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The Effect of Green Accounting, Intellectual Capital, Sales Growth on Financial Performance with GCG Moderation

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ABSTRACT

The purpose of the study was to examine the effect of green accounting, intellectual capital, and sales growth on financial performance with GCG as a moderating variable. The study used a quantitative approach, with data obtained from annual reports and sustainability reports available on the official website of the Indonesia Stock Exchange (IDX) and related company websites. The study population included 873 non-financial sector companies in the period 2021–2023. A total of 25 companies met the sample criteria after being selected using the purposive sampling method. The data analysis used the SEM PLS method. The results showed that there was no effect of green accounting on financial performance, but there was a positive effect of intellectual capital and sales growth on financial performance. In addition, GCG was unable to strengthen the relationship between green accounting and sales growth on financial performance, but was able to strengthen intellectual capital on financial performance.

Keywords: Green Accounting, Intellectual Capital, Sales Growth, Good Corporate Governance, Financial Performance

ABSTRAK

Tujuan dalam penelitian ini untuk mengkaji pengaruh green accounting, intellectual capital, dan pertumbuhan penjualan terhadap kinerja keuangan dengan GCG sebagai variabel moderasi. Penelitian menggunakan pendekatan kuantitatif, dengan data yang diperoleh dari laporan tahunan dan laporan keberlanjutan yang tersedia di situs resmi Bursa Efek Indonesia (BEI) serta situs perusahaan terkait. Populasi penelitian mencakup 873 perusahaan sektor non-keuangan pada periode 2021–2023. Sebanyak 25 perusahaan memenuhi kriteria sampel setelah diseleksi dengan metode purosive sampling. Analisis data yang digunakan merupakan metode SEM PLS. Hasilnya menunjukkan bahwa tidak terdapat pengaruh green accounting terhadap kinerja keuangan, terdapat pengaruh positif intellectual capital dan pertumbuhan penjualan terhadap kinerja keuangan. Selain itu, GCG tidak dapat memperkuat hubungan antara green accounting dan pertumbuhan penualan terhadap kinerja keuangan, namun mampu memperkuat intellectual capital terhadap kinerja keuangan.

Kata kunci: *Green Accounting, Intellectual Capital, Pertumbuhan Penjualan, Good Corporate Governance, Kinerja Keuangan*

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INTRODUCTION

Global awareness of sustainability and environmental impacts continues to rise in response to the threat of climate change and global warming. Various international regulations, such as the Paris Agreement and Sustainable Development Goals (SDGs), have been implemented to encourage companies around the world to adopt environmentally sustainable practices. The Indonesian government implements strict environmental policies to address this issue. One example is the Company Performance Rating Program in Environmental Management (PROPER), which is overseen by the Ministry of Environment and Forestry (KLHK). PROPER rates companies based on their environmental management performance with gold levels indicating the best companies, green, blue, red and black indicating the worst companies. In 2022, 3,200 companies participated in the program, reflecting a 23% increase compared to 2021. However, there were still 887 companies that received a Red rating and two companies received a Black rating. This shows that compliance with environmental regulations is still weak in many corporate sectors (Rahman, 2022).

Non-compliance with environmental regulations can have a negative impact on a company's financial performance. For example, PT RMK Energi Tbk (RMKE) experienced a 20.38% decrease in net profit in 2023 compared to the previous year. This decrease was caused by the sealing of operations at Muara Belinda Port, Muara Enim, due to environmental violations which resulted in the company receiving a red PROPER rating (Binekasri, 2024).

Table 1. ROA of Red PROPER Ranked Companies

Company Name	2021	2022	2023
PT RMK Energi	14,23%	23,20%	13,47%
PT Unggul Indah Cahaya	19,83%	11,93%	6,38%
PT Krakatau Osaka Steel	1,16%	0,72%	-4,62%

Source : Data processed (2024)

Table 1 shows fluctuations in the ROA value of companies with a red PROPER rating over the past three years which tend to decrease, some even recorded negative. This indicates that poor environmental management can reduce financial performance. Therefore, companies must formulate effective strategies to improve their financial performance. To reduce costs due to environmental impacts or societal costs faced by the company, it can implement green accounting (Damayanti & Astuti, 2022). With the application of green accounting, the efficiency of corporate environmental management can be improved. The findings of previous studies on how green accounting affects financial performance are inconsistent. The findings of (Wardianda & Wiyono, 2023) found that green accounting or green accounting on financial performance has a positive impact, while findings from (Bangun et al., 2024) show that green accounting on financial performance has a negative effect.

Optimizing the use of intellectual capital can be done by companies that include knowledge and competence of human resources as valuable assets of the company. Increasing intellectual capital can drive operational efficiency and increase competitiveness which ultimately contributes to improving financial performance. Research findings by (Syabania & Nurmilah, 2023) confirm that there is an influence between intellectual capital on financial performance. However, different findings are revealed by (Lee & Lukman, 2023), which explains that intellectual capital on financial performance has no significant effect. In addition, it is necessary to analyze sales growth in order to understand growth trends and develop the right marketing strategy. Research findings by (Chasana & Kusumawati, 2024) reveal that sales growth on financial performance has an influence. Conversely, findings by (Pratama & Devi, 2021), explain that there is no significant effect of sales growth on performance.

The application of these three variables is in line with stakeholder theory which emphasizes the importance of companies meeting the expectations of consumers, society, investors and parties involved in the company (Ruhiyat & Kurniawan, 2024). Companies that can maintain overall performance including financial, environmental, social, economic, and employee welfare, will be more valued by investors.

Based on legitimacy theory, Good Corporate Governance (GCG) was chosen as a moderating variable that highlights the importance of support and acceptance from the community in maintaining company sustainability (Hayaah, 2023). GCG can increase transparency and accountability of policies related to

green accounting and intellectual capital and can better manage sales growth by identifying and controlling risks that may arise (Ruhiyat & Kurniawan, 2024). Research findings by (Bangun et al., 2024; Wardianda & Wiyono, 2023), explain that GCG can moderate green accounting, intellectual capital, and sales growth on financial performance.

This study aims to analyze the effect of green accounting, intellectual capital, and sales growth on financial performance and GCG is used as a moderating variable. This research was conducted based on the phenomena that occurred and the inconsistency of the results of previous studies. The use of sales growth variables is a new innovation in this study. The research subjects are non-financial companies listed on the Indonesia Stock Exchange (IDX) from 2021 to 2023, given the potential environmental impact of their operations.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Stakeholder Theory

Purba (2023) reveals that stakeholders have the right to make decisions according to information related to company activities. According to Besir & Yuyetta (2023), stakeholder theory relates to the way companies build relationships with the parties involved including investors, labor, consumers, suppliers, lenders, communities, government authorities, and other entities that have a relationship with the company. Thus, good management of green accounting, intellectual capital and sales growth can strengthen relationships with stakeholders and support the sustainability and growth of the company.

Legitimacy Theory

Titisari (2020), states that legitimacy theory explains that legitimacy occurs when the norms adopted by the company are in line with those prevailing in the wider social system. If the company's performance does not match society's expectations, it can pose a threat to the company's legitimacy. According to (Prasetyowati & Marsono, 2024), legitimacy theory offers instructions to corporations on how to conduct their commercial activities so that they can be accepted by the surrounding community. Improving internal performance and strengthening public trust are essential for businesses to function more effectively in the long term. However, by implementing good governance the business shows its dedication to be accountable for every choice and action taken which helps it win the hearts of the public.

Financial Performance

Financial performance represents the financial condition in a certain period in a company in the form of accumulation and various individual agreements taken continuously from management. Financial performance also reflects the extent to which the company can obtain profitability from the resources that have been invested (Mursidah et al., 2023).

Green Accounting

Green accounting is the process of collecting, analyzing, estimating, and reporting that includes environmental and financial data that aims to minimize environmental impacts and reduce costs incurred (Simon et al., 2023). If companies whose business activities have an influence on the environment and implement green accounting, the company's financial performance is strong according to its financial statements (Bangun et al., 2024).

Intellectual Capital

Intangible assets known as Intellectual capital is essential to assist businesses in maintaining competitive advantage through the utilization of their current connections and assets (Sasmita & Wijaya, 2023). According to Shabrina & Adiwibowo (2020), intellectual capital has a crucial role in building sustainable competitive advantage for companies.

Sales Growth

Sales growth is an indicator that reflects the return on investment from the previous year and can be used as a reference in projecting future company growth. Demand for products and the competitiveness of the company in its industry affect sales growth. An increase or decrease in growth can affect the company's ability to maintain profits to fund future business operations (Sanusi et al., 2023).

Good Corporate Governance (GCG)

The efforts of all relevant parties to ensure that management and internal staff consistently make the right choices or implement procedures that protect the parties involved in the company are referred to as GCG (Asmapane et al., 2021). In addition to this, GCG also regulates how the interaction between various Investors, management, and the board of directors in formulating strategies and directing company performance.

Green Accounting on Financial Performance

Disclosing environmental costs more openly in the company's financial statements can be seen if they use green accounting. This shows the company's dedication to environmental sustainability so that the trust of stakeholders will increase including investors and consumers (Damayanti & Astuti, 2022). Increased trust in the business can lead to more investment and sales which will increase the financial success of the company. This explanation has similarities with research showing that green accounting improves financial performance (Ruhiyat & Kurniawan, 2024). Therefore, the following is the hypothesis formulation:

H_1 : Green accounting has a positive influence on financial performance

Intellectual Capital on Financial Performance

Intellectual capital includes the knowledge and skills possessed by individuals in a company. Strong intellectual capital is able to innovate and adapt quickly to market dynamics. This ability allows companies to attract more customers, expand market share, and create added value which ultimately plays a role in improving financial performance (Wirawan & Angela, 2024). Previous research findings by (Asmapane et al., 2021; Lee & Lukman, 2023), financial performance is positively influenced by intellectual capital. Therefore, the following is the hypothesis formulation:

H_2 : Intellectual capital has a positive influence on financial performance

Sales Growth on Financial Performance

Increasing a company's profitability can be done with sustainable sales growth. When sales increase, it generates enough revenue to maintain operations and meet its financial obligations. If sales growth increases, it has a positive impact on financial performance (Afifah & Priantilianingtiasari, 2024). Research findings by (Mursidah et al., 2023) explain that there is a positive impact of sales growth on financial performance. Therefore, the following is the hypothesis formulation:

H_3 : Sales growth has a positive influence on financial performance

Green Accounting on Financial Performance with GCG Moderation

GCG plays a role in improving organizational performance, both from a financial and environmental aspect. Companies that implement GCG will encourage transparent disclosure of green accounting. This transparency can increase stakeholder and investor confidence so that it will improve financial performance. According to Wardianda & Wiyono (2023), the financial and environmental performance of the organization will be improved through corporate governance. Research by (Ramadhani et al., 2022), reveals that the effect of green accounting on financial performance can be strengthened by GCG. Therefore, the following is the formulation of the hypothesis :

H_4 : The effect of green accounting on financial performance can be strengthened by GCG

Intellectual Capital on Financial Performance with GCG Moderation

GCG will ensure that all resources are managed optimally in accordance with the principles of transparency, accountability and sustainability, including intellectual capital. Good governance can contribute to the improvement of employee knowledge and skills thus supporting the productivity and performance of the company due to clear supervision and division of labor. So that productivity and operational efficiency are better. So that the company's financial performance will increase (Arifin, 2023). Research by (Lee & Lukman, 2023), reveals that GCG plays a role in strengthening the influence of intellectual capital on financial performance (Arifin, 2023). So the hypothesis formulation is as follows:

H_5 : The effect of intellectual capital on financial performance can be strengthened by GCG

Sales Growth on Financial Performance with GCG Moderation

GCG that is well implemented by the company will increase customer satisfaction and achieve sales targets more effectively. Consumers are more likely to be attracted to companies whose activities have good GCG principles, so they are interested in purchasing products. Financial performance can improve along with increased sales growth. Findings by (Kumalasari et al., 2021), GCG strengthens the impact of increased sales on financial success. So that the formulation of the hypothesis is as follows:

H_6 : The effect of sales growth on financial performance can be strengthened by GCG

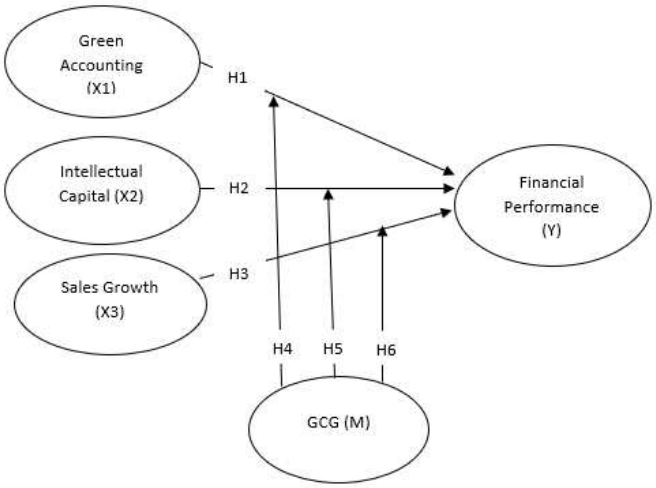


Figure 1. Research Model

RESEARCH METHODOLOGY

This research uses a quantitative type approach that uses data sourced from the official website of the Indonesia Stock Exchange (IDX) in the form of secondary data. With the use of purposive sampling method, the number of samples is determined based on the following standards: (1) Companies that regularly release sustainability reports and annual reports; (2) Companies that participated in the PROPER assessment during the observation period; and (3) Companies that during the observation period reported positive profits. Given the majority of companies that have not received a PROPER rating, out of 873 non-financial sector companies listed on the IDX during the 2021-2023 period, only 25 companies meet these requirements. In this study, 75 observations were made during the observation period of three years.

The method used is Structural Equation Modeling with the Partial Least Squares (SEM-PLS) with the Smart PLS 4 analysis tool. Due to its ability to examine complex interactions between variables, SEM-PLS was chosen for this study because it handles data with a relatively small sample size and accommodates data that is not normally distributed, besides that there are green accounting variables with ordinal scale measurements with an assessment based on the PROPER rating score, so PLS is more suitable because it can handle various types of data scales (Asmapane et al., 2021). Based on (Hayati & Hadiprajitno, 2021), which uses a color-coded rating scale from 1 to 5 in the PROPER evaluation has constraints in its research using SPSS analysis tools including the need for data transformation to show that the data is normally distributed. As a result, this study uses PLS instead of other analytical methods such as SPSS to handle data that is not normally distributed. The analysis technique in the PLS Method is carried out through the following stages:

Descriptive Statistical Analysis

A summary or description of the data is provided through descriptive statistical analysis using mean, median, maximum, minimum and standard deviation values. Without generalizing, this approach is useful for understanding, characterizing, and explaining data or phenomena collected during research (Diah et al., 2024).

Model Measurement (Outer Model)

This stage is an evaluation of the relationship between constructs and their indicators. Model measurement with reflective indicators is assessed by looking at the magnitude of the loading factor for each construct. An individual reflective measure is said to be high if it correlates more than 0.70 with the construct to be measured. However, for initial research on the development of measurement scales a loading factor value of 0.50 to 0.60 is considered sufficient (Hendriyani et al., 2024).

Structural Model (Inner Model)

This stage is applied by assessing each dependent variable with the R-square value. The use of the R-square value to assess the variation in changes in the independent variable is able to explain the dependent variable. The greater the R-square value, the greater the model's ability to explain the dependent variable (Lestari et al., 2024).

Hypothesis Test

Using the bootstrapping procedure, the hypothesis testing stage is carried out by predicting the existence of a causal relationship between variables using the t-statistic test parameter. Hypothesis testing is indicated by the initial value of the sample or original sample. And for this analysis to be considered significant, the path coefficient score of the t-statistic value must be greater than 1.64 for the one-sided hypothesis (one tailed) and greater than 1.96 for the two-sided hypothesis (two tailed) and the significance value or P-Value is less than 0.05 (Artino et al., 2024).

Variable Definition and Measurement

Financial Performance

The process of evaluating the financial performance of a company involves using certain metrics to determine how successful the company is at making money (Angelina & Nursasi, 2022). The selection of ROA in this study is based on its comprehensive nature, easy to calculate and understand, and can be applied generally to various types of companies. The ROA formula is as follows:

$$ROA = \frac{Net\ Income}{Average\ Total\ Assets}\ X\ 100\%$$

Green Accounting

In order to facilitate stakeholders in the decision-making process, there is a need for green accounting that incorporates social and environmental aspects into accounting practices. In Indonesia, the ministry of environment assesses the implementation of green accounting by assessing company performance through PROPER. This assessment focuses on the company's compliance in controlling pollution and waste, including the fulfillment of other obligations related to environmental analysis (Puspitasari et al., 2024). This research will measure green accounting by ranking PROPER into scores based on the following colors:

Table 2. PROPER Rating

Rating	Description	Score
Gold	Very Good	5
Green	Very Good	4
Blue	Good	3
Red	Bad	2
Black	Very Bad	1

Source: Ministry of Environment Regulation

Intellectual Capital

The measurement of this variable is based on Wirawan & Angela (2024), namely by using *Value Added Intellectual Capital* (VAIC™). Performed with reference to *value* added (VA) or added value, calculated using the following formula:

VA = Total revenue - Expenses and costs other than employee expenses

Every invested capital has a contribution in the company reflected through the capital employed. Value Added Capital Employed (VACA) can be calculated with the following formula:

$$VACA = \frac{VA}{CE}$$

CE = sum of equity and net income

Human capital refers to the ability to create the best innovations based on the knowledge and skills possessed by employees who work in the company in order to increase company value. In calculating Value Added Human Capital (VAHU) using the following formula:

$$VAHU = \frac{VA}{HC}$$

HC = total salary and benefits

Structural Capital reflects the organization's ability to reach the market and support employee productivity. Structural Capital Value Added (STVA) calculation can be done using the following formula:

$$STVA = \frac{SC}{VA}$$

SC = value added minus human capital

After all intellectual capital components are calculated, the final step in this analysis is to determine Value Added Intellectual Capital (VAIC™). The calculation of VAIC™ is done using the following formula:

$$(VAIC^{tm}) = VACA + VAHU + STVA$$

Sales Growth

Sales growth plays an important role in a company. Sales growth can reflect the extent to which a company experiences an increase or decrease in its sales level. According to Zurriah (2022), the way to calculate sales growth can use the following formula:

$$Sales\ Growth = \frac{Sales\ t - Sales\ t-1}{Sales\ t-1} \text{ x } 100\ \%$$

Good Corporate Governance (GCG)

The measurement of this variable is carried out by referring to the circular letter of the financial services authority (OJK) regarding the guidelines for governance of public companies listed in circular letter number 32/SEOJK/04/2015. This study evaluates GCG using an index that assesses the principles of corporate governance. This index is based on an assessment of 25 recommendations. The recommendations listed in the SE-OJK are compared with the information presented in the company's annual financial statements to conduct the assessment. Previous research has also used measurement methods using this proxy (Sari et al., 2023). This method gives a score of 1 for each recommendation implemented by the company, and a score of 0 for recommendations that are not implemented. To calculate corporate governance, the following formula is used:

$$GCG = \frac{Total\ GCG\ items\ presented\ in\ the\ financial\ report}{Total\ Recommendations\ SE\ OJK}$$

RESULT AND DISCUSSION

Descriptive Statistics Analysis

Table 3. Descriptive Statistical Analysis Results

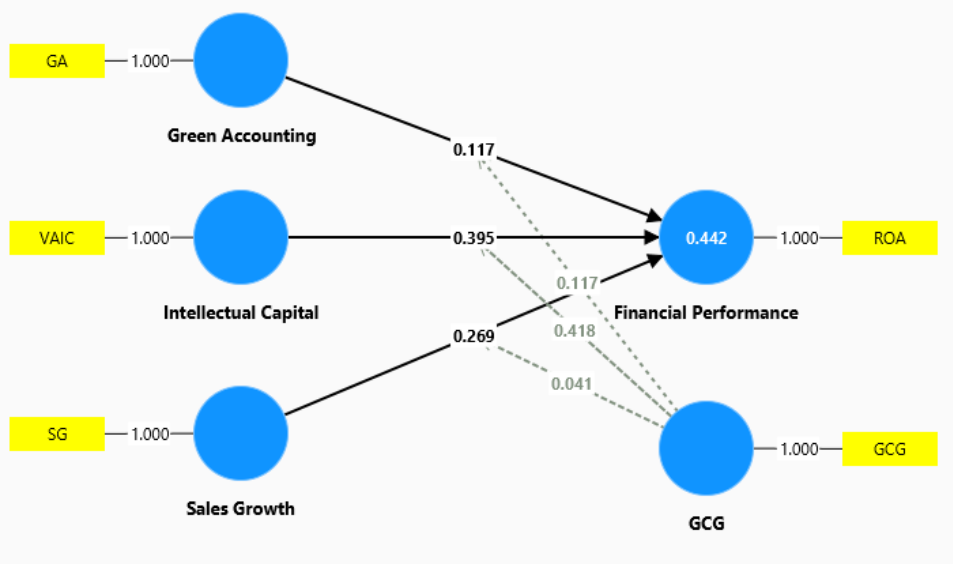
Name	Mean	Min	Max	Standard deviation
Green Accounting	3.107	2.000	5.000	0,40208
Intellectual Capital	340.960	24.000	791.000	187.477
Sales Growth	1.587.133	14.000	5.864.000	1.423.836
Finansial Performance	769.227	43.000	2.741.000	546.647
GCG	40.333	1.000	96.000	42.990

Source: Data processed, 2025

Table 3 presents the results of descriptive statistical analysis which includes a summary of data for each research variable. These results show that the highest mean value is found in the sales growth variable, but the lowest mean value is found in the green accounting variable. Then the highest minimum value is found in the financial performance variable. Conversely, the lowest minimum value is found in the green accounting variable. The highest maximum value is found in the sales growth variable, but the lowest maximum value is found in the green accounting variable. In the standard deviation test, the highest value is the sales growth variable, but the lowest value is the green accounting variable.

Model Measurement (Outer Model)

Outer Loading



Source: Data processed, 2025

Figure 2. Outer Model Test Results

Figure 2 shows that the outer model test results show that the loading factor value on all indicators is 1.000 (<0.70), which means that in this figure each indicator representing the variable is valid.

Structural Model (Inner Model)
In this study, the coefficient of determination (R-Square) is measured in testing the inner model to assess the independent variable is able to explain the dependent variable.

Table 5. R-Square Value

	R-square	R-square adjusted
Finansial Performance	0.442	0.383

Source: Data processed, 2025

The R-Square value contained in table 5 shows that green accounting, intellectual capital, and sales growth variables affect financial performance by 0.442 or 44.2%. Meanwhile, financial performance can be influenced by other variables of 0.558 or 55.8% which are not included in the model.

Hypothesis Test
In this study using the one tailed hypothesis type, the T-statistic value must be> 1.64 to test the hypothesis. If the P-value is less than the significance level of 0.05, the hypothesis is considered accepted.

Table 6. Hypothesis Test Results

	Original sample (O)	*Standard deviation (STDEV)*	*T statistics (|O/STDEV|)*	*P values*
***Green Accounting* -> Financial Performance**	0.117	0.119	0.985	0.164
***Intellectual Capital* -> Financial Performance**	0.395	0.144	2.734	0.004
Sales Growth -> Financial Performance	0.269	0.133	2.018	0.023
GCG x *Green Accounting* -> Financial Performance	0.117	0.104	1.126	0.131
GCG x *Intellectual Capital* -> Financial Performance	0.418	0.178	2.349	0.010
GCG x Sales Growth -> Financial Performance	0.041	0.127	0.326	0.373

Source: Data processed, 2025

Table 6 shows that the first hypothesis has an initial sample value of 0.117 with a significance level of 0.164 (> 0.05) and a t-statistic of 0.985 (< 1.64), so H1 is rejected. Meanwhile, the second hypothesis result has an initial sample value of 0.395 with a significance level of 0.004 (<0.05) and a t-statistic of 2.734 (>1.64), so H2 is accepted. The third hypothesis result has an initial sample value of 0.269 with a significance level of 0.023 (<0.05) and a t-statistic of 2.018 (> 1.64), so H3 is accepted. The fourth hypothesis result has an initial sample value of 0.117 with a significance level of 0.131 (> 0.05) and a t-statistic of 1.126 (< 1.64), so H4 is rejected. The fifth hypothesis result has an initial sample value of 0.418 with a significance level of 0.010 (<0.05) and a t-statistic of 2.349 (> 1.64), so H5 is accepted. The sixth hypothesis result has an initial sample value of 0.04 with a significance level of 0.373 (> 0.05) and a t-statistic of 0.326 (< 1.64), so H6 is rejected.

Green Accounting on Financial Performance
Research shows the results, there is no good impact of green accounting on financial performance. This finding contradicts previous research (Khasanah et al., 2023), because the application of green accounting in companies can generate additional costs that are not comparable to the increase in profitability obtained. The results of this study do not confirm stakeholder theory, because the interests of stakeholders are not aligned with the interests of the company. Stakeholders encourage an increase in environmental costs to strengthen supervision and control of the company's environmental impact. However, companies tend to limit these expenses because they can reduce profitability.

Intellectual Capital on Financial Performance
Research shows the results of intellectual capital have a good impact on financial performance. The research findings confirm (Lee & Lukman, 2023), optimal intellectual capital can have a good impact on profitability and financial performance. Strong intellectual capital has a qualified workforce efficient business processes and reliable information systems tend to show better financial performance. This study confirms the stakeholder theory that prioritizing stakeholder interests can stabilize support from various influential parties in the company so that financial performance will be better.

Sales Growth on Financial Performance

Research shows the results of sales growth contribute well to financial performance. These findings confirm (Mursidah et al., 2023), sales growth, which is reflected in the high level of market demand for the company's products or services, will increase revenue and profitability so that financial performance increases. The findings of this study confirm *stakeholder* theory*,* sales growth reflects the company's success in meeting the needs and expectations of various stakeholders. With sustainable sales growth, it can strengthen relationships with business partners so as to support the sustainability of the company in the long term.

Green Accounting on Financial Performance with GCG Moderation

Research shows the results that GCG (Good Corporate Governance) has no impact on green accounting on financial performance. This finding does not confirm (Wardianda & Wiyono, 2023), green accounting which is the company's level of compliance with the environment cannot improve financial performance through good governance because GCG has the main role to oversee the company's operational activities in accordance with established principles without any connection with sustainable business or environmental accounting. This study does not confirm legitimacy theory, because GCG focuses more on regulation and operational effectiveness rather than on sustainability strategies that aim to increase the company's legitimacy in the eyes of the public.

Intellectual Capital on Financial Performance with GCG Moderation

The study resulted in the finding that GCG has a good impact on intellectual capital on financial performance. This study confirms (Arifin, 2023), which states that effective GCG will increase intellectual capital and have a good impact on the company's financial performance. Companies can improve efficiency and compliance, ultimately improving financial performance. This study confirms legitimacy theory, companies implementing GCG can increase public trust in the company because *intellectual capital* has run optimally.

Sales Growth on Financial Performance with GCG Moderation

This study shows the results that Good Corporate Governance (GCG) has no impact on sales growth and financial performance. This study does not confirm the research (Kumalasari et al., 2021), because GCG principles focus more on transparency, accountability, and balancing *stakeholder* interests rather than short-term profitability. This study does not confirm legitimacy theory, because GCG focuses more on regulation and operational effectiveness. The legitimacy gained from the implementation of GCG by companies does not directly encourage sales and increase profitability.

CONCLUSION

The findings explain that there is no effect of green accounting on financial performance due to high implementation costs that are not proportional to the increase in profitability. In contrast, intellectual capital and sales growth are proven to contribute positively to financial performance. Intellectual capital can improve operational efficiency, profitability, and business sustainability, while sales growth reflects an increase so that financial performance becomes better. The research findings also show that the effect of green accounting and sales growth on financial performance cannot be strengthened by GCG (Good Corporate Governance). Because the main role of GCG focuses more on operational compliance compared to sustainability aspects. In addition, GCG does not directly contribute to increased sales and profitability. Conversely, it strengthens the relationship between intellectual capital and financial performance because well-implemented GCG can increase the utilization of intellectual capital so that it has a positive impact on company performance. Future research can consider other moderating variables. In addition, it is recommended to expand the research period and sample to different sectors.

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