

ABSTRACT

Jessica Callista (01220090107)

THE EFFECT OF ENVIRONMENTAL SUSTAINABILITY PROGRAMS TOWARD EARNINGS PER SHARE OF PT ASTRA INTERNATIONAL TBK, YEAR 2008-2011

(xv + 56 pages: 5 figures, 6 charts, 1 table; 4 appendices)

When human population was small, natural capacity to provide human needs appeared to be infinite. Now, the world is facing difficulties in handling human population, which is growing bigger and bigger with every single day. At some point, it is good to have a large population, but at another point, this could bring problems. One of the problems is a fact that natural sources are no longer infinite; it is now finite and scarce. Although natural sources are very large, they could not keep up with human population that have now exceeding them. Sources and sinks capacities have become limited due to mostly human economy needs of materials and energy from nature, in which human overused and overtook, and then returned back to environment sinks as waste and pollution. Waste and pollution brings bad effect to environment and its inhabitants, for example, species extinctions are happening fast, and they are accelerating every day. This is also happening to melting ice cubes in north and south poles.

Indonesia, a sprawling archipelago of around 17,000 islands and 238 million people, takes higher demand for needs, especially of transportations, which makes one of the biggest automotive companies, PT Astra International Tbk, to produce more automotive every year in order to fit the demand. Nevertheless, according to *the Straits Times 2011*, Indonesia having difficulties in carrying business as usual, mainly caused by environment (climate changes, natural diseases, and other damaged earth factors). This has encouraged PT Astra International Tbk to show responsibility to the environment through Environmental Sustainability Programs. Furthermore, the programs not only bring effect to the environment, but also to the company itself, especially profitability (Earnings per Share). This implication brings interest for Writer to analyze the effect of Environmental Sustainability Programs toward Earnings per Share of PT Astra International Tbk, from year 2008-2011.

Reference: 24 (2005-2011)

Keyword: *Corporate Social Responsibility, Environmental Sustainability Programs, Good Corporate Governance, Profitability, and Earnings per Share*