



# The Effect Of Green Accounting And ESG On The Value Of Mining Companies Listed On The Indonesia Stock Exchange For The 2021 To 2025 Period

Fransiska Leyara Amanda <sup>1)</sup>; Anggun Permata Husda <sup>2)</sup>; Syarbini Ikhsan <sup>3)</sup>

<sup>1,2,3)</sup> Universitas Tanjungpura, Indonesia

Email: <sup>1)</sup> [b1034231040@student.untan.ac.id](mailto:b1034231040@student.untan.ac.id)

## How to Cite :

Amanda, F, L., Husda, A, P., Ikhsan, S. (2026). Title of Your Manuscript. EKOMBIS REVIEW: Jurnal Ilmiah Ekonomi Dan Bisnis, 14(4). DOI: <https://doi.org/10.37676/ekombis.v14i4>

## ARTICLE HISTORY

Received [17 May 2026]

Revised [20 October 2026]

Accepted [22 October 2026]

## KEYWORDS

Green Accounting; ESG;  
Company Value; Mining  
Company; Tobin's Q.

*This is an open access article  
under the [CC-BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license*



## ABSTRACT

This study examines the effect of Green Accounting and Environmental, Social, and Governance (ESG) disclosure on the value of mining companies listed on the Indonesia Stock Exchange (IDX) during 2021–2025. Using an associative quantitative approach, the study analyzes secondary data obtained from annual and sustainability reports of 25 mining companies selected through purposive sampling. Data were analyzed using IBM SPSS 26. Green Accounting was measured using the PROPER index, ESG using the ESG Disclosure Score, and firm value using Tobin's Q. The results indicate that Green Accounting and ESG disclosure have no significant effect on firm value, either partially or simultaneously, with significance values of 0.071, 0.234, and 0.094, all exceeding the 0.05 threshold. The model has limited explanatory power, as reflected by an Adjusted R Square of 2.5%, suggesting that firm value is largely influenced by other factors beyond the variables examined. These findings imply that investors in the Indonesian mining sector continue to prioritize fundamental financial performance and market conditions over sustainability-related information. The negative regression coefficients further suggest that environmental initiatives are still perceived as short-term costs rather than long-term value drivers, highlighting the need for stronger integration of sustainability practices into corporate strategy and reporting.

## INTRODUCTION

Over the past few years, social and environmental responsibility in Indonesia has moved from the periphery of corporate discourse to the center of public attention. The Indonesian government, through the Financial Services Authority (Otoritas Jasa Keuangan, OJK), responded to this shift by issuing regulations that require listed companies to publish sustainability reports alongside their financial statements. Companies are therefore no longer evaluated solely on financial performance and the magnitude of their environmental costs; they are also expected to

demonstrate responsible management of the social and ecological consequences of their operations (Husda & Azmiana, 2023; Suhartini et al., 2024).

Company value has become a primary indicator for investors when they assess corporate performance and future prospects. Movements in stock prices are widely used as a proxy for a company's ability to generate economic value. Higher profits generally strengthen investor confidence and, in turn, elevate company value, which ultimately attracts additional capital (Nurdin et al., 2023; Yuliani & Prijanto, 2022). One of the most influential factors shaping company value is the dividend policy adopted by management, because it determines the portion of earnings distributed to shareholders relative to the portion retained for reinvestment and long term growth (Butar-butur & Chang, 2023).

As business activities expand, the environmental footprint of corporations has grown in parallel, particularly in extractive sectors such as mining. Mining waste can severely damage surrounding ecosystems if environmental responsibility is neglected. The concept of Green Accounting emerged from concerns that business operations impose negative externalities on the environment. Closely linked to debates on global warming, this concept recognizes that the more business activity a company undertakes, the more waste and energy consumption it generates, and that poor management of these byproducts can degrade the environment on which both business and society depend (Alaika & Firmansyah, 2024; Husda & Azmiana, 2023).

The Environmental, Social, and Governance (ESG) framework has become a global trend in business and investment. ESG is no longer simply a vehicle for expressing social responsibility; it also serves as a critical indicator through which investors evaluate the sustainability and long term stability of companies (Prayoga, 2025). Global pressure for corporate transparency has elevated ESG disclosure to a fundamental element of annual reporting. Investors increasingly use ESG standards as a primary filter to identify issuers that demonstrate resilience to climate change and social inequality. In this perspective, environmental performance, labor relations, and internal oversight mechanisms are not viewed as separate elements but as an integrated system that safeguards the continuity of corporate operations (Antonetta & Simon, 2026; Sari et al., 2025). This study focuses on the mining sector because the environmental pollution generated by mining activities tends to be more severe than that of other industries. Previous studies have produced inconsistent findings, and only a limited number of investigations have jointly examined Green Accounting and ESG in relation to company value. Budiono & Dura (2021) found that Green Accounting significantly affects company value, whereas Hamdani et al. (2025) and Yuliani & Prijanto (2022) reported no significant effect. In parallel, Darsono et al. (2024) concluded that ESG has no significant effect on company value, while other scholars documented a positive and significant relationship (Lindawati et al., 2023; Sari et al., 2025). These contradictions highlight the need for further empirical evidence, especially in the Indonesian mining context. Against this backdrop, the present study examines the application of Green Accounting and ESG and their effects on the value of mining companies listed on the IDX for the 2021 to 2025 period. Green Accounting is measured using the PROPER index, ESG is measured using the ESG Disclosure Score, and company value is measured using Tobin's Q. Because previous studies have rarely combined these two sustainability dimensions in a single model for the mining sector, this research is expected to contribute meaningful empirical evidence on whether environmental and governance signals are reflected in the market valuation of Indonesian mining firms.

## LITERATURE REVIEW

The literature review constitutes the theoretical core of this article. It synthesizes prior research on Green Accounting, ESG disclosure, and company value, and it positions the present study within the broader academic conversation on corporate sustainability. A good literature review does more than summarize previous work; it critically evaluates, reorganizes, and

synthesizes existing evidence to identify gaps, inconsistencies, and controversies that motivate new research (Leedy & Ormrod, 2005). Building on this principle, the following subsections discuss the theoretical foundations, the constructs of Green Accounting, ESG, and company value, the conceptual framework, and the resulting hypotheses.

### **Stakeholder Theory**

Stakeholder theory asserts that companies are accountable not only to their shareholders but to all parties affected by their operations, including employees, customers, communities, governments, the environment, and investors. According to Solomon in Muslihudin & Pramesta (2016), stakeholder theory is an extension of the concept of corporate social responsibility (Cahyono & Nursanita, 2024). When operating, an entity must consider the interests of all stakeholders (Alexander, 2023). The theory aims to help management maximize company value while minimizing potential harm to stakeholders. In the context of mining, where operations directly affect surrounding ecosystems and communities, this perspective is particularly salient, as it frames environmental accounting and ESG disclosure as legitimate channels through which companies communicate accountability.

### **Signalling Theory**

Signalling theory explains why companies should communicate financial and nonfinancial information to external parties in order to be trusted by investors. The theory describes why companies are obliged to convey information about their performance to external stakeholders (Bergh et al., 2014). A signal can be interpreted as a sign provided by a company to investors, and signals issued by a company must carry sufficient informational power to change external perceptions of the company's valuation (Rangkuti, 2023; Rangkuti et al., 2023). In this study, Green Accounting and ESG disclosure are treated as signals of environmental responsibility and long term orientation that, in principle, should reduce information asymmetry and enhance investor confidence.

### **Legitimacy Theory**

Legitimacy theory emphasizes that companies must align their values with those of the communities in which they operate. By demonstrating concern for the social and environmental context, companies can earn community support and build a positive reputation. Originating from organizational systems theory, this perspective suggests that companies showing care for the environment and social welfare can enhance their image, reputation, and value, while also securing the backing of communities and investors. The application of ESG is one way for companies to demonstrate this concern (Okterianda et al., 2025; Rohendi et al., 2024). For mining firms, whose social license to operate is continually contested, legitimacy theory provides a powerful lens for interpreting sustainability disclosure as a strategic legitimacy seeking behavior.

### **Green Accounting**

Green Accounting is used to identify the environmental costs and impacts associated with corporate operations, so that companies can be more accountable to the environment. Green Accounting, also referred to as environmental accounting, is a system that incorporates environmental aspects into the recording, measurement, and reporting of a company's financial activities. According to Gray et al. (2014), Green Accounting is a form of social and environmental accountability that aims to provide stakeholders with transparent information about the environmental impact of corporate activities. Its scope includes the costs of environmental maintenance, prevention, and remediation (Prasetyaningsih et al., 2025). Empirically, evidence on the value relevance of Green Accounting remains mixed. Several studies document a positive effect on firm value (Alexander, 2023; Anggita et al., 2022; Yuliani & Prijanto, 2022), whereas

others report insignificant or even negative effects (Ahmad et al., 2025; Alaika & Firmansyah, 2024; Delvia & Helmy, 2024; Lindawati et al., 2023; Safitri & Widiyati, 2025).

### **Environmental, Social, and Governance (ESG)**

ESG is a framework used to assess corporate performance across three dimensions: environmental, social, and governance. ESG signals a company's commitment to social responsibility and long term sustainability. Companies increasingly recognize the importance of disclosing ESG performance openly to the public. In Indonesia, the sustainability report serves as a communication medium through which companies inform stakeholders about their ESG management efforts. Environmental, Social, and Governance standards are designed to evaluate and regulate corporate performance in these three areas (Negara et al., 2024; Pratiwi et al., 2023). Prior evidence on the ESG and firm value nexus is similarly inconclusive. Some studies report a positive relationship (Lindawati et al., 2023; Sari et al., 2025), while others find a negative effect (Arlia et al., 2024) or no significant effect at all (Antonetta & Simon, 2026; Fini & Astuti, 2024).

### **Company Value**

Company value reflects investors' perceptions of a company's success. The higher a company's stock price, the greater the investor confidence in its prospects. Company value is influenced by multiple interrelated factors. Financial performance, as measured by net income, return on assets (Cahyono & Nursanita, 2024; Oktadewi & Diantini, 2025), and operating cash flow, is one of the primary determinants of company value. In addition, capital structure, particularly the balance between debt and equity, plays an important role, because an appropriate level of leverage can enhance returns but also introduces additional risk (Alaika & Firmansyah, 2024; Hazmi et al., 2024; Nurdin et al., 2023). Other determinants documented in the literature include dividend policy, firm size, managerial ownership, and sustainability reporting (Anggreani, 2025; Angir & Weli, 2024; Cahyono & Nursanita, 2024; Handayati et al., 2022; Lindawati et al., 2023).

### **Conceptual Framework**

Based on the theoretical review outlined above, the conceptual framework of this study is presented in Figure 1. The framework positions Green Accounting and ESG as the independent variables that are hypothesized to influence company value, measured by Tobin's Q, as the dependent variable. The framework also captures the simultaneous effect of both independent variables on company value, which corresponds to the third hypothesis of the study.

### **Hypothesis Development**

Green Accounting is a system that integrates environmental costs into corporate financial reporting. It reflects a company's responsibility toward the environment and can enhance corporate image in the eyes of investors. The application of Green Accounting serves as a management communication tool for internal business decisions, particularly with respect to the inclusion of environmental costs in accounting practice. Environmental costs represent the financial and nonfinancial burdens incurred by activities that affect environmental quality (Dihardjo & Hersugondo, 2023; Yuliani & Prijanto, 2022). Signalling theory suggests that transparent environmental reporting can reduce information asymmetry and improve investor confidence. Therefore, the first hypothesis is formulated as Green Accounting has a positive effect on Company Value.

Investors do not consider only the financial aspects of a company; nonfinancial aspects, such as the implementation of ESG, are also important. ESG is a framework that measures corporate performance in environmental, social, and governance dimensions. Effective ESG implementation can build a positive image and enhance corporate reputation, thereby attracting

investors (Anggita et al., 2022). Legitimacy theory emphasizes that companies must secure community support and recognition by aligning their values and standards with the social environment in which they operate; ESG is one mechanism through which companies demonstrate this alignment. Several previous studies report that ESG positively affects company value, leading to the second hypothesis: ESG has a positive effect on Company Value.

Green Accounting and ESG form a complementary combination for measuring corporate sustainability. When a company implements both Green Accounting and ESG, it demonstrates a strong commitment to sustainability. The purpose of Green Accounting is to prepare accurate environmental, social, and financial reports that assist managers and stakeholders in making economic and investment decisions (Wongso et al., 2025; Yusra & Sulistyowati, 2023). Stakeholder theory helps management maximize company value while minimizing potential harm to stakeholders. Accordingly, the third hypothesis is stated as Green Accounting and ESG simultaneously affect Company Value.

## **METHODS**

The methods section describes the steps followed in the execution of the study and provides a brief justification for the research methods used. It contains enough detail to enable readers to evaluate the appropriateness of the methods and the reliability and validity of the findings, and to allow experienced researchers to replicate the study.

### **Research Design and Approach**

This study adopts an associative quantitative approach to analyze the influence of Green Accounting and ESG on the value of mining companies listed on the Indonesia Stock Exchange (IDX) for the 2021 to 2025 period. The associative design is appropriate because the study seeks to examine causal relationships between two independent variables and one dependent variable. Secondary data were obtained from the annual reports and sustainability reports of the sampled companies, accessed through the official IDX website and the corporate websites of the issuers. The use of secondary data ensures objectivity and allows for longitudinal observation of disclosure practices over five consecutive years.

### **Sampling**

The sample was determined using a purposive sampling technique, which yielded 25 companies that met the established criteria. The selection criteria were as follows. First, the company had to be a mining company that published its annual report consecutively for the 2021 to 2025 period. Second, the company had to be indexed in the PROPER program of the Indonesian Ministry of Environment and Forestry. Third, the company had to generate a profit in each year of the observation period. Fourth, the company had to disclose environmental costs in its reporting (Husda & Azmiana, 2023). The application of these criteria produced an unbalanced panel with a total of 113 to 125 firm year observations, depending on data availability for each variable. Table 1 summarizes the operational definitions and measurement of the variables used in the study.

### **Data Collection**

Data were collected through documentation and content analysis of publicly available corporate reports. The Green Accounting data were extracted from PROPER ratings published by the Ministry of Environment and Forestry, which are presented on a color coded scale ranging from gold (very good) to black (very poor). The ESG data were constructed from sustainability reports using the Global Reporting Initiative (GRI) Standards as a benchmark, with each disclosed item scored as 1 and each undisclosed item scored as 0. Company value data were derived from

financial statements and stock price information available on the IDX. All variables were tabulated in Microsoft Excel and subsequently imported into IBM SPSS 26 for statistical analysis.

### Measures

The dependent variable in this study is Company Value, measured using Tobin's Q, which captures the market's perception of company value relative to the replacement cost of its assets (Negara et al., 2024). The first independent variable is Green Accounting, measured using the PROPER index, in which the government evaluates corporate environmental performance using a color coded rating (Yuliani & Prijanto, 2022). The second independent variable is ESG, measured using the ESG Disclosure Score, which is constructed as a dichotomous index based on the GRI Standards. Table 1 presents the operational definitions of the variables.

**Table 1. Operational Definitions and Measurement of Variables**

| Variable              | Type        | Measurement                                                                                                       | Source                               |
|-----------------------|-------------|-------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| Company Value (Y)     | Dependent   | Tobin's Q = (Market Value of Equity + Total Debt) / Total Assets                                                  | Annual reports; IDX stock price data |
| Green Accounting (X1) | Independent | PROPER index: Gold = 5; Green = 4; Blue = 3; Red = 2; Black = 1                                                   | Ministry of Environment and Forestry |
| ESG (X2)              | Independent | ESG Disclosure Score = (Number of disclosed items) / (Total expected items), based on GRI Standards, dummy scored | Sustainability reports               |

Source: Developed by the authors (2026).

### Data Analysis

Data analysis was conducted using IBM SPSS Statistics 26. The analytical procedure comprised descriptive statistics, classical assumption tests (normality, multicollinearity, heteroskedasticity, and autocorrelation), multiple linear regression, partial and simultaneous hypothesis testing (t test and F test), and the coefficient of determination (R squared). The threshold for statistical significance was set at 0.05. The general form of the estimated regression model is expressed as Y equals the intercept plus the coefficient of Green Accounting multiplied by X1 plus the coefficient of ESG multiplied by X2 plus the error term.

## RESULTS

### Descriptive Statistics

Descriptive statistics were computed to provide a general overview of the data, including the number of observations (N), the minimum and maximum values, the mean, and the standard deviation for each variable: Green Accounting (X1), ESG (X2), and Company Value (Y). The results of the descriptive analysis are presented in Table 2 and visualized in Figure 2.

**Table 2. Descriptive Statistics**

| Variable              | N   | Minimum           | Maximum          | Mean               | Std. Deviation      |
|-----------------------|-----|-------------------|------------------|--------------------|---------------------|
| Green Accounting (X1) | 125 | 0.00              | 9,875.00         | 3,325.6160         | 3,492.18435         |
| ESG (X2)              | 113 | -2,143,306,524.00 | 9,985,841,332.00 | 4,017,457,169.3540 | 2,619,489,814.75317 |

|                    |     |              |                  |                    |                     |
|--------------------|-----|--------------|------------------|--------------------|---------------------|
| Company Value (Y)  | 125 | 7,374,818.00 | 8,981,600,726.00 | 1,272,923,267.8720 | 1,164,582,395.33422 |
| Valid N (listwise) | 113 |              |                  |                    |                     |

Source: Processed by the authors (2026).

As shown in Table 2, the distribution of the data indicates that the number of observations for Green Accounting and Company Value is 125, while for ESG it is 113. Green Accounting has a minimum value of 0.00 and a maximum value of 9,875.00, with a mean of 3,325.6160 and a standard deviation of 3,492.18435. The ESG variable has a minimum value of approximately negative 2.14 billion and a maximum value of approximately 9.99 billion, with a mean of roughly 4.02 billion and a standard deviation of approximately 2.62 billion. Company Value has a minimum of 7,374,818.00 and a maximum of 8,981,600,726.00, with a mean of approximately 1.27 billion and a standard deviation of approximately 1.16 billion. The wide dispersion of the ESG and Company Value variables, reflected in their large standard deviations, signals substantial heterogeneity across the sampled mining firms and warrants caution in interpreting the regression results.

### Normality Test

The normality of the data was evaluated using the One Sample Kolmogorov Smirnov test, with interpretation based on the asymptotic significance value. A significance value greater than 0.05 indicates that the normality assumption is met. The results are presented in Table 3.

**Table 3. Normality Test (One Sample Kolmogorov Smirnov)**

| Statistic                        | Value                 |
|----------------------------------|-----------------------|
| N                                | 113                   |
| Mean                             | 0.0000002             |
| Std. Deviation                   | 117,985,1100.56386800 |
| Most Extreme Absolute Difference | 0.223                 |
| Most Extreme Positive Difference | 0.223                 |
| Most Extreme Negative Difference | -0.129                |
| Test Statistic                   | 0.223                 |
| Asymp. Sig. (2 tailed)           | 0.000                 |

Source: Processed by the authors (2026).

As reported in Table 3, the asymptotic significance value (two tailed) is 0.000, which is smaller than 0.05. The data can therefore be concluded to be not normally distributed. This finding suggests that the distribution of the residuals deviates from the normal curve, which may affect the efficiency of the ordinary least squares estimator and should be acknowledged when interpreting the inferential results.

### Multicollinearity Test

The multicollinearity test aims to detect correlations among the independent variables in the regression model. Tolerance values and Variance Inflation Factor (VIF) values were examined to evaluate the presence of multicollinearity. A Tolerance value greater than 0.10 and a VIF value below 10 indicate that multicollinearity is not a concern. The results are reported in Table 4.

**Table 4. Multicollinearity Test**

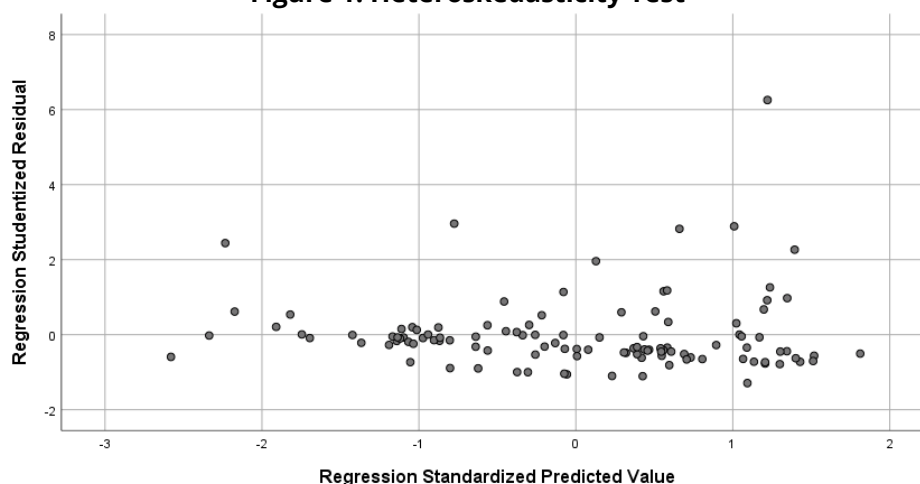
| Independent Variable  | Tolerance | VIF   | Interpretation       |
|-----------------------|-----------|-------|----------------------|
| Green Accounting (X1) | 1.000     | 1.000 | No multicollinearity |
| ESG (X2)              | 1.000     | 1.000 | No multicollinearity |

Source: Processed by the authors (2026).

As shown in Table 4, the Tolerance values for both independent variables are greater than 0.10 and their VIF values are below 10. The output indicates that the regression model does not exhibit correlations among the independent variables, which means multicollinearity is not present. The independence of the two predictors supports the interpretation of their individual coefficients in the multiple regression model.

### Heteroskedasticity Test

The heteroskedasticity test was conducted by examining the scatterplot of the standardized residuals against the standardized predicted values. A random pattern of points without a discernible shape indicates homoskedasticity, whereas a systematic pattern indicates heteroskedasticity. In this study, the points in the scatterplot did not spread randomly and instead formed a pattern, which suggests that heteroskedasticity is present. The presence of heteroskedasticity implies that the variance of the residuals is not constant across observations, and consequently the standard errors of the coefficients may be biased. The results are reported in Figure 1.

**Figure 1. Heteroskedasticity Test**

### Autocorrelation Test

The autocorrelation test was performed using the Durbin Watson statistic. A Durbin Watson value close to 2 indicates no autocorrelation, whereas values below the lower critical bound suggest positive autocorrelation and values above the upper critical bound suggest negative autocorrelation. The results are reported in Table 5.

**Table 5. Autocorrelation Test (Durbin Watson)**

| Model | R     | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin Watson |
|-------|-------|----------|-------------------|----------------------------|---------------|
| 1     | 0.205 | 0.042    | 0.025             | 11,905,287,037.2864        | 1.382         |

Source: Processed by the authors (2026). Predictors: (Constant), ESG, Green Accounting. Dependent Variable: Company Value.

As reported in Table 5, the Durbin Watson value obtained is 1.382, which is below the upper critical value of 1.7406. This indicates that the model is suspected to exhibit positive autocorrelation. The presence of autocorrelation is consistent with the use of panel data and suggests that successive residuals are not independent, which may affect the efficiency of the estimated coefficients. Figure 5 summarizes the four classical assumption test results in a single visual overview.

**Figure 2. Summary of Classical Assumption Test Results**

| Normality<br>(Kolmogorov-Smirnov)   | Multicollinearity<br>(VIF)          | Heteroskedasticity<br>(Scatterplot Pattern) | Autocorrelation<br>(Durbin-Watson)      |
|-------------------------------------|-------------------------------------|---------------------------------------------|-----------------------------------------|
| Statistic = 0.0<br>Threshold = 0.05 | Statistic = 1.0<br>Threshold = 10.0 | Visual inspection                           | Statistic = 1.382<br>Threshold = 1.7406 |
| <b>Not Normal</b>                   | <b>No Multicollinearity</b>         | <b>Present</b>                              | <b>Positive AC</b>                      |

### Multiple Linear Regression

Multiple linear regression analysis was used to test the effect of Green Accounting and ESG on Company Value. This analysis allows for the simultaneous examination of the partial and joint effects of the independent variables, as well as the identification of whether the observed relationships are positive or negative. Table 6 presents the results of the multiple linear regression analysis.

**Table 6. Multiple Linear Regression Results**

| Variable                 | B                 | Std. Error      | Beta   | t      | Sig.  |
|--------------------------|-------------------|-----------------|--------|--------|-------|
| (Constant)               | 1,720,333,393.841 | 228,782,127.815 |        | 7.520  | 0.000 |
| Green Accounting<br>(X1) | -58,500.495       | 32,111.671      | -0.170 | -1.822 | 0.071 |
| ESG (X2)                 | -0.051            | 0.043           | -0.112 | -1.198 | 0.234 |

Source: Processed by the authors (2026). Dependent Variable: Company Value.

As shown in Table 6, the constant term is large and positive, while the coefficients of Green Accounting and ESG are negative, which indicates that the direction of the effect of both variables is inverse. Neither variable is statistically significant at the 5 percent level on a partial basis. The estimated regression equation can therefore be written as Y equals 1,720,333,393.841 minus 58,500.495 multiplied by X1 minus 0.051 multiplied by X2. Although the magnitudes of the coefficients should be interpreted cautiously given the different scales of the variables, the negative signs are noteworthy because they contradict the positive direction predicted by signalling and legitimacy theories.

### Simultaneous Test (F Test)

The F test was conducted to evaluate the simultaneous effect of Green Accounting and ESG on Company Value. The results are reported in Table 7.

**Table 7. Simultaneous Test (F Test)**

| Source     | Sum of Squares                    | df  | Mean Square                     | F     | Sig.  |
|------------|-----------------------------------|-----|---------------------------------|-------|-------|
| Regression | 685,148,782,338,195,460.000       | 2   | 342,574,391,169,077,300.000     | 2.417 | 0.094 |
| Residual   | 1,559,099,445,384,198,320,000.000 | 110 | 141,735,859,440,180,301,000.000 |       |       |
| Total      | 1,627,760,933,207,580,280,000.000 | 112 |                                 |       |       |

Source: Processed by the authors (2026). Predictors: (Constant), ESG, Green Accounting. Dependent Variable: Company Value.

The computed F value is 2.417 and the critical F value is 3.08. Because the computed F value is smaller than the critical F value, and because the significance value of 0.094 is greater than 0.05, it can be concluded that Green Accounting and ESG do not have a significant simultaneous effect on Company Value. Accordingly, H3 is not supported.

### Partial Test (t Test)

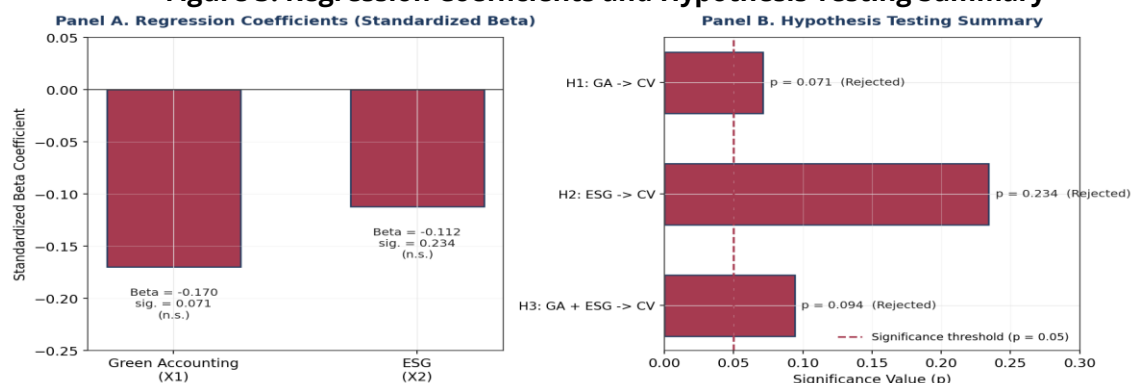
The t test was conducted to evaluate the partial effect of each independent variable on Company Value. The results are summarized in Table 8.

**Table 8. Partial Test (t Test)**

| Variable              | t value | Sig. (2 tailed) | t table | Decision        |
|-----------------------|---------|-----------------|---------|-----------------|
| Green Accounting (X1) | -1.822  | 0.071           | 1.9796  | Not significant |
| ESG (X2)              | -1.198  | 0.234           | 1.9796  | Not significant |

Source: Processed by the authors (2026). Dependent Variable: Company Value.

As reported in Table 8, the computed t value for Green Accounting (X1) is negative 1.822 and for ESG (X2) is negative 1.198, while the critical t value is approximately 1.9796. Because both computed t values are smaller in absolute terms than the critical t value, Green Accounting and ESG do not have a significant partial effect on Company Value. The hypotheses stating that Green Accounting and ESG affect Company Value are therefore not supported by the data. The visual summary of the regression coefficients and the hypothesis testing results is presented in Figure 3.

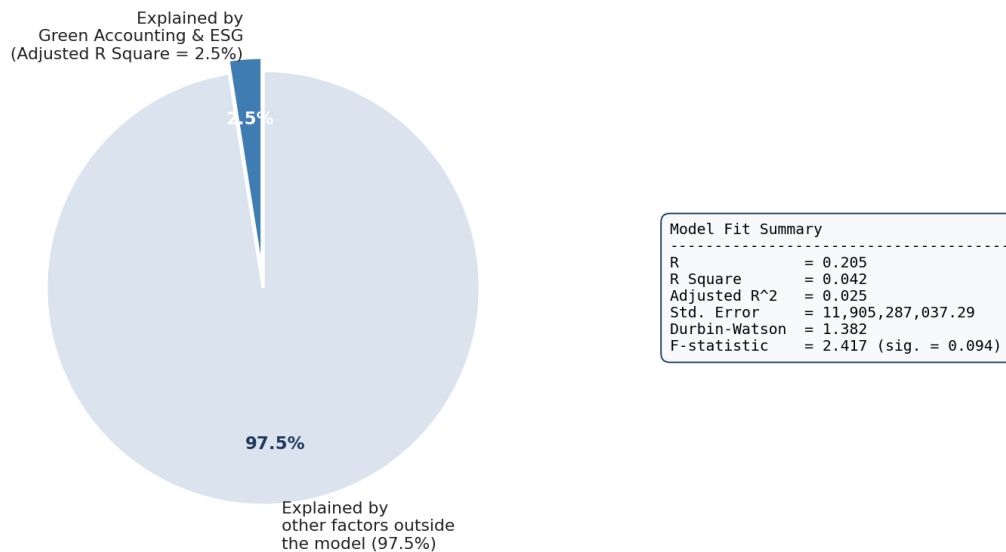
**Figure 3. Regression Coefficients and Hypothesis Testing Summary**

### Coefficient of Determination (R squared)

The coefficient of determination indicates the proportion of variance in the dependent variable that can be explained by the independent variables. As reported earlier in Table 5, the Adjusted R Square value is 0.025, or 2.5 percent. This means that Green Accounting and ESG

jointly explain only 2.5 percent of the variation in Company Value, while the remaining 97.5 percent is explained by other variables outside the model. The decomposition of variance is visualized in Figure 4.

**Figure 4. Decomposition of Variance in Company Value (Tobin's Q)**



## DISCUSSION

### The Non Significant Effect of Green Accounting

The results show that Green Accounting, as measured by the PROPER index, does not exert a significant effect on the value of mining companies listed on the IDX for the 2021 to 2025 period. The negative sign of the coefficient suggests that higher PROPER ratings tend to be accompanied by a slight decrease in Tobin's Q, although this relationship is not statistically significant. This finding does not align with the direction predicted by signalling theory, which posits that transparent environmental disclosure should reduce information asymmetry and improve investor confidence. One plausible explanation is that investors in the mining sector still perceive environmental costs as a short term operational burden that compresses margins, rather than as a long term investment in sustainability. Consequently, the positive signal intended by Green Accounting is not rewarded by the market in the way the theory anticipates. This result is consistent with prior Indonesian evidence reporting an insignificant or negative relationship between Green Accounting and firm value (Ahmad et al., 2025; Alaika & Firmansyah, 2024; Delvia & Helmy, 2024; Lindawati et al., 2023; Safitri & Widiyati, 2025), although it contrasts with studies that document a positive effect (Alexander, 2023; Astuti & Ahmar, 2025; Yuliani & Prijanto, 2022).

### The Non Significant Effect of ESG

Similarly, the ESG Disclosure Score does not have a significant effect on Company Value. The negative coefficient indicates that, if anything, higher ESG disclosure is associated with a slight decline in Tobin's Q, although the effect is not statistically distinguishable from zero. Under legitimacy theory, ESG disclosure is expected to function as a signal of social and environmental alignment that strengthens investor trust. The empirical evidence here suggests that, in the Indonesian mining context, ESG disclosure is not yet sufficiently robust to serve as a legitimacy mechanism that translates into higher market valuation. The relatively early stage of ESG adoption in Indonesia, the lack of standardized disclosure frameworks across firms, and the limited ability of investors to verify the substantive content of ESG reports may all contribute to

this result. The finding echoes prior research that reports an insignificant (Antonetta & Simon, 2026; Pratiwi et al., 2023) or even negative relationship between ESG and firm value in Indonesian companies, while diverging from studies that identify a positive effect (Lindawati et al., 2023; Sari et al., 2025).

### **The Simultaneous Effect and Explanatory Power**

When Green Accounting and ESG are considered jointly, their simultaneous effect on Company Value remains statistically not significant, with an F statistic of 2.417 and a significance value of 0.094. More importantly, the Adjusted R Square of 2.5 percent indicates that the two sustainability variables together explain only a marginal fraction of the variation in Company Value. The remaining 97.5 percent is attributable to factors outside the model. This finding has two important implications. First, it suggests that, at least in the Indonesian mining sector during the 2021 to 2025 period, sustainability disclosure has not yet become a primary driver of market valuation. Second, it underscores the importance of fundamental financial variables such as profitability, capital structure, firm size, and commodity prices, which previous studies have identified as stronger determinants of firm value in this sector (Cahyono & Nursanita, 2024; Hardiansyah & Setiawan, 2023; Yusra & Sulistyowati, 2023). From a stakeholder theory perspective, the low explanatory power suggests that the benefits of Green Accounting and ESG for stakeholders may be predominantly nonfinancial in nature, encompassing reputation, regulatory relationships, and community trust, and may not yet be fully capitalized into market based measures of value such as Tobin's Q.

### **Managerial and Policy Implications**

From a managerial standpoint, the findings suggest that mining companies should view Green Accounting and ESG not as isolated compliance exercises but as integral components of a long term value creation strategy. While the market does not currently price these signals significantly, the regulatory trajectory in Indonesia is clearly moving toward more stringent sustainability disclosure, and firms that build genuine capacity in environmental accounting and ESG reporting are likely to be better positioned when investor attention eventually catches up with regulatory mandates. From a policy perspective, the results point to the need for clearer disclosure standards, more robust third party assurance, and broader investor education on the financial materiality of ESG information. Without such supporting infrastructure, disclosure may continue to be perceived as symbolic rather than substantive, which would limit its value relevance.

### **CONCLUSION**

Based on the multiple regression analysis conducted on mining companies listed on the IDX for the 2021 to 2025 period, several conclusions can be drawn. First, Green Accounting does not have a significant effect on Company Value, with a significance value of 0.071, which is greater than 0.05. Second, ESG also does not have a significant effect on Company Value at the 5 percent level, with a significance value of 0.234. Third, Green Accounting and ESG do not have a significant simultaneous effect on Company Value, with a significance value of 0.094. The explanatory power of the model is very low, as indicated by an Adjusted R Square of only 2.5 percent, which means that 97.5 percent of the variation in Company Value is driven by other factors not captured in this study.

For mining companies, the application of Green Accounting and ESG should be directed toward long term strategic positioning rather than short term compliance, so that these practices can evolve from cost centers into instruments that build corporate image and investor trust. For investors, investment decisions should not rely exclusively on Green Accounting and ESG signals; fundamental company factors and prevailing market conditions must also be taken

into account. For future researchers, the present study points to several productive avenues, including the incorporation of control variables such as firm size, leverage, and profitability, the extension of the observation period, and the application of analytical methods capable of addressing autocorrelation and heteroskedasticity, in order to produce more robust and generalizable findings.

## LIMITATION

This study has several limitations that should be acknowledged in order to support a balanced interpretation of the findings. First, the research model is able to explain only 2.5 percent of the variation in Company Value, which means that a substantial proportion of the variation is determined by factors outside the present specification. Second, the Durbin Watson statistic indicates the presence of positive autocorrelation, which may affect the efficiency of the estimated coefficients and the validity of the standard inferential tests. Third, the observation period covers only five years and may therefore be too short to capture the long term effects of Green Accounting and ESG adoption on company value. Fourth, the model includes only two independent variables and does not control for potentially confounding factors such as firm size, profitability, leverage, or commodity price fluctuations, all of which have been shown in the literature to influence company value in the mining sector. Fifth, the ESG measure relies on a dichotomous disclosure index that captures the presence or absence of disclosed items but does not account for the substantive quality or materiality of those disclosures. These limitations do not invalidate the conclusions drawn, but they do recommend caution in generalizing the results and provide a clear agenda for future research.

## REFERENCES

- Ahmad, N. A., Aspuri, M., Adawiyah, S., Putri, D., & Letsoin, S. (2025). Analisis Mediasi Kinerja Keuangan dalam Pengaruh Green Accounting terhadap Nilai Perusahaan. *Jurnal Ekonomika Dan Bisnis (JEBS)*. <https://doi.org/10.47233/jebs.v5i4.3243>
- Alaika, A. A., & Firmansyah, A. (2024). Unveiling The Impact of Green Accounting and Sustainability Disclosure On The Firm Value. *Journal of Governance Risk Management Compliance and Sustainability*. <https://doi.org/10.31098/jgrcs.v4i2.2436>
- Alexander, N. (2023). Green Accounting and Firm Value. *GATR Journal of Accounting and Finance Review (GATR-AFR) Vol. 7 (4) January - March 2023*. [https://doi.org/10.35609/afr.2023.7.4\(2\)](https://doi.org/10.35609/afr.2023.7.4(2))
- Anggita, W., Nugroho, A. A., & Suhaidar. (2022). Carbon Emission Disclosure And Green Accounting Practices On The Firm Value. *Jurnal Akuntansi*. <https://doi.org/10.24912/ja.v26i3.1052>
- Anggreani, D. A. (2025). Faktor-faktor yang Memengaruhi Nilai Perusahaan. *El-Mal: Jurnal Kajian Ekonomi & Bisnis Islam*, 6(7). Crossref. <https://doi.org/10.47467/elmal.v6i7.7851>
- Angir, P., & Weli, W. (2024). The Influence of Environmental, Social, and Governance (ESG) Disclosure on Firm Value: An Asymmetric Information Perspective in Indonesian Listed Companies. *Binus Business Review*. <https://doi.org/10.21512/bbr.v15i1.10460>
- Antonetta, C. D., & Simon, F. (2026). Pengaruh Pengungkapan Lingkungan, Sosial, dan Tatakelola (ESG) dan Green Accounting terhadap Nilai Perusahaan. *Owner*, 10(1), 559–570. Crossref. <https://doi.org/10.33395/owner.v10i1.2955>
- Astuti, T., & Ahmar, N. (2025). Effects of Green Intellectual Capital, Green Accounting, and Green Innovation on Firm Value: The Moderating Role of Return on Assets. *Environmental Economics*. [https://doi.org/10.21511/ee.16\(1\).2025.01](https://doi.org/10.21511/ee.16(1).2025.01)

- Bergh, D. D., Connelly, B. L., Jr, D. J. K., & Shannon, L. M. (2014). Signalling Theory and Equilibrium in Strategic Management Research: An Assessment and a Research Agenda. *Journal of Management Studies*, 51(8), 1334–1360. <https://doi.org/None>
- Budiono, S., & Dura, J. (2021). The Effect of Green Accounting Implementation on Profitability in Companies Compass Index 100. *International Journal of Educational Research & Social Sciences*. <https://doi.org/10.51601/ijersc.v2i6.216>
- Butar-butur, D., & Chang, A. (2023). Analisis Pengaruh Kualitas Audit dalam Memoderasi Hubungan Kebijakan Dividen Terhadap Nilai Perusahaan. *Jambura Accounting Review*, 4(2), 189–198. <https://doi.org/10.37905/jar.v4i2.86>
- Cahyono, K., & Nursanita, N. (2024). Determinant Factors of Firm Value in Coal Mining Firms: Evidence from Indonesia. *Research of Accounting and Governance*. <https://doi.org/10.58777/rag.v2i2.290>
- Delvia, S., & Helmy, H. (2024). Pengaruh Penerapan Green Accounting dan Pengungkapan Corporate Social Responsibility (CSR) terhadap Nilai Perusahaan. *JURNAL EKSPLORASI AKUNTANSI*, 6(4), 1372–1389. Crossref. <https://doi.org/10.24036/jea.v6i4.1737>
- Dihardjo, J. F., & Hersugondo, H. (2023). Exploring the Impact of ESG Disclosure, Dividend Payout Ratio, and Institutional Ownership on Firm Value: A Moderated Analysis of Firm Size. *JURNAL EKONOMI BISNIS DAN KEWIRAUSAHAAN*. <https://doi.org/10.26418/jebik.v12i2.64129>
- Fini, S., & Astuti, C. D. (2024). Pengaruh Green Accounting Terhadap Nilai Perusahaan. *Journal of Economic, Bussines and Accounting (COSTING)*, 7(3), 5751–5766. Crossref. <https://doi.org/10.31539/costing.v7i3.9130>
- Gray, R., Adams, C., & Owen, D. (2014). *Accountability, Social Responsibility and Sustainability: Accounting for Society and the Environment*. Pearson.
- Hamdani, H., Sunaryo, D., Febrianto, H. G., Fitriana, A. I., Dehavilan, S., & Pambudi, J. E. (2025). Tax Avoidance And Green Accounting In Increasing Firm Value And CSR Practices In Indonesia. *Jurnal Reviu Akuntansi Dan Keuangan*. <https://doi.org/10.22219/jrak.v15i1.34304>
- Handayati, P., Sumarsono, H., & Narmaditya, B. S. (2022). Corporate Social Responsibility Disclosure and Indonesian Firm Value: The Moderating Effect of Profitability and Firm's Size. *Journal of Eastern European and Central Asian Research (JEECAR)*, 9(4), 703–714. Crossref. <https://doi.org/10.15549/jeecar.v9i4.940>
- Hardiansyah, A. Z. N. A., & Setiawan, A. (2023). Influencing Firm Value: Profitability, Capital Structure, and Ownership in Indonesian Mining Companies. *Accounting Student Research Journal*, 2(1), 20–30. Crossref. <https://doi.org/10.62108/asrj.v2i1.5845>
- Hazmi, R., Ramadhan, A., & Firmansyah, A. (2024). Moderating Role of Profitability in The Association Between Green Accounting and Firm Value. *Journal of Governance Risk Management Compliance and Sustainability*. <https://doi.org/10.31098/jgrcs.v4i1.2166>
- Husda, A. P., & Azmiana, R. (2023). Analisis Penerapan Green Accounting dan Environmental Performance terhadap Kinerja Perusahaan Tambang. *Measurement Jurnal Akuntansi*, 17(2), 346–351. <https://doi.org/10.33373/mja.v17i2.5706>
- Leedy, P. D., & Ormrod, J. E. (2005). *Practical Research Planning and Design*. Pearson Educational International.
- Lindawati, A. S. L., Geraldine, T. G., Handoko, B. L., Widuri, R., & Mustapha, M. (2023). Analysis of Sustainability Performance, Green Accounting and ESG Disclosure on Firm Valuation.

- International Journal of Contemporary Accounting*, 5(2), 183–198. Crossref. <https://doi.org/10.25105/ijca.v5i2.17745>
- Muslihudin, M., & Pramesta, A. (2016). *Analisis dan Perancangan Sistem Informasi Menggunakan Model Terstruktur dan UML*. Penerbit Andi. <https://books.google.co.id/books?id=2SU3DgAAQBAJ>
- Negara, N. G. P., Ishak, G., & Priambodo, R. E. A. (2024). Impact of ESG Disclosure Score on Firm Value: Empirical Evidence From ESG Listed Company in Indonesia Stock Exchange. *European Journal of Business and Management Research*. <https://doi.org/10.24018/ejbmr.2024.9.2.2064>
- Nuridin, E., Fitriaman, F., & Aqurat, W. N. (2023). Empirical Testing of Capital Structure and Profitability as Mechanisms to Enhance Firm Value. *Jurnal ASET (Akuntansi Riset)*. <https://doi.org/10.17509/jaset.v15i2.60375>
- Oktadewi, A. M. A., & Diantini, N. N. A. (2025). ESG and Firm Value: The Moderating Role of Environmental Performance and Profitability in Indonesia's Mining Sector. *International Research Journal of Management IT and Social Sciences*. <https://doi.org/10.21744/irjmis.v12n4.2536>
- Okterianda, Y., Pentiana, D., & Nurmala, N. (2025). Pengaruh Green Accounting dan Kinerja Lingkungan Terhadap Profitabilitas Perusahaan Pertambangan di Bursa Efek Indonesia Tahun 2019-2023). *eCo-Fin*. <https://doi.org/10.32877/ef.v7i1.1705>
- Prasetyaningsih, B. I., Sutoyo, S., & Sujatmika, S. (2025). The Influence of Green Accounting and Carbon Emission Disclosure on Company Value. *Jurnal Ilmiah Manajemen Kesatuan*. <https://doi.org/10.37641/jimkes.v13i1.3037>
- Pratiwi, S. I., Soegiarto, D., & Afifi, Z. (2023). Pengaruh Tax Avoidance, Good Corporate Governance, dan Financial Performance terhadap Firm Value pada Perusahaan Tambang. *Efektif: Jurnal Bisnis Dan Ekonomi*. <https://doi.org/10.37159/fmwyaz83>
- Rangkuti, M. H. B. (2023). Green Accounting in Enhancing Sustainability Report Disclosure. *International Journal of Research and Review*. <https://doi.org/10.52403/ijrr.20231156>
- Rangkuti, M. H. B., Kumalasari, F., Agustrisna, J., & Munawarah, M. (2023). The Effectiveness of Green Accounting as an Innovation in Increasing Company Value in Indonesia. *JAE (JURNAL AKUNTANSI DAN EKONOMI)*. <https://doi.org/10.29407/jae.v8i2.19881>
- Rohendi, H., Ghozali, I., & Ratmono, D. (2024). Environmental, Social, and Governance (ESG) Disclosure and Firm Value: The Role of Competitive Advantage as a Mediator. *Cogent Business & Management*, 11(1). Crossref. <https://doi.org/10.1080/23311975.2023.2297446>
- Safitri, N. E. N., & Widiyati, D. (2025). Green Accounting, Pengungkapan Sustainability Reporting dan CSR terhadap Nilai Perusahaan. *Jurnal Riset Pendidikan Ekonomi*, 10(1), 17–27. Crossref. <https://doi.org/10.21067/jrpe.v10i1.11130>
- Sari, D. P., Fikri, M., Kartika, R., & Tanwattana, N. (2025). Corporate Governance, ESG Disclosure, and Firm Value: Evidence from Public Companies in Indonesia. *Journal of Economics and Management*, 3(2), 42–51. Crossref. <https://doi.org/10.70716/ecoma.v3i2.235>
- Suhartini, D., Cahyani, M. I., & Putri, S. Y. (2024). Examining the Sustainability Report, Financial Performance, and Value of Mining Companies in Indonesia. *Ilomata International Journal of Tax and Accounting*. <https://doi.org/10.52728/ijtc.v5i1.1064>

- Wongso, D. A., Suganda, T. R., & Stephanus, D. S. (2025). The Effect of Environmental, Social, and Governance Disclosure on Firm Value. *Jurnal Ilmiah Akuntansi Dan Finansial Indonesia*, 9(1), 12-22. Crossref. <https://doi.org/10.31629/ahfn0849>
- Yuliani, E., & Prijanto, B. (2022). Pengaruh Penerapan Green Accounting terhadap Nilai Perusahaan dengan Profitabilitas sebagai Variabel Moderating Ppada Perusahaan Sub Sektor Tambang Batubara Yang Terdaftar di Bursa Efek Indonesia Periode 2019-2021. *Fair Value: Jurnal Ilmiah Akuntansi Dan Keuangan*. <https://doi.org/10.32670/fairvalue.v5i5.2347>
- Yusra, M., & Sulistyowati, E. (2023). The Effect of Profitability, Good Corporate Governance, and Environmental Disclosure on Firm Value in Mining Companies Listed on The Indonesia Stock Exchange. *Jurnal Pamator: Jurnal Ilmiah Universitas Trunojoyo*. <https://doi.org/10.21107/pamator.v16i3.22079>