

Independent study title	ESG SCORE AND STOCK CRASH RISK EVIDENCE FROM GREATER CHINA
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ABSTRACT

This independent study offers an empirical analysis of the relationship between ESG score and stock crash risk between 2012 and 2023. In this study, we use samples China , Taiwan and Hongkong to perform regression analyses, after controlling for other potential determinants of stock price crash. Alongside crash risk measurement such as negative coefficient of skewness (NCSKEW) and down to up volatility measure (DUVOL). The result show, ESG score show positive relationship with stock crash risk in China. in line with the agency theory's belief that businesses could mask negative operating results or the consequences of corporate wrongdoing with sustainability activities. Furthermore, I found that within the separate dimensions of the ESG score, the environmental and social scores have a notable impact on how overall ESG score in China is associated with crash risk. I find that after controlling endogeneity the regression result support the baseline regression.

Keywords: ESG, Stock crash risk, China, Taiwan, Hongkong.