THE ROLE OF ENVIRONMENTAL RESPONSIBILITY IN MAXIMIZING THE VALUE OF THE COMPANY

Prof. Dr. Saoud Jayed Mashkour[(1)]**, Assist .Prof. Hayder Abbas AL-attar**[(2)]**, Assist. Lecturer Alaa yousif Hassan**[(3)]**,**
[(1)] Mazaya Private University, Thi-kar, Iraq, Saoudalamry@mpu.edu.iq **,**
[(2)] University of Al-muthanna, Iraq, hayder.Abd@mu.edu.iq**,**
[(3)] Governance of Al-muthanna, Iraq, alaahessen2000@gmail.com

Article history:		Abstract:
		The study aimed to study and analyze the relationship between environmental responsibility and its impact on maximizing the value of the company; As well as drawing attention to the environmental impacts caused by industrial companies as a result of their industrial activity, which necessitates making more efforts to reduce the level of environmental problems .The study reached some conclusions, including, that the concept of environmental responsibility is summed up as "all obligations and activities performed by industrial companies towards the internal environment and the external environment to reduce the risk of environmental pollution and to determine all these commitments from a financial point of view for the purpose of reporting them in financial reports and delivering them to stakeholders for the purpose of taking appropriate decisions. The study recommended obligating industrial companies to disclose their environmental and social responsibility within the financial statements they issue for the purpose of knowing the size of spending on environmental responsibility and their contribution to reducing environmental problems

1. METHODOLOGY OF RESEARCH
1.1. Introduction
Environmental issues have received much attention from the world due to the environmental deterioration caused by industrial companies as a result of the practice of their various activities. From this point of view, interest in the environment emerged, and ministries, organizations and agencies concerned with the environment were formed. such as the US Protection Agency, the Japanese Protection Agency, and many bodies that call for the protection of humanity and nature from the danger of environmental pollutants; Several scientific, regional and international conferences and symposiums were held, such as the Stockholm Conference in 1972 and the Rio Doganero Conference in 1972, which calls for attention from the danger of environmental pollutants and the formation of many organizations such as the Friends of the Environment and the Greenpeace Group, and dedicated a special day for the environment known as World Environment Day .The environmental responsibility of industrial companies has become one of the biggest challenges facing the economic and social systems of countries and international and regional organizations, as the high volume of industrial activities directly contributed to environmental pollution, which included (water, air,

soil, and noise) and led to the disruption of the components and elements of the ecosystem .In light of the companies shouldering their responsibilities towards the environment, which in turn leads to achieving the maximum social welfare for the society in which they operate by improving the environmental conditions and reducing the negative effects that their activities cause to the surrounding environment and reducing the volume of environmental pollutants; Providing an integrated organizational climate for workers, such as providing transportation and the role of kindergartens, and improving their living conditions .Environmental responsibility has a major role in achieving a competitive advantage in industrial companies if many companies in general and industrial ones in particular tend to adopt a major environmental role through protecting and improving the environment, which leads to creating value for companies that abide by their responsibilities towards the environment. Where industrial companies seek to increase their market share through their contribution to achieving the social welfare of the community in which they operate, such as providing job opportunities for a group of (disabled) individuals and contributing to the afforestation of public places and providing free transportation for members of the community in which they operate.

1.2. Research Problem

Summarizing the research problem in that the Iraqi industrial companies did not fulfill their environmental obligations towards the environment and disclose the environmental performance in their financial statements, which has become an urgent necessity in light of the industrial companies bearing large financial costs and commitments to reduce environmental pollution, the environmental problems resulting from the companies practicing their industrial activities and the effects The negativity resulting from the pollution caused by these industrial units in its various forms (such as pollution of water, air, soil, and noise) and an attempt to reduce the causes of pollution and develop programs and solutions to improve the environment.

Therefore, we ask the following questions:-

- Are industrial companies working to pay attention and not neglect their environmental responsibilities?
- To what extent do industrial companies know the extent of the damage they cause to the environment as a result of their industrial activity?
- Do industrial companies realize the importance of their environmental responsibility towards the welfare of society?
- Do industrial companies disclose their environmental performance and environmental obligations in their financial statements?

1.3. Research Objectives

Based on the research problem and its questions, the aims of research are to achieve the following:
1. Study and analysis of the relationship between environmental responsibility and its impact on maximizing the value of the company.
2. Draw attention to the environmental impacts caused by industrial companies as a result of their industrial activity, which necessitates making more efforts to reduce the level of environmental problems.
3. Working on finding the best means to reduce or prevent environmental pollution.
4. Studying and defining the activities related to environmental responsibility and its impact on achieving the competitive advantage of industrial companies.

1.4. Importance of Research

The importance of the research lies in highlighting the importance of the environmental responsibility of industrial companies and the extent of their contribution to maximizing the value of the company. The importance of the study is clear through:

1. Defining the concept of environmental responsibility for industrial companies and environmental pollution in general.
2. Linking the concern for the environmental responsibility of industrial companies at the local level with the environmental concerns at the international level, thus increasing the growth of companies and achieving the maximum possible social welfare.
3. Indicating the importance of industrial companies exercising their environmental role, not only towards the concerned institutions, but also the workers in those companies and the outside community as well.
4. Clarify the importance of the environmental responsibility of industrial companies in a way that makes them achieve environmental goals and contribute to maximizing the social welfare of society.

1.4. Research hypotheses

The following main and subsidiary hypotheses were formulated:
The main hypothesis: (there is no statistically significant effect of the ENRE environmental responsibility axis on the axis of maximizing the value of the company MVCO); The following sub-hypotheses are derived from this main hypothesis:
1. There is no statistically significant effect of the AP air pollution prevention activity on maximizing the value of the MVCO.
2. The absence of a statistically significant effect of the activity of preventing water pollution WP on maximizing the value of the MVCO.
3. The absence of a statistically significant effect of the activity of preventing land pollution (soil) LP on maximizing the value of the MVCO.
4. There is no statistically significant effect of the NP noise prevention activity on maximizing the value of the MVCO.

1.5. Method of Research

To achieve the objectives of the research, two research methods will be adopted, which are:
1. The deductive approach (deductive) in preparing the theoretical side of the research by making use of the Arab and foreign scientific sources related to the subject of the research in order to enrich the research. Sober international scientific sites were used to obtain the latest findings of the world in the field of contributing and preserving the environment.
2. The inductive approach, as it was relied on the inductive approach to analyze the results of

the questionnaire that was distributed to the study sample members; Where the two researchers made a field visit to the company's headquarters - the field of study - to see the current reality of that company and to examine the extent of industrial pollution caused by the research sample company.

1.6. Research Community and its Sample

The research community and sample can be shown through the following:

A- Research community:

The research community is represented by the industrial companies affiliated to the Iraqi Ministry of Industry and Minerals. These companies were selected for the following justifications:

1. It is one of the leading companies in the country, as it contributes to the support and development of the national economy.
2. This company is compatible with the research variables, which makes it suitable for testing the relationship between those variables.
3. The research aims to draw the attention of those interested in the environment in view of the negative effects that the research sample company leaves on the Iraqi environment, to clarify the problems and to propose appropriate solutions.

B- Research sample:

The research sample is represented by the General Company for Southern Cement and its affiliated laboratories, and the industrial company affiliated to the Iraqi Ministry of Industry and Minerals was chosen to be the sample of the study, due to the diversity of pollution resulting from the industrial activity carried out by this company and its affiliated laboratories, including pollutants (gaseous, solid and liquid).), which has a significant impact on the environment and society alike.

3. RESEARCH LITERATURE
3.1. Environmental Responsibility

The concept of environmental and social responsibility for the project is a relatively recent concept in accounting thought. Many studies have shown the impact of accounting patterns over time on the environmental changes facing companies, which are a result of the circumstances and events surrounding it and affecting it; some of them believe that developments in accounting thought and practical application were mainly related to the company's environment in two aspects. On the one hand, the accounting system was affected in terms of recording

and measurement methods in response to environmental variables, and on the other hand, the accounting processes for collecting and communicating information responded to these variables (Badawi, 2012: 15). Researchers believe that the concept of environmental responsibility is (all obligations and activities performed by industrial companies towards the internal environment and the external environment to reduce the risk of environmental pollution and to determine all these obligations in financial terms for the purpose of reporting them in financial reports and delivering them to stakeholders for the purpose of making appropriate decisions).

3.2 Environmental Pollution

The concept of environmental pollution is primarily related to the ecosystem, as the efficiency of this system is greatly reduced and becomes completely paralyzed when there is a change in the harmonic movement between the different elements. Here we find that environmental pollution works to add an element that does not exist in the ecosystem, or that it increases or decreases the presence of one of its elements in a way that leads to the ecosystem being unable to accept this matter, which leads to a defect in this system, and there is no accurate and specific concept of environmental pollution. Researchers believe that the concept of pollution is (disruption of the environmental balance as a result of the unregulated exploitation of the basic components of the environment, which causes an obstruction in the vital activities of most living organisms after a short or long period of time to spoil the natural resources that have been developed in a balanced manner through the ages); The researchers add that the human development that has taken place and with the increase in its needs and continuous requirements for its living conditions has made the phenomenon of pollution a reality because of this progress, whether industrial or agricultural, from different elements in its composition, especially what is directly put into the environment without any treatment for its dangerous components, which leads to the loss of the environment. to most of its basic ingredients in the living of living beings, which in turn were reflected on the human being, directly or indirectly; On this basis, the phenomenon of pollution must be reduced and its impact on the ecological and natural balance of the components of the environment must be curbed, which puts the future of most living organisms, including humans, in front of a potential danger.

Concern for the environment and environmental responsibility at the local level, Iraq is one of the first Arab countries that were interested in protecting the environment and reducing the phenomenon of environmental pollution. It was the first formation known as the (Higher Commission for the Human

Environment), which was formed in 1974 and its formation came after Iraq's participation in the Stockholm Conference for the Human Environment in 1972 and was the presidency of the Commission It was entrusted to the Undersecretary of the Ministry of Municipalities at the time, with the membership of representatives of the various departments related to the environment, and this commission exercised its role for more than a year and a half. (Environmental Protection Board); A department known as the Department of Preventive and Environmental Services was attached to this council, which is one of the departments of the Ministry of Health. Soon, the name of this department was transformed into the Department of Health Protection and Environmental Protection, while retaining the council. In 1986, the law (Council for the Protection and Improvement of the Environment) was issued. Which remained in effect until 1997, when it turned into Law No.? (3) of 1997, which is still in effect because no law was issued to cancel it (Matar, 2005: 16).

3.3. Motives for Adopting Environmental Responsibility

Industrial companies seek to adopt the concept of environmental responsibility towards the society in which they are located, despite the lack of laws obligating industrial companies to study and evaluate the environmental impact of their products in many cases. The environmentally friendly product called (EFPP) has become a global requirement, especially that environmental pollution threatens human health And nature alike, and attention to environmental responsibility is one of the basic requirements for joining international trade organizations, so many companies have taken care of their environmental responsibilities voluntarily and for internal and external reasons, and as follows (Al-Ghalbi and Al-Amri, 2005: 51):

A- Internal reasons for voluntarily adopting environmental responsibility:

Achieving financial savings and marketing advantages for companies through implementing programs designed to protect the environment, because it contributes to reducing costs through recycling or treating waste in a way that contributes to preserving the environment.

Companies are working to reduce industrial waste (solid and liquid) and thus reduce the manifestations of environmental pollution, which aims to protect humans, their resources, income and workplace.

B - External reasons for voluntarily adopting environmental responsibility:

1. Governmental requirements: government agencies obligate industrial companies not to harm the environment, and in case companies violate laws and instructions, they are subject to imposing financial fines on them.
2. Consumers: After the spread of environmental awareness among many consumers and most consumers are looking for products that do not threaten their lives and that do not pose a threat to the environment around them, this awareness has contributed to the emergence of new marketing concepts that seek to protect humans from the danger of pollution and the most prominent of these concepts {Green Products, Ethical Products, Friendly Products} and other concepts that try to convince consumers of the safety of environmental procedures in these goods (Sims, 2003:59).

3.4. Areas and Activities of Environmental and Social Responsibility for Industrial companies

After reviewing many writings and research, it became clear to the researcher that there are different trends in defining environmental and social responsibility activities and their fields and classifying them into homogeneous groups. In what is considered environmental and social at the present time, it may become "economic" in the future, although it will not lose its environmental and social dimension due to the environmental and social effects of economic activities (Badawi, 2012: 79). The current trend in dividing the areas and activities of the environmental and social responsibility of the company is the following:

- The field of natural resources and environmental contributions.
- The field of public contributions.
- The field of human resources.
- The scope of the product or service contributions.

3.5. Maximizing Company Value
3.5.1 Concept of Company Value

The concept of company value Industrial companies seek to increase their profits by maximizing their value in the market competition with other companies in the same field of industry; Maximizing the value of the stock is one of the important and intrinsic goals of companies. If the value of the shares increases, the result leads to maximizing the market value of the companies. The goal of companies is to find value for their owners, as this value is represented by the ordinary share price of companies in the stock market, which reflects investment decisions Finance and

dividends. Alamry and Al-Sharifi consider that the value of the companies means the market value of the ordinary shares, and he adds another concept to the value of the "non-disordered" companies, meaning companies that do not use debt (borrowing), so their value is equal to the value of the assets of these companies; Investors believe that the value of companies can be calculated on the basis of the company's capital, assessed on the basis of the discounted net future receipts; This is appropriate to the requirements of investors and owners and to facilitate the investment decision (Alamry and Al-Sharifi 2009).

3.5.2. Factors Affecting the Value of the Company

There are many factors that affect the value of the company, most notably the following:

1. Type of industrial sector: The type of industrial sector in which the company operates helps it take precedence in this field, with the company's own experts, specialists and manpower in that type of industry.

2. Company size: If the size of the company has a great influence in determining its value; a large company means that it has operating assets commensurate with its size, which means that it has a very high value due to its assets.

3. Capital structure: The capital structure has a significant impact on the value of the company; when the capital is entirely owned by the company, this means that the company does not bear a financial burden represented in paying the installments and paying the interests, and the consequent decrease in liquidity and the weakness of the company's ability to face the circumstances. On the contrary, when there is part of the capital borrowed, it will certainly weaken the ability of the company to the financial company and this may affect its value.

3.5.3 Indicators Used in Maximizing the Value of the Company

There are many indicators that can be used to measure the value of the company. From the researchers' point of view, the following indicators were chosen to measure the value of the company:

A- **Competitive Advantage Index:-**The concept of competitive advantage appeared in 1993 by (Chamberlin) and defined its concept as "the unique position that the company develops against its competitors from other companies through the pattern of resource deployment" (Al-Zoubi, 2005: 28) and (McFetridge) believes, "The concept of

competitive advantage for a company is what it can achieve in the event that it is able to maintain a high level of production and profits in exchange for reducing costs and increasing market share without this at the expense of profits and without affecting quality." (Boumediene, 2006: 33).

Competitive advantage is a dynamic concept that depends on creativity and self-effort to outperform competitors through quality, modern technology and the best marketing method to attract customers to goods as a distinctive and distinguishing mark that customers realize in the company and this is what gives it an additional advantage over its competitors in other companies (Morsi, 1998: 48).

B- **market share index** The market share of companies expresses the efficiency of their production and marketing activities, which is reflected in the volume of their sales in the market; Compared to the total market sales of the same companies in the industry; The companies that have the largest market share are considered pioneering companies that can lead to changes in the market and control it through setting prices, introducing new products, using and introducing advanced technology to the market, achieving adequate coverage of their products, and having a spread and promotional activity that suits their goals set in advance (Al-Zoubi , 2005: 89).

C- **Brand Index:-** Companies use the brand to distinguish their products from the products of other companies in the same industry; The first brand (trademark) was established in Britain in 1876, and countries are issuing special systems that protect the property rights of trademarks; Trademarks bear several images, usually a word, phrase, name, logo, symbol, image, or design, or all of these elements may be combined, or they may be a distinctive sound (Nokia Corporation).The commercial brand is an important intangible asset of the company, and the company is keen to build or manage it so that it can form a strong brand that will achieve a competitive advantage in the market (Indra Overland, et al ,2021).

D- **Index of Economic Added Value:-** The concept of economic value added is one of the indicators that have recently spread in economic thought, despite the prevalence of the concept of added value. The first to use this indicator is Stern & Stewart, an American consulting company operating in New York for

financial services and to develop performance measures. The company published this concept and registered it as a distinctive trademark under the name (EVA) in the late eighties of the last century. Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit, adjusted for taxes on a cash basis. EVA can also be referred to as economic profit, as it attempts to capture the true economic profit of a company. This measure was devised by management consulting firm Stern Value Management, originally incorporated as Stern Stewart & Co.1 (James Chen ,2022).

The researchers agree with the concept of (Stern & Stewart) company because it represents the concept (EVA) more accurately in defining it, as well as because the added economic value contributes to measuring the value formed for shareholders, and the added economic value helps in notifying the managers in the company of the cost of the invested capital.

4. STATISTICAL ANALYSIS OF RESEARCH VARIABLES

After explaining the concept of environmental responsibility, its stages of development and the reasons for increasing interest in it, as well as a statement of the concept and indicators of the company's value, this topic came to explain the practical aspect of the research sample, which was applied in the General Company for Southern Cement,

as this company is one of the largest companies in Iraq and the best place to apply the research variables.

4.1. Overview of the Research Sample (General Company for Southern Cement)

The General Company for Southern Cement is one of the formations of the Iraqi Ministry of Industry and Minerals, founded on 20/6/1995, where its capital at that time was estimated at (871,500,000) Iraqi dinars. The cement industry in the Middle East and its products were exported to most countries in the region, and the General Company for the Cement Industry ranked first among more than 60 industrial companies in the assessment conducted by the Industrial Committee formed by the Iraqi Council of Ministers in 1997. The company organizes (8) laboratories In several provinces, they are Kufa Cement Factory, Najaf Cement Factory, Holy Karbala Cement Factory, Muthanna Cement Factory, Samawa Cement Factory, Babel Cement Factory, Basra Cement Factory, and Noura Factory.

The main null hypothesis to be tested is:

H0: There is no statistically significant effect of the ENRE environmental responsibility axis on the axis of maximizing the value of the company MVCO.
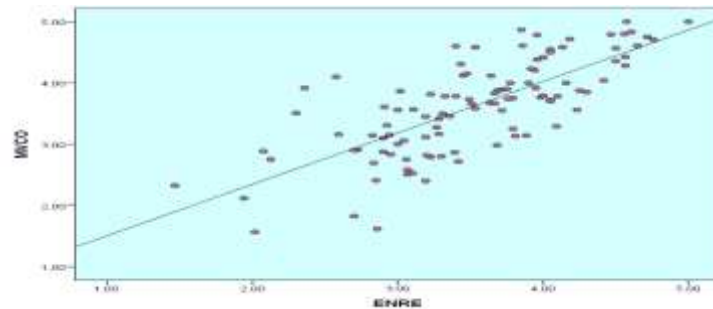
Against the alternative hypothesis

H1: There is a statistically significant effect of the ENRE environmental responsibility axis on the axis of maximizing the value of the company MVCO.

The researchers summarized the most important results that were calculated for the effect or regression equation of the axis of environmental responsibility ENRE on the axis of maximizing the value of the company MVCO in the following table:

Table (1): Analysis of the impact of the ENRE environmental responsibility axis on the axis of maximizing the value of the company MVCO

R2 . Coefficient of Determination	Corrected Determination Coefficient	Regression Coefficient	calculated t	sig . value	T . Value	Durban-Watson	Determine the Existence of an Autocorrelation problem
%56	%56	0.748	11.487	0.00	less 5%	1.8	No

The effect relationship can also be discovered by plotting the spread of values between the two variables called the Scatter plot and adding the regression line to it, as in the following diagram

Charting the spread of values between the ENRE axis of environmental responsibility on the axis maximizing the value of the company MVCO

The value of the coefficient of determination was 0.56 and the corrected coefficient of determination was 0.56. This means that the ENRE environmental responsibility regression model on MVCO interpreted 56% of the total deviations and the rest was explained by other variables not included in the research. The value of the regression parameter was 0.748 with a t-test value equal to 11.487, which is a significant value below the 5% significance level because the significance value is sig. It was less than 5%. Thus, the researcher rejects the null hypothesis and accepts the alternative hypothesis, meaning that there is a statistically significant effect of the ENRE axis on the MVCO axis. In other words, an increase in ENRE by one unit leads to an increase in the MVCO axis by 0.748.The use of regression requires that there is no autocorrelation problem and this is demonstrated by the value of the Durban Watson test, which was close to 2.Testing the impact of sub-hypotheses of the dimensions of the ENRE axis of environmental responsibility on the axis of maximizing the company MVCO .For the purpose of determining the dimensions that affected the axis of maximizing the value of the company MVCO and arranging the strength of its impact, the researchers formulated the following zero sub-hypotheses for this purpose:

1- Sub-Hypothesis:-
H0: There is no statistically significant effect of the AP air pollution prevention activity on maximizing the value of the MVCO.
H1: There is a statistically significant effect of the AP air pollution prevention activity on maximizing the value of the MVCO.
2- Sub-Hypothesis:-

H0: There is no statistically significant effect of the water pollution prevention WP activity on maximizing the value of the MVCO.
H1: There is a statistically significant effect of the water pollution prevention WP activity on maximizing the value of the MVCO.
3- Sub-Hypothesis:-
H0: There is no statistically significant effect of the activity of preventing land pollution (soil) LP on maximizing the value of the MVCO.
H1: There is a statistically significant effect of the activity of preventing land pollution (soil) LP on maximizing the value of the MVCO.
4- Sub-Hypothesis:-
H0: There is no statistically significant effect of the NP noise prevention activity on maximizing the value of the MVCO Company.
H1: There is a statistically significant effect of NP noise prevention activity on maximizing the value of the company. MVCO
After setting the appropriate hypotheses, the results of the regression equation were found for the dimensions of the axis of environmental responsibility ENRE on the axis of maximizing the value of the company MVCO and were placed in the following table:

Table (2): Regression equation results between ENRE environmental responsibility activities and MVCO value maximization

Dimension	R2 . Coefficient of Determination	Corrected Determination Coefficient	Regression Coefficient	Calculated t	sig. value	T . Value	Durban-Watson	Determine the existence of an autocorrelation problem	Order of Importance
AP	%47	%46	0.683	9.536	0.00	less 5%	1.7	No	1
WP	%42	%42	0.649	8.692	0.00	less 5%	1.7	No	2
LP	%33	%32	0.574	7.146	0.00	less 5%	1.9	No	4
NP	%39	%38	0.624	8.147	0.00	less 5%	1.9	No	3

The value of the coefficient of determination for AP activity was 0.47, as well as the corrected coefficient of determination of 0.46. This means that the AP activity regression model on MVCO explained 47% of the total deviations and the rest was explained by other variables not included in the research. The value of the regression parameter was 0.683 with a t-test value equal to 9.536, which is a significant value below the 5% significance level because the significance value is sig. It was less than 5%, so the researcher rejects the null hypothesis and accepts the alternative hypothesis, meaning that there is a statistically significant effect of AP activity on the MVCO axis. In other words, the increase in AP activity by one unit leads to an increase in the MVCO axis by 0.683. The use of regression requires that there is no autocorrelation problem and this is demonstrated by the value of the Durban Watson test, which was close to 2. The value of the coefficient of determination for WP activity was 0.42 and the corrected coefficient of determination was 0.42. This means that the WP regression model on MVCO interpreted 42% of the total deviations and the rest was explained by other variables not included in the research. The value of the regression parameter was 0.649 with a t-test value equal to 8.692, which is a significant value below the 5% significance level because the significance value is sig. It was less than 5%, so the researcher rejects the null hypothesis and accepts the alternative hypothesis, that is, there is a statistically significant effect of WP activity on the MVCO axis. In other words, an increase in WP by one unit leads to an increase in the MVCO

axis by 0.649. The use of regression requires that there is no autocorrelation problem and this is demonstrated by the value of the Durban Watson test, which was close to 2. The value of the coefficient of determination for LP activity was 0.33 and the corrected coefficient of determination was 0.32. This means that the regression model of LP activity on MVCO interpreted 33% of the total deviations and the rest was explained by other variables not included in the research. The value of the regression parameter was 0.574 with a t-test value equal to 9.536, which is a significant value below the 5% significance level because the significance value is sig. It was less than 5%, so the researcher rejects the null hypothesis and accepts the alternative hypothesis, meaning that there is a statistically significant effect of LP activity on the MVCO axis. In other words, an increase in LP by one unit leads to an increase in the MVCO axis by 0.574. The use of regression requires that there is no autocorrelation problem and this is demonstrated by the value of the Durban Watson test, which was close to 2. The value of the coefficient of determination for NP activity was 0.39, as well as the corrected coefficient of determination of 0.38. This means that the regression model of NP activity on MVCO explained 39% of the total deviations and the rest was explained by other variables not included in the research. The value of the regression parameter was 0.624 with a t-test value equal to 8.147, which is a significant value below the 5% significance level because the significance value is sig. It was less than 5%, so the researcher rejects the null hypothesis and accepts the

alternative hypothesis, meaning that there is a statistically significant effect of NP activity on the MVCO axis. In other words, an increase in NP by one unit leads to an increase in the MVCO axis by 0.624.The use of regression requires that there is no autocorrelation problem and this is demonstrated by the value of the Durban Watson test, which was close to 2. The first order of importance in terms of the strength of its impact on the axis of maximizing the value of the company MVCO was the activity related to the prevention of air pollution AP, then the activity of water pollution prevention WP comes second, and the activity of noise prevention NP third and finally came the activity of preventing land pollution LP.

5. CONCLUSIONS AND RECOMMENDATIONS
5.1. CONCLUSIONS:
1. The concept of environmental responsibility is summed up as "all obligations and activities performed by industrial companies towards the internal environment and the external environment to reduce the risk of environmental pollution and to determine all these obligations from a financial point of view for the purpose of reporting them in financial reports and delivering them to stakeholders for the purpose of making appropriate decisions."
2. Environmental issues have become the focus of attention of official and public authorities in many countries and international organizations alike. Environmental responsibility activities have attracted the attention of many scholars and researchers in all disciplines, and accountants have had a large share in this regard. A belief prevailed among them from the seventies of the last century that the accounting systems should be adapted to the changes taking place in the industry.
3. The company - the field of study - does not have a special section for environmental and social activities within its organizational structure, and therefore the company does not pay enough attention to social environmental activities, as there is no section and specialized staff for those activities.
4. There is a shortcoming and a lack of awareness of the industrial company - the field of study - of its environmental contributions and its lack of interest in aspects of social welfare; As the company is interested in one aspect, which is achieving profitability and increasing productivity, which according to the company's visions is evidence of its

effectiveness without considering the impact of its activities on the environment, which makes this a cause for thought and the need for indicators of environmental performance that contribute to measuring its environmental activities.

5.2. RECOMMENDATIONS:
1. The necessity of making some amendments to the legislation regulating issues related to tax affairs, in a way that leads to their assimilation of environmental contributions; The need for tax laws to include recognition of costs, liabilities, gifts, donations and all expenses contributed by or incurred by industrial companies in comparison to their environmental contributions and recognition within the amounts allowed to be deducted from revenues to reach the net taxable income, and the legislation is an incentive for industrial companies to carry out their duty towards the environment.
2. The necessity of including its social and environmental performance in lists prepared for this purpose by the industrial company that can provide information that improves the well-being of society by linking this performance with indicators that can be measured in the field of environment, environmental resources, society, services and products.
3. The inclusion of the environmental responsibility activities carried out by the company - the field of study - within the organizational structure of the company and the necessity of including an organizational unit specialized in environmental and social responsibility activities; provided that it is directly linked to the Board of Directors; And that the company seeks the assistance of a specialized and independent advisory body for the purpose of studying and analyzing the organizational structure of the company and determining the locations of environmental responsibility in all the activities carried out by the company.

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