ABSTRACT

Environmental sustainability issues have become a global concern, prompting companies to not only pursue financial profits but also pay attention to the social and environmental impacts of their operational activities. Green accounting has emerged as an accounting approach that integrates environmental costs and the use of renewable energy into the financial reporting system. This study aims to analyze the effect of green accounting proxied by Environmental Cost and Renewable Energy on firm value, with Corporate Social Responsibility (CSR) disclosure as a mediating variable to explore the relationship.

This research was conducted on non-financial sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period, which have disclosed environmental costs, renewable energy usage, and complied with GRI standards. The sample was selected using purposive sampling with a total of 180 observational data points. Data were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach with the help of SmartPLS 4 software to test the relationships among variables.

The results show that green accounting has a positive influence on CSR (coefficient = 0.293, p-value < 0.05) and firm value (coefficient = 0.198, p-value < 0.05). Meanwhile, CSR has a significant negative effect on firm value (coefficient = -0.222, p-value < 0.05). Furthermore, CSR does not significantly mediate the effect of green accounting on firm value (coefficient = -0.065, p-value < 0.05).

Keywords: *Firm Value, Green Accounting, Corporate Social Responsibility, Environmental Cost, Renewable Energy.*