

ABSTRACT

This study examines the environmental, social, governance relationship on market reaction. This study has a dependent variabel, namely market reaction with independent variabels environmental disclosure, social disclosure, governance disclosure. Also return on assets and return on equity as control variabels. This study uses secondary data derived from the financial statements of indeks Kompas 100 sector companies listed on the Indonesia Stock Exchange (IDX) in 2019-2021. The research sampling was carried out using purposive sampling method. 127 samples were obtained for 3 consecutive years. This study uses multiple linear regression analysis to test the hypothesis. The finding from this study proves that environmental disclosure have a significant positive effect on market reaction. While social disclosure and governance disclosure has no significant effect on market reaction.

Keywords: Environmental Disclosure, Social Disclosure, Governance Disclosure, Market Reaction, ROA, ROE