Industry Characteristics and Patterns of Sustainability Reports

Yavida Nurim^{1*} | Eka Noor Asmara²

¹Universitas Janabadra, Faculty of Economics, Yogyakarta, Indonesia

²Akademi Akuntansi YKPN, Department of Accounting, Yogyakarta, Indonesia

*Correspondence to: Universitas Janabadra, Faculty of Economics, Jalan Tentara Rakyat Mataram No. 55-57, Yogyakarta 55231, Indonesia.

E-mail: yavida@janabadra.ac.id

Abstract: Since 2002, the Indonesian Government has encouraged listed and unlisted companies to disclose sustainability reports comprised of three performance indicators—economic, environmental, and social—as Global Reporting Initiatives (GRI) guidance. The main issue is that different industry characteristics have different orientations of sustainability reporting because of the differences between their main stakeholders. In fact, several GRI criteria do not match every industry characteristic. For example, banking does not report on materials, emissions, or pollution as part of their environmental performance. This research aims to identify the patterns of sustainability reporting from 2015 to 2016, based on industry characteristics. The study compares environmental and social performance reporting patterns of the manufacturing and financial sectors. Results show that manufacturers are more concerned with environmental performance while the financial sector is more concerned with social performance. This evidence contributes to the stakeholder theory and efforts in sustainability report modelling.

Keywords: environmental performance, Indonesia, social performance, stakeholder theory, sustainability report.

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INTRODUCTION

Recently, management (corporates) could not only focus on their stockholders' interest that have delegated the corporate's capital, because management who has stakeholders' interest orientation indicates an effort of management to enhance the corporate social performance (European Commission, 2011; Ronald et al., 2019). Corporate social responsibility (CSR) is the explicit form of management's stakeholder orientation as stated by European Commission (2011) that company must considers the interest of consumer, ethics, social, human right, environment because of the business operation's impact. Moreover, regulation or law be able to force management to respond their different stakeholders' interest, such as customers, suppliers, shareholders, community (Clement, 2005; Yusoff et al., 2018; Lestari et al., 2019). The statement of Clement (2005) supported by empirical evidence that country characteristic, such United Nations of America compares to United

Kingdom, encourages negative correlation of corporate reputation and firm risk (Ali et al., 2015). More specific, companies at Spain and French have higher social performance and governance performance than companies at Japan because firms at Japan likely focus on environmental performance (Ortas et al., 2015). However, family firms in East Asian have lower corporate social responsibility compare to family firms in Western Europe (El Ghoul et al., 2016).

The idea of giving attention to the stakeholders' interest instead of shareholders' interest is based on the stakeholder theory that assumes a sustained company only be built in the synergy of stakeholders and stockholders (Freeman & Liedtka, 1997). Firms that have an orientation to stakeholders, such as customer, competitor, employee, and shareholder, provide improved financial performance (Patel et al., 2016). The study of Patel et al. (2016) is based on the massive firm failure that was caused by the shareholder return orientation of management. An empirical study revealed that the European firms who have concern about stakeholders' interest enhance the higher financial performance (Patel et al., 2016). In Spanish, firms that have high social performance enhance high financial performance (Rodriguez-Fernandez, 2016). In the tourism sector, such as airline, casino, hotel, or restaurant, stakeholder relationship affects short term performance and long term performance directly and also support stronger the relationship firm's strategy and financial performance (Theodoulidis et al., 2017).

The findings implies that the orientation of management should be transformed from maximization shareholder's interest into stakeholder's interest (Freeman & Liedtka, 1997). Therefore, corporate social performance has to be corporate's goal, so corporate uses operational integration approach to encourage the involvement of employee in corporate society programs (Hagenbuch et al., 2015). The other finding implies that the orientation does not have border or cultural limitation, therefore, the implementation of stakeholder theory can be at any firms across cultural and economic context (Patel et al., 2016).

When we discuss about corporate social responsibility, so several topic could be embraced such as, social issues, environment issues, ethical issues, or stakeholder issues (Wang & Gao, 2016). A study reveal that CSR oriented firms have commitment to create value for stakeholder (Bozzolan et al., 2015). Therefore, Freeman & Liedtka (1997) suggest that a company is not just an economic maximizer institution, but company is a fully human institution that sets a high moral standard on the value creation process. When the moral as the foundation of the business's operation, so the stakeholder theory development transforms into ethical business. An empirical evidence reveals that higher corporate social responsibilities' score behave ethically through lower discretionary accrual and real manipulation (Kim et al., 2012). A valuable learning about an ethical business also faced by Indonesia in 1997, namely economic crisis, because management implemented an unethical business implementation. The crisis has encouraged Indonesian Government to implement Good Corporate Governance (GCG) expected to enhance the accountability and transparency of the public corporations.

The implementation of sustainability reporting in Indonesia initiated by National Centre for Sustainability Reporting (NCSR) as an independent organization of pioneer on sustainability reporting in 2005 (National Center for Sustainability Reporting, 2019). The NCSR encompass of five major independent organizations, namely Indonesian Management Accountant Institute, The Indonesian-Netherlands Association (INA), National Committee on Governance (KNKG), Forum for Corporate Governance in Indonesia (FCGI), and The Public Listed Companies Association (AEI). The beginning of NCSR build only one company publish sustainability reporting. Therefore, NCSR conducts Indonesia Sustainability Reporting Award (ISRA) since 2005 and the award categories are best corporate sustainability report, best combine report, commendation for first time GRI standard report, special commendation. Since 2016, the ISRA has small and medium enterprise category and PT Tani Sandorikum as the winner in SME category. NCSR has formulated sustainability reporting

based on Global Reporting Initiative (GRI) 4 that implemented since 2014 (National Center for Sustainability Reporting, 2019).

The important issue of sustainability report is the difference of operation based on industry characteristic and it has a consequence to the company's priority of their stakeholders. Actually, Indonesia Stock Exchange (IDX) categorizes listed companies into three sectors: primary (extractive), such as agriculture and mining, secondary (industry and manufacturing), such as basic industry and chemical, miscellaneous industry, and consumer goods industry, and tertiary (service), such as property, real estate and building construction, infrastructure, utilities and transportation, finance, and trade, service, and investment. The categorization indicates the difference of company's activities and the difference of its impact into the stakeholder.

According to the issue, this study predicts that every industry characteristic has different priority of their stakeholder's interest of its sustainability report. A study categorized firm's stakeholders into primary stakeholders who deserve good product and service, such as consumers, internal managers and employees, or business collaboration, and as secondary stakeholders who support its mission, such as local governments, media, local community, or non-governmental organization (Park et al., 2014; Haninun et al., 2019). A study reveals that banks that commit to high corporate social responsibility have high financial performance and it is driven by strategic motives such as to raise net interest profit (Wu & Shen, 2013; Hermawan & Gunardi, 2019). An empirical evidence from energy sector shows that companies behave properly on environmental performance, such as minimize the impact of emission (Talbot & Boiral, 2018).

Actually, listed or publicly firms in Indonesia must obey regulation from government established 2007, but the sustainability report is still voluntary and not mentioned explicitly the information should be disclosed. As the consequence, the item disclosed on sustainability reporting is different across companies, although they have same industry characteristic. For example, the palm oil industry focus on environmental friendly oil plantation, but cement industry focus on keeping blue sky or passing on environmental sustainability (see Sustainability Reporting 2016, PT Astra Agro Lestari Tbk and PT Indocement Tunggul Prakarsa Tbk). Both of this companies concern to environment, but the oil palm keep the company's process sustainability and the cement industry keep the air from emission.

Therefore, the objective of this study is to examine the difference of sustainability reporting pattern between manufacturer and finance companies. The research questions are whether manufacturer sector has higher environmental performance rather than finance sector and whether finance sector has higher social and product performance compare to manufacturer sector. First, this study extends to stakeholder theory through the pattern of sustainability report showed for which stakeholder the report is. Second, this study contributes to development of study that correlates rule of county with reporting pattern, such as Ortas et al. (2015) who compare companies at Spain, at French, and at Japan. The modelling of reporting pattern should include the industry characteristic.

METHODS

This research uses environmental performance and social performance data taken from sustainability reporting (Global Reporting Initiative, 2013). The environmental performance provides information about the ability company to manage the environment surrounding the company's operation. Therefore, the social performance provides information about the ability company to manage the social environment surrounding the company's operation.

Table 1 The Environmental and Social Criteria

Performance Criteria	Dimensions	Aspects	Scoring Items
Environmental Performance		Materials	2
		Energy	5
		Water	3
		Biodiversity	4
		Emission	7
		Effluents and waste	5
		Product and services	2
		Compliance	1
		Transport	1
		Overall	1
		Supplier environmental assessment	2
		Environmental, grievance mechanism	1
		Total	34
Social Performance	Labor practice and decent work	Labor practice and decent work	3
		Labor/management relations	1
		Occupational, health, and safety	4
		Training and education	3
		Diversity and equal opportunity	1
		Equal, remuneration for women and men	1
		Supplier environmental assessment for labor practice	2
		Labor practice and grievance mechanism	1
		Total	16
	Human right	Investment	2
		Non discrimination	1
		Freedom of association and collective bargaining	1
		Child labor	1
		Force or compulsory labor	1
		Security practices	1
		Indigenous right	1
		Assessment	1
		Supplier human right assessment	2
		Human rights grievance assessment	1
		Total	12
	Society	Local communities	2
		Anti-corruptions	3
		Public policy	1
		Anti-competitive behavior	1
		Compliance	1
		Supplier assessment for impacts on society	2
		Grievance mechanism for impacts on society	1
		Total	11
	Product responsibility	Customer health and safety	2
		Product and services labeling	3
		Marketing communications	2
		Customer privacy	1
		Compliance	1
		Total	9

Source: Global Reporting Initiative (2013)

There are twelve (12) aspects for assessing environmental performance encompass 34 scoring items (see Table 1). The social performance includes four dimensions, such as labor practice and decent work, human right, society, and product responsibility. The fourth dimensions can be detailed into aspects and items, such as eight (8) aspects with 16 items of labor practice and decent work dimension, ten (10) aspects with 12 items of human right dimension, seven (7) aspects with 11 items of society dimension, and five (5) aspects with 9 items of product responsibility dimension.

The sample firm is the companies which publish their sustainability reporting from 2015–2016. The sample must fulfill the several criteria, such as exclude owned government or state companies, exclude telecommunication, service, and transportation industry, publish sustainability reporting at least 2 years consecutive. The companies owned by government or state become public attention, so they will implement high standard for environment and social. The telecommunication, service, and transportation industries do not have conversion process that requires complex and standard of waste management. Therefore, this research excludes the kinds of industry from manufacturer industry sample because of the relevance of sample.

There are three (3) variables, namely environment, society, and product for comparison between two (2) industry characteristics, namely manufacturer and financial industry. The environmental variable shows the environmental performance of firm sample and also society and social as the society performance and product performance of firm sample, respectively. The environmental performance measures 12 aspects of the implementation of environmental management assessed by 34 items, such as material, energy, water, biodiversity, etc. (see Table 1). Therefore, the score of environmental performance is from 1 until 34. The society and product variables are part of social performance that measures social management implementation. There are 48 items to assess social management, but the society and product performance has 11 and 9 items, respectively. It means that this research uses the whole of environmental performance items have 34 points, but only 20 items of social performance.

This research compares the environmental performance, society performance, and product performance between financial industry and manufacturer industry. Therefore, we identify items as in Table 1 of the sample firms to determine the environmental, social, and product score. The identification has a meaning that how many sample firms disclose information in sustainability report items relate with environmental, social, and product scores. This study seek the pattern of the sustainability reporting from 2015–2016 between manufacturer and financial industries for reporting pattern. We compare the performance score of the three kinds. The comparison uses t test to understand the pattern of environmental and social reporting. The analysis uses a scoring based on the company's environmental, social, and product information.

Although the social performance has 4 dimensions, namely labor, human right, society, and product, but this research only focus in society and product dimension. Both of dimension represents the relationship between management and external group. As an illustration, the society dimension discusses about local community and product dimension discusses about customer health and safety. However, labor dimension and human right dimension represent the responsible of company to decent work practice and diversity management at the internal organization. Therefore, this research uses environmental, society, and product performance that represent the external stakeholders of company.

The study examines two hypothesis and uses the independent t-test to compare the environmental performance, society performance, and product performance between financial and manufacturer industry. The first hypothesis (H_1) has an objective to enhance empirical evidence that manufacturer sector give more attention to their effluent and waste management implementation. Their conversion activity becomes the urgent process for output production. Therefore, the first hypothesis predicts that manufacturer sector has

higher environmental performance rather than financial sector. The second hypothesis (H_2) has an objective to enhance empirical evidence that financial sector give more attention to their community and customer management implementation. For financial sector, the ability to manage community and customer will enhance the company's reputation to attract depositors. Therefore, the second hypothesis predicts that manufacturer sector has lower society performance rather than financial sector (H_{2a}) and that manufacturer sector has lower product performance rather than financial sector (H_{2b}).

The difference of performance level, such as environmental, represents the stakeholders who concern in environment become the attention of manufacturer industries. Then the difference of performance level of society and product represents the stakeholders that become the attention of financial industries. The ability of manufacturer industry to manage waste and effluent will enhance the higher reputation rather than customer and society management. However, the ability of financial industry to manage society and product will enhance the higher reputation rather than waste and effluent management.

RESULTS AND DISCUSSION

The main objective of this research is to reveal the difference orientation of sustainability reporting based on the industry characteristic. Therefore, this research uses 36 sample firms from manufacturer sector and 20 sample firms from financial sector (see Table 2). The sample comes from the screening steps. First, the sample excludes firms owned by state or government, because the kind of firms have no exception to obey government's regulation and scrutinize by public to performs according to government's standard for wages, health, and other facilities. Second, the sample excludes services sector, such as air transportation or telecommunication, because this industry does not involve conversion activities that need more complex effluents and waste management.

There are sustainability reporting of 46 firms accessed from internet from 2015–2016 or 92 firms from 2 years consecutive. The 46th sample encompass 29 publicly companies and 17 private companies. Based on industry characteristic, there are 10 firms of financial sector or 20 samples firms at 2015–2016 and 36 firms encompass from manufacturer, transportation, and telecommunication sector or 70 sample firms at 2015–2016.

Table 2 Descriptive Statistics

Sustainability Score	Industry	Sample	Mean	Standard Deviation
Environmental Score	Manufacturing Industry	36	10.72	7.265
	Financial Industry	20	5.70	4.194
Society Score	Manufacturing Industry	36	2.39	2.060
	Financial Industry	20	3.90	2.490
Product Score	Manufacturing Industry	36	1.83	2.348
	Financial Industry	20	3.90	2.469

This research identifies three scores for each sample firms from sustainability reporting encompass: environmental score, society score, and product score. The mean of environmental score of manufacturer sample firms is 10.72 with standard deviation 7.265 (see Table 2). However, the mean of environmental score of financial sample firms is 5.70 with standard deviation 4.194. The descriptive statistic shows that the sample of manufacturer firms has higher mean of environmental score compare to the mean of financial firms.

How about the society score and product score? The descriptive statistics shows that the sample of financial firms has higher mean of society score and product score compare to the mean of manufacturer firms.

The mean of society score of financial sample firms is 3.90 with standard deviation 2.490 (see Table 2). However, the mean of society score of manufacturer sample firms is 2.39 with standard deviation 2.060. The financial sample firms also have higher mean of product score rather than manufacturer sample firms. There is 3.90 compare to 1.83 of the product score mean with standard deviation 2.469 compare to 2.348.

The next analysis is to examine the significance of the third score for more robust result. First, this research perform t-test environmental score between financial and manufacturer sector. This result suggests that the mean difference is -5.022 (Table 3) from the both industries because the environmental score of financial firms is lower than of manufacturer firms. The t-test shows that the mean difference of environmental score is significant at 1%. Therefore, the result supports the hypothesis that manufacturer firms has higher environmental score than the financial firms.

The next examination is to perform the t-test for the society score significance level between financial and manufacturer firms. This result suggests that the mean difference is 1.511 (Table 3), because the society score of financial firms is higher than of manufacturer firms. The t-test shows that the mean difference of society score is significant at 1%. Therefore, the result supports the hypothesis that financial firms has higher society score than the manufacturer firms. The last examination is to perform the t-test for the product score significance level between financial and manufacturer firms. This result suggests that the mean difference is 2.067 (Table 3), because the product score of financial sector is higher than of manufactured sector. The t-test shows that the mean difference of product score is significant at 1%. Therefore, the result supports the hypothesis that financial firms has higher product score than the manufacturer sector.

Table 3 The Result of the t Test

		Financial Industry	–	Manufacturer Industry
Environmental Score	Mean Difference			-5.022
	Significance			0.002***
Society Score	Mean Difference			1.511
	Significance			0.018**
Product Score	Mean Difference			2.067
	Significance			0.003***

***Significance level < 1%; **Significance level < 5%

This research also performs t-test for labour performance, human right performance, and social performance for both of industries. The performance comparison to support the both of hypothesis. As mentioned in research method, the social performance includes four dimensions, such as labour practice and decent work, human right, society, and product responsibility. The second hypothesis focus in society and product dimension. The mean of labour score of manufacturer sample firms is 5.67 with standard deviation 3.84 (see Table 4) and the mean of labour score of financial sample firms is higher than manufacturer industry, such as 6.75 with standard deviation 3.21. The mean of human right score of financial sample firms is also higher compare to the manufacturer firms, namely 2.25 with standard deviation 2.863 and 1.81 with standard deviation 3.003, respectively.

The social performance also reveals that the mean of social score of financial sample firms are also higher compare to the manufacturer firms, namely 16.80 with standard deviation 10.375 and 11.69 with standard deviation 9.8, respectively. It implies that the social performance of financial firms is higher than the social performance of manufacturer industry. However, this research performs the t-test for the labour score, human right score, and social score to support the result of society and product test.

Table 4 The Descriptive Statistics of Labor, Human Right, and Social Score

Sustainability Score	Industry	Sample	Mean	Standard Deviation
Labor Score	Manufacturing Industry	36	5.67	3.84
	Financial Industry	20	6.75	3.21
Human Right Score	Manufacturing Industry	36	1.81	3.003
	Financial Industry	20	2.25	2.863
Social Score	Manufacturing Industry	36	11.69	9.8
	Financial Industry	20	16.80	10.375

The t-test reveals that there is no significant difference between financial and manufacturer industry on labour and human right, although the mean difference between of both industry is 1.083 and 0.444 (Table 5), respectively. According to social score, the mean difference of the both of industries is 5.106 (Table 5), but the t-test shows that the significance level is less than 10% or in moderate level. If the social score becomes the hypothesis that compares the score between financial and manufacturer industry, the t-test result can imply that the hypothesis is unsupported by t-test.

Table 5 The t Test of Labor, Human Right, and Social Scores

	Financial Industry	–	Manufacturer Industry
Labor Score	Mean Difference	1.083	
	Significance	0.289	
Human Right Score	Mean Difference	0.444	
	Significance	0.592	
Social Score	Mean Difference	5.106	
	Significance	0.073*	

*Significance level < 10%

The t test result shows the difference of reporting pattern between manufacturer sector and financial sector. The result supports the hypothesis that manufacturer firms have higher environmental performance compare to financial firms. The result also support the hypothesis that financial firms have higher social and product performance compare to manufacturer firms. This evidence shows that the difference of policies and practices across industry sector on GRI guidelines implementation. The difference shows that the sample firms, namely manufacturer and financial companies, have different perspective on their stakeholder priority. The results extend the statement of Park et al. (2014) about the categorization of stakeholders depend on stakeholder's interest. Park et al. (2014) categorized firm's stakeholders into primary stakeholder and secondary stakeholder. The primary concerns in the quality of product and service that produces by this firm, such as consumers, internal managers and employees, or business collaboration. The secondary stakeholders concern in company's mission, such as local governments, media, local community, or non-governmental organization. For an illustration, consumer want to get high quality product, and then local government or media will watch them out to ascertain the mission achievement.

According to this study, manufacturer firms concern about environment affected by the company's activity, but financial firms concern about their consumers as part of community. Manufacturer firms certainly have a mission to produce high quality products, but firms possible face a legal allegation caused by unethical behaviour on environment. An empirical evidence from energy sector shows that companies behave properly on environmental performance, such as minimize the impact of emission (Talbot & Boiral, 2018). To behave appropriately on environment is as part of valuable campaign for firm's products.

Finally, anything the objective of firm to disclose sustainability report, profit is the ultimate firm's interest. A study reveals that banks that commit to high corporate social responsibility have high financial performance and it is driven by strategic motives such as to raise net interest profit (Wu & Shen, 2013; Suteja et al., 2017; Mukhtaruddin et al., 2019). Therefore, the information on sustainability report discloses qualitative characteristics that perform comparability and reliability as financial reporting analysis, so the report will be more useful by sectoral guidance version, such as mining, automotive, financial industries (Willis, 2003). The statement of Willis (2003) is supported by relationship schema between sustainability and corporate social responsibility (Hahn & Kühnen, 2013).

Source: Hahn & Kühnen (2013)

Figure 1 Overview and Relation of Basic Concepts and Terminology Relating to Sustainability Reporting

As depicted in Figure 1, sustainability reporting has same level with corporate social responsibility at normative level because both of them is a part of accounting data. The same level has an implication that firm's financial condition informed by accounting data and it supports firm's sustainability report or firm's financial condition will be showed by sustainability report. Company publishes the financial condition to public as an integrated report trough three sustainability dimensions, namely financial, ecological, and social dimension. According to European Commission (2011), CSR is a company's action beyond to legal standard for better anticipate the society expectation. As an impact, CSR can achieve the long-term trust of internal stakeholder, such as employee, and external stakeholder, such as customer, supplier, or stockholder. The trust creates the high innovation and opportunity for firm. Therefore, the CSR concept also has the same terminology with sustainability concept, because it represents the accounting sustainability.

Theodoulidis et al. (2017) suggest that CSR must become of the part of firm's strategy. The suggestion implies that management should consider the different types of stakeholders' interest on CSR implementation. The consideration refers to which stakeholder that has impact on short-term and long-term performance. Theodoulidis et al. (2017) make an illustration the positive relationship between CSR and return on investment as short-term performance measurement. Since 2007, Indonesian Government established regulation for listed or publicly companies to disclose their sustainability report. However, the disclosure is still voluntary. National Centre for Sustainability Reporting (NCSR) encourages companies to disclose their sustainability reporting through Indonesia Sustainability Reporting Awards (Gunardi et al., 2016; Samuel et al., 2019). After more a decade from 2005, the award could encourage more 100 companies in Indonesia to disclose their sustainability reporting.

The voluntary disclosure motivates the companies take benefit sustainability reporting as strategy for achieving high reputation or value chain safety or assurance. Actually, the CSR program of PT Telkom Indonesia (Persero) Tbk also enhance the company's reputation, especially society and value chain (PT Telkom Indonesia (Persero) Tbk, 2018). The same motivation also encourage PT Unilever Indonesia Tbk on CSR program implementation. As an illustration, PT Telekomunikasi Indonesia as communication industry performs CSR for brand name strengthen, but PT Unilever Indonesia Tbk as house care production performs CSR for value chain safety (PT Unilever Indonesia Tbk, 2018). Both of companies do CSR for communities surrounding the branch office or plant. There are three considerations of CSR implementation, namely: proximity, relevance, and magnitude. The proximity refers to the closeness of company's operation. The relevance refers to the relation CSR and company's profit. Then, the magnitude refers to the positive impact CSR to build the company's reputation (Hasan & Yun, 2017).

Stakeholder orientation implies that the stakeholders, such as employ, customer, supplier, must have same agreement about their relationship with stockholders, because the perspective of employee, customer, and community is different with the shareholder's perspective (Freeman & Liedtka, 1997; Nyarku & Oduro, 2019). For an illustration, employee wants descent workplace wages, customer wants good product, and community wants company minimize the negative effect of waste or effluent. However, the descent workplace and wages, good product, good effluent and waste management requires investment that reduces the shareholder's wealth. It means that management must align the whole of stakeholder's interest or at least management makes the priority of the stakeholder's interest. If the one of group afford the other group's expense, so the political process will enforce the group through formal mechanism, such as regulation or legislation.

CONCLUSION

The aim of this research is to identify the pattern of sustainability reporting based on industrial characteristics in Indonesia. The research question is whether difference industrial characteristic has different stakeholder priority that showed on company's sustainability report. The examination uses score of environmental performance and social performance between manufacturer sector and financial industry.

This research concludes that industry sector or characteristic has impact on sustainability reporting disclosure and it is a part of company's strategy to achieve sustainability. The manufacturer industry releases more waste, more effluent, more pollution rather than financial industry because of the side effect of conversion process. The service industry, such as financial industry, concern on the brand name reputation and community relationship rather than environmental sustainability. The banking sector collects money from

society, so the company reputation has important role on sustainability. The financial industry, such as banking sector, gets revenue from the interest spread. Management should count perfectly the amount of interest that must be paid with interest that must be charged. If the bank's customer feel the bank charge the high interest on borrowing money, then the bank must afford interest on paying collected money. However, manufacturer industry can display the product ingredient on product, so the competition is not high enough as banking sector. The phenomena is encouraged by the need of company's transformation from maximization shareholder interest into balanced stakeholder's interest.

This evidence contributes to stakeholder theory and the effort in sustainability reporting modelling, because several criteria in GRI do not match with every industry characteristic. This research also has implication to which main stakeholder of industry characteristic that shown by the pattern of sustainability reporting. Sample become the first weakness of this research because the sustainability reporting is still voluntary. Second, there is no consistency on reporting unit, so this research uses disclosed bases score, such as 1 for disclosed or 0 for not disclosed. The next future research must involve culture because there is a controversy result about the impact culture on sustainability reporting.

ORCID

Yavida Nurim <https://orcid.org/0000-0002-3269-8285>

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