ABSTRACT

Commercial banks are banks that carry out business activities by providing services. To ensure that banks are good and healthy financial institutions, investors need to know how well the banks manage their resources. So it is necessary to assess banking performance in generating profits. Profitability is a ratio that is often used by investors to measure the performance or health of a bank. The Return on Assets (ROA) ratio is one of the ratios used by internal management to measure the company's effectiveness in managing assets. The research method used is quantitative with a panel data regression approach to test the hypothesis. The type of data used is secondary data obtained from bank annual reports. The sample for this research consists of conventional commercial banks listed on the Indonesia Stock Exchange during the 2018-2023 period. It is hoped that this research can contribute to bank management in improving financial performance and provide insight to investors in making investment decisions. The research results show that green banking disclosure, operational efficiency (BOPO) and credit risk (NPL) have a negative and significant influence on ROA. These findings emphasize the importance of implementing green banking, efficient operational expense management and effective credit risk management in increasing bank profitability.

Keywords: Credit Risk, Green Banking Disclosure, Operational Efficiency, Profitability