E-ISSN : 2963-4946
Vol. 2 No. February 05, 2024
Asian Journal of Social and Humanities
https://ajosh.org/

Exploring The Impact of Green Accounting and Corporate Social Responsibility Disclosure on Firm Value Through Profitability In Mining Companies In Indonesia

Sri Luna Murdianingrum, Zuhrohtun, Indro Herry Mulyanto, Heri Susanto, Alfistia Maradidya, Handani Maheresmi
Universitas Pembangunan Nasional "Veteran" Yogyakarta, Indonesia
E-mail: sriluna@upnyk.ac.id, zuhrohtun@upnyk.ac.id, indro.herrymulyanto@upnyk.ac.id, alfistia.maradidya@upnyk.ac.id, handani.maheresmi@upnyk.ac.id

*Correspondence: sriluna@upnyk.ac.id

KEYWORDS
green accounting; profitability; firm value; and mining

ABSTRACT
This study is dedicated to examining how the implementation of green accounting and the disclosure of corporate social responsibility impact the value of mining companies in Indonesia through profitability. Green accounting is a relatively novel area of research in Indonesia, particularly in the context of the mining sector. Given the ongoing governmental reforms in the mining industry, with the prohibition of raw material exports under Law Number 3 of 2020 amending Law Number 4 of 2009 on Mineral and Coal Mining, the study finds it intriguing to explore the implications of green accounting. The ban on nickel ore exports, as stipulated by the aforementioned legal amendments, sparked strong opposition from the European Union, leading to Indonesia being taken to the World Trade Organisation (WTO) in early 2021. This policy aligns with the broader objective of downstreaming, which seeks to secure a domestic supply of raw materials for mineral processing and refining, thereby mitigating adverse environmental effects. To initiate the research, the first step involves gathering data on pertinent variables from the financial statements of mining companies listed on the Indonesian Stock Exchange (IDX). Subsequently, SPSS will be employed to conduct tests and assess the influence of green accounting and corporate social responsibility disclosure on firm value, with profitability acting as a mediating factor.

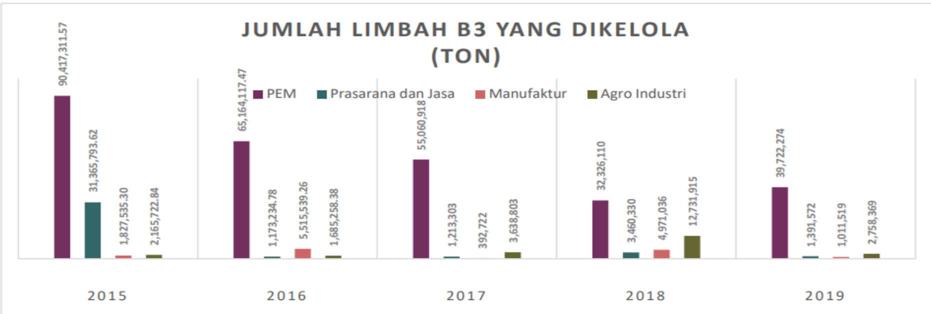
Introduction

The government remains steadfast in its dedication to the ongoing downstreaming policy in the mining sector, progressively halting the export of raw materials for mining products. The establishment of new industries through downstreaming is anticipated to generate extensive employment opportunities, potentially benefiting tens of thousands or even millions of recruitable workers. Another notable advantage is the increased revenue for the state in the form of taxes. The aspiration is that through the downstream industry, all derivative products can be manufactured, fostering technology transfer, promoting the growth of small and medium enterprises in the surrounding areas, and mitigating environmental damage.

Growing concerns surrounding pollution, environmental disruptions, and the depletion of natural resources have compelled businesses worldwide to adopt sustainable development practices in both their operations and production processes, as highlighted by (Khan & Gupta, 2023). In response to these challenges, organizations are increasingly considering the adoption of green accounting frameworks as an alternative to traditional accounting systems, with the aim of fostering sustainable growth, as discussed by (Secundo et al., 2020). Green accounting entails the meticulous identification and measurement of environmental costs and liabilities, which are then documented in financial reports for future reference by stakeholders, shareholders, and management. Given the adverse environmental effects associated with industrialization, the concept of sustainable development has gained heightened significance. Consequently, the evolution of the green accounting approach has positioned itself as a valuable tool for organizations seeking to mitigate the risks associated with sustainable development and its potential impact on financial statements. The incorporation of green accounting practices by businesses not only contributes to the reduction of waste but also facilitates the optimal utilization of resources and minimizes the consumption of utilities, reflecting a proactive stance toward environmental sustainability.

Data from the Ministry of the Environment for 2020 shows that the amount of B3 waste utilized in Indonesia during 2015-2019 can be depicted in the following graph:

Figure 1: Management Levels B3 waste



Source : Ministry of Environment Life

Green accounting can help companies realize a green industry and achieve sustainable development by increasing company value. The results of previous research conducted by (Wahyuni et al., 2019) show that the application of green accounting in the form of renewable energy, recycled materials and environmental costs has a positive and significant influence on company value. The results of previous research conducted by (Singh et al., 2022) show that environmental accounting can influence company value.

Contrastingly, the findings derived from the research conducted by (Erawati & Wahyuni, 2019) indicate that the implementation of green accounting through the allocation of Corporate Social Responsibility (CSR) funds does not unequivocally contribute to the enhancement of company value, particularly in the case of cement, energy, and mining companies, whose operations have notable environmental impacts. The inherent business processes of these industries result in the generation of waste and emissions, exerting potential adverse effects on the environment. Given the paramount importance of environmental considerations and the identified gaps in existing research, scholars are motivated to delve into this research domain. Green accounting and the disclosure of Corporate Social Responsibility (CSRD) by companies are perceived as potential mechanisms to mitigate future losses attributed to environmental damage and cultivate competitive advantages through the production of environmentally friendly outcomes, as posited by (Yen et al., 2019). Notably, the social benefits accrued from such practices contribute significantly to enhancing the overall image of the company, a perspective supported by (Fonseka & Richardson, 2023). A positive corporate image, in turn, stimulates consumer purchasing interest, thereby augmenting sales figures and positively impacting the company's profitability. Moreover, a favorable corporate image enhances the attractiveness of the company to investors, potentially leading to increased investment. This heightened investor confidence is often reflected in the form of an augmented index, marked by an upswing in the company's share prices, as elucidated by (Leitner, 2005).

This research aims to examine the effect of implementing green accounting and CSRD on profitability in the mining industry in Indonesia. Thus, it is hoped that this study can help companies achieve sustainable business processes and reduce environmental impacts.

LITERATURE REVIEWS

Stakeholder Theory and Legitimacy Theory

This research employs stakeholder theory and legitimacy theory. According to stakeholder theory, entities bear responsibilities towards their stakeholders (Harrison & Wicks, 2013). Additionally, legitimacy theory posits that entities must align their operations with relevant values, norms, and rules (Harrison & Wicks, 2013). Building upon these theories and drawing on prior research, the primary objective of this study is to investigate and analyze the impact of incorporating green accounting and Corporate Social Responsibility Disclosure (CSRD) on company value, with profitability serving as a mediating factor, particularly in the context of mining companies.

Green Accounting

Green accounting, as delineated by (Toke & Kalpande, 2022), constitutes an accounting domain that endeavors to establish linkages between environmental budgeting and the operational costs of businesses. It serves as a communicative tool between companies and society, signifying a commitment to enhancing environmental performance (Advanced et al., 2023). The significance of implementing green accounting is underscored by the assertion of(Advanced et al., 2023),, emphasizing its pivotal role in comprehensively elucidating changes within the accounting landscape. By providing comprehensive information encompassing financial, social, and environmental dimensions, green accounting facilitates decision-makers in gaining a holistic understanding of the environmental context. This, in turn, empowers decision-makers to make more informed and discerning choices.

Corporate Social Responsibility Disclosure (CSRD)

As per the findings presented by (Yen et al., 2019), the disclosure of Corporate Social Responsibility (CSR) serves a dual purpose. Primarily, it aims to enhance the corporate image of companies. Conversely, CSR disclosure is also employed to augment the accountability of an organization, grounded on the presumption of a social contract existing between organizations and the community. Moreover, it functions as a means to furnish pertinent information to investors. Theoretical scrutiny of corporate social and environmental practices has garnered considerable attention from researchers, as underscored by (Ananzeh et al., 2022). In this context, the concept of CSR disclosure aligns itself with various theoretical frameworks, including but not limited to agency theory, legitimacy theory, critical mass theory, institutional theory, stakeholder theory, and resource dependence theory. This alignment underscores the multifaceted nature of CSR disclosure and its resonance with diverse theoretical perspectives.

Profitability

Profitability, as defined by (Palazzi et al., 2020). denotes the capacity of a company to generate earnings within a specified period. Information pertaining to profitability holds significant value for investors, as it enables them to closely monitor the trajectory of their returns and make judicious investment decisions. The sustained profitability of a company assumes paramount importance in ensuring the continuity of its operations. In favorable conditions where a company exhibits increased profit growth and the potential for enhanced benefits for stakeholders, investors are likely to retain their capital rather than withdrawing it. Companies, cognizant of the pivotal role profitability plays, diligently attend to factors that exert an influence on this aspect. The outcomes of research conducted by (Herry, 2015) underscore that the management of a company actively formulates policies geared towards fostering and augmenting profit growth.

The value of the company

The value of a company is indicative of the anticipated future cash inflows to the organization(Wardhana et al., 2017). Tobin's q has gained widespread acceptance as a metric for assessing firm value, as it integrates both capital market information and accounting data to consider equilibrium returns and reduce distortions through the application of a risk-adjusted discount rate (Yen et al., 2019) Investors' expectations for returns and their discount rates are influenced by factors such as the projected future cash flows, residual value of the business, and considerations of volatility and cash flow vulnerability (Mendoza, 2017).

Previous Research

Research (Year)	Title	Results
(Susanti et al., 2023)	*The Effect of Green Accounting and Environmental Performance on Company Profitability*	Studies find that company mining companies listed on the Indonesian Stock Exchange benefit in a manner financial from *Green* Performance Accounting and the Environment between 2018 and 2021.
(Purnama & Trisnaningsih, 2022)	*The Effect of Good Corporate Governance on Profitability with Corporate CSR Disclosure as Intervening Variables*	The result show that “the board of commissioners and audit committee have influence significant to profitability ”, while “ ownership institutional , ownership managerial and social responsibility _ company .
(Alim Mulia, Wahyu, 2021)	Influence Implementation *Green Accounting, Corporate Social*	The result show that There is influence between Environmental Performance

Research (Year)	Title	Results
	Responsibility Disclosure to Company Profitability	to profitability, while CSR *Disclosure* has no effect to profitability. By simultaneously, results show that Environmental Performance and CSR Disclosure have influence to profitability.
(MELENIA et al., 2023)	*The Effect of Implementing Green Accounting on the Environmental Performance of Cement, Energy, and Mining Companies in Indonesia*	Application *green accounting* in form waste recycling _ own effect significant positive effect on performance environment. Meanwhile, implementation *green accounting* in the form of environmental costs has no effect on performance environment.
(Singh et al., 2022)	*Interpretive Structural Modeling (ISM) of Enablers Affecting Green Accounting in Indian Manufacturing Sector: A Conceptual Model*	ISM on influencing factors *green accounting* in the Indian sector manufacturing, emphasized context and concepts related to the discovered variables have been tested in the real world.
(Toke & Kalpande, 2022)	*Critical Analysis of Green Accounting and Reporting Practices and Its Implications in the Context of Indian Automobile Industry*	Method This compare whole GARP performance and functioning as Useful manual for organizations that want increase green audits and procedures the reporting.

Hypothesis

Green accounting and profitability

(Advanced et al., 2023) explain that "environmental performance is an important value for most successful economic entities around the world. Entering aspects environment into their strategies ensuring the economic success of the company's sustainability and is called sustainable management". Measuring a company's profitability uses green accounting and environmental performance to provide comprehensive information regarding the performance of all operations carried out by the company, the results of research by (Khan & Gupta, 2023). A consistently positive and statistically significant relationship was found between *green accounting* and company profitability (Erlangga et al., 2021). A profitability study was conducted on Chinese manufacturing companies using data collected in China. Findings show that green accounting has a bearing on the financial health of businesses (Wahyuni et al., 2019). Investor and customer confidence in companies will rise with the introduction of competent environmental accounting (Alim Mulia, Wahyu, 2021). So the hypothesis is arranged as follows:

H1: The effect of *green accounting* on profitability

Corporate Social Responsibility Disclosure and profitability

According to (Fonseka & Richardson, 2023) *Green accounting* can be defined as an accounting process that provides information , apart from financial, social and environmental transactions, *which are* also disclosed in order to produce information that can be used for decision making, both economic and non-economic. economy. Choose steps to increase the environmental impact of traditional reporting practices, and plan new frameworks for financial and non-financial reporting systems, information systems and control systems to better support environmentally friendly risk management decisions (Dwekat et al., 2022), as well as realizing sustainable *programs development goals* . The best companies are companies with high profitability but still pay attention to their social and environmental responsibilities . From an economic perspective, companies must obtain the highest possible profits, but from a social perspective, companies must contribute to society in order to improve social and environmental quality (Ananzeh et al., 2022). So the hypothesis is prepared as follows:

H2: Influence of *corporate social responsibility disclosure* on Profitability

Profitability and Company Value

Research related to profitability (ROA) has a significantly positive effect on company value (Ayem & Nugroho, 2016) (Ayu & Suarjaya, 2017). The results of this study indicate that the company's financial performance has a positive effect on the company's market value (Endiana & Apriada, 2020). This is supported by research put forward by Sari 2020 which proves that profitability has a positive effect on firm value, that high profits increase dividend payments so that it affects stock prices. Based on this, a hypothesis is formulated as follows:

H3: Profitability influences company value

Green Accounting and Company Value

Research by (Pratiwi & Rahayu, 2018) and (Zulhaimi, 2015) revealed that there was an increase in stock price growth after implementing *green accounting* . The results of this study are in line with those stated by (Abdurrahman, 2019) which proves environmental financial accounting, ecology, accounting, environmental cost accounting, environmental management accounting and natural resource accounting which have a strong link with company value. The results of (Dewi & Edward Narayana, 2020) show that the application of *green accounting* has a significant positive effect on company value. Based on this, the hypothesis is formulated as follows:

H4: The application of *Green Accounting* has an effect on firm value

CSRD And Corporate Values

Corporate social responsibility or CSR is an act that seems to promote some social activities that are outside the interests of the company and are required by law (Yen et al., 2019), CSR activities not only affect stakeholders, such as shareholders and *debtholders*, but also non-stakeholders investments, such as customers, communities, and social organizations (Khan & Gupta, 2023). Given the wide range of stakeholders involved, it has yet to be determined whether corporate social responsibility behavior is consistent with the interests of value-maximizing investors. Based on "conflict resolution hypothesis" or "reputation building hypothesis" (Luh & Kusi, 2023), It is hoped that CSR will have a positive effect on company value. Stakeholder theory explains that companies can use CSRD to reduce conflicts between managers and stakeholders non investment. Additionally, CSRD involvement can be used as a mechanism to achieve better communication between insiders and outsiders and thereby reduce conflicts of interest between managers and various investment and non-investment stakeholders. investment (Suteja et al., 2023). Based on this, a hypothesis is formulated as follows:

H5: *Corporate social responsibility disclosure* has a significant effect on company value

Green Accounting, CSRD and Company Value mediated by Profitability

(Mowen et al., 2018) argues that through the competitive advantages offered by companies with concern for the environment and social will bring a good image for the company. According to (Amelia et al., 2023), *sustainability reporting* has a significant effect on company value through financial performance as proxied by liquidity, profitability and *the DuPont System* . In addition, (Khairiyani et al., 2019) stated that environmental performance as reflected in the PROPER scale has an impact on financial performance. PBV and Tobin's Q reflect the impact of environmental performance on firm value.

The results of research by (Dianawati & Fuadati, 2016) state that profitable company value is in the middle which indicates that corporate social responsibility (CSR) has a significant and positive effect on company value, the better corporate social responsibility (CSR) will increase company value. Nor 2011 said that the good image that arises in the commodity market as a result of the company's ability to disclose CSR will bring higher profit margins, so the company is able to provide higher corporate value in a position on the stock market and encourage investors to invest their capital. In addition, (Masitoh et al., 2018) show that profitability mediates CSR on company value. According to (Cahyani & Suhartini, 2023) profitability may be an intermediary variable. This shows that when a company discloses corporate social responsibility, profitability as an intermediate variable can increase company value. Based on this, a hypothesis is formulated as follows:

H6: Profitability is able to mediate the relationship between the application of *Green Accounting* to the value of the company

H7: Profitability is able to mediate the relationship between *corporate social responsibility disclosure* and company valu

Research Methods

The research begins with the formulation of the problem and the determination of the research objectives, then it will be followed by determining the sample from the population determined in the study. Quantitative research was used in this research. The financial report data obtained will be tabulated using the excel program. Data processing using PLS whose results will then be analyzed and will be discussed. Conclusions and suggestions if any will be made to summarize the results of the research that has been done. This study looks at firm value as an independent variable while green accounting and CSRD as the dependent variable, and profitability as a mediating variable. The entire mining sector traded on the Indonesia Stock Exchange (IDX) between 2018 and 2022 constitutes the population for this analysis. The measures in this study include green accounting variables as measured by environmental costs (Lako, 2018), CSRD is measured by the global reporting index, company value is measured by Tobins'Q and profitability is measured by Return On Equity (ROE) (Ratusasi, 2021). Statistical testing to test the hypothesis that will be proven is using multiple regression with the following equation model:

$$Y = a1 + \beta 1X1 + \beta 2X2 + ... + \varepsilon \qquad (1)$$

$$Z = a1 + \beta 1X1 + \beta 2X2 + ... + \varepsilon \qquad (2)$$

$$Y = a1 + \beta 1X1 + \beta 2X2 + \beta 3M3. + ... + \varepsilon \qquad (3)$$

Information :
Y : company value
X1 : green accounting
X2 : CSRD
Z : profitability
B : Regression Coefficient
Ɛ : Error

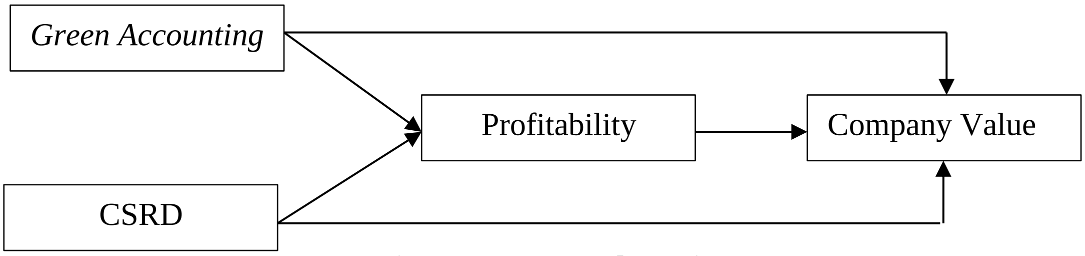


Figure 2: Research Design

Results and Discussions

Data on the Implementation of Green Accounting (X1) through the GRI score with a total of 61 items obtained a minimum value of 0.158 and a maximum value of 0.841 in 2019. In 2019, it was found that the mean value was 0.435 with a final disclosure percentage of 43.5% from 100% (82 items), meaning that mining companies In Indonesia, it is still relatively low in the implementation of Green Accounting with a standard deviation value of 0.159, which means the mean value is greater than the standard deviation value, so in conclusion the data variation is low and data deviation is avoided.

Corporate Data Social Responsibility Disclosure (X2) through the GRI-G4 score with a total of 61 items obtained a minimum value of 0.245 and a maximum value of 0.885 in 2019. In 2019, it was found that the mean value was 0.536 with a final percentage of 53.6% from 100% (61 items), meaning mining companies in Indonesia still relatively low in Corporate Social Responsibility Disclosure with a standard deviation value of 0.143, which means the mean value is greater than the standard deviation value, so the conclusion is that data variation is low and data deviation is avoided.

Profitability data (Z) via Return value on Equity (ROE) with a total result of a minimum value of 0.06 and a maximum value of 6.56 in 2019, it is known that the mean value is 2,745 with a standard deviation value of 1,732, which means the mean value is greater than the standard deviation value, so the conclusion is that data variation is classified as low and avoided. from data deviation.

Firm Value Data (Y) through Tobins'Q calculations with a minimum value of 0.24 and a maximum value of 5.09 in 2019 it is known that the mean value is 1.54 with a standard deviation value of 1.15, which means that the mean value is greater than the standard deviation value so that the conclusion is that the data variations relatively low and avoid data deviation.

Table 1. Multiple Linear Regression of X against Z

Variable	Coefficient	Std. Error	t-statistic	Prob
C	-2.128221	0.525254	-4.051793	0.0001
X1	5.616644	0.968717	5.798024	0.00
X2	5.527181	1.075319	4.210082	0.0001

Variable	Coefficient	Std. Error	t-statistic	Prob
R- Squared	0.609677	Mean dependent var		2.745
Adjusted R-Squared	0.598025	S.D. dependent var		1.732592
S.E. of Regression	1.098489	Akaike info criterion		3.06766
Sum Squared Resid	80.84744	Schwarz criterion		3.164024
Log Likelihood	-104.3681	Hannan-Quin criter		3.105937
F-statistic	52.32626			
Prob (F-statistics)	0.00	Durbin-Watson stat		1.080976

Source: Researcher Data Processing, 2023

The test results show that the implementation variable is green accounting has a probability result of 0.000 < 0.05, which means it has a significant influence on the projected profitability of Return on Equity (ROE) and has a positive relationship with a regression coefficient value of 5.616644, meaning that profitability will increase by 5.61 if the company is able to disclose one aspect or criterion for implementing green accounting in the company. This is in line with several previous studies (Endiana & Apriada, 2020) which states that allocating environmental costs and environmental work practices into company operations will create a competitive advantage in the market, this will encourage positive perceptions and customer loyalty towards the products or services offered by the company. Application of green accounting can be implemented via CSMS (Corporate Sustainability Management System) which has been prepared by the Indonesian Accounting Association so that companies can align policies in determining cost allocations for environmental activities, investment and financing to suit consumer needs and company capabilities.

Corporate Variables Social Responsibility Disclosure has a probability of 0.0001 <0.05, which means it has a significant impact on the projected profitability. Return on Equity (ROE) and has a positive relationship direction with a regression coefficient value of 4.527181 meaning that profitability will increase by 4.52 if the company is able to disclose one of the aspects or criteria of Corporate Social Responsibility Disclosure within the company. This is in line with several previous studies (Wulandari & Sarwoprasodjo, 2020) with the existence of disclosure

CSR within the company will create a sense of trust and security for the quality and safety of the products or services offered by the company, of course this will maintain the image and consumer perceptions of the company, with regard to stakeholders, including investors and the public, need to know the company's non-financial information, including rights employee and community rights, the company's contribution to society and the environment, as well as the company's operational SOPs, this is intended to predict the company's reputation and sustainability in the future.

Table 2. Multiple Linear Regression Y to Z

Variable	Coefficient	Std. Error	t-statistic	Prob
C	0.851353	0.241154	3.530327	0.0007
Z	0.253788	0.074443	3.409158	0.0011
R- Squared	0.145968	Mean dependent var		1.548

Variable	Coefficient	Std. Error	t-statistic	Prob
Adjusted R-Squared	0.133409	S.D. dependent var		1.1509
S.E. of Regression	1.071382	Akaike info criterion		3.003932
Sum Squared Resid	78.05448	Schwarz criterion		3.068174
Log Likelihood	-103.1376	Hannan-Quin criter		3.02945
F-statistic	11.62236			
Prob (F-statistics)	0.0011	Durbin-Watson stat		1.653549

Source: Researcher Data Processing, 2023

The test results also show that the profitability variable (ROE) has a probability result of 0.011 < 0.05, which means it has a significant influence on the company value projected by Tobins'Q and has a positive relationship with a regression coefficient value of 0.253788, meaning the company value will increase by 0.25 if the company is able to increase profitability by 1% in net income. This is in line with research by (Ayu & Suarjaya, 2017) which states that in accordance with signal theory, if a company is able to achieve a good level of profit, it will provide a positive signal or sentiment to investors regarding the company's sustainability and The company's ability to pay high levels of dividends will certainly respond to interest in investing and be able to increase share prices on the stock exchange market.

Table 3. Multiple Linear Regression of X against Y

Variable	Coefficient	Std. Error	t-statistic	Prob
C	-0.53681	0.48443	-1.108128	0.2718
X1	2.273481	0.893425	2.545016	0.0132
X2	2.041551	0.991741	2.058552	0.0434
R- Squared	0.247572	Mean dependent var		1.548
Adjusted R-Squared	0.225112	S.D. dependent var		1.1509
S.E. of Regression	1.013111	Akaike info criterion		2.90584
Sum Squared Resid	68.76835	Schwarz criterion		3.002204
Log Likelihood	-98.70439	Hannan-Quin criter		2.944117
F-statistic	11.02256			
Prob (F-statistics)	0.000073	Durbin-Watson stat		0.571425

Source: Researcher Data Processing, 2023

The test results show that the variable implementing green accounting has a probability result of 0.0132 < 0.05, which means it has a significant influence on the company value projected by Tobins'Q and has a positive relationship with a regression coefficient value of 2.273781, meaning the company value will increase by 2.27 if the company is able to disclose one of the aspects or criteria for implementing green accounting in the company. This is in line with research by (Saputra & Mahyuni, 2018) which states that business commitment in implementing environmental cost allocation will increase company value and help in realizing sustainable development . so that a positive impression will be received by investors and the public, because this is to avoid negative sanctions that will be received by the company in the future due to environmental problems, so investors will have more confidence in the stability of the company in the future.

Green implementation variable accounting has a probability result of 0.0434 <0.05, which means that it has significant influence on the firm value projected by Tobins'Q and has a positive direction with a regression coefficient value of 2.041551, meaning that firm value will increase by 2.04 if the company is able to disclose one of the aspects or criteria of Corporate Social Responsibility Disclosure within the company. (Chen & Lee, 2017), (Putri & Budiyanto, 2018), and (Tunpornchai & Hensawang, 2018) stated that the implementation of Corporate Social Responsibility by the company will ensure that the company's value grows in a sustainable manner with the aim of gaining the trust of investors and the public.

Application of green accounting has the potential to increase company profitability, this is based on the results of data acquisition and analysis which shows that it is influential and significant meaning that if a company can implement and increase disclosure of its environmental performance it will be included as one of the efforts to implement green accounting which will indirectly increase profitability because it can give a positive image of a product or service both for the environment and socially, otherwise if it is not implemented it will reduce the selling power of the product so that profits will decrease.

corporate Social Responsibility Disclosure has the potential to increase company profitability, this is based on the results of data acquisition and analysis which shows that it is influential and significant, meaning that if a company can implement and increase disclosure of information on CSR activities, it will increase profitability because it can provide a positive image and sentiment to the surrounding community so that there is a sense of trust in The company's products or services will reach the public, otherwise if they are not implemented it will reduce the selling power of the product so that profits will decrease.

Profitability has the potential to increase the value of the company, this is based on the results of acquisition and data analysis which shows that it is influential and significant, meaning that if the company can increase its profitability it will increase the value of the company on the stock market, because investors are very confident and confident in the capital that will be paid into the company. the company will bring a high level of return and dividends, conversely if profits are low then investor interest will decrease, so the value of the company will also decrease.

Conclusion

The integration of green accounting significantly influences company value, implying that effective implementation and heightened disclosure of environmental performance contribute to green accounting efforts. This, in turn, indirectly enhances company value by fostering a positive image and instilling trust among stakeholders, thereby reinforcing the company's sustainability prospects. Similarly, Corporate Social Responsibility Disclosure (CSRD) exerts a substantial impact on company value. The adept implementation and increased disclosure of CSR information elevate the company's value by cultivating a positive image and engendering trust among stakeholders regarding the company's contributions to the environment and social well-being.

However, it is noteworthy that profitability fails to serve as a mediating factor between the implementation of green accounting or CSR disclosure and company value. This suggests that neither green accounting nor CSR disclosure has been optimally executed to instill trust in the products, consequently rendering them less influential in mediating the relationship between these practices and firm value.

Drawing from the research outcomes, implications emerge for various stakeholders, both theoretically and practically. Firstly, investors can utilize the application of green accounting and CSR disclosure as evaluative tools for assessing a company's commitment to environmental and social responsibilities, ensuring compliance with relevant laws. This enables investors to actively support and encourage companies to prioritize social and environmental concerns. Secondly, for the government, the findings highlight the need for increased participation of manufacturing companies in programs like PROPER, aimed at comprehensive assessments of environmental initiatives and adherence to regulations. Finally, companies are urged to adopt environmental accounting standards, such as those prepared by the Indonesian Accountants Association in PSAK. This entails recognizing the environment as part of the company's assets and costs, recording environmental improvement activities, and reporting them in financial statements, thereby presenting a comprehensive overview of the company's financial position.

References

Abdurrahman, A. (2019). Impact Of Green Accounting On Company Value: Evidence From The Nigerian Companies. *Arthatama*, *3*(1), 16–26.

Advanced, C., Finance, S., & Worldwide, E. (2023). *The Effect Of Green Accounting And Environmental Performance On Company*. *2*(2), 320–331.

Alim Mulia, Wahyu, P. (2021). (2021). Pengaruh Implementasi Green Accounting, Corporate Social Responsibility Disclosure Terhadap Profitabilitas Perusahaan. *Jurnal Digital Akuntansi*, *1*(1), 23–29.

Amelia, S., Suharyono, O., Lusiana Yulianti, M., & Komar Priatna, D. (2023). Pengaruh Perputaran Kas Terhadap Profitabilitas (Studi Kasus Pada Pt. Mayora Indah Tbk Periode Tahun 2014 – 2021). *Jurnal Humaniora, Ekonomi Syariah Dan Muamalah*, *1*(1), 15–24. Https://Doi.Org/10.38035/Jhesm.V1i1.3

Ananzeh, H., Al Shbail, M. O., Al Amosh, H., Khatib, S. F. A., & Abualoush, S. H. (2022). Political Connection, Ownership Concentration, And Corporate Social Responsibility Disclosure Quality (Csrd): Empirical Evidence From Jordan. *International Journal Of Disclosure And Governance*, *20*(1), 83–98. Https://Doi.Org/10.1057/S41310-022-00167-Z

Ayem, S., & Nugroho, R. (2016). Pengaruh Profitabilitas, Struktur Modal, Kebijakan Deviden, Dan Keputusan Investasi Terhadap Nilai Perusahaan (Studi Kasus Perusahaan Manufaktur Yang Go Publik Di Bursa Efek Indonesia) Periode 2010-2014. *Jurnal Akuntansi*, *4*(1), 31–40.

Ayu, D. P., & Suarjaya, A. A. G. (2017). Pengaruh Profitabilitas Terhadap Nilai Perusahaan Dengan Corporate Social Responsibility Sebagai Variabel Mediasi Pada Perusahaan Pertambangan. *E-Jurnal Manajemen Unud*, *6*(2), 1112–1138.

Cahyani, M. I., & Suhartini, D. (2023). Determinants Of Firm Value: Sustainability Report As A Mediating Variable. *International Journal Of Economy, Education And Entrepreneurship*, *3*(2), 355–367.

Chen, R. C. Y., & Lee, C.-H. (2017). The Influence Of Csr On Firm Value: An Application Of Panel Smooth Transition Regression On Taiwan. *Applied Economics*, *49*(34), 3422–3434.

Dewi, P. P., & Edward Narayana, I. P. (2020). Implementasi Green Accounting, Profitabilitas Dan Corporate Social Responsibility Pada Nilai Perusahaan. *E-Jurnal Akuntansi*, *30*(12), 3252.

Dianawati, C. P., & Fuadati, S. R. (2016). Pengaruh Csr Dan Gcg Terhadap Nilai Perusahaan: Profitabilitas Sebagai Variabel Intervening. *Jurnal Ilmu Dan Riset Manajemen (Jirm)*, *5*(1).

Dwekat, A., Seguí-Mas, E., Zaid, M. A. A., & Tormo-Carbó, G. (2022). Corporate Governance And Corporate Social Responsibility: Mapping The Most Critical Drivers In The Board Academic Literature. *Meditari Accountancy Research*, *30*(6), 1705–1739. Https://Doi.Org/10.1108/Medar-01-2021-1155

Endiana, I. D. M., & Apriada, I. K. (2020). Analisis Dampak Internal Yang Mempengaruhi Audit Delay. *Accounting Profession Journal (Apaji)*, *2*(2), 82–93.

Erawati, T., & Wahyuni, F. (2019). Pengaruh Corporate Governance, Ukuran Perusahaan, Dan Leverage Terhadap Kinerja Keuangan Perusahaan Di Bursa Efek Indonesia. *Jurnal Akuntansi Pajak Dewantara*, *1*(2), 129–137. Https://Doi.Org/10.24964/Japd.V1i1.895

Erlangga, C. M., Fauzi, A., & Sumiati, A. (2021). Penerapan Green Accounting Dan Corporate Social Responsibility Disclosure Terhadap Nilai Perusahaan Melalui

Profitabilitas. *Akuntabilitas*, *14*(1), 61–78. Https://Doi.Org/10.15408/Akt.V14i1.20749

Fonseka, M., & Richardson, G. (2023). The Effect Of Mandatory Corporate Social Responsibility Disclosure And Performance On Firms' Dividend Decisions: Evidence From China. *Economic Modelling*, *120*(December 2022), 106152. Https://Doi.Org/10.1016/J.Econmod.2022.106152

Harrison, J. S., & Wicks, A. C. (2013). Stakeholder Theory, Value, And Firm Performance. *Business Ethics Quarterly*, *23*(01), 97–124. Https://Doi.Org/10.5840/Beq20132314

Herry, A. B. (2015). Banking Profitability : How Does The Credit Risk And Operational Efficiency Effect ? *Journal Of Business And Management Sciences*, *3*(4), 118–123. Https://Doi.Org/10.12691/Jbms-3-4-3

Khairiyani, K., Mubyarto, N., Mutia, A., Zahara, A. E., & Habibah, G. W. I. A. (2019). Kinerja Lingkungan Terhadap Kinerja Keuangan Serta Implikasinya Terhadap Nilai Perusahaan. *Iltizam Journal Of Shariah Economics Research*, *3*(1), 41–62.

Khan, S., & Gupta, S. (2023). Using A Hermeneutic Phenomenological Approach To Twitter Content: A Social Network's Analysis Of Green Accounting As A Dimension Of Sustainability. *Qualitative Research In Financial Markets*. Https://Doi.Org/10.1108/Qrfm-02-2022-0031

Leitner, K. H. (2005). Managing And Reporting Intangible Assets In Research Technology Organisations. *R And D Management*, *35*(2), 125–136. Https://Doi.Org/10.1111/J.1467-9310.2005.00378.X

Luh, P. K., & Kusi, B. A. (2023). How Do Females In Top Executive Positions Influence Firm Profitability: New Insight From Non Financial Firms On Ghana Stock Exchange. *Gender In Management*. Https://Doi.Org/10.1108/Gm-03-2022-0091

Masitoh, D., Paramita, P. D., & Suprijanto, A. (2018). Pengaruh Corporate Social Responsibility, Debt To Equity Ratio Terhadap Nilai Perusahaan Dengan Profitabilitas Sebagai Variabel Intervening (Studi Empiris Pada Perusahaan Manufaktur Sektor Pertambangan Di Bursa Efek Indonesia Periode Tahun 2011-2017). *Journal Of Accounting*, *4*(4).

Melenia, F., Agustini, A. T., & Putra, H. S. (2023). *Proses Berpikir Siswa Sma Level Deduksi Informal Dalam Menyelesaikan Soal Dimensi Tiga Menurut Tahapan Wallas*.

Mendoza, R. R. (2017). Relationship Between Intangible Assets And Cash Flows: An Empirical Analysis Of Publicly Listed Corporations In The Philippines. *Review Of Integrative Business And Economics Research*, *6*(1), 188-202.

Mowen, T. J., Brent, J. J., & Bares, K. J. (2018). How Arrest Impacts Delinquency Over Time Between And Within Individuals. *Youth Violence And Juvenile Justice*, *16*(4), 358–377.

Palazzi, F., Sgrò, F., Ciambotti, M., & Bontis, N. (2020). Technological Intensity As A Moderating Variable For The Intellectual Capital–Performance Relationship. *Knowledge And Process Management*, *27*(1), 3–14. Https://Doi.Org/10.1002/Kpm.1617

Pratiwi, N., & Rahayu, Y. (2018). Pengaruh Penerapan Green Accounting Terhadap Pertumbuhan Harga Saham Dengan Profitabilitas Sebagai Variabel Moderating. *Jurnal Ilmu Dan Riset Akuntansi (Jira)*, *7*(8).

Purnama, H. K., & Trisnaningsih, S. (2022). The Effect Of Good Corporate Governance On Profitability With Corporate Csr Disclosure As Intervening Variables. *Jurnal*

Penelitian Ekonomi Dan Akuntansi Jpensi, *7*(1), 27. Https://Doi.Org/10.30736/Ja.V7i1.907

Putri, Z. B., & Budiyanto, B. (2018). Pengaruh Corporate Social Responsibility Terhadap Nilai Perusahaan Dengan Kepemilikan Manajerial Sebagai Variabel Moderating. *Jurnal Ilmu Dan Riset Manajemen (Jirm)*, *7*(3).

Saputra, I. P. A., & Mahyuni, L. P. (2018). Pengaruh Struktur Kepemilikan Dan Kinerja Lingkungan Terhadap Nilai Perusahaan. *Jurnal Manajemen Bisnis*, *15*(3), 64–81.

Secundo, G., Ndou, V., Vecchio, P. Del, & De Pascale, G. (2020). Sustainable Development, Intellectual Capital And Technology Policies: A Structured Literature Review And Future Research Agenda. *Technological Forecasting And Social Change*, *153*(March 2019), 119917. Https://Doi.Org/10.1016/J.Techfore.2020.119917

Singh, A., Singh, A., & Pillai, B. G. (2022). Interpretive Structural Modelling (Ism) Of Enablers Affecting Green Accounting In Indian Manufacturing Sector: A Conceptual Model. *Nature Environment And Pollution Technology*, *21*(2), 763–767. Https://Doi.Org/10.46488/Nept.2022.V21i02.039

Susanti, I. D., Hertati, L., & Putri, A. U. (2023). The Effect Of Green Accounting And Environmental Performance On Company Profitability. *Cashflow: Current Advanced Research On Sharia Finance And Economic Worldwide*, *2*(2), 320–331.

Suteja, J., Gunardi, A., Alghifari, E. S., Susiadi, A. A., Yulianti, A. S., & Lestari, A. (2023). Investment Decision And Firm Value: Moderating Effects Of Corporate Social Responsibility And Profitability Of Non-Financial Sector Companies On The Indonesia Stock Exchange. *Journal Of Risk And Financial Management*, *16*(1), 40. Https://Doi.Org/10.3390/Jrfm16010040

Toke, L. K., & Kalpande, S. D. (2022). Critical Analysis Of Green Accounting And Reporting Practises And Its Implication In The Context Of Indian Automobile Industry. *Environment, Development And Sustainability*, *0123456789*. Https://Doi.Org/10.1007/S10668-022-02816-3

Tunpornchai, W., & Hensawang, S. (2018). Effects Of Corporate Social Responsibility And Corporate Governance On Firm Value: Empirical Evidences Of The Listed Companies On The Stock Exchange Of Thailand In The Set100. *Psaku International Journal Of Interdisciplinary Research*, *7*(1).

Wahyuni, W., Meutia, I., & Syamsurijal, S. (2019). The Effect Of Green Accounting Implementation On Improving The Environmental Performance Of Mining And Energy Companies In Indonesia. *Binus Business Review*, *10*(2), 131–137. Https://Doi.Org/10.21512/Bbr.V10i2.5767

Wardhana, R., Tjahjadi, B., & Permatasari, Y. (2017). The Mediating Role Of Growth Opportunity In Good Corporate Governance-Stock Return Relationship. *Investment Management And Financial Innovations*, *14*(3), 313–321. Https://Doi.Org/10.21511/Imfi.14(3-2).2017.02

Wulandari, W., & Sarwoprasodjo, S. (2020). The Influence Of Economic Family State Towards Motive Of Early Marriage In Rural Area. *Sodality*, *2*(1), 180261.

Yen, M. F., Shiu, Y. M., & Wang, C. F. (2019). Socially Responsible Investment Returns And News: Evidence From Asia. *Corporate Social Responsibility And Environmental Management*, *26*(6), 1565–1578. Https://Doi.Org/10.1002/Csr.1833

Zulhaimi, H. (2015). Pengaruh Penerapan Green Accounting Terhadap Kinerja Perusahaan. *Jurnal Riset Akuntansi Dan Keuangan*, *3*(1), 603–616.