THE EFFECT OF CORPORATE SOCIAL RESPONSIBILITY AND PROFITABILITY ON THE STOCK PRICE OF THE METAL AND MINERAL SECTOR LISTED ON THE INDONESIAN STOCK EXCHANGE

PENGARUH *CORPORATE SOSIAL RESPONSIBILITY* DAN *PROFITABILITAS* TERHADAP HARGA SAHAM SEKTOR LOGAM DAN MINERAL YANG TERDAFTAR DI BELI

Ririn Safitri Nasution
UIN Syekh Ali Hasan Ahmad Addary Padangsidimpuan
Ririnsafitri2005@gmail.com

Delima Sari Lubis
UIN Syekh Ali Hasan Ahmad Addary Padangsidimpuan
delimasarilubis@uinsyahada.ac.id

Muhammad Arif
UIN Syekh Ali Hasan Ahmad Addary Padangsidimpuan
muhammadarif@uinsyahada.ac.id

Abstract

This research is based on the phenomenon of increasing disclosure indicators of Corporate Social Responsibility and profitability as key indicators of financial performance in the metals and minerals sector, which is inconsistent with the decline in stock prices of metals and minerals sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021-2024 period. This study aims to examine and determine the influence of Corporate Social Responsibility and profitability on stock prices of metals and minerals sector companies listed on the IDX. This research is a quantitative study with a descriptive approach, using secondary data in the form of annual reports of metals and minerals sector companies listed on the Indonesia Stock Exchange (IDX) for the 2021-2024 period. The population in this study was 34 companies in the metal and mineral sector. The sampling method used was purposive sampling with certain criteria which resulted in a sample from a population of 17 companies. The data analysis technique used was panel data regression analysis in hypothesis testing using Eviews 9 software when processing the research data. The results of this study indicate that in the variables in the equation table, the independent variable, namely Corporate Social Responsibility, is partially <0.05 and has a positive value, which means that the Corporate Social Responsibility variable has a significant effect on the dependent variable, stock price. Meanwhile, the results of the study on the profitability variable are partially >0.05, which means that the profitability variable does not have a significant positive effect on the dependent variable, stock price. Simultaneous testing showed that the calculated F value > F table for the Corporate Social Responsibility and profitability variables, indicating that the independent variables simultaneously influence the stock price of the metals and minerals sector.

Keyword : Corporate Social Responsibility, Profitability, Stock Price.

Abstrak

Penelitian ini di dasari oleh fenomena meningkatnya indikator pengungkapan Corporate Social Responsibility dan profitabilitas sebagai indikator utama kinerja keuangan pada sektor logam dan mineral yang tidak sejalan dengan penurunan harga saham sektor logam dan mineral yang terdaftar di BEI pada periode 2021-2024. Penelitian ini bertujuan untuk menguji dan mengetahui bagaimana pengaruh Corporate Social Responsibility, dan profitabilitas terhadap harga saham sektor logam dan mineral yang terdaftar di BEI. Penelitian ini merupakan penelitian kuantitatif dengan pendekatan deskriptif yang menggunakan data sekunder berupa annual report perusahaan sektor logam dan mineral yang terlisting di Bursa Efek Indonesia (BEI) tahun 2021-2024. Populasi pada penelitian ini ialah perusahaan sektor logam dan mineral sejumlah 34 perusahaan. Metode sampel yang digunakan ialah purposive sampling dengan kriteria tertentu yang menghasilkan sampel dari populasi sejumlah 17 perusahaan. Teknik analisis data yang digunakan ialah analisis regresi data panel dalam pengujian hipotesis dengan menggunakan software Eviews 9 saat mengolah data penelitian. Hasil penelitian ini menunjukkan bahwa pada tabel variables in the equation variabel independen yaitu Corporate Social Responsibility secara parsial < 0,05 dan bernilai positif yang berarti variable Corporate Social Responsibility berpengaruh secara signifikan terhadap variabel dependen harga saham. Sedangkan hasil penelitian pada variableprofitabilitas secara parsial > 0,05 yang berarti variabel profitabilitas tidak tidak berpengaruhpositif signifikan terhadap variabel dependen harga saham. Dalam pengujian simultan menunjukkan bahwa nilai Fhitung > Ftabel dari variabel Corporate Social Responsibility, dan profitabilitas yang berarti bahwa secara simultan variabel independen berpengaruh terhadap harga saham sektor logam dan mineral

Keywords: Corporate Social Responsibility, Profitabilitas,Harga Saham.

A. Introduction

The capital market plays a crucial role in supporting national economic growth by functioning as an intermediary between parties with surplus funds and those requiring capital. One of the most prominent instruments in the capital market is stock, which represents ownership in a company and reflects investors' expectations regarding corporate performance and future prospects. Stock prices serve as an important indicator of firm value and are widely used by investors as a basis for investment decision-making. Movements in stock prices are influenced by various factors, including internal company performance, external economic conditions, government policies, and global market dynamics (Yanti & Suwarno, 2023). Consequently, understanding the determinants of stock price movements is essential for investors, corporate management, and policymakers. Companies are therefore required to disclose relevant and reliable information through financial statements and annual reports to reduce information asymmetry between management and investors. In an increasingly complex business environment, investors no longer focus solely on short-term profits but also consider long-term sustainability and corporate responsibility. This shift highlights the importance of analyzing both financial and non-financial factors that influence stock prices in the modern capital market (Yasin dkk., 2024).

Stock prices reflect market perceptions of a company's overall performance, encompassing both financial and non-financial aspects. In theory, stock prices increase when a company demonstrates strong performance and promising growth prospects, while poor performance may lead to declining stock prices. In practice, stock price fluctuations often occur as investors respond to information released by companies or external parties (Prastyo dkk., 2021). Such information may include financial performance reports, earnings announcements, dividend policies, as well as social and environmental issues associated with corporate activities. This phenomenon indicates that stock prices are not determined solely by financial indicators but also by investor perceptions and expectations regarding corporate behavior and responsibility (Liow dkk., 2023). As a result, companies are encouraged to provide transparent, timely, and comprehensive disclosures to enhance investor confidence. In highly competitive capital markets, companies that maintain strong reputations and public trust tend to attract greater investor interest. Thus, stock prices emerge from a complex interaction of multiple factors that collectively shape market valuation (Antono dkk., 2022).

The metal and mineral sector is one of the most important sectors in the Indonesian capital market due to its significant contribution to national income, export earnings, and industrial development. Indonesia is endowed with abundant natural resources, making the metal and mineral sector highly attractive to investors, particularly commodities such as nickel, gold, copper, tin, and bauxite (Saputri & Listia, 2026)**.** In recent years, this sector has gained increasing attention due to its strategic role in infrastructure development and the global energy transition. However, the metal and mineral sector also faces substantial challenges, including volatility in global commodity prices, regulatory changes, and environmental and social risks inherent in mining activities (Imbang dkk., 2024). These challenges can affect corporate performance stability and ultimately influence stock price movements. Therefore, examining the factors that determine stock prices in the metal and mineral sector is essential for understanding capital market dynamics and investor behavior (Putri & Jelita, 2023).

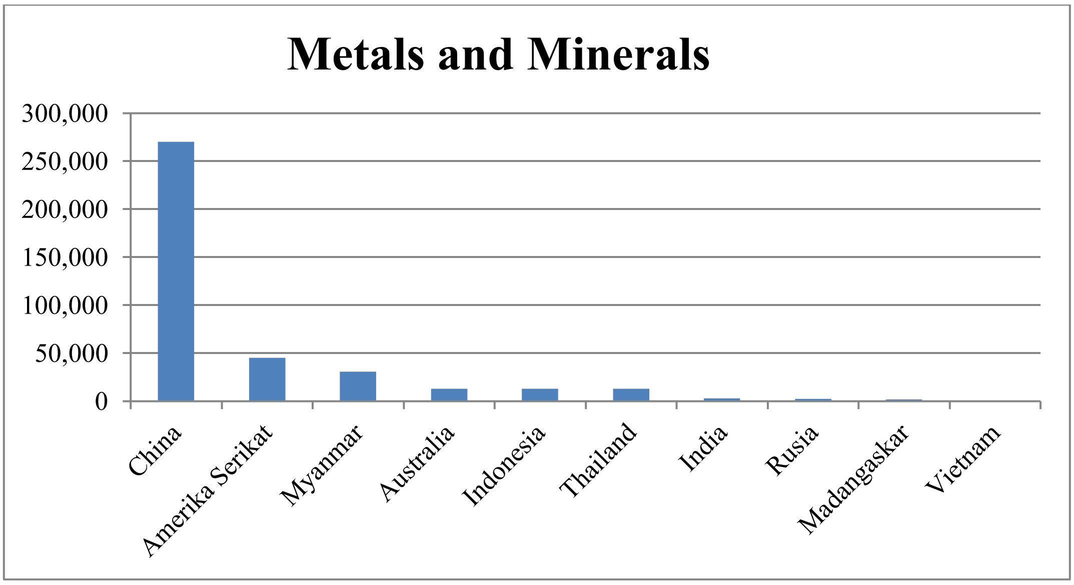

Figure 1.1 Metal and Mineral Producing Countries

Empirical evidence shows that stock prices of metal and mineral companies listed on the Indonesia Stock Exchange have experienced significant fluctuations during the 2021–2024 period. Several companies recorded declining stock prices despite improvements in certain financial performance indicators. This phenomenon raises important questions regarding the factors that shape investor responses to corporate performance in the metal and mineral sector. Stock price declines may be driven by weakened global demand, oversupply of commodities, and environmental controversies that generate negative market sentiment. These conditions suggest that strong financial performance alone may not be sufficient to elicit positive market reactions when other risk factors are present. Consequently, it becomes necessary to examine non-financial factors that may influence stock prices, particularly in sectors with high environmental and social impact.

Corporate Social Responsibility (CSR) has emerged as a key non-financial factor receiving increasing attention from investors and stakeholders. CSR refers to a company's commitment to managing the social and environmental impacts of its operations in a responsible and sustainable manner. For companies operating in natural resource–based industries, CSR is not merely a moral obligation but also a legal requirement under Indonesian regulations. Effective implementation of CSR is expected to strengthen relationships with local communities, preserve environmental sustainability, and ensure long-term business continuity. From an investor perspective, CSR disclosure serves as an important signal regarding a company's ethical standards, risk management practices, and commitment to sustainable development. As such, CSR has the potential to influence investor perceptions and, ultimately, stock prices.

Signaling theory provides a theoretical framework to explain how corporate disclosures influence investor decision-making. According to this theory, information released by management serves as a signal that helps investors assess a company's future prospects. CSR disclosure can be interpreted as a positive signal indicating that the company is managed responsibly and prioritizes long-term sustainability. Investors tend to value companies that demonstrate environmental and social accountability, especially in industries associated with significant environmental risks. Nevertheless, empirical findings regarding the impact of CSR on stock prices remain inconclusive. While some studies report a positive relationship, others find insignificant or mixed results. These inconsistencies suggest that the effect of CSR on stock prices may depend on sector-specific characteristics, market conditions, and investor preferences, highlighting the need for further empirical investigation.

In addition to CSR, profitability is a fundamental financial factor influencing stock prices. Profitability reflects a company's ability to generate earnings from its resources and operations. Investors commonly use profitability ratios to evaluate managerial efficiency and financial performance. Companies with high profitability are generally perceived as having strong growth potential, which may attract investor interest and drive stock price appreciation. However, empirical evidence indicates that increases in profitability do not always translate into higher stock prices. This discrepancy may occur when investors perceive that profits are unsustainable or accompanied by significant risks, such as environmental liabilities or regulatory uncertainty.

Return on Equity (ROE) is one of the most widely used profitability ratios in financial analysis. ROE measures a company's ability to generate net income relative to shareholders' equity, making it particularly relevant for investors concerned with returns on invested capital. In the metal and mineral sector, ROE tends to fluctuate due to changes in global commodity prices, production costs, and operational efficiency. These fluctuations can significantly influence investor perceptions of corporate performance. Nevertheless, a high ROE does not necessarily guarantee an increase in stock prices if investors prioritize other considerations, such as sustainability risks or market volatility.

The observed inconsistencies between stock price movements, CSR disclosure, and profitability in the metal and mineral sector indicate the presence of a research gap. Several companies demonstrate improved CSR performance and profitability, yet their stock prices continue to decline. This situation suggests that investors may weigh multiple factors simultaneously when making investment decisions. Therefore, empirical research examining the combined effects of CSR and profitability on stock prices is essential, particularly in high-risk sectors such as metal and mineral mining.

Previous empirical studies have produced mixed findings regarding the influence of CSR and profitability on stock prices. Some studies report a positive and significant impact of CSR on stock prices, while others find no significant relationship. Similar inconsistencies are observed in studies examining profitability and stock prices. These variations may result from differences in industry sectors, research periods, analytical methods, and sample characteristics. Consequently, further research focusing specifically on the metal and mineral sector is necessary to provide more robust and sector-specific empirical evidence.

From the perspective of Islamic accounting, companies are expected not only to pursue profitability but also to uphold principles of justice, accountability, and social welfare. CSR aligns closely with Islamic values that emphasize balance between economic objectives and social responsibility. Accordingly, CSR disclosure and profitability performance can serve as important indicators of a company's compliance with Islamic ethical principles. This perspective further underscores the relevance of examining CSR and profitability in relation to stock prices within the framework of sustainable and ethical business practices.

Based on the foregoing discussion, it can be concluded that stock prices in the metal and mineral sector are influenced by complex interactions between financial and non-financial factors. Corporate Social Responsibility and profitability represent two critical determinants that warrant empirical examination to better understand stock price behavior in this sector. Therefore, this study aims to analyze the effect of CSR and profitability on stock prices of metal and mineral companies listed on the Indonesia Stock Exchange. The findings are expected to contribute to the academic literature on accounting and finance, while also providing practical insights for investors, corporate managers, and policymakers in capital market decision making.

B. Theoretical Framework

Stock Price

Stock price represents the market value of a company's shares and reflects investors' collective assessment of the firm's performance, risk, and future prospects. According to financial theory, stock prices are determined by supply and demand mechanisms in the capital market, which are influenced by available information and investor expectations. Information released by companies, such as financial statements, annual reports, and sustainability reports, plays a critical role in shaping investor perceptions. Efficient Market Hypothesis suggests that stock prices incorporate all publicly available information; therefore, any new information related to company performance or risk will be immediately reflected in stock prices. In practice, stock prices are often affected by both firm-specific factors and broader macroeconomic conditions. For companies operating in high-risk industries such as mining, stock prices are particularly sensitive to environmental, regulatory, and social issues, in addition to financial performance. As a result, understanding the determinants of stock prices requires an integrated analysis of financial and non-financial variables.

Corporate Sosial Responsibility (CSR)

Corporate Social Responsibility refers to a company's commitment to conduct its business ethically while contributing to economic development, improving the quality of life of employees, local communities, and society at large. CSR encompasses various activities related to environmental protection, social welfare, labor practices, and community development. In the context of natural resource based industries, CSR is especially important due to the potential environmental degradation and social conflicts arising from mining operations. The legitimacy theory explains that companies engage in CSR activities to gain social acceptance and maintain legitimacy in the eyes of stakeholders. Meanwhile, stakeholder theory emphasizes that companies must address the interests of multiple stakeholders, not only shareholders, to ensure long-term sustainability. CSR disclosure in annual or sustainability reports provides stakeholders with information regarding the company's social and environmental performance, which may influence public trust and investor confidence.

Corporate Sosial Responsibility (CSR) and Stock Price

The relationship between CSR and stock price has been widely examined in prior studies, yet empirical findings remain mixed. Several studies report that CSR disclosure has a positive effect on stock prices, as investors tend to value companies that demonstrate ethical behavior and sustainability commitment. CSR activities can reduce non-financial risks, enhance corporate reputation, and strengthen stakeholder relationships, which in turn may increase firm value and stock prices. From a signaling perspective, CSR disclosure serves as a positive signal indicating sound management quality and long-term strategic orientation. However, other studies find that CSR has no significant impact on stock prices, suggesting that investors may prioritize short-term financial performance over social and environmental considerations. In emerging markets, limited investor awareness and inconsistent CSR reporting standards may weaken the relationship between CSR and stock prices. These inconsistent findings indicate that the impact of CSR on stock prices may vary across industries, time periods, and market conditiotions.

Profitability

Profitability reflects a company's ability to generate earnings from its operations and resources. It is commonly used as an indicator of financial performance and managerial efficiency. Profitability ratios provide valuable information to investors regarding a firm's capacity to generate returns and sustain growth. Companies with high profitability are generally perceived as financially healthy and capable of providing stable returns to shareholders. In capital market analysis, profitability is often considered a fundamental factor influencing investment decisions. However, profitability alone may not fully capture a company's risk profile, especially in industries exposed to environmental and regulatory risks. Therefore, profitability should be analyzed alongside other financial and non-financial indicators to obtain a comprehensive assessment of firm performance.

Return on Equity (ROE)

Return on Equity (ROE) is one of the most widely used profitability ratios, measuring a company's ability to generate net income from shareholders' equity. ROE is particularly relevant to investors because it directly reflects the return on invested capital (Septanta dkk., 2023). A higher ROE indicates more efficient use of equity and is generally associated with better financial performance. In the metal and mineral sector, ROE is influenced by factors such as commodity price fluctuations, production costs, operational efficiency, and capital structure. Although a high ROE is often interpreted as a positive signal, it may also result from high leverage, which increases financial risk. Consequently, investors may not always respond positively to high ROE if it is accompanied by elevated risk levels.

Numerous empirical studies have examined the relationship between profitability and stock prices, with many finding a positive association. Higher profitability tends to attract investor interest, leading to increased demand for shares and higher stock prices. Profitability signals a company's ability to generate future cash flows, which is a key determinant of firm value. However, some studies report insignificant or weak relationships between profitability and stock prices. This may occur when investors believe that current profits are not sustainable or when profitability improvements are overshadowed by external risks, such as regulatory changes or environmental issues. In high-risk sectors like mining, investors may discount profitability if they perceive substantial long-term uncertainties.

The interaction between CSR, profitability, and stock price suggests that both financial and non-financial factors jointly influence investor decision-making. CSR activities may enhance profitability by improving operational efficiency, strengthening stakeholder relationships, and reducing conflict-related costs. At the same time, profitable companies may have greater resources to invest in CSR initiatives and disclose them more extensively. Several studies argue that CSR and profitability complement each other in enhancing firm value and stock prices. However, the combined effect of CSR and profitability on stock prices remains underexplored, particularly in emerging markets and resource-intensive industries. This gap highlights the importance of examining CSR and profitability simultaneously to better understand their influence on stock prices.

Previous empirical research on CSR, profitability, and stock prices has produced diverse findings. Some studies conclude that CSR and profitability significantly affect stock prices, either individually or jointly. Other studies report that only profitability has a significant impact, while CSR does not. Differences in research results may stem from variations in measurement methods, sample characteristics, research periods, and institutional contexts. In Indonesia, empirical evidence focusing specifically on the metal and mineral sector remains limited. Given the sector's high environmental impact and strategic economic importance, further research is necessary to provide sector-specific insights and contribute to the existing literature (Pramono dkk., 2022).

Based on the review of prior studies, it is evident that there is no consensus regarding the impact of CSR and profitability on stock prices. In particular, limited research has simultaneously examined CSR and profitability within the metal and mineral sector in Indonesia. Furthermore, inconsistent empirical findings suggest the presence of contextual factors that may moderate the relationship between CSR, profitability, and stock prices. This research gap underscores the need for empirical investigation focusing on companies in the metal and mineral sector listed on the Indonesia Stock Exchange to provide more comprehensive and relevant evidence.

C. Research Methodology

This study employs a quantitative research approach with an explanatory research design. The purpose of explanatory research is to examine and explain the causal relationship between independent variables and the dependent variable. Specifically, this study analyzes the effect of Corporate Social Responsibility (CSR) and profitability on stock prices of metal and mineral companies listed on the Indonesia Stock Exchange (IDX). A quantitative approach is considered appropriate because the variables under investigation can be measured numerically and analyzed using statistical methods. The study utilizes secondary data obtained from published financial and annual reports, ensuring objectivity and replicability of the research findings (Murtinugraha dkk., 2025).

The population of this study consists of all metal and mineral companies listed on the Indonesia Stock Exchange during the observation period. The sampling technique used is purposive sampling, in which samples are selected based on specific criteria relevant to the research objectives. The criteria include: (1) metal and mineral companies consistently listed on the IDX during the research period, (2) companies that publish complete annual reports and financial statements, (3) companies that disclose CSR information in their annual or sustainability reports, and (4) companies with complete stock price data during the observation period. Based on these criteria, a total of selected companies constitute the research sample. The following are the names of technology sectors sampled in the study.

Tabel 1 List of Metal and Mineral Sectors Used as Samples

No	Company Code	Company Name
1	ANTM	PT Aneka Tambang Tbk
2	BRMS	PT Bumi Resources Minerals Tbk
3	MDKA	PT Merdeka Copper Gold Tbk
4	INCO	PT Vale Indonesia Tbk
5	CITA	PT Cita Investisido Tbk
6	PSAB	PT J Resources Asia Pasifik Tbk
7	NICL	PT PAM Mineral Tbk
8	ARCI	PT Archi Indonesia Tbk
9	TINS	PT Timah Tbk
10	CTBN	PT Citra Tubindo Tbk
11	DKFT	PT Cemtral Omega Resources Tbk
12	ISSP	PT Steel Pipe Industry Of Indonesia Tbk
13	IFSH	PT Ifishdeco Tbk
14	SQMI	PT Wilton Makmur Indonesia Tbk
15	INAI	PT Indal Aluminium Industry Tbk
16	GGRP	PT Gunung Raja Paksi Tbk
17	PURE	PT Trinitan Metals Tbk

This study uses secondary data obtained from publicly available sources. Financial data, CSR disclosure data, and stock price data are collected from annual reports, sustainability reports, and financial statements published by the sampled companies. Additional data are obtained from the official website of the Indonesia Stock Exchange and other credible financial information platforms. Secondary data are chosen because they provide reliable and standardized information suitable for quantitative analysis.

Data collection is conducted using a documentation method. The researcher collects and compiles financial statements, annual reports, sustainability reports, and stock price data from official and credible sources. The collected data are systematically organized to ensure completeness and accuracy before analysis.

The data analysis technique employed in this study includes descriptive statistics and inferential statistical analysis. Descriptive statistics are used to describe the characteristics of the data, such as minimum, maximum, mean, and standard deviation. Inferential analysis is conducted using multiple linear regression analysis to examine the effect of CSR and profitability on stock prices. Prior to regression analysis, classical assumption tests are performed, including normality, multicollinearity, heteroscedasticity, and autocorrelation tests, to ensure the validity of the regression model.

Hypothesis testing is conducted using the t-test to examine the partial effect of each independent variable on the dependent variable, and the F-test to examine the simultaneous effect of CSR and profitability on stock prices. The coefficient of determination (R^2) is used to measure the extent to which the independent variables explain variations in stock prices. Statistical significance is determined at a 5% significance level. The research period covers the fiscal years 2021–2024. This period is selected to capture recent trends in CSR disclosure, profitability, and stock price movements in the metal and mineral sector..

D. Result and Discussion

Result

The descriptive statistical analysis provides an overview of the characteristics of the variables examined in this study, namely stock price, Corporate Social Responsibility (CSR), and profitability measured by Return on Equity (ROE). The results indicate that stock prices of metal and mineral companies listed on the Indonesia Stock Exchange exhibit considerable variation during the observation period. This variation reflects differences in company size, operational performance, market perception, and exposure to external risks such as commodity price fluctuations and regulatory changes.

CSR disclosure levels among the sampled companies also vary, suggesting differing degrees of commitment to social and environmental responsibility. Some companies disclose CSR information extensively, particularly those with higher public visibility and larger operational scales, while others provide relatively limited disclosures. This finding indicates that CSR implementation and reporting practices are not uniform across companies within the metal and mineral sector.

Profitability, as measured by ROE, demonstrates fluctuations across companies and years. These fluctuations are influenced by changes in commodity prices, production efficiency, cost structures, and capital management strategies. The descriptive results suggest that although some companies are able to maintain high profitability, others experience declining performance due to external and internal challenges.

Prior to hypothesis testing, classical assumption tests were conducted to ensure the validity and reliability of the regression model. The normality test results indicate that the data are normally distributed, allowing for further parametric analysis. Multicollinearity testing shows that the independent variables do not exhibit high correlation with one another, indicating that CSR and profitability measure distinct aspects of company performance.

The heteroscedasticity test results reveal no significant heteroscedasticity issues, suggesting that the variance of the error terms is consistent across observations. Additionally, the autocorrelation test indicates that there is no serial correlation among residuals. Overall, these results confirm that the regression model meets the classical assumptions and is appropriate for hypothesis testing.

The regression analysis results indicate that Corporate Social Responsibility has a positive effect on stock price. This finding suggests that higher levels of CSR disclosure tend to be associated with higher stock prices among metal and mineral companies. The result supports the signaling theory, which posits that CSR disclosure serves as a positive signal to investors regarding a company's commitment to ethical practices, sustainability, and long-term value creation.

In industries with high environmental and social risks, such as metal and mineral mining, CSR activities play an important role in mitigating negative public perception and regulatory risks. Investors may perceive companies with strong CSR performance as more resilient and better managed, leading to increased investor confidence and demand for shares. This finding is consistent with previous studies that report a positive relationship between CSR disclosure and firm value. However, it should be noted that the strength of this relationship may vary depending on market conditions and investor awareness of sustainability issues.

The results of the regression analysis also show that profitability, measured by Return on Equity (ROE), has a positive effect on stock price. This finding indicates that companies with higher profitability tend to have higher stock prices, reflecting investor preference for firms that are able to generate higher returns on invested capital. Profitability serves as a key financial indicator that signals management efficiency and future earning potential.

Nevertheless, the results also suggest that profitability alone may not fully explain stock price movements in the metal and mineral sector. Although ROE is an important determinant of stock prices, its influence may be moderated by external factors such as commodity price volatility, environmental risks, and regulatory uncertainty. This finding supports the notion that investors consider both financial performance and risk factors when making investment decisions, particularly in high-risk industries.

The simultaneous testing results indicate that Corporate Social Responsibility and profitability jointly have a significant effect on stock prices. This finding implies that financial and non-financial factors collectively influence investor valuation of companies in the metal and mineral sector. CSR and profitability are not mutually exclusive; rather, they complement each other in shaping investor perceptions and market responses.

Companies with strong profitability are more likely to allocate resources to CSR activities, while effective CSR implementation may enhance operational efficiency and long-term profitability. This interaction strengthens firm value and increases investor confidence, leading to higher stock prices. The result highlights the importance of adopting an integrated business strategy that balances financial performance with social and environmental responsibility (Yudistira & Putra, 2025).

The findings of this study provide empirical support for theories emphasizing the importance of both financial and non-financial information in capital market decision-making. The positive influence of CSR on stock price supports legitimacy and signaling theories, which suggest that companies engage in CSR to gain stakeholder approval and signal long-term sustainability. The positive effect of profitability aligns with traditional financial theory, which views earnings performance as a primary driver of firm value (Gani dkk., 2024).

However, the results also underscore the complexity of stock price determination in the metal and mineral sector. Investors appear to evaluate companies holistically, considering not only profitability but also environmental and social performance. This suggests that companies operating in resource-intensive industries should not rely solely on financial performance to enhance firm value but must also demonstrate strong commitment to sustainable business practices (Yasin dkk., 2024).

The results of this study have several important implications. For corporate management, the findings emphasize the importance of improving both profitability and CSR disclosure to enhance firm value and investor confidence. For investors, the results highlight the need to consider sustainability performance alongside financial indicators when making investment decisions. For policymakers, the findings support the development of regulations that encourage transparency and sustainability reporting, particularly in environmentally sensitive sectors.

E. Conclusion

This study examines the effect of Corporate Social Responsibility (CSR) and profitability on stock prices of metal and mineral companies listed on the Indonesia Stock Exchange during the 2021–2024 period. The results of the SPSS analysis indicate that, partially, CSR has a positive and significant effect on stock prices, suggesting that higher CSR disclosure enhances investor confidence and firm value. Profitability, measured by Return on Equity (ROE), also shows a positive and significant effect on stock prices, confirming that investors favor companies with strong financial performance. Simultaneously, the F-test results demonstrate that CSR and profitability jointly have a significant influence on stock prices, indicating that financial and non-financial factors collectively shape investor valuation in the metal and mineral sector. Furthermore, the coefficient of determination reveals that CSR and profitability explain part of the variation in stock prices, while the remaining variation is influenced by other factors beyond this study. Overall, the findings emphasize the importance of integrating profitability and social responsibility to enhance firm value and sustainability.

References

Antono, Z. M., Jaharadak, A. A., & Khatibi, A. A. (2022). Analysis of factors affecting stock prices in mining sector: Evidence from Indonesia Stock Exchange. *Management Science Letters*, *9*(18), 1701–1710. https://doi.org/10.5267/j.msl.2019.5.018

Gani, R. A., Budiantoro, H., & Gunawan, A. (2024). Pengaruh Profitabilitas, Tipe Industri, Kepemilikan Saham Publik, dan Dewan Komisaris Independen terhadap Pengungkapan Corporate Social Responsibility serta Tinjauannya dari Sudut Pandang Islam. *Jurnal Global Ilmiah*, *1*(4).

Imbang, K. S., Karamoy, H., & Mawikere, L. M. (2024). The Effect of Corporate Sosial Responsibility on Profitability in Mining Companies Listed on The IDX in 2020-2023. *Accountability*, *13*(02).

Liow, F. E. R. I., Imam Hanafi, Loso Judijanto, Tanti Widia Nurdiani, & Musran Munizu. (2023). Analysis Of The Influence Of Financial, Environmental Performance And Corporate Governance On Performance Of Corporate Social Responsibility Of Energy And Mineral Companies Listed In Indonesian Stock Exchange. *JEMSI (Jurnal Ekonomi, Manajemen, Dan Akuntansi)*, *9*(6), 2621–2626.

https://doi.org/10.35870/jemsi.v9i6.1691

Murtinugraha, R. E., Saleh, R., Febriyanti, I., & Arifah, S. (2025). Pelatihan Metodologi Penelitian untuk Penyusunan Proposal Penelitian Pendidikan Bagi Guru SMA N 1 Muara Gembong Research Methodology Training for Preparing Educational Research Proposals for Teachersof SMAN 1 Muara Gembong. *Jurnal Mandala Pengabdian Masyarakat*, *4*(2).

Pramono, H., Fakhruddin, I., & Hapsari, I. (2022). Pengaruh Corporate Social Responsibility dan Kinerja Keuangan Terhadap Nilai Perusahaan. *Ratio : Reviu Akuntansi Kontemporer Indonesia*, *3*(2), 78. https://doi.org/10.30595/ratio.v3i2.13751

Prastyo, V. A. D., Riyadi, S., & Priyawan, S. (2021). The Effect of Inflation and Corporate Social Responsibility on Share Returns with Profitability as Intervening Variables in the Mining Sector: 2017-2019 Period. *International Journal of Applied Research in Management and Economics*, *4*(1), 13–29. https://doi.org/10.33422/ijarme.v4i1.472

Putri, R. A., & Jelita, A. P. (2023). An Analysis Of The Influence on Financial Ratios on Stock Prices of Energy and Mining Companies Listed on The Indonesia Stock Exchange. *Journal of Strategic Behavior Accounting*, *12*(09).

Saputri, N., & Listia, M. A. (2026). The Effect of Environmental Performance and CEO Gender on Carbon Emission Disclosure in the Basic Materials Sector Listed on the Indonesia Stock Exchange for the 2022—2024 Period. *Journal of Accounting and Auditing*, *2*(2), 205–215. https://doi.org/10.65440/jaa.v2i2.162

Septanta, R., Ramdani, C. S., Latif, A. S., & Lutfi, R. A. (2023). *Pengaruh Corporate Sosial Responsibility dan Financial Distress Terhadap Agresivitas Pajak*. *3*(1).

Yanti, R., & Suwarno, S. (2023). The Effect of Corporate Social Responsibility on The Financial Performance of Mining Companies Listed on The Indonesia Stock Exchange Period 2016-2020. *Journal Universitas Muhammadiyah Gresik Engineering, Social Science, and Health International Conference (UMGESHIC)*, *2*(1), 187. https://doi.org/10.30587/umgeshic.v2i1.5153

Yasin, St. F., Idris, H., & Rijal, A. (2024). Pengaruh Corporate Social Responsibility Terhadap Profitabilitas Perusahaan Sub Sektor Pertambangan Logam dan Mineral Lainnya yang Terdaftar di Bursa Efek Indonesia. *Future Academia : The Journal of*

Multidisciplinary Research on Scientific and Advanced, *3*(1), 1–15. https://doi.org/10.61579/future.v3i1.198

Yudistira, A., & Putra, H. A. (2025). Pengaruh Rasio Likuiditas, Rasio Profitabilitas, Inflasi dan Nilai Tukar Terhadap Harga Saham (Perusahaan Sektor Pertambangan yang Terdaftar di Bursa Efek Indonesia Tahun 2018-2023). *Nusantara Hasana Journal*, *5*(2).