

ABSTRACT

Corporate Social Responsibility (CSR) is a widely adopted approach by companies in response to social, ethical, and policy pressures, aiming to mitigate their impact on society, the economy, and the environment. This research aims to examine the relationship between CSR and Economic Value Added (EVA), considering the moderating role of firm size. The research employs a purposive sampling method to select companies listed on the Indonesia Stock Exchange (IDX). Specifically, companies are chosen based on their disclosure of CSR Disclosure Scores during the observation period of 2016-2021. The selected companies must also be registered on the Bloomberg and Thomson Reuters databases and have complete CSR Disclosure Score information. Regression analysis, as well as mediation and moderation analysis using the Process Hayes method, are conducted using datasets from Eikon, Thomson Reuters Platform, and Bloomberg. The findings of the analysis reveal the following conclusions: (1) CSR has a significant impact on EVA; (2) The effect of CSR on EVA is moderated by firm size; (3) Firm size also moderates the relationship between CSR and profitability; (4) Profitability mediates the relationship between CSR and EVA. This study represents the first endeavor to investigate the influence of CSR on EVA and the mediating role of profitability in Indonesia. The results have important implications for academic literature, managers, and policymakers, offering valuable insights for further research and decision-making.

Keywords: *Corporate Social Responsibility, Economic Value Added, Firm Size, Profitability*

