ABSTRACT

The energy sector plays a crucial role in the Indonesian economy, but also faces challenges in environmental sustainability and financial performance. This study analyses the effect of green accounting, capital structure, liquidity, good corporate governance (GCG), and Gross Domestic Product (GDP) on the profitability of energy companies in Indonesia during the period 2012-2022. The research sample consisted of 27 energy companies consistently listed on the IDX during the study period, selected using purposive sampling method. The method used is panel data regression analysis using EViews 12 as a statistical analysis tool. The results showed that green accounting with proxies (Corporate Performance Rating Assessment Programme/PROPER) and capital structure (Debt to Asset Ratio/DAR) had a significant negative effect on profitability. Institutional ownership and GDP have a significant positive effect, while liquidity (Current Ratio/CR), the number of boards of directors, and the proportion of independent commissioners have no significant effect. Research limitations include a limited observation period, GCG is only limited to quantity and focuses only on the energy sector.

Practical implications include the importance of a balance between environmental and financial performance for corporate management, as well as consideration of macroeconomic and governance factors for investors. Policymakers can utilise these findings to design regulations that support the sustainability and profitability of the energy sector. Future research could expand the scope of industry sectors, explore mediating/moderating variables, or adopt a qualitative approach to understand the GCG mechanism in more depth.

Keywords : Green Accounting, Capital Structure, Liquidity, Good Corporate Governance, Gross Domestic Product, Energy, Indonesia