ABSTRACT

Firm value refers to the estimated economic worth of a company that reflects the market's or stakeholders' perceptions of its potential performance and future prospects. This value is determined by various factors, such as physical assets, revenue, profit, and brand reputation. Firm value is not only important as a signal for investors and shareholders in making investment decisions but also serves as a strategic reference for management in improving efficiency, innovation, or business expansion. The higher the firm value, the greater the market's confidence in the company's ability to generate sustainable profits and create long-term value for stakeholders.

This study aims to examine the effect of Carbon Emission Disclosure, proxied by 18 items, and Green Accounting, proxied by the PROPER rating indicator, on firm value in basic materials sector companies listed on the Indonesia Stock Exchange during the 2019–2023 period. The sample was selected using a purposive sampling technique, resulting in 13 companies observed over five years, with a total of 65 data points. The analytical method employed in this research is panel data regression analysis.

The results of this study indicate that, descriptively, the firm value of energy sector companies listed on the Indonesia Stock Exchange (IDX) during the 2019–2023 period has an average of 1.9201, with relatively high variation among companies. Meanwhile, the level of Carbon Emission Disclosure is relatively stable, and the implementation of Green Accounting is fairly consistent. Based on the simultaneous test results, the variables Carbon Emission Disclosure and Green Accounting jointly influence firm value. Partially, Carbon Emission Disclosure has a negative and significant effect on firm value, while Green Accounting has a positive and significant effect on the firm value of companies in the basic materials sector. These findings indicate that the implementation of Green Accounting can enhance firm value, whereas Carbon Emission Disclosure has a negative and significant effect on firm value. This means that the higher the level of carbon emission disclosure, the lower the firm value tends to be, which may suggest that the market perceives carbon disclosure as a signal of additional reporting costs or environmental burdens for the company. Furthermore, control variables such as profitability, leverage, and firm size are also proven to have a significant influence on firm value during the 2019–2023 period.

For future researchers, this study is expected to serve as a reference and provide complementary information for studies related to firm value, green accounting, and carbon emission disclosure. For investors, the findings suggest investing in companies that disclose carbon emissions and demonstrate strong PROPER ratings. For regulators, it is recommended to establish regulations and conduct socialization related to the disclosure and implementation costs of green accounting practices.

Keyword : *Carbon Emission Disclosure, Green Accounting*, *Firm Value*.