



The Effect of Green Accounting and Environmental Performance on The Value of Companies Moderated by Proptability in Idx30 Companies in 2018-2023

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Abstract

This study addresses ongoing environmental issues, particularly in the manufacturing and mining sectors, which significantly contribute to environmental degradation. The research aims to understand the impact of green accounting and environmental performance on firm value, with profitability as a moderating variable. This is a quantitative study, utilizing a non-probability sampling method with purposive sampling techniques. The analysis methods used include classical assumption tests, determination coefficients, Moderate Regression Analysis, and hypothesis testing. The results of the study conclude that green accounting and profitability as moderating variables do not have an impact on firm value. In contrast, environmental performance and profitability as moderating variables do influence firm value. The simultaneous analysis shows that green accounting and environmental performance together affect firm value when moderated by profitability. The findings of this research are expected to raise awareness among business practitioners about the importance of considering environmental issues and the impact of environmental pollution caused by production processes, with an emphasis on planning through the concept of green accounting. This study focuses on the analysis of green accounting and environmental performance on firm value, moderated by profitability, in companies listed in the IDX30 index.

Keywords: Green Economy; Green Accounting; Environmental Performance; Firm Value; Profitability.

1 Introduction

In Indonesia, many businesses engage in economic activities that rely on natural resources. Over the past two decades, these activities have increasingly contributed to environmental degradation. The Ministry of Environment and Forestry (KHLK) has noted that compliance in environmental management within the manufacturing sector remains insufficient (Yulianti, 2020). Manufacturing industries account for 597 companies, representing 29.15% of the total industrial sector, but only 23 of these companies fall within the green category (Nurcahya, 2020). Furthermore, the adoption of green accounting in manufacturing is not yet fully rationalized or effectively implemented (Wangi & Lestari, 2020).

The food and beverage industry is one of the major sectors of Indonesia's manufacturing sector. The high value of the food and beverage industry causes this sector to contribute significantly to Indonesia's GDP. This industry has the highest CAGR value when compared to 4 other industry

sectors (Muniarti, 2021). Other environmental problems arise in the mining sector, as much as 70% of environmental damage in Indonesia is caused by mining operations. The mining industry easily uses natural resources without paying attention to environmental sustainability. Not only forests, but rivers are also affected by such a large production process. The number of watersheds that have been severely damaged in the last 10 years. Coastal and marine areas are also not spared from exploitation, more than 16 reclamation points, sand mining, iron sand, and waste disposal sites tailing Newmont and Freeport (Utami & Nuraini, 2020).

Companies that strive to increase profitability have an impact on the continuous use of natural resources, even though the available natural resources are very limited to meet the needs (Sulistiwati & Dirgantari, 2016). Other problems arise from companies that implement green accounting, if not managed properly, it will have an impact on cost overruns, so companies need to pay attention to the cost aspects that may arise due to environmental development. High operating costs allow companies to earn smaller profits due to the increased level of costs.

Green accounting can contribute to the company's profitability in the long run. This is because the implementation of green accounting helps companies to identify environmental and social risks that have an impact on company operations, such as the risk of penalties or sanctions from regulators, reputational risks that can affect customer and investor confidence, and the risk of decreasing the availability of raw materials and energy. Green accounting can help companies to optimize the use of natural resources, improve operational efficiency, and improve the company's image in the eyes of stakeholders, such as customers, investors, and the public. Thus, green accounting practices can strengthen a company's business foundation and create long-term value for stakeholders (Santoso dkk, 2016).

Based on the description of the problem above, the purpose of this study is to analyze the influence of Green Accounting and Environmental Performance on Company Value moderated by Profitability. The formulation of this research problem is how the influence of Green Accounting and Environmental Performance on Company Value moderated by Profitability both partially and simultaneously.

2 Literature Review

Accountancy

Accounting is the discipline focused on documenting, analyzing, and conveying a business entity's transactions or economic events, with the goal of generating and sharing relevant information to aid diverse stakeholders in their decision-making processes (Hans, 2016). Another opinion reveals that Accounting is an information system that measures company operations, prepares reports from data, and conveys the results to stakeholders.

Accounting also has a goal that must be achieved, namely producing and reporting relevant, relevant information associated with who the recipient of the financial statements is, what is its purpose, where and when. The interests of the recipients of financial statements are closely related to the relevance of the information presented (Hans, 2016).

Financial Accounting

Financial Accounting is one of the fields of accounting that provides general accounting information for users or decision-makers outside the organization. Financial accounting

information is created based on Generally Accepted Accounting Principles (GAAP) (Hazo, 2021).

Financial Accounting also has a meaning as a series of processes that lead to the preparation of financial statements related to the company as a whole so that they are used by users of financial statements, both internal and external to the company (Kholifah et al., 2018).

Agency Theory

This theory was first introduced by Alchian and Demsetz (1972) and Jensen and Meckling (1976). This agency theory explains the relationship that occurs between the company's management as an agent and the company's shareholders as the principal. This theory states that, if there is a separation between the company's shareholders as the principal and the manager as the agent who runs the company, there will be agency problems because each of these parties will always try to maximize their utility functions. (Purba, 2023).

Company shareholders, acting as principals, typically prioritize enhancing their financial outcomes and the value of their investments. In contrast, agents are expected to gain satisfaction through financial compensation and other terms of their relationship with the company. Principals seek maximum and rapid returns, often reflected in the growth of dividend distributions per share, as reported by management. However, there is sometimes a tendency for management to manipulate these reports to enhance their performance image, aiming to appear more favorable to shareholders (Lesmono & Siregar, 2021).

In the context of Green Accounting, this agent theory is relevant to understand the potential conflict between the short-term interests of corporate shareholders and management's long-term responsibility to the environment. The implementation of Green Accounting is one way to reduce conflicts of interest by integrating environmental considerations into corporate decision-making. (Purba, 2023)

Green Accounting (X1)

Green Accounting is an activity that includes the collection, analysis, and reporting of environmental and financial data in order to reduce the impact and cost of environmental damage, where the implementation of Green Accounting is highly dependent on the characteristics of the company in understanding its environmental problems. A company needs to have a well-managed environmental accounting system, it will support management in making more accurate decisions. By integrating environmental accounting into a company's accounting system, companies can assess productivity improvements, reduced compliance costs, new market opportunities and environmental protection impacts. (Almunawwaroh et al., 2022) (Ratusasi & Prastiwi, 2021).

According to (Goldie Kelly & Deliza Henny, 2023) Green Accounting affect the company's value with the moderation of projected profitability with ROA. Based on the research, the researcher conducted explanatory research with different research subjects. However, other research reveals that the application of green accounting affect the company's value and profitability and are unable to moderate the relationship between green accounting to the company's value (Yuliana & Budi, 2022). Implementation green accounting It is said to be clear evidence of the Company's efforts to care about the surrounding environment so that it can form a good image. Endless environmental issues stimulate public awareness to participate in preventing environmental damage, so that consumers, in this case the community, have a tendency to choose safe and environmentally friendly products (Goldie Kelly & Deliza Henny, 2023).

Environmental Performance (x2)

Environmental performance is a measurable outcome of an environmental management system. Which will be achieved by the company in managing the environment through policies, means, and targets in creating a sustainable environment. ISO 14001 certification is an international standard issued by the International Organization for Standardization (ISO) to protect the environment and prevent environmental pollution caused by company activities. ISO 14001 has 5 elements, namely: policies and commitments to the environment, planning, implementation and operation, inspection and corrective actions, management assessments, and continuous and continuous improvement. Demanding the Company's legitimacy created through environmental performance can affect the value of the Company with high profitability conditions. (Fitriaty et al., 2021) (Goldie Kelly & Deliza Henny, 2023)

Company Value (Y)

The value of a company represents its fair market worth, reflecting investors' perceptions of the issuing firm. Consequently, a company's value is often tied to how investors view the firm, which is frequently linked to its stock price (Fuad Ruthth, M. Susie Helmi, 2023) alternative perspective suggests that a company's value is reflected in its stock price on the capital market, with share prices acting as an indicator of the company's worth. An increase in a company's value signifies a successful accomplishment aligned with the owners' objectives. This rise in value contributes to enhancing the owners' prosperity. Public companies aim to maximize owner or shareholder wealth by increasing the company's value (Jaya, 2020).

Profitability (Z)

Return On Assets (ROA) is a ratio used to measure a company's ability to generate profits derived from investment activities (Wahyuni, 2017) While another opinion reveals that "Return on Asset (ROA) is a ratio used to measure the level of profitability of a business over the entire asset exist". Or this ratio defines the efficiency of the Company's allocated budget (Shenurti et al., 2022). A high level of profitability has the potential to cover the costs incurred due to environmental maintenance. However, in another study, it is said that low and high levels of profitability that are expected to be able to attract investors, actually provide a different interpretation in environmental performance. Low profitability can be caused by an increase in environmental costs to realize good environmental performance (Ekawati, 2023).

Hypothesis

The implementation of green accounting is clear evidence that the company cares about environmental issues that are currently developing among the community. The implementation of good green accounting will certainly increase the trust of both investors and the public. So that when companies distribute their products, it will be easier for people to accept the products. Because when people know that a company is able to create products while maintaining environmental balance, this is an added value for a company. Therefore, investors will participate in considering companies with good environmental performance judging from the rating of the Proper Book which is definitely guaranteed to be accurate because it is issued directly by the ministry of environment. (Goldie Kelly & Deliza Henny, 2023)

However, the influence of green accounting on the value of a company can be influenced by the level of profitability of the company. Companies with high profitability may be better able to invest company resources in effective green accounting initiatives, so the impact on the company's value can be more significant. (Goldie Kelly & Deliza Henny, 2023). Based on this explanation, the hypothesis proposed in this study is:

H1 : Green Accounting affects the company's value

H2 : Green Accounting affects the value of the company moderated by profitability

The existence of the concept of environmental performance is due to the increasing environmental damage caused by the company's operational activities. So that the higher the level of environmental damage, the lower the level of environmental performance, and vice versa. Companies that have a good level of environmental performance can attract attention from stakeholders and the public who use financial statements. This is due to the increasing public awareness of the importance of environmental responsibility in business operations. Good environmental performance can create a positive reputation and increase the trust of stakeholders in the company, which can ultimately contribute to an increase in the company's value. (Afiyah et al., 2023).

However, the influence of environmental performance on the company's value cannot be direct. Because there is another factor, namely profitability that can moderate this relationship. A high level of profitability can reinforce the positive impact of environmental performance on a company's value, therefore companies that have a high level of profitability usually have sufficient corporate resources to support and implement environmental initiatives. In contrast, companies with low profitability levels are most likely not able to fully benefit from good environmental performance. (Goldie Kelly & Deliza Henny, 2023). Based on this explanation, the hypothesis proposed in this study is:

H3 : Environmental Performance Affects Company Value

H4 : Environmental Performance affects the company's value moderated by profitability

Green Accounting can be interpreted as a business responsibility with companies collecting, analyzing, and reporting related to environmental and financial data in order to reduce the impact and cost of environmental damage. As a form of responsibility to the community and the environment, a company's environmental performance is a benchmark in seeing the impact arising from the company's waste management resulting from production activities. Environmental performance can also be the face of the company in getting a good image from the community. Companies that carry out Green Accounting and Environmental Performance tend to get good views in their business operations from the public and even investors, this can certainly increase the company's value due to the company's increased image, then indirectly the company's profitability automatically increases. (Afiyah et al., 2023). Based on this explanation, the third hypothesis proposed in this study is:

H5 : Profitability affects the value of the company

H6 : Green Accounting and Environmental Performance affects the company's value moderated by profitability

Research Outline

Based on the literature and theories that have been presented, the following is a conceptual framework used to be able to outline the variables to be tested.



Figure 1: Thought Framework

3 Research Methods

Research Design

This study uses a type of associative research with a quantitative approach. The quantitative research method is a scientific approach based on quantitative measurement of data and statistical analysis to test hypotheses (Trochim & Bojanowski, 2021). The results of the research conducted are expected to be able to increase the awareness of business people in running their business by considering environmental issues and the impact of environmental pollution due to the production process with planning efforts through the concept of green accounting. Associative research aims to determine the relationship between two or more variables without any manipulation of the independent variables (Suggestion, 2023). The data used is secondary data in the form of financial statements and annual report IDX30 indexed companies. Secondary data is data obtained from other sources such as books, journals, reports, and research results conducted by others (Kathari, 2016).

Sample Technique

The study's population comprises all companies included in the IDX30 index on the Indonesia Stock Exchange. The sampling method applied is nonprobability sampling, specifically purposive sampling, by setting particular criteria aligned with the research objectives (Suggestion, 2023). In this research, Eviews version 12 is employed as the testing tool to facilitate the statistical analysis of the data. The study utilizes secondary data sourced from processed materials, including Proper Books, financial statements, and annual reports. The data encompasses companies listed on the Indonesia Stock Exchange that exhibit high liquidity and are indexed by IDX30 for the period from 2018 to 2023. The criteria for sample selection are outlined as follows:

1. Companies that have conducted an IPO and are listed on the Indonesia Stock Exchange.
2. Companies that consistently report financial statements and annual reports in the 2018-2023 period.
3. Companies that have been consecutively indexed in the IDX30 for at least three periods in the 2018-2023 period.

Data Collection Methods

This study uses secondary data in the form of panel data because it contains cross-section data and time series data. Secondary data is data obtained indirectly from books, e-books, journals, articles and other publications. In this case, the data used is the Company's Proper book, financial statement, and annual report. The sampling method used is the nonprobability sampling method of the purposive technique. The number of samples obtained based on the sampling technique used is as many as 150 data with 25 companies with a reporting period of 2018-2019. The analysis method used was Classical Assumption Test, Moderate Regression Analysis, hypothesis testing and Coefficient of Determination.

Variable Measurement

Green Accounting (X1)

The Green Accounting variable in this study uses the PROPER Book as a medium for measuring the implementation of Green Accounting of a company. The PROPER book is published by the Ministry of Environment of the Republic of Indonesia. For the assessment of the implementation of Green Accounting of a company through the PROPER Book, it is proxied with the number 5-

1 and calculated by quantifying the color rating in the PROPER Book using the likert scale as follows:

Table 1:PROPER Book Assessment Criteria

Peringkat	Information	Value
Gold	Excellent	5
Green	Good	4
Blue	Enough	3
Red	Bad	2
Black	Very Bad	1

Environmental Performance (x2)

In this study, environmental performance will be measured using a dummy approach, namely the ISO 14001 award. Companies that have an ISO 14001 award will be given a code of 1, while those that do not have ISO 14001 will be given a code of 0. (Almunawwaroh et al., 2022)

Company Value (Y)

The value of the company in the study is proxied using the formula Tobin's Q. According to Vinola Herawaty (2008), Tobin's Q is an alternative to measure the value of a company because by using this ratio the information presented is much better than other ratios. The larger the Tobin's Q ratio, it shows that the company has good growth prospects because the Tobin's Q ratio includes all the company's assets owned, not only the company's stock price and equity (Auliya, 2018). The following ratios are used in determining the Company Value:

$$\text{Tobin's Q} = \frac{\text{Nilai Pasar Saham}}{\text{Nethworth}}$$

Profitability (Z)

Profitability is the capacity of a company or business to create profits from its operations. Profitability is usually assessed through various financial ratios that measure the level of efficiency of a company in utilizing its assets to generate profits. In this study, profitability is proxied using ROA. Return on Asset (ROA) is generated by comparing net income against total asset. According to another opinion, as it is known from ROA, the higher the value of the company, the higher the ability of the overall asset to generate profits for the company because the value of the company is validated by the assets of the related company. then this ratio can be calculated as follows (Shenurti et al., 2022):

$$\text{ROA} = \frac{\text{Laba Bersih}}{\text{Total Asset}} \times 100\%$$

4 Research Results and Discussion

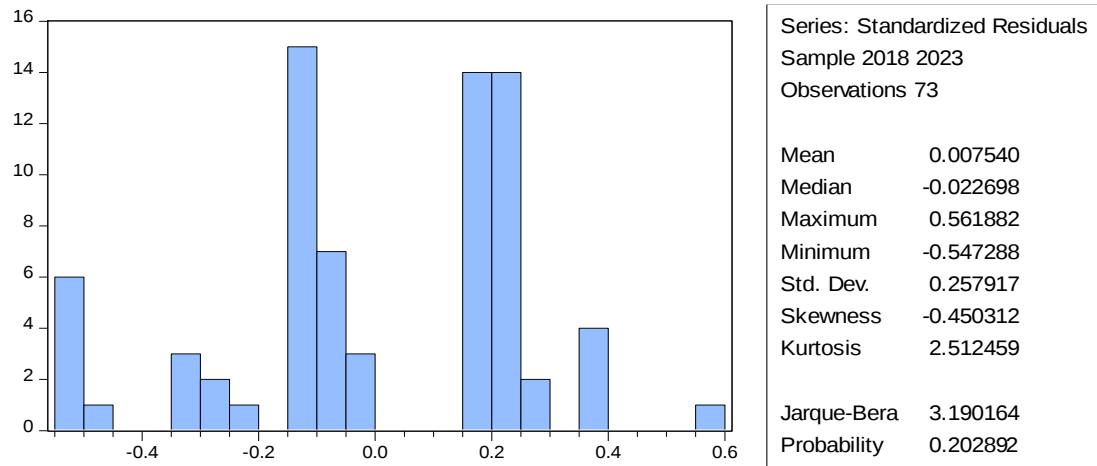
Results

Normality Test

The Normality Test is a test of the normality of data in research by comparing the p-value or probability values produced with the standard of normality test decisions (Wijayanti & Dondooan,

2022). The normality test in this study was carried out using the Jarque Bera method, the criteria for the normality test decision are as follows:

- If the p-value > 0.05 = There is not enough evidence to reject the null hypothesis. This means that your data can be considered normally distributed.
- If the p-value ≤ 0.05 = you reject the null hypothesis, it means that there is enough evidence to conclude that your data is not normally distributed.



(Sumber : Eviews, 2024)

Figure 1: Normality Test Results

This test is intended to see the feasibility value of the research variables. The test results using the Eviews 12 test tool are shown in Figure 1 The normality test results. Based on the test, the data of this study met the normality test with the result that the data was normally distributed which was shown with a p-value of $0.202892 > 0.05$.

Hypothesis Testing

Test t

The results of testing the partial hypothesis in this study are presented in the following table:

Table 3: Test Results t

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.133922	0.068228	1.962857	0.0538
Green Accounting	0.023614	0.037916	0.622787	0.5355
Environmental Performance	0.463430	0.139471	3.322775	0.0014
Profitability	0.051174	0.033083	1.546830	0.0012
Green Accounting x Profitability	0.008244	0.017293	0.476695	0.6351
Environmental Performance x Profitability	0.056082	0.031797	1.763733	0.0082

(Source : Eviews, 2024)

In this study, the significance is 0.05 while the t table based on the df calculation is 0.67616. Based on the test criteria, it can be concluded that:

Table 4: Results of t-Test Analysis

Variable	Sig. Probability	Mr.	Ket.	t _{count}	t _{table}	Ket.	Conclusion
Green Accounting	0,5355	0,05	0,5355 > 0,05	0,62279	0,67616	0,622787 < 0,67616	No Effect
Green Accounting x Profitability	0,6351	0,05	0,6351 > 0,05	0,47670	0,67616	0,476787 < 0,67616	No Effect
Environmental Performance	0,0014	0,05	0,0014 < 0,05	3,32278	0,67616	3,32278 > 0,67616	Influential
Environmental Performance x Profitability	0,0082	0,05	0,0082 < 0,05	1,76373	0,67616	1,76373 > 0,67616	Influential
Profitability	0,0012	0,05	0,0012 < 0,05	1,54683	0,67616	1,54683 > 0,67616	Influential

(Source :Data processed, 2024)

Test F

The results of simultaneous hypothesis testing in this study are presented in the following table:

Table 5: Test Result F

Weighted Statistics			
R-squared	0.388351	Mean dependent var	0.221777
Adjusted R-squared	0.342705	S.D. dependent var	0.266603
S.E. of regression	0.216051	Sum squared resid	3.127435
F-statistic	8.507984	Durbin-Watson stat	1.175022
Prob(F-statistic)	0.000003		

(Source : Eviews, 2024)

In this study, the significance is 0.05 while the F table based on the df calculation is 2.67. Based on the test criteria, statistical results were obtained based on sig. probability $0.000003 < 0.05$ and F calculated as $8.51 > 2.67$, it can be concluded that jointly or simultaneously Green Accounting and Company Performance affect the Company's Value moderated by profitability.

Coefficient of Determination Test

The results of the determination coefficient test in this study are illustrated in the following statistical data processing results:

Table 2: Determination Coefficient Test Results

Weighted Statistics			
R-squared	0.388351	Mean dependent var	0.221777
Adjusted R-squared	0.342705	S.D. dependent var	0.266603

(Sumber : Eviews, 2024)

Based on statistical data, the results of the determination coefficient test on the adjusted R-Square are 0.342705. These results show that there is an influence between green accounting and environmental performance on company value moderated by profitability as a moderation variable of 34.3% and the rest based on factors that were not examined in this study.

Results of Regression Moderation Analysis (MRA)

Moderate Regression Analysis is a statistical method employed to determine if the association between an independent variable (predictor) and a dependent variable (outcome) is affected or moderated by an additional variable, referred to as the moderator variable. This moderator variable can enhance, weaken, or alter the nature of the relationship between the independent and dependent variables. In this study, Green Accounting (X1) and Environmental Performance (X2) are the independent variables, while Company Value (Y) serves as the dependent variable, with Profitability (Z) acting as the moderation variable. The linear equations used in the moderation regression analysis are as follows:

$$Y = 0.1339 + 0.0236 \cdot X1 + 0.4634 \cdot X2 + 0.0511 \cdot Z + 0.0082 \cdot X1Z + 0.05608 \cdot X2Z + [CX=R]$$

Here is an interpretation of the model:

1. The constant (Intercept) (0.1339) is the value of Y when all the independent variables (X1, X2, Z, X1Z, X2Z) are zero. It provides the starting point or base of the dependent variable (Y) without the influence of independent variables and moderation.
2. The coefficient X1 (0.0236) indicates that every increase of one unit in X1 will increase Y by 0.0236, assuming the other variables are constant. This coefficient shows the direct influence of X1 on Y.
3. The coefficient X2 (0.4634) indicates that every increase of one unit on X2 will increase Y by 0.4634, assuming the other variables are constant. This coefficient shows the direct influence of X2 on Y.
4. The coefficient Z (0.0511) indicates that every increment of one unit on Z (the moderator variable) will increase Y by 0.0511, assuming the other variable is constant. This is the direct effect of the moderation variable Z on Y.
5. The coefficient of X1Z (0.0082) is the coefficient of interaction between X1 and Z. This coefficient shows that the Z variable moderates the relationship between X1 and Y. Each increase of one unit on X1Z will increase Y by 0.0082, which means that the influence of X1 on Y will change by 0.0082 for each unit increase on Z.
6. The coefficient of X2Z (0.05608) is the coefficient of interaction between X2 and Z. This coefficient indicates that the Z variable moderates the relationship between X2 and Y. Each increase of one unit in X2Z will increase Y by 0.05608, which means that the influence of X2 on Y will change by 0.05608 for each unit increase in Z.

Discussion

Green Accounting affects Company Value

Green accounting It has various potential benefits, but there are still several factors that can affect it. One of them is the lack of recognition from the market regarding environmental initiatives in the form of increasing the value of shares. This can be stimulated if investors focus too much on short-term financial results rather than long-term sustainability. Implementation costs green accounting It can be the next factor, this is related to the costs incurred from the technology sector, employee training, and operational changes. If the implementation cost is not balanced with the direct benefits that can be measured, this can also affect profitability and not increase the company's value. The results of the partial test in this study show a probability significance value

of 0.5355 where this number is $>$ of the significance level of 0.05, so it can be concluded that H1 is rejected which means that Green Accounting has no effect on the Company's Value.

Profitability is able to moderate Green Accounting against Company Value

Although the company has a high level of profitability or vice versa, it is not able to amplify or weaken the impact Green Accounting to the company's value. A company's profitability has the potential to be directed towards more urgent or immediately visible goals, such as business expansion, product development, or debt deficits. Green Accounting It is often more associated with long-term benefits and sustainability than short-term gains. Even highly profitable entities may not be able to see an increase in the value of the company directly from the implementation green accounting Because the impact is often not visible in a short period of time. If the market and investors are not aware of the importance of sustainability reflected in the concept of green accounting, then the company's profitability will not change its perspective. This means that high profitability will not automatically increase the market's appreciation of green accounting. If profitability does not play a role in influencing management's decision to invest in green accounting, then profitability moderation is impossible. High profitability may not be enough to cover or offset implementation costs green accounting, if the entity feels that this initiative does not provide a tangible or significant benefit to the company's value. The results of the t-test analysis showed that the value of sig.probability 0.6351 which is $>$ than the significance value of 0.05, then it can be concluded that H2 is rejected which means that Profitability is not able to moderate Green Accounting to the Company's Value.

Environmental Performance affects Company Value

Environmental Performance refers to how a company manages the impact of its business activities on the environment, including emission reduction, sustainable use of resources, and compliance with regulations regarding the environment. Entities that show a high commitment to the environment often get a positive reputation, especially in the eyes of consumers, investors and the general public. This can improve the company's image which will indirectly increase the company's value. Entities that have good environmental performance tend to have easier access to capital from sustainability-focused investors or environmental, social, and governance (ESG)-based investments. Effective environmental management is often related to operational efficiency, such as waste reduction and energy consumption. This efficiency can reduce operational costs and increase profitability which contributes to an increase in the value of the company. The results of the t-test analysis showed that the value of sig.probability 0.0014 which is more $<$ than the significance value of 0.05, it can be concluded that H3 is accepted which means that environmental performance affects the Company's Value.

Profitability is able to moderate Environmental Performance against Company Value

Companies that provide significant returns to investors tend to have more resources to invest in environmental practices. High profitability allows companies to take more proactive and comprehensive decisions such as green technology or waste reduction initiatives that can impact the company's image and value. Environmental initiatives as a sign of long-term commitment to sustainability and risk management can be considered by investors to invest because they can increase market valuations. The company that profitable and having good environmental performance can create a competitive advantage. Thus, it can attract consumers who care about the environment. This can increase the competitiveness of the company and ultimately increase the value of the company. Profitability provides flexibility in management decision-making by creating sustainability strategies that may incur large costs in the short term but provide benefits for the long term. This flexibility provides the potential for companies to adapt to dynamic market trends such as shifting interest towards environmentally friendly products. The results of the t-

test analysis showed that the value of sig.probability 0.0082 which is $<$ than the significance value of 0.05, it can be concluded that H4 is accepted, which means that Profitability is able to moderate Environmental Performance against Company Value.

Profitability affects Company Value

Profitability is one of the most important financial performance indicators for a company and can directly affect the company's value. Profitability reflects a company's ability to generate profits from its operational activities. The higher the profitability value, the greater the company's ability to generate profits, which will usually increase investor confidence and increase the company's market value. From an investor's perspective, the tendency to invest in companies that have high profitability tends to be significant. Strong profitability can increase demand for investment and this can stimulate an increase in stock prices and company values. In this study, the companies studied are companies that have a high level of liquidity and can be recognized for their financial performance as IDX30 indexed companies. Profitable companies have a lot of resources to reallocate to their business, whether it's in the form of expansion, innovation, or a combination of businesses such as acquisitions (Wufron, 2017). This can increase the company's growth. High profitability is directly proportional to dividend payments to investors. Companies with good profitability tend to be more stable and have long-term sustainability, this stability is expected by investors because it reduces risk in their investments. The results of the t-test analysis showed that the value of sig.probability 0.0012 which is $<$ than the significance value of 0.05, then it can be concluded that H5 is accepted which means that Profitability affects the Company's Value.

Profitability is able to moderate Green Accounting and Environmental Performance on Company Value

Green accounting help companies and stakeholders understand the environmental impact of business operations and make better decisions regarding sustainability. Environmental performance refers to the effectiveness of the company in managing environmental impacts arising from the company's business activities. Profitability can strengthen or weaken influence green accounting and the company's performance against the company's value. Companies with high profitability levels tend to have more resources to implement a comprehensive green accounting system and implement important environmental initiatives. This can increase corporate transparency and accountability, as well as strengthen the positive relationship between green accounting and environmental performance on company value. In contrast, companies with low profitability have limited efforts to invest in environmental management, so the relationship between green accounting, the environmental performance and value of the Company may not be as strong as that of a more profitable Company. Profitability can reduce the financial risks associated with these investments, which in turn increases the perception of investors and other stakeholders, as well as encourages an increase in the value of the company.

Investors tend to assign higher value to companies that are not just profitable but also dedicated to green accounting practices and exhibit strong environmental performance. The analysis of the F test indicated a significant probability value of 0.000003, which is less than the significance threshold of 0.05. Therefore, it can be concluded that H6 is accepted, suggesting that profitability effectively moderates the relationship between green accounting, environmental performance, and company value, with a 34.3% influence. Profitability plays a crucial moderating role in how green accounting and environmental performance affect company value. Companies with higher profitability are more capable of effectively incorporating green accounting and environmental initiatives into their operations, which can lead to an increase in company value. Conversely, if profitability is low, the beneficial effects of green accounting and environmental performance on company value may be diminished due to constraints on investment and heightened risks.

5 Conclusion and Suggestions

Conclusion

In this study, the results were obtained that green accounting and profitability as a moderation variable has no effect on the company's value. Meanwhile, company performance and profitability as moderation variables affect the company's value. Research conducted by stimulants showed different results where together green accounting and environmental performance has an effect on the company's value, which is moderated by profitability and influences by 34.3%. The results of this study are expected to be useful as a source of reference literature for future researchers both in terms of citations, analysis methods used and other information.

Limitations

Based on the results of the study, independent variables and their moderation were still found to have no effect on the dependent variables, and the influence of stimulants showed low percentage results. In determining the sample criteria, it cannot be further generalized by adding the research year period.

Suggestions

For the next researcher, they can consider expanding the company's sample data by adding periods, determining more accurate criteria or modifying sampling techniques. In addition, researchers can then conduct a broader study by adding variables that are not studied in this study, for example adding variables of environmental costs, competitive advantages and so on.

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