory, companies will strive to conduct their operations in accordance with the expectations and norms prevailing in the community in which they operate. Legitimacy theory implicitly states that companies must be responsible for reporting corporate social responsibility (CSR), which encompasses economic, social, and environmental aspects, in order to survive (Hastuti & Kusumadewi, 2023). This theory relates to green banking disclosures, which demonstrate how companies are responsible for their natural environment.

4. Green Banking

"Green" in green banking essentially indicates a bank's environmental accountability and environmental performance in business operations. Green banking, like banks in general, operates with a focus on specific areas and techniques for reducing internal carbon emissions and external carbon emissions (Petro et al., 2023).

Green banking is believed to halt environmental degradation and make the environment more livable. Green banking must use resources responsibly, avoid waste, and prioritize the environment and communities. Banks can reduce their carbon footprint by adopting measures such as reducing paper use, adopting energy-conscious public transportation practices, using environmentally friendly buildings, using online systems, utilizing solar and wind energy, and providing financing for environmentally friendly projects or businesses (Petro et al., 2023).

Disclosure of green banking practices is motivated by pressure from stakeholders for banks to be responsible for their operational activities. Banks disclose green banking practices, among other things, in their annual reports (Simanungkalit & Mayangsari, 2020). The annual report contains information on the company's performance, both financial and non-financial, which is disclosed clearly and accurately, and explains the actual conditions of the company's operations.

The approach used consists of four domains: green product, green operation, green customer, and green policy.

1. Green Product: relates to how the bank creates banking products or services that support energy efficiency and minimize material use.
2. Green Operation: relates to how the bank supports environmental sustainability in its operational activities, such as going paperless, thus transforming the bank from a traditional bank into an environmentally conscious bank.
3. Green Customer: relates to how the bank educates customers about the use of digital technology to meet their needs, thereby engaging them in environmental stewardship.
4. Green Policy: relates to how the bank formulates and implements policies that support its commitment to environmental sustainability within the bank, thereby encouraging employees to minimize negative impacts.

Measurements to obtain the green banking disclosure index were conducted using the same formula used in the research by Handajani et al. (2019). This involves a checklist table, where each item successfully disclosed is given a score of 1, and each item not disclosed is given a score of 0.

RESEARCH FRAMEWORK
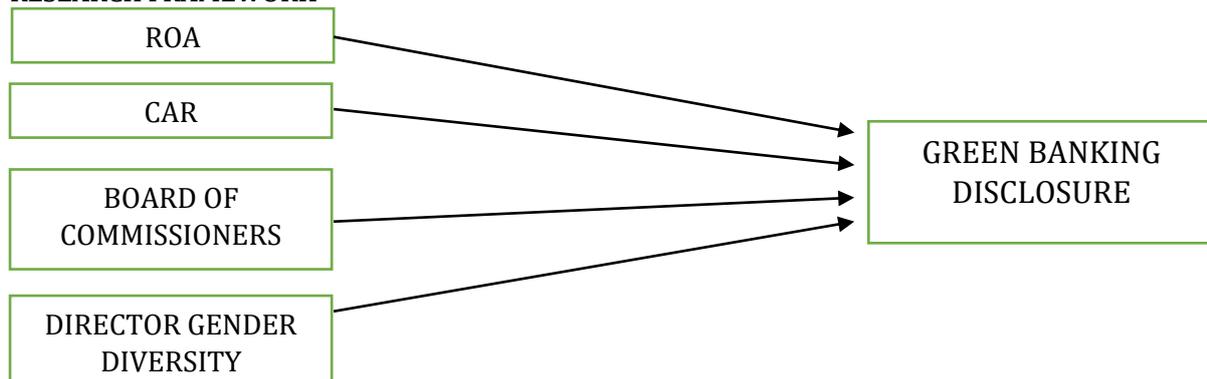
The Influence of ROA on Green Banking Practices

Company profitability, as measured by ROA, reflects a company's ability to utilize its assets to generate profits (Sulaeman, 2021). The primary goal of a company is to increase its value. Corporate value will increase sustainably if the company is able to improve its financial performance. Research conducted by (Asfahaliza & Anggraeni, 2022) states that the implementation of green banking as an independent variable is projected using the Green Banking Disclosure Index (GBDI) and green banking products, consisting of the number of ATM units and the frequency of mobile banking transactions. Meanwhile, profitability as a dependent variable is projected using Return on Assets (ROA). Partially, the number of ATM units has a positive and significant effect on ROA. However, simultaneous testing found that the implementation of green banking, projected using the GBDI, the number of ATM units, and the frequency of mobile banking transactions, have a positive and significant effect on profitability.

H1: There is a positive and significant relationship between bank profitability and Green Banking disclosure.

The Effect of Capital Adequacy Ratio (CAR) on Green Banking Disclosure

Based on research conducted by (Mumtazah & Purwanto, 2020), CAR has a positive but insignificant effect on firm value. A higher CAR will attract investors to the banking sector, which will influence stock demand and increase share prices, thus increasing firm value. According to signaling theory, companies will strive to increase CAR in order to disclose information to investors, thereby increasing firm value. Therefore, it can be concluded that CAR influences firm value in banks and influences green banking practices.

H2: CAR has a positive and significant effect on Green Banking disclosure.

Board of Commissioners and Green Banking Disclosure

A larger board of commissioners reflects a more diverse range of expertise and experience in banking. A larger board of commissioners also reflects a greater ability to communicate with more diverse and broader external parties. A larger board of commissioners is seen as an effective corporate governance mechanism. Research by Petro et al. (2023) found that a larger board of commissioners contributes to increased green banking disclosure and positively influences green banking disclosure. A larger board of commissioners prioritizes various activities related to green banking disclosure, thereby ensuring the board of commissioners oversees the allocation of sufficient resources to implement green banking disclosure.

H3: The Board of Commissioners has a positive and significant impact on Green Banking Disclosure

The Influence of Director Gender Diversity

Gender diversity is related to gender equality, namely providing equal opportunities to occupy top positions within a company and is a key point in achieving the Sustainable Development Goals (SDGs), which serve as national and international benchmarks. In implementing the SDGs, the importance of gender equality is related to the fifth point, namely that men and women must receive equal rights and obligations. Regarding sustainability issues, women tend to be more sensitive, more generous, and more considerate of stakeholders such as the community, employees, and the environment (Sihombing & Yuliandhari, 2022).

H4: Director Gender Diversity has a significant positive effect on Disclosure of Green Banking Practices.

RESEARCH METHOD

This research uses a quantitative method with a quantitative approach. Secondary data used in this study are the financial and sustainability reports of conventional banking sub-sector companies listed on the Indonesia Stock Exchange (IDX) or their respective official websites for the period 2021-2023. Based on data from the Indonesia Stock Exchange (IDX) and the official websites of 25 conventional banking sub-sector companies, the sample was selected. The sampling technique used was purposive sampling.

Purposive sampling is a sampling technique based on specific considerations (Lutfi M., 2023). The criteria for the purposive sampling technique are as follows:
1. Conventional banks listed on the Indonesia Stock Exchange for the period 2021-2023.
2. Conventional banks whose annual reports are accessible through both the Indonesia Stock Exchange and the company's official website for the period 2021-2023.
3. Conventional banks that experienced consecutive profits from 2021-2023.

Based on the criteria that have been made by researchers, companies that meet the above criteria are:
PT. Bank Central Asia Tbk (BBCA), PT Bank MNC Internasional Tbk (BABP), PT. Bank Jago Tbk (ARTO), PT. Allo Bank Indonesia Tbk (BBHI), PT. Bank Mestika Dharma Tbk (BBMD), PT Bank Negara Indonesia Tbk (BBNI), PT. Bank Rakyat Indonesia Tbk (BBRI), PT. Krom Bank Indonesia Tbk (BBSI), PT. Bank Danamon Tbk (BDMN), PT. Bank Ganesha Tbk (BGTG), PT. Bank Ina Perdana Tbk (BINA), PT Bank Pembangunan Daerah Jawa Barat Tbk (BJBR), PT. Bank Pembangunan Daerah Jawa Timur Tbk (BJTM), PT. Maspion Indonesia Tbk (BMAS), PT. Bank Mandiri Tbk (BMRI), PT Bank Bumi Arta Tbk (BNBA), PT. Bank Cimb Niaga (BNGA), PT. Maybank Indonesia (BNII), PT. Bank Sinarmas Tbk (BSIM), PT. Bank BTPN Tbk (BTPN), PT Bank Oke Indonesia Tbk (DNAR), PT. Bank Multiarta Sentosa Tbk (MASB), PT. Mayapada Internasional Tbk (MAYA), PT. Bank Mega Tbk (MEGA), PT. Bank OCBC NISP Tbk (NISP).

RESULT AND DISCUSSION

Result

This study aims to examine and analyze the influence of financial performance and corporate governance on the disclosure of green banking practices in banking sub-sector companies listed on the Indonesia Stock Exchange for the 2021-2023 period.

Considering that panel data is a combination of time series and cross-section, the equation model can be formulated as follows:

$$Y_{it} = \beta_0 + \beta_1 X_{it} + \mu_{it}$$

$$I = 1, 2, ..., N ; t = 1, 2, ..., T$$

Where: N = Total Number of observations, T = Total number of times, N x T = Total number of panel data

Chow Test

Choosing between a Common Effects or Fixed Effects Model

Redundant Fixed Effects Tests

Equation: Untitled

Test cross-section fixed effects

Effects Test	Statistic	d.f.	Prob.
Cross-section F	6.638125	(24,46)	0.0000
Cross-section Chi-square	112.192799	24	0.0000

Table 1. Chow Test Results

Source: Processed secondary data, 2024

    a. Based on the results in Table 1, the chi-square P-value is 0.000, indicating a probability less than α 5% / 0.05. Ho is rejected, and the appropriate model used in this study is a fixed-effects model. Therefore, the next step is to conduct the Hausman test. This is used to distinguish between fixed effects and random effects.

Hausman Test

Choosing between Fixed Effects or Random Effects

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	7.565968	4	0.1088

Table 2. Hausman Test Results

Source: Processed secondary data, 2024

    a. Based on the results of Table 2, the Hausman test shows a P value > 0.05, indicating that the selected model is a random effect.

LM 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	23.68348	1.554941	25.23843
	(0.0000)	(0.2124)	(0.0000)

Table 3. LM Test Results

Source: Processed secondary data, 2024

a. The LM test showed a P-value <0.05, thus concluding that the Random Effects Model was the model selected for the best results in this study.

Hypothesis Test

Dependent Variable: Y?
Method: Pooled EGLS (Cross-section random effects)
Date: 06/17/24   Time: 22:13
Sample: 1 3
Included observations: 3
Cross-ections included: 25
Total pool (balanced) observations: 75
Swamy and Arora estimator of component variances

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	16.04508	1.156373	13.87535	0.0000
X1?	0.212133	0.313148	0.677420	0.5004
X2?	0.020184	0.012770	1.580578	0.1185
X3?	0.448757	0.171470	2.617110	0.0109
X4?	1.276798	1.471746	0.867539	0.3886
Random Effects (Cross)				
ARTO--C	1.488887			
BABP--C	-3.531509			
BBCA--C	1.933504			
BBHI--C	1.366795			
BBMD--C	2.045255			
BBNI--C	0.128390			
BBRI--C	-0.052667			
BBSI--C	-6.442129			
BDMN--C	1.443449			
BGTG--C	1.010782			
BINA--C	1.824611			
BJBR--C	1.928663			
BJTM--C	2.782168			
BMAS--C	0.566041			
BMRI--C	-0.297700			
BNBA--C	1.551780			
BNGA--C	-0.755855			
BNII--C	-2.105718			
BSIM--C	-1.811780			
BTPN--C	-2.786436			
DNAR--C	-0.819541			
MASB--C	-0.386309			
MAYA--C	0.874661			
MEGA--C	0.643126			
NISP--C	-0.598468			

Effects Specification		
	S.D.	Rho

Cross-section random	2.204713	0. 6664
Idiosyncratic random	1.559939	0.3336

	Weighted Statistics		
R-squared	0.143623	Mean dependent var	7.437269
Adjusted R-squared	0.094687	S.D. dependent var	1.680729
S.E. of regression	1.599179	Sum squared resid	179.0161
F-statistic	2.934925	Durbin-Watson stat	1.769135
Prob(F-statistic)	0.026507		

Table 4. Hypothesis Test Results
Source: Processed secondary data, 2024

Regression Equation

GBD = 16.04508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

DISCUSSION

a. Testing the first hypothesis (X1)

The first independent variable, ROA, statistically shows a Prob. value of 0.5004 with a coefficient value of 0.212133. The Prob. value is greater than the alpha value of 0.05, so the first hypothesis, namely that carbon emission disclosure has a positive effect on green banking disclosure, is rejected.

b. Testing the second hypothesis (X2)

The second independent variable, CAR disclosure, statistically shows a Prob. value of 0.1185 with a coefficient value of 0.020184. The Prob. value is greater than the alpha value of 0.05, so the second hypothesis, namely that CAR has a positive effect on green banking disclosure, is rejected.

c. Testing the third hypothesis (X3)

The third independent variable, board size, statistically shows a Prob. value of 0.0109 with a coefficient value of 0.448757. The Prob. value is less than the alpha value of 0.05, so the third hypothesis, namely that board size has a positive effect on green banking disclosure, is accepted.

d. Testing the fourth hypothesis (X4)

The fourth independent variable, board gender diversity, statistically shows a Prob. value of 0.3886 with a coefficient value of 1.276798. The Prob. value is greater than the alpha value of 0.05, so the third hypothesis, namely that board size has a positive effect on green banking disclosure, is rejected.

Dependent Variable: Y?

Method: Pooled EGLS (Cross-section random effects)

Date: 06/17/24 Time: 22:13

Sample: 1 3

Included observations: 3

Cross-sections included: 25

Total pool (balanced) observations: 75

Swamy and Arora estimator of component variances

Random Effects (Cross)

ARTO--C	1.488887
BABP--C	-3.531509
BBCA--C	1.933504
BBHI--C	1.366795
BBMD--C	2.045255
BBNI--C	0.128390
BBRI--C	-0.052667
BBSI--C	-6.442129
BDMN--C	1.443449
BGTG--C	1.010782
BINA--C	1.824611
BJBR--C	1.928663
BJTM--C	2.782168
BMAS--C	0.566041
BMRI--C	-0.297700
BNBA--C	1.551780
BNGA--C	-0.755855
BNII--C	-2.105718
BSIM--C	-1.811780
BTPN--C	-2.786436
DNAR--C	-0.819541
MASB--C	-0.386309
MAYA--C	0.874661
MEGA--C	0.643126
NISP--C	-0.598468

Table 5. Constant Results of Each Bank

The estimated value of each bank will have an influence on Green Banking Practices with the following details: ARTO 1.48 percent, BABP -3.53 percent, BBCA 1.93 percent, BBHI 1.36 percent, BBMD 2.04 percent, BBNI 0.12 percent, BBRI -0.05 percent, BBSI -6.44 percent, BDMN 1.44 percent, BGTG 1.01 percent, BINA 1.82%, BJBR 1.92%, BJTM 2.78%, BMAS 0.56%, BMRI -0.29%, BNBA 1.55%, BNGA -0.75%, BNII -2.10, BSIM -1.81%, BTPN -2.78%, DNAR -0.81%, MASB -0.38, MAYA 0.87%, MEGA 0.64%, NISP -0.59%. The equations for each company for the Random Effects model are as follows:

Bank Jago Tbk (ARTO) Equation

GBD = (1.48 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.52508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank MNC Internasional Tbk (BABP) Equation

GBD = (-3.53 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 12.51508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Similarity of Bank Central Asia Tbk (BBCA)

GBD = (1.93 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.97508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Allo Bank Indonesia Tbk (BBHI) Similarities

GBD = (1.36+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.40508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Similarities of Bank Mestika Dharma Tbk (BBMD)

GBD = (2.04+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 18.08508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Negara Indonesia Tbk (BBNI) Equation

GBD = (0.12 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 16.16508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Rakyat Indonesia Tbk (BBRI) Equation

GBD = (-0.05 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 15.99508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Krom Indonesia Tbk (BBSI) Equation

GBD = (-6.44 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 9.60508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Danamon Indonesia Tbk (BDMN) Equation

GBD = (1.44 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.48508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Ganesha Tbk (BGTG) Equation

GBD = (1.01 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.05508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Equation Ina Perdana Tbk (BINA)

GBD = (1.82 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.86508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Equation for West Java Regional Development Bank Tbk (BJBR)

GBD = (1.92 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.96508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Equation for East Java Regional Development Bank Tbk (BJTM 2.78)

GBD = (2.78 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 18.82508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Equation for Bank Maspion Indonesia Tbk (BMAS 0.56)

GBD = (0.56 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 16.60508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Mandiri Tbk (BMRI) Equation

GBD = (-0.29 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 15.75508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Bumi Arta Equation Tbk (BNBA)

GBD = (1.55+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 17.59508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Similarities of Bank Cimb Niaga Tbk (BNGA)

GBD = (-0.75+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 15.29508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Maybank Indonesia Tbk (BNII) Equation

GBD = (-2.10 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 13.94508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Sinar Mas Tbk (BSIM) Equation

GBD = (-1.81 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 14.23508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

BTPN Bank Tbk (BTPN) Equation

GBD = (-2.78 + 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 13.26508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

BTPN Bank Tbk (DNAR) Equation

GBD = (-0.81+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 15.23508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

Bank Multiarta Sentosa Tbk (MASB) Similarities

GBD = (-0.38+ 16.04508) + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK + 1.276798 DGDD

= 15.66508 + 0.212133 ROA + 0.020184 CAR + 0.448757 UDK

From the equation above, it is clear that the bank with the lowest GBD is Bank Krom Indonesia, at 9.6%. If the assumed value of the independent variable influencing GBD is zero, then Bank Krom Indonesia's GBD is 9.6%. Meanwhile, the bank with the highest GBD is Bank Pembangunan Daerah Jawa Timur, at 18.8%. This means that if the assumed value of the independent variable influencing GBD is zero, then Bank Pembangunan Daerah Jawa Timur's GBD is 18.8%.

Table 5 shows that Bank Krom Indonesia's lowest GBD, at 9.6%, is not due to ROA or CAR from 2021 to 2023. This is because ROA decreased in 2022, while its CAR increased in 2022, from 20.21 to 28.38. However, it experienced a drastic decline in 2023 to 15.8, while ROA increased in 2023.

Bank Pembangunan Jawa Timur has the highest GBD, at 18.8%, among other banks. This means that high GBD does not affect ROA because every year the ROA of the East Java Development Bank decreases from 2.05 in 2021, down to 1.96 in 2022, and in 2023 only to 1.87.

CONCLUSION

Based on the results of data analysis using a random effects model, it shows that ROA has a partial positive effect on Green Banking Disclosure of 0.5004. CAR and Board of Directors Gender Diversity have a partial effect on Green Banking Disclosure, with a probability of 0.1185 for CAR and 0.3886 for Board of Directors Gender Diversity. Meanwhile, Board of Commissioners Size has a positive effect on Green Banking Disclosure of 0.0109.The independent variables (ROA, CAR, UDK, and DGDD) show a significant effect with a probability value of 0.026507, less than 5% α, indicating that all independent variables (ROA,

CAR, UDK, and DGDD) simultaneously influence Green Banking Disclosure. The intercept results for each company show different results.

REFERENCES

Asfahaliza, A. N. P., & Anggraeni, P. W. (2022). Pengaruh Penerapan Green Banking Terhadap Profitabilitas Perbankan Di Indonesia Periode 2016-2021. Contemporary Studies in Economic Finance and Banking, 1(2), 298–311. http://dx.doi.org/10.21776/csefb.2022.01.2.10.

Atanai, M. R. (2022). Analisis Kualitas Lingkungan Akl (Issue July). https://id.scribd.com/document/610484285/TUGAS

Burhany, D. I., Dahtiah, N., & Syarief, A. (2020). Pengungkapan Tanggung Jawab Sosial Dan Lingkungan Pada Bank Syariah Dan Konvensional Beserta Determinannya. EKUITAS (Jurnal Ekonomi Dan Keuangan), 4(3), 306–331. https://doi.org/10.24034/j25485024.y2020.v4.i3.4531Scott, W., *Financial Accounting Theory*, Sixth Edition, Pearson Inc., Canada, 2012.

Hastuti, T., & Kusumadewi, R. K. A. (2023). Pengaruh Green Banking Terhadap Nilai Perusahaan: Peran Pemediasi Efisiensi Bank. Reviu Akuntansi Dan Bisnis Indonesia, 7(2), 380–393. https://doi.org/10.18196/rabin.v7i2.18312

Mumtazah, F., & Purwanto, A. (2020). Analisis Pengaruh Kinerja Keuangan Dan Pengungkapan Lingkungan Terhadap Nilai Perusahaan. Diponegoro Journal of Accounting, 9(2), 1–11. http://ejournal-s1.undip.ac.id/index.php/accounting

Mustika, S. N., Kristianingsih, K., Tripuspitorini, F. A., & Djuwarsa, T. (2023). Analisis Pengaruh Penerapan Green Banking dan Efisiensi Biaya Operasional terhadap Profitabilitas Bank Umum Syariah di Indonesia. Journal of Applied Islamic Economics and Finance, 3(2), 436–443. https://doi.org/10.35313/jaief.v3i2.3861

Petro, S., Octavia, R., & Diarsyad, M. I. (2023). Pengaruh Corporate Governance Terhadap Green Banking Disclosure. Jurnal Ilmiah Ekonomi Global Masa Kini, 14(01)

Rahmawati, I. N., & Yuliani, R. (2023). Profitabilitas sebagai Pemoderasi Pengaruh Corporate Governance terhadap Pengungkapan Green Banking. Reviu Akuntansi Dan Bisnis Indonesia, 7(2), 464–482. https://doi.org/10.18196/rabin.v7i2.19741

Sekaran, & Bougie. (2016). Penelitian Kuantitatif.pdf.

Sihombing, Y. G., & Yuliandhari, W. S. (2022). Pengaruh Diversitas Gender Direksi dan Ukuran Dewan Komisaris Terhadap Pengungkapan Praktik Green Banking. SEIKO : Journal of Management & Business, 4(3), 288–302. https://doi.org/10.37531/sejaman.v4i3.2513

Simanungkalit, A. A., & Mayangsari, S. (2020). Pengaruh Diversifikasi Gender, Kepemilikan Manajerial Dan Green Banking Terhadap Nilai Perusahaan Perbankan. Jurnal Ekonomi Trisakti, 2(2), 451–466. https://doi.org/10.25105/jet.v2i2.14472

Sulaeman, R. (2021). Pengaruh Profitabilitas, Leverage dan Ukuran Perusahaan Terhadap Penghindaran Pajak (Tax Avoidance). Syntax Idea, 3(2), 354. https://doi.org/10.36418/syntax-idea.v3i2.1050

Syabilla, D., Wijayanti, A., & Fahria, R. (2021). KORELASI Konferensi Riset Nasional Ekonomi, Manajemen, dan Akuntansi. Konferensi Riset Nasional Ekonomi, Manajemen, Dan Akuntansi, 2, 1171–1186.