

From Sustainability Practices to Corporate Value: The Roles of ESG, Green Accounting, Intellectual Capital, and Audit Committee Expertise

Mohamad Vigu Gonzales¹, Imam Hidayat²

^{1,2} Faculty of Economics and Bussines, Muhammadiyah University of Tangerang, Tangerang, Indonesia

*Corresponding author: Imam Hidayat

Corresponding email: imam_accounting@yahoo.com

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ABSTRACT

This study examines the associations of environmental, social, and governance (ESG) performance, green accounting, and intellectual capital with firm value, and assesses whether audit committee expertise moderates these relationships. The analysis uses 70 firm-year observations from 14 manufacturing firms listed on the Indonesia Stock Exchange during 2020–2024. Secondary data were analyzed using regression models with interaction terms. The reported results indicate a positive association between ESG performance and firm value and a negative association between green accounting and firm value. Intellectual capital has no statistically significant direct association with firm value. Audit committee expertise does not significantly moderate the ESG–firm value relationship. Its interaction with green accounting is positive but does not meet the 5% significance threshold, whereas its interaction with intellectual capital is negative and statistically significant. These findings suggest that the market valuation of sustainability practices and knowledge-based resources may differ, and that audit committee expertise does not have a uniform moderating role across them. The study contributes evidence from Indonesian manufacturing firms, subject to verification of the reported regression statistics.

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1. Introduction

Firm value reflects the market's assessment of a company's expected future cash flows and the risks associated with them. ESG information and economic uncertainty are also relevant to investors' assessments of market risk and stock returns (Nadila et al., 2025). It incorporates investors' expectations about future performance and growth, alongside information about current financial conditions (Gonçalves & Leonard, 2023; Liao & Errico, 2023). The Indonesian manufacturing sector provides a relevant setting for examining how investors value corporate sustainability practices. During 2020–2024, firms operated amid economic disruption and recovery, while sustainability reporting received increasing regulatory attention in Indonesia (World Bank, 2020, 2021). Prior research on Indonesian listed firms has examined ESG and firm value, including the potential moderating role of audit committee attributes (Saputra et al., 2024). These developments raise an empirical question: whether ESG performance, green accounting, and intellectual capital are

associated with firm value, and whether audit committee expertise shapes these relationships. This study addresses that question using data from Indonesian listed manufacturing firms.

From a signaling theory perspective, declining profitability may convey unfavorable information about a firm's financial prospects to investors, while disclosures concerning risk management provide additional information for investment decisions (Setiawan & Jonathan, 2022). Firm value may therefore reflect investors' assessments of both financial performance and non-financial information. In Indonesia, research has examined how ESG disclosure relates to firm value, although the reported associations differ across ESG dimensions and studies (Angir & Weli, 2024; Margana & Wiagustini, 2024). Non-financial factors such as sustainability disclosure, environmental accounting practices, and the management of intangible assets have gained prominence as determinants of firm value. Green accounting research highlights environmental reporting, accountability, and transparency as central to corporate sustainability practices (Nofita et al., 2024). However, prior research has reported variation in the association between ESG performance and firm value, while evidence on green accounting suggests that its association with firm value may differ across sectors (Duan et al., 2023). Intellectual capital has also been examined as a determinant of firm value alongside green accounting (Gantino et al., 2023). Saputra et al. (2024) examined whether audit committee characteristics, including expertise, moderate the ESG–firm value relationship, but found no significant moderating effect for the audit committee proxies tested. Building on these studies, the present study examines ESG performance, green accounting, and intellectual capital within the same sample of Indonesian listed manufacturing firms and tests whether audit committee expertise moderates each association with firm value. This comparison allows the study to assess whether the moderating role of audit committee expertise differs across sustainability performance, environmental accounting, and knowledge-based resources.

Mixed findings on the relationships between sustainability-related factors and firm value raise the question of whether corporate oversight shapes how these factors are valued by investors. Audit Committee Expertise may be relevant because members with accounting or financial expertise can oversee the preparation and disclosure of corporate information. Prior research has tested audit committee expertise as a moderator of the ESG–firm value relationship, but did not find a significant moderating effect (Saputra et al., 2024). Whether its moderating role differs across ESG performance, green accounting, and intellectual capital remains to be examined within a single empirical setting. This study therefore investigates the associations of these three factors with firm value and tests the moderating role of Audit Committee Expertise among manufacturing firms listed on the Indonesia Stock Exchange.

2. Methods

This study employs a quantitative research approach with the primary objective of examining the effects of the research variables on firm value and empirically explaining the phenomenon of declining firm value. The quantitative approach is adopted to enable objective testing of causal relationships among variables through numerical data and statistical analysis, thereby ensuring the reliability and generalizability of the research findings. The sample was selected using a purposive sampling technique, which allows the selected sample to better represent the population parameters (Setiawan et al., 2024). Specifically, this study obtained 70 observations from Indonesian listed non-cyclical manufacturing firms during the 2020–2024 period. The sample selection process involved several exclusion criteria to ensure data completeness and consistency across the observation period.

Table 1. Sample Criteria

Description	Total
Population: Indonesian listed manufacturing firms Sample selection based on criteria (purposive sampling):	407
1. Companies that published annual reports for the 2020- 2024 period	-141
2. Companies listed in the Refinitiv ESG database for the 2020-2024 period	-248
3. Companies that received a PROPER rating from the Ministry of Environment and Forestry for the 2020–2024 period	-4
Final Sample	14
Total Observation (n x period) (70 x 5 years)	70
Source: Data Processing	

Data analysis is conducted using regression analysis tailored to the characteristics of the research data, including descriptive statistics, classical assumption tests, and regression model estimation to examine the effects of the independent variables on firm value, with additional analyses performed to ensure the robustness and consistency of the model. Specifically, multiple regression analysis was employed to examine the association between the research variables.

Table 2. Definition and Measurement of Variables

Variable	Definition	Measurement
Firm Value (Pramesti et al., 2024).	The level of market assessment of a firm's performance and future prospects.	$Tobins' Q = \frac{Market\ Value\ of\ Equity + Total\ Liabilities}{Total\ Assets}$
ESG (Mohammad & Wasiuzzaman, 2021)	Refers to a set of non-financial criteria that represent a firm's practices.	$ESG = Refinitiv\ ESG\ Score$
Green Accounting (Kustiyani & Zulaecha, 2025)	The recording and reporting of corporate activities related to environmental management.	$PROPER = \begin{cases} BLACK = 1 \\ RED = 2 \\ BLUE = 3 \\ GREEN = 4 \\ GOLD = 5 \end{cases}$
Intellectual Capital (Kustiyani & Zulaecha, 2025).	Knowledge-based resources owned by a firm, including human capital, structural capital, and capital employed.	$VAIC^{TM} = VACA + VAHU + STVA$ Where: $VACA = \frac{VA}{CE}$ $VAHU = \frac{VA}{HC}$ $STVA = \frac{VA - HC}{VA}$
Audit Comittee Expertise (Mawardi et al., 2022)	The competence of the audit committee as reflected by the presence of members with accounting or financial backgrounds.	$ACE = \begin{cases} 1, if\ accounting\ and\ financial\ expertise\ exist \\ 0, if\ no \end{cases}$

3. Results

Descriptive Statistics

Table 3. Descriptive Statistics

Variable	Obs.	Mean	Std.Dev	Min	Max	Skew	Kurt
FV	70	1.471	0.755	0.279	3.915	0.972	3.822
ESG	70	52.322	20.169	18.894	89.267	0.085	1.730
GA	70	3.485	0.717	3.000	5.000	1.118	2.832
IC	70	4.260	2.353	1.592	15.879	2.499	11.022
ACE	70	0.685	0.467	0.000	1.000	-0.800	1.640

Source: EvIEWS-12 (data processing)

The descriptive statistics table shows that the study uses 70 observations for all variables. Firm value (FV) has a mean of 1.471 with a standard deviation of 0.755, indicating a moderate level of variation in firm value across the sample. The ESG score has an average value of 52.322 with a relatively wide range, reflecting differences in the level of sustainability disclosure among firms. The GA variable shows a mean of 3.485 with relatively low variability, indicating a fairly homogeneous governance characteristic across the sample. Intellectual capital (IC) exhibits a high standard deviation as well as large skewness and kurtosis values, suggesting a non-normal distribution and

substantial differences in the management of knowledge-based resources among firms. Meanwhile, audit committee expertise (ACE) has a mean value of 0.685, indicating that most firms have audit committee members with accounting or financial backgrounds, although the distribution tends to be binary and relatively concentrated.

Classical Assumption Test

Normality Test

Table 4. Normality Test

Test	Statistic	Probability	Conclusion
Jarque-Bera	2.238	0.327	Normally distributed

Source: E-Views 12 (data processing)

The results of the normality test based on the Jarque–Bera statistic indicate that the data are normally distributed. This is evidenced by the probability value of 0.327, which exceeds the 0.05 significance level. Therefore, the normality assumption is satisfied, and the data are suitable for further regression analysis.

Heteroscedastisity Test

Table 5. Heteroscedasitisty

	Prob	Result	Decision
F-Statistic	0.100	Prob > 0.05	No heteroskedasticity
Obs*R-Squared	0.099	Prob > 0.05	No heteroskedasticity

Source: E-Views 12 (data processing)

The heteroskedasticity test results indicate that the regression model does not suffer from heteroskedasticity. This is shown by the probability values of the F-statistic (0.100) and Obs*R-squared (0.099), both of which are greater than the 0.05 significance level. Therefore, the null hypothesis of homoskedasticity cannot be rejected, suggesting that the variance of the error terms is constant and the model satisfies the classical assumption of homoskedasticity.

Multicollinearity Test

Table 6. Multicollinearity Test

Variable	Coefficient VIF	<10	Conclusion
ESG	1.655	✓	No Multicollinearity
GA	1.099	✓	No Multicollinearity
IC	1.261	✓	No Multicollinearity
ACE	1.864	✓	No Multicollinearity

Source: E-Views 12 (data processing)

The multicollinearity test results indicate that all independent variables do not suffer from multicollinearity. This is evidenced by the Variance Inflation Factor (VIF) values for ESG, GA, IC, and ACE, all of which are below the threshold of 10. Low VIF values suggest that there is no high correlation among the independent variables in the regression model, allowing each variable to independently explain its effect on the dependent variable. Therefore, the regression model satisfies the classical assumption of no multicollinearity and is suitable for further analysis.

Testing Hypothesis

T-test

Table 7. T-test

Variable	T-statistic	T-table	Probability	Conclusion
ESG	3.140	1.668	0.031	Significant
GA	-3.215	1.668	0.003	Significant
IC	1.996	1.668	0.546	Not Significant
ESG_ACE	-1.564	1.668	0.122	Not Significant
GA_ACE	1.899	1.668	0.062	Significant
IC_ACE	-2.375	1.668	0.020	Not Significant

Source: E-Views 12 (data processing)

The t-test is used to evaluate the partial effect of independent variables on firm value by comparing the t-statistic with the t-table and examining probability values. This test determines whether each variable significantly influences the dependent variable. The results of the t-test on the overall sample indicate that two main variables, namely Environmental, Social, and Governance (ESG) and Green Accounting (GA), have probability values below 0.05. ESG shows a probability value of 0.031 with a t-statistic of 3.140 greater than the t-table value of 1.668, indicating that ESG significantly affects firm value. Meanwhile, GA has a probability value of 0.003 with a t-statistic of -3.215 exceeding the absolute t-table value of 1.668, indicating that GA also significantly affects firm value but in a negative direction.

In contrast, Intellectual Capital (IC) does not significantly affect firm value. Although the t-statistic of 1.996 is slightly higher than the t-table value of 1.668, the probability value of 0.046 exceeds the 0.05 significance level, indicating that the effect is not statistically significant. This result suggests that the contribution of intellectual capital to firm value is not strong enough to influence market valuation during the observation period.

The moderating variable, Audit Committee Expertise (ACE), shows varying results across interaction terms. The interaction between ESG and ACE (ESG_ACE) has a probability value of 0.122 with a t-statistic of -1.564, which is below the t-table value of 1.668. This indicates that ACE does not moderate the relationship between ESG and firm value. Similarly, the interaction between GA and ACE (GA_ACE) shows a probability value of 0.062 with a t-statistic of 1.899 slightly above the t-table value, indicating a marginally significant moderating effect. This suggests that ACE may strengthen the relationship between GA and firm value, although the effect is relatively weak.

Furthermore, the interaction between IC and ACE (IC_ACE) shows a probability value of 0.020 with a t-statistic of -2.375 exceeding the absolute t-table value of 1.668, indicating a significant moderating effect in a negative direction. This result implies that ACE moderates the relationship between intellectual capital and firm value, where the presence of audit committee expertise is associated with a weakening effect of IC on firm value. The findings indicate that ESG is the most consistent factor in increasing firm value, while GA shows a significant negative effect. Intellectual Capital does not directly influence firm value, but its relationship becomes significant when moderated by Audit Committee Expertise. These results highlight the different roles of sustainability practices, accounting policies, and governance mechanisms in shaping firm value.

F-test

Table 8. F-test

F-statistic	F-table	Probabilitiy	Conclusion
4.802	2.740	0.000	Significant

Source: E-Views 12 (data processing)

The F-test results show an F-statistic value of 4.802, which is greater than the F-table value of 2.740, and a probability value of 0.000, which is lower than the 0.05 significance level. These findings indicate that the research model is simultaneously significant in explaining variations in firm value. Therefore, all independent variables included in the model Environmental, Social, and Governance ESG, Green Accounting GA, Intellectual Capital IC, and the moderating interaction of Audit Committee Expertise ACE collectively influence firm value.

4. Discussion

The Effect of ESG on Firm Value

The hypothesis testing results indicate that ESG has a significant effect on firm value, suggesting that improvements in Environmental, Social, and Governance performance enhance market perceptions of the company. These findings confirm that sustainability practices are not merely normative compliance but constitute a corporate strategy that contributes to improved reputation, investor confidence, and operational efficiency. Empirically, firms with stronger ESG performance tend to exhibit lower risk profiles and greater performance stability, which in turn enhance market valuation and long-term competitiveness (Broadstock et al., 2020; Li et al., 2018).

These results are consistent with recent studies demonstrating that ESG contributes positively to firm value through enhanced transparency, risk management, and stronger stakeholder

relationships. Robust ESG practices have been shown to reduce the cost of capital, increase investor trust, and strengthen long-term corporate sustainability (Almeyda & Darmansya, 2019; Rahat & Nguyen, 2024). ESG performance may contribute to firm value partly through technological innovation, as evidence from Chinese firms suggests that innovation mediates the ESG–firm value relationship (Tan et al., 2024).

From a theoretical perspective, the positive association between ESG performance and firm value is consistent with signaling theory and stakeholder theory. Signaling theory suggests that credible ESG information may help investors assess a firm's sustainability commitments when relevant corporate information is not equally available to managers and investors (Connelly et al., 2011). Greater ESG transparency has also been associated with higher firm value, with reduced information asymmetry proposed as a potential explanation (Yu et al., 2018). From a stakeholder perspective, ESG practices may strengthen relationships with groups whose support matters to the firm (Li et al., 2018). These mechanisms offer plausible interpretations of the present finding, although this study does not test them directly.

The Effect of Green Accounting on Firm Value

The hypothesis testing results indicate that Green Accounting has a significant negative association with firm value. This finding suggests that increased implementation of environmental accounting practices may not have been fully valued positively by the market in the study sample. A negative association has also been reported for the consumer goods sector, although the direction differed in another sector (Gantino et al., 2023). One possible explanation is that environmental initiatives may require initial investments, such as waste management, environmentally friendly technologies, and sustainability reporting systems, whose economic benefits take time to materialize. Prior research has documented a potential trade-off between the short-term costs and long-term benefits of environmental management (Teng et al., 2014). Consequently, investors may interpret rising environmental costs as a near-term burden on profits and cash flows, even when such initiatives offer longer-term benefits. This interpretation remains tentative because the present study did not directly test investment costs, cash flows, or investor responses.

These findings are consistent with recent empirical studies showing that environmental expenditures can create a trade-off between short-term financial performance and long-term sustainability. When the economic benefits of environmental practices have not yet been realized directly, the market tends to respond cautiously due to uncertainty regarding the return on environmental investments. Moreover, the lack of uniform environmental reporting standards and investors' limited understanding of the economic value of environmental activities cause Green Accounting information to be not fully reflected in market valuations (Alaika & Firmansyah, 2024; Munir & Pratama, 2025).

Theoretically, these research results can be explained through signaling theory. The disclosure of environmental costs and activities through Green Accounting sends a signal regarding the company's commitment to environmental responsibility; however, this signal may be interpreted differently by investors. In market conditions that remain oriented toward short-term financial performance, increasing environmental costs may be perceived as a signal of declining profitability (Gantino et al., 2023). Conversely, from a long-term perspective, these practices reflect better environmental risk management and business sustainability, which can enhance corporate reputation and strengthen competitive advantage (Munir & Pratama, 2025). Nevertheless, when investors focus on short-term financial returns, they may view environmental expenditures as immediate costs whose benefits have yet to materialize. Under these conditions, environmental disclosure may not translate into higher firm value (Alaika & Firmansyah, 2024).

The Effect of Intellectual Capital on Firm Value

The hypothesis testing results indicate that intellectual capital does not have a significant association with firm value. This finding is consistent with evidence from Indonesian manufacturing firms showing no significant effect of intellectual capital on firm value (Latukau et al., 2024). It may suggest that investors do not immediately incorporate organizational knowledge and human resource competencies into market valuations. Evidence that some disclosed intellectual capital components have no significant association with firm value also suggests that these resources are valued

differently (Rachmawati & The, 2024). One possible explanation is that their economic benefits take time to become observable; however, the present study does not test this timing. Another possibility concerns the information available to investors: research on Indonesian manufacturers links intellectual capital disclosure to lower information asymmetry and higher firm value (Gomes et al., 2019).

These findings are consistent with evidence from Indonesian manufacturing firms showing that intellectual capital is not always significantly associated with firm value (Latukau et al., 2024). One possible explanation is that information about intellectual capital is difficult to incorporate into valuation when disclosure is limited or inconsistent. Research on Indonesian manufacturers also shows that intellectual capital disclosure can reduce information asymmetry and is positively associated with firm value (Gomes et al., 2019). In addition, differences in how intellectual capital is measured may contribute to variation across findings; a systematic review found no consensus on the most suitable measurement approach across firm contexts (Cosa et al., 2024).

Theoretically, these findings can be interpreted through the resource-based view (RBV). Intellectual capital may serve as a strategic resource, but possessing such a resource does not automatically translate into value creation; how firms deploy their resources also matters (Barney et al., 2021; D'Oria et al., 2021). Evidence from Indonesian manufacturers links intellectual capital disclosure to lower information asymmetry and higher firm value, while a meta-analysis finds that voluntary intellectual capital disclosure is generally value relevant (Rieg & Vanini, 2023). Thus, the insignificant association observed in this study may indicate that the intellectual capital measured here has not been reflected in firm value during the study period. Because this study did not directly test resource deployment or disclosure as explanatory mechanisms, this interpretation remains tentative.

The Moderating Effect of Audit Committee Expertise on the Relationship between ESG and Firm Value

The test results show that the interaction between ESG performance and audit committee expertise is not significantly associated with firm value. Thus, this study finds no evidence that audit committee expertise strengthens the ESG–firm value relationship, consistent with Saputra et al. (2024). One possible explanation is that financial or accounting expertise alone may not capture the sustainability-specific competencies needed to oversee ESG reporting. In a study of Indonesian banks, Meutia et al. (2023) found an inverse relationship between audit committee financial expertise and sustainability reporting disclosure and highlighted the relevance of non-financial sustainability expertise. Audit committee oversight has also been linked to the credibility of sustainability reports (Al-Shaer & Zaman, 2018). However, the present study does not test committee members' ESG-specific skills, reporting quality, or investor confidence. These mechanisms therefore remain possible explanations rather than established causes of the insignificant interaction.

These findings are consistent with evidence that audit committee attributes do not necessarily strengthen the association between ESG and firm value (Saputra et al., 2024). One possible explanation is that expertise focused on financial reporting may not fully equip audit committees to oversee sustainability disclosures. Evidence from Indonesian banks highlights the relevance of non-financial sustainability expertise alongside conventional audit committee attributes (Meutia et al., 2023). At the same time, audit committees can contribute to the credibility of sustainability reports through their oversight and involvement in assurance (Al-Shaer & Zaman, 2018). Thus, the insignificant moderating effect observed in this study may reflect limitations in how audit committee expertise is translated into ESG oversight. This explanation remains tentative because the study did not directly measure sustainability-specific expertise, disclosure credibility, or investors' perceptions.

From a corporate governance perspective, audit committees can contribute to the credibility of sustainability reporting through their oversight and involvement in assurance (Al-Shaer & Zaman, 2018). However, financial expertise alone may not be sufficient to oversee ESG information. In an Indonesian banking sample, Meutia et al. (2023) found an inverse association between audit committee financial expertise and sustainability reporting disclosure and highlighted the relevance of sustainability-specific expertise. Likewise, Cahyani et al. (2024) found no significant association between audit committee financial expertise and ESG disclosure quality. The insignificant

moderating effect in the present study is also consistent with Saputra et al. (2024), who found that audit committee attributes did not moderate the ESG–firm value relationship. These findings suggest that sustainability-specific expertise may merit further examination, but the present study cannot establish whether a lack of such expertise caused its insignificant result.

The Moderating Effect of Audic Committee Expertise on the Relationship between Green Accounting and Firm Value

The interaction between Green Accounting and Audit Committee Expertise is not statistically significant at the 5% level ($p = 0.062$), although it provides tentative evidence of moderation at the 10% level. This result should therefore be interpreted cautiously. Audit committees may contribute to the credibility of sustainability reporting through their expertise, oversight, and involvement in assurance (Al-Shaer & Zaman, 2018). Nevertheless, evidence from Indonesian banks indicates that financial expertise alone does not necessarily correspond to more extensive sustainability reporting, highlighting the potential relevance of sustainability-specific expertise (Meutia et al., 2023). These studies offer possible explanations for the observed interaction, but the present analysis does not directly test reporting credibility, information asymmetry, investor confidence, or the committee's sustainability-specific competencies. Consequently, it cannot establish that these mechanisms increased firm value.

From a theoretical perspective, the result offers tentative support for the view that governance mechanisms may shape how environmental practices are reflected in firm value. Signaling theory suggests that oversight by an expert audit committee could make environmental information more credible to investors (Connelly et al., 2011; Al-Shaer & Zaman, 2018). The evidence therefore supports a cautious, context-dependent interpretation of the audit committee's moderating role, rather than a firm conclusion that its expertise strengthens the Green Accounting–firm value relationship. The proposed credibility mechanism remains theoretical because reporting credibility and investor responses were not measured directly.

The Moderating Effect of Audic Committee Expertise on the Relationship between Intellectual Capital and Firm Value

The interaction between Intellectual Capital and Audit Committee Expertise is statistically significant ($p = 0.020$). Its negative coefficient suggests that audit committee expertise is associated with a weaker relationship between Intellectual Capital and firm value in this sample. This result should not be taken to mean that audit committees provide ineffective oversight: prior research shows that audit committee characteristics have differing associations with intellectual capital disclosure (Li et al., 2012). From a resource-based perspective, the value derived from knowledge-based resources depends on how firms use them (Barney et al., 2021). The observed interaction therefore points to a context-dependent role for audit committee expertise, while the underlying explanation remains open. This study did not directly test intellectual capital disclosure quality, committee members' expertise in intangible assets, or investor trust.

From a theoretical perspective, this finding qualifies the resource-based view by showing that a knowledge-based resource does not necessarily have the same association with firm value under different governance conditions. Resource-based theory emphasizes how firms use their resources to create value (Barney et al., 2021). The negative Intellectual Capital and Audit Committee Expertise interaction suggests that, in this sample, greater audit committee expertise is associated with a weaker relationship between Intellectual Capital and firm value. This does not establish that audit committee oversight reduces the economic value of intellectual capital. Rather, it raises a question for corporate governance research about whether conventional audit committee expertise is sufficient to oversee and communicate the value of intangible resources; prior evidence shows that audit committee characteristics have differing associations with intellectual capital disclosure (Li et al., 2012).

5. Conclusion

This study examined the associations of ESG performance, green accounting, and intellectual capital with firm value, and the moderating role of audit committee expertise, using 70 firm-year observations

from 14 Indonesian listed manufacturing firms during 2020–2024. ESG performance was positively associated with firm value, whereas green accounting was negatively associated with it. Audit committee expertise did not significantly moderate the ESG–firm value relationship. The green accounting interaction provided only tentative evidence of moderation at the 10% level ($p = 0.062$). These findings suggest that the market valuation of sustainability-related activities differs across the factors examined. They also indicate that accounting or financial expertise on an audit committee does not uniformly alter how those factors relate to firm value. The study contributes to research on sustainability and corporate governance by examining three distinct relationships within the same sample, while showing why audit committee expertise should be assessed separately for each relationship. There are some limitations of the study. The purposively selected sample comprises 14 firms, and the analysis does not directly observe investors' judgments, reporting credibility, or committee members' sustainability-specific skills. Future research could use broader samples and more detailed measures of audit committee expertise to test whether reporting quality helps explain these relationships.

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