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Green Accounting Perspective on Sustainability Development Goals

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ABSTRACT

Purpose : The study is conducted to determine the factors that affect sustainable development goals (SDGs) in Indonesia listed companies with a green accounting approach. Three independent variables (ESG disclosure, environmental performance, and green accounting) were empirically tested to determine their relationships with sustainable development goals (SDGs).
Method : The data set covers 16 companies that are consistently listed on the Jakarta Islamic Index (JII) during the period 2020 - 2024, data source was collected with purposive sampling technique, and hypotheses were tested using an ordinary least square regression random effect model.
Findings : The results showed that ESG disclosure, environmental performance, and green accounting simultaneously affect sustainable development goals. Partially, ESG disclosure and environmental performance have a significant positive effect on sustainable development goals, while green accounting has no effect on sustainable development goals.
Novelty : The study brings us to a different point of view, explaining that achieving sustainable development goals from a green accounting perspective. According to the findings, stakeholders can use it in making business decisions, both by companies and governments. Further research can add the variable of company value to see the investor's perspective in contribute achieving sustainable development goals.

INTRODUCTION

The implementation of the Sustainable Development Goals (SDGs) is entering its 9th year since it was declared by 193 countries including Indonesia in September 2015. The SDGs are a joint agenda of member states of the United Nations (UN), which aims to improve the welfare of society through the development of social, economic, environmental, and governance sectors (Ramadhan et al, 2022). In 2023, Indonesia was ranked 75th in the world, up significantly from 102nd in 2019. This is in line with Indonesia's SDG index score, which continues to increase from 64.2 in 2019 to 70.2 in 2023 (SDG Index Org, 2023). This means that on average, Indonesia will only achieve 70.2% of all SDG goals by 2023. However, in 2023, Indonesia dropped 10 ranks to 36th in the CCPI from 26th with an overall low ranking, with a category of greenhouse gas emissions and climate policy, a medium ranking for energy use, and a high ranking for renewable energy (Climate Change Performance Index, 2023).

Climate change and its significant impact on daily life have made it a very serious issue to be discussed internationally. The agreement of the Paris Agreement on Earth Day, April 22, 2016, is proof of the seriousness of the world community to unite to suppress the rate of global warming (Ramadhan et al, 2023).The role of an accountant in the Net Zero Emission Indonesia 2030 program is very important in various aspects, especially in ensuring transparency, accuracy and accountability in managing financial and reporting aspects related to climate change initiatives. Climate change has become a significant global issue, prompting companies to adopt green accounting practices as a response to environmental challenges. According to Ramadhan et al, (2022), stating that, accountants in carrying out their professional work are not only preparing company financial reports, but also focusing on providing information that includes environmental, social, and economic impacts, so that it is an integrated reflection of financial, social, and environmental aspects to achieve the realization of SDGs through the role of accountants. The implementation of green accounting enables companies to manage the risks and opportunities associated with climate change. By disclosing information related to greenhouse gas emissions, energy consumption and other sus-

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tainability initiatives, companies can increase their transparency and accountability to stakeholders. This not only helps in meeting increasingly stringent environmental regulations, but can also improve the company's image and competitiveness in the market.

According to Bocken & Geradts (2020) integration between corporate business strategy and sustainable business model innovation is important for stakeholders to achieve sustainable development goals. Effective ESG disclosure not only reflects a company's responsibility to global issues but also serves as a strategic tool to achieve the sustainable development goals set out in the SDGs. Environmental, Social, and Governance (ESG) disclosure is a key tool for companies to demonstrate transparency and accountability towards sustainability. ESG helps identify how companies are contributing or detrimental to the SDGs. ESG research can assist regulators and investors in assessing a company's sustainability risks (Lokuwaduge & De Silva, 2020).

Transparent ESG disclosure allows stakeholders to assess and monitor a company's environmental performance, thereby encouraging companies to improve their environmental practices. According to Lokuwaduge et al (2022), environmental performance refers to how a company manages the impact of its operations on the environment, including energy efficiency, carbon emissions, waste management, and natural resource conservation. Measuring environmental performance can help companies improve their sustainability strategies

Research that examines the relationship between ESG disclosure, environmental performance, and green accounting to the achievement of the SDGs is particularly important in the Indonesian context, given the gap between the improvement in the SDG Index ranking and the decline in the 2023 Climate Change Performance Index (CCPI) ranking. Although Indonesia saw an increase in its SDG score from 64.2 in 2019 to 70.2 in 2023, this achievement does not fully reflect progress in environmental aspects, as seen by Indonesia's decline in the CCPI due to low performance in the greenhouse gas emissions and climate policy categories. By examining the influence of ESG disclosures, companies can be assessed for their transparency in managing their environmental and social impacts, while environmental performance reflects the effectiveness of companies' measures in reducing emissions and managing resources sustainably. On the other hand, green accounting plays a role in integrating environmental aspects into corporate reporting and decision-making systems. The combination of these three variables can provide deeper insights into how sustainability practices at the corporate level can support the achievement of SDGs more holistically, especially in overcoming environmental challenges that are still a major obstacle for Indonesia (Setiadi & Sutadipraja, 2022).

Based on the studies from Yuliasih & Susetyo (2020), Selpiyanti & Fakhroni (2020), and Nabila (2021), states that ESG disclosure is proven to have a positive influence on efforts to achieve SDG 2030. Meanwhile, research from Suprianing & Farida (2023), states that environmental disclosure has no effect on SDG. Environmental performance measured by PROPER ratings are shown to have an effect on sustainable development goals (Indriati et al, 2022). However, in the study Yuliasih & Susetyo (2020), Setiadi & Sutadipraja (2022), May et al, (2023), Muniroh et al, (2023), Suprianing & Farida (2023) and Nizar & Mulyani (2023), shows that environmental performance has no effect on sustainable development goals. Several studies from Trevanti et al (2023), Muniroh et al (2023), Somantri & Sudrajat (2023), Suprianing & Farida (2023), Wiguna et al (2023), and Nizar & Mulyani (2023) states that companies practicing green accounting through spending CSR costs and then disclosing them in annual reports will contribute significantly to improving sustainable development goals. Although the results contradict the research of Rachmawati & Karim (2021), Anggreini et al (2023), and May et al, (2023).

Based on the results of previous studies that prove there is still an inconsistent relationship between the independent variables and the influence on sustainable development goals, this study aims to reconfirm the influence of ESG disclosure, environmental performance, and accounting on sustainable development goals. This study analyses the company's annual report and sustainability report using the content analysis method, covers 16 companies that are consistently listed on the Jakarta Islamic Index (JII) during the period 2020 - 2024, data source was collected with purposive sampling technique, and hypotheses were tested using a ordinary least square regression model. This is the novelty of this study, where previously the population and samples used were companies engaged in the manufacturing, chemical, oil palm plantation, and mining industries with a research data period before 2023.

The grand theory used in this study is triple bottom line, introduced by Elkington (1997)

which says that the triple bottom line has become the basis for measuring the value of a company's success. This is because companies that really want to develop their business do not only focus on the benefits that the company wants to achieve in terms of profit alone. Therefore, the company believes that the achievement of SDGs is determined by the contribution of stakeholders. The stakeholder theory states that stakeholders have an important role in providing financial support, human resources, and expertise. In addition, they can also play a role in campaigning and spreading awareness about the importance of sustainable development goals.

This study explains, that ESG disclosure in business practices is often closely linked to the SDGs as a form of business ethics. Through ESG disclosure, companies can identify their impact on sustainable environmental, social and governance aspects. The results of research by Yuliasih & Susetyo (2020), Selpiyanti & Fakhroni (2020), Nabila (2021), and Setiadi & Sutadipraja (2022), prove that the ESG disclosure relationship has a positive and significant effect on SDGs achievement. The findings of this study are in line with stakeholder theory which states that environmental, social, and governance (ESG) disclosures play an important role in promoting the ability of corporations to achieve SDGs. Through understanding the relationship between ESG disclosures and SDGs, companies

can direct their strategies to achieve desired sustainable development goals, promote corporate social responsibility, and encourage innovation to create a positive impact on society and the environment.

H_1: ESG disclosure has a positive effect on Sustainable Development Goals

Strong environmental performance in business practices can be a key driver in achieving the SDGs. In line with stakeholder theory which explains that the role of stakeholders in the implementation of environmental performance that focuses on efforts to reduce environmental footprints, such as carbon emissions, sustainable use of natural resources, and ecosystem protection, companies can directly support the achievement of SDGs such as addressing climate change, ensuring the availability of clean water and sanitation, and protecting underwater life. In their research of Indriati et al, (2022), and Somantri & Sudrajat (2023), the implementation of environmental performance has a positive and significant influence on the SDGs. Environmental performance describes how the company cares about the surrounding environment. The company's environmental performance will be good if it conducts business in accordance with established environmental regulations and is responsible for the community around the company and makes efforts that are useful for the long-term interests of society. Thus, positive environmental performance not only benefits the company financially, but also makes a significant contribution to the overall goal of SDGs.

H_2: Environmental Performance has a positive effect on Sustainable Development Goals

Green accounting has an important role in supporting the achievement of the SDGs by providing a framework that allows companies and governments to measure and report the economic, social, and environmental impacts of their economic activities. Several studies from Selpiyanti & Fakhroni (2020), Muniroh et al, (2023), Somantri & Sudrajat (2023), Suprianing & Farida (2023), Trevanti et al (2023), Wiguna et al (2023), and Nizar & Mulyani (2023) agree that green accounting has a positive and significant influence on the achievement of SDGs. Green accounting represented by CSR activities supports stakeholder theory and triple bottom line theory. Many companies use the triple bottom line concept in running every CSR program with the aim of maintaining stability between people, planet and profit which is then developed in the sustainable development program, namely economic growth, environmental protection, and social equity. Companies can contribute directly to the achievement of SDGs such as reducing poverty, creating decent jobs, and ensuring the sustainability of ecosystems that are essential for human life. Through this understanding, green accounting can be used as a powerful tool in encouraging sustainable actions that have a positive impact on society and the environment.

H_3: Green Accounting has a positive effect on Sustainable Development Goals

RESEARCH METHODS

The research employed a quantitative methodology. This study's populace obtained from companies that are consistently listed on the Indonesia Stock Exchange (IDX) on the Jakarta Islamic Index (JII) during the period 2020 to 2024. By using the purposive sampling strategy, which involves choosing samples based on predetermined criteria, the researchers were able to gather 16 companies that satisfied the requirements throughout the course of a 5 years observation period, for a total of 60 samples (Table 1). In this research, documentation study is the technique of data collecting. Publicly traded companies on the Indonesia Stock Exchange provided secondary data for the development of this study. Data on SDGs, ESG disclosures, environmental performance, and green accounting were obtained from sustainability reports and annual reports of companies from 2019 to 2023. All data is obtained by hand-collected from each company downloaded on the company's website.

Meanwhile, measurement of sustainable development goal variables based on research of Setiadi & Sutadipraja (2022) by using the ratio of disclosure of SDGs to the 17 total SDGs in the sustainability report. Measurement of ESG disclosure through dummy scores based on ESG disclosure from GRI standard (Suprianing & Farida, 2023), environmental performance through PROPER rating score in accordance with the Ministry of Environment and Forestry (Muniroh et al, 2023) and green accounting variables uses references to research Anggreini et al (2023), using the ratio of CSR costs divided by earning after tax. The following is explained the definition and measurement of variables in the Table 2.

Tabel 1. Sample Selection Criteria

Description	Total
Population: Companies that are consistently indexed by JII 2020 - 2024 (16 x 5)	80
Sampling based on criteria (purposive sampling):	
1. Companies that do not publish a sustainability report	(5)
2. Companies that do not participate PROPER program	(10)
3. Companies that do not disclose CSR costs	(5)
Sample Total	**60**

Tabel 2. Operational Definition and Measurement of Variables

Variables	Definitions	Measurement
Sustainable Development Goal (SDGs)	Sustainable Development Goals (SDGs) is a long-term world program to optimise all the potential and resources of each country with 17 sustainable development goals (Lokuwaduge et al, 2022)	SDGs = Total Disclosed Item SDGs / Total All of Item SDGs (Setiadi & Sutadipraja, 2022)
ESG disclosure	ESG Disclosure is the disclosure of information about the Environmental, Social, and Governance aspects of the company to stakeholders, including investors, government, and society based on the Global Reporting Initiative (GRI) standards (Lokuwaduge & De Silva, 2020)	ESG = Total Disclosed Item ESG Indicators / Total All of Item GRI Standard (Suprianing & Farida, 2023)
Environmental Performance	Environmental performance is the ability organisation, or company manages and minimises its negative impact on the environment, measured through content analysis based on PROPER, a Ministry of Environment and Forestry program that assesses companies' environmental management with a score of 1-5 (Black to Gold) (Somantri & Sudrajat, 2023)	Proper Rating Score = Gold = 5 Green = 4 Blue = 3 Red = 2 Black = 1 (Muniroh et al, 2023)
Green Accounting	Green accounting is an accounting approach that incorporates environmental factors into the financial calculations of a company or organisation (Wiguna et al, 2023)	Green Accounting = Ln (CSR Cost / Earning After Tax) (Anggreini et al, 2023)

The current investigation utilized multiple regression analysis methods with panel data to assess the influence of the independent and dependent variables. Regression analysis is a technique utilized to quantify the strength of the relationship between two or more variables and ascertain the direction of the relationship between the dependent and independent variables (Ghozali, 2017). Data analysis is carried out through several tests. Descriptive statistical test is a method related to the collection and presentation of a data set so that it provides useful information, then the validity and reliability of the data are tested gradually during multiple regression analysis. The next step involves classical assumption tests, namely data normality, heteroscedasticity, multicollinearity, and autocorrelation. Descriptive statistical tests, assessments of data normality, determination coefficient tests, and classical assumption tests are conducted prior to hypothesis testing. Ha is accepted in place of H_0 if the significance value (P value) is less than 0.05. If the significance value (P value) is greater than 0.05, Ha is rejected in favour of H_0. The regression analysis of this study was developed into the regression equation model (Equation 1).

$$SDG = \alpha + \beta_1 ESG + \beta_2 PROPER + \beta_3 GA + e \quad \text{.....1}$$

SDG is a sustainable development goal variable, ESG is an ESG disclosure variable, PROPER is an environmental performance variable, and GA (Green Accounting) is a green accounting variable. The panel data analysis method has 3 models, namely: 1) Common Effect Model (CEM); 2) Fixed-Effect Model (FEM); and 3) Random Effect Model (REM). The choice of panel data analysis method is decided based on the results of the chow test, lagrangian multiplier test, and hausman test. Data processing and analysis in this research was carried out with the help of data processing applications/software.

RESULTS AND DISCUSSIONS

The variables of this study are sustainable development goals which are global and national commitments to improve the welfare of society including 17 global goals and objectives as the dependent variable. ESG disclosure, environmental performance, and green accounting obtained from sustainability reports and company annual reports as independent variables. Descriptive statistics of the variables studied are presented as follows (Table 3).

This study uses the development of a panel data model, where the determination of the model is carried out with a three-model approach, namely the Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM). The development of the panel data model contains a combination of cross section and time

Tabel 3. Descriptive Statistics

Variable	Observation	Mean	Std. dev.	Min	Max
SDG	60	0.7009804	0.2412729	0.2352941	1.0000000
ESG	60	0.6473988	0.1983746	0.3287671	1.0000000
PROPER	60	4.2	0.6587096	3.0000000	5.0000000
GA	60	0.0353541	0.0577018	-0.1806828	0.3276148

Source: The Processed Secondary Data (2024)

Tabel 4. Panel Data Regression Test Results of Various Models

Variable	Common Effect Model		Fixed Effect Model		Random Effect Model	
	t-ratio	p-value	t-ratio	p-value	z-ratio	p-value
ESG	4.79	0.000	6.72	0.000	7.04	0.000
PROPER	1.05	0.299	2.24	0.030	2.17	0.030
GA	0.58	0.567	1.43	0.159	1.43	0.151
Constant	0.26	0.793	-0.76	0.453	-0.45	0.652

Source: The Processed Secondary Data (2024)

series data. The selection of an appropriate model is based on correct and accountable statistical data processing. So that in choosing the right model from the three models, the panel data required in the study is collected and processed. The results of the panel data model development test can be seen in table 4.

In testing the development of the Common Effect Model (CEM) results in a t-ratio value on the ESG disclosure variable of 4.79 with a p-value of 0.000<0.05. The environmental performance variable has a t-ratio result of 1.05 and a p-value of 0.299>0.05 and a green accounting variable with a t-ratio value of 0.58 with a p-value of 0.567>0.05. The development of the Common Effect Model (CEM) model shows a constant value at the t-ratio and p-value of 0.26 and 0.793>0.05. The development of the Fixed Effect Model (FEM) shows a constant value of -0.76 at the t-ratio and a p-value of 0.453>0.05. ESG disclosure variables and environmental performance in the development of the Fixed Effect Model (FEM) have a significance p-value of 0.000 and 0.030 less than the alpha value of 0.05. While the green accounting variable has a p-value of 0.159> 0.05. Each variable in the Fixed Effect Model (FEM) development has a t-ratio value of 6.72 on the ESG disclosure variable, environmental performance of 2.24 and green accounting of 1.43. The constant value at the z-ratio in the Random Effect Model (REM) is -0.45 with a p-value of 0.652> 0.05. The ESG disclosure variable produces a z-ratio value and p-value of 7.04 and 0.000 < 0.05. While the z-ratio value in the Random Effect Model (REM) on environmental and accounting performance variables amounted to 2.17 and 1.43 with a p-value of 0.030 < 0.05 and 0.151 > 0.05, respectively.

After model development, the next step is to determine the best model that will be taken from three model developments, namely Common Effect Model (CEM), Fixed Effect Model (FEM), and Random Effect Model (REM). The determination of the panel data model is carried out through a three-test approach, namely the chow test, the Lagrange multiplier test, and the Hausman test. In this study, the determination of the panel data model through the chow test, Lagrange multiplier test, and Hausman test can be seen in the Table 5.

In the chow test, the p-value of 0.0000 <0.05 means that this test recommends that the FEM model is better than the CEM model. Meanwhile, the Lagrange multiplier test recommends that the REM model is better than the CEM model with a p-value of 0.0000 <0.05. Based on the results of the chow test and the Lagrange multiplier test, the best model between the FEM and CEM models is determined through the Hausman test, where the Hausman test produces a p-value of 0.94830> 0.05, so the best model is the Random Effect Model (REM). So that in this study the multiple linear regression model used is the Random Effect Model (REM).

Classical assumption testing is a statistical requirement that must be carried out in multiple linear regression analysis based on Ordinary Lest Square. In OLS there is only one dependent variable, while the independent variables are more than one. This classic assumption test is divided into four, namely normality testing, heteroscedasticity testing, multicollinearity testing, and autocorrelation testing. The results of classical assumption testing can be seen in the Table 6.

At this stage, model determination and classical assumption testing have been completed by selecting the Random Effect Model (REM) as the best panel data model. In model hypothesis testing is carried out on the best model, namely the Random Effect Model (REM). The hypothesis tests carried out in this study are the coefficient of determination test, simultaneous significance test (f test), and partial parameter significance test (t test). Table 7 shows the results of Random Effect Model (REM) hypothesis testing.

Based on table 6, the R-squared value is 0.3950 or 39.50%. The coefficient of determination shows that the independent variables consisting of ESG disclosure, environmental performance, and green accounting can explain the sustainable development goals variable by 39.50%, while the remaining 60.50% is explained by other variables that are not included in this research model. In the Random Effect Model (REM) test results, the calculated

Tabel 5. Model Determination Test Results

Test	Result	
	p-value	**Suitable model**
Chow test	0.00000	*Fixed Effect Model*
Lagrange Multiplier test	0.00000	*Random Effect Model*
Hausman test	0.94830	*Random Effect Model*

Source: The Processed Secondary Data (2024)

Tabel 6. Classical Assumption Test Results

Test	Result	Conclusion
Normality test	*p-value* 0.1973 < 0.05	Data is normally distributed
Heteroskedasticity test	*p-value* 0.2551 > 0.05	No heteroscedasticity
Multicollinearity test	VIF value 1.25 < 10	No multicollinearity
Autocorrelation test	-2 < *p-value* 0.91122557 < 2	No autocorrelation

Source: The Processed Secondary Data (2024)

f value is 75.280> f table, namely 5.6877 with a significance of 0.0000 <0.05, meaning that the ESG disclosure, environmental performance, and green accounting variables simultaneously affect sustainable development goals. The partial parameter significance test or t test results in the ESG disclosure variable obtained a z value of 7.04> t table 2.0017 with a significance of 0.000 <0.05, meaning that the ESG disclosure variable affects sustainable development goals. The t test results on the environmental performance variable obtained a z value of 2.17> t table 2.0017 with a significance of 0.030 <0.05, meaning that the environmental performance variable affects sustainable development goals. While the green accounting variable t test results obtained a z value of 1.43 < t table 2.0017 with a significance of 0.151 > 0.05, meaning that the green accounting variable has no effect on sustainable development goals.

The first hypothesis in the study states that there is a positive influence on ESG disclosure on sustainable development goals (SDGs). SDG measurement in the study is done through the calculation of the disclosure score of the seventeen global SDG goals in the company's sustainability report, while ESG disclosure is based on the GRI Global standard. Based on the test results, the ESG coefficient value is 0.74007 with a significance of 0.000. Because the p-value <0.05, the first hypothesis is accepted, meaning that there is an influence of ESG disclosure on sustainable development goals. The results of this study are in line with the research of Yuliasih & Susetyo (2020), Selpiyanti & Fakhroni (2020), Nabila (2021), and Setiadi & Sutadipraja (2022). In line with the triple bottom line theory that emphasizes the importance of measuring and evaluating organizational performance not only in terms of economic benefits (profit), but also in terms of environmental impact (planet) and social responsibility (people). Transparent ESG disclosure ensures that companies are not only pursuing financial returns, but also paying attention to social and environmental responsibilities, which is in line with the goals of the SDGs, such as SDG 13 (Climate Action) and SDG 8 (Decent Work and Economic Growth). By disclosing ESG, companies demonstrate a commitment to sustainability and increase stakeholder trust, which ultimately supports the achievement of the SDGs. Therefore, good ESG disclosure can help companies contribute more effectively to achieving sustainable development. This is reinforced in OJK (Financial Services Authority) Regulation No. 51/POJK.03/2017 which regulates the implementation of sustainable finance for Financial Services Institutions, Issuers, and Public Companies in Indonesia. This regulation aims to encourage the integration of environmental, social, and governance (ESG) aspects into operational activities and business strategies (Financial Services Authority, 2017). According to Plastun et al (2020), ESG disclosure is higher in companies located in developing countries, where ESG disclosure affects the SGDs ranking of a country. Based on descriptive statistics, ESG disclosure has a minimum value of 0.3287671 and a maximum value of 1.0 which indicates that ESG disclosure in JII-listed companies has been disclosed in accordance with GRI Global standards. Companies that disclose ESG in sustainability reports transparently convey information that supports the achievement of sustainable development goals (Selpiyanti & Fakhroni, 2020).

The second hypothesis of the study states that there is a positive influence on environmental performance on sustainable development goals (SDGs). Environmental performance is measured through the PROPER program

Tabel 7. Random Effect Model (REM) Test Results

Variabel	Coefficient	Std. error.	z	P > | z |
ESG	0.7400700	0.1051748	7.04	0.000
PROPER	0.0688126	0.0317464	2.17	0.030
GA	0.4192405	0.2921864	1.43	0.151
Constant	-0.0660133	0.1462778	-0.45	0.652
R-*squared overall*	0.3950			
Wald chi^2	75.280			
Prob > chi^2	0.0000			
F table	5.6877			
T table	2.0017			

Source: The Processed Secondary Data (2024)

from the Indonesian Ministry of Environment and Forestry which aims to encourage companies to carry out environmentally sound business practices. Based on the test results, the PROPER coefficient value is 0.0688126 with a significance of 0.030. Because the p-value <0.05, the second hypothesis is accepted, meaning that there is an effect of environmental performance on sustainable development goals. The results of this study are in line with the research of Indriati et al, (2022) and Somantri & Sudrajat (2023). According to the Triple Bottom Line theory, business sustainability does not only focus on economic profit (Profit), but must also pay attention to social impact (People) and the environment (Planet). Companies that participate in PROPER and get high ratings directly support several SDGs. PROPER encourages companies to improve environmental performance through energy efficiency, waste management, and emissions reduction, contributing to SDG 6 on Clean Water and Sanitation, SDG 7 on Clean and Affordable Energy, SDG 9 on Industry, Innovation, and Infrastructure, SDG 12 on Responsible Consumption and Production, SDG 13 on Handling Climate Change, SDG 14 on Marine Ecosystems, SDG 15 on Terrestrial Ecosystems, and SDG 17 on Partnerships to Achieve Goals. The participation of companies in the PROPER program and getting a good rating, not only shows commitment to environmental sustainability, but also directly contributes to the achievement of SDGs in Indonesia. Based on the statistical description, the minimum value of environmental performance is 3, meaning that the rating in the PROPER program is blue, which explains that the company has made the required environmental management efforts in accordance with the regulation (Ministry of Environment and Forestry, 2021). The triple bottom line theory supports that positive environmental performance not only benefits the company financially, but also makes a significant contribution to the overall goal of sustainable development (Somantri & Sudrajat, (2023). A good PROPER rating reflects a company's compliance with environmental and social responsibility regulations, thereby enhancing reputation and public trust. Thus, improving environmental performance through PROPER not only supports business sustainability but also accelerates the achievement of the SDGs more broadly.

The third hypothesis of the study states that there is a positive influence on green accounting towards sustainable development goals (SDGs). Green accounting is measured through the ratio of CSR costs compared to net income in the current year. Based on the test results, the coefficient value of green accounting (GA) is 0.2921864 with a significance of 0.151. Because the p-value> 0.05, the third hypothesis is rejected, meaning that there is no effect of green accounting on sustainable development goals. The results of this study are in line with the research of Rachmawati & Karim (2021), Anggreini et al (2023), and May et al, (2023). Based on the triple bottom line theory, companies should not only focus on economic value, but also focus on social and environmental values. These values should be contained in the company's strategic plan to achieve SDGs that are supported by stakeholders through regulations and company policies. The strategic plan must be informed in the sustainability report. According to Lokuwaduge et al (2022), transparency of corporate social responsibility (CSR) reporting is as important as disclosure of financial information. Green accounting represented by CSR costs, which are part of the company's strategic plan that must be carried out even though the company is experiencing losses, has not fully supported the achievement of SDGs. This is because CSR programs only support sustainable development goals on the social development pillar and the environmental development pillar. While SDGs have four pillars of development, where the pillars of economic development and the pillars of legal development and governance have not reflected in the company's CSR program. The triple bottom line theory emphasizes a balance between profit, people, and planet, but if the costs of CSR outweigh the economic benefits, companies may face a dilemma between profitability and sustainability. To address this, companies should be more strategic in their green investments, for example by improving energy efficiency, reducing waste, or creating sustainable products that are also financially beneficial.

CONCLUSIONS

This study proves that ESG disclosure and environmental performance affect the achievement of SDGs. The company's participation in supporting sustainable global plans through active participation in the PROPER program is a tangible form of achieving the mission of creating SDGs. The disclosure of ESG information measures how the company's ESG initiatives compare with industry benchmarks and targets in achieving SDGs. Green accounting represented by CSR costs in this study has no influence on the achievement of SDGs. Companies believe that the expenditure used for CSR costs is an obligation that must be incurred in accordance with the company's business strategic plan and in line with government policies. In today's capital market, businesses are highly scrutinized by stakeholders. A company's reputation can have a direct impact on its bottom line. The investor community is demanding ESG metrics to ensure that companies are sound investments and are also aligned with their values i.e., climate change, CSR, etc.

Proper alignment of a company's business strategy can facilitate and accelerate the achievement of SDGs for the company. By integrating SDGs into corporate policies and practices, companies can enhance their reputation, attract investment, and motivate employees who are increasingly concerned about social and environmental impacts. A deep understanding of the SDGs can support new sustainability-aligned business opportunities, such as new product and market innovations. In addition, companies can collaborate with stakeholders, including governments, communities and nonprofit organizations, to maximize positive impact, encouraging companies to take an active role in creating balanced and sustainable economic, social and environmental value.

This study has limitations on the limited research sample, so that it provides results that are not maximized. Companies indexed on the Jakarta Islami Index (JII) have not fully published sustainability reports in accordance with OJK Regulation Number 51 / POJK.03 / 2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. Future research is expected to use a sample of companies indexed on environmental activities such as the Sustainable and Responsible Investment-KEHATI stock index which is one of the indices that is an indicator of stock price movements on the Indonesia Stock Exchange. Research on green accounting needs to examine new methods to more accurately measure and report environmental impacts, including hidden costs and externalities. The addition of the firm value variable is a novelty in future research to measure the company's reputation in playing an active role in supporting the achievement of SDGs.

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