

**LINYIN CHENG**

**Nanjing University of Aeronautics and Astronautics, China**

## **THE INTRAGROUP SPILLOVER EFFECTS OF CORPORATE GREEN BONDS ISSUANCE: EVIDENCE FROM CHINA**

### **Abstract:**

This study investigates whether issuing corporate green bonds can promote green innovation among affiliated firms within the group. Using a panel data of China's listed firms, this study finds that after the issuance of green bonds, the quantity and quality of green innovation of firms' subsidiaries are significantly improved. In further analysis, this study finds that the intra-group spillover effects of corporate green bonds issuance are influenced by the group power allocation, external supervision mechanism, external information environment, and firms' industry background. This study is based on social network theory, enriching the research on the economic consequences of corporate green bonds issuance.

### **Keywords:**

Corporate green bond; Business group; Spillover effects; Financial decision; China