

ABSTRACT

The purpose of this study is to observe the influence of the carbon emission and type of industry on the cost of equity capital, then also included log natural marke/betat, return on asset and leverage as control variables.

The population in this study are all companies in energy, mining and cement in Indonesia in 2010-2015 and revealed the annual report , the sampling method used in this research is purposive sampling. The number of samples in the study were 51 samples.

Data analysis was performed with the multiple regression linear. The analysis results showed that the emission of carbon and industry types are significant and positive effect to the cost of equity capital.

Keywords: carbon emission , type of industry, cost of equity capital.