

# The Impact of Analysts' Attention to Environmental Protection Information on Green Investment in Heavy-polluting Enterprises

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## **Abstract**

In the context of carbon peaking and carbon neutrality goals, exploring the driving factors of green investment by enterprises is crucial for building an environmentally friendly society. However, existing research predominantly focuses on the government and corporate levels. Based on this, this research takes an innovative approach from the perspective of analysts, a relatively unexplored area of research. Using a sample of Heavy-Polluting Enterprises from 2012 to 2022, this research employs textual analysis to investigate whether analysts' attention to environmental protection information can enhance green investment by these companies. The research finds that analysts' Attention to Environmental Protection Information significantly boosts the level of green investment by heavy-polluting enterprises. In this process, analysts' attention to environmental protection information will promote green investment by improving the quality of green information disclosure and easing the pressure on performance, respectively. In addition, this research also finds that the promotion effect is more obvious in areas with high environmental regulation. Further analysis of enterprise heterogeneity reveals that the promotion effect is more pronounced for state-owned enterprises and those located in the eastern region. The implications of this study are as follows: First, the government should make full use of the market power of the analyst team to jointly control the environmental pollution problem; Second, enterprises should actively carry out the disclosure of green information related indicators and strengthen the contact with the analyst team; Third, the regulatory authorities should guide analysts to dig more specific information about listed companies and improve the quality of research reports.

## **Keywords**

Green Investment, Analysts' Attention, The Quality of Green Information Disclosure, Performance Pressure, Environmental Regulation