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# Analysis of the Effect of Environmental Sustainability Investment on Resource Efficiency

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## Abstract

Corporate environmental sustainability and accountability rank among leading factors in the agenda for many companies, given that they are compelled to report on it. Thus, companies make investments in activities that concern corporate sustainability to enforce compliance but make profits. Therefore, this study evaluated the effect of environmental investment on resource efficiency (water and energy consumption) of companies listed in the FTSE/JSE Responsible Investment Index. The study adopted quantitative method to generate secondary data. The secondary data was collected from annual integrated reports of companies. The secondary data was analysed through multiple regression statistics. Findings from this study indicate that environmental sustainability investment (renewable energy investment, water investment and recycling investment) negatively affected resource efficiency (water consumption and energy consumption). The study recommends that companies should intensify their investment in corporate sustainability to assist in environmental resource conservation.

**Key words:** environment; accounting; sustainability; sustainability investment; renewable energy; recycling;

**JEL Classification:** Q56, Q8, M41, M42

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