The Effect of Corporate Social Responsibility (CSR) Disclosure and Company Characteristics on Stock Prices

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Abstract: Market participants determine the stock price based on demand and supply, with the closing price frequently representing the stock price. The company's disclosures can have an impact on the interests of investors. Consequently, the purpose of this study is to examine the effect of CSR disclosure and corporate characteristics on the stock prices of Indonesia Stock Exchange-listed mining companies between 2016 and 2020. The sample for this research was comprised of twelve mining companies selected using the technique of purposive sampling. In this research, multiple linear regression analysis was used for the analysis. According to this study, combining CSR disclosure with economic transparency and company scale has little effect on stock prices. The impact of CSR disclosure, environmental disclosure, and return on assets on stock prices is substantial and positive. Stock prices are influenced simultaneously by the outcomes, disclosure of Corporate Social Responsibility (CSR), and corporate characteristics.

Keywords: Stock Prices, CSR Economic, CSR Social, CSR Environment, ROA, Firm Size.
JEL Code: M14, O16.

1. INTRODUCTION

The expansion of the business world generates competition among companies for the most significant profit. An increase in market demand will encourage companies to produce in large quantities (Afiatin et al., 2020). The company requires additional capital for its operations. The capital market is an option for obtaining additional funds. On the capital market, the company will offer company ownership to the general public. In capital markets, an investor who wishes to invest must first examine the stock price of a company. This is necessary because the performance of an issuer is directly proportional to the share price movement of the issuer. If an issuer can succeed, its business activities will generate a greater profit. Under these conditions, related issuers tend to increase stock prices (Savitri & Priantinah, 2019). In addition, stock prices are influenced by the information disclosed by the company, which may include operational activities, financial performance, and social information disclosure. The mining industry is crucial to Indonesia's economic growth. As providers of energy resources for the domestic and international markets, mining enterprises are one of the government's top priorities. Thus, mining corporations have become a major contributor to the nation's economy. This mining company has excellent present and future profit prospects. This may encourage investors to put their money to work. The evolution of the share prices of several mining companies from 2016 to 2020 based on their respective annual reports:

According to the preceding data, the fluctuation of stock prices increased and decreased. Companies with the issuer IDs PTBA and ITMG, namely PT Bukit Asam Tbk in 2018 and PT Indo Tambangraya Megah Tbk in 2019, experienced a significant decline. However, based on these numbers, it is clear that each company experienced growth over the past year. According to the Central Bureau of Statistics, the Price to Book Value (PBV) ratio of mining corporations for the 2017-2020 quarter indicates a stable share price of $5,000. The third quarter of 2019 saw the highest Price to Book Value ratio, with a balance of 5,954. In 2020, however, the number decreased by 0.01% to 5.8361. Although there was no significant decrease, the return on assets was affected. In 2020, mining companies lost -0.719% of their value. This is due to the global COVID-19 pandemic, which has stifled economic growth.

Before deciding to invest, a capital market participant who functions as an investor will need to conduct a thorough analysis of the shares to be purchased. By conducting a fundamental analysis, the research can be accomplished. The study examines the company's financial performance and its capacity to contribute to environmental protection as a result of its economic activities and community responsibilities (Sulaiman & Punawan, 2017). The evaluation of a company's financial performance can disclose its qualities. The characteristics of a company can be deduced from its economic condition, which includes information on profitability, capital structure, and firm size, among others (Haryanto, 2014). CSR disclosure informs stakeholders about a corporation's social and environmental responsibilities (Krisnamurti & Adiwibowo, 2016). Corporate Social Responsibility (CSR) disclosure is mandated by multiple regulations. The CSR disclosure procedure is instituted in Indonesia by Law No. 40 of 2007. A corporation commonly known as a limited liability company (LLC) whose operations involve natural resources must uphold social and environmental responsibilities by the policy. However, the existence of this regulation

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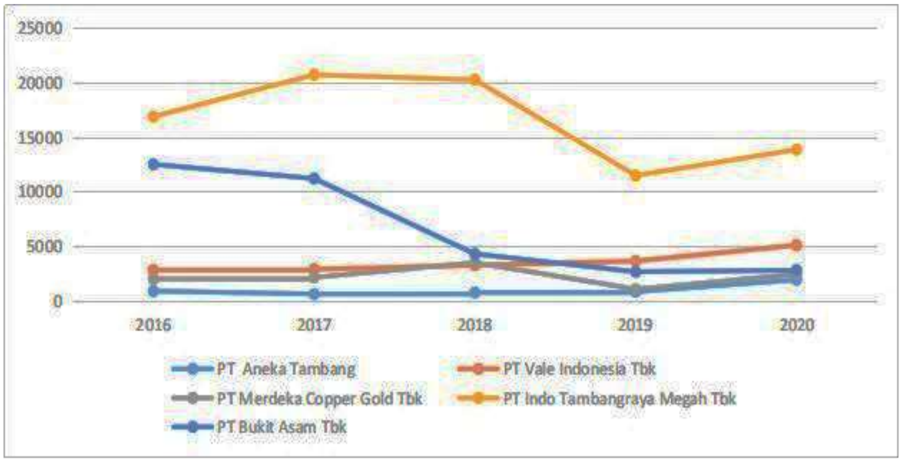

Fig. (1). Mining Closing Stock Price Developments 2016-2020.

Source: Secondary data processed (2022).

continues to generate controversy and criticism due to the voluntary nature of CSR information disclosure (Sjasmsi, Nurus, 2017). This is due to the existence of Statement of Financial Accounting Standards (in Indonesian PSAK) No. 1 concerning the presentation of financial statements in which it is not expressly stated that businesses must report their social responsibilities.

An institution, namely Klynveld Peat Marwick Goerdeler (KPMG), conducted a global survey in 2020 regarding the evolution of CSR disclosures made by multiple corporations. The survey was conducted on 5,200 of the most significant global corporations from 52 countries. Eighty percent of companies have disclosed CSR-related information in their sustainability reports, according to the survey. This is a 5% increase over the results of the 2017 study, which barely reached 75%. 84 percent of mining companies will provide CSR information in 2020, according to a KMPG survey. This number rose by 4% compared to its value in 2017, which was 80%. Through the disclosure of their social and environmental responsibilities, global corporations' performance is becoming more transparent, according to the survey's findings. These companies' actions are an effort to be competitive, particularly in terms of accessing capital from investors (KPMG, 2020).

Complete financial and social responsibility information disclosed by a company will have a positive effect on the company, including the satisfaction of its stakeholders with its performance. This can contribute to the prolonged existence of the company. Corporate Social Responsibility variables are utilized alongside economic, social, and environmental indicators as well as corporate characteristics such as Return On Assets and firm size to determine the factors that influence the stock prices of mining companies. Corporate Social Responsibility (CSR) is a business ethic in which a company's actions positively impact the social and environmental domains to benefit the economy (Prasetyo & Nani, 2021). This study employs economic, social, and ecological indicators to disclose Corporate Social Responsibility. With more broadly disseminated information from the company, the market will respond positively to rising stock prices (Laurensia, 2015). According to Safitri (2008), a company's characteristics can be evaluated from multiple perspectives, including liquidity, profitability, capital structure, and company scale. Researchers use the ratio of Return on Assets to firm size as a proxy for the firm's characteristics when dissecting factors that affect stock prices. Return on Assets is one of the metrics used to assess the profitability of investments based on assets. The increase in profits or profits earned by Return on Assets indicates investors' growing interest in purchasing shares, which causes stock prices to rise due to greater demand than supply (Riwoe & Setiawan, 2015). Depending on the total value of its assets, a company's size can be classified as either vast or small. The share price is higher the larger the company. This is because investors will be anxious to invest their money. Significant businesses ultimately experience an excellent reputation (Prengki Kurnia Minang, Rida Ristiyana, 2021).

Several previous studies investigating the relationship between stock prices and Corporate Social Responsibility (CSR) characteristics reached contradictory findings. Hamdani (2014) provides evidence that corporate social responsibility has a positive impact on stock prices. This statement consistent with the findings of (Sulaiman & Punawan, 2017 ; Sangur, 2020 ; Prasetyo & Nani, 2021). This analysis indicates that Corporate Social Responsibility (CSR) does not affect stock prices, contrary to the findings of the (Laurensia, 2015). These findings are consistent with those of (Utomo, 2019) and (Krisnamurti & Adiwibowo, 2016). Previous studies using Return on Assets and firm size as surrogates for company characteristics yielded contradictory stock price results. According to Putra & Budiasih (2017) demonstrate that Returns on Assets can favorably affect stock prices. This statement consistent with (Riwoe & Setiawan, 2015 ; Novasari, 2013). In contrast to the findings of the Laurensia (2015) which proves the effect of return on assets (ROA) on stock prices. Then Putra & Budiasih (2017) conducted a study with results demonstrating that stock prices are positively influenced by company characteristics as proxied by company size. Wehantouw et al. (2017), demonstrated there is no correlation between company size and stock price. Based on the identification of issues and inconsistencies in the findings of previous researchers, it becomes necessary to conduct empirical research on the factors that influence stock prices. This study was titled "The Influence of Corporate Social Responsibility (CSR) and Company Characteristics on Stock Prices in Mining Sector Companies Listed on the Indonesia Stock Exchange, 2016-2020" This study's objective, as stated in the title, is to investigate the impact of corporate social responsibility disclosure and company characteristics on the stock prices of mining industry companies listed on the Indonesia Stock Exchange between 2016 and 2020.

2. LITERATURE REVIEW

2.1. Signaling Theory

Michael Spencer (1973) is a figure who developed a signaling theory. The idea demonstrates that the transmitter of information, also known as the information's owner, sends a signal or signal in the form of communication that represents the organization's status and can deliver benefits to the recipient (investor). According to (Gumanti, 2009), the signal given by the company has. There are many forms or forms where the motion or movement can be captured directly by the recipient (investor) or must be studied in depth-first to know the signal or signal. Thus, the action or motion, in this instance, the offered information, can be considered an input or input process made by the corporation to investors through the provided information, which is anticipated to provide sufficient intensity to alter the signal recipient's evaluation (investor) because the corporation wishes to persuade investors that its performance is worthy of favorable assessment. Financial performance and social and environmental obligations can be indicators of a company's ethics. Companies are obligated to disclose this information, often provided in financial statements describing the company's financial performance and sustainability reports describing corporate social responsibility programs. Financial statements are disclosures of company data relating to the company's financial condition, ranging from the capital, total assets, and liabilities to profit and loss obtained by the company. The sustainability report shows social and environmental responsibility activities, also known as the company's CSR program. The company's information will aid investors in their decision-making. Additionally, investors can profit from the company's broader disclosure of information by obtaining a more comprehensive range of data. Under these circumstances, investors' faith in the company will improve, which can produce a positive signal (good news) in the form of upward stock price movements. A negative call from investors implies a decline in investor confidence and interest in the company. Thus the need for information can help investors in making a decision. Therefore, the signal from the company to investors is significant. It is necessary for businesses to be transparent, given that a good firm involves a desire to convey movement in the form of information transmitted through financial reports and sustainability reports. In addition, successful companies have a propensity for future achievement.

2.2. Disclosure of Corporate Social Responsibility (CSR) Effects Economic of Stock Market Values

Economic indicators in the GRI standards reveal the impact of an organization's economic actions on the economic situations of its stakeholders and the global economy (GRI, 2016). Corporate social responsibility with economic indicators based On GRI G4 consists of four components: (a) economic performance, (b) market presence, (c) indirect economic impact, and (d) procurement techniques. The more economic indicators a corporation discloses in its annual report, the better its financial performance (Prasetyo & Nani, 2021). This will undoubtedly attract investors to invest in companies with good economic performance, and the stock price in these companies will increase. Based on this description, the following hypothesis can be drawn:

H1: Corporate Social Responsibility (CSR) disclosure positively affects stock prices

2.3. Influence of Corporate Social Responsibility (CSR) Social Disclosure on Stock Prices

The form of corporate social responsibility based on GRI G4 social indicators includes four subcategories of disclosure, namely (a) employment practices and work comfort, (b) human rights, (c) society, and (d) product responsibility. The company runs a business that is in the midst of a social environment that has different interests and roles. Companies that pay close attention to social aspects then The company's social environment show the relationships between the company and the community are harmoniously connected. It is impossible to separate the establishment of a business from the existence of the community in the business sector. Therefore, the corporation must meet the types of rights the district should obtain, which helps the company do its activities optimally. It is anticipated that this will assist the organization by facilitating the attainment of its long-term objectives. In addition, the company has a positive reputation for attracting investors. So that the social performance of the corporation might enhance stock values. According to the study undertaken by (Putri & Musmini, 2013). So that the following hypothesis can be drawn:

H2: Stock prices benefit from the disclosure of Corporate Social Responsibility

2.4. Environmental Disclosure and Corporate Social Responsibility's (CSR) Impact on Stock Price

The form of corporate social responsiblity with environmental indicators based on GRI G4 consists of several aspect including (a) materials, (b) energy, (c) water, (d) emissions, (e) effluents and waste, (f) products and services, (g) biodiversity, (h) compliance, (i) transportation, (j) others, (k) supplier assessment of the environment, (l) environmental complaint process. In the sustainability report, GRI's environmental indicators focus on the impact of natural operational activities, including water, soil, and air (GRI, 2016). Companies that disclose environmental information will show that the company contributes to preserving the environment. Through this, the company can be viewed positively by its stakeholders. With a positive reputation, the corporation can enhance its stock price. This assertion is consistent with Rismayanti's research findings (2020). So that the following hypothesis can be drawn:

H3: Disclosure of Environmental Corporate Social Responsibility has a favorable effect. Stock market prices

2.5. Stock Price Effects of Return On Assets-Related Company Characteristics

The Return on Assets (ROA) ratio is frequently used by businesses to measure earnings (Darmadji & Fakhruddin, 2012). If a company's Return On Asset (ROA) ratio is high, its growth potential is excellent. Companies with sluggish growth indicate that they cannot utilize their assets to generate profits, which might result in losses. The more significant value of the ROA ratio suggests that the corporation can produce earnings from all of its assets. Consequently, the value of the share price may increase due to the company's profitability as demand for the share price has increased. This statement is based on research conducted by previous researchers, including (Putra & Budiasih, 2017), (Riwoe & Setiawan, 2015), and (Novasari, 2013). So that a hypothesis can be drawn as follows:

H4: Stock prices are positively influenced by characteristics of companies with Return on Assets (ROA)

2.6. The Impact of Company Size and Characteristics on Stock Prices

In a company, the overall value of assets can describe the company as large or small. The larger the company's size, it shows it has sufficient wealth and good performance. This can be a unique attraction for investors so that they want to invest in the company, and the demand for shares can increase due to the high number of purchases. In addition, the company can readily gain investor confidence. It can be stated that firm size has a beneficial effect on stock prices. Putra and Budiasih's findings also corroborate this. (2017), (Fiori et al., 2016) prove that firm size positively and significantly influences stock prices. So that through the hypothesis statement proposed by the researcher is as follows:

H5: Characteristics of companies with firm size have a positive effect on stock prices

Based on the explanation above, the theoretical framework of thought can be described as follows :

3. METHODOLOGY

3.1. Data and Samples

This study employed two variables: the independent variable and the dependent variable. Disclosure of Corporate Social Responsibility (CRS) is measured by economic, social, and environmental exposure. Business characteristics are measured by Return on Assets (ROA), with company size as the independent variable. As the dependent variable, this study utilized stock prices determined by the closing price.

This study's population comprises all 47 mining businesses registered on the Indonesia Stock Exchange (IDX) between 2016 and 2020. Purposive sampling is a technique for picking samples depending on the standards or criteria of a researcher. The model for this study was comprised of 12 companies selected following this approach. (a) Selection of Indonesia Stock Exchange-listed mining companies from 2016 to 2020. Between 2016 and 2020, periodically publish an annual report (annual report) (annual report). (b) From 2016 to 2020, IDX-listed mining companies release CSR data by GRI G4 guidelines. (c) The ratio of return on assets is positive.

3.2. Research Model

This study employs secondary data extracted from the company's annual report. The annual report can be seen on the websites of the Indonesia Stock Exchange and the corporation. Several linear regression analysis approaches were applied in this study. This technique is utilized because it can determine the relationship or impact of the investigated issue. In addition, the analysis is used to determine the direction and amount of a link or influence relevant to the problem under research. Before starting multiple linear regression analysis and hypothesis testing, the researcher tested the classical hypotheses in the early phases of data processing. This is performed to determine whether or not the used regression model is feasible. The researcher processes the data using the SPSS version 25 tool. In this investigation, the regression equation model is:

Stock Price = α + β 1 CSReconomic + β 2 CSRsocial + β 3 CSRenvironment + β 4 ROA + β 5 Size+ μ

All tables and figures must be centred and title should be on top. Number all tables and figures with Arabic numerals in the order in which the tables are first mentioned in text. Use font size 9 pt for contents in tables and figures and 8pt for notes and source. All illustrations (charts, figures and graphs) in the text will be printed in black and white coloured.

4. RESULTS AND DISCUSSION

4.1. Descriptive Statistical Analysis

Based on the table above, the total observational data or data sample (N) is 60. In this study, the average (mean) stock price for 2016-2020 is IDR 3,605.09 per share. The minimum share price value is IDR 50.00, obtained from PT Darma Henwa Tbk. While the maximum value of the stock price in this study is Rp. 20,700,000, which is obtained from PT Indo Tambangraya Megah Tbk. Disclosure of economic CSR has an average value of 0.5793 with a minimum value of 0.11.The minimum value is obtained from the revelation of the economic CSR of PT Indo Tambangraya Megah Tbk. While the maximum value of economic CSR obtained is 0.88. This value indicates the highest economic CSR disclosure in companies with issuer codes PTBA, DEWA, and ITMG. These companies are PT Bukit Asam Tbk, PT Darma Henwa Tbk, and PT Indo Tambangraya Tbk.

Moreover, the average social CSR disclosure value in this study is 0.4590. In addition, 0.14 is the minimum value for Social CSR in this study. These figures were collected from PT Harum Energy Tbk and PT Radiant Intrinsic. In this study, the maximum value of social CSR disclosure is 0.85. This value shows the value of the disclosure of economic CSR carried out by PT Bukit Asam Tbk. Environmental CSR disclosure has an average value of 0.4127. The lowest data from ecological CSR disclosure indicates the minimum value obtained at 0.05. This value is obtained from the disclosure of environmental CSR conducted by PT Radiant Interinsco Tbk. At the same time, the maximum value of envi-

Table 1. Descriptive Statistical Analysis Result.

	N	Minimum	Maximum	Mean	Std. Deviation
Stock Prices	60	50.00	20700.00	3605.0958	5588.46341
CSR Economic	60	.11	.88	.5793	.19412
CSR Social	60	.14	.85	.4590	.18050
CSR Environment	60	.05	.79	.4127	.18349
ROA	60	.02	60.53	14.3593	12.18002
Firm Size	60	13.96	24.19	18.9470	2.74885

Source: Secondary data processed.

Table 2. Determination Coefficient Test Model Summary.

		Model Summary		
Model	**R**	**R Square**	**Adjusted R Square**	**Std. The Error in the Estimate**
1	.768 a	.589	.551	1.06705

Predictors: (Constant), CSR economic, CSR social, CSR environment, ROA, firm size.
Source: Secondary data processed.

Table 3. F Statistical Test Result ANOVA*.

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	88.282	5	17.656	15.507	.000 [b]
	Residual	61.484	54	1.139		
	Total	149.766	59			
Dependent Variable: Stock Price (Y)						
Predictors: (Constant), CSR economic, CSR social, CSR environment, ROA, firm size						

Source: Secondary data processed.

ronmental CSR disclosure in this study is 0.79. This value shows the importance of ecological CSR disclosures by PT Adaro Energy Tbk.

Based on the table above, it can also be seen that the average value of Return on Assets (ROA) based on that is 14.3593. The drinking value obtained is 0.02, achieved by the issuer code ANTM or PT Aneka Tambang Tbk, while the maximum value is 60.53, which PT Bayan Resources Tbk reaches. Meanwhile, the firm size variable has an average value (mean) fit size in this study, which is 18.9470. The minimum firm size value is 13.96, attained by PT Indo Tambangraya Megah Tbk, while the maximum value is 24.19, achieved by PT Aneka Tambang Tbk. While the acquisition value of 2.74885 is a number from the standard deviation

4.2. Determination Coefficient Test Model Summary

Based on the table above, it can be seen that the score of 0.551 or 55.1% is the value of Adjusted R Square. (Halin et al., 2017) state that the regression model is good if R2 is more than 0.5 or 50%. From the coefficient of determination results, it can be noted that the regression model used is suitable. The independent variable data in this study indicate a statistically significant link or correlation with the dependent variable stock prices, it is obtained R2 of 55.1 %. 55.1% of the stock price is influenced by the CSR disclosure variables with economic, social, and environmental dimensions, ROA, and firm size which is the subject of this study. The remaining 44.9% is influenced by variables not included in the research model.

By paying attention to the table of simultaneous test results above, it can be seen that the acquisition value for its significance is 0.00. The value of the calculated F is 15.507, and the F table is 2.54. Thus it can be stated that the variable CSR disclosure and company characteristics influence stock prices simultaneously.

The table above explains the regression model used in this study. The formula for the resulting regression model equation is as follows:

Stock Prices = 7.670 – 1.347 CSR economic – 3.276 CSR social + 4.445 CSR lingkungan + 0.084 ROA – 0.069 Firm Size.

4.3. Discussion of Research Result

The results of testing the first hypothesis can be seen in table 4. In this case, the table derived from the t value is equivalent to 1.661. This number is less than the t-table value of 2.00488. The resulting significance value is, therefore 0.103 > 0.05. This indicates that the disclosure of CSR economics has little impact on stock prices. H1 is consequently rejected. Research conducted by (Krisnamurti & Adiwibowo, 2016) obtained results that align with this study. The research that has been carried out states that investors do not fully trust information regarding CSR disclosures with economic aspects carried out by company management. In other words, investors do not use this information as a basis for investment decisions. Investors pay more attention to information about accounting data or other factors in making investment decisions. Investors assume that partially disclosing social responsibility with economic aspects is insufficient to convey the company's ability to give benefits to investors. Signaling theory which states that the broader disclosure of CSR with economic aspects will encourage investors to buy company shares. However, this research produced a signal given by the sample of companies to investors regarding CSR disclosures with financial elements that have no effect or are less likely to be considered in investment decisions by investors.

The disparity between the outcomes of this study and the hypothesis is attributable to investors' lack of awareness of firms' CSR disclosures about economic factors. Investors' interest in additional information presented in the annual report may result in a depreciation deficit. The other information can be internal or external. The company's financial situation is an example of internal details. In contrast, state political conditions, government policies, and global economic conditions are external information affecting investors' perceptions of growing stock values (Putri, 2013). Low or lack of disclosure of CSR with financial aspects can weaken investors' desire to buy company shares. Like the data in this study, there is some information that the sample companies do not disclose. The economic CSR index includes aspects of market presence and procurement practices. Thus, it can be said that the wider the disclosure of CSR with financial elements, the clearer the information investors will obtain. Therefore, investors can give a positive signal to the company with an increase in stock prices.

The results of testing the second hypothesis can be seen in table 4. Through this table, the significance value is 0.002 < 0.05, and the t count is 3.260, which is greater than the t table, which is only 2.00488. The negative sign of the t-value obtained indicates the direction of the effect. In other words, CSR disclosure might negatively impact stock prices. Thus, we might conclude that H2 cannot be supported. The research undertaken by Fiori, Donato, and Izzo (2015) on the Italian Capital Market is consistent with the findings of this study. Fiori, Donato, and Izzo (2015) state that the broader CSR disclosure with social aspects is costlier for the company. As stated in Law No. 40 of 2007, the existence of regulations regarding companies requires every company to carry out its social activities. Not only that regulation supports companies to disclose their social responsibility, but there are special regulations for mining companies in carrying out their social responsibility activities. The rules are contained in Law No. 4 of 2009. Thus, the existence of these regulations is a guarantee for companies to carry out their social activities. Companies that violate these rules can receive sanctions such as revocation of operational licenses. Thus the company cannot avoid its social responsibility activities.

The disclosure of CSR social aspects by investors is considered to be able to describe the reduced profits that investors will obtain. This is because the costs incurred will be channeled to the activities of the surrounding community and employee welfare, as is the case with this research data, where the data obtained reveal more information with subcategories of labor practices and work comfort, and community subcategories. When a company discloses CSR with its social aspects, it is considered a negative signal by investors in making investment decisions. The decision is based on the short-term profits that investors will get later. Thus the negative signal causes the stock price to decline. According to the study's findings, there is a contradiction between the hypotheses. This may be related to the appreciation of investors for information regarding the disclosure of corporate social responsibility's numerous favorable and harmful societal elements so that the difference in appreciation can affect investors' perception in selling or buying shares of a company. The table displays the results of testing the third hypothesis. According to the table, the environmental CSR variable has a significance value of 0.000 0.05, and the t-count value of 4.635 is more significant than the t-table value of 2.00488. This indicates that environmental corporate social responsibility (CSR) disclosure positively affects stock prices. Thus, H3 is allowed.

The research conducted by Teja, Wahyuni, and Dewi (2018) is consistent with this study's findings. According to research by Teja, Wahyuni, and Dewi (2018), a good corporation can be determined by the minimal environmental damage it causes. The findings of this study indicate that sample companies' annual reports provide extensive CSR-related ecological information. Although the costs incurred in environmental CSR activities are pretty high, it shows the company's awareness of the environment for its operational activities. The company's contribution to ecological sustainability shows the company's commitment to sustainable economic development. This shows a good response from investors to the company's environmental performance because it is considered capable of increasing the company's financial activity, marked by rising stock prices. The signaling hypothesis utilized in this study also supports the findings of this investigation. Environmental CSR information disclosure might serve as a signal to investors. Consideration can be given to the utility of information about the disclosure of Corporate Social Responsibility (CSR) environmental issues when making investment decisions, particularly for profit-oriented long-term investors. The investor's evaluation is built on the notion that companies who disclose CSR- related environmental concerns understand the concept of future sustainability. Consequently, investors will send a good signal to the company by increasing the stock price.

The results of testing the fourth hypothesis from this study can be seen in the table. This table provides the value for the Return on Assets (ROA) variable if the value of the t count is larger than the t table, i.e., 7.172 > 2.00488, and the significance value is less than or equal to 0.05. This indicates that the qualities of companies with ROA might have a beneficial impact on stock prices. Thus, possible to conclude that H4 is acceptable. Research conducted by (Putra & Budiasih, 2017), (Riwoe & Setiawan, 2015), and (Novasari, 2013) is a study that shows results that are in line with this study. This analysis indicates that the stock price will increase proportionally to the ROA. The company's high ROA ratio suggests the company's excellent performance. This will attract investors' attention to the rate of return (return) they will get. In other words, the increase in the company's stock price is proportionate to its increased profitability.

The signaling theory supports the above statement. Investors can consider information about profitability disclosed by investors in making decisions. Investors give a positive response in the form of an increase in stock prices when the company experiences profits. The results of testing the fifth hypothesis can be seen in the table. The significance value for the firm size variable is 0.221 > 0.05, and the t-count value is 1.238 2.00488. These statistics suggest that the stock price is unaffected by the company's characteristics regarding its size (firm size). Consequently, it can be concluded that H5 is invalid. (Wehantouw et al., 2017) conducted research corresponding to this study's findings. This study demonstrates that firm size has little effect on stock prices. No relationship exists between a company's size and its capacity to deliver high returns for investors. The magnitude of a company's size, measured by its total assets, is insufficient to express its size. The more information investors know about a company's financial performance. According to the signaling theory utilized in this study, the more favorable their response will be and the greater the signal. The increase in stock prices prompted this reaction. The size of the company has no bearing on this investigation. This suggests that large companies are not necessarily capable of generating substantial profits, whereas small businesses can create significant returns for their investors. In this instance, company size does not influence the investment decision (firm size). The discrepancy between the results of this study and the hypothesis is attributable to the fact that the sample company's firm size has fluctuated without altering stock prices, as indicated by the study's data. In assessing whether a company's stock should be sold or purchased, there are additional factors, such as the role of investors as capital market participants. When making investment selections, as an investor, you can conduct both fundamental and technical research by examining the stock price chart.

5. CONCLUSION

The results are diverse based on data analysis and debates over the impact of Corporate Social Responsibility (CSR) disclosure and corporate characteristics on the stock prices of mining sector companies listed on the Indonesia Stock Exchange between 2016 and 2020. Only Corporate Social Responsibility (CSR) disclosure, environmental disclosure, and Return on Assets (ROA) positively affected stockprices. The combination of corporate social responsibility and social disclosure is damaging to stock prices. Combining CSR disclosure, economic transparency, and firm scale has a minor effect on stock prices. Due to the incapacity of this study to assess the subjectivity of Corporate Social Responsibility (CSR) disclosure, researchers likely overlooked some of the corporations' disclosures. In addition, this study examines the firm's characteristics based solely on Return on Assets and company size. Based on the findings of this study, several recommendations are made for mining firms to carry out their responsibilities in implementing CSR programs and disclose them in a comprehensive annual report corresponding to worldwide standards as established by the Global Reporting Initiative. Before investing, prospective long-term investors should evaluate the company's performance, including both financial and social responsibilities. For further research, examining a more significant company sector, for example, the manufacturing industry, is recommended. Through a more substantial company sector, it is expected that the number of samples obtained will be more. Thus the acquisition of the data obtained has a level of accuracy of the observed data can be even better. Not only that, further researchers can use CAR, LDR, ROE, inflation, and dividend policy as factors that influence stock prices, as well as research conducted by (Fordian et al., 2017), (Sihombing & Munthe, 2019), (Lie Sha, 2015), (Fiori et al., 2016), (Lita Kurniawati et al., 2015).

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