

ANALYSIS OF THE APPLICATION OF GREEN ACCOUNTING ON THE FINANCIAL PERFORMANCE OF PT UNILEVER INDONESIA TBK

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Abstract

This research was written with the aim of analyzing the application of Green Accounting at PT Unilever Indonesia Tbk. The background of this writing is because the writer wants to analyze Green Accounting at PT Unilever Indonesia Tbk. The method used in this research is a qualitative research method, the data source used in this research is secondary data. Secondary data is a source of data obtained by researchers indirectly through intermediary media obtained and recorded by other parties. The results of this study indicate that PT Unilever Indonesia Tbk has implemented Green Accounting very well. The costs incurred by PT Unilever Indonesia Tbk in implementing Green Accounting in 2019 – 2021 amount to IDR 284,842,399,000. In implementing Green Accounting, PT Unilever Indonesia Tbk only focuses on 4 aspects namely; Economic Aspect, Environmental Aspect, Social Aspect, Health Aspect.

Keywords: *Application of Green Accounting, Financial Performance*

1. INTRODUCTION

Companies are currently required to not only focus on the welfare of their owners and management but also all parties such as consumers, employees, communities and the environment (Dwicahyanti and Priyono, 2021). Improved environmental performance encourages companies to increase the disclosure of corporate environmental information to external parties (Wijayanto, Winarni and Mahmudah, 2021). (Gilby Sapulette et al., 2021). The role of the company above is known as corporate responsibility or Corporate Social Responsibility (CSR). Corporate Social Responsibility (CSR) is an action or concept carried out by companies (according to the company's capabilities) as a form of their responsibility towards the surrounding environment. Corporate Social Responsibility (CSR) is a company strategy that accommodates the needs and interests of its stakeholders. CSR emerged from an era where awareness of long-term corporate sustainability was more important than just profitability. CSR is a consequence of the fact that an institution or organization apart from having an economic dimension also has a social institution dimension (Ministry of Education and Culture textbook entitled Corporate Social Responsibility (CSR) (BP-PAUD and Dikmas).

Green Accounting or known as green accounting is a type of accounting that tries to include and relate environmental cost factors to company activities. As it is known that the gross domestic product ignores the environment in decision making. Green Accounting provides an overview of efforts to protect the environment by combining environmental benefits with the costs of economic decisions through the company's financial results. Green Accounting can identify costs and benefits through environmental conservation in company activities as a supporter of sustainable development. The application of green accounting or environmental accounting is the first step that companies can take to minimize environmental problems faced by companies (Hamdidi, 2019). Performance is the level of individual or team success in achieving predetermined goals and tasks. Performance is the result of the interaction between individual abilities, motivation, and working conditions in the organization (Robbins, SP, and Judge, TA, 2019). Financial Performance can be defined as an evaluation of the soundness and effectiveness of a company based on an analysis of its financial performance. Financial performance covers various aspects that involve measuring and

valuing a company's finances, including revenue, profitability, liquidity, solvency, efficiency and growth performance. (Brigham, EF, & Houston, JF 2017).

Table of the total costs of PT Unilever Indonesia Tbk in 2019 – 2021

| No | Year | Total cost |
|----|------|---------------------|
| 1. | 2019 | IDR 44,721,688,000 |
| 2. | 2020 | IDR 200,000,000,000 |
| 3. | 2021 | IDR 27,700,000,000 |

(Sukmono, S., Kuncara, T., & Ayanto, HK (2023). Multidisciplinary Scientific Journal, 1-9).

The Company has transactions with related parties. Related parties are people or entities that are related to the entity that prepares its financial statements (referred to in this Statement as “reporting entity”). An individual or entity can be classified as a related party if it fulfills the conditions specified in the definition of a related party in PSAK 7. PSAK 71 supersedes PSAK 55 “Financial Instruments: Recognition and Measurement”, and includes accounting arrangements for the classification and measurement of financial instruments, impairment of financial assets and hedge accounting. The new model for classifying financial assets is determined based on the cash flow characteristics and business model of the assets owned. The expected impairment loss model requires an entity to account for expected credit losses from the initial recognition of a financial instrument and to recognize the entire expected loss over the life of the financial instrument on a timely basis. (Indra Sri Widodo, 2019). Based on the explanation above, this research is about "Analysis of the Implementation of Green Accounting on the Financial Performance of PT. Unilever Indonesia Tbk.

2. LITERATURE STUDY

2.1 Corporate Social Responsibility

According to Crane, A., Matten, D., & Moon, J. (2019), the notion of Corporate Social Responsibility (CSR) is a company's commitment to consider the social, environmental and economic impacts of their business activities, and to be voluntarily responsible for stakeholders (stakeholders) who are directly or indirectly affected by the company's activities. Various factors cause why social responsibility becomes so important within the scope of the organization, including (Sulistyaningtyas, 2006):

1. There is the current of globalization, which gives an illustration of the loss of dividing lines between various regions in the world so as to bring about universality. Thus it is very possible that multinational companies can develop anywhere as a link in the globalization chain.
2. Consumers and investors as the primary public for profit organizations need an overview of the organization's responsibility towards social and environmental issues.
3. As part of organizational ethics, organizational responsibility is needed to be able to manage the organization properly (more properly known as good corporate governance).
4. Communities in several countries assume that an organization has met organizational ethical standards, when the organization cares about the environment and social issues.

5. Social responsibility can at least reduce a crisis that has the potential to occur in an organization.
6. Social responsibility is considered to improve the reputation of the organization.

Following are several types of corporate social responsibility according to Crane, A., Matten, D., & Spence, LJ (2019):

1. **Economic Responsibility:** Companies have a responsibility to create profits and economic value for shareholders and other stakeholders. This includes conducting business with ethics and integrity, meeting financial obligations, and creating jobs and economic growth.
2. **Legal Responsibility:** Companies have a responsibility to comply with applicable laws and regulations in the countries in which they operate. This includes compliance with environmental regulations, labor regulations, as well as consumer protection and product safety.
3. **Ethical Responsibility:** Companies have a responsibility to behave ethically in all aspects of their business. This includes avoiding harmful business practices, such as corruption, fraud, discrimination, labor exploitation and human rights violations.
4. **Philanthropic Responsibility:** Companies have a responsibility to provide donations and support to society or charitable activities. This can be in the form of donations for social activities, education, health, environment, and other community programs.
5. **Environmental Responsibility:** Companies have a responsibility to protect the surrounding natural environment and reduce the negative impact of their business activities on the environment. This includes waste management, responsible use of natural resources, and adopting environmentally friendly business practices.
6. **Employee and Labor Responsibility:** Companies have a responsibility to treat their staff and workforce fairly and respect their rights. This includes providing safe working conditions, living wages, career development opportunities, and supporting diversity, inclusion and equality in the workplace.

Socially responsible companies are expected to pay attention to all these types of responsibilities and strive to strike the right balance between economic, social and environmental interests.

2.2 Green Accounting

Green Accounting or known as green accounting is a type of accounting that tries to include and relate environmental cost factors to company activities. As it is known that the gross domestic product ignores the environment in decision making. Green Accounting provides an overview of efforts to protect the environment by combining environmental benefits with the costs of economic decisions through the company's financial results. Green Accounting can identify costs and benefits through environmental conservation in company activities as a supporter of sustainable development. The application of green accounting or environmental accounting is the first step that companies can take to minimize environmental problems faced by companies (Hamidi, 2019). On the other hand, the definition of Green Accounting is also conveyed by (Lako, 2018) Green accounting is "A process of recognizing, measuring value, recording, summarizing, reporting, and disclosure in an integrated manner towards financial, social, and environmental objects, transactions, or events in the accounting process in order to produce complete, integrated and relevant financial, social and environmental accounting information that is useful for users in making economic and non-economic decisions and management.

Based on the above understanding Green accounting is an accounting method that aims to take into account environmental aspects in company profitability. The use of green accounting can help companies to measure the environmental impact of their business activities, so that they can make more sustainable investment decisions. Following are several types of green accounting according to Unerman, Bebbington, and O'Dwyer (2018):

1. Green Accounting in an Environmental Context: Green accounting in an environmental context focuses on measuring and reporting the environmental impact of an organization. This includes measuring greenhouse gas emissions, energy use, water use, waste and other pollution. The goal of green accounting in an environmental context is to monitor and reduce an organization's negative impact on the environment.
2. Green Accounting in Social Context: Green accounting in social context focuses on measuring and reporting the social and human impacts produced by organizations. This includes measuring the impact of the organization's activities on local communities, employees, communities and other stakeholders. The goal of green accounting in a social context is to ensure that organizations are socially responsible and provide positive benefits to society.
3. Green Accounting in an Economic Context: Green accounting in an economic context focuses on measuring and reporting the economic impact of sustainable business practices. This includes measuring the economic value generated by investing in sustainability, such as reduced operating costs, energy efficiency, and the long-term benefits that can be derived from sustainable business practices.
4. Green Accounting in the Context of Investments: Green accounting in the context of investments focuses on measuring and reporting the environmental and social impacts of investments and financial portfolios. This involves measuring the financial and non-financial performance of sustainable investments, such as investments in renewable energy, green companies, or sustainable development projects.

2.3 Risk Management

According to KMK Number 577/KMK.01/2019, risk is the possibility of an event occurring that will impact the achievement of organizational goals. If the risk befalls an organization, then it can have a negative impact on the organization. Risks can be grouped into pure risks, namely risks with the possibility of loss but no possibility of profit, and speculative risks, namely risks where we expect losses as well as profits. In addition to pure and speculative categorization, risks can also be distinguished between dynamic risks that arise from changes in certain conditions (changes in societal conditions, technological changes, which can give rise to new types of risks) and static risks that arise from certain balance conditions (practically risks unchanged from time to time). Risk can also be grouped into subjective risk, risk related to one's perception of risk, and objective risk, risk based on objective parameter observations.

Risk management aims to manage these risks so that we can obtain the most optimal results. In the organizational context, the organization will also face many risks. If the organization cannot manage risk properly, then the organization can suffer losses. Therefore the risks faced by the organization must also be managed, so that the organization can survive, or perhaps optimize the risk. According to the Decree of the Minister of Finance (KMK) Number 577/KMK.01/2019 concerning Risk Management within the Ministry of Finance, the purpose of risk management is to increase the possibility of achieving the vision, mission, goals of the organization and improve performance and protect and increase the added value of the organization.

There are several definitions of organizational/company risk management in general, including:

1. Risk management is a set of policies, complete procedures, owned by the organization, to manage, monitor, and control the organization's exposure to risk (SBC Warburg, *The Practice of Risk Management*, Euromoney Book, 2004)
2. Enterprise Risk Management is a comprehensive, integrated framework for managing credit risk, market risk, economic capital, risk transfer, to maximize corporate value (Lam, James, *Enterprise Risk Management*, Wiley, 2004)
3. Enterprise Risk Management (ERM) is a process, which is influenced by the management, board of directors, and other personnel of an organization, applied in strategic settings, and covers the organization as a whole, designed to identify potential events that affect an

organization, manage risks within an organization's tolerance, to provide reasonable assurance regarding the achievement of organizational goals. (COSO, COSO Enterprise Risk management - Integrated Framework. COSO, 2004).

Following are several types of risk management according to Hull, JC (2018):

1. Credit Risk Management: Credit risk management focuses on the risks associated with extending credit to individuals, companies or other entities. The purpose of credit risk management is to reduce credit risk arising from default or inability of the debtor to fulfill his obligations.
2. Market Risk Management: Market risk management focuses on risks arising from price fluctuations in financial markets, such as interest rate risk, exchange rate risk, share price risk and commodity risk. The objective of market risk management is to manage the risks associated with changes in the value of financial assets and liabilities due to changes in the market.
3. Liquidity Risk Management: Liquidity risk management involves managing risks related to the availability of sufficient funds to meet an entity's financial obligations. The purpose of liquidity risk management is to ensure that the entity has sufficient liquidity to cover the financial obligations that arise.
4. Operational Risk Management: Operational risk management focuses on risks related to the operational activities of an entity, including human risk, technology risk, internal operational risk, and legal risk. The objective of operational risk management is to identify, measure and manage risks that may arise in the entity's operational activities.
5. Reputation Risk Management: Reputation risk management involves managing risks related to the reputation of an entity in the public eye. The purpose of reputation risk management is to protect the entity's reputation from damage that could affect its image, trust and relationships with stakeholders.
6. Financial Risk Management: Financial risk management involves managing risks related to the financial position of an entity, including capital risk, capital risk, cash flow risk and other financial risks. The objective of financial risk management is to protect the financial value and sustainability of the entity through proper risk management.

2.4 Financial Management

According to (Gitman, LJ, & Zutter, CJ 2019), financial management can be defined as the process of planning, organizing, controlling, and supervising the company's financial assets and financial resources. Financial management aims to achieve the company's financial goals by managing financial assets efficiently and effectively. In this case, financial management focuses on making decisions related to investment, funding, and managing the company's financial risks. Investment decision making involves evaluating and selecting investment projects that can generate adequate and profitable cash flow for the company. Making funding decisions includes choosing the right funding sources, such as own capital or debt, as well as choosing the optimal capital structure. In addition, financial management is also related to managing the company's financial risk. This involves identifying, analyzing and controlling risks related to the company's business activities, including market risk, credit risk, liquidity risk and operational risk.

Based on the definition of (Musthafa, 2017), financial management describes several decisions that need to be made, such as investment decisions, funding decisions or decisions to meet funding needs, and dividend policy decisions.

Financial management is related to three activities:

1. Activities that use funds, namely activities that invest funds in various assets.
2. Fundraising activities, namely activities that raise funds from internal and external sources of the company.
3. Asset management activities, namely after funds have been collected and allocated in the form of assets, these funds must be managed as efficiently as possible.

The principles of corporate governance require the efficient and effective procurement and use of funds. Therefore, the management of corporate expenses and financial management is nothing but the management of the expenditure function. In terms of administration, it includes planning, command and control functions. In this regard, it is necessary to properly plan and control the use and scope of funding requirements.

Following are several types of financial management according to Jack Kapoor, Les Dlabay, and Robert J. Hughes (2019):

1. **Income Management:** Income management involves managing personal income, including income from work, investments, and other sources of income. The goal is to manage income wisely, minimize unnecessary expenses, and allocate funds efficiently.
2. **Expense Management:** Expense management is concerned with controlling personal expenses. This includes budgeting, monitoring expenses, and controlling debt. The goal is to manage expenses to match existing income, avoid excessive debt, and manage expenses in a smart way.
3. **Investment Management:** Investment management involves managing personal financial investments, such as stocks, bonds, mutual funds, or property. This includes investment analysis, portfolio diversification, investment performance monitoring, and intelligent investment decision making. The goal is to achieve long-term wealth growth and achieve financial goals.
4. **Retirement Management:** Retirement management focuses on financial planning for retirement. This involves estimating financial needs in retirement, setting up a retirement plan, such as a retirement fund or individual retirement savings plan (IRA), and investing strategies that match your retirement goals. The goal is to achieve financial security in retirement.
5. **Risk Management:** Risk management involves identifying financial risks that may affect personal finances, such as health risks, job loss risks, or financial risks related to home ownership. This involves insurance, establishing an emergency fund, and using other financial instruments to protect personal finances from unwanted risks.

2.5 Application of Green Accounting on Financial Performance

According to Schaltegger, S., & Burritt, R. (2018), green accounting is the application of accounting principles that include environmental and social factors in measuring the financial performance of an organization. Green accounting aims to integrate environmental and social aspects into financial reports in order to provide a more complete picture of an entity's financial performance. The application of green accounting involves identifying, measuring, and reporting aspects related to the environment and social. This includes monitoring the environmental impact of business activities such as greenhouse gas emissions, use of natural resources, and production of waste. In addition, green accounting also considers social factors such as workforce sustainability, corporate social responsibility, and contribution to society. By implementing green accounting, organizations can gain a better understanding of the environmental and social impacts of their business activities.

This allows them to identify areas where they can improve their performance in terms of sustainability and being socially responsible. In addition, green accounting can also help organizations to meet environmental and social legal and regulatory requirements. Overall, the application of green accounting provides a comprehensive framework for measuring and reporting financial performance that takes into account environmental and social aspects. In doing so, organizations can promote transparency, accountability and more sustainable decision-making in their operations.

The following are several benefits according to Yasseen, H., & Iqbal, A. (2021) applying green accounting to financial performance, including:

1. **Cost savings:** Implementing green accounting can help companies identify and manage more efficient use of resources. By adopting environmentally friendly practices, companies can

reduce their consumption of energy, water and raw materials, potentially reducing production costs.

2. Increasing operational efficiency: Green accounting can assist companies in optimizing their operational processes by identifying areas where efficiency can be improved. For example, by reducing production waste or adopting more efficient technologies, companies can increase productivity and reduce production costs.
3. Improvement of corporate image: The application of green accounting can provide benefits in terms of corporate image. Environmentally responsible practices can improve public perception of the company, thereby strengthening the company's image and increasing customer and investor confidence.
4. Environmental regulatory compliance: In some countries, there are environmental rules and regulations that require companies to report and comply with certain environmental standards. By implementing green accounting, companies can ensure that they comply with these regulations and avoid potential sanctions or legal issues.
5. Access to sustainable sources of capital: Companies that implement sustainable and environmentally responsible business practices can attract investors who are concerned about environmental issues. Thus, the application of green accounting can open opportunities for access to sustainable sources of capital, such as green financing or socially and environmentally responsible investments.

This study shows that the application of green accounting can provide significant benefits to the financial performance of manufacturing companies. However, it is important to remember that these benefits may vary depending on the context and characteristics of the company as well as other factors that affect financial performance.

2.6 Laws - Invitations Regarding Green Accounting

There are several government regulations related to environmental management that require every business owner or entity or company to be able to fulfill their responsibilities for the land and environment used in carrying out company operations. Law No. 23 of 1997 concerning Environmental Management which regulates the obligations of everyone who tries or carries out activities to maintain, manage and provide true and accurate information about the environment. Legal consequences have also been determined for violations that cause environmental pollution and damage. Law No. 25 of 2007 which contains Investment. This Law stipulates the obligation for every investor in the form of a business entity or individual to carry out corporate social responsibility, protect the environment and respect the cultural traditions of the surrounding community. Violation of these obligations can be subject to sanctions in the form of written warnings, freezing and revocation of investment activities and/or facilities.

Law No. 32 of 2009 concerning environmental protection and management which explains that the declining quality of the environment has threatened the survival of humans and other living things, so that it is necessary to protect and manage the environment seriously and consistently by all stakeholders. With these laws, the company's voluntarism in managing and preserving the environment arises because of the concern that arises for the survival of living things and the company itself. (Hamidi, H. (2019). Analysis of the Application of Green Accounting on Company Financial Performance. EQUILIBRIA, 6(2).

3. RESEARCH METHOD

3.1 Descriptive Qualitative

This study uses qualitative research. Qualitative research is research that is descriptive in nature and tends to use analysis. Process and meaning (subject perspective) are emphasized in qualitative research. Qualitative research is a process of naturalistic inquiry that seeks an in-depth understanding of natural social phenomena (Hendryadi, et. al, 2019). (STIE INDONESIA, tt) Qualitative research method is a research method based on the philosophy of postpositivism, used

to research on natural object conditions, (as opposed to experiments) where the researcher is the key instrument, data collection techniques are carried out by triangulation (combined), data analysis is inductive/qualitative, and the results of qualitative research emphasize the meaning of generalizations (Sugiyono, 2019). Source of data used in this research is secondary data. Secondary data is a source of data obtained by researchers indirectly through intermediary media (obtained and recorded by other parties). Secondary data is generally in the form of evidence, historical records or reports that have been compiled in archives. For example, organizational structure, purchasing reports, inventory and sales reports (Sugiyono, 2019).

3.2 Literature Study

According to Sugiyono (2018) Literature Studies are theoretical studies and other references related to values, culture and norms that develop in the social situation under study. In this research, the writer chooses literature study or literature study by collecting references.

Title : Analysis of the Implementation of Green Accounting on the Financial Performance of PT Unilever Indonesia Tbk.

Objective :The purpose of this study is to determine the analysis of the application of green accounting on the financial performance of PT Unilever Indonesia Tbk.

Method :This study uses qualitative research. Qualitative research is research that is descriptive in nature and tends to use analysis. Process and meaning (subject perspective) are emphasized in qualitative research. Source of data used in this research is secondary data. Secondary data is a source of data obtained by researchers indirectly through intermediary media (obtained and recorded by other parties).

Results :In 2019 for a sustainable program in the economic aspect, PT Unilever Indonesia Tbk conducted training and development for its employees. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect, PT Unilever Tbk conducts mosque cleaning activities. In terms of health, PT Unilever Indonesia provides free dental education and examination services for the community, and also provides education about healthy mothers and toddlers.

In 2020, for sustainable programs in the economic aspect, PT Unilever Indonesia Tbk conducts training and development for its employees and provides real support to small traders. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect, PT Unilever Tbk distributes food and hygiene products to Indonesian medical personnel. In the health aspect, PT Unilever Indonesia Tbk provided several medical devices which were channeled through the National Disaster Management Agency (BNPB), provided various hygiene products and educational services regarding prevention of COVID-19 infection. In 2021, the focus is on helping the government prevent the COVID-19 pandemic from taking many victims. In 2021, the sustainable program in the economic aspect of PT Unilever Indonesia Tbk will focus on developing the potential of small-scale retailers. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect PT Unilever Tbk provides product assistance, vaccines and coolers for vaccines. In the health aspect, PT Unilever Indonesia Tbk provides educational services on health, nutrition, sanitation and women's empowerment. In 2021, the focus is on helping the government rise to get through the COVID-19 pandemic.

Conclusion :Green Accounting-based Corporate Social Responsibility (CSR) carried out by PT Unilever Indonesia Tbk in 2019 – 2021 has been carried out well, PT Unilever Indonesia Tbk is

committed to providing the best for society. And the implementation of Corporate Social Responsibility (CSR) carried out by PT Unilever Indonesia Tbk is in accordance with ISO 26000 guidelines. However, the data for expenditure costs is still incomplete. And the application of Green Accounting affects the company's performance.

3.3 Data and Data Sources

The data we use comes from PT Unilever Indonesia Tbk's annual corporate social responsibility (CSR) financial reports. Period 2019 – 2021. The data to be used in this research is secondary data. Secondary data is data that includes official documents, books related to research objects, research results in the form of reports, theses, laws and regulations, and others. Secondary data is a source of research data obtained indirectly and through intermediary media. In this case secondary data obtained from: a. Libraries b. Internet.

4. DISCUSSION

4.1 Problem Response

The following is data obtained from PT Unilever Indonesia Tbk's annual corporate social responsibility (CSR) financial reports. Period 2019 – 2021 to be analyzed. PT Unilever Indonesia Tbk has CSR programs that have been prepared and implemented starting in 2014 as clear evidence of the company's role in fulfilling the Sustainable Development Goals (SDGs). The CSR programs cover the following fields: Economy, Environment, Health, Education. From the data above, PT Unilever Indonesia Tbk. has spent quite a lot of funds to carry out Green Accounting, below are the CSR activities of PT Unilever Indonesia Tbk.

CSR activities of PT Unilever Indonesia Tbk in 2019:

1. Economic Aspect

57,105 total employee training hours. 250,000 beneficiaries of the 2019 National Dental Health Month. There are 1,500 participants in the Working Women program.

2. Environmental Aspect

32% decrease in energy intensity. 60% reduction in greenhouse gas intensity. A total of 3,859 Waste Banks covering 37 districts/cities and 12 Provinces constitute 40% of the waste banks registered with the Ministry of Environment and Forestry (KLHK). 2,824 tons of reduced waste weight. 12,487 tons of inorganic waste managed by waste banks.

3. Social Aspect

The Mosque Cleaning Program is a Unilever collaboration through the Wipol, Superpell, Vixal brands with the Indonesian Mosque Council (DMI) and local Non-Governmental Organizations (NGOs). In 2019, this mosque cleaning activity was carried out simultaneously in 2,000 mosques and 129 Islamic boarding school mosques in 13 cities on the island of Java.

4. Health Aspect

Pepsodent Dental Expert Center (PDEC) provides free dental education and examination services for the community. As of 2019, Pepsodent Dental Expert Center (PDEC) has reached more than 30,000 annual visitors and received more than 850 school and community visits. More than 150,000 mothers participated in Clean Living Behavior (PHBS) education in the healthy mother and toddler program. In 2019, the National Dental Health Month (BKGN) has benefited more than 250,000 Indonesian people, with the collaboration of more than 100 Indonesian Dentists Association (PDGI) Branches and 23 Faculties of Dentistry, involving more than 14,250 dentists and students of the Faculty of Medicine. Teeth all over Indonesia.

In 2019 for a sustainable program in the economic aspect, PT Unilever Indonesia Tbk conducted training and development for its employees. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect, PT Unilever Tbk conducts mosque cleaning activities. In terms of health, PT

Unilever Indonesia provides free dental education and examination services for the community, and also provides education about healthy mothers and toddlers. (PT Unilever Indonesia Tbk 2019).

CSR activities of PT Unilever Indonesia Tbk in 2020:

1. Economic Aspect

Provide employee training and development by providing 693 modules, a total of 33,803 training hours, and providing 237 trainers for 14,214 participants. Provide real support worth a total of IDR 40 billion for 147,000 stall traders containing personal protective equipment, and additional capital for business continuity.

2. Environmental Aspect

Waste weight reduction of 1,541.83 tons. 16,402 Number of plastic waste successfully collected and processed. 13,262.67 Plastic waste collected through a network of waste banks. 3,070.44 Use of recycled plastic as an alternative to Refuse Derived Fuel (RDF). 68.60 Use of recycled plastics for Unilever product packaging. Assisting the development of nearly 4,000 units of Waste Banks spread across 37 cities, with more than 500,000 Waste Bank members.

3. Social Aspect

In collaboration with all employees, Unilever donated 52,000 food packages which were gradually distributed to health workers. Donated product packages and cleaning tools to 100,000 mosques throughout Indonesia in collaboration with the Indonesian Mosque Council (DMI), with a total fund of IDR 50 billion. PT Unilever Indonesia Tbk also donated hand sanitizers, soap, food and beverage products, home hygiene care products, and food packages for medical personnel worth IDR 10 billion to the Provincial Government of DKI Jakarta

4. Health Aspect

Suggested 40,320 PCR test kits, 2 ICU Ventilators, 60,000 PPE distributed through the National Disaster Management Agency (BNPB), namely, 12 hospitals and health institutions, Siloam Mampang & Mitra Keluarga Jatiasih Hospital, through the 10th Indonesian Association of Hospitals (PERSI). hospitals and health institutions to medical personnel who work in a number of hospitals, laboratories and health facilities throughout Indonesia. Distributed 1,300,000 Unilever products such as Lifebuoy, Wipol, SariWangi and Buavita worth IDR 7.2 billion to 249,952 households (KK) in 3 provinces and 13 regencies/cities in Indonesia. donated 10,000 units of Lifebuoy hand sanitizer, 3,000 units of KN95 masks, 2,880 units of PCR test kits, and 250 units of portable sinks as well as educational materials for Clean Living Behavior (PHBS) to the Surabaya city government.

In 2020, for sustainable programs in the economic aspect, PT Unilever Indonesia Tbk conducts training and development for its employees and provides real support to small traders. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect, PT Unilever Tbk distributes food and hygiene products to Indonesian medical personnel. In the health aspect, PT Unilever Indonesia Tbk provided several medical devices which were channeled through the National Disaster Management Agency (BNPB), provided various hygiene products and educational services regarding prevention of COVID-19 infection. In 2021, the focus is on helping the government prevent the COVID-19 pandemic from taking many victims. (PT Unilever Indonesia Tbk 2020).

CSR activities of PT Unilever Indonesia Tbk in 2021:

1. Economic Aspect

2500 small scale retailers from Aceh to Papua participated in the "Swalayan Kita" program which aims to boost the potential and support the growth of small scale retailers through technology

2. Environmental Aspect

3,800 tons of reduced plastic content in Unilever product packaging by 2021. 24,500 post-consumer plastic waste collected through Waste Banks developed in 45 cities/regencies and 11 provinces in Indonesia throughout 2021.

3. Social Aspect

375,000 Product assistance consisting of personal hygiene, sanitation and food products with a total value of IDR 4.6 billion. 1,300 vaccines for scavengers. 1,423 Cold cabinets for vaccines with a value of 19.7 billion. 141,000 product assistance for vaccination centers and volunteers consisting of Lifebuoy, Buavita and Royco. A total of 199,188 assistance for isolation and health facilities with a value of Rp. 3.4 billion.

4. Health Aspect

Providing educational programs on health, nutrition, sanitation, and empowering women with a total of 3 million people.

In 2021, the sustainable program in the economic aspect of PT Unilever Indonesia Tbk will focus on developing the potential of small-scale retailers. In terms of the environmental aspect, PT Unilever Indonesia Tbk's sustainable activities that are always carried out annually are waste banks. In the social aspect PT Unilever Tbk provides product assistance, vaccines and coolers for vaccines. In the health aspect, PT Unilever Indonesia Tbk provides educational services on health, nutrition, sanitation and women's empowerment. In 2021, the focus is on helping the government rise to get through the COVID-19 pandemic. (PT Unilever Indonesia Tbk 2021). (Sukmono, S., Kuncara, T., & Ayanto, HK (2023). *Multidisciplinary Scientific Journal*, 1-9).

4.2 Background Solution

After conducting this research, it can be concluded that:

Table of the total costs of PT Unilever Indonesia Tbk in 2019 – 2021

| No | Year | Total cost |
|----|------|---------------------|
| 1. | 2019 | IDR 44,721,688,000 |
| 2. | 2020 | IDR 200,000,000,000 |
| 3. | 2021 | IDR 27,700,000,000 |

In 2019, PT Unilever Indonesia Tbk's sustainable program spent a total of IDR 44,721,688,000 to carry out mosque cleaning activities and provide educational services and free dental examinations for the community, and also provide education about healthy mothers and toddlers. In 2020, PT Unilever Indonesia Tbk's ongoing program spent a total of IDR 200,000,000,000 to provide real support to small traders, distribute food and hygiene products to Indonesian medical personnel. As well as providing several medical devices which were channeled through the National Disaster Management Agency (BNPB). In 2021, PT Unilever Indonesia Tbk's sustainable program will spend a total of IDR 27,700,000,000 to develop the potential of small-scale retailers, provide assistance in the form of Unilever products, vaccines and coolers for vaccines, and provide educational services on health, nutrition, sanitation and women's empowerment. PT Unilever Indonesia Tbk has carried out CSR in accordance with ISO 26000, there are stages of evaluating the Annual Report and Sustainability Report. And the total costs incurred by the company is IDR 284,842,399,000. (Sukmono, S., Kuncara, T., & Ayanto, HK (2023). *Multidisciplinary Scientific Journal*, 1-9).

The solution from the analysis of the application of green accounting to the financial performance of PT Unilever Indonesia Tbk may include:

1. Identification and measurement of environmental impacts: PT Unilever Indonesia must conduct an in-depth analysis of the environmental impacts generated by the company's operations. This includes monitoring and measuring natural resource use, greenhouse gas emissions, waste, and more. This data will assist in objectively evaluating environmental impact.
2. Imposition of environmental costs: The company must take into account the environmental costs caused by its operations. This includes waste management costs, environmental restoration costs, environmental regulatory compliance costs and more. By charging these fees, companies can reflect their environmental impact in financial statements and make more informed decisions.
3. Evaluation of sustainable investment: PT Unilever Indonesia needs to consider environmental factors in the process of making investment decisions. This includes evaluating projects that support the use of renewable resources, reduce greenhouse gas emissions, or improve energy efficiency. In investment analysis, companies must consider the long-term benefits of these sustainable projects, as well as the risks associated with changes in environmental regulations and policies.
4. Sustainable financial reporting: PT Unilever Indonesia needs to integrate financial and environmental information in the company's annual report. Sustainable financial reports will provide shareholders and related parties with more complete information about the company's performance in an environmental context. It can also increase corporate transparency and accountability on environmental issues.
5. Stakeholder collaboration and engagement: PT Unilever Indonesia must involve relevant stakeholders, including customers, suppliers and the general public, in the process of developing and implementing green accounting. Through collaboration, companies can gain better insight into the environmental needs and expectations of stakeholders, as well as build strong partnerships to drive sustainable business practices.

The application of green accounting will not only help PT Unilever Indonesia measure and report environmental impacts, but can also increase operational efficiency, reduce risk, and build a reputation as an environmentally responsible company.

5. CONCLUSION

Green Accounting-based Corporate Social Responsibility (CSR) carried out by PT Unilever Indonesia Tbk in 2019 – 2021 has been carried out well, PT Unilever Indonesia Tbk is committed to providing the best for society. And the implementation of Corporate Social Responsibility (CSR) carried out by PT Unilever Indonesia Tbk is in accordance with ISO 26000 guidelines. However, the data for expenditure costs is still incomplete. And the application of Green Accounting affects the company's performance.

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