



**DEPARTMENT OF ACCOUNTING**

**FACULTY OF ECONOMICS AND BUSINESS**

**UNIVERSITAS ANDALAS  
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**THESIS**

**THE EFFECT OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE  
(ESG) AND FINANCIAL REPORTING QUALITY ON INVESTMENT  
EFFICIENCY**

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## ABSTRACT

*This study aims to examine the effect of environmental, social, and governance (ESG), and financial reporting quality on investment efficiency. The population of this study are non-financial companies listed on the Indonesia Stock Exchange. The sampling technique used is purposive sampling and obtained as many as 22 samples of companies. The data used is secondary data sourced from the annual report and the Thomson Reuters Data Stream. The data analysis technique used in this test is multiple regression analysis. The result of the regression analysis show that ESG does not associate with investment efficiency. Meanwhile, financial reporting quality is statistically significantly associated with investment efficiency.*

**Keyword:** *ESG, financial reporting quality, investment efficiency*

