

ABSTRACT

This study aims to examine the effect of stakeholder pressure and financial performance on the transparency of sustainability report. In this study, the variables of environmentally sensitive industry, investor-oriented industry, consumer-proximity industry and financial performance are the independent variables. Then for the dependent variable in this study is the transparency of the sustainability report. The dependent variable "transparency" is obtained from four factors, reporting frequency, application level, statement level and assurance.

The sample in this study is a manufacturing company listed on the Indonesia Stock Exchange in 2018 – 2021. The selection of sampling in this study used a purposive sampling method. The analytical method used in this research is multiple linear regression analysis.

The results of the study show that the environmentally sensitive industry and financial performance have a positive impact on the transparency of sustainability report. However, investor-oriented industry and consumer-proximity industry do not have a positive impact on the transparency of sustainability report.

Keywords: Stakeholder pressure, environmentally sensitive industry, investor-oriented industry, consumer-proximity industry, financial performance and transparency of sustainability report.