THE EFFECT OF ENVIRONMENTAL DISCLOSURE AND MANAGEMENT ON RETURN ON EQUITY AND STOCK PRICE GROWTH

(An empirical study of mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2020-2024)

SKRIPSI

ANGELINA SELVI DESTIKA

Student Number. B1034221003

DEPARTEMENT OF ACCOUNTING

FACULTY OF ECONOMICS AND BUSINESS

UNIVERSITAS TANJUNGPURA

PONTIANAK

2026

PERNYATAAN BEBAS DARI PLAGIAT

Nama	:	Angelina Selvi Destika
Nim	:	B1034221003
Jurusan	:	Akuntansi
Program Studi	:	Akuntansi/Internasional
Judul Skripsi	:	The Effect Of Environmental Disclosure And Management On Return On Equity And Stock Price Growth

Menyatakan dengan sesungguhnya bahwa Skripsi dengan judul tersebut di atas, secara keseluruhan adalah murni karya penulis sendiri dan bukan plagiat dari karya orang lain, kecuali bagian-bagian yang dirujuk sebagai sumber pustaka sesuai dengan panduan penulisan yang berlaku (lembar hasil pemeriksaan plagiat terlampir).

Apabila di dalamnya terbukti penulis melakukan plagiat, maka sepenuhnya menjadi tanggung jawab penulis yang dapat berakibat pada pembatalan Skripsi dengan judul tersebut di atas. Demikian pernyataan ini penulis buat dengan sebenar-benarnya.

Pontianak, 13 Februari 2026

Angelina Selvi Destika
NIM. B1034221003

PERTANGGUNGJAWABAN SKRIPSI

Nama	:	Angelina Selvi Destika
Nim	:	B1034221003
Jurusan	:	Akuntansi
Program Studi	:	Akuntansi/Internasional
Judul Skripsi	:	The Effect Of Environmental Disclosure And Management On Return On Equity And Stock Price Growth

Dengan ini menyatakan bahwa skripsi ini adalah hasil karya saya sendiri dan sumber data dan informasi baik yang dikutip maupun dirujuk telah saya nyatakan benar.

Pontianak, 13 Februari 2026

Angelina Selvi Destika
NIM. B1034221003

LEMBAR YURIDIS

THE EFFECT OF ENVIRONMENTAL DISCLOSURE AND MANAGEMENT ON RETURN ON EQUITY AND STOCK PRICE GROWTH
(An empirical study of mining companies listed on the Indonesia Stock Exchange (IDX) for the period 2020-2024)

Penanggung Jawab Yuridis

ANGELINA SELVI DESTIKA
B1034221103

Jurusan : Akuntansi
Program Studi : Akuntansi Internasional
Konsentrasi : Akuntansi Keuangan
Tgl Ujian Skripsi dan Komprehensif : 5 Maret 2026

Majelis Penguji

No.	Majelis Penguji	Nama/NIP	Tgl/Bln/ Thn	Tanda Tangan
1.	Ketua Penguji	Dr. Juanda Astarani, S.E., M.Sc., CSRS., ACPA., CFrA. NIP. 198207192005011001	07/04/2026	
2.	Sekretaris Penguji	Dr. Nina Febriana Dosinta, S.E.,M.Si NIP. 198002272006042001	06/04/2026	
3.	Penguji 1	Djunita Permata Indah, S.E., M.Acc., NIP.199106142019032019	04/04/2026	
4.	Penguji 2	Amanah Hijriah, S.E., MSA NIP. 199309112022032010	01/04/2026	

Dinyatakan Telah Memenuhi Syarat dan Lulus
Dalam Ujian Skripsi dan Komprehensif

Pontianak, 22 JUN 2026
Koordinator Program Studi Akuntansi

Dr. Khristina Yunita, S.E., M.Si., Ak., CA
NIP. 197906182002122003

ACKNOWLEDGMENTS

First and foremost, the author would like to express sincere gratitude to God Almighty for His abundant grace and love, as well as for the strength granted to complete this Final Project entitled *"The Effect of Environmental Disclosure and Environmental Management on Return on Equity and Stock Price Growth."* This Final Project was prepared with limited knowledge and is far from perfect.

In completing this Final Project, the author received considerable assistance, support, guidance, and prayers from many parties. Therefore, with great humility and gratitude, the author would like to express sincere appreciation to:

1. God Almighty for all the blessings, grace, and miracles bestowed, especially during times of doubt, enabling the author to complete this Final Project on time.
2. The author's beloved parents, Mr. Laudius Kenak and Mrs. Scolastika Atik, for their endless sacrifices, motivation, and unconditional love, and for always providing the best so that the author never felt lacking.
3. The author's younger sister, Margaretha Duwi Santika, for her care and constant communication, which made the author feel supported and never alone.
4. Dr. Barkah, S.E., M.Si., as the Dean of the Faculty of Economics and Business, Universitas Tanjungpura Pontianak.
5. Dr. Nella Yantiana, S.E., M.M., Ak., CA., CMA., CPA., as the Head of the Accounting Department.
6. Dr. Khristina Yunita, S.E., M.Si., Ak., CA., as the Head of the Accounting Study Program.
7. Dr. Juanda Astarani, S.E., M.Sc., CSRS., ACPA., CFrA., as the Academic Advisor who patiently provided guidance and support throughout the author's academic journey and the completion of this Final Project.

8. Dr. Nina Febriana Dosinta, S.E., M.Si., as the Main Supervisor who generously dedicated her time, guidance, suggestions, and motivation, enabling the author to complete this thesis successfully.
9. Amanah Hijriah, S.E., MSA., as the Examiner who provided valuable advice and direction during the thesis examination process.
10. Djunita Permata Indah, S.E., M.Acc., as the Examiner who offered constructive suggestions and guidance for the improvement of this thesis.
11. All academic members of the Faculty of Economics and Business, Universitas Tanjungpura, for the knowledge and valuable experiences provided during the author's study period.
12. The author's friends: Eva, Sunta, Indah, Rosi, Dini, and Lalak, for their companionship and support throughout the academic journey.
13. The author's best friend since the beginning of university, Ita, for being the best partner and like family during the completion of this study.
14. The author's close friends, Lala and Lalak, for their continuous support and encouragement since vocational high school.
15. The extended BOLUH family for being the best support system, providing prayers, motivation, and sincere love.
16. Yumita, Meista, Caca, Maya, and Sibangga for being discussion partners and companions during university life.
17. Friends from the International Class for the valuable experiences, knowledge, and memorable moments shared throughout the academic period.
18. Samuel and Alex for being excellent organizational partners and for providing meaningful experiences in organizational activities.
19. To the seniors of Kost Nadin, who gave the author the opportunity to truly experience what it feels like to have older siblings, who guided the author during the participation in the *Merdeka Student Exchange Program (Batch 4)*, and who taught the author many valuable lessons that had never been learned before from friends—thank you for becoming such an important

part of the author's life through all the surprises and meaningful experiences shared.

20. All parties who cannot be mentioned individually but have contributed to the completion of this thesis.
21. Last but not least, the author would like to express heartfelt gratitude to herself, Angelina Selvi Destika. Thank you for persevering and continuing despite doubts, exhaustion, and fear. Thank you for staying strong, healthy, and resilient even during moments of despair. The author is proud of herself for successfully completing this important chapter of life's journey.

The author realizes that this Final Project is still far from perfect. Therefore, constructive criticism and suggestions are highly appreciated for future improvement. Hopefully, this work will be beneficial to its readers.

TABLE OF CONTENTS

PERNYATAAN BEBAS DARI PLAGIAT ii
PERTANGGUNGJAWABAN SKRIPSI iii
LEMBAR PERSETUJUAN SKRIPSI DAN KOMPREHENSIF UJIAN PERTAMA iv
TABLE OF CONTENTS viii
LIST OF TABLES xi
LIST OF PICTURES xii
APPENDIX LIST xiii
CHAPTER 1 1
INTRODUCTION 1
1.1 Background 1
1.2 Problem Formulation 4
1.3 Research Objectives 5
1.4 Benefits of the Research 5
CHAPTER II 7
LITERATURE REVIEW 7
2.1 Theoretical Framework 7
2.1.1 Legitimacy Theory 7
2.1.2 Stakeholder Theory 7
2.1.3 Signal theory 8
2.2 Definition of Variables 8
2.2.1 Green Accounting 8
2.2.2 Environmental Disclosure 9
2.2.3 Environmental Management 10
2.2.4 Return on Equity (ROE) 10
2.2.5 Stock Price Growth 11
2.3 Empirical Study 12
2.4 Conceptual Framework and Research Hypotheses 17
2.4.1 Conceptual Framework of the 17
2.4.2 Research Hypothesis 17

CHAPTER III 23
RESEARCH METHOD 23
3.1 Research Design 23
3.2 Place and Time of Research 23
3.3 Data 23
3.4 Population and Sample 24
3.4.1 Population 24
3.4.2 Sample 24
3.5 Operational Definition 26
3.5.2 Independent Variables 27
3.5.3 Intervening Variables 28
3.6 Data Analysis Methods and Techniques 29
3.6.1 Descriptive Statistical Analysis Test 29
3.6.2 Classical Assumption Tests 29
3.7.3 Multiple Linear Regression Analysis 32
3.7.4 Model Feasibility Test (F Test) 32
3.7.5 Coefficient of Determination Test (R Test) 33
3.7.6 t-test 33
CHAPTER IV 34
4.1 General Overview of the Study 34
4.2 Reseach Results 34
4.2.1 Descriptive statistics Statistical Analysis Test 34
4.2.2 Classical Assumption Test 37
4.2.2.1 Normality test 37
4.2.2.2 Multicollinearity test 38
4.2.2.3 Autocorrelation Test 39
4.2.2.4 Heteroscedasticity Test 40
4.2.3 Multiple Linear Regression Analysis 41
4.2.3.1 Model Feasibility Test (F Test) 41
4.2.3.2 Coefficient of Determination Test (R Test) 42
4.2.3.3 t-test 44
4.3 Path Analysis 47

CHAPTER V 53
CONCLUSION 53
5.1 Conclusion 53
5.2 Reseach Limitations and Suggestion 53
5.3 Recommendation 54
REFERENCES 56
APPENDIX LIST 61
Appendix 1 Processed Data 61

LIST OF TABLES

Table 3. 1 Sample Selection Process 25
Table 3. 2 List of Company Names 25
Table 3. 3 PROPER performance rating 27
Table 4. 1 Descriptive Statistic Test 35
Table 4. 2 Statistical Normality Test (Kolmogorov-Smirnov) 37
Table 4. 1 Descriptive Statistic Test 35
Table 4. 2 Statistical Normality Test (Kolmogorov-Smirnov) 37
Table 4. 3 Multicollinearity test results 38
Table 4. 4 Autocorrelation Test Results 39
Table 4. 5 Glejser test 40
Table 4. 6 Feasibility test of the F test model for the first equation 41
Table 4. 7 Feasibility test of the F test model for the second equation 42
Table 4. 8 Determination of the First Equation 43
Table 4. 9 Coefficient of Determination of the Second Equation 43
Table 4. 10 Results of the t-test for the first equation 44
Table 4. 11 Hasil Results of the t-test for the Second Equation 45

LIST OF PICTURES

Figure 2. 1 Conceptual Framework of the study 17
Figure 4. 1 Path Analysis 47

APPENDIX LIST

Appendix 1 Sample of energy sector companies listed on the Indonesian Stock Exchange 61
Appendix 4 1 Results of data processing using SPSS Version 25 63
Appendix 4 2 1. Descriptive Statistics Test Results 63
Appendix 4 3 2. Normality Test 63
Appendix 4 4 4. Multikoleniarity Test 64
Appendix 4 5 4. Autocorrelation Test 64
Appendix 4 6 5. Heteroscedasticity Test 64
Appendix 4 7 6. Multiple linear regression analysis 64
Appendix 4 8 7. Coefficient of determination test 65
Appendix 4 9 8. F-test for the first equation 65
Appendix 4 10 9. F-test for the second equation 65
Appendix 4 11 10. T-test for the first equation 66
Appendix 4 12 11. T- test for the second equation 66

The effect of environmental disclosure and management on *return on* equity and stock price growth

Author:

Angelina Selvi Destika

Jurusan Akuntansi

Fakkultas Ekonomi dan Bisnis

Universitas Tanjungpura

ABSTRACT

This study arose due to environmental problems caused by massive corporate growth. The purpose of this study is to examine the effect of environmental disclosure and environmental management on Return On Equity (ROE) and stock price growth in palm oil plantation companies listed on the Indonesia Stock Exchange (IDX) for the period 2020-2024. The population consisted of 65 companies. The study used purposive sampling in selecting the sample. The sample in this study consisted of 13 palm oil plantation companies. Data analysis was performed using multiple linear regression analysis with the help of IBM SPSS 25 software. The results showed that disclosure did not affect ROE. Management did not affect ROE. ROE affected stock price growth. Disclosure does not affect stock price growth. Management affects stock price growth.

Key words : Enviromental Disclosure, Enviromental Management, Return on Equity and Stock Price Growth

The effect of environmental disclosure and management on *return on* equity and stock price growth

1. Background

Environmental damage in Indonesia, especially in the mining sector, is a serious problem that includes air pollution, global warming, water and soil pollution, and excessive exploitation of natural resources. Many mining companies ignore their responsibility to the environment and society, because external parties do not contribute directly to the company's profits. Green accounting has emerged as a solution to integrate environmental costs into financial reports, with PSAK No. 1 and No. 57 standards issued by the Indonesian Institute of Accountants (IAI) since 1994.

The mining sector contributes significantly to the Indonesian economy, with an increase in non-tax state revenue from natural resources reaching IDR 74.44 trillion in 2022, driven by rising commodity prices such as coal. However, this industry is also a major contributor to environmental damage, requiring environmental accounting disclosure as a form of corporate social and environmental responsibility (CSR). This study focuses on two green accounting indicators: environmental disclosure and environmental management.

Environmental disclosure increases public trust, affects Return on Equity (ROE), and attracts investors, which ultimately has a positive impact on stock price growth. Environmental management, as measured by the Company Performance Rating Program (PROPER) by the Ministry of Environment and Forestry (KLHK), prevents ecosystem damage and strengthens the company's image, thereby improving financial performance.

Previous studies, such as those by Aurora Rizky Andira and Khomsiyah (2023) and Andini Aprilianti (2024), show that green accounting and environmental performance have a positive effect on stock price growth on the Indonesia Stock Exchange. This study aims to examine the effect of

environmental disclosure and management on ROE and stock price growth in mining companies listed on the IDX for the period 2020-2024, with ROE as the intervening variable.

2. Research Questions

1. Does environmental disclosure affect Return on Equity in mining companies listed on the IDX?
2. Does environmental management affect the return on equity of mining companies listed on the Indonesia Stock Exchange?
3. Does return on equity affect stock price growth in mining companies listed on the IDX?
4. Does environmental disclosure affect stock price growth in mining companies listed on the IDX?
5. Does environmental management affect stock price growth in mining companies listed on the IDX?

3. Research Objectives

1. To examine and empirically prove the effect of environmental disclosure on return on equity.
2. To examine and empirically prove the effect of environmental management on return on equity.
3. To examine and empirically prove the effect of return on equity on stock price growth.
4. To examine and empirically prove the effect of environmental disclosure on stock price growth.
5. To examine and empirically prove the effect of environmental management on stock price growth.

4. Reseach Method

This study uses a quantitative research method, namely the, using an associative approach. Quantitative research is research that uses numerical

or numerical data analysis, while the associative approach is used to see the causal relationship (cause and effect) of independent variables that cause the emergence of dependent variables. The population is mining companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. The sample was selected through purposive sampling, resulting in 13 firms being considered, with a total of 65 observations used in the analysis.

5. Reseach Results and Discussion

1. Environmental disclosure does not affect Return on Equity because environmental disclosure may provide long-term reputational benefits, but the costs of regulatory compliance and auditing exceed the immediate financial benefits, so it does not statistically significantly affect ROE. Legitimacy theory explains the social contract between companies and society.
2. Environmental management does not affect Return on Equity (ROE) because the general public's knowledge of PROPER is very limited due to a lack of publication and education about PROPER by the Ministry of Environment and Forestry and companies. Stakeholder theory explains that companies are not only responsible to investors but also to society and the environment.
3. Return on Equity affects Stock Price Growth because investors who will invest capital or buy shares pay more attention to the profitability generated by the company as a consideration in buying shares. Signaling theory explains that high ROE can send a positive signal to investors.
4. Environmental disclosure does not affect stock price growth because investors pay more attention to the profits generated by the company, which means that investors use traditional methods of investing in companies.
5. Environmental management affects stock price growth because investors will consider companies that comply with regulations and participate in government programs, such as the PROPER program, which can enhance a company's positive image.

6. Conclusion

Based on the results of testing and discussions, it can be concluded that environmental disclosure does not affect Return on Equity (ROE) because the long-term reputational benefits are outweighed by the costs of regulatory compliance and audits, which exceed short-term financial gains, and are therefore not statistically significant. Similarly, environmental management does not affect ROE due to the lack of public knowledge about the PROPER program caused by insufficient publication and education from the Ministry of Environment and Forestry and companies. Meanwhile, ROE has a positive effect on stock price growth because investors prioritize company profitability as the main consideration in purchasing stocks. Environmental disclosure also does not affect stock price growth because investors still rely on traditional investment methods that focus on profits, but environmental management has a positive effect on it because investors value regulatory compliance and participation in government initiatives such as PROPER, which enhance the company's positive image.

CHAPTER 1

INTRODUCTION

1.1 Background

Environmental damage in Indonesia is a serious issue today. Environmental issues such as air pollution, global warming, water and soil pollution, and massive exploitation of natural resources have become hot topics of discussion and debate not only domestically but also internationally. These serious environmental problems arise when many, if not all, companies neglect or are indifferent to their responsibilities to parties outside of management and capital owners, whether those responsibilities are to the environment or to the surrounding community. Many mining companies in Indonesia are often indifferent to their responsibilities towards the environment and the surrounding community because parties outside the company do not contribute directly to the development and success of a company. One form of business activity adjustment to environmental issues is accounting (Astuti 2014). Faced with this problem, the Indonesian Institute of Accountants (IAI) in 1994 compiled environmental accounting disclosure standards in Financial Accounting Standards (PSAK) No. 1 and PSAK No. 57 regarding the accounting of the environmental impact of company activities.

The mining sector has a significant impact on the economy and sustainable development of the country (Durlista & Wahyudi, 2023). The mining sector is the top performer with an achievement of cumulative growth of 259.47%2. In 2022, the realization of PNBP from natural resources is estimated to reach IDR 74.44 trillion, an increase of 122.42%. The significant increase in natural resources is driven by the rise in prices of mineral and coal and other mineral commodities, particularly coal. The profitability generated by coal mining companies will have an impact on the amount of dividends distributed to investors. As the profits of coal mining companies increase, so do the dividends to investors. However, mining companies are also one of the industries that contribute the most to environmental damage, so it is necessary to disclose

environmental accounting as a form of social and environmental responsibility (Oktavia, Ekasari 2024). Therefore, there needs to be a sense of responsibility and obligation to pay attention to the interests of the community so that management must implement Corporate Social Responsibility (CSR) (Zalukhu et al., 2020). Various problems and violations committed by mining companies will have an impact on the economy, the environment, and weaken financial performance. Financial performance refers to the assessment of a company's financial aspects during a certain period. This evaluation can be used by the community and investors as a consideration in purchasing shares.

Green accounting is the answer to the inadequacy of conventional accounting in providing solutions to the complexity of today's business, especially in relation to company management, capital owners, employees, consumers, the community, and the environment. Green accounting is a concept that integrates environmental costs into company accounting reports (Ikshan 2008). Conventional accounting focuses only on calculating costs or operations related to the interests of the company and shareholders. The scope and definition of green accounting itself is quite broad, therefore in this study, the researcher will conduct research on only two indicators, namely Disclosure and Environmental Management.

Environmental disclosure is carried out to provide information related to the company's efforts in protecting and preserving the environment, which can improve positive perceptions of the company. Companies that disclose their environmental performance, either quantitatively or qualitatively, can contribute to environmental sustainability. This shows that the company's values are in line with those of the community, and will generate public trust in the company's products and operational activities. Public trust can influence an increase in the company's net profit and have a positive impact on the company's Return on Equity (ROE). A good image encourages investors to give a positive assessment of companies that actively disclose their environmental information, and this becomes one of the reasons for investors to invest in these companies.

In addition to environmental disclosure, environmental management is also necessary to prevent ecosystem damage, reduce pollution, and maintain the sustainability of natural resources. Environmental management is very important, as it will have an impact on sustainability and can provide information related to the company's legal compliance. Environmental management can be measured by a company's participation in the Company Performance Rating Program (PROPER) organized by the Ministry of Environment and Forestry (KLHK). Positive assessments given by the community to a company reflect the company's image, and a good company image can tend to create investor confidence to invest or invest capital in the company. This has a significant impact on the company's financial performance, particularly Return on Equity (ROE) and stock price growth.

When investors are considering investing in a company, there are many aspects to consider. The company's financial statements are the main target for analysis by potential investors. The tool used to analyze financial statements is generally a financial ratio, one of which is Return On Equity (ROE). If a company has a high ROE, it may be a consideration for investors to invest their capital in that company because it has good performance, which will result in a high share price.

Research on the influence of green accounting, particularly discussing environmental disclosure and management in mining companies, has been conducted extensively. The similarity between this study and previous studies lies in the theory used, with previous studies using stakeholder and legitimacy theory, as well as the independent variable of green accounting and stock price growth as the dependent variable. The difference between this study and previous studies is the use of return on equity (ROE) as an intervening variable.

Previous research conducted by Aurora Rizky Andira and Khomsiyah (2023) shows that the implementation of green accounting, environmental performance, and corporate social responsibility (CSR) disclosure has a positive effect on the growth of company share prices on the Indonesia Stock Exchange. The results of this study indicate that companies that consistently implement

green accounting practices and care about the environment and society are able to attract investors and increase their value in the capital market.

Then, in a study by Andini Aprilianti (2024), it was shown that the application of green accounting and environmental performance had a positive effect on stock price growth in manufacturing companies on the Indonesia Stock Exchange, while corporate social responsibility (CSR) disclosure did not have a significant effect. These results confirm that environmentally oriented accounting practices and improved environmental management performance are able to attract investor attention and strengthen company value in the capital market. Thus, the implementation of green accounting and good environmental performance serve as tangible evidence of a company's commitment to sustainability principles, which not only impact environmental conservation but also enhance the company's economic value.

Based on the above background, the existing problems encourage researchers to further explore the conditions of return on equity and stock price growth obtained by mining companies through environmental disclosure and management. The title of this study is "**The Effect of Environmental Disclosure and Management on Return on Equity and Stock Price Growth: A Case Study of Mining Companies Listed on the Indonesia Stock Exchange (IDX) for the Period 2020-2024."**

1.2 Problem Formulation

Based on the background described above, the research questions in this study are as follows:

1. Does environmental disclosure affect Return on Equity in mining companies listed on the IDX?
2. Does environmental management affect the return on equity of mining companies listed on the Indonesia Stock Exchange?
3. Does return on equity affect stock price growth in mining companies listed on the IDX?

4. Does environmental disclosure affect stock price growth in mining companies listed on the IDX?
5. Does environmental management affect stock price growth in mining companies listed on the IDX?

1.3 Research Objectives

Based on the problems outlined above, the objectives of this study are as follows:

1. To examine and empirically prove the effect of environmental disclosure on return on equity.
2. To examine and empirically prove the effect of environmental management on return on equity.
3. To examine and empirically prove the effect of return on equity on stock price growth.
4. To examine and empirically prove the effect of environmental disclosure on stock price growth.
5. To examine and empirically prove the effect of environmental management on stock price growth.

1.4 Benefits of the Research

The benefits of this research are:

1. Theoretical Benefits

   For science, it is hoped that the results of this study can be used as a reference in matters related to ROE and Stock Price Growth based on Environmental Disclosure and Management. Legitimacy theory explains that companies strive to maintain social legitimacy, commonly known as the social contract between companies and the environment. By disclosing positive environmental practices, companies can avoid the risk of rejection from the community. Stakeholder theory states that companies must consider the interests of various parties (such as investors, employees, and the community) in

decision-making, including environmental management. Signal theory emphasizes that companies use information disclosure (such as environmental reports) as a signal to reduce information asymmetry in the market, thereby affecting stock prices.

2. Practical Benefits

For companies, it is hoped that the results of this study can be used as constructive input or contribution in creating a favorable environment, as well as providing information in making policies related to ROE and Stock Price Growth in Mining Companies.