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THE EFFECT OF ENVIRONMENTAL COSTS, THE FOREIGN OF OWNERSHIP AND THE SIZE OF COMPANY ON RETURN ON ASSETS & CORPORATE SOCIAL RESPONSIBILITY AS INTERVENING VARIABLE

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Abstract
This objective of this study was to determine the effect of the environment, foreign ownership of company size, and corporate social responsibility (CSR) on performance (ROA), and to find out whether environmental costs, foreign ownership, and company size on company performance (ROA) through corporate social responsibility (CSR) as Intervening variables. This research was included in the comparative causal research. The population of this study were mining companies listed on the Indonesia Stock Exchange in 2016-2019. Using purposive sampling method, there were 40 companies that meet the criteria with a total was160 data. The data analysis technique used was multiple linear regression analysis using SmartPLS software. The results of this study indicate that the variables of environmental costs, the foreign ownership, the size of company and the corporate of social responsibility there was no the direct or indirect effect on ROA.

Keywords: Company Performance, Environmental Costs, Foreign Ownership, Company Size, Corporate of Social Responsibility

1.0 INTRODUCTION

The one of to assess the performance of a company is to look at the company's financial performance. Performance describes how a company's business activities are carried out and what the business activities have achieved. The achievement of this company's business activities is described by generating profits. This is in accordance with the opinion (Pujiasih, 2013) that the ability of a company to generate profits is the main thing in assessing the company's financial performance. The use of profit as a parameter in measuring financial performance is based on the fact that profit is needed by a company to be used in the life of the company (Jayati, 2012).

The company performance is a benchmark that can be used by investors who want to invest in a company. Investors will assess the company's performance through financial statements in making investment decisions. Potential investors will improve the company's performance from the previous period, if the analysis shows good performance then investors will be interested in investing in the company. Therefore, the company's performance is one of the important factors for companies to obtain additional capital.

Currently, there are many ways to see the performance of a market as well as market conditions, one of them is through the Stock Price Index. JCI calculates the movement of all common shares and preferred shares listed on the IDX. The calculation of the JCI represents the movement of stock prices in the market or exchange that occurs through a continuous auction trading system. The share price used in calculating the JCI is the share price that occurs from transactions in the regular market. JCI calculations are carried out in real time and can be accessed on various media such as the IDX website, a number of data service providers that provide stock trading information, either through subscription access or special access for investors as securities company customers. The JCI will be adjusted if there is a new share listing (IPO), stock delisting, or corporate action such as rights issue, conversion of warrants, convertible bonds, stock split, reverse stock split, and distribution of dividends in the form of shares.

The mining industry is an industry that is quite popular with investors. This can be seen from the Composite Stock Price Index (IHSG). In the first position is the Basic-Industry and Chemicals with a percentage of 24.01%. In the second position there is the Mining (Mining) with a percentage of 11.45%, which is further discussed by the Finance at 3.05%, Miscellaneous Industry 0.96%, Agriculture -3.21%, Property -9.64%, Infrastructure -10.09%, Consumers -10.21%, and the last position is Trade -14.94% . The graph above also shows that apart from the Basic-Industry Sector which had the top performance based on the JCI, which was then supported by the Mining sector which managed to reach the second top position.

In 2018 the mining sector had a fairly good performance compared to the performance of other sectors. This can be seen from the appreciation from the Indonesian Mining Association (API/IMA) which has held the 2018 Indonesia Mining Award for the Realization of Non-Tax State Revenue (PNBP) from the mining sector. In December 2018 it had reached Rp. 46.6 trillion. Not only that, in the 2016 period, the mining sector also managed to achieve share growth of 53.35% which managed to beat the JCI which only rose by 17.37% in the same period. This certainly greatly affects investors to invest in the mining sector because the performance of mining companies is quite good. This is also the reason for choosing the mining sector in this study; because the shares of mining companies are in great demand by investors, besides that, mining sector companies also have different characteristics and characteristics from other industrial sectors. Based on PSAK No. 33, the general mining industry had high uncertainty, requires large costs, and has an impact that causes more regulation than other sectors. The high risk is expected in the mining sector to make the return that investors are also getting higher. The higher the attractiveness of investors, the company's income will also increase.

Based on the background described above, this study aims to see and find out whether there is an influence of environmental costs, foreign ownership, and company size on ROA and CSR as an intervention variable in mining companies listed on the Indonesia Stock Exchange.

2.0 LITERATURE REVIEW

Environmental Cost

The costs according to Fitriani (2013) were costs incurred by companies related to environmental damage caused and protection carried out. According to Gunawan (2012) Environmental costs needed to be reported separately based on the cost classification. This is done so that cost reports can be used as information for the development of company operations, especially those that have an impact on the environment.

Environmental quality is an industry standard technique to expect full cost in guaranteeing individual products and customizing services over customers (Ikhsan, 2009). Environmental costs could be classified into four categories (Hansen Mowen, 2009), environmental prevention costs, environmental detection costs, internal failure costs, and external failure costs. The following is the formula used to calculate environmental costs:

$$\text{ROA} = \frac{\text{Net Profit}}{\text{Total Assets}}$$

Source: (Gunawan 2012)

Foreign Ownership

According to Etha (2010), foreign ownership was the common stock of companies owned by individuals, legal entities, the government and their parts with status overseas. According to Law No. 25 (2007) article 1 point 6, foreign ownership was foreign, business entities, and the government investing in the territory of the Republic of Indonesia.

According to Susanti (2013), the structure of foreign ownership could be measured according to the proportion of ordinary shares owned by foreigners. Total foreign ownership in question is the source of the proportion of shares owned by foreigners at the end of the year. Meanwhile, the total shares outstanding was calculated by adding up all the shares issued by the company at the end of the year. It can be formulated:

$$\text{Foreigners} = \frac{\text{Total Foreign Share Ownership}}{\text{Number of shares outstanding}} \text{ x } 100\%$$

Source: (Susanti, 2013)

Company Size

According to Sarah Nabil (2010) company size was the size of the company seen from the amount of equity value, sales value or total asset value. According to Brigham and Houston (2011) company size was the average total net sales for the year concerned up to several years. In this case, sales are greater than variable costs and fixed costs, so the amount of income before tax will be obtained. Conversely, if sales were smaller than the variable costs and fixed costs, the company will experience losses. The size of the company is considered to affect the value of the company because the larger the size of the company, the easier it is for the company to obtain resources that can be used to achieve company goals. Company size could be calculated by the following formula:

Company Size = Ln (total assets)

Source: (Brigham and Houston, 2011)

Corporate Social Responsibility

Corporate Social Responsibility(CSR) is a concept that organizations, in particular (but not only) ,the company has various forms of responsibility to all its stakeholders, including consumers, employees, shareholders, communities and the environment in all aspects of the company's operations which include economic, social, and environmental aspects.

According to Meyana (2018), Corporate Social Responsibility (CSR) was the responsibility of the company both owned by shareholders and employees in the form of company profitability and progress, as well as responsibility for taxes and job providers, improving community welfare and competence, and maintaining the environment for the future community generations. CSR can be calculated using the GRI 4.0 formula, namely:

$$\mathrm{CSR} = \frac{\mathrm{V}}{\mathrm{M}}$$

Source: (Meyana, 2018)

Return on Assets

Return on assets (ROA) is a profitability ratio that measures the company's ability to generate profits from all use of its resources or assets. As a profitability ratio, ROA is used to assess the quality and performance of the company in generating net income from the utilization of enlarged assets. According to Sawir (2005), ROA is a financial ratio that is used as an analytical tool to measure the company's management performance in obtaining overall profits. The higher (larger) the value of a company's ROA, the better the company's effective use of assets. From this purpose, ROA can help management and investors to see how well a company is able to convert its investment in assets into profit or profit. The following formula is used to find the ROA value:

$$\mathrm{ROA} = \frac{\text{Net Income}}{\text{Total Assets}}$$

Source: (Mulyadi, 2015)

Formulation of Hypothesis

H1: The Effect of Environmental Costs on ROA

The environmental costs refer to the investment and the costs themselves, which are located in the post-expansion audit environmental restoration, and other activities (Environmental accounting guidelines, 2005:13).

Research on the effect of environmental costs on company performance has been carried out by Sundari (2012) and Chiang (2015) which stated that there was an environmental influence on company performance. However, this statement contradicts the research conducted by Evada Dewata et al (2018) and Meyana (2018) which states that environmental costs there was no significant effect on company performance.

H2: The Effect of Foreign Ownership on ROA

Companies with a high proportion of foreign ownership are expected to improve company performance because foreign ownership management can be more focused and more efficient in directing operational activities, so that the goal of maximizing *profits* could be achieved. According to Primadhanny (2016) the development of the Indonesian economy in the mining sector has an unsatisfactory performance so it had to look for capital outside Indonesia.

The influence of foreign ownership on company performance has been studied by Prihandono (2010) and Khairina & Sudarno (2014), stated that foreign ownership has a positive effect on company performance. However, contrary to research conducted by Mollah et al (2012) and Rahmawati Handayani (2017) which showsed foreign ownership there was no effect on financial performance.

H3: The Effect of Firm Size on ROA

The Firms with a larger size would had a higher chance of obtaining external funding sources. Investors will consider investing their shares in companies that are already large enough.

The influence of firm size had been studied by Agrestya (2011) and Akbar (2013), showing a relationship between firm size and firm performance. However, this study contradicts the research conducted by Fitriani (2013) and Rifan (2015) which did not find a relationship between company size and company performance).

H4: The Effect of CSR on ROA

A good company environment is certainly an indication that the company cares about the environment, and vice versa. Corporate Social Responsibility is defined as the company's commitment to improve the welfare of the community through good business practices and contribute most of the company's resources.

The influence Corporate Social Responsibility on company performance has been studied by Pujiasih (2013) and Rifan (2015) who found a positive relationship between Corporate Social Responsibility and company performance. However, this study contradicts the research conducted by Fitriani (2013) and Camilia (2016) which did not find a relationship between Corporate Social Responsibility and company performance.

H5: The Effect of Environmental Costs ROA through CSR

The Environmental costs are an indicator of Corporate Social Responsibility. Therefore, if the environmental performance is good then the Corporate Social Responsibility of the company will be good too. Corporate Social Responsibility can be good news and add to the company's image, so that investor or public trust can increase in the company. In the end the company can get additional capital and increase sales which have an impact on increasing profits. Thus, Corporate Social Responsibility can mediate the relationship between environmental performance and financial performance.

This is in line with previous research. Research conducted by Rakhiemah & Agustia (2009), Rahmawati (2012), and Pujiasih (2013) found a positive relationship between environmental performance and financial performance with Corporate Social Responsibility as an intervening variable. However, this contradicts the research conducted by Desak Putu Suciwati (2016) which did not find any effect of environmental costs on ROA through CSR.

H6: Effect of Ownership on ROA through CSR

Multinational companies in Indonesia generally had better readiness to implement Corporate Social Responsibility (CSR) programs than domestic companies. Multinational companies, especially European and United States very aware of social and environmental issues (Machmud and Djakman, 2008). The implementation of CSR in Indonesia can be indicated as a result of increasing the value of foreign companies after implementing CSR in company operations (Angling, 2010). In other words, if the company had a contract with a foreign stakeholder, the company will be fully supported in the implementation and implementation of the Corporate Social Responsibility (CSR) contract. The implementation and implementation of corporate CSR was believed to be higher than that of national companies. Thus, companies that disclose CSR better will have an impact on increasing company performance.

The influence of foreign ownership on the road through CSR had been studied by Evada Dewata et al (2018) who found a significant positive relationship between Corporate Social Responsibility and company performance. However, this study contradicts the research conducted by Aldhila Khairina and Sissandhy (2014) which did not find a relationship between environmental costs and ROA through CSR.

H7: The Influence of Company Size ROA through CSR

The One of the company's performance indicators is profit. Agrestya (2011) stated that an important factor in the formation of profits is the size of the company which shows the size of the company. As is known now, investors in making investment decisions will look at various aspects, this is natural because investors want to get something big. Thus, the size of the company also affects investors in determining their investment decisions. On the other hand, a larger company will get more attention from stakeholders (Yao et al, 2011). One of the main concerns of stakeholders is Corporate Social Responsibility, this is due to the extent to which the company's responsibility is to stakeholders for their concern for the community and the surrounding environment.

The influence of company size on the road through CSR has been investigated by Meyana (2018) who found a significant positive relationship between Corporate Social Responsibility and company performance. However, this study contradicts the research conducted by Wahyu Setiawan, Leonardo Budi Hasiholan and Ari Pranaditya (2018) which found that company size was negative and insignificant to company performance.

3.0 METHODOLOGY

The Place and Time of the study

This research was conducted by taking financial reports and annual reports on companies listed on the Indonesia Stock Exchange with the type of company engaged in the mining sector in 2016-2019. Data on the annual financial statements can be obtained through the official website of the Indonesia Stock Exchange, namely http://www.idx.co.id and the websites of each company. This study also takes a report from the Environmental Performance Rating Program (PROPER) published by the Ministry of the Environment. The research time is from on September 2020 until on February 2021.

The Definition of Research Operational Variables

The variables in this study are: 1) the independent variable (X) is the variable that affects the variable (Y), the independent variables in the study are environmental costs, foreign ownership and company size. 2) Variable Based on (Y): Company performance with ROA indicator. 3) Intervening Variable: Corporate Social Responsibility (CSR).

Table 1. The Definition of the Operational Variables

Definition	Indicators	Scale	Cost
Environmental Cost	The costs incurred due to low environmental quality as a result		Ratio

Definition	Indicators	Scale	Cost
	of the company's production process. (Gunawan 2012)	$Environmental\ Cost = \frac{Cost}{Profit}$	
Foreign Ownership	The Ownership Foreign ownership is share ownership owned by multinational companies. Anggraeni (2011)	$Foreign = \frac{Total\ Foreign\ Share\ Ownership}{Number\ of\ Shares\ Outstanding}\ x\ 100\%$	Ratio
Company Size	The size is the average total net sales for the year concerned up to several years. Brigham and Houston (2011)	$Company\ Size = Ln\ (total\ assets)$	Ratio
CSR	*Corporate Social Responsibility (CSR)* is a corporate responsibility that is directed at shareholders and employees in the form of profitability and company progress. (Meyana, 2018)	$CSR = \frac{V}{M}$	Ratio
ROA	Company performance as the overall success of the company in achieving the strategic goals that have been set through strategic choice initiatives. (Mulyadi 2015)	$ROA = \frac{Net\ Profit}{Total\ Asset}$	Ratio

Population and Sample

This study examines several mining companies listed on the Indonesia Stock Exchange in the 2016-2019 period. This study examines 47 companies with sampling techniques according to the criteria and research needs, namely companies listed on the Indonesia Stock Exchange in 2016-2019, then companies that report Corporate Social Responsibility in 2018-2019 and companies that experience profits in 2018 -2019. Through these criteria, a sample was 40 companies was found that met the criteria set out in this study.

Data source

Secondary data is data that is processed in this study, namely the annual report in which financial statements are available. This secondary data was obtained from the Indonesia Stock Exchange. This study uses the financial statements was 40 mining companies.

Data Analysis

This research used descriptive analysis technique, multicollinearity test, coefficient of determination test to determine the value of R2 and regression. Then the data was processed using Smart PLS to provide the required results. The test of hypothesis used by a statistical t test.

4.0 RESULTS AND DISCUSSION

The Descriptive of Statistical Analysis

The Environmental costs are all financial and non-financial sacrifices made by the company in order to maintain environmental stability. Environmental costs basically relate to the costs of products, processes, systems or facilities essential for better management decision making.

Table 2. Descriptive Statistics

Variable	N	Minimum	Maximum	Mean	Std.Deviation
BL	160	-0.02	40.92	0.34	3.24
KA	160	0.02	98.86	33.50	27.76
UP	160	10.95	18.48	15.57	1.522

Variable	N	Minimum	Maximum	Mean	Std.Deviation
CSR	160	0.11	0.80	0.49	0.14
ROA	160	-393.32	39.41	0.48	35.62

Source: Processed data

The table 2 above shows the results of descriptive statistics in research related to the characteristics of the variables in this study. The variables related to environmental costs have an average was 0.34 which is still relatively low. Then the foreign ownership variable has an average was 33.50, the cost variable of company size has an average was 15.57, the corporate social responsibility has an average value of 0.49 and the last variable is return on assets with an average value was 0.48. Thus the results of descriptive statistics prove that on average the financial condition of mining companies is still at the applicable standards or regulations.

The Multicollinearity

The test multicollinearity test was conducted to test whether the regression model found a correlation between the independent variables. A good regression model should not have a correlation between the independent variables. Testing whether or not the variable multicollinearity in the regression model can be seen by looking at the tolerance value and the VIF (Variance Inflation Factor) value. If the Variance Inflation Factor is not more than 10 and the tolerance is not less than 0.1, then it can be said to be free from Multicollinearity.

Table 3. Multicollinearity

Variable	Value Tolerance	Value VIF
Environmental Cost	0.978	1.023
Foreign Ownership	0.957	1.045
Company Size	0.987	1.013
Corporate Social Responsibility	0.971	1.030

Source: Processed data

The table 3 shows that based on the Multicollinearity test conducted on the environmental cost variables, foreign ownership, firm size and Corporate Social Responsibility shows that there is no independent variable that has a tolerance less than 0.10, which means that there is no correlation between independent variables whose value is more than 95%. The results of the calculation of the Variance Inflation Factor (VIF) value also show that there is no independent variable that has a VIF value of more than 10. So, it can be ascertained that there is no multicollinearity between the independent variables.

The Coefficient Determination

R2 value is a measure used to assess how well a model used can explain the dependent variable. The magnitude of the relationship between the variables of environmental costs, foreign ownership and firm size on Corporate Social Responsibility and between environmental costs, foreign ownership, firm size and Corporate Social Responsibility on ROA can be calculated the coefficient of determination. The coefficient of determination is useful for measuring how far the ability of the independent variable in the dependent variable is by looking at the size of the R Square.

Table 4. Coefficient of Determination

Variable	R-Square
CSR	0.104
ROA	0.850

Source: Processed data

Showing that the R2 value of the environmental costs, foreign ownership, and company size variables on CSR is 0.104 or equal to 10.4%, thus the ability of environmental variables, foreign ownership, and company size in explaining the variation in variable costs is 10.4%. While the residual value of 89.6% (100% - 10.4%) was explained by other people who were not involved in this study. However, testing the environmental costs, foreign ownership, company size and corporate social responsibility on ROA has an R2 value, thus this variable has the ability of 85.0% in explaining the variation of the variable, namely ROA. While the residual value is explained by other variables that are not included in this study.

The Path

Analysis the used of regression analysis to estimate causality relationships between variables (causal models) that have been previously determined based on theory (Ghozali, 2013).

Table 5. The Path of Analysis

Variables	Sample (O)	Sample Mean (M)	Standard Error (STERR)	T Statistics (|O/STERR|)	P Value	Conclusion
BL => ROA	0.009	-0.196	0.341	0.026	0.979	Not Significant
KA => ROA	0.913	0.542	0.562	1.623	0.105	Not Significant

Variables	Sample (O)	Sample Mean (M)	Standard Error (STERR)	T Statistics (|O/STERR|)	P Value	Conclusion
UP => ROA	-0.086	0.029	0.157	0.546	0.585	Not Significant
CSR => ROA	0.004	-0.011	0.143	0.026	0.980	Not Significant
BL => CSR => ROA	-0.000	0.002	0.039	0.012	0.991	Not Significant
KA => CSR = > ROA	0.001	-0.004	0.058	0.015	0.988	Not Significant
UP => CSR => ROA	-0.001	-0.001	0.028	0.018	0.985	Not Significant

Source: Processed data

Table 5 shows the results of hypothesis testing processed used by SmartPLS. SmartPLS was a variant-based SEM statistical method designed to solve multiple regression when specific data problems occur, such as small study sample sizes, missing data and multicollinearity. SEM was a multivariate statistical method that helps researchers to test theories and empirical research that is supported by data.

Based on the path analysis above, it could be seen that 1) the environmental cost variable has a t statistic of 0.026 while an alpha of 0.009 (t statistic alpha). Thus there is no influence between environmental costs on ROA. 2) The foreign ownership variable has a t statistic of 1.560 while an alpha of 0.0913 (t statistic > alpha). Thus, there is no influence between foreign ownership on ROA. 3) Firm size variable the company has a t statistic of 0.541 while an alpha of -0.086 (t statistic > alpha). From these data it can be said that Ho is rejected, Ha is accepted. Thus there is no influence between company size on ROA. 4) The csr variable has a t statistic of 0.023 while an alpha of 0.004 (t statistic > alpha). Thus there was no influence between company size on ROA. 5) The indirect relationship of environmental cost variable had a t statistic of 0.012 while an alpha of -0.000 (t statistic > alpha).

Thus there was no influence between environmental costs on ROA through CSR. 6) The indirect relationship of foreign ownership variable has a t statistic of 0.015 while an alpha of 0.001 (t statistic > alpha). Thus, there is no influence between foreign ownership on ROA through CSR. 7) Indirect relationship of firm size variable has a t statistic of 0.018 while an alpha of -0.001 (t statistic > alpha). Thus there is no influence between the size of the company on the road through CSR. Thus, the direct influence in this study, namely the environmental cost variable, foreign ownership, firm size has no effect on ROA. And for the indirect effect, namely the variable environmental costs, foreign ownership, firm size there was no effect and was not significant on ROA through the discussion.

The Effect of Environmental Costs on ROA

The first hypothesis test shows that there was no effect between environmental costs on company performance, so the first hypothesis in this study rejected. Environmental costs that are expected to be a long-term investment have not yet been proven in this study. This can be seen from the research results that there is no influence between environmental costs on company performance. This means that if environmental costs increase, it will reduce the company's financial performance. This can happen because the environmental costs incurred by the company are indicated as additional expenses by the company. Fitriani (2013) revealed that sometimes companies ignore the environmental costs incurred by the company, so the result is not visible in the company's annual financial statements.

If companies continue to ignore it, the impact on financial statements will worsen due to rising environmental costs. In addition, the environmental costs incurred by the company are usually also charged to the product price. This means that if the environmental costs are quite large, it is likely that the price of the products issued by the company will also increase. Of course the more expensive product prices will not be accepted and burden the community, until in the end there is a decrease in income. The environmental cost data found in this study are mostly in the low category. This possibility is what makes environmental costs unable to affect the company's performance in this study. Because the higher the environmental costs, the higher the company's costs and the potential to reduce profits, or may result in losses.

The results of the first hypothesis test are in line with research conducted by Evada Dewata et al (2018) and Meyana (2018) which did not find a relationship between environmental costs and company performance. However, the results of the first hypothesis test of this study also contradict the research of Sundari (2012) and Chiang (2015) which state that there is a positive influence between environmental costs and company performance. This study also contradicts the research of Sundari (2012) and Chiang (2015) which state that there is a positive influence between environmental costs and company performance.

The Effect of Foreign Ownership Variables on ROA

Testing the second hypothesis shows that there was no influence between foreign ownership on company performance so that the second hypothesis in this study is rejected. These results provide an understanding that the increase or decrease in the portion of foreign ownership in a company has no effect on increasing or decreasing the company's financial performance (in this case ROA). Companies owned by foreign investors are considered capable of pressuring companies to work better, begin to change strategies, bring new perspectives and ideas in improving company performance. The effect of foreign ownership is conditional depending on certain terms and conditions regarding how the purpose of their ownership is.

Foreign owners would had different degrees of influence and degrees of involvement depending on the presence of the foreign directors they recommend. Without proper representation on their part on the board of directors or commissioners, their role as external supervisors in the governance system will be limited. Foreign members of the board of directors or commissioners are assumed to represent the interests of foreign investors. The existence of foreign ownership and their position as a member of the board of directors or commissioners together will help the company by providing global expertise and providing independent oversight. The results of the second hypothesis test are in line with research conducted by Mollah et al (2012) and Handayani (2017) which did not find a relationship between foreign ownership and company performance. However, the results of the hypothesis testing of these two studies contradict the research of Prihandono (2010) and Khairina & Sudarno (2014) which stated that there was a positive influence between foreign ownership and firm performance.

The Effect of Firm Size Variables on ROA

Testing the third hypothesis shows that there is no influence between firm size on firm performance so that the third hypothesis in this study is rejected. This shows that the size of the company which is seen from the total assets of the company which is too large is considered a negative signal for investors or potential investors. A company size that is too large is considered to cause a lack of efficiency in monitoring operational activities and strategies by the management, so that it can reduce company performance. This condition is caused by differences in interests between shareholders and managers so that a conflict arises which is called an agency conflict or agency conflict (Jensen & Meckling).

The owner of the company has an interest in the progress of the company with policies that seek to improve the company's performance to maximize shareholder welfare. Meanwhile, the company's management aims to get the maximum profit for themselves in the form of bonuses and incentives for the results of running the company without considering the risk of loss. This conflict occurs because humans are basically economic creatures who have a basic nature to prioritize their own interests. The size of the company is not able to affect ROA can also be caused by investors who think that companies that have large total assets tend to set higher retained earnings than the dividends distributed to shareholders. Companies with assets and large companies that have loans as a source of funds do not always share profits with shareholders. The company does not always distribute dividends to shareholders but makes retained earnings to be used as capital again, this is related to the company's dividend policy. Companies that retain profits rather than dividing them as dividends can affect stock prices and firm value. The results of the third hypothesis test are in line with research conducted by Fitriani (2013) and Rifan (2015) which did not find a relationship between foreign ownership and company performance. However, the results of the hypothesis testing of these two studies contradict the research of Agrestya (2011) and Akbar (2013) which state that there is a positive influence between firm size and firm performance.

The Effect of CSR Variables on ROA

Testing the fourth hypothesis shows that there is no influence between corporate social responsibility on company performance so that the fourth hypothesis in this study is rejected. Corporate Social Responsibility is a form of company concern for the surrounding community, covering several aspects, namely economic, legal, ethical aspects as well as contributions to social issues (Unang, 2011). Many companies use CSR only as a marketing gimmick to carry out corporate green wash or a mere deception of the company's image. Several problems in the implementation of CSR in Indonesia in realizing the implementation of GCG "Good Corporate Governance" including the problem of company transparency in managing and providing social costs to the community. There are no rules that regulate in detail how to manage CSR. There are forms of irregularities that are carried out by companies in carrying out their CSR, when seen in natural disaster relief programs, many companies, especially electronic media, have opened aid accounts to collect funds from the community, but in providing assistance on behalf of the company, this is a form of fraud for Public. The results of the fourth hypothesis test are in line with research conducted by Fitriani (2013) and Camilia (2016) which did not find a relationship between Corporate Social Responsibility and company performance. However, the results of the fourth hypothesis test of this study contradict the research of Pujiasih (2013) and Rifan (2015) which state that there was a positive influence between firm size and firm performance.

The Effect of Environmental Cost Variables on ROA by CSR

Based on the results of hypothesis testing, environmental costs cannot have an indirect effect on company performance through Corporate Social Responsibility as an intermediary variable. The amount of environmental costs incurred does not guarantee the number of Corporate Social Responsibility activities carried out by the company, especially the environmental cost data in this study are mostly in the low category. The quality of Corporate Social Responsibility cannot be seen from the total environmental costs. Whereas Corporate Social Responsibility can be good news for stakeholders and will be responded positively by stakeholders who can provide benefits for the company, especially from a financial perspective. In the absence of a significant effect of environmental costs on Corporate Social Responsibility, this proves that the indirect effect of environmental costs on financial performance through Corporate Social Responsibility does not have a strong influence.

The results of the fifth hypothesis test are in line with Meyana's research (2018). However, contrary to research conducted by Tunggal & Fachrurrozie (2014) which states that there is a significant positive effect between environmental costs on financial performance mediated by Corporate Social Responsibility.

The Effect of Foreign Ownership on ROA by CSR

Based on the results of hypothesis testing, foreign ownership couldnot indirectly affect the company's performance through Corporate Social Responsibility as an intermediary variable. Based on these results, it is known that the direct effect has a greater value than the indirect effect. The position of Corporate Social Responsibility as an intervening variable for foreign ownership and company performance was not able to strengthen the influence between foreign ownership and company performance. The existence of foreign companies will affect the financial management of a company. In addition, foreign ownership will also affect the culture of the local nation, because they will apply the foreign culture to socialize with the local community, and in general the local community considers that foreign culture is better and more interesting than local culture, so that slowly local culture will displaced by a foreign culture. The results of the sixth hypothesis test are in line with the research of Sisshandy (2014). However, this contradicts the research conducted by Meyana (2018) which stated that there was an influence between foreign ownership on company performance mediated by Corporate Social Responsibility.

The Effect of Firm Size on ROA by CSR

Based on the results of hypothesis testing, foreign ownership couldnot indirectly affect the company's performance through Corporate Social Responsibility as an intermediary variable. Based on these results, it is known that the direct effect has the same value as the indirect effect. The position of Corporate Social Responsibility as an intervening variable or intermediary for company size and company performance was not able to strengthen the influence between company size and company performance. The results of this study provided an understanding that the size of a company does not guarantee the number of Corporate Social Responsibility activities carried out by the company. The rejection of the hypothesis in this study was not able to prove that the greater the number of assets (company size), the more CSR disclosures will be made by the company (Nur and Priantinah, 2012). The results of the seventh hypothesis test of line with Pranadithya's research (2018). However, this contradicts the research conducted by Meyana (2018) which states that there was an influence between foreign ownership on company performance mediated by Corporate Social Responsibility.

5.0 CONCLUSION

Based on the results of the analysis and discussion that had been explained, it shows that the direct influence in this study was the variable environmental costs, foreign ownership, company size has no effect on ROA. And for the indirect effect, namely the variable environmental costs, foreign ownership, company size has no effect and is not significant on ROA through CSR and the format in the Global Reporting Initiative with an annual report, resulting in different understandings and results of Corporate Social Responsibility between researchers.

Based on the conclusions that had been explained, suggestions that could be given to companies and further research are: 1) Data obtained through Corporate Social Responsibility (CSR) showed that there are still many companies that ignore the negative impact on the environment around the company, so that companies here are expected to improve management environment, this can be done by the company by focusing on prevention, thus the company not only improves the environment that has been polluted but also participates in maintaining and preserving it. 2) The government should stipulate regulations, which were stricter on the implementation of company activities related to environmental management, in this case the Ministry of the Environment, so that no more companies polluted the environment around their production sites. 3) For further research, it should also be necessary to use a wider scope of companies than mining companies, so that the conclusions from the research results could be generalized from various company sectors.

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