

ABSTRACT

This study aims to examine the effect of carbon emission disclosure on investor reaction, as well as the role of investor attention as a mediating variable in banking companies listed on the Indonesia Stock Exchange during the 2023–2024 period. This research employs a quantitative approach using a convenience sampling technique and results in 50 observations after outlier elimination. The data were analyzed using linear regression and mediation analysis.

The results show that carbon emission disclosure has a positive and significant effect on investor attention. However, investor attention and carbon emission disclosure do not have a significant effect on investor reaction, and investor attention is not able to mediate the relationship. These findings indicate that investor attention measured by Google Search Volume (GSV) has not been able to capture investor sentiment, and therefore is not strong enough to influence investment decisions in the capital market.

Keywords: Carbon Emission Disclosure, Investor Attention, Investor Reaction

