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Environmental Accounting in Responding to the Deforestation Crisis in Indonesia: Perspective of Maqashid Shariah and Sustainability Reporting

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Abstract

This study explores how environmental accounting practices respond to Indonesia's deforestation crisis through the integration of Maqashid Shariah principles and sustainability reporting frameworks. The research critically analyzes the 2024 sustainability report of PT Triputra Agro Persada Tbk, one of Indonesia's largest palm oil corporations, using a qualitative-interpretive approach. Findings reveal that although the company discloses numerous sustainability initiatives and social programs, the reporting remains largely symbolic and narrative without sufficient quantitative indicators. Key disclosures on carbon emissions, conservation costs, and land degradation are absent, suggesting limited environmental accountability. From the Maqashid Shariah perspective—especially hifz al-bi'ah (environmental protection) and hifz al-nafs (protection of life)—the sustainability disclosure fails to manifest a moral and spiritual corporate responsibility aligned with Islamic ethics. The research highlights that environmental accounting must transcend formal compliance by embedding spiritual, ethical, and ecological accountability in reporting systems. Integrating Maqashid Shariah values into sustainability reporting could transform corporate environmental accountability into a form of divine stewardship (amanah ilahiyah). This study contributes to the discourse on Sharia-based environmental accounting by emphasizing the need for verifiable, data-driven, and spiritually grounded sustainability reporting models in Indonesia's palm oil industry.

1. Introduction

Indonesia is one of the countries with the largest tropical forests in the world, but in recent decades it has faced a very worrying deforestation crisis (Auriga Nusantara, 2024). Auriga Nusantara reported that deforestation in Indonesia throughout 2024 reached 261,575 hectares and this figure also increased from 2023 by 4,191 hectares. Deforestation occurs massively, largely influenced by palm oil plantations, mining and land clearing for development. The impact of deforestation is not only on the environment but also worsens the risk of extinction of various endemic plant species, the socio-economic life of the community and has an impact on the global climate crisis(Gavrila & Rusdi, 2020). Likewise, Reygadas, et al significantly saw the effect of deforestation on land surface temperature and precipitation which have an impact on the economy, especially natural resources and agriculture and land use (Reygadas et al., 2023). This certainly has an impact on how companies report their sustainability missions amidst the crisis.

One relevant and strategic approach is environmental accounting—a discipline that develops a recording and reporting system related to the costs and environmental impacts of company activities (Abeysekera, 2022; Khan & Gupta, 2023). Environmental accounting is not just a technical tool, but can also be an instrument to strengthen ecological accountability and corporate transparency in responding to environmental crises, including deforestation (Sisaye & Birnberg, 2024). Because the development of sustainability reporting has increased significantly in response to global concerns about environmental degradation, climate change and other social issues that occur in the world (Schirato et al., 2022).

Through environmental disclosure based on sustainable reporting standards such as GRI (Global Reporting Initiative), the public can access information on how companies handle environmental conservation issues and mitigate the impacts of their operations. Accounting is expected to function as a tool to promote positive action on environmental issues (Maroun & Atkins, 2021). Criticism of sustainability still continues to this day because of doubts in it which are sometimes not accompanied by real action and focus on concrete social transformation (Bigoni & Mohammed, 2023). Likewise, there is a lot of pessimism that is born towards accounting itself which is considered a tool to perpetuate capitalism (Tweedie, 2024).

However, conventional accounting approaches still often focus on aspects of compliance and symbolic legitimacy, not on deep ethical and spiritual transformation and tend to be engines of social injustice (Laguecir & Hudson, 2024). Tregidga & Laine (2022) Tregidga and Laine consider that long-term focused environmental accounting can actually reduce the sense of urgency of the ongoing environmental crisis. Accounting has the potential to play a role in achieving sustainable development goals that are not only technical but must also involve moral and social dimensions to support sustainability (Carnegie et al., 2024). Such as Velte's findings that aspects of gender diversity of the board, the existence of a sustainability committee, government regulations and good intentions of the company can encourage increased environmental performance and environmental reporting (Velte, 2023).

In the Mubarak era in Egypt, sustainability reporting was not neutral or transformative enough (Osman et al., 2021). Roszkowska-Menkes et al., (2024) even found that there were approximately 333 controversial events indicating that only around 69% of events were reported selectively. This is where it is important to reconstruct sustainability reporting practices with the Maqashid Shariah approach, a framework of values in Islam that emphasizes protection of the soul (hifz al-nafs), mind, property, descendants, and most relevant in this context, protection of the environment (hifz al-bi'ah). Maqashid Shariah views that protecting the environment is not only a moral responsibility, but also part of the mission of social worship and intergenerational justice.

A religious approach is needed to force individuals and organizations to reduce the egoism of environmental control. The findings of Shahid, et al that the deep level of Islamic religiosity by investors in Pakistan tends to avoid investing in companies involved in allegations of environmental damage (Shahid et al., 2022). Other studies show that integrating ESG principles (environmental, social and governance) with maqasid sharia in takaful operations is an important and relevant strategic step to improve the sustainability, ethics and social empowerment of the takaful industry (Mohd Zain et al., 2025). This is also in line with the findings of Kamaruddin et al., (2025) who emphasized the importance of increasing transparency related to sharia aspects to support stakeholder trust and strengthen the company's position in the sharia financial ecosystem as implemented by Berhad Company in Malaysia. The three studies have shown how a company's accountability is based on religious values and teachings.

Reviewing accounting environment through the perspective of Maqashid Shariah and sustainability reporting is considered very important, this study aims to reflect on how corporate responsibility in dealing with the deforestation crisis should be built not only on the basis of regulation and market pressure, but also on awareness of values, intentions, and spiritual responsibilities. This approach is expected to encourage reporting practices that are more authentic, transformative, and in favor of ecosystem sustainability and the welfare of the wider community.

2. Literature Review

2.1 Environmental Accounting Theory

Environmental accounting was popularized by Gray, is a branch of accounting that focuses on recording, measuring, reporting and disclosing information related to the impact of economic activities on the environment (Gray & Laughlin, 2012). Gray defines environmental accounting as "the preparation, presentation, and communication of information relating to an organization's interaction with its physical and social environment, as an aid to management and/or accountability." That environmental accounting not only highlights the company's internal efficiency but also the company's social and ecological responsibility towards nature and humans. Which means that accounting should not only serve the interests of shareholders and the fashion market but also represent all elements involved and sacrificed for an operation.

Environmental accounting is based on the importance of recognizing environmental costs in financial statements as a form of accountability. The main idea of Gray, et al is that accounting needs to free itself from conventional accounting which is exclusive and capitalistic, therefore sustainability reporting should not be symbolic (legitimacy) but needs to be born from ethical awareness. In addition, Gray hopes that accounting should be an instrument of ecological accountability that reveals resource consumption and environmental damage (Thomson, 2020).

2.2 Maqashid Shariah

Etymologically, it means the goals of Islamic law. Terminologically, maqashid sharia is the main goal that Islamic law wants to achieve in every legal provision, namely realizing maslahah (benefit) and preventing mafsadah (damage) for humans and the environment.

According to Imam al-Ghazali, maqashid sharia includes five main goals (al-dharuriyyat), Hifz al-din (protecting religion), Hifz al-nafs (protecting the soul), Hifz al-'aql (protecting reason), Hifz al-nasl (protecting descendants) and Hifz al-mal (protecting property). Then later in contemporary developments, scholars such as Yusuf Al Qaradawi added hifz al-bi'ah (protecting the environment) as a reflection of the contextual needs of the modern era.

Jasser Auda in his book entitled Maqasid Al Shariah as Philosophy of Islamic Law explains that environmental protection is an integral part of maqashid sharia, especially in the principle of maslahah mursalah and the obligation to maintain the continuity of life (Gumanti, 2018). The application of maqashid sharia in the management of natural resources encourages individuals, society and government to assess the ecological impact of every economic decision, avoid exploitation that damages the balance of nature (mizan) and make environmental reporting not only a legal obligation, but a moral and spiritual obligation.

Hifz Al-Bi'ah which was exist due to the needs of the times is closely related to environmental accounting because in the spirit of hifz al-bi'ah it urges companies to disclose their ecological impact honestly and responsibly and of course encourages reporting that is not only based on regulations but also on the intention of maintaining the balance of God's creation. Therefore, maqashid sharia bridges conventional environmental accounting with spirituality, not just formal legitimacy.

2.3 Sustainability Reporting and Triple Bottom Line

The three frameworks will be used in an integrated manner to analyze how companies and public entities in Indonesia can respond to the deforestation crisis in a more ethical, transparent and sustainable manner.

A sustainability report is a document prepared by an organization to communicate their performance in terms of economic, social and environmental aspects to stakeholders. According to the Global Reporting Initiative, Sustainability reporting is the practice of disclosing publicly an organization's significant economic, environmental and social impacts (Machado et al., 2021). This is in line with the triple bottom line (TBL) concept popularized by Jhon Elkington as a framework that has three main dimensions, namely profit, people and planet.

3. Research Methods

3.1 Research Design

This study adopts a critical qualitative research design using a descriptive-interpretive approach**.** The purpose is to evaluate environmental accounting practices and sustainability disclosures of PT Triputra Agro Persada Tbk (TAP Group) in relation to the ongoing deforestation crisis in Indonesia. This approach is suitable for uncovering hidden meanings, ideological underpinnings, and potential greenwashing within corporate reporting. The research does not aim to quantify environmental impacts but rather to assess the moral, ethical, and spiritual alignment of corporate sustainability practices with Islamic values and sustainability principles.

3.2 Data Source and Object of Study

The primary data source is the 2024 Sustainability Report of PT Triputra Agro Persada Tbk**,** a company recognized as one of Indonesia's largest palm oil producers with extensive landholdings in Kalimantan and Sumatra. This company was selected because of its prominent exposure to deforestation-related controversies and its high level of public visibility. The report represents an official document that outlines the company's strategies, programs, and commitments related to environmental, social, and governance (ESG) performance.

Secondary data were collected through academic journal articles, industry reports, and policy documents related to sustainability reporting, environmental accounting, and Maqashid Shariah. Relevant regulatory frameworks such as the Global Reporting Initiative (GRI) Standards**,** OJK Regulation No. 51/POJK.03/2017**,** and United Nations Sustainable Development Goals (SDGs) were also referenced to contextualize corporate disclosure requirements.

3.3 Analytical Framework

This study integrates three main frameworks:

1. **Environmental Accounting Theory** as proposed by Gray (2012), emphasizing accountability for environmental externalities, and the role of accounting in communicating the organization's ecological impact.
2. **Maqashid Shariah Framework** focusing on *hifz al-bi'ah* (environmental preservation) and *hifz al-nafs* (protection of life) as spiritual imperatives in business ethics and sustainability.
3. **Sustainability Reporting Framework (GRI & TBL)** — assessing the extent of compliance with GRI Standards, specifically GRI 305 (emissions), GRI 306 (waste), and GRI 304 (biodiversity), within the Triple Bottom Line dimensions of people, planet, and profit.

The triangulation of these three perspectives allows for a comprehensive evaluation of how corporate reporting aligns (or fails to align) with ethical, environmental, and Islamic moral obligations.

3.4 Data Collection Procedures

Data were gathered through document analysis and textual interpretation. The 2024 sustainability report was systematically coded to identify recurring themes, omissions, and symbolic narratives. The steps included:

1. **Content Identification** – Identifying sections within the report relevant to environmental management, emissions disclosure, conservation, CSR, and indigenous rights.
2. **Critical Coding** – Coding text units based on key analytical categories such as transparency, accountability, environmental cost, and ethical intention.
3. **Maqashid Mapping** – Evaluating whether disclosed actions align with Shariah objectives, particularly *hifz al-bi'ah* and *hifz al-nafs*.
4. **Cross-validation** – Comparing the findings with secondary literature on sustainability reporting and Islamic ethical standards to ensure analytical consistency.

3.5 Analytical Method

The study uses **Critical Discourse Analysis (CDA)** inspired by Michel Foucault's

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framework to reveal the relationship between corporate power, environmental narrative construction, and social legitimacy. The method enables a critical reading of how language and symbols in sustainability reports serve as tools of legitimacy rather than as indicators of true ecological accountability.

The CDA process involves:

- Identifying the discursive strategies used to represent sustainability;
- Comparing stated commitments with empirical indicators (e.g., quantitative emissions data, conservation achievements);
- Evaluating the presence of ideological bias and moral disengagement;
- Interpreting findings through the ethical lens of Maqashid Shariah.

3.6 Validity and Reliability

To ensure trustworthiness, the study applies **triangulation** by cross-referencing multiple data sources (corporate reports, academic studies, and media documentation). **Reflexivity** was maintained to minimize researcher bias by continuously evaluating interpretive assumptions. While generalizability is not the primary aim, the findings offer valuable insights applicable to similar industrial contexts in Indonesia and other Islamic economies.

3.7 Ethical Considerations

Ethical compliance was maintained by adhering to academic integrity standards in data usage and citation. No confidential or proprietary corporate information was accessed. The analysis was conducted using publicly available sustainability reports and legitimate academic databases.

3.8 Limitations of the Method

This study is limited by the reliance on secondary documents rather than direct interviews or field observations. Therefore, the interpretation focuses on discourse and representation rather than operational performance. However, this limitation is justified given the research's objective to critique symbolic disclosure practices rather than measure actual environmental outcomes.

3.9 Expected Contribution

Methodologically, this research contributes to the development of a **Sharia-integrated environmental accounting model** that promotes moral-spiritual responsibility in sustainability disclosures. It extends environmental accounting theory by embedding ethical dimensions of Maqashid Shariah, thereby offering a foundation for Islamic-based corporate sustainability frameworks in Indonesia's extractive industries.

4. Research Results

4.1 Main Issue Identification

Initial coding and identification of key issues includes analysis related to disclosure of emissions, environmental impacts, conservation disclosure, deforestation and reclamation activities.

4.1.1 Emission disclosure

In PT Triputra Agro Persada Tbk's sustainability report, specific data on emissions such as greenhouse gas (GHG) emission figures, reduction targets, or quantitative indicators related to emissions – are not explicitly disclosed in the available citations. Such information is usually found in the sections of the report that discuss environmental aspects in detail, such as in the GRI Standard 305: Emissions report or the environmental disclosure section.

4.1.2 Environmental impact

Based on a search of PT Triputra Agro Persada Tbk's sustainability report, no explicit disclosure of quantitative data related to environmental emissions was found, such as the amount of CO_2 emissions, emission intensity, or emission reduction targets. Although several sections in the report—such as on pages 206 (sustainability governance), 211 (sustainable business risk control), and 219 (sustainability management)—mention environmental impact management in general, the information is more narrative and procedural in nature. Therefore, although the company states its commitment to emission management, there is no concrete evidence in the form of measurable data in the available sections, making it difficult to assess the effectiveness of the sustainability practices implemented.

4.1.3 Conservation

Disclosures related to environmental conservation and conservation efforts are included in the section that emphasizes the company's commitment to environmental preservation and natural resource sustainability. Specifically, the company emphasizes that one of the main focuses of its environmental program is preventing forest and land fires, which is part of the ecosystem conservation and environmental sustainability efforts. This program involves various initiatives and collaborations with communities and stakeholders to maintain the ecosystem, prevent forest damage, and reduce the risk of fires.

In addition, the company also takes steps to support cultural and social conservation in communities around the plantations through CSR programs that aim to maintain cultural wealth and increase awareness of environmental conservation in general. Based on data from page 179 and its surroundings, the company targets that all plantations and Palm Oil Mills (PKS) will be certified by the Indonesian Sustainable Palm Oil (ISPO) and the Roundtable on Sustainable Palm Oil (RSPO) by 2026. This certification is a key indicator of success in implementing sustainable practices and responsible conservation of natural resources. Although there is no specific quantitative data in this section that shows detailed conservation figures, the disclosure highlights the company's commitment to ecosystem conservation and environmental protection as part of the sustainability of its business activities.

4.1.4 Deforestation

PT Triputra Agro Persada Tbk's sustainability report shows a normative commitment to environmental conservation and reducing deforestation. However, the disclosure is more narrative and programmatic, without specific quantitative data on the extent of deforestation or the extent of protected land.

Some of the key findings that can be identified include :

a. Commitment to sustainable certification

The company aims for all of its plantations and mills to be ISPO and RSPO certified by 2026, as a form of compliance with sustainable management practices. While this indicates an intention to reduce deforestation, there is no quantitative measure of the achievement or environmental impact of the policy.

b. Forest fire prevention program

The report states that 12 villages received assistance for forest and land fire prevention facilities and infrastructure, 6 villages received environmental training, and 3 villages received support for environmental cleanliness. This program is claimed to be part of conservation efforts and handling climate change (SDG 13), but is not directly linked to measurable deforestation data.

c. Land management

There is a statement of commitment to comply with land and environmental management policies and habitat protection strategies. However, there are no environmental performance indicators such as the amount of protected land, rehabilitated conservation areas, or reduction in deforestation over a specific time period.

Disclosures related to deforestation are not yet quantitative and measurable. There is no explicit data on the extent of deforestation that has occurred, areas protected, or real achievements in reducing environmental impacts. Thus, from an environmental accountability perspective, these disclosures tend to be symbolic descriptive, not yet meeting the principles of data-based transparency in sustainability reporting.

4.1.5 Reclamation

PT Triputra Agro Persada Tbk's sustainability report does not explicitly disclose policies, indicators, or technical programs related to land reclamation.

However, indications of an indirect approach were found through commitments to ISPO and RSPO certification, forest and land fire prevention programs, and CSR activities that support ecosystem restoration. Although without quantitative details, these steps reflect the company's orientation towards sustainable land management that can be implicitly linked to reclamation practices.

4.1.6 Environmental costs

The results of the analysis of the sustainability report of PT Triputra Agro Persada Tbk show that disclosure of environmental costs has not been presented explicitly in the form of figures or budget details allocated for activities related to environmental impact management. No quantitative information was found regarding costs incurred for reclamation, conservation, or other environmental mitigation programs.

However, the report presents a number of activity narratives that reflect the allocation of resources and the form of the company's commitment to environmental management. Overall, the disclosure of environmental costs in this report is descriptive and normative, emphasizing more on the form of strategic activities and commitments without detailed financial data support.

The absence of cost transparency is an important note in evaluating the accountability and integrity of the company's sustainability reporting, especially in the context of comprehensive ecological and social impact management.

4.1.7 The company's commitment to sustainability values

Based on the sustainability report of PT Triputra Agro Persada Tbk, the company's commitment to sustainability in general can be described as follows :

a. Integration of Sustainability Principles in Business Strategy. The company is committed to implementing sustainability principles comprehensively through a holistic approach. This includes managing economic, social, and environmental aspects in a balanced manner, starting from organizing, planning, implementing, to evaluating sustainability performance.
b. Compliance with Regulations and Ethical Principles. This commitment is reflected in the company's efforts to comply with all applicable laws and regulations and carry out business activities based on the principles of professionalism, transparency, efficiency, independence, accountability, and fairness. This shows the company's determination to carry out operations legally and ethically.
c. Management of Good and Sustainable Corporate Governance. The company places good corporate governance (GCG) as the main foundation, including the preparation of main documents such as sustainability policies, board charters, and work guidelines that support the implementation of sustainability in a structured and systematic manner.
d. Stakeholder Engagement and Partnership. The company's commitment is also reflected in the recognition of the importance of the role of stakeholders, including farmers, surrounding communities, government, and business partners, in building mutually beneficial relationships and supporting the achievement of sustainability.
e. Improving Environmental and Social Performance through Programs and Policies. The company is committed to implementing various programs such as environmental management, CSR, farmer training, village infrastructure development, and sustainable waste and natural resource management. These efforts aim to ensure a positive impact on the community and environment around operational activities.
f. Enforcement of Ethics and Compliance in All Activities. In carrying out business activities, the company emphasizes that all individuals and partners must comply with the code of ethics, whistleblowing system,

and business competition compliance standards to ensure fair, honest, and responsible business practices

4.1.8 CSR and environment

Based on the sustainability report of PT Triputra Agro Persada Tbk, CSR activities that touch on environmental aspects include several main initiatives, namely : (1) Environmental Conservation and Prevention of Forest and Land Fires, (2) Environmental Education and Awareness for Local Communities, (3) Waste Management and Greening Efforts, and (4) Support for Infrastructure and Reduction of Environmental Impacts

4.1.9 Operational area

The company's concession location data is presented in the report on the page discussing the operational areas, specifically for the palm oil and rubber business units. The following is a breakdown of concession locations based on area and area :

a. Palm oil business unit. Total concession area aprroximately 135.594 Ha (company) and 25.294 Ha (partnership) with a total of 23 plantations (Jambi, Central Kalimantan, East Kalimantan)
b. Rubber business unit. One factory is operated in Muaro Jambi but the details of the concession area are not specifically mentioned on the page.

4.2 Construction of Dimension Analysis

This section is structured based on two focuses, namely maqashid sharia (spiritual and ethical values) and Sustainability Reporting (GRI standards/TBL).

4.2.1 Maqashid sharia

The sustainability report of PT Triputra Agro Persada Tbk shows that the company has adopted various initiatives aimed at environmental conservation, including forest and land fire control programs, support for local communities in fire prevention, and conservation and waste management activities. These activities are presented as part of the contribution to achieving the Sustainable Development Goals (SDGs), especially SDG No. 13 (Addressing Climate Change) and SDG No. 8 (Decent Work and Economic Growth), as reflected in the documentation on pages 168–170.

Critically, however, this report does not yet demonstrate a comprehensive and long-term strategic commitment to environmental sustainability. Indicators of program success, both in the form of quantitative measures and qualitative evidence of the resulting environmental impact, are not clearly disclosed. There is no reporting of the results of measuring the impact of conservation activities, reducing carbon emissions, or external environmental audits that can verify the effectiveness and integrity of program implementation.

In addition, the approach used in the report tends to be reactive and based on emergency response CSR activities, rather than reflecting strategic integration of long-term conservation principles. There is no narrative regarding a systematic ecosystem rehabilitation plan, agroforestry development, or the implementation of a measurable and verified carbon footprint reduction roadmap. The absence of specific, measurable, and auditable sustainability targets further demonstrates the limited transparency and depth of the company's environmental commitment. Thus, although there are indications of good faith and implementation of programs that support environmental aspects, the disclosures in this report do not fully reflect the application of comprehensive, consistent, and measurable environmental sustainability principles in the company's operations.

Critically, the report shows that the company is aware of the importance of protecting the rights of local and indigenous communities, and affirms its commitment through various steps such as socialization, social assessments, and the implementation of the Free, Prior, and Informed Consent (FPIC)

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principle. For example, on pages 155-156 and 155-156, the company states that it respects the rights of indigenous communities and carries out various activities to understand social conditions and ensure that land rights and community access are respected.

However, from a critical analysis perspective, the existence of these efforts appears to be more of a formal policy and commitment that is formulated in principle or concept, without being based on real evidence of concrete and measurable practical implementation during 2024. No data is provided on incidents of violations of indigenous peoples' rights during the period, which could indicate the effectiveness of the protection carried out. Although there are no reports of violations, this report also lacks detail regarding the complaint mechanism, conflict resolution, or mediation process that is underway in the event of a dispute over land rights or the right to life.

In addition, much of the report emphasizes the importance of dialogue and consultation, as well as the commitment to FPIC, but there are no indicators of success or independent evaluations that confirm that the rights of local and indigenous communities are truly protected on an ongoing basis. There is also no mention of more structured and measurable steps for mitigating social conflict and protecting rights. Thus, critically, despite the declaration and commitment to protecting the right to life and the rights of local communities, the report does not sufficiently demonstrate that these efforts have been implemented effectively and sustainably during the reporting period. Real implementation and independent monitoring are aspects that are less visible and need to be strengthened in order to truly affirm the protection of these rights.

4.2.2 Sustainability reporting

The sustainability report of PT Triputra Agro Persada Tbk shows recognition of the importance of protecting the rights of indigenous peoples. The company states its commitment through the application of the Free, Prior, and Informed Consent (FPIC) principle, the implementation of socialization, and social assessments before carrying out activities that impact indigenous peoples. This commitment is also supported by references to national legal provisions and international principles, including the UN Declaration on the Rights of Indigenous Peoples. However, in substance, this report does not yet contain formal policies or detailed operational procedures related to the protection of indigenous peoples.

The statements submitted are more normative and declarative in nature, without the support of written policy documents that systematically regulate the rights of indigenous peoples in the company's operational practices. Thus, although there are indications of respect for indigenous peoples, this report does not yet show the existence of a comprehensive, sustainable, and measurable protection mechanism. This indicates the need for strengthening in the formal policy aspect and its implementation so that the commitments submitted can be implemented more realistically and accountably.

PT Triputra Agro Persada Tbk's sustainability report for the 2024 reporting year discloses information on the area of managed plantations, which is 160,798 hectares for oil palm and rubber plantations, including partnerships and independent farmers. However, this report does not explicitly mention the area of land cleared or deforestation that occurred during the reporting year. No data was found on changes in land cover or forest clearing activities carried out, so the transparency aspect of deforestation practices is still limited. In addition, the report does not disclose specific information related to water use, either in terms of consumption volume, water sources used, or water management strategies implemented by the company.

Although there is a general narrative about the commitment to sustainability, there is no section that specifically discusses water resource management. Likewise, the waste management aspect is not presented in detail. There is no information on the type, volume, or method of waste processing carried out during the reporting period. The absence of this data creates limitations in assessing the extent to which the company carries out environmental responsibilities comprehensively in managing its operational waste.

This report shows that PT Triputra Agro Persada Tbk integrates environmental sustainability as part of its business strategy through a holistic governance approach. The company balances regulatory compliance with stakeholder expectations through CSR programs, training, and active participation in achieving SDGs, especially related to climate change and environmental conservation. However, the effectiveness of implementation still needs to be reviewed further through adequate quantitative data disclosure.

4.3 Foucault Based Analysis of Narrative and Practice Critique

Critical analysis of narratives and practices is important to test the fit between the company's sustainability claims and the reality of its implementation. This analysis helps reveal potential symbolic rhetoric and gaps in environmental transparency and accountability.

The findings show that the narrative of PT Triputra Agro Persada Tbk's sustainability report emphasizes sustainability as the company's core strategy integrated into economic, social, and environmental aspects. This commitment is displayed through accountable governance, stakeholder engagement, and CSR programs as a means of strengthening corporate competitiveness and legitimacy.

Based on the contents of PT Triputra Agro Persada Tbk's sustainability report, there are consistent efforts to convey the company's commitment to sustainability through various positive narratives and an emphasis on the principles of good governance, social, and environmental. However, in terms of evidence of action and real implementation, there are several indications of a gap between words and actions, namely :

a. Conflict Management and Land Disputes: Although the report states that the company has made various mediation efforts and support for the development of plasma cooperatives and the resolution of land disputes, several cases, such as community conflicts and land claims, still arise and require further attention.
b. Reporting and Transparency: Although the company has a violation reporting system and a social and environmental risk monitoring system, the level of complaint and conflict resolution does not fully indicate that concrete actions are always in line with the narrative of transparency and accountability.
c. Implementation of Sustainability Programs: There is an emphasis on sustainable development and responsible supply chain management, but in practice, challenges such as social conflicts and governance challenges in the field indicate that the implementation of these efforts still requires better optimization.

The narrative in the report is prepared by management and the sustainability team as a strategic communication that emphasizes compliance, risk management, and socio-environmental contributions. The goal is to build a positive image and meet the expectations of stakeholders, including investors, communities, regulators, and business partners.

4.4 Research Discussion

4.4.1 Environmental accounting

Based on the results of the analysis of PT Triputra Agro Persada Tbk's 2024 sustainability report, it was found that the company displays various narratives of commitment to environmental and social sustainability as part of a holistic business strategy. Several programs such as forest and land fire prevention, support for village communities, and environmental conservation efforts through CSR programs are the main elements displayed. In addition, the company also states its compliance with international principles, such as FPIC, and is trying to achieve ISPO and RSPO certification.

However, the findings show that the sustainability narrative that is built is more dominantly symbolic than substantive. This is indicated by the absence of quantitative disclosure of environmental data such as the area of land affected by deforestation. Protected areas or achievements in reducing environmental impacts, on carbon emissions as well, the company does not report the amount of carbon emissions in accordance with the GRI 305 report. The report only contains several sections on sustainable governance, business risk control and sustainability management but there is no explicit disclosure of quantitative data related to environmental emissions such as CO_2 emissions, emission intensity, or emission reduction targets.

So there is no concrete evidence in the form of measurable data in the available sections, making it difficult to assess the effectiveness of the sustainability practices implemented. In fact, according to the findings of Hardiansyah, et al (2020), disclosure of carbon emissions is not only useful as a form of social and environmental responsibility but can also increase the value of the company. This finding is also in line with Yin, et al (2022) that low regulation tends to have the effect of creating a green paradox. Therefore, according to Tu, et al (2022), carbon tax is one of the mandatory regulations needed to make companies aware of the economic and environmental costs of the carbon emissions produced.

Likewise, the costs incurred for reclamation and conservation activities are not explicitly stated so that even though the company states its commitment to managing emissions, preventing forest fires and conservation, this certainly requires critical examination of such commitments because again, sustainability reports that comply with GRI and OJK standards need to contain quantitative data on costs, land area, losses and others in the report presented. In addition, the report does not contain an explicit written policy regarding the protection of indigenous peoples or a verifiable external environmental audit mechanism.

In fact, carbon emissions have a negative and significant impact on sustainable disclosure because high emissions contribute to environmental damage that is detrimental to development efforts (Hunjra et al., 2023). This finding strengthens the findings of Hadi and Jadzil that the main motive behind CSR reporting in Indonesia is only financial benefits and promotional events while social and environmental aspects tend to be less concerned (Hadi & Baihaqi, 2021). This is in line with de Menkes, et al that companies only disclose profitable information in their sustainability reports and hide various negative aspects, especially on labor rights, supply chains and community rights (Roszkowska-Menkes et al., 2024). Therefore, the author agrees with Rodrigue, et al that sustainability reports do require a critical approach as a reflection of the underlying power and ideology(Rodrigue et al., 2024).

This is where environmental accounting has an important role. As an accounting practice that is oriented towards recording, measuring and reporting the environmental impact of economic activities, environmental accounting can strengthen transparency and prevent the dominance of symbolic narratives as environmental accounting is expected to produce positive actions on environmental issues (Maroun & Atkins, 2021). Through standardized and verified disclosures, environmental accounting is also able to ground the values of maqashid sharia in the context of modern corporations, while strengthening the company's social legitimacy more deeply and sustainably. The influence of Islam in CSR reporting is very much needed to understand the religious and cultural context in designing and implementing CSR strategies (Koleva, 2021).

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4.4.2 Maqashid shariah

When associated with the dimensions of maqashid sharia, especially hifz al-bi'ah (environmental protection) and hifz al-nafs (protection of the soul) as Auda explains that environmental protection is an integral part of maqashid sharia, especially the principle of maslahah and the obligation to protect the environment (Gumanti, 2018), these sustainability narratives do not yet reflect a deep reflection on the moral and spiritual responsibility of the company in maintaining the welfare of the environment and the community as a whole.

Based on the research findings disclosed in the previous section, it is concluded that the Sustainability Report of PT Triputra Agro Persada Tbk for 2024 does not represent a long-term strategic commitment to environmental sustainability as a whole. The absence of quantitative indicators, impact evaluations, and measurable targets shows that the approach used is still reactive and based on CSR, not a systematic and verified conservation integration. So that in Hifz Al-Biah to emphasize environmental preservation is still doubtful because the company tends to issue programs that save "itself" not the environment that makes it a place to rely on.

This finding is not in line with Arsad et al., (2022) who found that the integration of CSR reporting in Malaysia with the principles of maqashid sharia can help companies to be compliant, transparent and accountable. Whereas based on the findings of companies in Nigeria, which revealed that environmental activities tend to be more profitable (Mbatuegwu et al., 2022) as well as those conveyed by Ascarya and Atika that the development of the maqashid sharia index for Islamic CSR through the endowment fund of the people in Indonesia produces robust and consistent results, especially in protecting faith, followed by thoughts, life, wealth and descendants (Ascarya & Masrifah, 2023).

Companies that are more proactive in reporting and managing environmental impacts and biodiversity can improve their reputation and attract investors who care about the environment (Kopnina et al., 2024). Always relying on God in preserving and maintaining his creation will always have a positive impact on life. This was found by Zain, et al that by integrating environmental, social and governance combined with maqasid sharia is an innovation to encourage sustainability and ethics in the takaful industry (Mohd Zain et al., 2025). Shompa et al. (2024) asserted that the maqashid sharia principle provides an ethical and moral basis for sustainable waste management. The findings also confirmed that the integration of the maqashid principle can encourage environmentally responsible behavior rationally and ethically.

Commitment to environmental preservation is still more present in the form of narrative claims than measurable and auditable indicators, so it has the potential to become a form of greenwashing or symbolic legitimacy. This certainly further emphasizes the role of companies in environmental damage. Chaudhuri et al. (2025) showed that greenwashing practices have a significant negative impact on consumer trust in sustainability claims. Sustainability reports should be a reflection of Islamic ethical values in business management, not just as a promotional tool or administrative complement. Awareness of values, intentions and spiritual responsibilities are not present at all in the report so that they do not reflect how companies are responsible for the environment.

Thus, these findings indicate the need for a more substantive approach to sustainability reporting, through the integration of environmental accounting that is able to record, measure and report ecological impacts in a transparent and accountable manner. As expressed by Sisaye and Jacob, how sustainability reporting in America is voluntary and supported by policies and work of government agencies specifically on the ecological framework of ecological anthropology and industrial ecology as a basis for consideration to integrate the concept of sustainability into the financial reporting system (Sisaye & Birnberg, 2024). This has also been emphasized by Jaiyeoba et al. (2025) that better awareness and understanding of the principles of maqashid sharia in the context of sustainability can encourage more ethical and socially and environmentally responsible business practices according to Islamic teachings. This is in line with the values of maqashid sharia which demand protection of Allah's creation in a just and sustainable manner, and encourage accounting practices that are not only economic-instrumental, but also ethical and transformative.

4.4.3 Sustainability reporting

Recognition of indigenous peoples' rights is an important part of the sustainability approach, especially in the palm oil industry which often has a direct impact on indigenous territories. PT Triputra Agro Persada Tbk's commitment to implementing the principle of Free, Prior, and Informed Consent (FPIC) and references to the UN Declaration on the Rights of Indigenous Peoples demonstrate an awareness of the importance of local community involvement. However, a normative approach without the support of formal policies or written SOPs raises questions about the substance of the commitment.

In 2023, Berenschot, et al, published a book entitled The Void of Rights: Communities vs. Palm Oil Companies in Indonesia discussing the conflicts that have hit local communities around palm oil plantations, one of which is PT. Triputra Agro Persada, Tbk is a source of conflict that causes land grabbing, plasma scheme problems and violations of regulations(Berenschot et al., 2023). Community protests are often met with intimidation, violence and criminalization. So the question is what about the narrative presented in its sustainability report.

From a sustainability and human rights perspective, declarative disclosure is not enough to guarantee the protection of the rights of vulnerable groups. The UN Guiding Principles on Business and Human Rights, companies have a responsibility not only to "respect" but also to protect and remedy violations. Without documented implementation and evaluation mechanisms, the FPIC principle risks becoming just green talk without green walk. Therefore, it is necessary to formulate explicit internal policies and report performance indicators related to indigenous peoples' participation, complaints, and conflict resolution.

Corporate ecological accountability is the key to transparent environmental management. The absence of information related to the area of land cleared, deforestation generated or information related to land use, this shows weaknesses in the transparency of corporate environmental data. This kind of practice opens up space for accusations of greenwashing, namely when companies build green narratives without quantitative evidence of their achievements and impacts. Zentoni et al., (2025) revealed that greenwashing can be categorized as serious environmental fraud, this is due to the inability of criminal law in Indonesia to handle the greenwashing practices that occur.

Stakeholder theory itself states that companies must respond to stakeholder demands and needs in terms of sustainability and non-financial planning (Appiagyei & Donkor, 2024). Therefore, in the context of the palm oil industry, where pollution and water resource conflicts are major issues, disclosure of specific and verified data is very crucial.

The report states that sustainability has been integrated into business strategies through CSR programs and support for achieving the SDGs. This reflects that the company has built social legitimacy to gain market trust. However, again, the success of the strategy is not balanced by the disclosure of quantitative data such as environmental costs, energy efficiency and carbon emission reductions that have been discussed previously.

Indonesia itself is famous for its relations between rulers and companies. It means that the ruler will certainly meet the needs of entrepreneurs, so that government regulations regarding reporting compliance are difficult to implement. Relation of the government and company was also found by Wiredu et al., (2023) in Ghana who saw that the real challenge of implementing green accounting was the lack of understanding and support from stakeholders and the limitations of environmental regulations. In fact, Massari & Giannoccaro, 2023) said that it is important to use GRI reporting standards to help companies communicate economic practices transparently and consistently.

GRI is present as a quantitative indicator to show the company's concrete value creation without narrative. Profit in the sustainability report needs to be proven by tangible performance, not just claims of contribution to the economy or the SDGs agenda. This finding supports the findings of Erin et al., (2022) in Nigeria which only reported a small presentation of SDGs in corporate sustainability reports, while in Pakistan based on the findings of Khan et al., (2023), corporate sustainability reports experienced a consistent increase in various aspects of disclosure, although some were limited to the economic, social and environmental aspects, but at least every year there was an increase in disclosure.

5. Closing

5.1 Conclusion

The findings demonstrate that PT Triputra Agro Persada Tbk's 2024 sustainability report does not yet represent a genuine commitment to environmental stewardship. The disclosure is heavily narrative, lacking quantitative performance data such as carbon emission levels, conservation expenditures, and measurable land restoration achievements. From the Maqashid Shariah perspective, the company's reporting fails to embody the essence of *hifz al-bi'ah* and *hifz al-nafs*, suggesting a disconnect between faith-based ethics and corporate environmental practices. Environmental accounting thus remains an underutilized tool, functioning more as symbolic compliance than as a transformative instrument for ecological accountability.

5.2 Recommendations

1. **Integrate Maqashid Shariah Principles** — Companies should embed *hifz al-bi'ah* and *hifz al-nafs* into sustainability strategies to cultivate a moral consciousness of environmental responsibility.
2. **Adopt Quantitative and Verifiable Reporting** — Disclosures must include measurable indicators such as emission intensity, biodiversity metrics, and environmental expenditure consistent with GRI standards.
3. **Establish External Environmental Audits** — Independent verification mechanisms are essential to ensure the authenticity and transparency of sustainability reports.
4. **Protect Indigenous and Local Communities** — Companies must formalize FPIC principles into policy frameworks and report conflict resolution outcomes transparently.

5.3 Research Limitations

This research is limited to a single case study using qualitative document analysis. Future studies should expand to comparative multi-company analyses, involve interviews with key stakeholders, and apply mixed-method approaches to validate findings across industries.

5.4 Future Research Agenda

Future researchers are encouraged to develop **quantitative models of Sharia-based environmental accounting**, integrating ESG and Maqashid indices to measure environmental, ethical, and social impacts holistically.

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