

# Relationship of Environmental Performance and Carbon Emission Disclosure to Share Return.

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- **Abstract:** This study aims to analyze the relationship between environmental performance and carbon emission disclosure to share returns. To test our hypotheses, we using 130 firm-year observations, manufacture listed firms in Indonesia Stock Exchange that included in PROPER assessment from 2013 to 2016. Ordinary least square regression result shows that environmental performance does not have a relationship to share return, while carbon emission disclosure has a positive relationship to share return. These results indicate that, in general, the market will respond to information as a particular signal toward an event that affects the firm's value, which reflected by the firm's share price. This study is crucial for the investor to consider non-financial factors such as corporate social responsibility disclosure and environmental performance in the context of select a proper investment.
- **Keywords:** carbon emission disclosure, environmental performance, Indonesia Stock Exchange, least square regression