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# The Effect of Environmental Accounting Disclosure and Good Corporate Governance Mechanisms on Financial Performance

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**ABSTRACT** (Tahoma, 10 pt)

This study's goal is to ascertain the effect of environmental accounting disclosure, institutional ownership, managerial ownership, and audit committee on financial performance. This research uses a quantitative method. This study used descriptive statistical analysis, a classical assumption test, a t-test, and an F test using SPSS 27 for hypothesis testing. Environmental accounting disclosure positively affects financial performance; institutional ownership, managerial ownership, and audit committees do not. However, they can affect financial performance simultaneously. This research implication will work as a foundation to making investment choices in companies that are the focus of this research. This study examines the effect of environmental accounting disclosure, suitable corporate governance mechanisms, and their impact on financial performance.



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## I. INTRODUCTION

The illegal nickel mining case in Mandiodo Block significantly impacts the environment and financial performance. In terms of the environment, illegal mining activities cause marine pollution by changing the color of the water to brownish, which directly impacts fishermen's catch and decreases their income. In terms of financial performance, although the nickel sector shows economic growth in some areas, poverty data published by BPS shows that provinces with nickel mines experience increased poverty rates.

Some businesses today use financial management systems that focus on how the business impacts the economy and the environment (Amrigan et al., 2023). Fiscal performance is crucial because the company's internal control influences its achievement of company goals. The more company investors, the better the company's assets are used, and management is expected not to waste money

(Suwisma et al., 2023). In the context of companies in Indonesia, the number of management shareholders who actively participate in corporate decision-making by owning these shares will make managers better at performance and more careful in making decisions (Santoso & Andarsari, 2022). The oversight committee is responsible for assessing the company's financial governance activities. In order to increase the credibility of financial statements, supporting the board of commissioners in observing management's financial reporting process is another duty assigned to the audit committee (Khoirunnisa & Karina, 2021).

Research conducted by Febriansyah and Fahreza (2020) found that environmental accounting disclosure exerts a beneficial and notable influence. Meanwhile, research conducted by Yuniati and Umbing (2023) found that ecological accounting has a negative effect. Altania & Tanno (2023) conducted a study that found that managerial and institutional ownership positively and considerably influenced the company's financial results. Khoirunnisa and Karina (2021) concluded that the audit committee has no bearing on the financial performance of the business. However, Gulo (2021) discovered that the audit committee greatly impacts financial performance.

As 85% of the Minerba PNBP comes from coal, and the 2020 achievement reached 110.15% of the set target, with the amount of PNBP received at 34.6 trillion exceeding the target of 31.41 trillion (https://emawaspnbp.kemenkeu.go.id). The mining sector impacts the economy and the environment. Responsible and sustainable mining practices and strict regulations are essential to balance resource needs, environmental preservation, and community welfare.

Rapid changes in environmental conditions open up new opportunities for further research on this topic. Business environment conditions have been influenced, especially in 2021-2023, by changing global economic conditions, changes in government policies, and some other events. Considering the preceding context, the ensuing issues can be articulated: Do sustainability reporting, corporate possession, managerial control, and audit committees influence financial performance? Then, do environmental accounting disclosures and suitable corporate governance mechanisms simultaneously affect fiscal performance in mining companies?

This study aims to examine the impact of environmental accounting on financial performance, the impact of institutional ownership, the impact of managerial ownership, the impact of the audit committee on financial performance, and the simultaneous impact of environmental accounting disclosure, corporate ownership, managerial ownership, and oversight committee on financial performance.

## II. LITRATURE REVIEW

The theory put forward by Jensen & Meckling (1976) in Wahyudin et al. (2020) stated that agency relationships are characterized as agreements where one or more individuals (principals) engage others (agents) to carry out particular duties on their behalf, including giving decision-making authority to agents. Mandagie et al. (2022) stated that the agent knows more about his capacity, work environment, and company than the principal. Consequently, stakeholders possess equivalent rights as shareholders in accessing information about the company to enhance profits and prosperity and create value.

Legitimacy theory proposed by Dowling & Pfeffer (1975) in research by Pryatna et al. (2023) said that legitimacy theory helps analyze organizational behavior. Both studies argue that legitimacy is essential for organizations; social standards and values emphasize this legitimacy, and how organizations respond to these standards encourages analysis of organizational behavior by considering the environment. Regarding society's expectations of a company's operations, legitimacy is often linked to the social contract. The company uses business activities' economic, environmental, and social impacts to fulfill its social contract. By making environmental disclosures, the company shows concern for environmental sustainability. (Yuniati & Umbing, 2023).

**The Relationship of Environmental Accounting Disclosure to Financial Performance**

Environmental accounting disclosure, or greening accounting, is a process that makes accounting and its results more environmentally friendly. It includes the disclosure of social and environmental transactions or events in addition to financial events. Since all kinds of impacts caused by the company will provide risks that affect its business and performance, environmental accounting reporting is associated with its fiscal performance.

According to Febriansyah and Fahreza (2020), partial environmental accounting disclosure has a substantial and favorable effect results-driven. This aligns with research conducted by Wang (2023) and Pramudiati et al. (2022), which also found that fiscal performance benefits from environmental accounting transparency. In contrast to, research conducted by Nurfaidah et al. (2024), it asserts that there is no relationship between environmental accounting transparency and financial performance.

**H1: Environmental Accounting Disclosure has a positive effect on financial performance**

**The Relationship between Institutional Ownership and Financial Performance**

Corporate holding is the number of shares of equity owned by an entity or organization in a company. It also affects the degree of public confidence in the company. Financial markets rely heavily on institutional ownership as it provides stability, oversight, and long-term prospects for business health and governance.

According to research by Kurniawati et al. (2020), corporate stakeholder hurts fiscal success. The results of this study align with Muttaqien & Damayanti (2022) and Cahyani & Sulistyowati (2023), who found that institutional ownership hurts financial performance. Unlike studies carried out by Effendi & Prima (2023) which states that institutional ownership positively affects financial performance. The ownership structure that institutions concentrate on will facilitate control of the company and improve the company's work. Institutional investors will professionally monitor the development of investments invested in the company and have high control over management actions. Meanwhile, research results from Primadani et al. (2023) demonstrated that financial performance is unaffected by institutional ownership.

**H2: Institutional ownership hurts financial performance**

**Relationship between Managerial Ownership and Financial Performance**

When a manager owns shares in a company, they have two responsibilities: to ensure that the company's profits are as high as possible and to prevent the company from experiencing financial problems or bankruptcy, which would be investment-intensive.

Sutrisno and Riduwan (2022) discovered that financial performance is positively and dramatically impacted by managerial control. This aligns with Elshadeiana & Sekar Mayangsari's (2023) and Injayanti et al.'s (2020) research, who assert that the financial success of the organization is positively impacted by managerial ownership. Unlike studies carried out by Cahyani and Sulistyowati (2023), managers' ownership hurts the financial performance of a business, which states that ownership managers harm financial performance.

**H3: Managerial Ownership has a significant favorable impact on financial results.**

**Audit Committee's Relationship to Financial Performance**

The oversight committee's responsibility is to support the commissioners' board in fulfilling its role as the primary overseer of the organization. A more significant number of audit committees reduces the possibility of company management taking unhealthy actions that have the potential to improve financial results.

The findings of earlier studies backed by Elshadeiana & Sekar Mayangsari (2023) research findings demonstrate that the audit committee improves financial performance. Research conducted by Syadeli and Sa'adah (2021) revealed that the audit committee positively impacts financial performance. In contrast, Febriansyah and Fahreza's (2020) research said that the audit committee hurts financial performance. The same findings are also from research by Khasanah et al. (2023), Bazhair (2022), and Pramudityo & Sofie (2023), who found that the audit committee hurts financial performance.

**H4: Audit committee negatively affects financial performance**

**Relationship between Environmental Accounting Disclosure, Institutional Ownership, Managerial Ownership, and Audit Committee on Financial Performance.**

According to Sari & Astari (2023), environmental accounting disclosure increases investor attention and investor confidence in the company. Environmental accounting disclosure is information that comes from management evaluation and will increase company value. According to Kusumardana et al. (2022), significant institutional ownership of shares has improved their capacity for cooperation, which in turn has led to a rise in institutional ownership activity in monitoring. According to Kusumardana et al. (2022), manager ownership is when the manager owns shares of the business. The quantity of a company's total share capital that management owns under management is called managerial ownership. According to Syadeli and Sa'adah (2021), the audit committee oversees financial statements, external review, and internal control.

**H5: Environmental accounting disclosure, institutional ownership, managerial ownership, and audit committee affect financial performance.**

## III. METHODS

Using a quantitative descriptive methodology, this study extracts information from the 2021-2023 annual and continuing reports of mining firms traded on the Indonesia Stock Exchange. Mining firms that were listed between 2021 - 2023 on the Indonesia Stock Exchange are the subjects of this study. A demographic is a large group of entities that share qualities and characteristics and are equally eligible for selection as study sample participants and then analyzed. According to (Sugiyono, 2021), the population part is used to conduct population research or its characteristics. In this investigation, non-random sampling techniques were used. A purposive sampling technique is based on considering certain conditions and characters. The standards employed in research sampling are:

1) Mining firms listed on the Indonesia Stock Exchange from 2021-2023.
2) Mining companies that consistently release yearly reports and sustainability reports during the period 2021-2023
3) Mining companies with complete information related to variable measurement data during 2021-2023, namely sustainability reporting, corporate governance, executive equity, oversight committee, and fiscal outcomes.

Table 1. Sampling Results

| No. | Standards | The number of businesses |
|---|---|---|
| 1 | Mining firms listed on the Indonesia Stock Exchange in 2021-2023 | 56 |
| 2 | Mining companies that do not have complete information and do not consistently publish annual reports and sustainability reports during the period 2021-2023 | (24) |
| 3 | Mining companies need complete information on variable measurements in 2021-2023: sustainability reporting, corporate governance, executive equity, and oversight committee. | (20) |
| | **Number of company samples** | **12** |
| | **Research Period (2021-2023)** | **3** |
| | **Total sample (32 × 3)** | **36** |

Source: Processed by Researcher

Multiple linear regression, a sophisticated version of ordinary least squares regression, was utilized in this work to statistically evaluate the data. One independent variable (X) and one dependent variable (Y) are provided via multiple linear regression, so it evaluates how many independent factors have a linear impact on a dependent variable (Kurniawan et al., 2016). The multiple linear regression model employed in this study is as follows:

$$Y= \alpha + \beta 1\ X1 + \beta 2\ X2 + \beta 2\ X3 + \beta 2\ X4 + e$$

Description:

Y = Financial performance
α = Constant
X1 = Environmental accounting disclosure
X2 = Institutional ownership
X3 = Managerial ownership
X4 = Audit Committee
e = *Error Term*

## IV. RESULTS AND DISCUSSION

can display data in the form of tables and images. Results must be supported by related references or can be compared with previous research. The results and discussion can display data in the form of tables and images. Results must be supported by related references or can be compared with previous research.

**Descriptive Statistical Analysis**

Descriptive statistics describe the distribution of each variable in the study. A summary of statistics shows the average (mean), standard deviation, highest value (Maximum), and lowest value (minimum) of each variable, both dependent variables and independent variables.

Table 2. Descriptive Statistical Analysis Results

| | N | Min | Max | Mean | Std. Dev. |
|---|---|---|---|---|---|
| Xl | 36 | 0,06 | 0,62 | 0,3105 | 0,15168 |
| X2 | 36 | 32,22 | 90,80 | 64,8970 | 18,61094 |
| X3 | 36 | 0,00 | 0,22 | 0,0704 | 0,07986 |
| X4 | 36 | 3,00 | 4,00 | 3,3333 | 0,47809 |
| Y | 36 | -0.05 | 0,45 | 0,0909 | 0,11043 |

*Data Processed (2024)

Descriptive statistical tests on mining businesses on the IDX for the environmental accounting disclosure variable (X1) are displayed in Table 2 above. The variable's lowest value is 0.06. At the same time, 0.62 is the greatest value. The environmental accounting disclosure variable has a level of data distribution size of 0.15168, as demonstrated by the average value of 0.3105 and the standard deviation of 0.15168. Ownership by institutions (X2) The variable's lowest value is 32.22. At the same time, 90.80 is the maximum value. The institutional ownership variable's level of data distribution size is 18.61094, as indicated by the average value of 64.8970 and the standard deviation of 18.61094. Ownership by managers (X3) The variable has a minimum value of 0.00. Simultaneously, management ownership has a maximum value of 0.22. The managerial ownership variable's level of data distribution size is 0.07986, as indicated by the average value of 0.0704 and standard deviation of 0.07986. Committee for auditing (X4): The variable has a minimum value of 3.00. The highest value, however, is 4.00. The audit committee variable's data distribution size is 0.47809, as indicated by the average value of 3.3333 and standard deviation of 0.47809. There is a minimum value of -0.05 and a maximum value of 0.45 for the dependent variable, financial performance (Y). The fiscal performance variable has a data distribution size of 0.11043, as indicated by its average value of 0.0909 and standard deviation of 0.11043.

**Classical Assumption Test**

Before hypothesis testing, the classic assumption test is done to assess the viability of the data. The Normality Test, Multicolonierity Test, Heteroscedasticity Test, and Autocorrelation Test are the four tests that make up the classic assumption test used in this investigation.

Table 3. Normality Test

| | | | Unstandardized Residual |
|---|---|---|---|
| N | | | 36 |
| Standard Metrics | Mean | | 0,000O000 |
| | Std. Dev | | 0,08916124 |
| Most Extreme Differences | Unconditional | | 0,078 |
| | Positive | | O,078 |
| | Negative | | -0,073 |
| Test Statistic | | | 0,078 |
| Asymp. Sig. (2-tailed)[c] | | | 0,200[d] |
| Monte Carlo Sig. (2-tailed)[e] | Sig. | | 0,843 |
| | 99% Confidence Interval· | Lower Bound | 0,834 |
| | | Upper Bound | 0,853 |

*Data Processed (2024 )

Table 3 above shows the probability value of asymp: Sig = 0.200. These results show the probability value of 0.200> 0.05, which indicates that the data is usually distributed. Then, we continue to multicorineality test.

Table 4. Multicorineality Test

| Model | | Unstandard. Coefficients | | Standard. Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | 0,106 | 0,163 | | 0,648 | 0,522 | | |
| | Xl | 0,278 | 0,136 | 0,382 | 2,047 | 0,049 | 0,605 | 1,654 |
| | X2 | -0,001 | 0,001 | -0,180 | -0,843 | 0,406 | 0,459 | 2,181 |
| | X3 | -0,542 | 0,308 | -0,392 | -1,759 | 0,088 | 0,424 | 2,359 |
| | X4 | 0,002 | 0,039 | 0,009 | 0,051 | 0,960 | 0,722 | 1,384 |

*Data Processed (2024)

According to Tabel 4 above, it is evident that the independent/free variable, namely environmental accounting disclosure (X1), is worth 1.654, institutional ownership (X2) is worth 2.181, managerial ownership (X3) is worth 2.359, audit committee (X4) worth 1.384 which shows all independent variables have a VIF value <10, indicating that multicollinearity is not an issue in this research data.

Table 5. Heteroscedasticity Test

| Model | | Unstand.Coefficients | | Stand. Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | β | Std. 'Error | Beta | | |
| 1 | (Constant) | 0,155 | 0,089 | | 1,752 | O,090 |
| | Xl | 0,109 | 0,074 | 0,300 | 1,481 | 0,149 |
| | X2 | -0,001 | 0,001 | -0,356 | -1,531 | 0,136 |
| | X3 | -0,245 | 0,168 | -0,353 | -1,460 | O,154 |
| | X4 | -0,010 | 0,021 | -0,089 | -0,482 | 0,633 |

*Data Processed (2024)

According to Table 5 above, the independent/free variables, namely environmental accounting disclosure (Xl), have a value of 0,149. Institutional ownership (X2) value at 0.136, managerial ownership (X3) valued at 0.154, and audit committee (X4) worth 0.633 indicate that the significance value of all independent variables exceeds 0,05, thus confirming the absence of heteroscedasticity.

Table 6. Autocorrelation Test

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| l | 0,590[a] | 0,348 | 0,264 | O,09474 | 1,186 |

*Data Processed (2024)

According to Table 6, the Durbin-Watson statistic is 1.186. the dU value derived from the Durbin-Watson table is 1.7245, while the dL value is 1.2358, and the 4-d$\mathcal{U}$ value is 1.7245. The standard rule used in this study is d$\mathcal{U}$ < d < 4-d$\mathcal{U}$, with the results obtained 1.7245 < 1.186 < 2.2755, so it can be ascertained that no autocorrelation was detected in this study.

**Multiple Linear Regression Analysis**

Evaluating the influence and specifying the connection between several autonomous variables and a single dependent variable are the objectives of multiple linear regression analysis. The outcomes of the multiple linear regression analysis are as follows.

Table 7. Multiple Linear Analysis Results

| Model | | Unstandard. Coefficients | | Standard. Coefficients | t | Sig. |
|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | |
| 1 | Const. | O,106 | 0,163 | | 0,648 | 0,522 |
| | Xl | O,278 | 0,136 | 0,382 | 2,047 | 0,049 |
| | X2 | -O,001 | 0,001 | -0,180 | -0,843 | 0,406 |
| | X3 | -0,542 | 0,308 | -0,392 | -1,759 | 0,088 |
| | X4 | O,002 | 0,039 | 0,009 | 0,051 | 0,960 |

*Data Processed (2024)

Based on Table 7 of the multiple linear analysis results above, the following equation can be obtained:

$$Y = 0.106 + 0.278\ Xl - 0.001\ X2 - 0.542\ X3 + 0.002 + e$$

The constant value of 0.106 indicates that Y, which is often determined by capital adequacy, liquidity, and profitability indicators, is worth 0.106 if Xl, X2, X3, and X4 are all worth 0. The coefficient value for X1 is 0.278. X1 and Y have a unidirectional link, as shown by the positive coefficient. The coefficient value for X2 is -0.001. The negative coefficient indicates the inverse link between X2 and Y. The coefficient value for X3 is -0.542. The negative coefficient signifies the inverse link between X3 and Y. The coefficient value for X4 is 0.002. X4 and Y have a unidirectional relationship, as shown by the positive coefficient.

**Partial Test (t-Test)**

The t-test, often referred to as the partial test, analyzes the effect of each independent variable on each dependent variable separately, presuming that every other variable stays the same. Has is rejected, while H0 is deemed acceptable if the P-value is greater than α (0,05). The results obtained from the t-test are as follows:

Table 8. Results of the t-test

| | | Unstd. Coefficients | | Std. Coefficients | | |
|---|---|---|---|---|---|---|
| | Model | B | Std. Error | Beta | t' | Sig. |
| 1 | Conts. | 0,106 | Ọ,163 | | 0,648 | 0,522 |
| | Xl | 0,278 | 0,136 | 0,382 | 2,047 | 0,049 |
| | X2 | -0,001 | Ọ,001 | -0,180 | -0,843 | 0,406 |
| | X3 | -0,542 | 0,308 | -0,392 | -1,759 | 0,088 |
| | X4 | 0,002 | Ọ,039 | 0,009 | 0,051 | 0,960 |

*Data Processed (2024)

Table 8 above can be understood in the following way:

1. H1 of this study states that environmental accounting disclosure positively influences financial performance. This regression coefficient is significant at a 5% error rate due to the fact that the importance level is 0.049 < 0.05. Therefore, thus it may be said that environmental accounting disclosure affects financial performance, so hypothesis Hl in this study can be supported or accepted.
2. H2 This research indicates that institutional ownership negatively affects financial outcomes. This regression coefficient is insignificant at the 5% error rate because the significance value is 0.406 > 0.05. Therefore, it can be inferred that institutional ownership has no bearing on financial performance, so hypothesis H2 in this study cannot be supported or rejected.
3. H3 of the above research states that managerial ownership positively affects financial performance. This regression coefficient is insignificant at the 5% error rate because the significance value is 0.088> 0.05. consequently, it may be said that managerial ownership does not impact financial success, so hypothesis H3 in this study cannot be supported or rejected.
4. H4 of this research indicates that the audit committee negatively influences financial performance. This regression coefficient is insignificant at the 5% error rate because the significance value is 0.960 > 0.05. Therefore, the audit committee is inconsequential to financial performance, so hypothesis H4 in this study cannot be supported or rejected.

**Simultaneous Test (F Test)**

The omnibus test results are used to carry out simultaneous tests. The omnibus test determines the overall effect of all independent variables, namely environmental accounting disclosure, institutional ownership, managerial ownership, and audit committee, on the dependent variable, namely financial performance.

Table 9. Simultaneous Test Results

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| 1 Regression | 0,149 | 4 | 0,037 | 4,139 | 0,008[b] |
| Residuals | 0,278 | 31 | 0,009 | | |
| Total | 0,427 | 35 | | | |

*Data Processed (2024)

When the significant value is 0,008<0,05, as shown in Table 9, Ha is accepted, and Ho is denied. Financial performance is impacted by audit committee variables, managerial ownership, institutional ownership, and environmental accounting disclosure.

**Discussion**

**The Relationship of Environmental Accounting Disclosure to Financial Performance**

The test states, based on the outcomes of multiple linear regression analysis, that disclosure of sustainability reports improves financial performance. H1, which states that environmental accounting disclosure positively affects financial performance, is accepted. This study aligns with the findings of Pramudiati et al. (2022), who found that large businesses should strive to disclose environmental accounting expected by stakeholders by using available resources to fulfill these obligations. Excellent environmental accounting disclosure can enhance the business's internal and external financial performance.

**Relationship between Institutional Ownership and Financial Performance**

The conclusions of the multiple linear regression analysis test state that corporate stakeholders do not have any influence on profitability. This means that H2, which states that corporate stakeholding hurts financial performance, is rejected. Corporate ownership does not affect financial results because institutions may have investment objectives that differ from the company's long-term goals, focusing more on stability and liquidity than short-term performance. This aligns with research conducted by Primadani et al. (2023), which shows that institutional ownership does not affect financial performance. This shows that companies with corporate ownership cannot encourage an increase in the company's financial performance.

**Relationship between Managerial Ownership and Financial Performance**

According to the multiple linear regression analysis test results, financial performance is unaffected by managerial ownership. This means that H3, which states that managerial control positively affects financial performance, is rejected. Financial performance is unaffected by managerial ownership, indicating that although managers own business stock, this only sometimes guarantees an increase in financial performance. Santoso and Andarsari (2022) assert that financial performance is unaffected by managerial control. Organizational structure and corporate culture that do not support innovation can also be a barrier.

**Audit Committee's Relationship to Financial Performance**

The outcomes of the multiple regression analysis test prove that the auditing board has not had any impact on the financial state. This means that H4, which states that the oversight committee hurts financial performance, is rejected. The audit committee has no effect, finding that the existence of an oversight committee in the company has no significant effect on financial performance. This shows that the number of existing audit committees does not positively or negatively contribute to the business profitability. According to the investigation performance by Eksandy (2018), the study's findings suggest that financial performance is unaffected by the oversight committee. This is due to concurrent positions among audit committee members, which results in a lack of oversight over management activities and a lack of external encouragement to improve efficiency through fair competition.

**The Relationship between Environmental Accounting Disclosure, Institutional Ownership, Managerial Ownership, and Audit Committee to Financial Performance.**

Derived from the concurrent test outcomes indicating that environmental accounting disclosure, institutional ownership, managerial ownership, and audit committee influence financial performance. This means that H5, which states that sustainability reporting, corporate governance, executive ownership, and financial committees affect fiscal performance, is accepted. Environmental accounting disclosure can increase transparency and investor confidence. This means that they are expected to be transparent in reporting the environmental impact of their business operations, especially those that impact the environment. This result aligns with Pramudiati, Adyaksana, Susilowati, et al. (2022), which state that environmental accounting fulfills obligations and is an essential strategy for managing risk.

Meanwhile, managerial and institutional ownership tends to drive broader decision-making on efficiency and sustainability. Audit committees ensure that financial reports are accurate to reduce errors or fraud that could compromise financial performance. Overall, this study shows that improving fiscal performance can be achieved by incorporating various aspects of corporate management. In addition, this study emphasizes the importance of factors that can influence future financial decisions.

## V. CONCLUSION

Guided by the results of research and conversations concerning the effects of environmental accounting disclosure and effective corporate governance practices on mining firms listed on the Indonesia Stock Exchange for 2021-2023, it is determined that institutional ownership, managerial ownership, and audit committee do not influence financial performance, but this is not in line with the environmental accounting disclosure variable which has a positive effect on financial performance. The results of the simultaneous test of environmental accounting disclosure, corporate governance, executive ownership, and oversight committees on financial performance also exert a Constructive impact.

This study's limitations are found in the limited number of samples th, so it needs to be representative because it only includes companies from one sector, besi; besides the s, the short research period is only three periods, namely 2021-2023. Finally, the limitations of variable measurement. Future researchers should expand the research object, add and update the research year, and add research variables.

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