International Conference on Finance, Economics, Management, Accounting and Informatics

"Digital Transformation and Sustainable Business: Challenges and Opportunities for Higher Education Research and Development"

The Influence of Green Accounting, Company Values and Environmental Disclosure on Sustainable Growth in Mining Companies Listed on The Indonesian Stock Exchange 2019-2020

Rut Nopiyanti Br Sitorus[1], Rana Fathinah Ananda[2], Linda Lores[3], Ranty Meisya Simaremare[4]

[1] *Acounting Study Program of Economics and Business, Medan Area University, Indonesia*
[2] *Acounting Study Program of Economics and Business, Medan Area University, Indonesia*
[3] *Acounting Study Program of Economics and Business, Medan Area University, Indonesia*
[4] *Acounting Study Program of Economics and Business, Medan Area University, Indonesia*

E-mail : ruthnoviantysitorus223@gmail.com

Abstract

This study aims to ascertain the effects of green accounting, corporate value, and environmental transparency on sustainable growth. This study is causal-associative in character and makes use of quantitative data. The study's population consists of 49 mining sub-sector businesses that are listed on the Indonesia Stock Exchange. Purposive sampling was used to gather the data between 2019 and 2022. Ten companies were selected as samples based on predetermined criteria, resulting in a total of 40 data points. The results show that environmental disclosure and green accounting have a partial and simultaneous impact on sustainable growth. However, sustainable growth is only partially influenced by corporate values.

Keywords: Green Accounting, Corporate Value, Environmental Disclosure, and Sustainable Growth.

Introduction

Sustainability issues are increasingly becoming a global concern, particularly in the context of business activities that impact the environment. Companies in the mining sector, as one of the largest contributors to environmental pollution and degradation, are required to conduct more responsible operational activities. However, there has been little research in Indonesia that simultaneously links green accounting, company value, environmental disclosure, and sustainable growth, especially in the mining sector, which has high environmental risks. This research is important and relevant because it can provide empirical contributions to the literature on environmental accounting and offer insights to companies and other stakeholders regarding the importance of integrating environmental aspects into corporate business strategies. In additionIt is intended that the findings of this study will serve as a foundation for sustainability-focused management decision-making when cost-benefit analysis is applied to environmental costs. By using Green Accounting, businesses can lower environmental risks and enhance operational effectiveness while also lessening negative environmental effects. An accounting technique known as "green accounting" adds environmental data to a business's financial reports.

The implementation of Green Accounting can help companies optimize their environmental performance while maintaining and improving profitability. Companies with strong values related to social and environmental responsibility tend to be more committed to implementing environmentally friendly and sustainable business practices. Environmental management initiatives are one way to improve a company's image in the public eye. Businesses may improve the environment and increase their marketability. The implementation of environmental management systems, the management, disclosure, measurement, and reporting of greenhouse gas emissions, as well as the use of green accounting, are all regarded as efficient means of proving that businesses have responsibility for environmental issues. This disclosure includes reporting on greenhouse gas

emissions, energy use, waste management, and other environmental initiatives. Transparency in environmental disclosure can increase stakeholder confidence, including investors, consumers, and the community, as well as meet increasingly stringent regulatory requirements. Disclosing environmental policies increases transparency, reduces uncertainty risks, and enhances competitive advantage.

The purpose of this study is to look into how corporate value, green accounting, and environmental disclosure affect the long-term viability of businesses listed on the Indonesia Stock Exchange between 2019 and 2022. This study is also pertinent to the challenges around environmental sustainability, which are becoming more widely recognized. Companies must be more responsible in their operations and take concrete steps to reduce their environmental impact due to international commitments such as the Sustainable Development Goals. The Annual Construction and Mining Index in 2019 was 157.15, representing an increase of 39.63%. In 2020, it was 130.29, a decrease of 17.09%, and in 2021, it was 138.51, an increase of 6.31%. In 2022, it was 147.70, an increase of 6.63%. The implementation of green accounting can help companies optimize their environmental performance while maintaining and improving profitability (Gemilang, 2024). Businesses may improve the environment and increase their marketability. In terms of how they manage, disclose, measure, and report greenhouse gas emissions, adopt environmental management systems, and apply green accounting, this is regarded as an efficient method of proving that businesses are accountable for environmental issues (Fina, 2024). In addition to satisfying ever-tougher regulatory requirements, transparency in environmental disclosure can increase stakeholder trust, including that of investors, consumers, and the general public. Berthelot et al. (2003) define environmental disclosure as a compilation of information on a company's environmental performance and management in the past, present, and future, as well as the financial effects of the company's environmental management decisions or activities. Companies must be more responsible in their operations and take concrete steps to reduce their environmental impact due to international commitments such as the Sustainable Development Goals (SDGs) (Supriatna, 2021).

Literature Review

Green Accounting

The process of finding, collecting, calculating, and evaluating data on costs related to environmental variables is known as "green accounting" (Rachmadina, 2023). The purpose of this material is to help organizations make environmentally friendly decisions. According to Bastian (2007), environmental accounting is the process by which companies inform the public and specific interest groups about the environmental impact of their business operations.

Company Values

Company values reflects investors' views on the company's success, which is often associated with stock price movements (Ningrum, 2022). When stock prices rise, company value also increases, Enhancing market confidence in current business performance and future prospects. The study uses Tobin's Q to measure business performance. evaluate management effectiveness in asset management, and assess company performance and growth potential. This indicates that when companies disclose their social responsibility, profitability as an intermediate variable can increase company values.

Environmental Disclosure

Companies will disclose all information necessary for the capital market to function properly (Nasution et al., 2023). Proponents of this view argue that if information is not disclosed, it is because it is irrelevant to investors or is already available elsewhere.

Sustainable Growth

Sustainable growth refers to economic development that can continue without causing significant negative impacts on the environment or overexploiting natural resources (Bahri et al., 2023). This includes growth that can be sustained without compromising the ability of future generations to meet their own needs. Sustainable

growth has two main meanings in the context of business and finance: the traditional meaning and the newer meaning. In the traditional sense, sustainable growth is growth that is realistic and can be maintained by a company or national economy without encountering problems. In the current era, this term is often used by environmental experts to describe economic growth that can continue in the long term without causing intolerable pollution or depleting all non-renewable resources.

Methods

This study employs a causal associative approach in a quantitative research design. The quantitative research approach used in this study makes use of data and analysis in line with the statistical methods that will be used. Sugiyono (2015) defines the associative causal approach as a technique that employs two or more variables to ascertain the relationship between one and the other. The study's population consists of all 10 mining subsector firms and all food and beverage subsector companies listed on the Indonesia Stock Exchange.

Results and Discussion

Descriptive Statistical Test Results

Table 4.1
Descriptive Statistics

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
GREEN ACCOUNTING	40	1.10	1.61	1.2328	.19662
COMPANY VALUE	40	2.36	2.48	.5642	.89618
ENVIRONMENTAL DISCLOSURE	40	4.07	4.61	4.4097	.14869
SUSTAINABLE GROWTH	40	.07	5.98	2.8514	1.26236
Valid N (listwise)	40				

Source: Data processed using SPSS 27, (2025)

a. Green Accounting (X1)

The Green Accounting variable is measured using the company's True Value, which has a minimum value of 1.10, a maximum value of 1.61, an average value of 1.2328, and a standard deviation of 0.19662.

b. Company Value (X2)

The company's Price to Book Value (PBV) ratio, which has a minimum value of 2.36, a maximum value of 2.48, an average value of 0.5642, and a standard deviation of 0.89618, is used to measure the Company Value variable.

c. Environmental Disclosure (X3)

The Environmental Disclosure variable is measured by the company's Environmental Disclosure Index (EDI), which has a minimum value of 4.07, a maximum value of 4.61, an average value of 4.4097, and a standard deviation of 0.14869.

d. Sustainable Growth (Y)

The Environmental Disclosure variable is measured by the company's Return on Equity (ROE), which has a minimum value of 0.07, a maximum value of 5.98, an average value of 2.8514, and a standard deviation of 1.26236.

Table 4.2
Results of Multiple Linear Regression Analysis

Coefficients[a]					
	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.

1	(Constant)	-4.721	5.957		-.793	.433
	GREEN ACCOUNTING	.509	1.016	.079	.501	.620
	COMPANY VALUE	.406	.223	.288	1.825	.048
	ENVIRONMENTAL DISCLOSURE	1.523	1.353	.179	1.126	.268
a. Dependent Variable: SUSTAINABLE GROWTH						

Source: Data processed using SPSS 27, (2025)

The regression equation can be computed and constructed as follows using the regression coefficient values in Table 4.3:

$$Y = -4.721 + 0.509X1 + 0.406X2 + 1.523X3 + \varepsilon$$

According to the equation, the constant -4.721 means that sustainable growth disclosure is -4.721 when green accounting, corporate value, and environmental disclosure are present. Sustainable growth disclosure is positively influenced, as indicated by the green accounting coefficient value of 0.509. This figure indicates that Sustainable Growth (Y) increases by 0.509 for every 1% increase in Green Accounting (X1). Sustainable growth disclosure is also positively influenced by the corporate value coefficient value of 0.406. This figure shows that Sustainable Growth (Y) increases by 0.404 for every 1% increase in Company Value (X2). Environmental Disclosure has a positive impact on disclosure, as seen from its coefficient value of 1.523. This figure shows that Sustainable Growth (Y) increases by 1.523 for every 1% increase in Environmental Disclosure (X3).

Hypothesis Test Results

T-Test Results (Partial)

The t-test was used to ascertain the relationship between variables, specifically independent factors and dependent variables. Green accounting, firm value, and environmental disclosure were the independent variables in this study, and sustainable growth was the dependent variable. The findings of this study's hypothesis are as follows:

Table 4.3
T-Test Results (Partial Test)

Coefficients[a]						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-4.721	5.957		-.793	.433
	GREEN ACCOUNTING	.509	1.016	.079	.501	.620
	COMPANY VALUE	.406	.223	.288	1.825	.048
	ENVIRONMENTAL DISCLOSURE	1.523	1.353	.179	1.126	.268
a. Dependent Variable: SUSTAINABLE GROWTH						

Source: Data processed using SPSS 27, (2025)

Based on Table 4.9, it can be seen that:

1. The significance value of 0.620 > 0.05 and the calculated t-value < the Green Accounting t-table value of 0.501 < 1.68385. Therefore, it can be concluded that H1 is rejected and Green Accounting does not have a significant impact on Sustainable Growth.

2. At the significance level of 0.048 < 0.05, the calculated t-value is smaller than the t-table value for Firm Value (1.825 > 1.68385). Therefore, it can be stated that H2 is accepted and Firm Value significantly influences Sustainable Growth.
3. The significance level is 0.286 > 0.05, and the calculated t-value is less than the t-table value for Environmental Disclosure, which is 1.126 < 1.68385. Therefore, H3 is rejected, and it can be stated that Environmental Disclosure does not have a significant impact on Sustainable Growth.

F Test Results (Simultaneous)

An F-test is used to ascertain whether all independent factors acting simultaneously have a significant effect on the dependent variable. The following are the outcomes of the simultaneous significance test (F-test).

Table 4.4
F-test results (simultaneous test)

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.000	3	6.667	5.690	.015[b]
	Residual	42.149	36	1.171		
	Total	62.149	39			
a. Dependent Variable: SUSTAINABLE GROWTH						
b. Predictors: (Constant), ENVIRONMENTAL DISCLOSURE , COMPANY VALUE , GREEN ACCOUNTING						

Source: Data processed using SPSS 27, (2025)

Based on the above F test results, the computed F value is 5.690 > the table F value of 3.83 with a significance value of 0.015 < 0.05. Therefore, it can be said that the regression model of Green Accounting variables, Company Value, and Environmental Disclosure all have an impact on Sustainable Growth at the same time.

Determination Test Results (R^2)

The degree to which the model can explain the independent variables is indicated by Determination coefficient (R^2). The value of the Adjusted R in the study conducted shows the results of this test, specifically:

Table 4.5
Determination Test Results (R^2)

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.590[a]	.348	.350	1.23762
a. Predictors: (Constant), ENVIRONMENTAL DISCLOSURE , COMPANY VALUE , GREEN ACCOUNTING				
b. Dependent Variable: SUSTAINABLE GROWTH				

Source: Data processed using SPSS 27, (2025)

The Adjusted R Square value, based on the outcomes of earlier data testing, is 0.350, or 35%. This shows that independent factors including corporate value, environmental transparency, and green accounting can account for 35% of the study's dependent variable, sustainable growth, while additional variables not covered in the study can account for the remaining 65%.

Conclusion

Based on talks and research results about how green accounting, business value, and environmental disclosure affect mining companies listed on the Indonesia Stock Exchange's ability to grow sustainably between 2019 and 2022. The results of the study demonstrate that:

1. From 2019 to 2022, green accounting has no impact on sustainable growth for mining businesses listed on the Indonesia Stock Exchange. This assertion is supported by the computed t-value, which has a significance level more than 0.05 (0.620 > 0.05) and lower than the t-table value (0.501 < 1.68385). Thus, H1 is disproved.
2. Firm value affects sustainable growth for mining businesses listed between 2019 and 2022 on the Indonesia Stock Exchange. This assertion is supported by the computed t-value (1.825 > 1.68385), which is higher than the t-table value at a significance threshold of 0.048 < 0.05. Thus, H2 is approved.
3. Sustainable growth is unaffected by environmental disclosure for mining businesses that are listed on the Indonesia Stock Exchange between 2019 and 2022. This conclusion is supported by the calculated t-value being less than the crucial t-value (1.126 < 1.68385) at a significance level above 0.05 (0.286 > 0.05). As a result, H3 is denied.
4. How green accounting, firm value, and environmental disclosure affect mining businesses listed on the Indonesia Stock Exchange between 2019 and 2022 in terms of sustainable growth. Consistent with the above F test results, the computed F value is higher than the F table value 5.690 > 3.83 with a significance threshold of 0.015 < 0.05. Thus, H4 is approved.

References

Andin, I., Evantrino, M., & Pertiwi, R. P. (2024). The Existence of Environmental Law Enforcement in Realizing Economic Growth and Sustainable Development in Indonesia. Journal of Law, Politics and Social Sciences.

Berthelot, S., Cormier, D., & Magnan, M. (2003). Environmental Disclosure Research: Review and Synthesis. Journal of Accounting Literature, 22, 1–44.

BPS. (2022). Statistical Data on the Construction and Mining Sectors, 2019–2022. (Central Bureau of Statistics). https://www.bps.go.id/ (Use official data from BPS for the index.

Daromes, F. E. (2020). The Role of Environmental Disclosure Mediation in the Influence of Environmental Performance on Company Value. Accounting Journal.

Fina, F., Maulidia, R., & Mustika, I. G. (2024). The Effect of Green Accounting, Carbon Emission Disclosure, and Profitability on Company Value. Journal of Accounting Science.

Fina, M. D. (2024). The Role of Company Value and Green Accounting in Promoting Business Sustainability. Bandung: Alfabeta.

Gemilang, R. A. (2024). Green Accounting: Company Strategies Toward Sustainable Growth. Jakarta: Salemba Empat.

Sawitri, A. P., & Setiawan, N. (2017). Analysis of the Influence of Sustainability Report Disclosure, Financial Performance, and Environmental Performance on Company Value. Journal of Business & Banking.

World Bank. (2020). Global Economic Prospects, June 2020. Washington, DC: The World Bank Group. https://www.worldbank.org/en/publication/global-economic-prospects.

Supriatna, M. (2021). Sustainable Accounting and Its Role in Achieving Sustainable Development Goals (SDGs). Jakarta: Rajawali Pers.