ICE-BEES (2025): 183-192
International Conference on Economics, Business, and Economic Education Science

QRCBN 62-6861-8367-215
https://proceeding.unnes.ac.id/ice-bess

# THE IMPACT OF STAKEHOLDER PRESSURE AND GREEN GOVERNANCE ON COMPANY VALUE

**Marinus Gea[1], Isfenti Sadalia[2], Yeni Absah[3], Khaira Amalia Fachrudin[4]**

[1] Economy and Business Faculty, Sumatera Utara University, Indonesia
[2]Economy and Business Faculty, Sumatera Utara University, Indonesia
[3]Economy and Business Faculty, Sumatera Utara University, Indonesia
[4]Economy and Business Faculty, Sumatera Utara University, Indonesia

**Abstract**

Currently, many organizations have begun to shift from the traditional way of only reporting financial aspects, changing to a more modern direction, namely reporting all aspects, both financial and non-financial (social and environmental dimensions) to stakeholders. This study aims to examine the relationship between stakeholder pressure and green governance on company value. This study employs a qualitative descriptive approach to explore the influence of stakeholder pressure and green governance on company value. The empirical studies show stakeholder pressure is essential in initiating environmental transformation, the realization of sustainable competitive advantage and higher firm value is conditional upon robust, sincere, and institutionally embedded green governance practices. Stakeholder pressure serves as an external catalyst, while green governance acts as the internal engine that transforms sustainability demands into long-term corporate value. Firms that treat ESG as a strategic imperative are better positioned to gain stakeholder trust, reduce risk exposure, and secure long-term financial performance.

**Keywords** Stakeholder Pressure; Green Governance; Company Value.

## INTRODUCTION

Currently, the world is facing a climate crisis, biodiversity degradation, and development pressures that often sacrifice the ecological future of living things. Every day 195 km2 of tropical forests have been lost to roads, agricultural land, and other needs, 98 km2 of land has turned into desert, 1.5 million tons of toxic waste are released into the environment, 50 to 100 species of plants and animals become extinct due to deforestation. The increase in human population reaching hundreds of thousands of people per day has resulted in an increase in the need for food, water, housing, and other resources. All of this results in global warming, acid rain, and damage to the network of life (Myers, in Suardi, 2014).

Environmental challenges such as global warming, resource scarcity, pollution, and ecological degradation have increased significantly, encouraging humans to reconsider and appreciate the environment and nature more and pay more attention to the impact of economic progress on the environment (Lin et al., 2019). Because the world is facing a climate crisis, biodiversity degradation, and development pressures that often sacrifice the ecological future of living things. Many organizations have begun to shift from the traditional way of only reporting financial aspects, to a more modern direction, namely reporting all aspects, both financial and non-financial (social and environmental dimensions) to stakeholders. Companies have a social responsibility to parties outside of management and capital owners. The value of a company is not only determined financially, but also from the aspect of the company's social responsibility. Pressure from stakeholders also affects the value of the company. The increasing public concern for the environment has had an impact on the way they assess companies.

Company value is the result of the development of company assets and is considered the result of a company's effective performance. Research by Jarosław Kaczmarek found that using market value to assess companies based on shareholder expectations has proven effective. This metric compares the expected increase in capital value to the return on equity. It should be underlined that continuous efforts to create company value are key in corporate management (Kaczmarek, 2024). Company value in many cases is influenced by various factors, including financial performance, risk management, growth strategy, and compliance with regulations and sustainability standards. Eccles et al. (2014) explain that companies that are active in sustainability practices tend to build a better reputation in the eyes of consumers, investors, and other stakeholders.

Stakeholder pressure has a significant impact on the company's sustainable management practices. A study conducted by Haleem et al. examined how pressure from external stakeholders such as governments, Non-Governmental Organizations (NGOs), and communities can encourage companies to adopt sustainable management practices. The results of this study indicate that despite significant pressure from stakeholders, the relationship between this pressure and the adoption of sustainable practices is not always clear and often produces mixed findings, suggesting that the relationship can be complex and influenced by many factors (Haleem et al., 2022). Green governance encompasses the practices, policies, and principles implemented by companies to ensure that their operations are environmentally sustainable. This concept focuses on integrating environmental aspects into the corporate governance structure to enhance sustainability.

Green governance ensures that corporate decisions and policies take into account environmental impacts. By integrating sustainability into governance, companies can reduce negative impacts on the environment and support more sustainable business practices. With green governance, companies can identify and manage environmental risks more effectively. This not only helps minimize negative impacts on the environment but also reduces financial and reputational risks for the company (Husted, 2017; Eccles, 2014). In addition, companies that implement green governance tend to have higher corporate value in the long term. Good sustainability practices enhance a company's reputation, attract investors who care about Environmental, Social, and Governance (ESG) issues and reduce business risks related to the environment (Fatemi, 2018). Companies that adopt green governance tend to gain higher trust from investors. They are considered to have lower risks of environmental issues that could harm the business in the future. Studies show that companies that implement good environmental governance often enjoy higher market value (Clarkson et al., 2011). Given the diverse research results on the impact of green governance and stakeholder pressure, this article aims to examine the impact of stakeholder pressure and green governance on company value.

## LITERATURE REVIEW

### 1. Stakeholder Theory

Stakeholder theory outlines that companies are responsible for fulfilling the needs and interests of various parties involved in their business operations. These stakeholders include individuals who are directly connected to the company, such as investors, employees, end consumers, and local communities where the company operates (Susanto & Joshua, 2018). In the current business landscape, companies are expected not only to focus on financial growth but also to consider the interests of all relevant stakeholders (Susanto & Joshua, 2018). Corporate value is built through the accumulation of trust among stakeholders. Consistent implementation of corporate social responsibility (CSR) can help mitigate risks and, in turn, attract investor interest. Furthermore, the application of effective corporate governance practices supports efficient risk management, enabling companies to better navigate uncertainties (Triyuwono et al., 2020).

### 1.1 Sustainability Report Disclosure

A company's effort to demonstrate transparency and accountability can be reflected through the issuance of a sustainability report, which contributes to achieving sustainable development goals. This report assesses a company's impact on the external environment by focusing on three core dimensions: economic, social, and environmental aspects. In essence, the sustainability report provides a clear representation of how the company responds to external environmental concerns by fulfilling stakeholder expectations (Suharyani et al., 2019). It also serves as a communication tool to convey the company's economic, environmental, and social responsibilities, which significantly influence stakeholder perceptions (Alfaiz & Aryati, 2019).

### 1.2. Stakeholder Pressure

The involvement of the business sector in sustainable development also includes environmental responsibility. Environmental pressures tend to target companies that excessively exploit natural resources, thereby disturbing ecological balance (Supadi & Sudana, 2018). In Indonesia, the Ministry of Environment and Forestry monitors corporate environmental practices through a program known as PROPER (Company Performance Rating Program in Environmental Management). At the same time, end consumers play a crucial role in influencing companies to improve transparency. Consumer trust in a company's reputation compels the company to enhance the quality of its sustainability report, which in turn helps foster consumer loyalty (Wijayanti, 2016). Employees can also act as pressure agents, where a larger workforce often demands higher levels of transparency (Suharyani et al., 2019). Moreover, companies with low levels of dispersed ownership tend to experience lower stakeholder pressure, which may lead to limited social responsibility disclosures. This reduced pressure contributes to a lower quality of sustainability reporting (Rudyanto & Siregar, 2018).

### 1.3. Green Governance

Green governance is an integrative approach to environmental management that involves collaboration between governments, market actors, and civil society to address environmental issues and promote sustainable development. It emphasizes multi-level coordination, transparency, participation, and accountability as core principles to ensure that ecological concerns are embedded into policy, corporate practices, and community initiatives (Zhang et al., 2020). Unlike traditional environmental regulation, which relies primarily on top-down control, green governance seeks to harmonize formal and informal mechanisms to shape responsible behavior across sectors.

Governance mechanisms in green governance are generally classified into three types: administrative (hierarchical), economic (market-based), and social (self-governance). Administrative governance is driven by government institutions that enforce environmental laws, regulations, and sanctions. It is characterized by its compulsory nature and plays a dominant role, particularly in countries with centralized systems or transitional economies (Liu & Lai, 2021). Economic governance, by contrast, employs market-based tools such as environmental taxes, emissions trading systems, subsidies, and licensing mechanisms to internalize environmental externalities. This approach aligns with the rational behavior of profit-driven organizations and incentivizes sustainable practices through cost-benefit logic (Zhang & Wang, 2021). Lastly, self- governance or social governance relies on voluntary actions by NGOs, the media, local communities, and individuals. These actors influence green behavior through awareness campaigns, consumer activism, and public monitoring, complementing formal state and market efforts (Fu et al., 2020).

Green governance offers a framework for achieving sustainable development by coordinating the efforts of various stakeholders. While administrative measures lay the foundation for enforcement, market-based instruments and community engagement enrich the governance landscape with flexibility, innovation, and legitimacy. For green governance to succeed, it must continuously evolve to address emerging environmental challenges through integrated, multi- stakeholder approaches rooted in cooperation, accountability, and shared responsibility.

## 2. Company Value Theory

Company Value Theory emphasizes efforts to maximize a company's value to shareholders. A company is considered an entity aiming to allocate resources optimally to create maximum profit and provide added value to shareholders (Damodaran, 2012). This theory emphasizes that companies must manage their assets effectively to increase market value, both internal and external factors. Internal factors, such as management performance, operational efficiency, capital ownership structure, and financial strategy, play an important role in shaping company value. However, external factors such as market conditions, government policies, and investor preferences also significantly influence the perception of company value (Brealey et al., 2014; Jensen & Meckling, 1976). In the modern context, Firm Value also includes non-financial dimensions such as social and environmental responsibility. Eccles et al. (2014) showed that companies that actively implement sustainability practices tend to have better long-term performance and higher value than those that do not. This underlines the importance of corporate governance and sustainability as essential elements in creating company value. Modigliani and Miller (1958) argue that firm value is influenced by investment decisions, including how the firm funds its activities, either through equity or debt.

### 3. Signaling Theory

Signaling theory explains why companies are encouraged to submit financial reports to external parties due to information asymmetry between management and external parties (Erin et al., 2021). This condition arises when management does not completely submit information, thus affecting the company's value, which is reflected in stock prices. The market will respond to the available information as a signal so that company activity impacts stakeholders, such as employees, suppliers, investors, government, consumers, and the community. Therefore, companies must provide reports as annual report disclosures containing the company's financial and non-financial information for stakeholders (Domingues et al., 2017; Karamanou & Vafeas, 2005; Devi et al., 2020). Disclosure of environmental and social aspects shows that they perform better than companies that do not make similar disclosures, improving their performance and reputation (Marx & van Dyk, 2011; Devi et al., 2020; Cahan et al., 2015). The signals minimize the level of risk, including internal risks such as credit and liquidity and risks related to stakeholders.

## METHODS

This study employs a qualitative descriptive approach to explore the influence of stakeholder pressure and green governance on company value. A qualitative method allows researchers to examine social phenomena in depth and generate rich, contextual insights from various textual sources (Creswell & Poth, 2018). As a research strategy, qualitative inquiry is suitable for interpreting complex relationships, behaviors, and institutional dynamics that are not easily captured through quantitative measures.

The research relies on secondary data obtained through content documentation, including peer-reviewed journal articles, institutional reports, books, and other credible publications. Content analysis is used as the main analytical technique to systematically categorize and interpret textual data relevant to stakeholder influence, green governance practices, and corporate valuation. According to Krippendorff (2018), content analysis is effective for extracting meaning from large volumes of textual material, enabling researchers to identify patterns, themes, and conceptual frameworks.

By applying this method, the study aims to construct a conceptual model that illustrates the relationship between stakeholder pressure, the implementation of green governance, and the resulting implications for firm value. The analytical process involves organizing data into thematic clusters, comparing findings across sources, and drawing conclusions that reflect both theoretical constructs and practical implications.

## RESULTS AND DISCUSSION

These results imply that although stakeholder pressure plays a vital role in triggering environmental actions, the achievement of higher firm value largely depends on the strength of internal green governance. Superficial compliance may harm credibility and reduce stakeholder trust, as seen in cases where companies engage in misleading sustainability claims (Lee & Raschke, 2023). Therefore, businesses should embed environmental responsibility into their governance systems, supported by clear reporting and leadership commitment. A credible governance structure improves risk management, strengthens company reputation, and supports long-term profitability.

Rudyanto and Siregar (2018) examining how corporate governance and external pressure influence the quality of sustainability reports. This study found that both internal governance mechanisms (e.g., audit committees) and external stakeholders (e.g., investors and regulators) enhance the transparency and reliability of sustainability reporting. These are critical elements in company valuation and investor confidence. The study found that strong governance practices are positively correlated with high-quality sustainability reporting. External pressures were shown to enforce accountability. Quality reporting fosters stakeholder trust, thereby enhancing long-term firm value.

**Impact of Stakeholder Pressure:**

The results of multiple empirical studies show that stakeholder pressure from customers, investors, regulatory bodies, and NGOs serves as a critical driver in encouraging firms to adopt green governance practices. Guoyou et al. (2013) found that stakeholder pressure significantly influences top management commitment to environmental initiatives, which ultimately enhances both ecological performance and company value. Similarly, Lestari et al. (2021) demonstrated that regulatory pressure and consumer awareness push companies to invest in green innovation as a competitive strategy. These findings support the assertion that external demands from stakeholders act as institutional pressure that shapes firms' environmental strategies (Caputo et al., 2018).

Stakeholder pressure is a significant driver of green production practices in manufacturing firms. These practices improve environmental performance and boost firm reputation, which then contributes to financial gains. The structural equation model used in the study confirms a positive chain relationship: stakeholder pressure → green production → reputation → financial performance (Baah, et. al., 2021)

Several studies have consistently shown that pressure from various stakeholders, including the media, consumers, and environmentally sensitive industries, positively affects the quality of corporate sustainability reports (Arif & Sularso, 2018; Nurkhin, 2021; Putra et al., 2021). High- quality sustainability reports improve corporate transparency and reputation, which in turn can contribute to corporate value. However, there are findings that suggest that pressure from investors or creditors may not always have a significant impact on the quality of sustainability reports (Nurkhin, 2021).

Stakeholder pressure has also been shown to encourage corporate environmental ethics and green innovation. Environmental ethics serves as a mediator in this relationship, suggesting that external pressure motivates companies to adopt more sustainable practices, which can create long-term value (Suhendra et al., 2020). Stakeholder pressure also can moderate the effect of green investment on carbon emission disclosure, indicating its role in how companies communicate their environmental efforts (Chairina & Wijaya, 2023).

Singh et al. (2022) investigate how stakeholder pressure enhances green innovation and how this, in turn, affects firm performance in SMEs. Using Structural Equation Modeling (SEM), they found that green dynamic capabilities—i.e., a firm's ability to reconfigure its resources for sustainability—mediate the relationship between stakeholder pressure and performance. High-performing companies leveraged stakeholder expectations to drive green transformation. This research, which emphasizes SMEs and broadens applicability to non-listed firms, shows that stakeholder pressure acts as a catalyst for innovation, as governance structures help translate this pressure into value-generating capabilities.

**Impact of Green Governance (and General Corporate Governance):**

Moreover, green governance practices such as environmental disclosure, ESG reporting, and sustainability-oriented corporate oversight have a positive and significant impact on firm value. A study by Putra and Putri (2022) in Indonesia revealed that firms with strong governance structures

QRCBN 62-6861-8367-215
https://proceeding.unnes.ac.id/ice-bess

are more likely to benefit from transparent environmental disclosures, resulting in increased investor trust and market valuation. This is reinforced by findings from Lee and Raschke (2023), who showed that good ESG performance is positively associated with profitability, especially when supported by authentic and integrated sustainability management. In several ASEAN markets, ESG transparency also improves the quality of information available to investors, leading to more accurate firm valuation (Zhang & Natalylova, 2020).

Huang D. (2022) found that firms with strong ESG performance and transparent reporting receive higher market valuations, especially when these signals align with stakeholder expectations. ESG performance serves as a non-financial signal of long-term firm value, and investor trust increases when green governance structures are robust. Shareholders respond positively to ESG clarity and consistency, especially in firms from ESG-sensitive sectors.

Good corporate governance (GCG) mechanisms, such as the effectiveness of the Board of Commissioners or Audit Committee, are positively correlated with the quality of sustainability reports (Destriana & Haryono, 2020; Handayani & Pratiwi, 2023; Hasanah et al., 2021; Septiani et al., 2023). Strong internal governance structures facilitate better environmental and social disclosure. Green investments, which are often the result of green governance principles, have been shown to directly and positively impact firm value. This highlights the financial benefits of environmentally oriented investments (Xie & Li, 2022).

Xie & Li (2022) found that board size can play a moderating role in the relationship between green investment and firm value, suggesting that board composition is a relevant governance aspect in this context. Although corporate governance is generally supportive of sustainability efforts, some studies suggest that its effect on specific outcomes such as carbon emissions disclosure may not always be significant (Chairina & Wijaya, 2023).

ESG disclosures significantly influence firm performance, especially in environmentally sensitive industries such as mining. Gultom and Rosini (2024) found that stakeholder pressure amplifies the effect of governance quality on performance by incentivizing transparency. Governance indicators (e.g., board diversity and independence) strengthen ESG disclosures. Stakeholder pressure functions as a moderator rather than a direct factor, while improved ESG disclosures are linked to better access to capital and an enhanced public image.

## CONCLUSION

The value of a company is not only determined financially, but also from the aspect of the company's social responsibility. Pressure from stakeholders also affects the value of the company. The increasing public concern for the environment has had an impact on the way they assess companies. Study on SMEs found that stakeholder pressure acts as a catalyst for innovation. ESG disclosures significantly influence firm performance, especially in environmentally sensitive industries such as mining. External pressures were shown to enforce accountability while quality reporting fosters stakeholder trust, thereby enhancing long-term firm value.

The synthesis of extensive empirical studies clearly demonstrates that stakeholder pressure serves as an external catalyst, while green governance acts as the internal engine that transforms sustainability demands into long-term corporate value. This interdependence between external accountability and internal governance systems plays a decisive role in determining whether environmental strategies translate into reputational, operational, and financial gains.

While stakeholder pressure is essential in initiating environmental transformation, the realization of sustainable competitive advantage and higher firm value is conditional upon robust, sincere, and institutionally embedded green governance practices. Firms that treat ESG as a strategic imperative—rather than a compliance exercise—are better positioned to gain stakeholder trust, reduce risk exposure, and secure long-term financial performance.

To enhance firm value through environmental responsibility, companies should embed sustainability into their governance structures by establishing ESG oversight mechanisms, such as dedicated committees and board-level accountability. Transparent and standardized ESG reporting should be prioritized to avoid greenwashing and build stakeholder trust. Active engagement with investors, regulators, and consumers is essential to align strategies with evolving expectations. Firms should invest in green innovation and build internal capabilities that support sustainable practices. Aligning ESG initiatives with financial performance goals can further improve investor confidence. Sector-specific governance approaches are recommended, especially for high-impact industries, and board members should be equipped with ESG expertise through targeted training. Lastly, leveraging digital tools for monitoring and disclosing ESG performance will enhance accuracy, transparency, and credibility.

## REFERENCES

Alfaiz, D. R., & Aryati, T. (2019). "Pengaruh Tekanan Stakeholder dan Kinerja Keuangan Terhadap Kualitas Sustainability Report dengan Komite Audit Sebagai Variabel Moderasi", *Jurnal Akuntansi Dan Keuangan Methodist*, 2(2), 112–130.

Arif, M., & Sularso, H. (2018). Pengaruh comprehensive stakeholder pressure dan good corporate governance terhadap kualitas sustainability report. Owner, 2(2), 97-106.

Brealey, R. A., & Myers, S. C., & Allen, F. (2014). Principles Of Corporate Finance, 9th Edt. New York: Mcgraw-Hill/Irwin.

Cahan, S. F., De Villiers, C., Jeter, D. C., Naiker, V., & Van Staden, C. J. (2015). "Are CSR Disclosures Value Relevant? Cross-Country Evidence", *European Accounting Review,* 25(3), 579–611. https://doi.org/10.1080/09638180.2015.1064009

Caputo, V., Buhnova, B., & Walletzký, B. (2018). Developing sustainable workplaces through stakeholder engagement. *Sustainability*, *10*(12), 4610. https://doi.org/10.3390/su10124610

Chairina, L., & Wijaya, H. (2023). The role of stakeholder pressure in moderating the effect of green investment, corporate governance and corporate growth on carbon emissions disclosure. SIBATIK JOURNAL: Jurnal Ilmiah Bidang Sosial, Ekonomi, Budaya, Teknologi, dan Pendidikan, 2(1), 167-180.

Clarkson, P. M., Overell, M. B., & Chapple, L. (2011). Environmental Reporting and Its Relation to Corporate Environmental Performance. Abacus, 47, 27-60. https://doi.org/10.1111/j.1467-6281.2011.00330.x

Damodaran, A. (2012). Investment valuation: Tools and techniques for determining the value of any asset (Vol. 666). John Wiley & Sons

Destriana, E., & Haryono, H. (2020). The effect of stakeholder pressure and corporate governance on the quality of sustainability report. Jurnal Akuntansi dan Keuangan Indonesia, 17(1).

Devi, S., Warasniasih, N. M. S., & Masdiantini, P. R. (2020). The Impact of COVID-19 Pandemic on the Financial Performance of Firms on the Indonesia Stock Exchange. *Journal of Economics, Business, & Accountancy Ventura*, 23(2), 226–242. DOI: https://doi.org/10.14414/jebav.v23i2.2313

Domingues, A. R., Lozano, R., Ceulemans, K., & Ramos, T. B. (2017). Sustainability reporting in public sector organisations: Exploring the relation between the reporting process and organisational change management for sustainability. Journal of Environmental Management, 192(1), 292–301. https://doi.org/10.1016/j.jenvman.2017.01.074

Eccles, R. G., Ioannou, I., & Serafeim, G. (2014), "The impact of corporate sustainability on organizational processes and performance", *Management Science*, 60(11), 2835-2857.

Erin, O., Adegboye, A., & Bamigboye, O. A. (2021). Corporate governance and sustainability reporting quality: evidence from Nigeria. *Sustainability Accounting, Management and Policy Journal*, *ahead-of- print*(ahead-of-print), DOI: https://doi.org/10.1108/sampj-06-2020-0185

Fatemi, A., Glaum, M., & Kaiser, S. (2018), "ESG performance and firm value: The moderating role of disclosure." *Global Finance Journal,* 38, 45-64.

Fu, Y., Ma, X., & Hu, J. (2020). "Green governance and sustainable development: A conceptual framework and case study from China", *Environmental Development*, 36, 100558. https://doi.org/10.1016/j.envdev.2020.100558

Gultom, D. P., & Rosini, I. (2024). Stakeholder Pressure Moderates ESG Disclosure on Firm Performance. *International Journal of Accounting & Management Science Communication*, 4(1). https://ijamesc.com/index.php/go/article/view/341

Guoyou, C., Saixing, Z., Hong, W., & Hailin, L. (2013). Stakeholder pressure and green innovation: Evidence from China. *Journal of Cleaner Production*, *40*, 273–281. https://doi.org/10.1016/j.jclepro.2012.01.001

Haleem, F., Farooq, S., Cheng, Y., & Waehrens, B. V. (2022), "Sustainable Management Practices and Stakeholder Pressure: A Systematic Literature Review", *Sustainability*.

Handayani, A. P., & Pratiwi, A. D. (2023). The impacts of stakeholder pressure, profitability, and audit committee on the quality of sustainability reports. ASET: Jurnal Akuntansi, 15(1), 1-13.

Hasanah, N., Wahyudi, I., & Wulandari, R. (2021). Pengaruh tekanan stakeholder dan corporate governance terhadap kualitas sustainability report. Jurnal Akuntansi Aktual, 8(1), 51-60.

Husted, B. W., & Sousa-Filho, J. M. (2017), "The impact of sustainability governance, country stakeholder orientation, and country risk on environmental, social, and governance performance", *Journal of Cleaner Production,* 155, 93-102.

Jensen, M., C., & W. Meckling. (1976). "Theory of the firm: Managerial behavior, agency cost and ownership structure", Journal of Finance Economic 3:305- 360.

Kaczmarek, J. (2024), "Effectiveness of company value creation based on excess market value-added assessment", *Sustainability,* 16(9), 3711, DOI: https://doi.org/10.3390/su16093711

Karamanou, I., & Vafeas, N. (2005). The Association between Corporate Boards, Audit Committees, and Management Earnings Forecasts: An Empirical Analysis. Journal of Accounting Research , 43

Lee, M. T., & Raschke, R. L. (2023). Stakeholder legitimacy in firm greening and financial performance: What about greenwashing temptations? *Journal of Business Research, 155*, 113393. https://doi.org/10.1016/j.jbusres.2022.113393

Lestari, N. A., Sunaryo, S., & Djazuli, A. (2021). Effects of consumer demand and environmental legislation on green innovation. *Sustainability*, *13*(4), 2189. https://doi.org/10.3390/su13042189

Lin, R.,Gui, Y., Xie, Z. & Liu L. (2019), "Green governance and international business strategies of emerging economies' multinational enterprises: A multiple-case study of Chinese firms in pollution-intensive industries", *Sustainability,* 11, 1013; DOI:10.3390/su11041013

Liu, J., & Lai, K. H. (2021). "Government, green governance and environmental performance: Evidence from Chinese manufacturing firms", *Journal of Cleaner Production*, 288, 125636. https://doi.org/10.1016/j.jclepro.2020.125636

Marx, B., & van Dyk, V. (2011). Sustainability reporting and assurance. *Meditari Accountancy Research*, *19*(1/2), 39–55. https://doi.org/10.1108/10222521111178628

Modigliani F., & Miller, M. (1958). The Cost of Capital, Corporation Finance and The Theory of Investment, The American Economic Review, Vol 48 No.3.

Nurkhin, A. (2021). Stakeholder pressure and its effect on sustainability report. Presipitasi: Jurnal Ilmu Lingkungan, 18(1), 1-12.

Putra, A. D. N., Dewi, S. A. Y. P., & Pramana, I. D. (2021). The influence of stakeholder pressure and corporate governance on sustainability report quality. PalArch's Journal of Archaeology of Egypt/Egyptology, 18(7), 3783-3796.

Putra, I. W. A., & Putri, K. A. S. (2022). Good corporate governance and environmental disclosure in Indonesia. *Jurnal Reviu Akuntansi dan Keuangan*, *14*(3), 553–569. https://doi.org/10.22219/jrak.v14i3.23141

Rudyanto, A., & Siregar, S. V. (2018). "The Effect of Stakeholder Pressure and Corporate Governance on the Quality of Sustainability Report", *International Journal of Ethics and Systems*, 34(2), 233–249. https://doi.org/https://doi.org/10.1108/IJOES-05-2017-0071

Septiani, I., Sari, N. P., & Junaidi, J. (2023). The effect of corporate governance mechanism, stakeholder pressure, and profitability on integrated reporting. Jurnal Akuntansi, Keuangan, dan Audit, 2(2).

Singh, S. K., Del Giudice, M., et al. (2022). Stakeholder pressure, green innovation, and performance in SMEs: The role of green dynamic capabilities. *Business Strategy and the Environment*, 31(4), 1614– 1629. https://doi.org/10.1002/bse.2906

Suardi, (2014), Problematika Penerapan Prinsip Sustainable Development dalam Pengelolaan Lingkungan Hidup dan Implikasinya terhadap Pemenuhan HAM. Fiat Justisia Jurnal Ilmu Hukum. 8(4), Oktober-Desember 2014. ISSN: 1978-5186, 166-167.

Suharyani, R., Ulum, I., & Jati, A. W. (2019). "Pengaruh Tekanan Stakeholder dan Kinerja Keuangan Terhadap Kualitas Sustainability Report", *Jurnal Akademi Akuntansi*, 2(1), 71–92. https://doi.org/https://doi.org/10.22219/jaa.v2i1.8356

Suhendra, R., Mukhlasin, M., & Septiyanti, D. (2020). Stakeholder pressure, corporate environmental ethics and green innovation. Jurnal Dinamika Ekonomi & Bisnis, 17(2), 169-183.

Supadi, Y. M., & Sudana, I. P. (2018). "Pengaruh Kinerja Lingkungan dan Corporate Social Responsibility Disclosure Pada Kinerja Keuangan Perusahaan Sektor Pertambangan", *E-Jurnal Ekonomi Dan Bisnis Universitas Udayana*, 7(4), 1165–1192. https://doi.org/https://doi.org/10.24843/EEB.2018.v07.i04.p09

Susanto, Y. K., & Joshua, D. (2018). "Pengaruh Tata Kelola Perusahaan dan Karakteristik Perusahaan Terhadap Pengungkapan Tanggung Jawab Sosial Perusahaan", *Ekuitas: Jurnal Ekonomi Dan Keuangan*, 2(4), 572–590. https://doi.org/10.24034/j25485024.y2018.v2.i4.4036

Triyuwono, E., Ng, S., & Daromes, E. (2020). "Tata kelola perusahaan sebagai mekanisme pengelolaan risiko untuk meningkatkan nilai perusahaan", *Media Riset Akuntansi, Auditing & Informasi*, 20(2), 205–220. https://doi.org/http://dx.doi.org/10.25105/mraai.v20i2.5597

Wijayanti, R. (2016). "Pengaruh Pengungkapan Sustainability Report Terhadap Kinerja Keuangan Perusahaan", *Seminar Nasional Dan The 3rd Call for Syariah Paper*, 39–51.

Xie, X., & Li, C. (2022). Green investment and firm value: Does corporate governance matter? Accounting in Indonesia, 2(1), 19-27.

Zhang, L., & Natalylova, O. (2020). Environmental disclosure and firm value: The moderation effect of corporate governance. *Jurnal Reviu Akuntansi dan Keuangan*, *14*(3), 565–577. https://doi.org/10.22219/jrak.v14i3.12949

Zhang, X., Zhu, Q., & Sarkis, J. (2020). "Green governance: An evolutionary perspective on environmental regulations in China", *Business Strategy and the Environment*, 29(3), 1365–1379. https://doi.org/10.1002/bse.2415

Zhang, Y., & Wang, L. (2021). "Environmental policy instruments and green governance: A review and future directions", *Environmental Science & Policy*, 123, 1–12. https://doi.org/10.1016/j.envsci.2021.04.001