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Article

Raising or lowering: Can green accounting and environmental performance affect stock prices when profitability rises?

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Abstract: This paper examines the influence of green accounting and environmental performance on stock prices, focusing on Indonesia's mining sector. It aims to understand whether these factors, along with profitability, impact the growth of stock prices. The study is grounded in stakeholder, legitimacy, and signal theories, emphasizing the role of stakeholder support and environmental responsibility in company survival. The research explores the conflicting results of previous studies on the impact of green accounting on stock prices. It uses various indicators, such as environmental costs for green accounting and the PROPER rating system, to measure environmental performance. The study also considers profitability as a moderating variable. The population in this research is all mining companies listed on the Indonesia Stock Exchange in 2017–2021. The sample was selected based on purposive sampling with several criteria. Multiple regression analysis and hypothesis testing were used to analyze the data. Key findings suggest that green accounting positively influences stock prices, while environmental performance has a negative effect. Profitability positively affects stock prices but does not significantly moderate the impact of green accounting on stock prices. However, it does enhance the relationship between environmental performance and stock prices. The study concludes that companies should increase disclosures related to green accounting and environmental performance, which are crucial for long-term investment considerations.

Keywords: environmental performance; green accounting; profitability; stock price

1. Introduction

A country's economic development is supposed to be followed by its capital market development. One way to measure the company's performance in the capital market is by observing the growth in the stock price of companies.

Indonesia is a country that has abundant potential for mining materials, including gold and nickel, which can dominate the global market. Mining businesses can develop capital development as well as economic conditions through their export activity. Due to its status as one of the world's largest exporters, Indonesia's mining industry plays a vital role worldwide. According to the Indonesian Chamber of Commerce and Industry, one of Indonesia's most promising industries is mining. This industry's growth is accelerating. Indonesia's economy expanded by 3.69 percent in 2021, while the mining and quarrying industry as a whole expanded by 4 percent in the same year.

The price of these commodities fluctuates; however, from time to time, the prices

are increasing. In addition, mining company shares are the main target for domestic and foreign investors in the capital market because they promise two benefits in investment: dividends and capital gains. Investors can make decisions regarding company shares on the stock exchange, whether to buy, sell, maintain, or increase the number of shares they own (Yulianto, 2010).

The mining corporations are widely recognized for their environmentally detrimental operations. Therefore, stakeholders, such as the government and people surrounding the mining area, will closely monitor their operation. They are willing to ensure that the operation does not harm the environment, or at least, companies carry out activities to repair environmental damage caused by their environmental activities. Since the mining sector is closely related to the environment, companies should pay attention to its survival by strengthening their funding through stock prices.

According to Rahma (2021), investors are not only looking at the financial side but are also interested in how the company is responsible for its environment. Therefore, the environmental aspect in reporting company performance is increasingly becoming the primary consideration for investors.

To see how well the company is protecting the environment, investors can look at the reports issued by the company. One report that can be used is a sustainability report. Green accounting is a branch of accounting science that can help companies prepare sustainability reports. According to Lestari et al. (2023), green accounting is an accounting system that studies accounts related to environmental costs and environmental performance.

In several studies, researchers use the term green accounting, and several other researchers use the term environmental accounting; however, according to Lestari et al. (2023), the terms green accounting and environmental accounting can be used interchangeably.

Environmental costs are incurred due to poor environmental quality (Mowen and Hansen, 2017). It incurs environmental costs to ensure the company carries out all its activities without damaging the environment. The better their efforts to ensure a good environment, the better the environmental performance. Devie et al. (2019) define environmental performance as a company's performance to create a green environment.

There will be two impacts from the environmental expenses. Firstly, the corporation will have to bear costs, which naturally means lower profits. Secondly, the cost can show the commitment of the company to doing good for the environment. The expenses the business will bear in preserving the environment will force it to demonstrate its commitment to doing so, which will win over more stakeholders' trust, particularly investors. Hence, businesses that incur environmental expenditures will see a gain in share value despite a decrease in profitability.

Based on the explanation above, it is indicated that stock prices show a complex phenomenon, depending on society's economic and social conditions. Therefore, conducting more in-depth research on the stock prices of mining sector companies, especially regarding the factors that influence them, is necessary. Especially factors that relate to the environment, such as environmental performance and green accounting. There needs to be more consistency in the results of previous studies. Research conducted by Anggita et al. (2022) and Pratiwi and Rahayu (2018) state that

the application of green accounting has a positive effect on stock prices, while research conducted by Astuti et al. (2022) and Kristina and Asuntya (2021) give an idea that green accounting has a negative influence on its stock price. Meanwhile, another study conducted by Castro et al. (2021), Prastika and Ryandono (2022) and Wu et al. (2020), revealed that environmental performance affects stock prices. In contrast to research by Gunardi et al. (2021), environmental performance does not affect stock prices. In addition, research conducted by Kartiko and Rashmi (2021) shows that profitability positively affects stock prices. Meanwhile, the study by Wulandari and Badjra (2019) shows that profitability negatively influences the stock price. Due to this inconsistent result, this study attempts to clarify the connection between the implementation of green accounting, environmental performance, profitability and stock prices. The novelty of our study relies on the fact that profitability has yet to be widely examined in prior research when investigating the relationship between the adoption of green accounting practices, environmental performance and stock price. The present study aims to investigate the subsequent four following research inquiries:

- RQ1: Does the implementation of green accounting have an impact in raising or lowering the stock price?
- RQ2: Does the environmental performance have an impact in raising or lowering the stock price?
- RQ3: Does the relationship between the adoption of green accounting and stock price are moderated by profitability?
- RQ4: Does the relationship between the environmental performance and stock price are moderated by profitability?

The remaining sections of the research paper are organized as follows: Section 2 outlines the research hypotheses, and the pertinent literature is explained. We spoke about the research process in Section 3. The main research findings and their theoretical and practical ramifications are covered in Section 4. Section 5 summarises the findings of this research and addresses its constraints.

2. Literature review

This research is based on stakeholder, legitimacy, and signal theories. These three theories are considered suitable because the company is an entity that operates not only for the benefit of the company but also takes into account the interests of stakeholders (Chariri and Ghozali, 2007). The first underlying theory is stakeholder theory that describes to which parties the company is responsible (Freeman, 1984). The company's survival depends on stakeholder support through decisions made by stakeholders; therefore, the company needs to satisfy stakeholders (Gray, 2006; Gray et al., 1995; Thomson, 2020). Investing in environmental management is one approach to appease the stakeholders.

On the other hand, according to Deegan (2019), the foundational tenet of legitimacy theory is that managers must maintain effective organisational operations by making sure that their organisation seems to be functioning by community expectations in order for it to be granted the designation of "legitimate". This legitimation will send signals from the company to stakeholders. It is hoped that investors, as part of the stakeholders, receive signals from the company. However, the

signal conveyed can be positive and negative (Ulum, 2017).

Signals given by management to convey information can be presented in annual reports and sustainable reports. Annual reports are a communication tool used by companies to provide and convey important information that can be used to form rhetorical stories related to company performance. Meanwhile, a sustainable report is a company's contribution to society which is seen from three aspects, namely economic, social and environmental (Lestari, 2023). It describes the company's concern for society regarding the aspects it reports and at the same time bridges the needs of stakeholders in the context of decision making (Suharyani et al., 2019).

2.1. Green accounting

Environmental costs are used in this study to represent green accounting. Zainab and Burhany (2020) define environmental costs as all expenses related to preventing and mitigating environmental damage, whether internal or external.

One of the company's concerns in providing benefits to stakeholders is to incur environmental costs to reduce the impact of operational activities. By meeting stakeholder expectations, the company will receive a positive response from stakeholders, especially stakeholders with serious environmental concerns (Septiadi, 2016). These results support the theory of legitimacy by explicitly recognizing that business is limited by a social contract which states that companies agree to perform various corporate social activities so that the company will ultimately guarantee the survival of the company.

Implementing a financial reporting system based on green accounting will help companies disclose information related to the environment and help companies calculate environmental costs and benefits that may arise in the future due to current activities. The community will provide legitimacy and assess the company through the products produced and the benefits felt by the environment around the company (Kustina and Asuntya, 2018).

The company benefits manifold from the sacrifice of economic and non-economic resources for environmental costs, including increasing the company's reputation and good name, as well as stakeholder appreciation, thereby increasing market share, company value, profit, and stock price (Lako, 2018).

The stock price is an important indicator for investors to assess the success of managing a company in the future (Efendi and Ngatno, 2018). According to Putri (2016) stock price is the value of a share certificate that reflects the wealth of the company issuing the shares, where changes and fluctuations are largely determined by the forces of supply and demand that occur in the stock market. An essential factor for a business is its stock price; a high stock price allows the business to attract more investment from investors. The rise in stock price also demonstrates the company's performance. This study uses closing stock price as an indicator to measure stock price.

The relation between stock price and green accounting is supported by research conducted by Kustina and Asuntya, (2021), which states that there is a positive relation between environmental costs on stock prices. The more environmental costs a firm discloses, the more positive the company's reputation will be, which will influence the investor's choice of the company.

$$GA = \text{Environmental Cost}$$

H1: Green accounting has a positive effect on stock price.

2.2. Environmental performance

Environmental performance is the company's performance in creating a good environment (Suratno et al., 2001). The Republic of Indonesia's Ministry of Environment and Forestry uses the PROPER rating evaluation to evaluate environmental performance. Companies with a high PROPER rating are believed to be highly concerned about the environment, which will boost investor confidence and raise the price of the company's shares (Fortuna and Putra, 2020). **Table 1** below shows the PROPER rating criteria and also the score for each rating.

Signal theory sees that a company's ability to preserve and protect the environment can be conveyed to investors through high environmental performance. From the perspective of stakeholders and financial statement users, the company's reputation will improve if their environmental consciousness increases. In addition, stakeholder theory dictates that businesses must be able to match their interests with those of their stakeholders. A company's ability to perform well in the environmental area will boost its economic performance, encouraging positive market reactions through changes in stock prices. This is supported by research conducted by Rahmawati and Subardjo (2017), which states that there is a positive relation between environmental performance and stock prices.

Table 1. PROPER rating criteria.

Color indicator	Criteria	Score
Gold	It has consistently demonstrated environmental excellence in its production processes.	5
Green	Has carried out more environmental management than required by regulations.	4
Blue	Has carried out the required environmental management efforts in accordance with the provisions.	3
Red	Environmental management efforts that are not in accordance with the required provisions.	2
Black	Given to persons in charge of businesses and/or activities who deliberately commit acts or omissions that cause environmental pollution and/or damage.	1

H2: Environmental performance has a positive effect on the stock price.

2.3. Profitability

Another internal factor that can affect stock prices is profitability. The profitability of a company shows the ability of a company to generate profits during a certain period at a certain level of sales, assets, and share capital. According to Kasmir (2017) to measure the level of profit of a company, the profitability ratio is used. The profitability ratio that is commonly used to measure a company's ability to create profits is the return on assets (ROA) (Hery, 2017). ROA is used because it can provide an adequate measurement of the overall effectiveness of a company and it can also take into account profitability (Dewinta and Setiawan, 2016).

According to signal theory, companies can utilise profitability ratios to signal their performance to investors and financial statement users. Profitability provides insight into the company's performance and raises the company's value. A better

profitability value indicates that the company's management is using capital more effectively, boosting investor confidence and increasing stock prices. This statement is supported by research conducted by Husain (2021) that state the profitability ratio has a significant effect on stock prices.

$$\text{ROA} = \frac{\text{Net Income}}{\text{Total Assets}}$$

H3: Profitability has a positive effect on the stock price.

Profitability is an important consideration for investors in deciding to invest. By offering high profits, it is hoped that it can attract investors to invest by considering return of capital or dividends (Pratiwi and Rahayu, 2018).

The ultimate goal that the company wants to achieve is to obtain maximum profits. Obtaining maximum profits will attract investors to invest their capital in the company. Hence, companies must be able to carry out their operational activities efficiently and effectively to achieve maximum profit. According to previous research, one of the factors that influence profitability is the implementation of green accounting. Research conducted by Buana and Nuzula (2017) found that environmental costs significantly influence profitability. Besides increasing profitability, implementing green accounting can also attract investors so that the company's stock price will increase. Therefore, stock prices will increase when green accounting is high, accompanied by high profitability.

The environmental performance of an organisation is impacted when it adopts good green accounting practices. Businesses that do well in terms of the environment will receive favourable feedback from investors and customers. Highly trusted customers and investors will be eager to do business with the company, which will eventually boost profitability and stock values.

This is supported by research Kustina and Asuntya (2021), so it can be concluded that implementing green accounting will increase stock price growth when the company's profitability increases.

H4: Effect of green accounting on stock prices is higher when profitability increase.

H5: The effect of environmental performance on stock prices is higher when Profitability increase.

The relation between all the independent variables with dependent variable can be seen through **Figure 1** below.

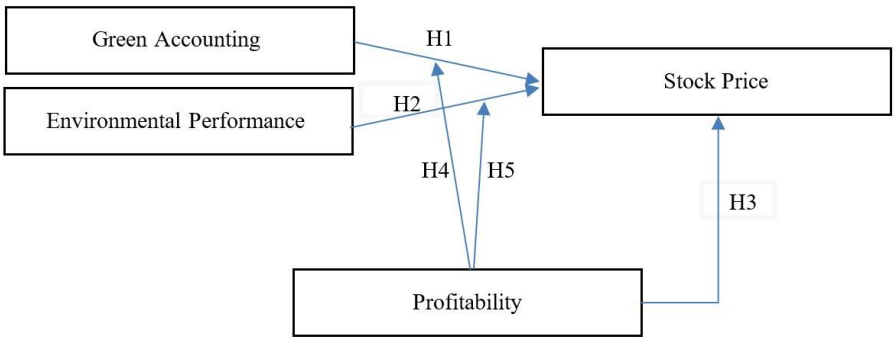

Figure 1. Conceptual framework.

3. Methodology

3.1. Data collection

Data collection techniques are the most strategic step in research, because the main aim of the research itself is to obtain data. In this research, the data collection techniques used are as follow.

Library research: By collecting data related to the research object, which is obtained through library research, namely studying, researching and reviewing journals, the websites of each sample company and various other related written works with the aim of supporting the processing of data collected secondary.

Documentation method: The documentation method is carried out by studying relevant documents both from the literature and searching via the internet to obtain the necessary information and data.

3.2. Research method and sampling technique

The research method used in this research is quantitative, which looks at the relationship of variables to the object being studied and is causal. The quantitative method used in this research uses descriptive methods and associative methods. According to Sugiyono (2019), descriptive research methods are problem formulations concerning statements regarding the truth of independent variables, either only on one or more (standalone variables), without making comparisons or connecting other variables. In this study, the researcher did not compare this variable with other samples and looked for the relationship between variables.

Meanwhile, according to Sugiyono (2019), associative research is a research problem formulation that asks about the relationship between two or more variables. In this research, quantitative methods using descriptive methods and associative methods are used to examine more deeply the effect of implementing green accounting and environmental performance on stock prices with profitability as a moderating variable in mining companies listed on the Indonesia Stock Exchange (BEI) by testing a hypothesis.

The population in this research is all mining companies listed on the Indonesia Stock Exchange in 2017–2021. The sample of this study was seven mining companies listed on the Indonesia Stock Exchange in 2017–2021, with the sampling technique used in this research namely purposive sampling. The criteria chosen by the researchers in determining the sample in the study were: 1) mining companies listed on the Indonesian Stock Exchange for the 2017–2021 period; 2) mining companies that conducted an Initial Public Offering (IPO) on the Indonesia Stock Exchange before 2017; 3) mining companies listed on the Indonesia Stock Exchange that did not conduct delisting during 2017–2021; 4) mining companies that did not experience suspension on the Indonesia Stock Exchange in 2017–2021; 5) mining companies listed on the Indonesia Stock Exchange that issued Sustainability Reports in 2017–2021; 6) mining companies listed on the Indonesia Stock Exchange participating in PROPER in 2017–2021; 7) mining companies listed on the Indonesia Stock Exchange that disclose environmental costs in their Sustainability Reports for 2017–2021. Based on the selection criteria above, there are (7) seven companies were sampled in this

study. Before conducting hypothesis testing, classical assumption testing is performed first (Ghozali, 2018).

3.3. Research model

This study used multiple regression analysis because there are more than one independent variables influence dependent variables. In this research, the *t*-test was used to test hypotheses. Moreover, regression moderation analysis is used to test moderation variables. Below is the moderated regression analysis (MRA) equation to examine the hypotheses in this study:

$$SP = \alpha + \beta_1 EGA + \beta_2 EP + \beta_3 P + \beta_4 (GA \times P) + \beta_5 (EP \times P) + \varepsilon \quad (1)$$

where SP = Stock Price; GA = Green Accounting; EP = Environmental Performance, P = Profitability.

4. Result

The results in this study already fulfil all testing criterion of the classical assumption testing, as shown in **Table 2** below and the result regression test is shown in **Table 3**. In summary, Hypotheses 1, 2 and 4 are rejected, while Hypotheses 3 and 5 are accepted.

Table 2. The result from assumption classic test.

No.	Assumption classic test	Result	Decision
1	Normality Test	Asymp value. Sig. (2-tailed) = 0.200	Normal distributed data
2	Multicollinearity Test	VIF value GA = 1.070; EP = 1.055; Profit = 1.030 < 10, Tolerance value GA = 0.935; EP = 0.948; Profit = 0.971 > 0.10	There are no symptoms of multicollinearity between variables in the regression model.
3	Heteroskedasticity Test	From the scatterplot, the pints spread ransomed above, and the dots spread the number 0 on the Y axis.	There is no heteroscedasticity.
4	Autocorrelation Test	Durbin Watson value = 1.952. Thus, $dU < d < 4 - 1.6528$. $1.6528 < 1.952 < 2.3472$	There is no autocorrelation.

Table 3. Result regression test.

Type	Variables	Constant	*β*	*t*	Sig.	Decision
1	Green Accounting	−13,758.2	702.269	1.058	0.298	H1 is rejected
	Environmental Performance	9735.33	−2595.819	2.363	0.024	H2 is rejected
	Profitability	1161.86	439.243	4.378	0.000	H3 is accepted
2	Green Accounting	−8543.00	388.771	0.712	0.481	-
	Profitability		429.321	4.207	0.000	
	Environmental Performance	7571.94	−2903.522	3.569	0.001	-
	Profitability		461.090	5.338	0.000	
3	Green Accounting	755.947	381.771	0.41	0.967	H4 is rejected
	Profitability		−4233.77	−1.793	0.083	
	GA*Profitability		182.813	1.976	0.057	
	Environmental Performance	696.937	−56.425	0.077	0.939	H5 is accepted
	Profitability		1524.40	8.151	0.000	
	EP*Profitability		−422.866	−6.000	0.000	

- Hypothesis 1

  Model Equation (2):

$$\text{Stock Price} = -13{,}758.20 + 702.269\text{GA} + \varepsilon \quad (2)$$

Based on this study's multiple regression statistical test for green accounting variables, the regression coefficient value was +702.269. The coefficient is positive between green accounting (X_1) and stock price (Y), indicating that as green accounting grows, so will the stock price. However, based on **Table 2** above, the relationship is insignificant. Therefore, H0 is accepted and Ha is rejected. Lodhia and Hess (2014) and Pellegrino and Lodhia (2012) imply that associations representing the mining industry are becoming more involved in reporting on social and environmental issues within the sector and individual firms. Furthermore, companies realize that they should pay attention to the social and environmental of business operations as they are responsible to shareholders and other stakeholders, such as the community and government (Murti, 2022). Stakeholders believe that the responsibility of the companies to do good for the environment can be reflected in environmental costs. Environmental costs are an investment for the company because if it explicitly lists environmental costs, it will increase its reputation, impacting investors' interest in the company (Birru et al., 2022). However, not all mining companies explicitly include environmental costs in the annual report, their website or sustainability report (Jafarpour and Khatami, 2021).

On the other hand, a company's reputation does not improve as soon as it spends environmental costs. Companies must adopt a long-term environmental commitment to show investors their genuine dedication to environmental conservation. PT Antam is one of the companies used as a sample in this study. Since 2007, the businesses have informed stakeholders about their ESG (Environmental, Social and Governance) initiatives via their website. Nevertheless, the data is still in its early stages of development and needs to be better developed. Currently, the company has more information related to ESG. However, it failed to distinguish between social, environmental and governance information, which could be better quality. The company did not reveal how much they spent on environmental costs on the website. If they disclose how much they spend on the environment, this information will reach investors directly so they can improve the company's reputation more quickly.

- Hypothesis 2

  Model Equation (3):

$$\text{Stock Price} = 9735.33 - 2595.819\text{EP} + \varepsilon \quad (3)$$

Based on the statistical test in this study, the regression coefficient value was −2595.819. The coefficient is negative between environmental performance (X_1) and stock price (Y), which means that the more environmental performance increases, the stock price will decrease.

Table 2 above shows that H0 is rejected and Ha is accepted, it means there is a significant influence between environmental performances on the stock price. Based on the tests above, it can be concluded that environmental performance negatively affects stock prices. According to Perera et al. (2013), environmental performance is an essential aspect of any business for its long-term survival. In fact, investors have not considered that the company's environmental performance is very important. The information presented by the company is less informative so environmental

performance is not an option for investors to consider when making an investment. In addition, getting good environmental performance will require additional costs for the company that causes the company's profit to decrease. Therefore, investors who only look at financial factors will not invest in the company, and in the end, the company's stock price decreases.

- Hypothesis 3

  Model Equation (4):

$$\text{Stock Price} = 1161.86 + 439.243\text{Profitability} + \varepsilon \quad (4)$$

Based on this study's multiple regression statistical test for green accounting variables, the regression coefficient value was 439.243. The coefficient is positive between profitability (*Z*) and stock price (*Y*), which means that the more profitability increases, the stock price will increase.

Table 2 above shows that H0 is rejected and Ha is accepted, it means there is a significant influence between profitability and stock price. High profitability will be good information for investors because it is believed that the company will be able to provide a return on its investment. Investors will hope to get dividends and other benefits from investing in companies with high financial performance (Aini and Faisal, 2021). As a result, this may encourage investors to fund the companies, which will raise the stock price (Sholichah et al., 2021). The results of this study are aligned with research conducted by Alaagam (2019), Gusti and Purnamawati (2016), Kemala et al. (2021), Loya et al. (2022), Ulfi Zakiah Mukhtasyam and Pagalung (2020), which states that profitability affects the stock price.

- Hypothesis 4

  Model Equation (5):

$$\text{Stock Price} = -8534.00 + 388.771\text{GA} + 429.321\text{Profitability} + \varepsilon \quad (5)$$

  Model Equation (6):

$$\text{Stock Price} = 755.947 + 22.890\text{GA} - 4233.77\text{Profitability} + 182.813\text{GA} \times \text{Profitability} + \varepsilon \quad (6)$$

Based on **Table 2** above in the second equation model, it can be stated that the Green Accounting variable is insignificant, and the Green Accounting × Profit variable is insignificant. Hence, it falls into the Moderation Homologizer, meaning that the variable is not moderating but can potentially become a moderating variable. Profitability cannot significantly moderate the effect of green accounting on stock prices. Thus, Hypothesis 4 is rejected.

The rejection of Hypothesis 1 indicates that there is no significant correlation between green accounting and stock price, and the result of Hypothesis 4 is still insignificant when profitability is added as a moderating component. This insignificant relationship happened because mining companies operate in a way close to environmental harm. Hence, investors expect companies to invest much money in improving the environment. Therefore, mining companies will put a great effort into implementing green accounting. As a result, despite these businesses making money, investors do not consider their efforts to protect the environment.

- Hypothesis 5

  Model Equation (7):

$$\text{Stock Price} = 7571.94 - 2903.522\text{EP} + 461.090\text{Profitability} + \varepsilon \quad (7)$$

  Model Equation (8):

$$\text{Stock Price} = 696.937 - 56.425\text{EP} + 1524.40\text{Profitability} - 422.866\text{EP} \times \text{Profitability} + \varepsilon \quad (8)$$

Based on **Table 2** above, the model of Equation (6) shows that the Environmental Performance variable and the Environmental Performance × Profit variable are significant. The statistical result can be interpreted as profitability significantly moderates the effect of environmental performance on stock prices and directly influences the dependent variable (Helm and Mark, 2012).

Therefore, profitability is a quasi-moderation, meaning that profitability can be the dependent or moderating variable; as in Hypothesis 3, profitability positively affects stock prices. Thus, Hypothesis 5 is accepted. Profitability can moderate the relationship between environmental performance and stock prices.

This relationship shows that even though investors have not valued the environmental costs incurred by the company (which are reflected in green accounting), investors still consider how good a company's environmental performance is. This condition happens because the government strictly regulates mining companies to ensure they return environmental conditions to their original condition after the mining exploration period. This performance is reflected in the environmental score issued by the government. Because it is regulated, investors want to avoid choosing companies with poor environmental performance. If companies perform well and make good profits, their stock prices will increase.

Table 4 shows the *R* Square value was 0.708. It means that independent variables influence 70.8% of the Stock Price level, while the remaining 29.2% (100%–70.8%) can be explained by other variables not studied in the study. Moreover, the moderation variables that interacted with this study showed that the results of R Square increased to 0.828. This number indicates that green accounting, environmental performance, and profitability interaction (ROA) strongly influence stock price growth. The finding of this research is also strengthening the research result conducted by Wamba (2022) who state that the average level of effectiveness of the environmental cost, environmental performance, and profitability can affect stock prices by 50%, meaning that other factors can affect stock prices besides environmental aspect and financial aspect in this research. Investors fund the companies, which will raise the stock price.

Table 4. Result coefficient determination test.

No	Variables	*R*	*R* Square
1	Green Accounting Environmental Performance	0.708	0.502
2	Green Accounting Environmental Performance Profitability Interaction GA * Profitability Interaction EP * Profitability	0.910	0.828

5. Conclusion

Based on the research result, it can be concluded that green accounting has a positive effect on stock prices. Environmental performance negatively affects stock prices. Profitability has a positive impact on stock prices. Profitability does not strengthen or weaken the relationship between green accounting and stock prices, but

profitability enhances the relationship between environmental performance and stock prices. The present study makes a valuable contribution to the understanding of how profitability influences the correlation between environmental performance and stock prices.

The limitations of this research include that this research only tested 7 samples of mining companies that does not describe the actual situation, this is because the disclosure of information regarding corporate responsibility for the environment varies and does not use the same method. method. It is recommended for further research to expand other independent variables that are determining factors for stock prices so that research results can be more accurate and represent overall conditions. Apart from that, the moderating variable can also be expanded or added to the mediating variable because this research only looks at GA, EP, SP and P.

This research has several implications, including the following: a) the companies it is better to further increase related disclosure of green accounting and environmental performance that disclosure related to the environment is the most important thing, especially for mining companies so that this is taken into consideration for investors to increase stock prices; b) investors pay attention to the company's performance on the environment because, the environmental performance is an important aspect of the company's long-term survival so it can be taken into consideration in making investments.

Author contributions: Conceptualization, MIT and DIL; methodology, DIL; software, TA; validation, AV and TA; formal analysis, DIL; writing—original draft preparation, MIT; writing—review and editing, DIL and AR; visualization, AR; supervision, STH; funding acquisition, AV and AR. All authors have read and agreed to the published version of the manuscript.

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