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Research Article

Financial Performance: The Effect of Green Accounting on Firm Value

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Abstract: economy are expected to drive large companies in the future of the business world. The purpose of this study was to examine Green Accounting on firm value mediated by financial performance. The population in this study were manufacturing companies with purposive sampling technique. The data analysis technique used is SEM PLS processed with WarpPLS 7.0. The results showed that Green Accounting has a significant positive effect on firm value. This shows that the findings of this study indicate that Green Accounting can increase firm value. Financial performance is able to mediate the effect of Green Accounting on firm value. Increased investor and public confidence encourages companies to disclose environmental reports in a transparent and accountable manner.

Keywords: Carbon Emission Disclosure; Financial Performance; Firm Value; Green Accounting

1. Introduction

Technological advances, changes in consumer patterns, and the need for an economic In the future, businesses will face new challenges in managing their operations and opportunities to innovate and adapt (Soetardjo & Nurmawati, 2024). In the future, businesses will face new challenges in managing their operations and opportunities to innovate and adapt. Digital shift, artificial intelligence, and automation will be essential to increase productivity and efficiency (Rahmanita, 2020; Iman1, 2021; Anggita et al., 2022; Surya et al., 2023). This opportunity is utilized by businesses to attract investors and consumers with the aim of increasing Firm Value.

Firm Value is a reflection of the good or bad condition of a company (Carandang & Ferrer, 2020; Kurnia et al., 2021; Anggita et al., 2022; Sari & Pratiwi, 2023; Wardoyo dan Fauziah, 2024). The value of a company can be seen from its stock market value, which means that if the company's stock price increases, investors will benefit because shareholder profits are related to the company's stock price (Dewi & Narayana, 2020; ; Kurnia et al., 2021; Anggita et al., 2022; Sari & Pratiwi, 2023; Wardoyo, 2024). Investors also pay attention to the company's environmental performance in reducing greenhouse gas (GHG) emissions as an indication of concern for the environment. Sustainability reporting includes reports that explain Green accounting.

In Indonesia, Law No. 31 of 2009 on the Protection and Management of the Environment and Law No. 40 of 2009 on the Protection and Management of the

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Environment (Surya et al., 2023). Management of the Environment and Law No. 40 of 2007 on Social and Environmental Responsibility of Limited Liability Companies have been enacted (Mustofa et al., 2020; Firmansyah et al., 2021; Sumiati et al., 2022; Gantino et al., 2023; Singh, 2024). This supports Stakeholder theory that companies are established to do good things for the environment and not just to make money. The company can establish a good relationship with its stakeholders (Ambarwati & Hapsoro, 2020; Firmansyah et al., 2021; Ramadhani et al., 2022; Kusuma & Dosinta, 2023; Imansari et al., 2024).

If investors are interested in climate change issues,companies are expected to provide information about Green accounting reports in sustainability reports or annual reports in a clear and transparent manner. Disclosure of carbon emissions is one way to mitigate business-related risks that can deter investors (Ramadhan et al., 2023). Information from katadata, (2022) Companies that implement governance, environmental and social (ESG) principles related to climate issues are the most popular among investors.

Green accounting is the process of identifying, measuring, recording, summarizing, reporting, and disclosing objects, transactions, events, or information about the impact of a company's economic, social, and environmental activities on society, the environment, and the company itself (Ulupui et al., 2020; Sumiati et al., 2021; Anggita et al., 2022; Niandari & Handayani, 2023; Van, 2024). This process assists users in making economic and non-economic decisions. Van, (2024) states, the purpose of Green Accounting Information Reporting is to combine financial accounting (economic), social accounting and environmental accounting information in one accounting report so that stakeholders can assess it and make investment, management and other decisions (Sukawati et al., 2020 ; Emmanuel, 2021; Ramadhani et al., 2022; Cahyani & Puspitasari, 2023).

Research conducted by Anggita et al., (2024) revealed that green accounting has a positive effect on firm value. accounting has a positive effect on firm value (Dewi & Edward Narayana, 2020; Lusiana et al., 2021; Anggita et al., 2022 ; Kusuma & Dosinta, 2023). However, in contrast to Erwanto, (2024) states that green accounting has a negative effect on firm value. Accounting has a negative effect on firm value (Riyadh et al., 2020 ; Emmanuel, 2021; Astuti et al., 2022; Gantino et al., 2023). Different research is not just adeviation from the method used, but rather a brave attempt to open new perspectives and dig deeper. to open new perspectives and dig deeper into Green accounting.

The existence of inconsistencies in previous studies,which examined the effect between Green accounting on firm value, by adding mediation, namely financial performance. financial performance. The addition of financial performance variables in this study is new and different from previous studies. It is hoped that this research can update the understanding of the company's financial performance through a more relevant analysis and research approach. companies through analysis and research approaches that are more relevant to the current economic context. current economic context. In this study, including financial performance as a new feature, trying to find out whether financial performance can mediate the effect of green accounting. mediate the effect of green accounting on firm value. In the research Sutisna et al., (2024) the increase in a company's value is also influenced by financial performance.

Financial performance is a tool that shows the financial condition of a company is called financial performance (Mensah et al., 2020; Angelina & Nursasi, 2021; Sofia & Januarti, 2022 ; Handoko & Santoso, 2023; Nur'afifah, 2024). Angelina & Nursasi, (2021) stated that through the capital structure of a company, financial performance can assess the achievements that the company has achieved. Astuti & Lestari, (2024) Return On Assets (ROA) is a measure of management's success in generating profits. ROA is measured by comparing profit before tax with average total assets during a certain period plus the number of assets owned (Mustofa et al., 2020; Khan, 2021 ; Ramadhani et al., 2022 ; Handoko & Santoso, 2023).

Research conducted by Hartono & Ratnaningsih, (2024) states that financial performance can affect corporate social responsibility on firm value. corporate social responsibility on firm value. . Surya et al., (2023) explain that financial performance can mediate green accounting on firm value. Surya et al., (2023) also concluded that the implementation of environmental responsibility supported by financial resources can mediate green accounting to firm value. supported by financial resources can significantly affect the desires felt by corporate and government stakeholders. However, in contrast to research Widiyaningsih & Jati, (2024) revealed that the company's financial performance could not mediate green accounting.

Contingency theory can help explain why accounting systems vary depending on the conditions of the firm. This approach is based on the idea that only based on the conditions of the entity can the ideal accounting system be selected (Otley, 1980). Syalomytha & Natalia, (2023) revealed that the ultimate goal of a company is to survive and grow or survive. This theory is a behavioral theory which states that the best way to run a business depends on the internal and external circumstances of the business. This theory also explains that everything happens because of interdependence.

Different research gap results encourage researchers to analyze and show the influence between green accounting on firm value mediated by financial performance. It is hoped that this research can make an additional contribution to how an organization or association can increase its association can increase its firm value through green accounting, firm value and financial performance.

2. Theory and hypothesis study

2.1 Stakeholder Theory

Freeman,(1984) the originator of Stakeholder theory, the company prioritizes the interests of stakeholders above its own interests (Mustofa et al., 2020; Rahmadhani et al., 2021; Ramadhani et al., 2022; Surya et al., 2023; Santoso dan Yanti, 2024). Stakeholder support has a major influence on the existence of the company and its performance improvement. Stakeholder theory explains that stakeholders have control over all the resources the company needs to operate (Mustofa et al., 2020; Andrian & Kevin, 2021; Dianty, 2022; Surya et al., 2023; Santoso dan Yanti, 2024). This is their way of ensuring that the company can survive. Primary and secondary stakeholders consist of two groups.

2.2 Contingency Theory

Otley, (1980) said that Contingency Theory can help explain why accounting systems vary depending on entity conditions (Safitri dan Handayani, 2020; Kartana, 2021; Indahsari dan Yuliati, 2022; Rizki et al, 2023; Khazaini et al, 2024). This approach is based on the idea that no accounting system is always suitable for every entity, but only based on the conditions or circumstances of the entity.Contingency theory says that companies must achieve effectiveness by making decisions and policies based on internal factors (Etika et al, 2022; yuniarti et al, 2023; Khazaini et al, 2024). According to Anuar et al, (2020) This theory emphasizes that companies depend on situations when they can adapt to a constantly changing environment, and they can produce innovative products and ideas to maintain customer satisfaction.Contingency theory finds the best way to control entities in various operating conditions (Yuniarti et al, 2023).

2.3 Firm Value

Firm value can be interpreted as a stock price which is a measure of the value of a company on the stock exchange. Firm value can be defined as the price that a prospective buyer would pay for a company if the company were to be sold (Rahmanita, 2020 ; Khan, 2021; Soleha & Isnalita, 2022; Sari & Pratiwi, 2023; Gunawan & Berliyanda, 2024). Firm Value is a benchmark for investors or parties who want to make business transactions often consider evaluating the company's total assets and profit potential (Kurnia et al., 2020 ; Bakhtiar et al., 2021; Fauzi, 2022; Sari dan Pratiwi, 2023 ; Alifian & Susilo, 2024). By generating maximum profit or wealth, the company aims to improve the welfare of its shareholders. The company's wealth or profit shows its performance in the financial statements to attract investors (Soetardjo & Nurmawati, 2024).

2.4 Green Accounting

Green accounting is a system that records and reports the finances of an organization by considering environmental factors (Abdullah & Amiruddin, 2020; Emmanuel, 2021; Sumiati et al., 2022; Cahyani dan Puspitasari, 2023; Van, 2024). Aims to enable users, including management, shareholders, creditors, customers, consumers, employees, government, and the general public, to see and be able to assess the financial position and performance of the business, business risks, business prospects, and business growth, as well as revenue performance, comprehensively, before making final decisions relating to matters of an economic and non-economic nature (Van, 2024).

Green accounting can be measured using proper certificates measured by the ministry of environment. By looking at the evaluation of the Company Performance Rating Assessment Program (PROPER) provided by the company to the Ministry of Environment and Forestry of the Republic of Indonesia (KLH), stakeholders can publish the level of implementation of Green Accounting (Dewi dan Narayana, 2020; Angelina & Nursasi, 2021; Anggita et al., 2022; Cahyani dan Puspitasari, 2023; Pratama et al., 2024).

2.5 Financial Performance

Describes how well a company, organization, or other organization manages and optimizes its financial resources over a period of time (Mustofa et al., 2020; Emmanuel, 2021; Ramadhani et al., 2022; Handoko & Santoso, 2023; Hartono & Ratnaningsih, 2024). Financial performance is measured using profitability, because profitability shows the company's ability to generate profits, it can be used to measure financial performance. Profitability can be measured using the Return On Assets (ROA) ratio, ROA is used in this study because it can see how efficiently the company can utilize its assets to generate profits (Mustofa et al., 2020; Khan, 2021; Sofia & Januarti, 2022; Handoko & Santoso, 2023; Astuti & Lestari, 2024).

2.6 Green accounting on Firm Value

Green accounting is an accounting approach that considers environmental factors in calculating the economy and finance of a company. Green accounting is also a way to take responsibility for the impact of business operations on the social environment of society. Stakeholder Theory can help explain Green accounting. According to Stakeholder Theory, companies are responsible to shareholders and other groups that are affected or have an interest in the company's activities. These groups include government, society, and others.

Research Anggita elt al., (2024) revealed, that Green accounting can affect firm value (Delwi & Narayana, 2020; Lusiana elt al., 2021; Anggita elt al., 2022; Kusuma & Dolsinta, 2023). Therefore, more and more companies are getting proper certification to increase their business value by implementing environmental management. through a well-managed business, proper will increase the value of the company through financial performance. The concept of Green accounting is actually an initiative to reduce production costs, so that it can reduce the company's operational burden if applied in the long term, industries that apply Green accounting can attract consumer interest in an era where people are increasingly aware of the importance of environmental conservation (Delwi & Narayana, 2020; Angellina & Nursasi, 2021; Sumiati elt al., 2022; Banjari, 2023; Fini & Astuti, 2024).

H1: Green accounting has a Positive Effect on Firm Value

2.7 Green accounting on Firm Value Mediated by Financial Performance

Contingency theory, plays a very important role in the development and standards of Green accounting, which is also known as environmental accounting. Environmental accounting refers to the measurement and reporting of costs and benefits associated with corporate activities and the management of natural resources on the environment. According to this model, companies are not only responsible to their shareholders, but also to stakeholders who are affected by the company's economic, social, and environmental impacts. The research of Surya et al, (2023) shows that financial performance is able to melmeldiate Greleln accolunting on firm value (Akmala & Indri, 2020; Rachmawati, 2021; Rajak, 2022; Ningsi elt al., 2024). This is because an increase in profit indicates good performance, which attracts investors. In addition, every year the Ministry of Industry grants awards to companies that have successfully implemented green industry, In addition, the Ministry of Environment has launched prolpelr, a program to assess the performance of companies in environmental management (Delwi & Eldward, 2020; Angellina & Nursasi, 2021; Sumiati elt al., 2022; Banjari, 2023; Fini dan Astuti, 2024).

H2: Financial Performance Can Mediate Green accounting on Firm Value

3. Proposed Method

This type of research is quantitative research with a causal relationship. The population in this study are manufacturing companies listed on the Indonesia Stock Exchange (IDX) in 2021-2023, totaling 128 companies. The sampling technique used in this study is purposive sampling testing, namely sampling using certain criteria. The number of company samples obtained was 20 companies with a final observation sample of 60 samples.

The type of data used in this study is secondary data. The data collection technique used is the documentation technique, which is a method of collecting information by collecting, analyzing, and evaluating documents relevant to the research. This includes various types of documents, whether written, graphic, electronic, published or unpublished. This technique is carried out by collecting and utilizing data on the financial statements of manufacturing companies in 2021 - 2023 obtained from the IDX.

This study applies the Green Accounting variable as an independent variable, financial performance as a mediating variable and Firm Value as a dependent variable which is presented in the following table:

Table 1

Variable	Definition	Formula	Scale / Source
Firm Value	Firm value The value used to measure the quality level of the company. This study uses Tobin's Q formula because it explains whether the company is overvalued or underovervalued.	Tobin,s Q = $\frac{\boldsymbol{MVE+DEBT}}{\boldsymbol{Total\ Assets}}$	Rasio / (Surya et al., 2023)
	Green Accounting is an accounting concept that aims to integrate environmental costs and benefits in	• 5 (gold) • 4 (green) • 3 (blue)	

Green Accounting	corporate activities. Green Accounting is measured using Proper certificates. Proper is assessed from an assessment of air control standards, air pollution, waste management, environmental impact analysis, and the implementation of a stable and reliable system.	• 2 (red) • 1 (black)	Interval / (Surya et al., 2023)
Financial performance	Financial performance of the company's activities in creating and maintaining a healthy and sustainable environment that includes the company's impact on natural systems, both living and non-living, including land, air, and the ecosystem as a whole.	$ROA = \frac{\text{Net income}}{\text{Total Assets}}$	Rasio / (Surya et al., 2023)

Source: Research Data, 2025

Data analysis in this study was carried out using descriptive statistical analysis techniques and analytical tools used by path analysis. For data processing, this research uses warpPLS version 7.0. The testing stages are Descriptive Statistical Test, the results of the Validity and Reliability Data Measurement, the results of the Outer Moldell measurement, the results of the Innelr Moldell Measurement, the results of the Moldel Fit Test, and the Hipotesis Test Results. Then the statistical moldel in this research is as follows:

Data analysis in this study was carried out using descriptive statistical analysis techniques and the analytical tool used was path analysis. For data processing, this study used warpPLS version 7.0. The testing stages are Descriptive Statistical Test, Data Validity and Reliability Measurement results, Outer Model measurement results, Inner Model Measurement results, Model Fit Test results, and Hypothesis Test Results. Then the statistical model in this study is as follows:

$NPit = \alpha + \beta 1GA\ it\ \varepsilon$

$KKit = \alpha + \beta 1GA\ it\ \varepsilon$

Description:

α : Constant value

$\beta 1$: Coefficient value

NPit : Firm Value i in year t

GAit : Green accounting of company i in year t

KKit : Financial performance of company i in year t

ε : Error

4. Results and Discussion

4.1 Results

The purpose of the descriptive statistics of this data is to display the relevant information contained in the data in the form of minimum, maximum, average and standard deviation values. The description of the variables in this study is presented in Table 2:

Table 2 Hasil Uji Statistik Deskriptif

Descriptive Statistics					
Variable	**N**	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
Green Accounting	60	3	5	3.2	0.476
Financial Performance	60	-0.103	0.129	0.221	0.464
Firm Value	60	-0.797	1.420	0.558	0.349

Source: Research Data, 2025

Green accounting shows a minimum score of 3 and a maximum of 5. This shows that manufacturing companies care about the environment, indicated by the acquisition of Proper 3 certification which means blue and 5 which means gold, which indicates that their environmental management is very good.

Financial performance is measured using ROA. The minimum value is -0.103 and the maximum value is 0.129 which means a positive sign indicates that the company's ability to generate profits through the assets used is profitable. The average value is 0.03 and the standard deviation is 0.06. The average value of financial performance is lower than the standard deviation value, so the data in financial performance has information on large data variations.

The minimum value is -0.797 and the maximum value is 1.420, indicating that the company's condition is due to the market value of its shares being above the book value of equity. The average value is 0.558 and the standard deviation is 0.349. The average value of the company is greater than the standard deviation value, so the Firm Value data has little data variation information.

Validity and reliability measurement results In this study, convergent validity and discriminant validity were used to test validity. Convergent validity is measured by the AVE value, or the average variance extracted; AVE values of more than 0.5 are considered valid (Sholihin & Ratmono, 2020).

Table 3 Convergent Validity Measurement Results

Variable	AVE value (Average variances extracted)
Green accounting	1.000
Firm Value	1.000

Source: Research Data, 2025

Table 4 Discriminant Validity Measurement Results

Variable	Green accounting	Firm Value
Green accounting	1.000	1.000
Firm Value	1.000	1.000

Source: Research Data, 2025

Table 3 and table 4 show that the convergent validity and discriminant validity tests have a value of > 0.5, so it can be concluded that all variable data are declared valid. After the variables have been declared valid, reliability testing will be carried out on all variables used in this study. Variable reliability was tested using Composite reliability coefficients and Cronbach's Alpha with a value above 0.70 as a reliability requirement (Hair et al., 2017; Sholihin & Ratmono, 2020). The results of the measurement of Composite reliability coefficients and Cronbach's Alpha that have been analyzed and presented in the following table:

Table 5 Measurement Results Composite reliability coefficients and Cronbach's Alpha

Variable	Composite reliability coefficients	Cronbach's Alpha
Green Accounting	1.000	1.000
Financial Performance	1.000	1.000
Firm Value	1.000	1.000

Source: Research Data, 2025

Based on table 4, all variables have a Composite Reliability Coefficient and Cronbach's alpha value greater than 0.70, so it can be concluded that all variables in the study are reliable and can be relied upon for use in further analysis tests.

Outer model testing is used to measure reflective and formative indicators. This study uses reflective indicators. Reflective indicators are based on facktor loadings. Facktor loadings > 0.70 are highly recommended.

Table 6 Outer model test results

Variable	Green Accounting	Financial Performance	Firm Value	Loadings Value	Outer p-value	Conclusion
Green Accounting	1.000	0.000	0.000	0.087	<0.001	Meets
Financial Performance	0.000	1.000	0.000	0.087	<0.001	Meets
Comvany value	-0.000	0.000	1.000	0.087	<0.001	Meets

Source: Research Data, 2025

Table 5 above shows that all indicators are declared valuable as indicators that can reflect the relevant variables. Inner model results: Inner model measurement is carried out to determine the effect of the relationship between variables, and to determine the effect of the relationship of all variables on the system being built. The Adjusted R2 value is used in measuring the inner model to test the relationship between variables in a study. Based on Adjusted R2, the model can be classified into strong (≤ 0.70), medium (≤ 0.45), and weak (≤ 0.25). The results of testing the inner model are presented in table 6 below:

Table 7 Inner Model Test Results

Variable	Adjusted R-squared	Q-squared
Financial Performance	0.149	0.201
Firm Value	0.283	0.329

Source: Research Data, 2025

The inner model measurement is shown in table 6, with the adjusted r-squared value adjusted by considering the q-squared value. The adjusted r2 value with financial performance is 0.149 or equivalent to 14.9%. These results indicate that financial performance is able to explain 14.9% of firm value, and the rest can be explained by other variables not considered in this study. The adjusted r2 value of firm value is 0.283 and the percentage is 28.3%. This shows that the Firm Value can explain with a value of 28.3%, and the rest can be explained by other variables not considered in this study. It can be seen in the Q-squared column that the intervening variable of financial performance and the dependent variable of firm value reveal good predictive validity, because the value of Q-square> 0.

The purpose of model fit testing is to find a model that is fit with the original so that it can determine the quality of the model. This study uses four measures of model fit, namely Average path coefficient (APC), Average R-squared (ARS), Average adjusted R-squared (AARS), and Average block variance inflation factor (AVIF) used to measure the average value of the path coefficient value. APC, ARS, and AARS are used when measuring the average value of the path coefficient, R-squared and adjusted R-squared generated in the model. All three measures of model fit are measured with a p value not exceeding 0.05. AVIF is used for colinearity problems in PLS models and the recommended value is ≤ 3.3 (Ghozali dan Latan H, 2015).

Table 8 Model Fit Test Results

Item	It Criteria	Value
Average path colefficient (APC)	≤ 0.05	0.279;p < 0.005
Average R-squareld (ARS)	≤ 0.05	0.249;p < 0.010
Average adjusted R-squared (AARS)	≤ 0.05	0.216;p < 0.019
Average block variance inflation factor (AVIF)	≤ 3.3 but ≤ 5 but still acceptable	1.035

Source: Research Data, 2025

Table 7 shows that the study is considered valid because APC and ARS have ϱ values ≤ 0.05 and AVIF values ≤ 3.3. This indicates that there is no multicollinearity problem between proxies and variables.

Table 9 Hypothesis Testing

Direct Effect					
Hypothesis	Independent Variable	Dependent Variable	β-Value	p-Value	Conclusion
H1	Green Accounting	Firm Value	0.454	<0.001	H1: Accepted

Indirect effect

Direct Effect		Indirect effect			Changes in β-Value and p-Value		Conclusion
Greec accounting - Firm value		*Greec accounting* – Financial performance		Financial performance - firm value			
β-Value	p-Value	β-Value	p-Value	β-Value	**ρ – Value**	Green accounting - Firm Value	H2: A

						increases and is significant	ccepted
0.420	<0.001	0.209	0.044	0.224	0.033		

Source: Research Data, 2025

4.2 Discussion

4.2.1 The Effect of Green Accounting on Firm Value

Based on the test results, it shows that Green Accounting has a positive and significant effect on Firm Value. The findings of this study support Stakeholder theory, where Stakeholder theory states that companies are established not only for profit but also care about the environment (Mustolfa et al., 2020; Andrian & Kelvin, 2021; T. Astuti elt al., 2022; Husniatus Zahrolh elt al., 2023; Widiyaningsih & Nugrolhol Jati, 2024). Companies that implement Green Accounting can increase public trust by placing environmental costs at risk (Hilmi elt al., 2020; Firmansyah elt al., 2021; Sumiati elt al., 2022; Sadira Ashia Priliana & Elrmaya, 2023). The results of this study are in line with the research of Sapulelttel dan Limba, (2021) which explains Green Accounting has a positive effect on firm value (Sollelha & Isnalita, 2022; Lelstari & Kholmsiyah, 2023; Fini & Astuti, 2024). Over the years, Green Accounting has succeeded in increasing public trust in companies tested by PROPER; the better a company shows its unity, the better its reputation (Delwi & Eldward Narayana, 2020; Angellina dan Nursasi, 2021; Ramadhani elt al., 2022; Cahyani dan Puspitasari, 2023; Anggita elt al., 2024).

4.2.2 The effect of Green Accounting on Firm Value mediated by Financial Performance

The test results show that financial performance can mediate the effect of green accounting on firm value. This research is supported by Contingency Theory which states that a company will perform best if its structure is able to overcome conditions that are too limited by size, technology, and the environment (Irawan, 2020; Kartana, 2021; Yuniarti elt al., 2022). Based on this theory, it is clear that companies depend on dynamic environmental conditions to find creative and innovative ideas to satisfy consumers (Seltiawan & Fransysca, 2020; Narsa, 2021; Simamolra elt al., 2022). A company's efforts to be effective are determined by internal factors such as the company's financial performance and environmental conditions (Pratama elt al., 2024). The results of this study explain that financial performance is able to mediate Green accounting on firm value (Akmala & Indri, 2020; Rachmawati, 2021; Sara Abd Rajak, 2022; Harya Ningsi elt al., 2024).

5. Conclusions And Suggestions

5.1 Conclusions

This study examines the effect of green accounting on firm value. This study also examines the effect of green accounting on firm value mediated by financial performance. All hypotheses proposed and managed in this study are accepted. Green accounting have a positive and significant effect on firm value and financial performance is able to mediate Green accounting on firm value. Manufacturing companies listed on the Indonesia Stock Exchange fulfill their social obligations even though only some are consistent. This shows that the company has a good reputation in terms of its focus on environmental management. High trust and loyalty increase profits and Firm Value.

5.2 Suggestions

Suggestions for companies can improve the quality of green accounting and financial performance to create higher Firm Value. Suggestions for further researchers use other variables such as Good Corporate Governance, Carbon Emission Disclosure, CEO Power and Corvorate Social Reponsibility either as independent, dependent, mediating / moderating variables and replace samples other than manufacturing companies or further analysis of external factors that can affect this relationship.

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