

## ABSTRACT

*This study aims to analyze the role of profitability in mediating the effect of green accounting and carbon emission disclosure on firm value in industrial sector companies in Indonesia during the 2021–2024 period. This research is based on the inconsistency of previous findings regarding the effect of environmental practices on firm value and the unclear role of profitability as a mediating variable in explaining the relationship between environmental performance and financial performance.*

*This study uses a quantitative approach with secondary data obtained from companies' annual reports. The analytical methods employed are multiple linear regression and mediation analysis. The independent variables in this study are green accounting and carbon emission disclosure, the dependent variable is firm value, and profitability serves as the mediating variable.*

*The results of the study indicate that green accounting and carbon emission disclosure significantly influence firm value. Green accounting and carbon emission disclosure also influence profitability, while profitability significantly influences firm value. However, profitability is unable to mediate the relationship between green accounting and firm value or the relationship between carbon emission disclosure and firm value. These findings indicate that the implementation of green accounting and carbon emission disclosure can have a direct impact on firm value, but this effect does not occur through increased profitability. Thus, green accounting and carbon emission disclosure play a more significant role as a form of environmental responsibility and a positive signal for investors in assessing a company's prospects and sustainability.*

**Keywords:** *Green Accounting, Carbon Emission Disclosure, Profitability, Firm Value*