ABSTRACT

The objective of this research aims to analyze the impact of environmental cost, environmental performance, and firm size on company profitability.The variables used in this research are profitability (ROA) as the dependent variable, environmental costs, environmental performance, and firm size serve as independent variables.

The population in this study consists of mining sector companies listed on the Indonesia Stock Exchange (IDX) during the 2021–2023 period. Sampling was conducted using a saturated sampling technique, resulting in 99 observational data points from a total of 363. The data utilized in this research are secondary data obtained from financial reports, annual reports, and sustainability reports within the 2021–2023 timeframe. The analytical method applied is multiple linear regression analysis.

The results indicate that environmental cost, environmental performance, and firm size have a positive effect on profitability. These findings suggest that the integration of green accounting aspects—proxied through environmental cost and environmental performance—along with firm size, significantly contributes to improving profitability in the mining sector.

Keywords: Green accounting, Profitability, Environmental Costs, Environmental Performance, Firm Size, ROA