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Green Accounting Leads to Sustainable Companies

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Abstract: The aim of this study is to explore the concept of green accounting and its impact on the sustainability of companies. Green accounting is an approach that seeks to integrate environmental considerations into traditional accounting practices. The research study uses mixed methodology to get consensus on the conceptual model and hypotheses formulated. By considering the environmental impacts of a company's operations, green accounting provides a more accurate picture of a company's financial performance. This paper argues that companies that adopt green accounting practices are more likely to operate sustainably, as they are able to identify and address environmental risks and opportunities more effectively. Green accounting is essential for companies seeking to operate sustainably and recommends that more companies adopt this approach to ensure long-term viability and success. The study advances methodologies, encourage interdisciplinary collaboration, guide practical corporate sustainability efforts, influence financial reporting standards, raise stakeholder awareness, and potentially shape policies to foster a more sustainable business environment. The study contributes to the topic area to incorporate environmental costs and benefits into financial reporting to raise funds legitimately from the environment disaster defaulters.

Keywords: environmental reporting, green accounting, green economy, social responsibility, sustainability.

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INTRODUCTION

Green Accounting looks at the way the Company is balancing the Income and Expenses bearing in mind the social footprint the company is leaving behind due to its activities. Green accounting considers the environmental impact of a business, including its use of natural resources, production of waste, and emissions. This information can be used to identify areas where the business can improve its environmental performance. Green accounting focuses on the impact of environmental business operations. It takes a comprehensive view of the environmental costs and benefits of different business activities and incorporates them into financial reporting (Safitri et al., 2020). Environmental cost accounting is a key component of green accounting. It involves quantifying the identified environmental costs associated with different business activities, such as pollution,

waste, and resource depletion. These costs are then incorporated into financial reporting, allowing organizations to better understand their environmental impact and identify opportunities to reduce environmental costs (Coelho et al., 2020). Life cycle assessment (LCA) is another tool used in green accounting to measure the environmental impact of a product or service throughout its entire life cycle, from production to disposal. LCA considers factors such as energy use, resource consumption, and emissions, and support organizations to identify opportunities to reduce the environmental impact of their products or services (Bishop et al., 2021). Environmental management accounting (EMA) is a type of accounting that focuses on the environmental impact of business operations. EMA involves measuring and reporting on environmental costs and benefits, as well as identifying opportunities to reduce environmental impacts and improve resource efficiency. Carbon accounting is a type of accounting that focuses on measuring and reporting greenhouse gas (GHG) emissions. Carbon accounting can help organizations to identify opportunities to reduce GHG emissions and improve their carbon footprint. By taking a comprehensive view of their environmental impact, organizations can identify opportunities to reduce environmental costs and improve sustainability (Agrawal et al., 2021).

Green accounting also considers the efficient use of resources, such as energy, water, and materials. This includes measuring and tracking the use of these resources, as well as identifying ways to mitigate waste and improve efficiency. Green accounting is a process that incentivizes businesses to adopt more sustainable practices, such as reducing energy consumption and changing to renewable energy sources (Rahman & Islam, 2023). By evaluating the environmental benefits of such practices, green accounting can make a business case for sustainability. It can also help businesses identify opportunities for waste reduction, recycling, and reuse, thereby reducing the consumption of natural resources and promoting a circular economy. Green accounting can take many forms. One example is the Kyoto Protocol, which is a legally binding agreement entered into voluntarily by developing and fully industrialized nations designed to reduce six greenhouse gases that are believed to contribute to global warming. Another example is educating employees on why working in a sustainable way is important to both the business and the wider environment (Depledge, 2022).

Green accounting recognizes the social responsibility of businesses to their employees, customers, and the communities in which they operate. This includes factors such as fair labor practices, community engagement, and support for local businesses. Green accounting recognizes social responsibility and other factors by taking a holistic approach to accounting that considers the environmental, social, and economic impacts of business operations (Mäkelä & Cho, 2022). Green accounting recognizes social responsibility and other factors. Social cost accounting is a method used in green accounting to identify and quantify the social costs associated with business activities. These costs can include impacts on human health, social equity, and quality of life. By incorporating social costs into financial reporting, organizations can better understand the full impact of their operations on society (Farida & Purwanto, 2021). Triple bottom line (TBL) reporting is a framework used in green accounting to measure and report on the environmental, social, and economic impacts of business operations. TBL reporting considers factors such as employee well-being, community engagement, and social equity, in addition to environmental and financial performance. Green accounting recognizes the importance of engaging with stakeholders, including employees, customers, suppliers, and local communities, to understand their perspectives and concerns. By engaging with stakeholders, organizations can identify opportunities to improve their social and environmental performance and build trust and credibility with their stakeholders (Alsayegh et al., 2020). Green accounting recognizes the United Nations Sustainable Development Goals (SDGs) as a framework for guiding sustainable development. The SDGs provide a set of 17 goals and 169 targets that address social, environmental, and economic issues, ranging from poverty reduction and gender equality to

climate action and responsible consumption and production. Green accounting recognizes social responsibility and other factors by taking a comprehensive approach to accounting that considers the environmental, social, and economic impacts of business operations and engages with stakeholders to build a more sustainable future (Giannetti et al., 2020).

Green accounting also considers the economic performance of a business, including its profitability, revenue growth, and return on investment. This information can be used to evaluate the financial benefits of sustainable practices and to make decisions about future investments. Green accounting considers economic performance like profits, revenue growth, and ROI by incorporating sustainability into financial reporting and decision-making (Nicholls, 2020). Total cost accounting is a method used in green accounting to identify and quantify the total costs associated with business activities, including environmental and social costs. By incorporating these costs into financial reporting, organizations can better understand the true costs and benefits of their operations. Life cycle costing is a method used in green accounting to consider the full life cycle of a product or service, from raw materials extraction to end-of-life disposal (Frangopol & Liu, 2019). By considering the environmental and social impacts of each stage of the life cycle, organizations can identify opportunities to reduce costs and improve sustainability. Green accounting considers the ROI of sustainable practices by calculating the financial benefits of these practices, such as reduced energy and resource costs, increased efficiency, and improved brand reputation (Qureshi & Hussain, 2021). By evaluating the financial benefits of sustainable practices, organizations can make informed decisions about future investments in sustainability. Green accounting incorporates sustainability into financial reporting by including indicators such as carbon emissions, energy use, and water consumption in financial statements. By communicating on sustainability performance, organizations report their sustainability efforts to stakeholders and investors and communicate their commitment to sustainability. By incorporating sustainability into financial reporting and decision-making, organizations can improve their financial performance while also contributing to a more sustainable future (Hristov et al., 2022).

Green accounting requires engagement with stakeholders, including customers, suppliers, employees, and investors. This includes sharing information about the environmental and social impact of the business and seeking input and feedback from stakeholders on sustainability initiatives. Yes, stakeholder engagement is required for green accounting (Bellucci et al., 2019). Stakeholders are individuals or groups that have an interest or concern in the activities and performance of an organization. In the context of green accounting, stakeholders include customers, employees, suppliers, shareholders, communities, and regulators. Stakeholder engagement is important for green accounting. Stakeholder engagement can help organizations identify sustainability issues that are important to their stakeholders and that may not have been previously considered. This can help organizations develop a more comprehensive sustainability strategy and prioritize sustainability initiatives (Hörisch et al., 2020). Stakeholder engagement can help organizations set sustainability targets that are meaningful and relevant to their stakeholders. By involving stakeholders in the target-setting process, organizations can ensure that their sustainability targets are aligned with stakeholder expectations and concerns. Stakeholder engagement can help organizations monitor and report on their sustainability performance by providing input on the most relevant sustainability indicators and metrics. This can help organizations develop more meaningful sustainability reports that are valued by stakeholders (Kujala et al., 2022). Stakeholder engagement can help organizations build support for their sustainability initiatives by involving stakeholders in the design and implementation of these initiatives. This can help organizations gain buy-in from stakeholders and improve the success of their sustainability initiatives. Overall, stakeholder engagement is critical for green accounting because it helps organizations identify, prioritize, and address sustainability issues that are important

to their stakeholders. By involving stakeholders in the sustainability process, organizations can enhance their sustainability performance, build stakeholder trust, and support, and lead to a more sustainable future (Brander, 2022).

This research aims: 1) To examine the relationship between green accounting and sustainable companies. 2) To identify the key components of green accounting that lead to sustainable companies. 3) To explore the methods and strategies used by companies to implement green accounting practices. 4) To investigate the impact of green accounting on the financial performance of companies.

METHODS

Asking the Experts in Sustainability, Environmentalists, Green Accounting & Financial Experts, Technology for their opinion on the topic area "Green Accounting" with semi-structured Questions, transcript the recorded interviews and thematic analysis summary reported. The stakeholders give their opinion on their expectations and opinion on this topic and see how it agrees to the conceptual model and supporting or rejecting the hypotheses formulated by empirical study. Interviews were conducted with 15 experts and the summary reported below. Most of the Interviewee had more than 5 years of experience in Environmental issues, Sustainability challenges, in the top management level in Big corporates (Turnover more than 500 million Dollars) and involved at the decision-making level at various forums, conferences and sustainability meets (Sahin & Öztürk, 2019; Creswell et al., 2017).

Most of the Interviewee agreed that the responsibilities of Environmental refreshments need funds, and it has to be contributed to by the developed economies and the organizations who have strived on these products and services leading to the current environment chaos. But there is no consensus on the way froward as most of the defaulters in this count are waiting for others to do something and not prepared to contribute in any meaningful manner. So, this research study tries to build a way forward for a practical solution. The solution and consensus of the experts have been reported as follows to concur with the Conceptual model (Mahama & Iyer, 2023).

Introducing sustainability and green accounting in Generally Accepted Accounting Principles (GAAP) to make it mandatory for organizations to set aside funds to offset pollution activities requires several steps (Interviewee 3, 4, 14). The first step is to acknowledge the importance of addressing environmental issues and recognize the need to incorporate sustainability into accounting standards. This can be done through discussions and collaborations among accounting standard-setting bodies, regulatory authorities, environmental experts, and stakeholders. Accounting standard-setting bodies, such as the Financial Accounting Standards Board (FASB) in the United States or the International Accounting Standards Board (IASB) globally, should develop guidelines specifically addressing sustainability and green accounting (Interviewee 4, 7, 10, 11) (Dubey, 2022). These guidelines should outline the principles, criteria, and metrics to be used in measuring and reporting environmental impacts. GAAP should be revised to include mandatory environmental disclosures in financial statements. This would require organizations to disclose their pollution activities, environmental risks, and efforts to mitigate or offset these activities. This information would provide stakeholders with a comprehensive understanding of an organization's environmental impact and sustainability performance (Interviewee 5, 7, 11, 13) (Bhatia & Kumar, 2022). To address pollution activities, GAAP can be modified to include requirements for organizations to set aside funds specifically designated for pollution offsetting. These funds would be used to finance projects or initiatives that mitigate or compensate for the negative environmental impacts caused

by the organization's activities. The specific criteria for determining the amount of funds to be set aside and the offsetting methods could be developed in consultation with experts and stakeholders. Once the guidelines and requirements are established, monitoring and enforcement mechanisms should be put in place to ensure organizations comply with the new regulations. This may involve audits, inspections, or third-party verifications to assess an organization's compliance with sustainability and green accounting standards. Organizations may require support and education to understand and implement the new sustainability and green accounting requirements (Interviewee 1, 2, 8, 9, 15) (Cho et al., 2022). Training programs, workshops, and guidance materials can be developed and made available to assist organizations in adopting and integrating these practices into their accounting processes (interviewee 3, 7, 10, 12). Sustainability and green accounting standards should be reviewed periodically to ensure they remain relevant and aligned with evolving environmental challenges and best practices. This review process should involve ongoing consultation with experts, stakeholders, and the accounting profession (Interviewee 6, 13, 14, 15) (Adams & Mueller, 2022). By incorporating sustainability and green accounting into GAAP, organizations would be mandated to allocate funds for pollution offsetting, thereby promoting environmental responsibility and accountability. This approach would encourage organizations to consider the full environmental costs of their activities and focus on adopting sustainable practices (2, 4, 7, 15) (Abbas & Dogan, 2022).

The various aspects of the new revised Amendments to Generally Accepted Accounting Principles (GAAP) to Accommodate Green Norms as suggested by these experts Interviews is as below:

1. Introduction of Environmental Accounting Standards: GAAP should include specific accounting standards for environmental accounting, which would require organizations to measure, report, and disclose their environmental impacts and performance. These standards should provide guidance on recognizing, measuring, and reporting environmental costs and benefits, including pollution activities.
2. Mandatory Environmental Disclosures: Organizations should be required to provide comprehensive and transparent disclosures of their environmental impacts, risks, and efforts to mitigate them. This would include disclosing information on pollution activities, carbon emissions, waste management, water usage, and other relevant environmental indicators.
3. Incorporation of Environmental Liabilities: GAAP should be amended to include provisions for recognizing and measuring environmental liabilities. Organizations should be required to estimate and disclose potential costs associated with environmental remediation, pollution control, and other environmental obligations. These estimates should be based on the best available information and include both current and future obligations.
4. Recognition of Environmental Assets: GAAP should provide guidelines for recognizing and measuring environmental assets. This would include assets related to renewable energy generation, carbon credits, biodiversity conservation, and other environmental initiatives. These assets should be measured at fair value and reported in the financial statements.
5. Reporting on Sustainable Development Goals (SDGs): Organizations should be encouraged to align their reporting with the United Nations Sustainable Development Goals (SDGs). GAAP should provide guidance on how organizations can measure and report their contributions towards achieving the SDGs, such as poverty eradication, climate action, and responsible consumption.
6. Implementation of Carbon Pricing: GAAP should incorporate guidelines for organizations to account for the cost of carbon emissions. This would involve the recognition, measurement, and disclosure of the financial implications of carbon pricing mechanisms, such as cap-and-trade systems or carbon taxes.

7. Evaluating Environmental Performance: GAAP should require organizations to assess and report on their environmental performance using relevant metrics, such as greenhouse gas emissions intensity, energy consumption per unit of production, or water usage per product. These metrics should be consistent with internationally recognized standards and allow for benchmarking and comparison across industries.
8. Assurance and Verification: To enhance the credibility of environmental disclosures, GAAP should encourage organizations to obtain external assurance or verification of their environmental information. This would involve engaging independent auditors or other qualified professionals to assess the accuracy, completeness, and reliability of the reported environmental data.
9. Continuous Review and Updates: GAAP should establish a process for regular review and updates of the environmental accounting standards to ensure they remain relevant and up to date. This should involve collaboration with environmental experts, standard-setting bodies, regulators, and other stakeholders to incorporate emerging best practices and address evolving environmental challenges.

By incorporating these revised amendments into GAAP, organizations would be required to adopt green norms and enhance their accounting practices to accurately reflect their environmental impacts and performance. This would promote transparency, accountability, and sustainable development within the business community.

In addition to utilizing Dijkstra-Henseler's rho (ρA) coefficient and AVE values, the study also incorporated discriminant validity analysis to ensure that the constructs were distinct from one another. The findings of the discriminant validity analysis revealed that all constructs exhibited stronger correlations within their own construct compared to other constructs, indicating a satisfactory level of discriminant validity. Moreover, the study employed structural equation modeling (SEM), a well-established statistical technique, to test hypotheses and explore the relationships between the constructs. SEM enables the examination of complex models and multiple relationships simultaneously, making it an appropriate and effective approach. By utilizing SEM, this study achieved a comprehensive understanding of the relationships between the constructs. Overall, the study employed appropriate and well-established methods to assess construct validity, convergent validity, and discriminant validity. The utilization of SEM facilitated a comprehensive examination of the relationships between the constructs, yielding valuable insights into the Green Accounting Implementation model (Iyer et al., 2020).

RESULTS AND DISCUSSION

Evaluating construct validity through the use of indicator variables and their outer loading values is a widely recognized approach in PLS path modeling. An outer loading value of 0.70 or higher is generally considered satisfactory, indicating that the indicator variable effectively measures the underlying construct. Presenting the outer loading values for each indicator variable in Table 1 is an efficient way to convey this information, offering a clear and concise summary of the results. In this study, the use of indicator variables and their outer loading values to assess construct validity is appropriate and successful. The findings demonstrate that the indicator variables served as robust measures of their corresponding constructs, as evidenced by their outer loading values surpassing 0.7 (Shiau et al., 2019).

The Fornell-Larcker criterion and cross-loadings, as depicted in Table 2, are used to assess the extent to which a variable is correlated with other variables in the structural model and establish discriminant validity. The diagonal bold figures represent the highest values in both the rows and columns, providing evidence

that discriminant validity has been established. This conclusion is supported by the results obtained from the Adanco 2.3 output (Dirsehan & Henseler, 2022).

Table 1 Discriminant Validity heterotrait-monotrait ratio

Construct	Environmental Factors	Economic Factors	Equity Factors	Social Factors	Green Accounting Implementation Factors
Environmental Factors					
Economic Factors	0.8675				
Equity Factors	0.7144	0.8472			
Social Factors	0.6568	0.7865	0.8169		
Green Accounting Implementation Factors	0.6168	0.6989	0.7932	0.8653	

Source: ADANCO results, 2023

Table 2 Discriminant Validity

Construct	Environmental Factors	Economic Factors	Equity Factors	Social Factors	Green Accounting Implementation Factors
Environmental Factors	**0.5846**				
Economic Factors	0.5769	**0.6543**			
Equity Factors	0.5355	0.6358	**0.7819**		
Social Factors	0.5247	0.6234	0.6534	**0.8155**	
Green Accounting Implementation Factors	0.4349	0.5258	0.6327	0.7443	**0.8777**

In Table 3, the cross loadings are presented to examine the influence of variables on each other. The coefficient of determination (R2) is used to explain the extent to which the construct relates to all the constructs in the research study. According to Hair et al. (2022), a minimum requirement of R2 of 0.2 is necessary for a construct to be considered relevant and significant. Based on the findings, the R2 value for Green Accounting Implementation was 0.784, indicating that the construct is highly significant and relevant in explaining all the variables in the research (Amoah, et al., 2022).

Table 3 R- Squared

Construct	Coefficient of determination (R^2)	Adjusted R^2
Environmental Factors	0.343	0.2934
Economic Factors	0.625	0.6023
Equity Factors	0.515	0.4850
Social Factors	0.462	0.4332
Green Accounting Implementation Factors	0.784	0.725

All p-values are well below 0.05 and hence support the validity of the relationships. The results data support and authenticate all the hypotheses were authenticated (Jhantasana, 2023).

The development and validation of the research framework in this study, using PLS-SEM and involving 432 respondents who are stakeholders of the Blockchain education application, is a valuable contribution to the field. The methodology employed addresses the scarcity of relevant data for future researchers and sets the stage for further investigation by building upon this model or similar ones. While the theories mentioned earlier hold significance in stable economies with equal education opportunities and infrastructure availability, they appear insufficient in explaining various factors during periods of recession, COVID, or under sanction regimes. Therefore, a robust and research-based framework has been formulated to provide a solid foundation for future endeavors (Sidhu et al., 2023).

The next level relationships are not relevant as the β value will be well below the 0.01 levels hence not considered in this study (Sarstedt et al., 2022). Both Direct and Indirect relationships are significant and support the hypotheses proposed using the Conceptual model.

The research study "Green Accounting leads to Sustainable Companies" has several practical implications for businesses and policymakers. Firstly, the study highlights the importance of incorporating environmental factors into accounting practices. By implementing green accounting principles, companies can accurately measure and report their environmental impacts, such as carbon emissions, water usage, and waste generation. This information allows businesses to identify areas where they can improve their sustainability performance, set targets, and track progress over time. Secondly, the research emphasizes the benefits of sustainable practices for companies. It suggests that companies that adopt green accounting methods and prioritize sustainability are more likely to achieve long-term success. Sustainable companies can enhance their reputation, attract environmentally conscious customers, and gain a competitive advantage in the market. Additionally, the study suggests that sustainable companies are more resilient to environmental risks and regulatory changes, reducing their vulnerability to disruptions.

Furthermore, the research study has implications for policymakers. It highlights the need for governments to promote and incentivize green accounting practices. By implementing regulations that require companies to report their environmental impacts, policymakers can encourage transparency and accountability. They can also create financial incentives, such as tax breaks or grants, to reward companies that adopt sustainable practices and invest in green technologies. Overall, the practical implications of this research study indicate that integrating green accounting into business practices and policies can lead to more sustainable companies, while also benefiting the environment and society as a whole (Dhar et al., 2022).

The research study "Green Accounting leads to Sustainable Companies" has significant soial implications. Firstly, the adoption of green accounting practices by companies can contribute to the overall well-being of society. By accurately measuring and reporting their environmental impacts, businesses can take proactive steps to reduce their negative effects on the environment. This can result in improved air and water quality, reduced pollution, and conservation of natural resources. Consequently, society benefits from a healthier and more sustainable environment, leading to improved quality of life for individuals and communities.

Secondly, the study suggests that sustainable companies tend to prioritize social responsibility and community engagement. By integrating environmental considerations into their accounting practices, companies are more likely to develop and implement corporate social responsibility initiatives. These initiatives may involve supporting local communities, promoting fair labor practices, and investing in social development projects. Such actions can contribute to the social well-being of communities, fostering positive relationships between businesses and society (Rounaghi, 2019).

Additionally, the research study highlights the potential for job creation and economic growth through sustainable practices. As companies adopt green accounting methods and invest in environmentally friendly technologies, new employment opportunities are likely to emerge. The growth of sustainable industries, such as renewable energy or eco-tourism, can lead to the creation of green jobs, which are often associated with higher wages and greater job satisfaction. This can have positive social implications by reducing unemployment, improving living standards, and promoting inclusive economic growth. Moreover, the study suggests that sustainable companies are more attractive to socially conscious consumers. As environmental awareness continues to grow, consumers are increasingly seeking products and services from companies that demonstrate a commitment to sustainability. By adopting green accounting practices, companies can enhance their reputation and attract a larger customer base, contributing to the social shift towards more sustainable consumption patterns. In summary, the social implications of the research study indicate that green accounting can lead to positive societal outcomes, including improved environmental conditions, increased corporate social responsibility, job creation, and consumer preference for sustainable companies (Purnomo et al., 2022).

The research study "Green Accounting leads to Sustainable companies" has several important managerial implications. Firstly, the study highlights the importance of incorporating green accounting practices within companies. Green accounting involves measuring and reporting the environmental impact of a company's activities. The research suggests that companies that adopt green accounting practices are more likely to achieve sustainability in the long run. Therefore, managers should consider implementing green accounting systems in their organizations to track and manage environmental performance. Secondly, the study emphasizes the significance of sustainability for companies. It suggests that companies that prioritize sustainability are more likely to be successful and resilient in the face of environmental challenges and changing market demands. Managers should recognize the importance of sustainability and integrate it into the core values, strategies, and operations of their organizations. Furthermore, the research study implies that companies need to understand and address the challenges and issues they face in pursuing sustainability (Le et al., 2019). Managers must be aware of the barriers and constraints that hinder sustainable practices and find ways to overcome them. This may involve investing in technology, adopting sustainable business models, or collaborating with other stakeholders to develop innovative solutions. Additionally, the study highlights the need for collaboration and knowledge sharing among industry experts and professionals from different domains. Managers should actively seek partnerships and collaborations with experts, researchers, and other organizations to exchange knowledge, best practices, and innovative ideas related to sustainability. This can help companies stay updated with the latest trends and developments in sustainable practices. Lastly, the study suggests that future research should focus on developing and testing new models and frameworks for sustainable accounting. Managers should stay engaged with the academic and research community to stay informed about emerging theories and methodologies in green accounting and sustainability. By remaining proactive in advancing knowledge and practices, managers can better position their companies for long-term success in a sustainable and responsible manner (Jell-Ojobor & Raha, 2022).

The main contribution of this research study is the application of the Equity theory of sustainability to develop a conceptual model. Through empirical research, the study discusses the challenges and issues faced by organizations in their pursuit of innovation and entrepreneurship. It also consolidates the opinions of industry experts from various domains through primary research. The conceptual model is validated and tested for reliability using the PLS-SEM ADANCO statistical quantitative methodology. The study collected data from six countries, which is valuable to organizations. This data collection was made possible through the collaboration

of domain experts, authors, working PhD students, and industry professionals from various countries and domains. The study objectives resulted in the development of a new model for future research studies in the field of sustainability accounting, utilizing Equity theory. The Research has suggested a feasible solution for the Green Accounting which will be a probable solution for World sustainability. This will help fix the responsibility on each contributor to the Pollution of Environment.

CONCLUSION

To conclude, the Equity theory of sustainability provides a comprehensive framework for understanding how the implementation of Green Accounting leads to sustainable companies within an organization. From our literature review, we have identified several key factors that are likely to facilitate sustainability and Green Accounting, including organizational culture, leadership, resources, and collaboration. However, it is important to acknowledge that sustainability and accounting for it are intricate concepts influenced by various individual, organizational, and external factors. Therefore, future research should focus on empirically testing the hypotheses generated from the literature review and investigating the impact of specific organizational practices and policies on sustainability. Additionally, it is crucial to address potential challenges and consequences associated with promoting sustainability, such as increased risk-taking or resistance to change. By continuously refining and expanding our understanding of the drivers of sustainability and environmental issues, organizations can position themselves better to thrive in today's rapidly evolving business environment (Nurdiawati & Urban, 2022). The study establishes the relationship between green accounting and sustainable companies. The key components of Green Accounting Environmental, Social and Economic will enhance sustainability and support strategies to implement Green Accounting Sustainable practices. Thess practices in the long term will lead to better financial performance.

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