

THE INFLUENCE OF GREEN ACCOUNTING, CARBON EMISSION DISCLOSURE, AND PROFITABILITY ON COMPANY VALUE

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Abstract

A company's value reflects how the market assesses a company's performance and prospects. In the mining sector, environmental issues increase the relevance of green accounting and carbon emission disclosure, but the extent to which investors respond to this information is still inconsistent. This study aims to analyze the influence of green accounting, carbon emission disclosure, and profitability on the value of companies in mining companies listed on the Indonesia Stock Exchange for the 2021–2023 period. The study used a causal associative quantitative approach with purposive sampling techniques and produced 84 firm-year observations. Data analysis was carried out through descriptive statistics, classical assumption tests, and multiple linear regression. The results of the study show that green accounting and carbon emission disclosure do not have a significant effect on the company's value, while profitability has a positive and significant effect. These findings indicate that the market still places more emphasis on financial performance than environmental disclosure in assessing mining companies. The implications of the study show that environmental initiatives will contribute more to the company's value if successfully converted into operational efficiency, risk reduction, and strengthening profitability.

Keywords: Green Accounting, Carbon Emission Disclosure, Profitability, Company Value, Mining Sector

1. Introduction

In the business world, a deep understanding of a company's value is the foundation for making investment decisions and planning for sustainable business growth. Every company competes and tries to show the value of their company as the best option to invest in. A deep understanding of the company's value helps stakeholders decide to invest, create sustainable growth plans, and better manage risk (Yuliandhari et al., 2023). Companies around the world are under pressure to adopt environmentally friendly business practices to address growing environmental issues, such as climate change and environmental degradation. As according to (Bellamy et al., 2023), companies not only generate more profits, but are also responsible for environmental damage. In this case, the concept of *green accounting* is important as an approach to take into account environmental impacts in economic activities. This concept has been around since the 1970s and has continued to evolve over time. Essentially, *green accounting* recognizes the importance of considering environmental impacts in economic activities.

The role of the government and the business world is emphasized to jointly implement this concept to solve the problem of waste and pollution, so that the sustainability of Indonesia's environment can be guaranteed (Budisantoso, 2019). Over the past few years, economic growth has been characterized by industrial growth. However, along with the

growth of the industry, environmental pollution issues such as carbon emissions and global warming have increased along with the growth of the industry (Dewi & Budiadnyani, 2024). Major advances in several industries have driven global economic growth in recent years. However, behind this progress, there is a fairly serious environmental impact of increased industrial activity.

The rapid growth of the industry has led to an increase in environmental problems such as carbon emissions, air pollution, water pollution, and global warming. Problems arise related to the environmental impact produced by industrial growth, especially in the mining sector, such as high carbon emissions. The rapid growth of the industry has led to an increase in environmental concerns, highlighting how important it is to maintain a balance between environmental protection and economic growth. The highest emitter of carbon emissions is the mining sector. Today, mining companies are companies that explore and exploit most of the natural resources and profit from mining results, and their activities have a significant negative impact on the environment. According to (Annur, 2023), the amount of carbon produced by Indonesia is ranked 7th, reaching 700 million tons per year in 2022, an increase of 18.3% from the previous year. Carbon emissions are an example of the negative effects produced by industrial growth without proper environmental management. While industrial growth can generate great profitability, its effects on the environment must also be considered.

Solutions to address the environmental impacts of industrial growth, particularly in the mining sector, are to develop environmentally friendly technologies, implement stricter regulations on the industry, and invest in environmental restoration programs. It is important to consider the balance between economic growth and environmental preservation, while ensuring the company's profitability in the long run. The goals and benefits of profitability should be communicated to management, owners, and other stakeholders to ensure the necessary support and cooperation (Christavera & Jonnardi, 2023). While the growth of the industry in general can increase a company's revenue and profits, the costs associated with environmental impacts can reduce overall profitability. In addition, strict environmental regulations or pressure from stakeholders to adopt sustainable business practices may also require additional investment in environmentally friendly technologies or environmental restoration programs, which can affect production costs and profitability.

Issues in the mining sector written by (Dewi & Budiadnyani, 2024) investigate the paradoxical phenomenon related to the abundance of natural resources (SDA) in Indonesia, especially mineral mining, which should be a boon for community prosperity but instead becomes a curse due to improper management. The case of tin mining corruption in the Bangka Belitung Islands Province has emerged in recent times. State losses that reach trillions of rupiah and environmental damage are the consequences of irresponsible mining practices. Although Indonesia has an incredible wealth of mining, its people have not enjoyed its full benefits as the mining magnates enjoyed. In addition to having to consider its profitability, the company must also consider its social and environmental values. In such a situation, it is very important for mine management to use *green accounting* and carbon rejection methods, this will make it possible to measure environmental impact and consider adverse externality values.

This study integrates the research results of (Anggita et al., 2022), (Firdaus et al., 2023), (Nafisa, 2023), (Santi, 2024) and (Dewi & Budiadnyani, 2024). However, there is a difference with (Anggita et al., 2022), namely with the addition of a variable in the form of Profitability. This addition is intended to evaluate whether a listed company with a

healthy financial condition and the company's competitiveness in achieving significant profits is able to attract the attention of investors so that it can increase its value, a company with a high level of profitability will have an impact on the value of its company. In addition, the difference with the research conducted by Firdaus et al (2023) and Santi (2024) is that it does not add environmental performance variables to its independent variables. Another difference is the focus of the previous research (Nafisa, 2023) which focused more on manufacturing companies, while in this study it focused more on the mining sector because this sector has a high sensitivity to environmental and social conditions related to research variables. In addition, updates related to the research year, where in the research conducted by (Dewi & Budiadnyani, 2024) in 2019-2021 while this research was carried out during the 2021-2023 period.

Based on these studies, the empirical findings still show inconsistencies. Some studies have found that green accounting practices and environmental disclosures can improve market perception, while other studies show that investors in Indonesia are still more responsive to conventional financial indicators. On the other hand, previous research shows that green accounting is increasingly important in companies' climate transition strategies and can strengthen profitability, but its direct linkage to company value has not been consistent (Dhelia & Yuliandhari, 2026; Maimuna et al., 2026).

Thus, the research gap of this research lies in three aspects. First, there is still limited research that simultaneously tests green accounting, carbon emission disclosure, and profitability to company value in an empirical model in Indonesia's mining sector. Second, most previous studies have focused on the manufacturing sector or included other variables such as environmental performance, so specific evidence on mining companies that have higher emissions exposures and stronger legitimacy pressures is still inadequate. Third, a previous study that discuss on company value confirms that profitability has a positive effect on company value, but this mechanism has not been tested with environmental variables in the mining sector for the most recent period 2021–2023 (Ramadhani & Masdjojo, 2025); (Yolanda & Santoso, 2025). Therefore, this study offers a contribution by simultaneously examining the relationship between environmental factors and financial factors to the value of companies in mining companies listed on the Indonesia Stock Exchange.

This study aims to analyze the influence of green accounting, carbon emission disclosure, and profitability on the value of companies in the mining sector listed on the Indonesia Stock Exchange for the 2021–2023 period. In particular, this study is directed to obtain empirical evidence regarding the influence of green accounting on company value, the effect of carbon emission disclosure on company value, and the effect of profitability on company value. Through these tests, this research is expected to provide a more comprehensive understanding of the extent to which environmental sustainability aspects and financial performance are responded to by the market in the formation of company value, especially in the mining sector which has high exposure to environmental issues and sustainability accountability demands. Therefore, this research is useful to help companies manage risk and identify effective strategies in maintaining a balance between economic growth and environmental sustainability, as well as ensuring the company's profitability in the long term.

The results of this research are expected to provide insight into the company's integration of sustainable business practices with consideration of company value, to achieve sustainable economic growth while maintaining environmental sustainability. This research is also expected to complement the understanding of the relationship

between *Green Accounting*, *Carbon Emission Disclosure*, Profitability and Value of Mining Companies, as well as provide practical guidance for companies in adopting sustainable practices and providing benefits to company management, investors, government, and society as a whole.

2. Theoretical Background

This study is grounded in three main theories. Legitimacy Theory explains that companies strive to align their activities with societal norms and expectations through the disclosure of environmental information including the implementation of *green accounting* and carbon emissions disclosure in order to maintain public and investor trust (Deegan, 2002; Suchman, 1995). Signaling Theory states that companies use both financial and non-financial information as positive signals to the market to reduce information asymmetry and enhance investors' perceptions of corporate value (Connelly et al., 2025; Spence, 1978). Stakeholder Theory asserts that companies must consider the interests of all stakeholders, and the disclosure of environmental activities will strengthen the company's social legitimacy and market position (Freeman & Reed, 1983; Mahajan et al., 2023).

2.1 The Impact of *Green Accounting* on Company value

Green accounting is the practice of recording, measuring, and reporting costs and benefits related to a company's environmental activities. The implementation of *green accounting* reflects a company's commitment to environmental sustainability, which not only fulfills regulatory obligations but also serves as a strategic communication tool for investors and the broader public.

Based on legitimacy theory, companies that consistently implement *green accounting* will gain the trust of stakeholders because they are perceived as being responsible for the environmental impacts of their operational activities (Deegan, 2002; Martens & Bui, 2023). This trust ultimately contributes to an increase in corporate value in the eyes of investors.

Several empirical studies support this relationship. Amalia & Riyadi (2026), in their study of mining sector companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024, found that *green accounting* has a significant impact on company value, although in the short term the effect may be negative due to increased operational costs. Ariyanti et al. (2026) in their study of companies in the *consumer non-cyclicals* sector listed on the IDX during the 2022–2024 period found that *green accounting*, CSR disclosure, and profitability simultaneously influence corporate value, indicating that *green accounting* is one of the key determinants of corporate value. Meanwhile, Rizky & Winarso (2025) in their study of companies that won the *Asia Sustainability Reporting Awards 2023* found that the dimensions of *green accounting* energy use, water consumption, and emissions simultaneously influence company value.

Based on the theoretical framework and empirical evidence above, the proposed hypothesis is:

H₁: Green accounting has a positive effect on company value.

2.2. The Effect of *Carbon Emission Disclosure* on Company value

Carbon emission disclosure refers to voluntary or mandatory disclosures regarding the amount of greenhouse gas emissions generated from a company's operational activities. Amid growing global awareness of climate change, transparency regarding carbon

emissions has increasingly become a critical consideration for investors in making investment decisions.

Based on signaling theory, carbon emission disclosure can be viewed as a positive signal of a company's commitment to sustainability and environmental risk management (Connelly et al., 2025). Companies that proactively disclose their carbon emissions demonstrate transparency and accountability, which can enhance investor confidence and strengthen corporate value in the capital market.

From the perspective of stakeholder theory, Maharani et al. (2024), in their study of 366 companies in Indonesia with an observation period of 2018–2022 using the Tobin's Q proxy, found that carbon emissions disclosure influences company value, and concluded that carbon emissions information drives company value because such disclosure affects investor decisions in accordance with the principles of *stakeholder theory*. Furthermore, Supriyanti & Wardhani (2024) specifically examined the role of *green accounting* and *carbon emission disclosure* in enhancing corporate value and found support for the positive contribution of carbon emission disclosure to corporate value. Based on the above discussion, the proposed hypothesis is:

H₂: Carbon emission disclosure has a positive effect on company value.

2.3. The Effect of Profitability on Company value

Profitability is a company's ability to generate profits from its operational activities over a specific period, typically proxied by *Return on Assets* (ROA). A high level of profitability reflects management's efficiency in utilizing the company's assets to generate profits.

According to signaling theory, high profitability serves as a positive signal to investors regarding the company's future prospects. Nazifah & Candra (2026), in their study of plantation sector companies listed on the Indonesia Stock Exchange (IDX) from 2022 to 2024, found that profitability proxied by ROA has a positive and significant effect on company value, proxied by the *Price-to-Book Value* (PBV) ratio. This finding aligns with signaling theory, which states that profitability serves as a positive signal for investors in assessing a company's prospects. Similarly, Ariyanti et al. (2026) in their study of the *consumer non-cyclicals* sector on the IDX from 2022 to 2024 also confirmed that profitability, alongside *green accounting* and CSR, simultaneously influences company value. Furthermore, Kelly & Henny (2023), in a study examining the role of profitability in the *food & beverage* sector on the IDX, found that profitability significantly influences company value, and profitability was shown to mediate the relationship between *green accounting* and company value. Based on this theoretical framework and empirical evidence, the proposed hypothesis is:

H₃: Profitability has a positive effect on company value.

3. Methods

3.1 Research Design

This study uses a quantitative approach with a causal associative type. Data analysis included descriptive statistical tests, classical assumption tests, and multiple linear regression analysis with the help of SPSS applications. The research population is mining sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period. The sampling technique uses purposive sampling based on the following criteria: (1) the company publishes annual reports and/or sustainability reports consistently during the observation period; and (2) the company discloses the data required for all research

variables of the total 67 mining sector companies listed on the IDX 2021-2023, only 28 companies. with a total of 84 firm-year observations used in data processing.

3.2 Measurement of Variables

3.2.1 Company Value (Y)

The measurement of company value in this study will use the Tobin's Q Ratio. If the result of the Tobin's Q calculation is below 1, it can be interpreted as a less positive market response to the company's performance. Conversely, if the result of the calculation is above 1, reflecting the market response gives the market value exceeding the company's book value. This measurement refers to the research of (2021), which is formulated as below:

$$\text{Tobin's } Q = \frac{MVE+D}{TA} \quad (1)$$

Description:

MVE = Market Value of Equity (closing stock price × number of shares outstanding)

D = total debt

PLOT = total assets.

3.2.2 Green Accounting (X1)

Green Accounting in this study is measured as a dummy variable, based on the presence or absence of environmental cost disclosure, the formula can be written as follows:

$$GA = \begin{cases} 1, \text{disclose environmental costs} \\ 0, \text{does not disclose environmental costs} \end{cases} \quad (2)$$

Companies are given a score of 1 if they disclose environmental costs in their annual report or sustainability report, and a score of 0 if they do not disclose them. This approach is used to identify whether or not there is an application of environmental accounting aspects in corporate reporting (Pratiwi et al., 2023).

3.2.3 Carbon Emissions Disclosure (X2)

The results of Carbon Emission Disclosure measurements are presented in the form of an index contained in the sustainability report which is often presented separately. This disclosure index consists of 5 categories with a total of 18 items. These items if disclosed will be given a score of 1, on the other hand, a score of 0 will be given for items that are not disclosed. This total score is then divided by the total disclosure to get the ratio, which can be formulated as follows (Damas et al., 2021).

$$CED = \frac{\sum di}{M} \quad (3)$$

Description:

di = Ith Disclosure Item Score (1 if disclosed; 0 if not disclosed)

M = number of carbon emission disclosure items, which is 18 items.

3.2.4 Profitability (X3)

Profitability is measured using Return on Assets (ROA), as this ratio indicates a company's ability to generate profits from the overall assets under management. The higher the ROA, the more efficient the company will be in utilizing assets to generate profits. The profitability measurement is formulated as follows:

$$ROA = \frac{\text{Net Income}}{\text{Total Assets}} \quad (4)$$

Description:
 ROA = Return on Assets
 Net Income = net profit after tax
 Total Assets = total assets of the company

4. Results and Discussion

4.1 Descriptive Statistics

Table 1. Descriptive Statistics

Variable	N	Minimum	Maximum	Red	Std. Deviation
Green Accounting	84	0.00	1.00	0.8571	0.35203
Carbon Emission Disclosure	84	0.22	0.94	0.5939	0.17910
Profitability Company Values	84	-0.25	0.62	0.1321	0.16672
Valid N (listwise)	84	-0.17	0.49	0.0911	0.15686

Source: Data processed (2024)

Based on table 1 the mean for *green accounting* is 0.8571, the standard deviation is 0.35203, the highest score is 1.00 and the lowest score is 0.00. The next independent variable is *that Carbon Emission Disclosure* has a mean of 0.5939 with a standard deviation of 0.17910. The highest score is 0.94 and the lowest is 0.22. Profitability is an independent variable that last has a mean of 0.1321, a standard deviation of 0.16672, then for the highest score of 0.62 and the lowest of -0.25. The dependent variable (company value) has a mean of 0.0911 and 0.15686 is the standard deviation. Then for the highest score is 0.49 and the lowest score is -0.17.

4.2 The Classical Assumption Test of Normality

4.2.1 Normality

Table 2. Normality Test Results

Remarks	Value
N	84
Red	0.000000
Std. Deviation	0.13116992
Most Extreme Differences - Absolute	0.084
Most Extreme Differences - Positive	0.084
Most Extreme Differences - Negative	-0.054
Test Statistic	0.084
Asymp. Sig. (2-tailed)	0.200

Source: Data processed (2024)

Table 2 is the result of the normality test conducted by the researcher by showing a value of 0.200 so that > 0.05 can be concluded that the regression model used is normally distributed so that the research can be continued.

4.2.1 Multicollinearity

Table 3. Multicollinearity Test Results

Variable	Tolerance	VIVID
Green Accounting	.877	1.140
Carbon Emission Disclosure	.875	1.143
Profitability	.983	1.017

Source: Data processed (2024)

In table 3, the VIF value of the *Green Accounting* variable is 1,140, *Carbon Emission Disclosure (CED)* is 1,143, and *Profitability* is 1,017 which shows values of >1 and <10 so that multicollinearity does not occur and can be continued.

4.2.2 Heteroskedasticity

Table 4. Heteroskedasticity Test Results

Variable	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.068	0.055	–	1.235	0.220
Green Accounting	-0.034	0.044	-0.077	-0.771	0.443
Carbon Emission Disclosure	-0.027	0.088	-0.030	-0.304	0.762
Profitability	0.519	0.089	0.552	5.851	0.000

Source: Data processed (2024)

Since the significant value is more than 0.05, it can be concluded that there is no exceptionality.

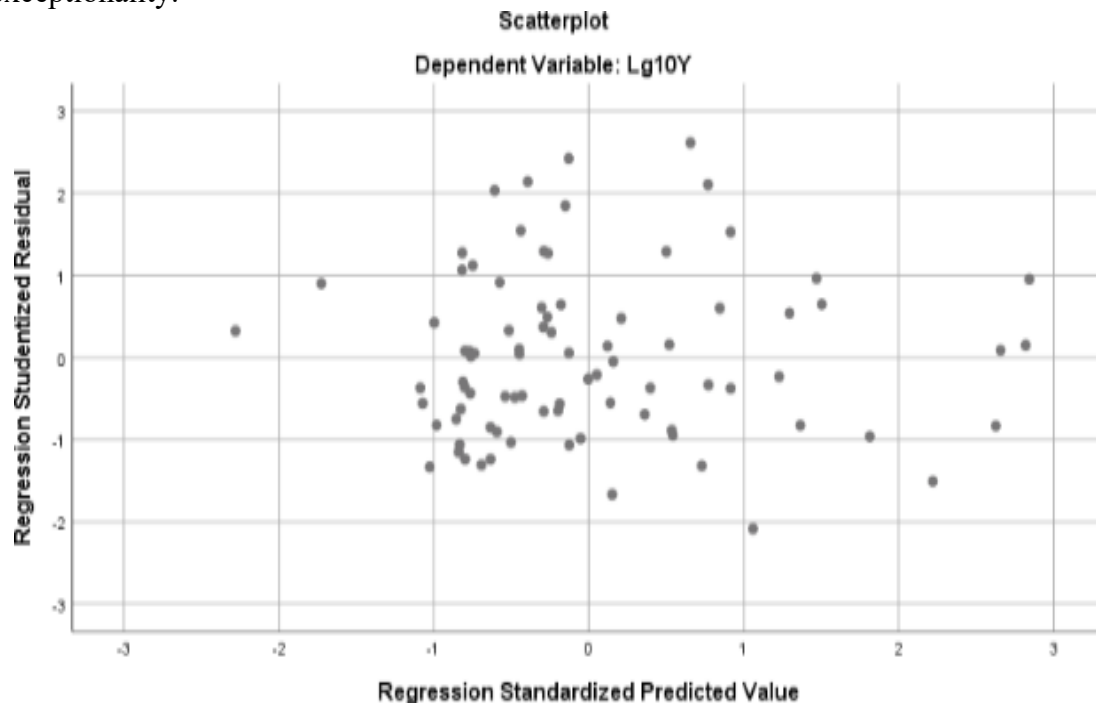


Figure 1. Scatterplot Graphics

Source: Data processed (2024)

Based on the scatterplot graph in Figure 1 and the summary in Table 4, the residual points are randomly spread around the zero axis and do not form a specific pattern, so it can be concluded that the model does not experience heteroscedasticity.

4.2.3 Autocorrelation

Table 5. Autocorrelation Test Results

Models	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.548	0.301	0.274	0.13361	1.589

Source: Data processed (2024)

Based on table 5, the number 1.589 is a Durbin-Watson value which indicates a value greater than the DU value of 1.50647 and less than the value of 4-DU which has a value of 2.49353 so there is no autocorrelation in it.

4.3 Multiple Linear Regression Analysis

Table 6. Results of Multiple Linear Regression Analysis Test

Variable	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.068	0.055	–	1.235	0.220
Green Accounting	-0.034	0.044	-0.077	-0.771	0.443
Carbon Emission Disclosure	-0.027	0.088	-0.030	-0.304	0.762
Profitability	0.519	0.089	0.552	5.851	0.000

Source: Data processed (2024)

Based on table 6, it is known that the constant in the Unstandardized Coefficients column has a value of 0.068, the Green Accounting variable is -0.034, the Carbon Emission Disclosure is -0.027, and the Profitability value is 0.519. From the output of this SPSS has been obtained an equation:

$$Y = 0.068 - 0.034 X1 - 0.027 X2 + 0.519 X3 + 0.055X4 \quad (4)$$

The constant value of the above equation is 0.068 which shows that if the independent variables, namely Green Accounting, Carbon Emission Disclosure, and Profitability, are assumed to be of constant value, then the value of the company as the dependent variable used will increase by 0.068. The value of the Green Accounting regression coefficient as X1 is -0.034, which means that if the Carbon Emission Disclosure decreases by 1, then the dependent variable, namely the company's value, tends to increase by 0.034. The regression coefficient value of Carbon Emission Disclosure as X2 is -0.027, meaning that if the disclosure of carbon emissions decreases by 1, then the company value as a dependent variable tends to increase by 0.027. The regression coefficient value of Profitability as X3 is 0.519, meaning that if Profitability decreases by 1, then the company value as a dependent variable tends to increase by 0.519.

4.4 Hypothesis Test

4.4.1 Coefficient of Determination (R²)

Table 7. Determination Coefficient Test Results (R²)

Models	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.548	0.301	0.274	0.13361	1.589

Source: Data processed (2024)

Based on table 7, the adjusted R² value is 0.274 or 27.4 percent. This shows that independent variables affect the company's value by 27.4 percent, while 72.6% are influenced by other factors that are not included in this study.

4.4.2 Simultaneous Significance (F Test)

Table 8. Simultaneous Significance Test Results

Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Regression	0.614	3	0.205	11.468	0.000
Residual	1.428	80	0.018		
Total	2.042	83			

Source: Data processed (2024)

Based on table 8, the significant value of the test is 0.000, because the significant result is <0.05, the regression model can be used to predict the company's value.

4.4.3 Partial Significance (t-test)

Table 9. Partial Significance Test Results

Variable	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	0.068	0.055		1.235	0.220
Green Accounting	-0.034	0.044	-0.077	-0.771	0.443
Carbon Emission Disclosure	-0.027	0.088	-0.030	-0.304	0.762
Profitability	0.519	0.089	0.552	5.851	0.000

Source: Data processed (2024)

Based on table 9, the *Green Accounting* (X1) value is -0.771, and the t-table is 1.667 so that the t-value is < the t-table value (-0.071 < 1.667). In addition, the significance value is 0.443 > α (0.05). Thus, the conclusion is that *Green Accounting* does not have a significant influence on the value of the company, and has a negative relationship direction. Therefore, the first hypothesis (H1) that states that "*Green Accounting* has an effect on the value of the company" is rejected.

4.5 Discussion

4.5.1 The Influence of Green Accounting on Company Value

Based on the results of the partial test (t-test), the green accounting variable shows a significance value above the significance level of 5 percent, so it can be concluded that green accounting does not have a significant effect on the company's value. These

findings indicate that the Indonesian capital market has not fully responded to environmental accounting information as the main basis for assessing the value of companies, especially in the mining sector.

Scientifically, the insignificance of the influence of green accounting suggests that environmental cost disclosure is still perceived as non-economic information by investors. The information is not considered to be able to directly reflect the company's future cash flow prospects or risks. In other words, green accounting is still positioned as complementary disclosure, not as value-relevant information in investment decision-making.

These findings are in line with the perspective of value relevance theory, which states that only information that can influence investors' return expectations and risks will be reflected in the stock price. In the context of Indonesia's emerging capital market, investors' focus tends to be more on short-term financial indicators rather than environmental disclosures whose economic benefits are long-term and have not been fully internalized.

The results of this study support the findings of (Kelly & Henny, 2023) and (Anggita et al., 2022), who stated that the implementation of green accounting is not strong enough to influence market perception. This also indicates that investors' literacy and sensitivity to sustainability issues are still relatively limited, especially when the information is not followed by a directly measurable financial impact.

4.5.2 The Effect of Carbon Emission Disclosure on Company Value

The t-value of the Carbon Emission Disclosure (X2) variable is -0.304, while the t-table value is 1.667. Based on the results, the t-calculated value is smaller than the t-table value ($-0.304 < 1.667$). In addition, the significance value is $0.762 > \alpha (0.05)$. In conclusion, Carbon Emission Disclosure does not have a significant influence on the value of the company. As a result, the second hypothesis (H2) that "Carbon Emission Disclosure has a positive effect on the value of the company" must be rejected.

These findings indicate that carbon emission disclosure has not yet become a major factor in the mechanism of corporate value formation in the Indonesian capital market. Investors tend not to make carbon emission information a strategic consideration in evaluating the performance and prospects of mining companies. Environmental information is still considered a form of compliance-based disclosure, not an economic signal that influences investment decisions.

From the perspective of stakeholder theory, the disclosure of carbon emissions should increase the legitimacy of the company and have a positive impact on the company's value. However, the results of this study show that there is a gap between market theory and practice, where social legitimacy has not been fully converted into economic legitimacy. This can be due to the lack of uniform carbon emission disclosure standards and the lack of direct economic consequences for companies with low emission performance. Thus, these findings reinforce the argument that Indonesia's capital market is still in a transition stage in responding to sustainability issues, where traditional financial factors still dominate over environmental indicators. These results are consistent with the research of Nafisa (2023) and (Zuhrufiyah & Anggraeni, 2019), which found that carbon emission disclosure does not yet have strong value relevance.

Carbon emissions disclosure aims to reduce adverse impacts on the environment which can improve the company's image in terms of environmental performance and can also encourage investors to invest their capital. The benefits of these initiatives take longer to

be seen and appreciated by the market. These disclosures have not succeeded in attracting investors in sufficient numbers to affect the value of the company, this is due to a lack of awareness by or prioritizing environmental issues by investors in their investment decisions. However, in the future, the long-term benefits of carbon emissions disclosure can be further realized with better education and reporting. As part of their commitment to sustainability, companies must continue to improve and continue transparency of carbon emissions disclosures.

4.5.3 The Effect of Profitability on Company Value

The profitability variable (X3) had a larger t-count value than the t-table ($5.851 > 1.667$) with a significance value of $0.000 < 0.05$. Thus, profitability has a positive and significant effect on the company's value, so H3 is accepted. These findings confirm that investors still place profits as the most direct economic signal in valuing mining companies. Profitability reflects management's ability to generate profits from assets under management, maintain operating cash flow, and support investment sustainability. Therefore, the increase in ROA tends to be read by the market as an indicator of operational efficiency as well as a prospect of better returns for shareholders.

In the mining sector, the significance of profitability is becoming increasingly important because this industry is capital-intensive, high-risk, and sensitive to fluctuations in commodity prices. In such a context, stable profits are perceived as an indicator of operational resilience and the effectiveness of the company's strategy. This result is in line with a study by (Ramadhani & Masdjojo, 2025) and (Yolanda & Santoso, 2025) which both found that profitability has a positive and significant effect on company value.

Further, these results indicate that the market tends to appreciate environmental variables when they have been translated into measurable financial results. A recent study shows that green accounting can support profitability and readiness for a company's climate transition (Dhelia & Yuliandhari, 2026). Thus, green accounting and carbon emission disclosure in mining companies may not be directly responded to by the market as a determinant of company value, but the economic benefits have the potential to emerge through increased efficiency, risk reduction, and strengthening profitability in the medium and long term.

Managerially, these findings show that it is not enough for companies to simply express their environmental commitments symbolically. Environmental disclosure needs to be integrated with operational and financial strategies to generate cost efficiency, a credible reputation, and consistent profits. When sustainability practices can be converted into tangible financial performance, markets tend to give a stronger appreciation of a company's value.

5. Conclusion

In the results of this study, the first hypothesis (H1) "Green Accounting affects the value of the company" is rejected. The second hypothesis (H2) "Carbon Emission Disclosure has a positive effect on the value of the company" is rejected, and the third hypothesis (H3) "Profitability has a positive effect on the value of the company" is accepted. Based on the results of the analysis from Adjusted R Square, the remaining 72.6% is explained by other variables that are not included in the study. It is likely that there are other variables not considered in this study that have a significant impact, so these findings can be a foundation for further research that can better explain changes in

the company's value. Companies can allocate their resources more efficiently by not having to prioritize investments in things that don't have a significant impact on increasing the company's value. These results also reflect the importance of honest and transparent disclosure of information to stakeholders, including in terms of environmental issues, to build trust and fulfil social responsibility

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