THE INFLUENCE OF INDEPENDENT BOARD OF COMMISSIONERS AND ENVIRONMENTAL DISCLOSURE ON FIRM VALUE WITH FINANCIAL PERFORMANCE AS A MODERATING VARIABLE IN CONSUMER GOODS SECTOR COMPANIES LISTED ON THE INDONESIA STOCK EXCHANGE IN 2021-2024.

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Abstract

This study aims to analyze the influence of independent board of commissioners and environmental disclosure on firm value with financial performance as a moderating variable in consumer goods sector companies listed on the Indonesia Stock Exchange in 2021-2024. This study employs a quantitative approach. The research population consists of consumer goods sector companies listed on the Indonesia Stock Exchange in 2021-2024, with a sample of 22 companies selected using purposive sampling technique, resulting in 88 observations during the research period. The type of data used is secondary data, and the data analysis techniques employed are panel data regression and Moderated Regression Analysis (MRA). The research findings indicate that an independent board of commissioners has a positive and significant effect on firm value, environmental disclosure has a negative and significant effect on firm value, and financial performance significantly moderates and strengthens the influence of an independent board of commissioners on firm value.

Keywords: F i r m V a l u e , Independent Board of Commissioners, Environmental Disclosure and Financial Performance.

1.   Introduction

In an era of globalization and increasingly complex business dynamics, competition among companies in Indonesia is becoming increasingly fierce. Companies continue to compete to increase their corporate value in order to maintain business continuity. According to Brigham, Keith, & Dean. (2007), company value is investors' perception of a company's level of success, which is often associated with stock prices and the company's future prospects. Dewi et al.(2014) explain that company value is very important because it describes the condition of the company, which can influence investors' views of the company. Therefore, every company owner will strive to deliver the best performance so that potential investors are interested in investing their capital.

In this study, company value is measured using Tobin's Q ratio, which is one of the indicators widely used to assess companies, especially in the consumer goods sector. This is due to the indicator's ability to capture market perceptions of a company's value compared to the value of its assets. In the context of consumer goods companies such as food, beverage, and household goods manufacturers, market value is greatly influenced by factors such as brand strength, product innovation, and consumer loyalty. Unfortunately, these aspects are often not directly visible in conventional financial reports. Therefore, Tobin's Q is relevant because it reflects the real economic value created from these intangible assets (Setiyawati et al., 2018). Ningrum (2021:22) states that Tobin's Q is considered more representative in measuring company value, especially in the consumer goods sector, because this ratio includes stock market value while also considering

company liabilities. This provides a more comprehensive view of how effective management is in creating value. Furthermore, Tobin's Q also reflects the level of investor confidence in the company's future, an important aspect in an industry that is highly sensitive to public preferences and changes in consumer trends. Mediyanti et al. (2021) explain that a company is said to have successfully created value if Tobin's Q ratio is greater than one (Q > 1), which means that the company's shares are valued higher than its asset value or are overvalued. Conversely, if the Q value is less than one (Q < 1), this indicates that the company has not been able to maximize its potential value in the eyes of investors. Chairunnisa (2019) also emphasizes that the use of Tobin's Q is considered more rational because it takes into account liabilities in the calculation structure. This is the reason why researchers choose to measure company value using the Tobin's Q ratio. The data below presents the company value measured using Tobin's Q for consumer goods companies listed on the Indonesia Stock Exchange during the observation period of 2021-2024:

Table 1.1 Consumer goods companies with a Tobin's Q value below 1 and experiencing a decline in company value in the years
2021-2024

No	Company Code	2021	2022	2023	2024
1.	GGRM	1.00	0.74	0.76	0.57
2.	CEKA	0.84	0.78	0.71	0.72
3.	SIDO	0.39	0.35	0.28	0.28
4.	AISA	1.05	1.30	1.20	0.97
5.	COCO	1.10	1.08	0.99	0.93
6.	SKLT	2.27	1.73	0.51	0.49
7.	UNVR	2.65	2.74	1.71	1.61
8.	KLBF	2.32	2.81	2.18	1.74
9.	PSGO	1.71	1.26	1.06	1.28
10.	CAMP	1.59	1.80	2.30	1.53
11.	KINO	1.04	1.12	1.03	1.00

Based on the data in Table 1.1, 11 consumer goods companies were identified as experiencing a decline in company value during the 2021-2024 period. Of these 11 companies, 6 were undervalued with a Tobin's Q consistently below 1.00, while the other 5 companies, although not undervalued, showed a decline in value that warrants attention. PT. Gudang Garam Tbk (GGRM) showed the most significant decline among the companies observed. In 2021, the company was still on the threshold with a Tobin's Q value of 1.00, but experienced a consistent decline to a low of 0.57 in 2024. This drastic decline reflects investors' deep concerns about the long-term prospects of the cigarette industry in Indonesia. This situation is inseparable from increasingly strict government regulations on tobacco consumption control, growing public awareness of the health hazards of smoking, and cigarette excise tax increases that have a direct impact on consumer purchasing power and company profit margins.

PT. Wilmar Cahaya Indonesia Tbk (CEKA) shows persistent undervaluation with a Tobin's Q value ranging from 0.71 to 0.84 during the observation period. This performance reflects the fundamental challenges faced by the company in the palm oil industry, which is highly dependent on the volatility of global commodity prices and fluctuations in the price of crude palm oil on the international market, as well as the dynamics of international trade policies that create high uncertainty for investors in assessing the company's long-term prospects. PT. Industri Jamu dan Farmasi Sido Muncul Tbk showed consistently low performance throughout the research period with a Tobin's Q value that never exceeded 0.40. This phenomenon is contradictory considering that the company is engaged in the health sector, which should have positive growth prospects, especially amid increasing public awareness of the importance of health. The low market valuation of this company indicates investor skepticism about its ability to compete with modern pharmaceutical products and health supplements that are increasingly dominating consumer preferences. The shift in consumption patterns from traditional herbal products to modern science-based medicines and

supplements appears to be a structural challenge that the company has not been able to overcome effectively. In addition to companies that are consistently undervalued, there has been a negative transformation experienced by several companies from normal conditions to undervalued conditions. PT. Tiga Pilar Sejahtera Food Tbk (AISA) and PT. Sekar Laut Tbk (SKLT) have experienced a significant decline in value in a relatively short period of time. PT. Sekar Laut Tbk experienced a significant decline in value over a relatively short period. PT. Sekar Laut Tbk experienced a drastic decline from 2.27 in 2021 to 0.49 in 2024, indicating a massive loss of investor confidence in the company's ability to maintain its competitive position in the seafood processing industry. PT. Wahana Interfood Nusantara Tbk (COCO) also showed an alarming decline, with Tobin's Q falling from 1.10 in 2021 to 0.93 in 2024. Although the decline is not as drastic as other companies, the movement from normal to undervalued conditions indicates weakening investor confidence in the prospects of food and beverage companies. This condition is likely influenced by increasingly intense competition in the food and beverage industry, changes in consumer preferences, and challenges in maintaining profit margins amid rising production costs. Other companies such as PT Unilever Indonesia Tbk (UNVR), PT Kalbe Farma Tbk (KLBF), PT Campina Ice Cream Industry Tbk (CAMP), PT Kino Indonesia Tbk (KINO), and PT Palma Serasih Tbk (PSGO), although not undervalued, show a downward trend in company value that warrants attention. The decline in value of these companies indicates structural pressures within the industry, whether from competition, changes in consumer preferences, or operational efficiency, which have an impact on investor perceptions of the companies' long-term prospects.

According to Setiyawati et al. (2018), companies experiencing undervalued conditions indicate that company management has not been able to manage assets optimally to create value for shareholders. Investors assess that these companies have a lower market value than their book value, thus requiring comprehensive improvement strategies to restore market confidence and increase company value in the future. Many factors can influence a company's value. In general, a company's performance can be seen from how much revenue it generates, its growth, and the increase in assets listed in its financial statements. However, to maintain a sustainable business, companies must maintain the availability of resources and support from stakeholders. Therefore, companies that implement Good Corporate Governance and Corporate Social Responsibility, including environmental disclosure, influenced by the direction of an independent board of commissioners, will be able to influence company value (Lukman & Geraldine, 2020). Purbawangsa et al. (2020) explains that independent boards of commissioners play a role in supervising and ensuring that company management activities are carried out in accordance with good corporate governance policies and principles, so that the actions taken are in line with the interests of shareholders. The role of an independent board of commissioners can minimize problems that arise between the board of directors and shareholders. Mahrani& Soewarno(2018) argues that an independent board of commissioners can perform its function of supervising the performance of the board of directors so that the results are in line with the interests of shareholders.

The board of commissioners serves as a supervisory body responsible for monitoring the company's activities in order to achieve its objectives. They also supervise and provide input to the board of directors in accordance with the interests of the company. If the board of commissioners performs well, the value of the company will increase, and their role in supervising the board of directors and managers can positively influence the company's image (Septiani & Yoewono, 2023). Independent commissioners act as a counterbalance in the decision- making process among the board of commissioners. The effectiveness of the board of commissioners is measured based on the number of members. To ensure the achievement of GCG principles, independent commissioners are expected to own at least 30% of the total shares owned by all commissioners (Effendi, 2016). Previously, research on the influence of independent boards of commissioners on company value has been conducted, but the results of research on the influence of independent boards of commissioners on company value still show inconsistencies. Research conducted by Suhadak et al. (2019), Kurniati. (2019), Lukman & Geraldine. (2020) found that there is a positive influence of independent boards of commissioners on company value. Research by Dewi et al. (2019) and Septiani & Yoewono. (2023) also found that independent boards of commissioners have a significant positive effect on company value. Another external factor that can affect company value is environmental disclosure. According to Akmal & Darmawati. (2023) environmental disclosure reflects a company's responsibility to its stakeholders. Companies that implement environmental disclosure well will be viewed positively by investors, which can contribute to an increase in the value of the company. This is increasingly relevant given the growing global awareness of environmental and sustainability issues, especially after the United Nations Framework Convention on Climate Change, which defines the importance of protecting natural resources for

future generations (Deswanto& Siregar, 2018). Environmental disclosure refers to information provided by companies regarding the environmental impact of their operational activities. This information may include greenhouse gas emissions, energy use, waste management, sustainability policies, and environmentally friendly initiatives (Hackstone & Milne, 2018; Deswanto & Siregar, 2018). Transparent environmental disclosure can increase trust among investors, customers, and other stakeholders. When companies demonstrate a commitment to environmentally friendly practices, this can strengthen their reputation and brand image, which in turn can increase the value of the company. Therefore, environmental disclosure is considered relevant to company value (Plumlee et al., 2015) . As with independent boards of directors, research on the effect of environmental disclosure on company value also shows inconsistent results. Previous studies conducted by Plumlee et al. (2015), Li et al. (2018), Aboud & Diab. (2018), and Abdi et al. (2021) show that environmental disclosure has a positive effect on company value. This means that companies with better environmental disclosure have higher company value. However, research conducted by Deswanto & Siregar (2020) found that environmental disclosure does not play a direct or mediating role in influencing company value. This is thought to be because environmental disclosure is normative and oriented towards regulatory compliance, rather than value creation strategies. In addition, the information provided is generally not standardized and lacks quantitative indicators that investors can trust. Similar findings were reported by Qiu et al. (2016), who studied large companies in the United Kingdom. Although the market there is more transparent and the reporting system is more established, environmental disclosure still had no significant impact on company value. This shows that the market does not respond positively to environmental information that is not considered economically relevant or directly related to the company's performance and prospects. The inconsistency of findings in previous studies indicates the existence of other factors that could potentially influence the effectiveness of the role of independent boards of commissioners and environmental disclosure on company value.

Suhadak et al. (2019) argue that financial performance reflects the level of effectiveness and efficiency of an organization in achieving its strategic objectives, so that financial performance can moderate the relationship between independent commissioners and company value. Financial performance is essentially a reflection of management's ability to optimally manage company resources to generate profits and increase value for shareholders. Therefore, measuring financial performance is an important aspect in assessing the extent to which a company's strategies and policies are effective. In this context, Return on Equity (ROE) is chosen as a proxy for measuring financial performance because it is the most representative profitability ratio in describing a company's ability to generate net profit from each unit of equity invested by shareholders (Jitaree, 2015). According to Brigham & Houston (2019), ROE describes a company's ability to generate returns on its own capital and is one of the main measures investors use to assess managerial efficiency. A high ROE indicates that the company has successfully utilized its capital optimally, while a low ROE may be an indicator that the company has not been able to manage its capital effectively. Several previous studies have also confirmed the importance of ROE in relation to company value. A study conducted by Suhadak et al. (2019) confirmed that ROE has a significant effect on company value. In addition, ROE also plays a moderating role in the relationship between the structure of the independent board of commissioners and the market's assessment of the company. Mulyani & Kustina (2021) in their research on manufacturing companies showed that ROE can significantly strengthen the influence of independent boards of commissioners on company value. Research from Hamdani & Wirawati (2020) shows that ROE can strengthen the relationship between Corporate Social Responsibility (CSR) and company value.

Based on the phenomena and results of previous studies described above, this study attempts to fill the gaps in existing research. There are several significant gaps in the literature that need to be examined through this study. First, there is a phenomenon of undervaluation in a number of consumer goods companies, as reflected in company values measured using Tobin's Q below 1.00. Second, there is inconsistency in previous research results regarding the influence of independent boards of commissioners and environmental disclosure on company value. Third, there is still limited research discussing the influence of independent boards of commissioners and environmental disclosure on company value with financial performance, particularly ROE, as a moderating variable.

2. Literature Review
2.1. Agency Theory

According to Jensen and Meckling (1976), agency theory is a theory that studies how to design

contracts that can motivate rational agents to act on behalf of principals when the agents' interests conflict with those of the principals. If both parties (owners and agents) have conflicting interests, where agents do not always act in accordance with the interests of the owners, this conflict can be minimized through agency costs, which are the sum of the monitoring costs incurred by the owners through an independent board of commissioners.

2.2. Signaling Theory

According to Ross (1977), signal theory explains how companies convey information to report users, describing the actions taken by managers to fulfill the wishes of owners. Signal theory explains that companies with good quality will proactively send signals to the market to differentiate themselves from companies with poor quality. Signals are categorized as effective if they can be interpreted by the market, create a positive perception, and cannot be easily imitated by low- quality companies. In practice, high-quality companies convey these signals through financial reporting and sustainability reports at specific intervals in a consistent and timely manner (Suhadak, 2019). The signaling theory proposed by Spence (1973) explains how companies convey information to the market to reduce information asymmetry. Environmental and financial performance disclosures serve as positive signals about the quality of a company.

2.3. Firm Value

Firm value is the value used by investors to make investment decisions, which is reflected in the market price of the company (Purbawangsa et al., 2020) . According to Sujoko & Soebiantoro (2007), company value describes market expectations of company performance, which is substantially related to stock prices. High company value has a direct impact on increasing shareholder welfare, making company value a crucial aspect for the company itself (Brigham & Gapenski, 2006). High company value reflects that the company can be interpreted as the amount that a prospective buyer is willing to pay if the company is sold (Dewi et al., 2021). There are various methods for calculating company value, one of which is using Tobin's Q, a ratio that reflects company value by integrating the value of physical and non-physical assets. In addition, this metric can show the level of effectiveness and efficiency of the company in utilizing all of its resources, including assets generated by the company (Dzahabiyya et al., 2020). Tobin's Q ratio can be calculated using the following formula:

$$Q = \frac{(\text{Number of Shares Outstanding x CP}) + \text{TL}}{\text{TA}}$$

Explanation:
Q = Tobin's Q Ratio CP = Closing
Price TL = Total Liabilities TA = Total
Assets

2.3. Independent Board of Commissioners

According to the National Committee on Governance Policy (2006), independent commissioners are members of the board of commissioners who have no affiliation with management, other board members, or controlling shareholders. They must also be free from business or other relationships that could influence their ability to act independently and solely in the interests of the company. The concept of an independent board of commissioners or independent directors describes their position as representatives of non-controlling (minority) shareholders as well as guardians or protectors of the interests of investors. According to Hamdani (2016), the responsibility of an independent board of commissioners is to realize sound, transparent, and responsible business practices. To achieve Good Corporate Governance, it is recommended that independent commissioners hold at least 30% of the total ownership of all commissioners (Effendi, 2016). The formula for calculating independent commissioners is as follows:

$$\text{DKI} = \frac{\text{Number of independent board members}}{\text{Total Number of Board Members}} \times 100\%$$

2.4. Environmental Disclosure

Environmental Disclosure is a form of voluntary reporting that is included in corporate social reporting. Through CSR, companies demonstrate their concern for social and environmental issues. The company's commitment to environmental issues is manifested through various environmental performance programs implemented over a certain period of time. The results of these programs must be included in reports, either in annual reports or in separate reports known as sustainability reports (Iatidris, 2013). Environmental disclosures must cover key environmental issues and their impact on the company's future performance and position. Companies must report on emissions trading schemes, including greenhouse gas emissions reporting, direct emissions calculations, waste disposal reporting, energy reporting, water use, and so on. Overall, the information reported must comply with accounting principles and meet the reporting requirements set forth by accounting regulations (Sampong et al., 2018). The formula used to calculate environmental disclosure is as follows:

$$ENV = \frac{\text{Sum of Company Disclosure Items}}{\text{Total of GRI Disclosure Standard Items}}$$

2.5. Financial Performance

According to Prayitno (2010), financial performance is a reflection of the efforts made by executives to achieve company success and reduce the risk of failure. Financial performance can also be interpreted as achievements that have been realized through work that has been done and outlined in financial reports and can be used as a benchmark to determine the level of success of a company in a certain period (Fahmi, 2013:2). Measuring financial performance has a very important purpose, because the results of these measurements can influence the decisions made by the company (Ningrum, 2021:36). One of the ratios often used to measure financial performance is Return on Equity (ROE), which is a ratio used to measure a company's ability to generate net income from its own capital (Ningrum, 2021:44). Therefore, in this study, financial performance will be measured using the ROE indicator because it is considered the most reliable indicator due to its ability to explain how companies can increase their profits through the use of total assets within a certain period of time (Jitaree, 2016). Based on previous studies, the formula for calculating ROE is as follows:

$$ROE = \frac{\text{Net income}}{\text{Total equity}} \times 100\%$$
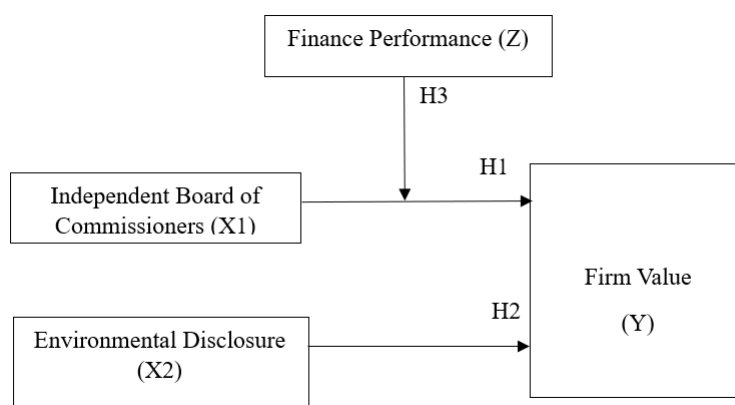
3. Hypothesis Development

Figure 1. Conceptual Framework

Based on the conceptual framework, the hypotheses proposed in this study are as follows:

H1: Independent boards of commissioners have a positive effect on company value

Based on agency theory, the existence of an independent board of commissioners can reduce agency conflicts and increase the effectiveness of supervision, thereby increasing company value (Purbawangsa et al., 2020).

H2: Environmental disclosure has a positive effect on company value Based on signal theory, transparent environmental disclosure can send a positive signal to the market about a company's commitment to sustainability (Plumlee et al., 2015).

H3: Financial performance moderates the effect of independent commissioners on company value

Good financial performance can strengthen the effectiveness of the supervisory function of the independent board of commissioners in increasing company value (Suhadak et al., 2019).

4. Materials and Methods

In this study, the population determined by the researcher was companies in the consumer goods sector listed on the Indonesia Stock Exchange ( ) in the period 2021-2024, with a total of 28 companies. The sample selection was conducted using purposive sampling, which is a method of determining samples based on specific criteria (Erlina et al., 2023:123). Therefore, companies that did not meet the criteria set in this study were excluded from the sample. The sample criteria used in this study were as follows:

a. Consumer goods manufacturing companies listed on the Indonesia Stock Exchange (IDX) in the 2021-2024 period.
b. Companies that consistently report annual reports, sustainability reports, and disclose GRI series 300 for the 2021-2024 period.
c. Companies that do not have complete information on the variables studied.

Table 3.1 Stages of Research Sample Selection Criteria

No	Criteria	Number of Companies
	The company is a producer of direct consumer goods (food, beverages, pharmaceuticals, cosmetics, cigarettes)	28
2	Companies that are not new IPOs (Initial Public Offerings) during the 2021–2024 period	(5)
3	Companies that did not publish annual reports, sustainability reports, and complete GRI reports during 2021–2024.	(1)
	Final Sample Companies that meet all criteria	**22**
	Number of Years Observed	**4**
	Number of Research Data	**88**

Based on the data in Table 3.1, the sample criteria in this study were 22 consumer goods sub-sector companies listed on the IDX in 2021-2024, resulting in a total of 88 observations used in this study.

The data analysis technique used is quantitative analysis, which is carried out by quantifying the data to produce the necessary information. The analysis method applied is regression analysis using panel data, which is processed using Eviews 12 software. The regression analysis process includes descriptive statistics, panel data regression analysis, classical assumption testing, regression analysis, Moderated Regression Analysis (MRA), and significance testing.

Results and Discussion

Descriptive statistics are tools used to provide an overview of the data collected in a study. The aspects that can be analyzed include the mean, standard deviation, variance, and the maximum and minimum values of the data (Ghozali, 2018). The results of the descriptive statistical analysis in this study are as follows:

Table 4.1 Descriptive Analysis Results

	Y	X1	X2	Z
Mean	2.100341	0.430114	0.528977	0.168068
Median	1.740000	0.400000	0.515000	0.140000
Maximum	7.370000	0.830000	0.780000	1.570000
Minimum	0.280000	0.290000	0.190000	-0.650000
Std. Dev.	1.375894	0.127184	0.184746	0.250974
Skewnes s	1.488044	1.568797	-0.251260	1.948118
Kurtosis	5.808761	5.344737	1.933851	15.50889
Jarque-Bera	61.40288	56.25506	5.093729	629.3945
Probability	0.000000	0.000000	0.078327	0.000000
Sum	184.8300	37.85000	46.55000	14.79000
Sum Sq. Dev.	164.6983	1.407299	2.969408	5.479972
Observations	88	88	88	88

Source: Eviews software output results

Based on the data in Table 4.1 above, it is known that there are 88 data observations using four types of research instruments. X1 is used as a proxy for independent commissioners, X2 is used as a proxy for environmental disclosure, Z is used as a proxy for financial performance, and Y is proxied as company value.

1. From the table above, it can be seen that the highest value for independent commissioners (X1) is 0.830000, which indicates that there are companies that have the highest proportion of independent commissioners on the measurement scale used. This reflects the significant supervisory role established by companies in their governance structures and demonstrates their commitment to implementing Good Corporate Governance (GCG) principles. The companies in question are PT Indofood Sukses Makmur Tbk (INDF) and PT Unilever Indonesia Tbk (UNVR) in 2021, and 2024. Meanwhile, the lowest score for independent board of commissioners, 0.290000, indicates that there are companies with the lowest proportion of independent board of commissioners based on the measurement scale, which may indicate limited strategic oversight from the commissioners. In the context of corporate governance, this condition risks reducing the effectiveness of oversight functions over management policies and performance. The company in question is PT Darya-Varia Laboratoria Tbk (DVLA) in 2021. Meanwhile, the average value of independent commissioners is 0.430114, indicating that the average company in the sample for the 2021–2024 period has an independent commissioner score of 43.01% of the measurement scale used. This shows that the structure of independent commissioners used by most companies is at a moderate level and relatively consistent with common practices in the Indonesian capital market. It is also known that the standard deviation value of the independent board of commissioners is 0.127184, which is smaller than the average value of the independent board of commissioners. This shows that the distribution of data on the number of independent board members between companies is relatively low, so that the composition of the independent board of commissioners in this research sample tends to be uniform.

2. The highest environmental disclosure score (X2) is 0.780000, indicating that there are companies that disclose 78% of environmental disclosure indicators. This reflects a high level of compliance with sustainability reporting practices, especially in environmental aspects, which shows that companies have a strong commitment to social responsibility and environmental sustainability. Companies with high disclosure levels are generally classified as large issuers or are included in the ESG index. The companies

in question are PT Indofood Sukses Makmur Tbk (INDF) and PT Garudafood Putra Putri Jaya (GOOD) from 2021 to 2024 and PT Unilever Indonesia Tbk (UNVR) from 2023 to 2024. Meanwhile, the lowest environmental disclosure value of 0.190000 indicates that only 19% of environmental indicators were disclosed, which means that the level of reporting and transparency on environmental issues is still low. This often occurs in small companies or companies that are not yet required to prepare sustainability reports in accordance with GRI standards. The company in question is PT. Sekar Laut (SKLT) from 2021 to 2024. Meanwhile, the average environmental disclosure value of 0.528977 indicates that the average company in the sample for the 2021–2024 period disclosed around 52.89% of environmental indicators. This reflects a moderate level of disclosure, where most companies have begun to fulfill their obligations but have not yet optimized them. It is also known that the standard deviation value for environmental disclosure is 0.184746, which is greater than half of the average value. This shows that the level of environmental disclosure varies considerably between companies, depending on internal policies, environmental awareness, and the industry sector in which the company operates.

Based on the model specification test, the panel data regression model in the equation model is the Fixed Effect Model (FEM). The results of the panel data regression model estimation are as follows:

Table 4.2 Equation Regression Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.266471	0.114378	19.81567	0.0000
X1	0.269523	0.129210	2.085934	0.0410
X2	-0.533209	0.187367	-2.845805	0.0059

Effects Specification

Cross-section fixed (dummy variables)

Weighted Statistics

R-squared	0.985721	Mean dependent var	5.430663
Adjusted R-squared	0.980589	S.D. dependent var	4.281049
S.E. of regression	0.521568	Sum squared resid	17.41010
F-statistic	192.0906	Durbin-Watson stat	2.002256
Prob(F-statistic)	0.000000		

Source: Eviews software output results

Based on the regression results in Table 4.2, the regression equation model is as follows:
Y = 2.266471 + 0.269523 X1 – 0.533209 X2
The above equation can be explained as follows:

1. The regression coefficient of variable X1 is 0.269523. This means that if the independent board of commissioners (X1) increases by 1%, the company value (Y) will increase by 0.269523. Conversely, if the board of commissioners decreases by 1%, the company value will decrease by 0.269523.

2. The regression coefficient for variable X2 is 0.533209. This means that if environmental disclosure (X2) increases by 1%, the company value (Y) will decrease by 0.533209. Conversely, if environmental disclosure decreases by 1%, the company value will increase by 0.533209.

Partial Test (t)

The partial test (t-test) is used to test whether there is an effect of the independent variable on the dependent variable partially. The partial test (t-test) is one of the statistical tests used to test whether a hypothesis is accepted or rejected in a study. The results of the partial test (t-test) in this study are as follows:

Table 4.3 Results of the Partial Test (t)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	2.266471	0.114378	19.81567	0.0000
X1	0.269523	0.129210	2.085934	0.0410
X2	-0.533209	0.187367	-2.845805	0.0059

Source: Output from Eviews software.

Based on the partial test results (t) in the table above, it can be seen that:
1. The t-statistic value for X1 is positive at 2.085934, with a probability value of $0.04 < 0.05$. This means that independent commissioners (X1) have a positive effect on company value (Y). **Therefore, hypothesis 1 is accepted.**
2. The t-statistic value for X2 is negative 2.845805, with a probability value of $0.00 < 0.05$. This means that environmental disclosure (X2) has a negative and significant effect on company value (Y). **Therefore, hypothesis 2 is rejected**.

Regression Analysis (MRA)

Moderated Regression Analysis (MRA) is used to determine whether the moderating variable can moderate the relationship between the independent variable and the dependent variable. The results of the panel data regression model estimation are as follows:

Table 4.4 Moderated Regression Analysis Results

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.451084	0.242137	18.38252	0.0000
X1Z	0.822089	0.083065	9.896954	0.0000
R-squared	0.547359	Mean dependent var		4.864210
Adjusted R-squared	0.541771	S.D. dependent var		5.635951
S.E. of regression	1.263773	Sum squared resid		129.3669
F-statistic	97.94969	Durbin-Watson stat		0.841286
Prob(F-statistic)	0.000000			

Source: Eviews software output results

Based on the regression results in Table 4.4, the following regression equation model is obtained:

$$Y = 4.451084 + 0.822089\ X1Z$$

Based on the above equation, it can be interpreted as follows:

1. The regression coefficient of variable X1Z is 0.822089. This means that an increase in the value of variable Z (financial performance) by 1 can strengthen the effect of variable X1 on variable Y by 0.822089, and if variable Z decreases by 1 unit, the effect of X1 on Y will decrease by 0.822089.
2. Based on the table above, it can be seen that the t-statistic value of X1Z is 9.896954, with a probability value of $0.00 < 0.05$. This means that the financial performance variable (Z) significantly moderates (strengthens) the independent board of commissioners (X1) in relation to company value (Y). **Therefore, hypothesis 3 is accepted.**

5. Discussion
The effect of independent boards of commissioners on company value

Based on the results of the first hypothesis test, a t-statistic value of 2.085934 was obtained, with a probability value of $0.04 < 0.05$, indicating that independent boards of commissioners have a positive and significant effect on company value. Thus, the first hypothesis (H1), which states that independent boards of commissioners have a positive effect on company value, is accepted. This means that in this model, the existence and role of independent boards of commissioners have been proven to contribute significantly to increasing company value in the consumer goods sector during the 2021–2024 period. This positive effect shows that the better the structure and composition of independent boards of commissioners, the higher the market perception of company value will be. These findings provide empirical support for the fundamental proposition of Agency Theory proposed by Jensen and Meckling (1976), which states that the separation between ownership and control in modern corporations creates a conflict of interest between principals (shareholders) and agents (management). In the context of this theory, independent boards of commissioners serve as a monitoring mechanism designed to reduce agency costs and overcome information asymmetry between management and shareholders. The existence of independent commissioners who have no affiliation with management or controlling shareholders enables more objective and effective oversight, thereby minimizing opportunistic behavior by management that could potentially harm the interests of shareholders.

The findings of this study are consistent with the results of Purbawangsa et al. (2020), who found that the proportion of independent board members has a positive effect on company value through improved supervision and control , which in turn impacts corporate management practices. This study emphasizes that good management practices are a determining factor in a company's success, which is ultimately reflected in its value. Similar findings show that corporate governance mechanisms, through the role of independent commissioners, are a strong and consistent factor in explaining company value in the Indonesian capital market, not limited to specific sectors or periods. Consistency of findings was also identified in the research by Setiyawati et al. (2017), which specifically examined non-financial companies in Indonesia during the 2012-2015 period, as well as Dewi et al. (2019) and Septiani & Yoewono (2023), which examined more contemporary periods. The convergence of research results from different periods and samples reinforces the external validity of the findings that independent boards of commissioners are an effective corporate governance mechanism in increasing company value in the context of the Indonesian capital market. This indicates that despite the evolution in corporate governance regulations and practices in Indonesia, the fundamental role of independent commissioners as a monitoring mechanism remains relevant and significant.

The effect of environmental disclosure on company value

Based on the results of the second hypothesis testing, a t-statistic value of - 2.845805 was obtained, with a probability value of $0.00 < 0.05$, indicating that environmental disclosure has a negative and significant effect on company value in the consumer goods sector listed on the Indonesia Stock Exchange for the period 2021-2024. Thus, the second hypothesis (H2), which states that environmental disclosure has a positive effect on company value, is rejected. These results show that the higher the level of environmental disclosure by a company, the more likely it is to significantly reduce the company's value. This indicates that the market or investors in the consumer goods sector do not yet consider environmental disclosure to be a positive factor that adds value or strengthens the company's financial image. Instead, such disclosure may be perceived as a burden or a signal of additional costs, such as compliance costs, social responsibility, or investments in sustainability that are not yet considered directly profitable.

These contradictory findings make an important theoretical contribution to the development of Signaling Theory, a theory developed by Spence (1973) and Ross (1977) that positions voluntary disclosure as a mechanism used by companies to send positive signals to the market about the company's quality, commitment to sustainability, and long-term prospects. This theory assumes that the market will respond positively to comprehensive and credible environmental disclosure signals, as they indicate that the company has superior environmental management capacity and is committed to sustainable business practices. The findings of this study are in line with Qiu et al. (2016) in the UK, although the UK is a mature market with an adequate ESG ecosystem, finding that environmental disclosure does not have a significant effect on company value. This shows that, even in advanced markets, the relevance of environmental disclosure is not universal

and is highly dependent on context-specific factors such as industry characteristics, investor composition, and regulatory enforcement. In the context of emerging markets, the findings of this study are in line with the research by Deswanto & Siregar (2020), which studied companies in Indonesia during the period 2010-2015 and found that environmental disclosure had no direct or mediating effect on company value. The consistency of findings from two different periods (2010-2015 and 2021-2024) indicates that this condition is not a temporary phenomenon but a structural condition related to the characteristics of the Indonesian capital market. Research by Sampong et al. (2018) in South Africa, which is also an emerging market country, found that environmental disclosure has a negative and insignificant effect on company value. These findings reinforce the argument that in emerging markets with developing ESG awareness, environmental disclosure has not yet become a significant driver of value.

The influence of financial performance moderating independent boards of commissioners on company value

Based on the results of testing the third hypothesis using Moderated Regression Analysis (MRA), a t-statistic value for the interaction variable X1*Z was 9.896954 with a probability of 0.0000 (p < 0.05), indicating that financial performance proxied by Return on Equity (ROE) significantly moderates and strengthens the influence of independent commissioners on company value in the consumer goods sector listed on the Indonesia Stock Exchange for the period 2021- 2024. Thus, the third hypothesis (H3), which states that financial performance moderates the influence of independent boards of commissioners on company value, is accepted. The positive and significant interaction coefficient (0.822089) indicates that under conditions of good financial performance, the effectiveness of independent boards of commissioners in increasing company value becomes even stronger.

Findings regarding the moderating effect of financial performance provide a significant theoretical contribution in integrating agency theory and signaling theory into a more comprehensive framework for understanding the value creation mechanisms of corporate governance. From an agency theory perspective, good financial performance indicates that agency costs have been minimized and that there is alignment of interests between management and shareholders (Jensen & Meckling, 1976). In this situation, the monitoring function performed by the board of directors and independent board members becomes more effective because strong financial performance provides credibility and legitimacy to the existing governance structure.

From a signaling theory perspective (Ross, 1977; Spence, 1973), the combination of a strong governance structure (as seen from an adequate proportion of independent commissioners) and good financial performance sends a positive signal to the market about the quality of the company. The signal generated from the combination of these two factors has higher credibility and strength than a signal derived from only one factor. Strong governance structure without good performance can be viewed as "good structure without good implementation" or symbolic compliance without substantial impact. On the other hand, good performance without the support of strong governance can raise concerns about sustainability or perceived risk, that the performance will not be sustainable in the long term because it is not supported by adequate oversight and control.

The findings of this study are consistent with research conducted by Suhadak et al. (2019), which found that financial performance (measured by Return on Equity) acts as a moderating variable in the influence of good corporate governance, including independent boards of commissioners, on company value in companies listed on the LQ45 index. The study shows that the effectiveness of governance mechanisms is highly dependent on company performance conditions, and that the interaction between governance and performance is an important determining factor for company value. In line with research conducted by Oktaviani (2019), it was found that financial performance can strengthen the relationship between independent boards of commissioners and company value in non-bank companies listed on the LQ45. The study mentions that financial performance can provide a reactionary change to company value. An appropriate independent board of commissioners and good financial performance will provide a good impression to stakeholders. The study by Mulyani & Kustina (2021) also found similar results in the context of manufacturing companies, where ROE significantly strengthens the influence of the independent board of commissioners on company value. The consistency of findings across various sectors (LQ45, manufacturing, consumer goods) and different time periods strengthens the robustness and generalization of the research results, indicating that the moderating mechanism of financial performance is a systematic phenomenon and is not limited to specific contexts.

Conclusion

1. An independent board of commissioners has a positive and significant effect on company value.
2. Environmental disclosure has a negative and significant effect on company value.
3. Financial performance, as proxied by Return on Equity (ROE), significantly moderates or strengthens the influence of independent boards of commissioners on company value.

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