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Research Article

Impact Green Finance, Profitability, and Capital Structure on Company Value in Mining Sector Companies Listed on the IDX 2019-2023 Period

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Abstract: This study aims to evaluate the influence of Green Finance, Profitability, and Capital Structure on Firm Value in the mining sector listed on the Indonesia Stock Exchange (IDX) during the period 2019 to 2023. The research is motivated by the growing importance of sustainability and financial management strategies in enhancing corporate competitiveness in an increasingly globalized market. A quantitative approach was employed using multiple linear regression analysis, with 22 companies selected through purposive sampling. The findings indicate that, simultaneously, the three independent variables have a significant effect on firm value. Individually, Green Finance and Capital Structure have a positive and significant influence, while Profitability does not show a significant impact. Capital Structure is found to be the most dominant factor affecting firm value, followed by Green Finance. This suggests that companies with sound capital management and strong commitment to sustainability practices are more valued by the market. This research contributes to both theoretical and practical perspectives in financial management, particularly in understanding how financing strategies and sustainability efforts influence market valuation. The findings also recommend that mining companies strengthen their integration of ESG principles and enhance financial efficiency to support long-term value creation and competitiveness.

Keywords: Capital Structure; Firm Value; Green Finance; Profitability; Sustainability

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1. Introduction

In the era of globalization which is marked by growth economy and progress rapid technology, companies faced with challenges for still competitive. One of the methods for reaching success is to increase performance, innovation, for sustainability of company. Growth economy, which is one of the indicator successes of a country, supported by the real and financial sector, including production, consumption, and investment. Growth economy can very help with involving industry sector mining, as one of the strategies implemented for repair economy area and the country. This is strengthened with statement from Ministry of Energy and Mineral Resources website in November 2024 that the mineral and coal (minerba) sector made a significant contribution to Indonesia's gross domestic product (GDP) in 2023. Based on data from the Central Statistics Agency (BPS), the contribution of this sector reached IDR 2,198 trillion or 10.5 percent of Indonesia's total GDP of IDR 20,892 trillion and made the mining sector rank 4th out of 10 other sectors as the largest contributor to GDP in 2023 in Indonesia.

However, from the Legal Research Center (PRH) which is under the auspices of Scientific Research Organization Knowledge Social and Humanities (OR IPSH) at the National Research and Innovation Agency (BRIN) has carried out studies deep about sector mining. Discussion This aim for evaluate condition mining post ratification of the Omnibus Law and the latest Minerba law, so that can give outlook related situation mining in Indonesia today

this. Some things found regarding Law No. 3 of 2020 which revises Law No. 4 of 2009 concerning mineral and coal mining are lack of participation in public as well as centralization high power. There is also a risk of criminalization, as well as challenges in reclamation and rehabilitation land mine.

Quoted from the official UNAIR website (2024), it is stated that practice corruption in sector mining tin, especially related management trading commodities tin in the Mining Business Permit (IUP) area of PT Timah Tbk (TINS) during period 2015-2022, has caused impact Serious for ecosystem. Environmentalists from Institute Bogor Agricultural University (IPB) stated that loss consequence damage in Bangka Belitung (Babel) reached IDR 271 trillion, including losses that occur in and outside area forest. This fact also shows big potential loss for the country, whether related to legal mining and illegal. Handling and enforcement law in case this is also still very worrying, indicating that implementation or enforcement related laws with environment in sector mining seldom very implemented.

From the phenomenon mentioned, it is explained more carry on in news referred to in Detik Finance (2024) that Government obligatory all company mines that have Mining Business Permit (IUP) and Mining Business Permit Special (IUPK) for carry out management environment at the location mine after activity operational. Rules Already set in Regulation of the Minister of Energy and Mineral Resources Number 26 of 2018 concerning Implementation Rules Good Mining and Supervision of Mineral and Coal Mines.

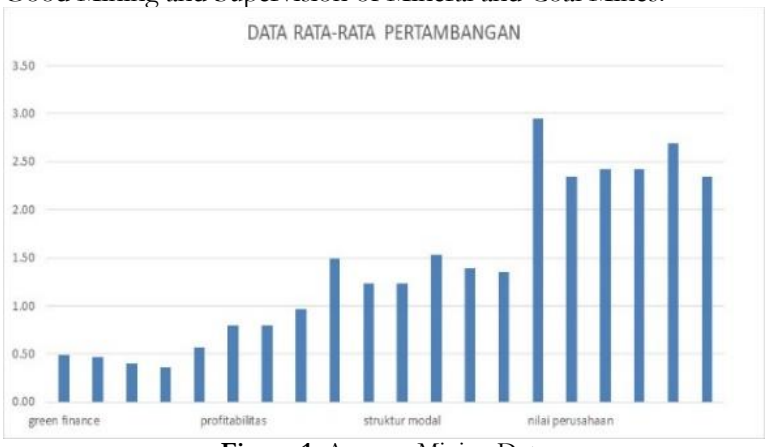

Figure 1. Average Mining Data

From the results mentioned, the average green finance looks the lowest among all variables, being below the number 0.5. This shows that the implementation of green finance in the mining sector is still minimal or not yet the main focus in the activities of mining companies. The average level of profitability is a little higher compared to green finance, however, it is still classified as low, approaching a number between 0.5 and 1. This means the ability to generate profit or financial efficiency of mining companies in producing profit is still limited.

The average value of the capital structure is in the range of 1.0 – 1.5, indicating that mining companies have a relatively stable funding structure, with a balance between debt and equity. This shows that management is more measurable compared to the aspects of green finance and profitability. While the average company value is the highest, approaching the number 3.0, which is far greater compared to other variables. This shows that although green finance and profitability are relatively low, the company value is still high, possibly influenced by other factors such as large assets, industry prospects, or market dominance.

To reach high company value, companies need to manage human and natural resources efficiently, including implementing relevant strategies aligned with global sustainable development. Corporate values are important elements in attracting investor attention and increasing shareholder welfare. Company value is often judged through its stock price, which reflects the market's perception of the company's management success (Rasyid, 2022). Maximizing investor wealth is the objective for every company, and improving the company's value is the key. Stock price is a description of a company's value. The Price-to-Book Value (PBV) is an indication of the company's value, so if the PBV value is high, it suggests that the company's evaluation has a good future (Harfani & Nurdiansyah, 2021). However, in the mining sector, there are specific challenges such as fluctuations in commodity prices and pressure from environmental regulations. Based on data from the Indonesia Stock Exchange (IDX), the Price-to-Book Value (PBV) in the mining sector showed a declining trend from 2019–2023, from 4.6 in 2019 to 2.0 in 2023. This decline reflects the challenges faced by the sector in maintaining company value amidst market dynamics and strict regulations. According to Larasati

(2023), Indonesia, as a country consisting of many islands, has abundant natural resources, including mining resources, making it an interesting country for investors to invest in.

According to Soleha (2024), green finance, as the implementation of Sustainable Development Goals (SDGs) in the business world, has become a main focus. Green finance covers capital allocation and investment with financial attention to environmental protection, climate change, and energy-friendly environments. The implementation of green finance can increase a company's reputation in the eyes of investors and create a balance between environmental sustainability and economic benefits.

Green finance can increase capital allocation for companies focused on environmental protection, which require large funds (Fang & Shao, 2022). However, support for environmentally friendly finance is very limited, whereas according to the regulation on "market incentives" for the environment, companies that produce pollution must pay high disposal costs for pollution and have large working capital (Li, 2023). Therefore, green finance is very noticeable as an aspect of the social environment, especially in the industry context. The goal is for the mining sector to be able to protect or even restore the surrounding environment. Investment levels in Indonesia are still minimal, even though the country is rich in renewable energy sources. This situation shows a difference between investments in the field and supportive financing policies for the environment. This research is crucial for analyzing the factors that cause the low level of investment in this sector. This study aims to investigate the extent of companies' understanding and awareness of green finance, which influences investment decisions and company value. Many companies in the mining industry may not yet fully understand the concepts and benefits of green finance, which could obstruct companies from effectively maximizing the use of green finance.

Other factors that influence company value are profitability, which reflects a company's ability to produce profit from the capital invested by shareholders. High profitability sends a positive signal to investors about the effectiveness and efficiency of the company's operations (Muslim & Junaidi, 2020). Profitability is related to a company's value because the greater the profit earned from its assets, the more interested shareholders or investors will be due to the company's prospects of generating high profits, leading to higher returns. This situation increases demand for shares, which results in price increases that reflect the company's high value (Yanti & Abundanti, 2019).

Capital structure, which is the comparison between long-term debt and equity, also plays an important role in determining company value. The optimal capital structure can increase company value through effective risk management and the optimization of capital costs (Sari, 2024). The size of the capital structure can be measured using the Debt-to-Equity Ratio (DER).

2. Literature Review

Study previously shows mixed results related influence green finance, profitability, capital structure, towards mark company. For example, Soleha (2024) find influence positive significant Green finance to mark company, whereas Ningsi (2024) report unintended influence significant. Meanwhile, the profitability variable according to Ali et al. (2021), shows the results that profitability has a positive effect on firm value, while according to Imnana et al. (2023) states that profitability has a negative effect on firm value. Capital structure according to Gusmiarni & Delviana Manalu (2023), states that capital structure has a negative effect on firm value, in contrast to Dhinata & Krisnando (2020), who shows the results that capital structure has a positive effect on firm value.

Next, the difference in research that will be conducted by researchers focuses on the variables studied. Research previously only covers two variables, while study This will explore three variables independent and one variable dependent. Research This driven by several reasons, among others is Because Not yet There is study previously reviewed connection between green finance, profitability, capital structure against mark company in sector mining companies listed on the Indonesia Stock Exchange in the period 2019 to 2023. In addition, there are different results in research previously related to green finance, profitability, capital structure, and value company. Furthermore, the goal of studying is to confirm connection between green finance, profitability, capital structure, and value company. The results is expected results from study This can give recommendations for companies in the mining sector for increase mark company they.

Based on background behind those challenges This show complexities faced by the industry mining in Indonesia. Formulation problems that can be taken from study This is How

influence green finance, profitability, and capital structure against mark company in the company sector mining companies listed on the IDX for the 2019-2023 period. And the objective of study. This is to deepen outlook about relatedness influence between green finance, profitability, and capital structure, towards marking company, as well as give recommendation for advance investment in the sector this. With identification and study problems this, it is hoped that study can contribute to development a more effective approach to support as well as give recommendation for company sector mining in increase mark company.

Company Values

Company Values are How performance company reflected in price shares are determined by the demand and supply of capital markets, which reflect evaluation public to performance company (Kolamban et al., 2020). Company value is certain that have been achieved by a company as description from trust public to company after through an activity process during several years, namely start from company the established until with moment this. Company values in study This measured using Price to Book Value (PBV). PBV is obtained with method share price shares that are on the market with mark book from every share.

Formula: $\text{PBV} = \frac{\text{Harga Pasar per Saham}}{\text{Nilai Buku per Saham}}$

Main purpose of the company for explain condition company moment. This to party outside companies such as (shareholders, society public, and potential investors) through indicator price shares. Important for companies. For notice mark company because investors tend to more be interested in performance good company. High stock price show mark high company, so that Investor profits are also large (Harfani & Nurdiansyah, 2021). Indicators mark companies among them covering notes finance, market conditions, experience management, and assets company.

Green Finance

According to Sari (2024), Green finance is the process of allocating funds or investment financial attention protection environment, change climate, energy friendly environment, and responsible management answer in various sector. GRI is organization pioneer who developed framework reporting sustainable framework. For standard special consists of from three categories namely economic, environmental, social, sustainable investment is method investing that not only notice financial aspects, but also consider factors in environmental, social, and governance well-known company with ESG, for creating mark term long. ESG initiatives refer to strategies, policies, or actions taken by the company for repair performance in aspect environmental, social, and management. ESG functions as framework Work main environmental, social, management. For evaluate effects and sustainability from company (Damayanti, 2025) .

The purpose of Green Finance is to increase growth in economy while reducing negative impact on the environment, such as air, gas emissions, waste, and increase efficiency in using source power and energy. For increase profitability and reduce damage environment. Financing green (Green Finance) can increase support to public companies, which shows that company the obedient to applicable standards and regulations. With Thus, financing green (Green Finance) can increase mark company (Alfikri et al., 2024) .

Green Finance Index Formula

$$GFI\ norm = \frac{Nilai\ GFI - GFI_{min}}{GFI_{max} - GFI_{min}}$$

Profitability

According to Saka & Ekawanti (2024), profitability ratios are used to assess a company's profit-generating capacity relative to sales, assets, and equity. Profitability ratios provide companies with insight into the overall effectiveness of management. This level of effectiveness is reflected in the profit figures the company earns from sales or investments. The higher a company's profitability ratio, the greater its ability to generate profits.

Profitability Objectives are used to see how effectively A company produces profit. The taller ratio this, increasingly taller the resulting return, so that the better performance company. Indicators profitability used can in the form of Profit Margin, Return on Equity, Return on Assets (Yusuf et al., 2022).

ROA formula:

$$\text{ROA} = \frac{\text{Total Aset}}{\text{Laba Bersih}} \times 100\%$$

Capital Structure

Capital structure is comparison between debt term long and equity in the company. Good capital structure is capital structure that can increase mark company or price shares.

Therefore that, the company with good capital structure capable increase mark company (Gusmiarni & Manalu, 2023).

In a way in general, the capital structure is comparison or composition between foreign capital (debt) and own capital (equity) used company used for finance operations and investments. The purpose of capital structure is the right way to use debt and capital. Important For inspect capital structure, because good capital structure increase trust investors (Isnanto, 2023).

Indicator company capital structure that is funding remains structured by debt term long, stock preferences, as well as owner's capital share (Rachmawati et al., 2023) .

Formula: DER=Total Equity / Total Liabilities

Green Finance on Company Value

Implementation finance Green Finance allows company to increase profit without damaging environment. Compliance company to norm social and environmental can also increase confession public (Tanasya & Handayani, 2020). Companies that adopt principal finance friendly environment generally assessed more responsible answers in a way social and ecological, so that more attractive in the eyes of investors. However, it is necessary to examine that expansion implementation Green Finance can impact negative to mark company if cost incurred too big and not comparable with improvement performance finance. Therefore, effective implementation of Green Finance very depends on ability in balance objective sustainability and profitability.

Influence Profitability on Company Value

Profitability has a positive connection with mark company. The taller level profitability, the higher value company. Profitability is usually measured through indicators such as Return on Assets (ROA) and Return on Equity (ROE), which reflect efficiency of the company in producing profit. Ability company in producing profit show success management in reach objective company. Information related profitability also becomes reference for investors and creditors in evaluating performance of companies and predict prospects financial support in the future. In addition, supporting public to initiative environment can increase productivity and profitability, which ultimately contributes to improvement mark company (Alfikri et al., 2024).

Influence Capital Structure on Company Value

Optimal capital structure, such as balanced debt ratio, can increase mark company. The designed capital structure with good show that company have a mature funding strategy, which provides signal positive to investors. This increases market confidence and potentially increases valuation company. On the other hand, companies with overly capitalized structure depend on debt facing risk more finances big, especially when face instability price commodities like goods mine. Uncertainty This can lower investor confidence, which ultimately influential negative to mark company.

Development Hypothesis

Company values are investors' perceptions of level success connected with companies with price shares. The price of a high stock will make mark company tall as well as will increase market confidence not only from performance company but also towards future prospects company. In doing study This writer analyzes influence green finance, profitability, capital structure, towards mark company.

H1: Green Finance has a significant positive effect on company value.

Based on the Stakeholder Theory of Green Finance allows company fulfil stakeholder expectations growing interests demand not quite enough answer environmental and social, so that strengthen image positive companies in the market. Green finance No only give benefit environment but also improve reputation company, reducing risk operational, and attracting sustainability - oriented investors (Ningsi, 2024). Fitriani (2024) and Damayanti (2024) support view. This shows that green finance impacts no significant to mark company through improvement market confidence and transparency operational.

H2: Profitability has a significant positive effect on company value

Polii & Herawaty (2020) do study to Property, Real Estate, and Construction companies listed on the IDX in 2016-2018 concluded that profitability owns significant influence to mark company. According to results study Ramadhani et al. (2018) that there is positive influence significant between variables profitability to mark company. The bigger profitability company, so the more interesting investor interest in implant shares in the company said, with investors' hopes of making profit so mark company the will the bigger

H3: Capital structure has a significant effect on company value

According to Alwan & Risman (2023) , capital structure significantly influences the relationship between variables in creating firm value. A well-managed capital structure can send a positive signal to the market regarding a company's financial stability. Sari et al. (2024) also think that Capital structure has an effect to mark company, meaning the taller/mark company capital structure, then risks acquired company in ensure debt term the length is also increasing high and resulting in decline mark company.

Framework Conceptual

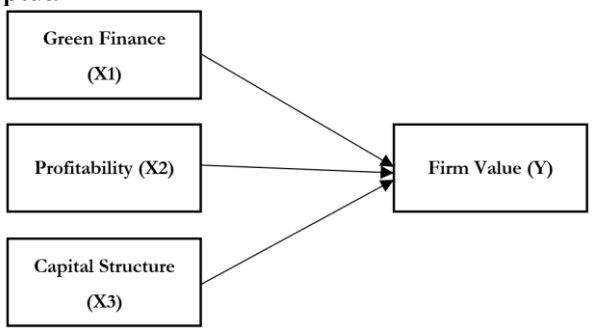

Figure 2. Framework

3. Research Method

This study uses quantitative research. This study aims to measure the influence of independent variables (green finance, profitability, capital structure) on the dependent variable (firm value) in mining sector companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2023 period. The data source for this study is secondary data in the form of annual reports of mining companies listed on the IDX for 2019-2023. The data was taken from the official website https://www.idx.co.id/id . The independent variables consist of green finance, profitability, capital structure, while the dependent variable is firm value measured using Price to Book Value (PBV).

The analysis was carried out using multiple linear regression, an analysis technique used to determine how much influence more than one independent variable has on the dependent variable.

Data collection and technique

This study method utilizes documentation in data collection. Documentation method is method for recording and saving incidents historically through various types of media such as pictures, photos, and written notes (reports). Researchers take report finance from various companies operating in the industry mining companies listed on the Indonesia Stock Exchange (IDX) in period 2019 - 2023.

Data analysis methods refer to the approach used to assess the data that has been obtained. Data formatting is the process of arranging information such appearance to be easier read, understood, and interpreted. The tools used in this study include the SPSS 25 statistics program.

Sampling Techniques

Sampling was conducted using the purposive sampling method, with the following specified criteria: first, mining companies listed on the Indonesia Stock Exchange (IDX) from 2019 to 2023; second, banking companies registered consecutively during the same period; and third, mining companies that implemented Green Finance between 2019 and 2023. Based on these criteria, a sample of 22 companies was selected from a population of 71 companies. This sampling process was carried out carefully to ensure that the sample accurately reflects the actual conditions of the population.

Data Analysis Techniques

The analysis technique used was multiple linear regression, an analysis technique used to determine the extent of influence of more than one independent variable on the dependent variable. However, this technique will focus on partial analysis techniques.

4. Results and Discussion

Normality Test

Normality test in this study using the Kolmogorov-Smirnov test. The results of the data analysis show results following:

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		110
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.08879172
Most Extreme Differences	Absolute	.040
	Positive	.040
	Negative	-.036
Test Statistic		.040
Asymp. Sig. (2-tailed)		.200[c,d]

a. Test distribution is Normal.

b. Calculated from data.

c. Lilliefors Significance Correction.

d. This is a lower bound of the true significance.

Figure 3. Kolmogorov-Smirnov Test
Source: IBM SPSS 25

Based on the results of the normality test displayed in the figure, it is known that the number of data (N) is 110 observations. The Asymp. Sig. value (2-tailed) is 0.200, which indicates a probability value (p-value) greater than the general significance limit of 0.05.

Furthermore, the mean residual value of 0.0000000 indicates that the residual values are statistically evenly distributed around zero, supporting a symmetric distribution. The standard deviation of the residuals is 0.08879, which is relatively small, indicating that the residuals are not significantly deviated from the meaning. The extreme differences (most extreme differences), both absolute and positive, are also quite low (only around 0.040 each), supporting the conclusion that the data does not deviate significantly from a normal distribution.

Thus, it can be concluded that this regression model has met the assumption of residual normality. This is very important because residual normality is a primary requirement in classical linear regression analysis to ensure the validity of statistical test results, such as the t-test and F-test. Fulfilled residual normality strengthens the model's reliability in explaining the relationship between the independent variables (green finance, profitability, and capital structure) and the dependent variable (firm value).

Multicollinearity Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.014	.038		.382	.703		
	GREEN FINANCE	1.291	.032	.428	39.871	.000	.998	1.002
	PROFITABILITAS	.057	.018	.034	3.170	.002	.976	1.025
	STRUKTUR MODAL	.990	.012	.906	83.335	.000	.975	1.026

a. Dependent Variable: NILAI PERUSAHAAN

Figure 4. Multicollinearity Test
Source: IBM SPSS 25

Based on the results of the multicollinearity test in the figure above, all independent variable, namely Green Finance, Profitability, and Capital Structure, show existence symptom multicollinearity. This proven with Tolerance value that is above threshold minimum limit of 0.10, which is 0.998 for each Green Finance, 0.976 for Profitability, and 0.975 for Capital Structure. Figures This signify that each variable has low relationship with variables independent other in the model.

In addition, the Variance Inflation Factor (VIF) value for third variables is also classified very low and far from limit tolerance maximum 10, namely of 1.002 (Green Finance), 1.025 (Profitability), and 1.026 (Capital Structure). Low VIF values This strengthens findings that No there is high linear correlation between variables free. With this, it can conclude that the

regression model is used free from problem multicollinearity, so that results analysis can interpreted with more accurate and convincing.

Heteroskedasticity Test

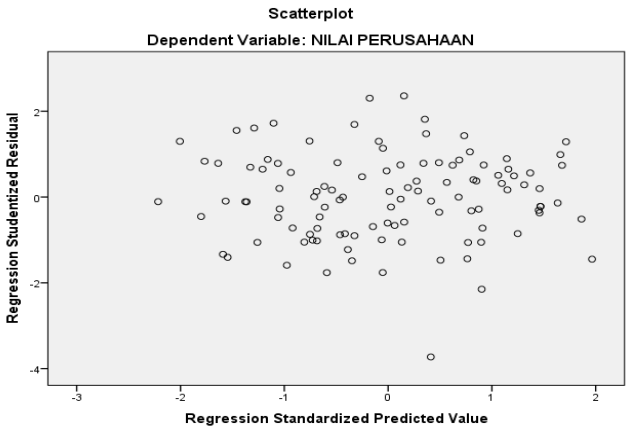

Figure 5. Heteroskedasticity Test
Source: IBM SPSS 25

Based on scatterplot graph above, which shows connection between standardized residual value with mark prediction standardized, can concluded that distribution visible data points spread in a way random around the zero horizontal line and not form pattern certain like tapered or spread width. This indicates that the regression model fulfils assumptions homoscedasticity, namely residual variance is constant throughout mark predictions. With so, no symptom heteroscedasticity in the model satisfies one assumption classic linear regression and results estimate can trusted For analysis and retrieval decision.

Autocorrelation Test

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.994[a]	.988	.987	.09004	2.283

a. Predictors: (Constant), STRUKTUR MODAL, GREEN FINANCE, PROFITABILITAS

b. Dependent Variable: NILAI PERUSAHAAN

Figure 6. Autocorrelation test
Source: IBM SPSS 25

Based on the Model Summary output above, it obtained mark coefficient determination (R Square) of 0.988, which shows that 98 % variation in mark company can be explained by variables Green Finance, Profitability, and Capital Structure. The Adjusted R Square value of 0.987 strengthens results and shows a very model Good in explain connection between variables independent and dependent. While that, value standard error of estimate of 0.09004 indicates that deviation between mark actual and value prediction in relative model small. The Durbin-Watson value of 2.283 is also in reasonable range (1.5–2.5), which indicates No existence autocorrelation in the residuals. With fulfillment assumptions this, then the regression model used can it is said Enough good and results the resulting estimate can also be trusted for used in taking decision or withdrawal conclusion study.

Multiple Linear Regression

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.014	.038		.382	.703		
	GREEN FINANCE	1.291	.032	.428	39.871	.000	.998	1.002
	PROFITABILITAS	.057	.018	.034	3.170	.002	.976	1.025
	STRUKTUR MODAL	.990	.012	.906	83.335	.000	.975	1.026

a. Dependent Variable: NILAI PERUSAHAAN

Figure 7. Multiple Linear Regression

Source: IBM SPSS 25

Based on the results of multiple linear regression analysis, it was found that the three independent variables Green Finance, Profitability, and Capital Structure partially influence Firm Value. This can be seen from the regression coefficient values of each variable and the significance levels obtained in the model.

Green Finance variable shows a coefficient of 1.376 with a significance level of 0.000, indicating a positive and significant effect on firm value, as the significance value is below the 0.05 threshold. In other words, the higher the implementation of green finance by a company, the higher the firm value tends to be. This is further supported by the standardized beta value of 0.363, indicating a moderate effect on the dependent variable.

Furthermore, the profitability variable has a coefficient value of 0.076 with a significant level of 0.021, also indicating a positive and significant influence on firm value. However, the standardized beta value of only 0.023 indicates that the impact of profitability is relatively small compared to the other two variables.

The Capital Structure variable has the most dominant influence on this model. With a coefficient value of 0.982 and a significance level of 0.000, capital structure is proven to have a positive and significant influence on firm value. This is supported by a standardized beta value of 0.639, which indicates the largest influence among the three independent variables tested. Overall, the analysis results show that all independent variables provide a positive and significant contribution to firm value, although the magnitude varies. Capital structure has the strongest influence, followed by Green Finance, while Profitability has the smallest influence. These findings support the research hypothesis and indicate that good capital structure management and the implementation of sustainable finance policies (green finance) can be key factors in increasing firm value.

F-Test

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	69.463	3	23.154	2856.070	.000[b]
	Residual	.859	106	.008		
	Total	70.323	109			

a. Dependent Variable: NILAI PERUSAHAAN

b. Predictors: (Constant), STRUKTUR MODAL, GREEN FINANCE, PROFITABILITAS

Figure 8. F Test

Source: IBM SPSS 25

Based on results of F test in the ANOVA figure, the value significance obtained is 0.000, which means more small from threshold limit of 0.05. This shows that variables independent, namely Capital Structure, Green Finance, and Profitability in a way together own significant influence to variables dependent namely the Company Value. The amount F value of 2856.070 indicates that the regression model used very strongly in explaining variation in Company Value. With results this, then hypothesis alternative (H_1) is accepted, which means that third variables free the in a way simultaneous influential significant towards Company Value. Therefore, regression model this is valid, and worthy used for analysis furthermore.

T-Test

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.014	.038		.382	.703		
	GREEN FINANCE	1.291	.032	.428	39.871	.000	.998	1.002
	PROFITABILITAS	.057	.018	.034	3.170	.002	.976	1.025
	STRUKTUR MODAL	.990	.012	.906	83.335	.000	.975	1.026

a. Dependent Variable: NILAI PERUSAHAAN

Figure 9. t-Test

Source: IBM SPSS 25

Based on results t-test analysis in figure 7, can know that third variables independent, namely Green Finance, Profitability, and Capital Structure, proven influential significant

towards Company Value. This indicated by the value the significance (Sig.) of the three of them is below threshold limit of 0.05. Green Finance shows influence significant positive with the t value is 39.871 and the significance is 0.000, and own beta value of 0.428, which indicates that improvement Green Finance correlated Enough strong to increase mark company. Furthermore, profitability also has an impact significant with t value of 3.170 and significance of 0.002, although its beta value is only 0.034, which means his contribution in explain variation mark company relatively small. Meanwhile that, the Capital Structure becomes variable with the most dominant influence, indicated by a very high t-value, namely 83.335 and significance 0.000, and beta value of 0.906, reflects its influence to mark company. With this, thirdly variables This in a way partial own significant contribution in explain change mark company, and hypothesis for each variable can accepted.

Descriptive Statistics

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
GREEN FINANCE	110	.10	.99	.5185	.26667
PROFITABILITAS	110	.73	2.38	1.5948	.48632
STRUKTUR MODAL	110	.51	2.96	1.7413	.73534
NILAI PERUSAHAAN	110	.72	3.98	2.4981	.80322
Valid N (listwise)	110				

Figure 10. Statistics Descriptive
Source: IBM SPSS 25

Based on results statistics descriptive, known that amount of data used in study This as many as 110 valid observations. For variables Green Finance, minimum recorded value of 0.10 and the value maximum reached 0.99. The average value Green Finance is 0.5185 with standard deviation of 0.26667. This shows that implementation Green Finance among company samples classified as moderate and not too varied.

Variables Profitability own mark lowest of 0.73 and the highest value 2.38, with an average of 1.5948 and a deviation of standard 0.48632. Values This reflect that profitability company in sample own level medium and sufficient variety seen between company.

On the variable Capital Structure, it was found that minimum value of 0.51 and maximum of 2.96, with the average value is 1.7413 and the standard deviation 0.73534. This means that the company's capital structure tends to be tall and has sufficient data distribution big compared to variables other.

The Company Value variable shows range mark between 0.72 to 3.98, with an average of 2.4981 and a standard deviation 0.80322. This indicates that there is sufficient diversity big in mark companies, with an average being in the category currently to on.

In a way overall, these results give description of general distribution and characteristics of every variable, which are important for support analysis statistics furthermore.

Discussion

Based on results analysis statistics descriptive and multiple linear regression, obtained a clearer picture deep about connection between Green Finance, Profitability, and Capital Structure on Company Value in the sector mining companies listed on the Indonesia Stock Exchange (IDX) during 2019–2023 period. Discussion This will describe findings main and its relationship with theory as well as reality on the ground.

From the analysis results, it is known that Green Finance has its own positive and significant impact to mark company. This is proven through mark significance of 0.019 and the coefficient regression of 0.424. Findings This show that the bigger commitment company in implementing green finance, increasingly also high market assessment of mark company said. Although the average green finance score is still classified as low (0.4192), the impact to improvement marks company Enough visible. This means that investors are starting to give good response to effort sustainability that is carried out by companies, in framework Environmental, Social, and Governance (ESG) principles.

Mining companies that have integrate green finance in practice his business viewed more responsible answer in a way social and environmentally. This strengthens investor confidence, especially those who are sustainability-oriented long term. Even though adoption green finance Not yet fully comprehensive approach This Already be one of indicator important in market assessment.

Measured profitability using Return on Assets (ROA) shows the average value is 1.3085, indicating performance finance company Still classified as Enough good. However, based on results regression, variables This influential relatively small significance to mark company, with mark significance of 0.749 and coefficient of 0.089. In other words, even though company produce profit, this thing not yet Enough influence improvement mark companies in the capital market.

This Condition can be due to the height dependence sector mine to external factors like price global commodities, costs large operational and complexity regulations environmental factors they can influence profitability to market perception regarding mark company. Therefore, investors are more considering other factors such as sustainability and health structure finance.

Recorded capital structure as the most dominant factor that influences mark company. With mark significance of 0.001 and the coefficient regression 0.666, seen that structure funding company become aspect main in investor assessment. Companies that can balance debt and equity considered own management risk good finances and stability long.

In the sector mining nature capital intensive and risky high, financing strategy becomes very crucial. Investors tend to avoid companies with high debt dependency. Therefore, the company with controlled capital structure more attractive in the eyes of the market and has more big for get high valuation.

This finding indicates that green finance and capital structure are two important factors that really influence mark companies in the mining sector. Profitability, although it still becomes indicator internal performance, has not yet become focus main market in determining valuation company.

The implication is that the company needs to build a stable financial strategy as well as integrate principal sustainability in policy operational. For investors, the results show importance to notify non- financial variables such as ESG and management capital structure when doing analysis investment.

Thus, this research gives contributions practical and academic in identifying factors determinant mark companies in the mining sector. Companies that want to increase Power competitiveness and attract investors is necessary more Serious in manage aspect sustainability (green finance) and structure his finance.

5. Conclusion

Based on the results of a study conducted on 22 mining companies listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period, it can be concluded that the variables Green Finance, Profitability, and Capital Structure simultaneously have a significant effect on Firm Value. These results indicate that the combination of sustainability, financial efficiency, and financing strategy plays a significant role in determining the market valuation of mining companies in Indonesia.

Partially, green finance has a positive and significant impact on company value. Although its average implementation is still relatively low, well-integrated green finance practices into business activities can improve a company's image and investor confidence. This indicates that the market is beginning to consider environmental, social, and governance (ESG) aspects in investment decision-making. The results of this study indicate that profitability has the weakest influence on firm value compared to green finance and capital structure. This finding can be explained by the nature of the mining industry, which is highly dependent on global commodity prices that are volatile and largely beyond managerial control. As a result, short-term profitability is not perceived by investors as a reliable indicator of long-term firm value. Furthermore, mining companies bear high operational and environmental costs, including reclamation expenses, compliance with environmental regulations, and exposure to global market risks, all of which reduce profit margins. Consequently, investors place greater emphasis on capital structure stability and sustainable financial practices rather than short-term earnings. This explains why profitability has a relatively small role in shaping firm value in this sector.

Profitability, as measured by Return on Assets (ROA), has a positive but insignificant effect on company value. This suggests that a company's net profit is not yet strong enough to influence market valuation, particularly in the mining industry, which is highly dependent on global commodity prices and is subject to high volatility. Profitability has the weakest effect on firm value because it is highly dependent on volatile global commodity prices, making it unstable in the long term. In addition, high operational and environmental costs, heavy debt

burdens, and low operational efficiency reduce profit margins. Compliance with strict ESG requirements further adds to expenses, which weakens the impact of profitability on firm value.

Capital structure is the most dominant variable influencing company value. Companies with a balanced funding structure between debt and equity are considered more financially stable and more attractive to investors. Healthy capital structure management helps companies maintain liquidity, solvency, and financial flexibility over the long term.

Overall, this study confirms that implementing sustainability strategies through green finance and prudent financial management, particularly in terms of capital structure, is key to creating and maintaining corporate value. Companies in the mining sector need to strengthen sustainability initiatives and implement comprehensive efficiency and risk management to increase competitiveness and sustainably attract market attention.

Companies operating in the mining sector are recommended to expand and strengthen the implementation of green finance through tangible steps, such as issuing green bonds, investing in environmentally friendly technologies, and preparing sustainability reports that adhere to global standards like ESG or GRI.

For long-term profitability, the strategy should be evaluated by management, with an emphasis on operational efficiency, innovative production process updates, and improving the market value of mining products to ensure that profits contribute to enhancing the company's value. To improve profitability, mining companies should focus on downstream processing and product diversification to increase margins, while also enhancing efficiency through modern technology, automation, and renewable energy. Prudent debt management is also essential to reduce interest costs, alongside integrating ESG as a strategic advantage. Diversifying markets and securing long-term contracts can further stabilize revenues and strengthen profitability.

Companies should carefully manage their funding structure to avoid excessive dependence on debt. A proportional balance between equity and debt will increase investor confidence and ensure long-term financial stability.

Investors and stakeholders are encouraged to consider not only the financial aspects of a company but also its commitment to sustainability practices, including environmental and social factors, as part of the company's performance evaluation.

Government and regulatory institutions are expected to create supportive policies and incentives for the development of green finance in the mining sector. These may include facilitating access to green financing and improving ESG reporting capabilities for national industry players.

This study has limitations in terms of the limited sample size and the focus solely on the mining sector. Therefore, further research is recommended to expand the study's coverage to include other sectors, which would provide a clearer and more comprehensive understanding of the influence of Green Finance, Profitability, and Capital Structure on company value.

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