

Review of: "Do investors value higher reporting quality, and can expanded audit reports unlock this value? A sustainability reporting reflection"

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Potential competing interests: No potential competing interests to declare.

The authors in their experimental approach to investigating whether investors value higher financial reporting quality (FRQ), and the role of critical audit matters (CAM) in this, provides very interesting and useful insights. The study's findings regarding the ability of investors to capture the actual FRQ and omit optimistically biased estimates in the financial statements is very insightful. However, it is unclear if a different target group of investors (i.e., those other than the sample of informed investors used in this study) would produce similar findings. It would be interesting to consider a comparative analysis of "informed" and "uninformed" investor categories in a study such as this before generalisations would be credible.

Again, I suggest for the authors to consider using 'causal mediation analysis' in addition to the SEM for robustness tests of the study's results. This can easily be implemented using the "paramed" command in Stata.