

ABSTRACT

Stock return refers to the profit earned by investors from capital allocation in the capital market, which constitutes a central consideration in investment decisions. In pursuit of such returns, investors aim to maximize gains as a reward for the risks undertaken in the investment process.

This study aims to determine the simultaneous and partial effects of the overall ESG Score, Environmental Score, Social Score, Governance Score, BI-Rate, Gross Domestic Product (GDP), Current Ratio (CR), and Debt debt-to-equity ratio (DER) on stock returns in non-financial companies with consistent Refinitiv ESG Scores listed on the Indonesia Stock Exchange (IDX) during the period 2020-2023.

The phenomenon in this study is explored through a quantitative approach by analyzing historical stock price data for both groups with consistent and inconsistent ESG Scores. The data used are secondary data collected through purposive sampling. The sample used in this study consisted of 44 companies over four years, with 104 data observations analyzed. This study employed panel data regression analysis using Eviews 13 software.

Based on the research results, the variables ESG Score Overall, Environmental Score, Social Score, Governance Score, BI-Rate, Gross Domestic Product (GDP), Current Ratio (CR), and Debt to Equity Ratio (DER) simultaneously affect stock returns in non-financial companies with consistent Refinitiv ESG Scores on the Indonesia Stock Exchange (IDX) for the period 2020-2023. Partially, the variables that have an effect are the overall ESG Score, which has a positive impact on stock returns; the Governance Score, which has a negative impact on stock returns; and the BI-Rate, which has a positive impact on stock returns.

The results of this study are expected to encourage future researchers to incorporate or utilize other variables, such as financial ratios, accounting-based ratios, and capital market ratios, thereby expanding the scope of research objects.

Keywords: *ESG performance, stock returns, non-financial companies*