

# Determinants of Corporate Value in Indonesia Mining Sectors with Sustainability Performance as Mediating Variable

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## **ABSTRACT**

*Mining sector sustainability issues increasingly affect corporate financial performance. The novelty of this study lies in the integrative model demonstrating that under the SEOJK 16/2021 regime, sustainability performance functions as an economic translation mechanism that converts sustainability signals into market value. This study examined the relationship between asset value added, corporate social responsibility, and green accounting on sustainability performance and corporate value in the Indonesian mining sector for the period 2019–2023. This study used a quantitative method and applied PLS-SEM analysis based on secondary data obtained from annual reports and sustainability reports. Key findings indicated that all three variables have a significant positive effect on sustainability performance, with green accounting as the strongest contributor. However, only asset value added and sustainability performance have a direct effect on corporate value, while corporate social responsibility and green accounting do not. Through mediation analysis, sustainability performance was found to be a full mediator for corporate social responsibility and green accounting, and a partial mediator for asset value added regarding corporate value. Companies need to strengthen their environmental measurement systems and manage corporate social responsibility strategically to have a tangible impact on corporate value.*

**Keywords:** *Asset Value Added, Corporate Social Responsibility, Corporate Value, Green Accounting, Sustainability Performance.*

## **INTRODUCTION**

In conventional companies, production activities focus on profit maximization without considering environmental impacts, while environmental costs are often treated as expenses that reduce profit, making Corporate Social Responsibility (CSR) more symbolic than substantive (Schaltegger & Burritt, 2018). The lack of a standardized green accounting framework in Indonesia also enables greenwashing practices, as seen in inconsistent post-mining reclamation reporting in Kalimantan and Sumatera, which raises concerns that environmental disclosures are used to maintain market valuation rather than reflect real performance (Suharto et al., 2025; Korua et al., 2025).

Climate change and sustainability have become major global issues driven by fossil fuel-based industrial activities that increase greenhouse gas emissions and global warming. Although state-owned mining companies support the 2060 Net Zero Emission target, Indonesia's CO<sub>2</sub> emissions continue to rise, reaching 674.5 million tons in 2023, with the industrial and energy sectors, including mining, contributing 34% of the total

(Schaltegger & Burritt, 2018; Mahroini & Chien, 2024). According to Nirarta Samadhi of WRI Indonesia, Indonesia's industrialization still lacks adequate emission control, requiring a shift from polluter to solution provider (Mundir et al., 2025). In this context, state-owned mining firms face a dual pressure between meeting sustainability commitments and dealing with stock price volatility influenced by commodity markets and perceived environmental performance.

To date, corporate value analysis models have largely relied on traditional financial metrics such as profit, revenue, and cash flow, which are short-term oriented and fail to capture changes driven by technological advancement and increasing competition (Anggraini, 2021; Pertiwi & Widyawati, 2023; Narula et al., 2023). Corporate value is recognized as a key basis for decision-making and capital market valuation according to Jaya (2004) and as the main driver of organizational performance to achieve competitive advantage, as stated by Mardatillah et al. (2024). Therefore, management must focus on key determinants such as Asset Value Added (AVA), Green Accounting (GA), and Corporate Social Responsibility (CSR). Existing studies emphasize the need for integrated financial and non-financial models, as financial metrics alone are no longer sufficient to explain current industrial dynamics (Irnawati, 2021; Alatawi et al., 2024). Sustainability Performance (SP) is also identified as an important factor in improving firm outcomes (Siregar et al., 2024). However, the mechanism through which sustainability practices translate into corporate value remains insufficiently explored in the literature.

Several inconsistencies in previous research findings motivated this study. Schaltegger and Burritt (2018) identify a “decoupling” phenomenon in which environmental accounting disclosures are disconnected from actual environmental impacts, with CSR often serving as external legitimization rather than improving internal performance. Strong environmental performance should align with higher financial performance and corporate value; however, in mining firms, this relationship is not always consistent, indicating limited investor attention to environmental disclosures. Prior studies also report mixed results on the effect of CSR on corporate value, often linked to greenwashing practices, where disclosure intensity does not reflect substantive performance and leads to investor skepticism (Lyon & Montgomery, 2015; Marquis et al., 2016). Meanwhile, Jaya (2004) found a positive effect of green accounting on corporate value but did not examine the mediating mechanisms explaining how these effects occur, particularly in the context of volatile stock performance in state-owned mining companies. These inconsistencies highlight both a theoretical-practical gap and the absence of an integrative model that simultaneously examines asset efficiency, sustainability practices, and corporate value within one framework.

Based on these phenomena and research gaps, this study develops an integrative model linking asset value added, corporate social responsibility, and green accounting with corporate value using sustainability performance as an intervening variable. This approach explains sustainability practices and environmental costs not as burdens, but as sources of value creation. The study aims to test the direct effects of AVA, CSR, and GA on SP, the direct effects of AVA, CSR, GA, and SP on CV, and the mediating role of SP between these variables and CV in mining SOEs listed on the Indonesia Stock Exchange during 2019–2023. The main novelty lies in an integrative framework that simultaneously incorporates AVA, CSR, GA, SP, and CV within a single model, offering a holistic explanation of value creation mechanisms through SP in emerging markets under SEOJK 16/2021.

## **LITERATURE REVIEW & HYPOTHESIS DEVELOPMENT**

### **The Effect on Sustainability Performance**

According to Resource-Based Theory, Asset Value Added (AVA) reflects a company's ability to convert its asset base into strategic value that meets the VRIO criteria. High AVA signals strong internal process discipline and resource allocation quality that systematically supports the fulfillment of sustainability indicators (Barney, 1991). Stewardship Theory further reinforces this, as managers acting as stewards channel value-

added outcomes into long-term sustainability commitments rather than short-term extraction (Davis, 1991; Davis et al., 1997). The findings of Gonçalves et al. (2023) show that the creation of higher economic value is related to improved corporate sustainability performance, indicating that the ability to generate added value can be an important driver of sustainability performance.

From the perspective of Stakeholder Theory, Corporate Social Responsibility (CSR) compels companies to formalize stakeholder engagement and implement structured processes for managing social and environmental impacts, thereby strengthening measurable sustainability performance (Roberts, 1992; Freeman & Dmytriiev, 2017). In the mining sector, substantive CSR is also essential for maintaining a social license to operate (Saenz, 2021). Legitimacy Theory further supports this, as CSR that is embedded in operational substance builds reputational insurance that stabilizes sustainability practices over time (Suchman, 1995). Research by Kristanti (2022) and Xiao et al. (2024) found that CSR has a positive effect on the firm value and development of a company's green capabilities, which ultimately improves sustainability performance.

Green accounting transforms environmental management from a mere compliance obligation into a proactive performance control system by enabling companies to measure environmental impacts, set targets, monitor progress, and provide evidence of sustainability achievements. Grounded in Green Theory, which promotes an ecocentric perspective that views environmental protection as an integral part of development, green accounting reflects the extent to which environmental considerations are embedded in corporate accounting and reporting practices (Eckersley, 2007). Consistent with Contingency Theory, accounting systems aligned with external environmental pressures enhance organizational performance, while environmental management accounting strengthens sustainability outcomes through improved process controls and green innovation (Otley, 1980; Hanif et al., 2023).

H1: Asset value added has a significant positive effect on sustainability performance.

H2: Corporate social responsibility has a significant positive effect on sustainability performance.

H3: Green accounting has a significant positive effect on sustainability performance.

### **The Effect on Corporate Value**

Resource-Based Theory suggests that AVA reflects efficient asset utilization and competitive advantage, while Signaling Theory argues that high AVA serves as a credible signal of management quality, reducing information asymmetry and increasing market valuation (Spence, 1978). Consistent with this view, Diyanti et al. (2026) found that Value Added Intellectual Capital (VAIC) positively affects corporate value. Stakeholder Theory posits that CSR enhances stakeholder trust, reduces business risk, and supports long-term value creation (Freeman & Dmytriiev, 2017). Although CSR is mandatory for Indonesian mining firms under Law Number 40 of 2007 and Law Number 3 of 2020, Legitimacy Theory still predicts a positive effect on corporate value through improved social acceptance (Suchman, 1995). From an Agency Theory perspective, CSR can also reduce agency conflicts by increasing transparency and accountability, thereby mitigating information asymmetry between managers and shareholders (Jensen & Meckling, 2019). Empirical evidence from Kristianti (2022) and Ma et al. (2023) shows that stronger CSR engagement positively influences corporate value by enhancing reputation and market valuation.

Similarly, green accounting can create eco-efficiency and signal effective environmental risk management, which may increase corporate value from a Resource-Based Theory perspective (Barney, 1991). Legitimacy Theory also supports a positive valuation effect, although skepticism regarding greenwashing may weaken this relationship in extractive industries (Suchman, 1995; Lyon & Montgomery, 2015). Supporting this argument, Astuti and Ahmar (2025) found that green accounting positively affects corporate value. Under the SEOJK 16/2021 framework, Sustainability

Performance serves as a mandatory and auditable indicator that enables the market to distinguish substantive performers from symbolic reporters (Schaltegger & Burritt, 2018). Stewardship Theory suggests that strong SP enhances investor confidence by reducing information asymmetry, while Legitimacy Theory argues that it strengthens a firm's social license to operate and supports higher corporate value (Suchman, 1995; Davis et al., 1997). Consistent with these arguments, Aydoğmuş et al. (2022) found a positive relationship between sustainability reporting quality and corporate value.

H4: Asset value added has a significant positive effect on corporate value.

H5: Corporate social responsibility has a significant positive effect on corporate value.

H6: Green accounting has a significant positive effect on corporate value.

H7: Sustainability performance has a significant positive effect on corporate value.

### **The Mediating Effect of Sustainability Performance**

Although AVA directly signals financial strength, its effect on corporate value may also operate through sustainability performance. Legitimacy Theory argues that SP transforms internal efficiency into legitimacy recognized by investors (Suchman, 1995), while Stewardship Theory suggests that managers convert value-added gains into sustainability outcomes that signal long-term governance quality (Davis et al., 1997). Supporting this view, Van et al. (2025) found that ESG disclosure mediates the relationship between organizational capabilities and value creation.

In the Indonesian mining sector, CSR is often perceived as a compliance cost, implying that its contribution to corporate value depends on the achievement of verifiable sustainability outcomes. According to Legitimacy Theory, only substantive legitimacy derived from actual performance improvements is rewarded by the market (Suchman, 1995). Consistent with this argument, Achmad and Widoretno (2025) found that sustainability disclosure serves as an important mechanism through which responsible corporate practices enhance corporate value.

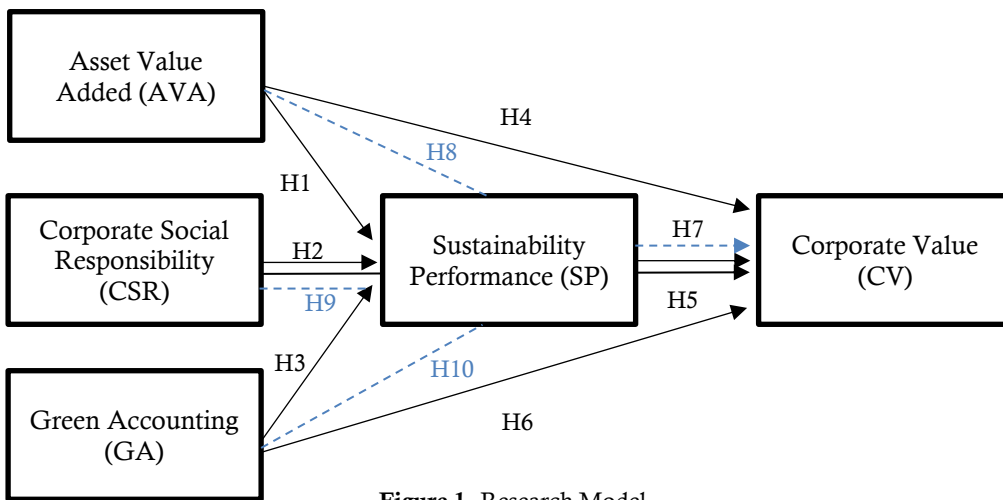
Similarly, green accounting creates value only when environmental information is translated into measurable sustainability outcomes. Investors may discount environmental disclosures without credible performance evidence due to concerns over greenwashing (Lyon & Montgomery, 2015; Marquis et al., 2016). From a Resource-Based Theory perspective, sustainable performance functions as the key mechanism through which green accounting generates competitive value and investor confidence. Supporting this argument, Al Frijat et al. (2025) found that environmental sustainability significantly mediates the relationship between green accounting practices and corporate performance.

H8: Sustainability performance significantly mediates the effect of asset value added on corporate value.

H9: Sustainability performance significantly mediates the effect of corporate social responsibility on corporate value.

H10: Sustainability performance significantly mediates the effect of green accounting on corporate value.

Figure 1 illustrates a research model that examines the effects of asset value added, corporate social responsibility, and green accounting on sustainability performance and corporate value. The model proposes both direct relationships between the independent variables and corporate value, as well as indirect relationships through sustainability performance as a mediating variable. This framework highlights the role of sustainability performance in linking financial, social, and environmental initiatives to value creation.



**Figure 1.** Research Model

**RESEARCH METHODS**

This study is a causal-quantitative research aimed at explaining the cause-and-effect relationships between variables through hypothesis testing. The use of a causal-quantitative approach is appropriate because this study seeks to examine the direct and indirect effects among structured variables within a measurable framework, allowing empirical verification of theoretical relationships. The data used are secondary data derived from annual financial reports, annual reports, and sustainability reports of mining companies listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period. The analysis was conducted using Structural Equation Modeling–Partial Least Squares (SEM-PLS) with SmartPLS software. The selection of PLS was based on three considerations: (1) the relatively limited sample size, (2) the complexity of the model involving direct, indirect, and simultaneous mediation effects, and (3) the ability of PLS to operate without assuming normal data distribution.

The population of this study consists of 63 mining companies listed on the IDX. From this population, 16 companies were selected as samples based on the criterion of consistently publishing sustainability reports throughout the observation period. This results in a balanced panel data structure of 16 companies over 5 years, yielding 80 observation units. The 2019–2023 period was chosen because it reflects the implementation of GRI Standards (effective since July 2018), covers both pre- and post-COVID-19 conditions, and aligns with the enforcement of SEOJK 16/2021 regarding sustainability performance disclosure, which forms the regulatory context of this study.

Asset value added is measured as net value added divided by total assets, reflecting a ratio-based efficiency indicator. Corporate social responsibility is measured using a CSR disclosure index based on the number of disclosed items divided by 78 total GRI Standards items. Green accounting is calculated using the environmental disclosure score based on 15 GRI environmental items relative to the maximum possible score. Sustainability performance as the intervening variable is measured based on the proportion of disclosed items out of 30 mandatory items under SEOJK 16/2021. Meanwhile, corporate value is measured using the Discounted Cash Flow (DCF) valuation approach, calculated as FCFE divided by (WACC minus growth rate) (Nurhidayanti et al., 2023).

All constructs are treated as single-indicator constructs with an outer loading value of 1.000, which is appropriate because each variable is operationalized with a single indicator that already has a theoretical foundation and clear calculation procedures. Model testing covers three levels: direct effect, indirect effect, and total effect (direct +

indirect). The type of mediation was determined following the guidelines of Sarstedt et al. (2021). If the direct effect is not significant but the indirect effect is significant, full mediation is concluded; if both are significant, partial mediation is concluded.

## RESULTS

The descriptive statistical analysis covers 80 observations from 16 sample companies over the 2019–2023 period. This analysis provides an overview of the data distribution for each research variable, including measures of central tendency and dispersion, to describe the overall characteristics of the dataset used in this study. In addition, it helps identify the general pattern, variability, and stability of each variable across the observed period, thereby providing an initial understanding before further inferential analysis is conducted.

**Table 1.** Descriptive Statistical Analysis

Variable	Minimum	Maximum	Mean	Standard Deviation
Asset Value Added	0.0543	0.2026	0.1212	0.0338
Corporate Social Responsibility	0.5384	1.1154	0.7646	0.1238
Green Accounting	0.3629	0.8103	0.5723	0.0899
Sustainability Performance	0.3333	0.6667	0.4708	0.0819
Corporate Value	0.5677	3.6797	1.2640	0.5306

Table 1 indicates substantial variation across the study variables. Corporate value exhibits the greatest heterogeneity, with values ranging from 0.5677 to 3.6797, suggesting significant differences in market valuation among the sampled mining companies. This wide range provides sufficient variability to examine the effects of asset value added, CSR, and green accounting on corporate value. The relatively high average CSR score of 0.7646 indicates that most companies have achieved a fairly good level of sustainability disclosure, although noticeable variation among firms remains. Meanwhile, sustainability performance ranges from 0.3333 to 0.6667, indicating that none of the sampled companies fully disclosed all 30 mandatory sustainability items required under SEOJK 16/2021. This finding suggests that there is still considerable room for improvement in sustainability reporting compliance and performance within Indonesia’s mining sector.

**Table 2.** Coefficients of Determination and Predictive Relevance

Construct	R <sup>2</sup>	Adjusted R <sup>2</sup>	Q <sup>2</sup>	Interpretation
Sustainability Performance (SP)	0.759	0.738	0.425	Strong predictive relevance
Corporate Value (CV)	0.855	0.816	0.191	Moderate predictive relevance

Based on Table 2, the R<sup>2</sup> value of 0.759 for sustainability performance indicates that 75.9% of the variation in sustainability performance can be explained by asset value added, CSR, and green accounting, while the remaining 24.1% is influenced by other factors not included in the model. This result demonstrates that the three exogenous variables collectively provide substantial explanatory power in predicting sustainability performance among the sampled mining companies.

Meanwhile, the R<sup>2</sup> value of 0.855 for corporate value indicates that 85.5% of the variation in corporate value is explained by the overall model, including the direct effects of asset value added, CSR, and green accounting, as well as the mediating role of sustainability performance. Only 14.5% of the variation in corporate value remains attributable to external factors beyond the scope of this study. According to Hair et al. (2014), both R<sup>2</sup> values are categorized as strong, indicating that the proposed model has a high level of predictive and explanatory capability. Furthermore, the relatively small differences between R<sup>2</sup> and adjusted R<sup>2</sup> for both constructs suggest that the model is not overfitted and retains its robustness after adjusting for the number of predictors included in the analysis. These findings confirm that the model provides a reliable framework for explaining variations in both sustainability performance and corporate value within Indonesia’s mining sector.

**Table 3.** Direct Effects Test

Hypothesis & Path	Coefficient ( $\beta$ )	p-value	Decision
H1: Asset Value Added $\rightarrow$ Sustainability Performance	0.258	0.001	✓ Accepted (Sig 5%)
H2: Corporate Social Responsibility $\rightarrow$ Sustainability Performance	0.263	0.005	✓ Accepted (Sig 5%)
H3: Green Accounting $\rightarrow$ Sustainability Performance	0.460	0.000	✓ Accepted (Sig 5%)
H4: Asset Value Added $\rightarrow$ Corporate Value	0.469	0.000	✓ Accepted (Sig 5%)
H5: Corporate Social Responsibility $\rightarrow$ Corporate Value	0.014	0.880	✗ Rejected (Not Sig)
H6: Green Accounting $\rightarrow$ Corporate Value	0.109	0.356	✗ Rejected (Not Sig)
H7: Sustainability Performance $\rightarrow$ Corporate Value	0.017	0.007	✓ Accepted (Sig 5%)

Table 3 shows the results of the direct effect analysis in the structural model. The findings indicate that asset value added, corporate social responsibility, and green accounting have a significant positive effect on sustainability performance, with green accounting showing the strongest influence ( $\beta = 0.460$ ). This suggests that improvements in environmental accounting practices contribute most substantially to enhancing sustainability performance compared to the other two variables.

In relation to corporate value, asset value added also has a significant positive effect ( $\beta = 0.469$ ), indicating its important role in increasing corporate value. However, corporate social responsibility and green accounting do not show significant effects on corporate value, as both paths are statistically insignificant. This implies that their impacts are not directly translated into market value in the studied context.

Meanwhile, sustainability performance has a significant positive effect on corporate value ( $\beta = 0.017$ ), confirming its role as an important driver of corporate value creation. The results suggest that while CSR and green accounting significantly improve sustainability performance, their contribution to corporate value is realized indirectly through sustainability performance rather than through a direct relationship.

**Table 4.** Indirect Effects Test

Hypothesis & Path	Coefficient ( $\beta$ )	p-value	Decision
H8: Asset Value Added $\rightarrow$ Sustainability Performance $\rightarrow$ Corporate Value	0.004	0.003	✓ Accepted (Sig 5%)
H9: Corporate Social Responsibility $\rightarrow$ Sustainability Performance $\rightarrow$ Corporate Value	0.004	0.004	✓ Accepted (Sig 5%)
H10: Green Accounting $\rightarrow$ Sustainability Performance $\rightarrow$ Corporate Value	0.008	0.009	✓ Accepted (Sig 5%)

Table 4 presents the results of the indirect effect analysis through sustainability performance as a mediating variable. The findings show that asset value added has a significant indirect effect on corporate value through sustainability performance ( $\beta = 0.004$ ,  $p = 0.003$ ), indicating that part of its influence on corporate value is transmitted via improved sustainability performance. Similarly, corporate social responsibility also has a significant indirect effect on corporate value through sustainability performance ( $\beta = 0.004$ ,  $p = 0.004$ ), suggesting that CSR contributes to corporate value only when it enhances sustainability performance.

Green accounting also demonstrates a significant indirect effect on corporate value through sustainability performance ( $\beta = 0.008$ ,  $p = 0.009$ ), indicating that its impact on corporate value is likewise channeled through sustainability performance. These results confirm that sustainability performance plays an important mediating role in translating asset value added, CSR, and green accounting into corporate value in the context of the studied mining companies.

## **DISCUSSION**

This study provides evidence that asset value added, CSR, and green accounting positively and significantly influence sustainability performance in Indonesian mining companies. The positive effect of asset value added on SP indicates that firms with greater efficiency in utilizing their assets are better able to achieve sustainability objectives. This finding supports the Resource-Based Theory perspective that effective resource management enhances organizational capabilities and performance (Barney, 1991). It is also consistent with the findings of Martiny et al. (2024), who identified internal organizational capabilities as important drivers of sustainability achievements.

The results further show that CSR has a positive effect on sustainability performance, suggesting that companies that actively engage with stakeholders and address social and environmental responsibilities tend to achieve stronger sustainability outcomes. This finding is in line with Stakeholder Theory and Legitimacy Theory, which emphasize the importance of maintaining stakeholder support and organizational legitimacy (Suchman, 1995; Freeman & Dmytriyev, 2017). The result also supports the argument of Saenz (2021) that CSR contributes to maintaining a social license to operate, particularly in extractive industries. Among the predictors, green accounting emerges as the strongest determinant of SP. This finding suggests that environmental accounting practices enhance a company's ability to monitor, manage, and improve sustainability-related activities. The result is consistent with the contingency perspective of Otley (1980) and the empirical evidence of Hanif et al. (2023), which highlights the role of environmental accounting in strengthening sustainability performance through improved environmental management and innovation.

The findings indicate that asset value added has a positive and significant effect on corporate value, suggesting that efficient value creation from corporate assets is positively valued by investors. This result supports Signaling Theory by Spence (1978) and Resource-Based Theory by Barney (1991), and is consistent with Diyanti et al. (2026), who found that value-added capabilities enhance corporate value. In contrast, CSR does not have a significant direct effect on corporate value, implying that investors may perceive CSR as a compliance obligation rather than a source of value creation. Through the Agency Theory proposed by Jensen and Meckling (2019), this lack of significance can be explained as investor rejection. This finding differs from Ma et al. (2023) but supports the arguments of Legitimacy Theory that symbolic CSR activities are unlikely to influence market valuation without substantive outcomes.

Likewise, green accounting does not significantly affect corporate value, contrasting with Astuti and Ahmar (2025) but supporting the view that environmental disclosures alone may not be sufficient to influence investors, particularly in industries vulnerable to greenwashing concerns (Otley, 1980; Lyon & Montgomery, 2015). Meanwhile, sustainability performance has a positive and significant effect on corporate value, indicating that investors place greater value on firms demonstrating credible sustainability outcomes. This finding is consistent with Aydoğmuş et al. (2022) and supports the perspectives of Stewardship Theory by Davis et al. (1997) and Legitimacy Theory by Suchman (1995), which emphasize the role of sustainability performance in strengthening trust, reducing risk, and enhancing corporate value.

The indirect effect analysis shows that asset value added positively and significantly affects corporate value through sustainability performance, indicating that sustainability performance helps translate asset efficiency into market value. This finding supports Resource-Based Theory and Stewardship Theory by Barney (1991) and Davis et al. (1997) and is consistent with Aydoğmuş et al. (2022), who found that sustainability-related performance enhances corporate value. The results also reveal that CSR positively and significantly affects corporate value through sustainability performance, suggesting that CSR creates value only when it generates measurable sustainability outcomes. This finding supports Legitimacy Theory by Suchman (1995) and aligns with Achmad and Widoretno (2025), who found that sustainability performance serves as a key pathway linking responsible business practices to corporate value. Similarly, green accounting

positively and significantly affects corporate value through sustainability performance, indicating that environmental accounting contributes to corporate value through improved sustainability performance rather than through a direct effect. This result supports Resource-Based Theory and is consistent with Al Frijat et al. (2025), who found that environmental sustainability mediates the relationship between green accounting practices and corporate performance.

## **CONCLUSION**

The results show that asset value added, CSR, and green accounting positively influence sustainability performance, with green accounting emerging as the strongest predictor. However, only asset value added and sustainability performance have a direct positive effect on corporate value, while CSR and green accounting do not directly affect corporate value. The mediation analysis reveals that sustainability fully mediates the effects of CSR and green accounting on corporate value and partially mediates the effect of asset value added on corporate value. These findings indicate that investors value measurable sustainability outcomes rather than sustainability disclosures alone.

The study contributes theoretically by extending the understanding of how sustainability-related activities create value in emerging markets. The findings suggest that market participants place greater emphasis on performance-based legitimacy than on symbolic legitimacy. Mining companies should focus on strengthening sustainability performance through effective environmental management, transparent reporting, and the strategic integration of CSR and green accounting into business operations. For regulators, the results highlight the importance of strengthening sustainability disclosure standards, assurance mechanisms, and enforcement to enhance the credibility of sustainability information.

This study has several limitations. The sample is limited to state-owned mining enterprises listed on the Indonesia Stock Exchange, which may restrict the generalizability of the findings to other industries and ownership structures. In addition, the study relies on disclosure-based measures that may not fully capture the actual quality of sustainability practices. Future research may expand the sample to include private firms and other sectors, extend the observation period, and incorporate additional variables such as corporate governance, ESG ratings, environmental performance indicators, or institutional ownership. Comparative studies across industries or countries may also provide deeper insights into the mechanisms through which sustainability performance contributes to corporate value.

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