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Does the quality of integrated reporting differ across different industries? a comparative study of mining and financial sectors

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ABSTRACT

Purpose: This research was conducted to test the influence of the board of directors and audit committee on IR quality and to compare IR quality in mining and financial sector companies.

Methodology/approach: The research uses secondary data from the annual reports of mining and financial sector companies listed on the IDX for 2019-2022. Stata 17 and SPSS 26 were used to analyze the data and test the hypotheses.

Findings: The empirical findings showed that the board of directors in mining companies did not affect IR quality. Meanwhile, different results were found in financial companies where the board of directors significantly affected IR quality. The audit committee did not significantly affect the quality of IR in mining and financial companies. Furthermore, it was found that there were significant differences between IR quality in mining and financial sector companies.

Practical and Theoretical Contribution/Originality: This study's findings verify the IR quality discrepancy between different sectors. Government and policymakers must reevaluate the regulations regarding the number of boards of directors and audit committees to ensure the mentioned entity contributes to improving IR quality.

Research Limitation: Although this study provides empirical evidence regarding the difference in IR quality between the mining and financial sectors, it fails to address which sector has better IR quality.

KEYWORDS: Audit Committee; Board of Directors; Financial Company; Integrated Reporting Quality; Mining Company.

INTRODUCTION

Integrated Reporting (IR) has recently attracted the attention of practitioners, regulators, and academics (Erin & Adegboye, 2022). IR emerged as a form of dissatisfaction with conventional financial reports focusing only on historical and economic performance (Chariri & Januarti, 2017). Therefore, this report presents financial and non-financial information (Azam *et al* ., 2011; Eccles *et al* ., 2015; Morros, 2016). In recent years, the quality aspect of IR has become an essential topic because research on IR quality is still inadequate (Chouaibi & Hichri, 2021; Liu *et al* ., 2019; Villiers *et al* ., 2016). IR quality refers to the level of compliance of integrated reports with the provisions of the relevant framework (Iredele, 2019). A high level of compliance can be seen through high IR quality and vice versa.

Compared to countries listed in the G20 that have implemented IR, Indonesia still has minimal implementation of IR (IAPI, 2020). Several companies have named their annual reports "Integrated Annual Report." However, these reports do not meet the completeness of the content elements set by the International Integrated Reporting Council (IIRC) (IAPI, 2020). The rules in Indonesia regarding the implementation of IR are regulated in PSAK 1 (2018) paragraph 14, which states that companies can present reports on the environment and value-added reports, more specifically in industries with significant environmental factors, and consider that employees are part of the group of users of financial reports that are deemed essential (Sari *et al* ., 2020).

This study has several differences with previous studies. Lee (2017) stated that investors look at environmental, social, and governance (ESG) performance before investing in developing countries because countries with high ESG performance tend to have robust risk management. Although the growth of developing countries is very rapid, ESG disclosure in banking annual reports is still unsatisfactory (Shakil *et al* ., 2019). Gerwanski (2020) studied 2,196 European companies and found that IR significantly reduced corporate debt. Iredele's (2019), which examined the quality of IR in companies listed on the Johannesburg Stock Exchange during 2013-2017, found a significant relationship between IR quality and IR content. Other studies on IR quality conducted in only one sector, namely the financial sector in various African countries, found empirical evidence that IR quality is positively and significantly influenced by profitability, company size, financial leverage, and the civil law system (Vitolla *et al* ., 2020). Previous studies examining IR have focused only on one sector and conducted research in various developed and developing countries.

The novelty of this study based on the explanation related to the differences in the research above is that previous studies that examined IR only focused on one sector, namely the financial sector, and conducted research in various developed and developing countries. This study tries to fill the gap from previous research by examining two sectors in developing countries, the mining sector and the financial sector. IR quality is generally influenced by the size of the audit committee and the board of directors. A larger audit committee is more likely to address issues in the integrated reporting process due to the potential for diversity, expertise, and opinions that can improve the oversight function (Permatasari & Tjahjadi, 2023). he relationship between IR quality and the board of directors is explained through Hurghis's (2017) study, which examined the effect of board size and integrated reporting of 89 companies in various countries and found that only board size directly impacted integrated reporting. Claessens *et al* .'s (2002), on the ownership structure of companies in nine Asian countries, showed that public companies in Asia have a concentrated ownership structure in family ownership. This means that the phenomenon related to IR quality can be explained using type 2 agency theory (Panda & Leepsa, 2017). Type 2 agency theory describes

the conflict between majority and minority shareholders. This happens because majority shareholders make decisions for their benefit at the expense of the interests of minority shareholders (Gilson & Gordon, 2003).

Based on the explanation, this study aims to see the influence of the board of directors and audit committee on the quality of IR and to compare the quality in companies that focus on the mining sector and the financial sector in developing countries. The relationship between the quality of IR, the board of directors, and the audit committee is explained using several theories below.

Legitimacy theory also adds that companies use IR to enhance their reputation and maintain their existence (Chouaibi & Hichri, 2021). According to Erin and Adegboye (2022), companies aim to maintain legitimacy by disclosing social and environmental information. When companies engage in activities that significantly impact the environment, they tend to present IR in more detail to legitimize their business than companies with a minor environmental impact. In reality, an increasing number of companies report IR well and thoroughly, but they do not actualize what is stated in the IR or do greenwashing (Junior *et al*., 2019). Greenwashing is an attempt to exploit the increasing demand for environmentally friendly and sustainable products (Hayes, 2022). When companies adopt greenwashing, they mislead consumers about their products that have an environmentally friendly image. (Yildirim, 2022).

Therefore, research related to IR quality is essential, especially to filter which companies actually implement ESG and report it in IR and which ones only do greenwashing. This study was conducted in developing countries, referring to the statement of Shakil *et al* . (2019) regarding the lack of studies on ESG and environmental practices in developing countries, especially IR quality. Companies with higher emissions tend to make better disclosures (Busch & Hoffmann, 2011). One company sector with the most impact on the environment is the mining sector. The mining industry has been an essential sub-sector in Indonesia since 1970 (Hatane *et al*., 2019). The mining sector is vulnerable to global macroeconomic changes (Indonesia Investment, 2018a .; 2018b.). In recent years, there has been an increase in companies participating in ESG issues and incorporating them into their business strategies (Eccles *et al* ., 2015). According to Shakil *et al* . (2019), banks in developing countries must also consider environmental and social aspects and social performance even though they do not directly impact the environment. The previous statement motivated this study to examine the influence of the board of directors and audit committees in 2 different sectors, mining and finance, in developing countries.

Through statistical testing, this study provides findings that the board of directors does not affect the quality of IR in the mining sector. Different results were obtained in the financial industry, where the board of directors significantly affects the quality of IR. An audit committee in mining and financial sector companies does not considerably affect the quality of IR. Statistically, there is a significant difference between the quality of IR in mining and financial sector companies. This study contributes theoretically and practically to the topic of IR quality. First, there are differences in the results of the board of directors' variable in mining and financial sector companies and the inability of the audit committee variable to affect the quality of IR in the two sectors significantly. These differences in results imply the need for further studies to test the consistency of current research. Second, there are differences in the quality of IR between the mining and financial sectors. These findings confirm the social and environmental information quality gap in different sectors. Third, in practice, the findings of this study can be used as a reference for policymakers to review

regulations related to the minimum number of boards of directors and audit committees about their role in maintaining IR quality.

Agency theory is one of the most widely used theoretical perspectives to explain the relationship between corporate governance mechanisms and IR disclosure (Haji, 2015; Vitolla *et al* ., 2020). In type 2 agency theory, the conflict between majority and minority shareholders occurs because the majority shareholders, who are also management, make decisions for their benefit at the expense of minority shareholders (Panda & Leepsa, 2017). One of the governance mechanisms associated with IR quality is the board of directors (Chouaibi & Hichri, 2021; Iredele, 2019; Raimo *et al* ., 2021). The board of directors is essential to corporate governance, affecting IR quality (Permatasari & Tjahjadi, 2023). The board of directors plays a role in encouraging managers to provide complete information through IR (Hurghis, 2017; Iredele, 2019). A large board size is needed to handle the complexities of preparing and overseeing the preparation of quality IR. (Iredele, 2019). Hurghis's (2017) study examined the size of the board of directors and integrated reporting of 89 companies in various countries and found that the size of the board of directors directly impacts IR. Iredele (2019) added that companies with large board sizes consist of directors who have good educational backgrounds and experience, making the IR presented more qualified. Erin and Adegboye (2022) showed that board attributes affect IR. Based on the previous explanation, the hypothesis in this study is as follows.

H_{1a}: The board of directors size positively affects the quality of IR in mining sector companies

H_{1b}: The size of the board of directors positively affects IR quality in financial sector companies

The audit committee is believed to have a role in reducing information asymmetry and, as a result, will reduce agency costs (Chariri & Januarti, 2017). IR, in this case, can be an accountability tool that includes financial and non-financial information so that information asymmetry between majority shareholders and minority shareholders can be minimized. This is because shareholders can obtain complete and publicly available information (Permatasari & Tjahjadi, 2023). Referring to type 2 agency theory, which states the asymmetry of interests between minority and majority shareholders (Panda & Leepsa, 2017), governance mechanisms such as audit committees are considered capable of mitigating this agency relationship (Chariri & Januarti, 2017; Raimo *et al* ., 2021). A larger audit committee size is more likely to address problems in the IR creation process due to the diversity, expertise, and opinions that can improve the oversight function (Permatasari & Tjahjadi, 2023). This shows that the size of the audit committee is a determining factor for companies in disclosing corporate reports (Klein, 2002). According to (Bédard *et al* ., 2004), a larger audit committee is more likely to resolve issues related to the reporting process, especially IR. Chariri and Januarti (2017) stated that the expertise of the audit committee and the frequency of audit committee meetings positively affect the quality of IR. The audit committee size can improve the quality of IR the company provides. The presence of many audit committee members in the company will allow it to have different perspectives, opinions, and skills to carry out its supervisory and monitoring functions and present reports more optimally (Raimo *et al* ., 2021). Based on previous research and the description above, the research hypothesis is formulated as follows:

H_{2a}: The size of the audit committee positively affects IR quality in mining sector companies

H_{2b}: The size of the audit committee positively affects IR quality in financial sector companies

Nine company sectors are listed on the IDX, including mining, elemental and chemical industries, various industries, consumer goods industry, real estate and building property, utility and transportation infrastructure, finance, trade, services, and investment (www.idx.co.id). The mining sector is one of Indonesia's sectors with the highest level of IR quality implementation (Kustiani, 2017). The mining sector is also a company sector that significantly influences Indonesia's economic growth. This can be seen from the growth rate of the mining sector's Gross Domestic Product (GDP) (Ashilah & Suryani, 2021). In addition, after the global financial crisis, companies focused more on ESG to restore the company's reputation in the market by being socially responsible (Shakil *et al* ., 2019). In a study conducted by Liu *et al* . (2018), here is a positive relationship between corporate carbon emissions and corporate disclosure. Busch and Hoffmann (2011) stated that companies with higher emissions tend to have better corporate report disclosures regarding quantity and quality than companies with minimal carbon emissions.

On the other hand, banking or financial companies in developing countries play an essential role in ensuring financial and economic growth and stability (Shakil *et al* ., 2019).

Although the growth of developing countries is increasingly rapid, ESG disclosure in companies' annual reports is still limited. Financial companies are also a corporate sector with minimal environmental impact. Meanwhile, Lee (2017) stated that investors consider ESG performance before investing in a company. In the context of IR, legitimacy theory explains that companies use IR to maintain the honour and fame of the company (Gray *et al* ., 1996; Mans-Kemp & van der Lugt, 2020). IR tends to be used by companies that significantly impact the environment because companies want to protect their legitimacy. Mining sector companies are one of the sectors that significantly impact the environment (Hatane *et al* ., 2019). The financial sector is a corporate sector with minimal direct environmental impact. Therefore, researchers try to use legitimacy theory in this study as a theoretical basis to explain the comparison of these two sectors, namely the mining and financial sectors. Therefore, the researcher wants to test the difference in the IR quality of mining sector companies and financial sector companies. So, the hypothesis of this study is:

H_3: There are differences in IR quality between the mining and financial sector companies.

METHOD

This type of research is quantitative research using secondary data. The data sources used come from the annual report of each mining and financial sector company from the company's official website and the official BEI website, namely www.idx.co.id. The research was conducted in 2019-2022 based on the stipulation of PSAK 1 2018, Indonesia's first regulation regulating IR. The population in this study were mining and financial sector companies listed on the IDX. The sample selection in this study used the purposive sampling method with the criteria of companies listed on the Indonesian Stock Exchange before 2019 and published company annual reports from 2019-2022. The measurements carried out in this study are precise, so sample selection was carried out based on these criteria. Therefore, from 49 mining sector companies and 105 financial sector companies, 38 and 84 financial sector companies were obtained that met the sample criteria.

Data processing techniques in this study are divided into two. Hypothesis 1a, 1b, 2a, and 2b are tested using panel data regression tests, while hypothesis 3 uses an independent sample

t-test. This test is used to test whether there is a difference in IR quality between public and financial sector companies. Statistical tools for testing hypotheses 1a, 1b, 2a, and 2b use Stata 17, while for hypothesis 3 using SPSS. The variables in this study consist of IR quality as the dependent variable, board size and audit committee size as independent variables, and company size and company age as control variables. IR quality in this study is associated with 50 index items expressed in the article by Kılıç & Kuzey (2018). Thus, these measurements enable this study to demonstrate a more comprehensive IR quality. Table 1 explains each variable definition and its measurements.

Variables	Indicator	Operational Definition	Measurement
IR Quality	IRQ	IR quality is based on the integrated report's compliance with the relevant framework provisions (Iredele, 2019).	The quality of IR reports is measured through content analysis, with the following criteria: 0 = did not disclose 1 = express IR quality is calculated by: $IRQ = \frac{IRD}{TIIR}$ Information: IRD= Number of IR index item disclosures TIIR = Total IR index items (Kılıç & Kuzey, 2018)
Size of the Board of Directors	BoD SIZE	A large board size in a company is useful for handling the complexity of preparing quality IR (Iredele, 2019).	Total number of members of the board of directors (Alfiero *et al* ., 2017)
Audit Committee Size	AC SIZE	A larger audit committee size is more likely to address issues in the IR creation process (Permatasari & Tjahjadi, 2022).	Total number of audit committee members (Zhou *et al* ., 2017)
Company Size	SIZE	Scale for classifying companies as large or small	SIZE = Ln Total Assets (Novia & Halmawati, 2022)
Company Age	AGE	Total years of company establishment to date	Number of years listed on the stock exchange (Villiers *et al* ., 2017)

Equality Study:

$$IRQ_{it} = \beta_0 - \beta_1 BoD\ Size_{it} - \beta_2 AC\ Size_{it}$$

Where,

IRQ_{it} : Quality Report Integrated (Integrated Reporting Quality)
$BoD\ Size_{it}$: Board of Directors Size
$AC\ Size_{it}$: Size Audit Committee (Audit Committee Size)

RESULTS AND DISCUSSION

Table 2 shows the calculation of the mean quality of the mining company's IR, which is 0.5610526, which is greater than the standard deviation of 0.116273. This indicates that the quality of the mining company's IR is typically distributed; in addition, This IR quality minimum value is 0.34, which PT represents. Garda Tujuh Buana and PT. SMR Utama, while the mark maximum from The IRQ variable is 0.86, owned by PT. Adaro Energy Indonesia. The board of directors has a mean value of 4.585526 and a standard deviation of 1.743271, which means that the data is normally distributed; the size of the board of directors is the smallest, totalling two people owned by PT. Perdana Karya Perkasa and PT. SMR Utama, while the largest, totals 11 people and is owned by PT. Bumi Resource. The value mean of the audit committee is 3.236842, while the standard deviation is 0.5950885, which means the data is usually distributed in size. The most minor audit committee, consisting of 2 people, is owned by PT. Garda Tujuh Buana and PT. Ifishdeco, while PT Petrosea owns the most significant six people.

The descriptive statistical results for financial sector companies are shown in table 3. Referring to table 3, all variables are normally distributed because the mean value of each variable is more significant than its standard deviation value. The IR quality of financial companies has a mean of 0.4631548, while the standard deviation is 0.0588917. The minimum value of IR quality is 0.3, which PT. Bank Mestika Dharma owns, meanwhile, that marks a maximum of 0.6 owned by PT. Allo Bank. Value The mean for the board of directors is 5.116071, which is higher than its standard deviation of 2.448559. The minimum size of the board of directors in this data is two people owned by the Bhakti Multi Artha company, and the maximum is 13 people owned by the Bank Rakyat Indonesia company. In addition, the audit committee has a mean of 3.372024 and a standard deviation of 0.962734, and the minimum size quantity audit committee is one person owned by the company Allo Bank. Amount maximum size The audit committee consists of 8 people owned by the Bank Rakyat Indonesia company.

Table 2. Analysis Mining Company Description

Variables	Obs	Mean	Std. Dev.	Min	Max
IRQ	152	,5610526	,116273	,34	,86
BoD Size	152	4.585526	1,743271	2	11
AC Size	152	3.236842	,5950885	2	6
SIZE	152	29,2667	1.841394	24,0413	32.31603
AGE	152	14.97368	8.236526	1	32

Variables	Obs	Mean	Std. Dev.	Min	Max
IRQ	336	,4631548	,0588917	,3	,6
BoD Size	336	5,116071	2.448559	2	13
AC Size	336	3.372024	,962734	1	8
SIZE	336	29.89686	2,278628	24,66832	35,22819
AGE	336	16.86905	9.676906	1	40

Table 3. Descriptive Analysis of Financial Companies

Source: Data processed by Stata (2024)

Hypothesis		Coefficient	P *Value*	Conclusion
BoD Size → IRQ	H1* [a]	-0.0027768	0.272	Not Supported
BoD Size → IRQ	H1* [b]	0.0009929	0.024	Supported
AC Size →IRQ	H2* [a]	0.0029814	0.182	Not Supported
AC Size →IRQ	H2* [b]	0.0032104	0.950	Not Supported
IRQ Mining vs. IRQ Finance	H3**		0,000	Supported

Table 4. Hypothesis Testing

Source: Data processed by Stata and SPSS (2024)

Table 4 shows through the statistical submission that has been done, and it was found that H1a did not have a significant effect and had a negative direction of influence. These results are not in line with research conducted by Hurghis (2017), Iredale (2019), and Erin & Adegboye (2022). The study stated that the board of directors' size affects the IR quality. These results are also not in line with the type 2 agency theory, which states that majority shareholders will sacrifice minority shareholders because majority shareholders are decision-makers. IR aims to prevent information inequality obtained by minority shareholders so that minority shareholders get the same information as majority shareholders. The function of the board of directors is to ensure that the quality of IR is excellent and informative for all parties. From the results of the statistical tests that have been carried out, it can be concluded that the board of directors in mining companies cannot significantly influence the quality of IR.

Meanwhile, the results of the H1b test obtained different results, namely a significant positive effect. These results align with research conducted by Iredale (2019), which revealed that the size of the board of directors influences the quality of IR. Kılıç and Kuzey (2018) also revealed that the size of the board of directors affects the quality of IR. These results also align with type 2 agency theory, which means that the board of directors in financial companies can ensure good IR quality, so there is no information inequality or conflict between majority and minority shareholders.

The difference in results between H1a and H1b is due to the difference in the average number of board directors. Company mining and finance companies are influential because the number of board of directors is more significant than company mining, so company finance owns more overview functions that are strong for seeing IR quality compared to company mining. This is seen in the descriptive analysis conducted. In addition, although the

amount means the quality of company IR mining is Far bigger than company finance, the number of board of directors in the company finance is Far more significant than mining. So, the results of the hypothesis tests H1a and H1b are different. Research conducted by Erin and Adegboye (2022) n South Africa found that the board of directors' size positively affects the IR quality. In the study, Erin & Adegboye (2022) also explained that a company's minimum number of board of directors is nine people. The minimum number of board of directors in Indonesia is three people, as described in the Financial Services Authority Regulation 33/POJK.04/2014 concerning the Board of Directors and Board of Commissioners of Issuers or Public Companies 2014. The disparity in the number caused H1a to be rejected. Inequality is also visible from the minimum and maximum values of the board of directors in the study by Hurghis (2017) of 5-21 people. Iredele (2019) also supports the findings of Hurghis (2017), which means that a giant board of directors allows the company to construct more IR quality. In addition, the rejection hypothesis is not in line with theory agency type 2, which explains that there is conflict agency between the holder share majority and minority on the occurrence of inequality information obtained. The board of directors also guards IR quality to make it more informative for all parties. Good holders share majority and minority.

Statistical testing for H2a and H2b shows no significant effect of audit committee size on IR quality in mining and financial sector companies. This finding is inconsistent with the statement of Permatasari and Tjahjadi (2023) that a larger audit committee size can improve the quality of IR. Klein (2002) also studied something similar and stated that the size of the audit committee affects the quality of IR. In addition, research conducted by Raimo *et al* . (2021) also showed that the size of the results of the audit committee is influential in IR quality. Analysis results in descriptive research show a mark mean of 4.19, far more prominent than the mark mean in research. This of 3.2 means that the IR quality in research is far better than that of the study. This makes the study This No's results align with Raimo *et al* . (2021) study. This is also inconsistent with type 2 agency theory, which explains the existence of conflict between majority and minority shareholders. The audit committee's function is to maintain the quality of the IR so that it is informative and valuable for all parties. The rejection of H2a and H2b shows that the audit committee's role in mining and financial sector companies is not significant in improving the quality of IR. These results are due to the difference in the number of audit committees in each company abroad and domestically. For example, according to Erin and Adegboye (2022), the minimum number of audit committees in South Africa is at least four people.

Meanwhile, in Indonesia, the rules are regulated in the Formation and Guidelines for Implementation of the Work of the Audit Committee (2012); in this rule, the audit committee must have a minimum of 3 people. In this research, several companies only have one audit committee, such as Allo Bank, and several companies have two, such as company Bina Darta Insurance and Minna Padi Investama Company Securities. According to the research, this majority company has three audit committees: Bank Bumi Arta and Alfa Energi Investama. Differences in rules and amounts audit committee in research This and other studies conducted overseas suggest that audit committees in mining and financial companies do not have enough diversity, expertise, and opinions to improve the oversight function in the IR creation process.

Researchers also conducted a difference test between the IR quality of the Company sector articulated mining and finance through H3. Statistical test results show a significant difference between IR quality in both sectors mentioned. Previous studies only tested IR quality in one industry, like Iredele's (2019) and Vitolla et *al* . (2020) research. This study

presents novelty in researching whether there is a difference between sector mining and finance. Finding's study aligns with the theory of legitimacy, which states that companies use IR to maintain legitimacy. Continuing with the theory, legitimacy means companies are each other's race. They can remain operating in a region for better IR disclosure. This result is Possibly just caused by differences. The second sector company said that mining is a sector that is the most at-risk and has impacted companies big on the environment, so there tends to be more details in IR disclosure.

Meanwhile, sects or finances that tend to be not at risk or more settled and minimize the impact on the environment tend not to be detailed in IR disclosure. In addition, the analysis of the results shows that the mean company IR quality distant mining is better than that of company finance. Therefore, the reason factor sector is more descriptive of companies' risk and reward analysis. Then, we can conclude that there is a difference in IR quality between company mining and finance in Indonesia.

CONCLUSION

This study examines the effect of board size and audit committee size on IR quality in two different corporate sectors. In addition, this study also examines whether there are differences in IR quality in mining and financial companies. The results of this study conclude that the size of the board of directors of mining companies does not affect IR quality. In contrast, the size of the board of directors has a positive and significant effect on IR quality in financial companies. The audit committee size does not significantly affect IR quality in the two sectors. IR quality in mining and financial companies has also been considerably different.

This study contributes to the development of theory and practice in three ways. First, the findings of this study imply the need for further studies to confirm the results of the research that has been obtained. The empirical findings of this study are contrary to the results of other mainstream studies. Therefore, the results of this study can be an additional empirical finding from the perspective of developing countries where IR quality is not significantly affected by suitable governance mechanisms such as board size and audit committee. Second, this study provides empirical evidence related to the differences in IR quality in two different sectors, namely mining and finance. This proves Busch and Hoffmann's statement (2011) that there are differences in IR quality between corporate sectors triggered by the company's environmental impact. Although it is still unclear which sector has better IR quality, mining or finance, this opens up opportunities for research related to IR quality that focuses on comparative studies between different sectors. Third, the most unsupported hypotheses can be a premature indicator that corporate governance practices in Indonesia, especially those related to the board of directors and audit committee, have not optimally supported the fulfilment of IR quality. Policymakers, such as the Minister of Finance and OJK, can use these findings to evaluate regulations related to the size of the board of directors and audit committee, especially their role in supporting and improving IR quality.

This study has several limitations that need to be considered by further research. First, this study tends to be inconsistent with previous studies because most hypotheses are unsupported. Additional research is deemed necessary to re-examine this topic using the same variables in different sectors to evaluate the consistency of the current research results. Second, this study only conducted a difference test to observe whether there is a difference in IR quality between the mining and financial sectors. However, this study did not conduct further tests to determine which IR quality is better, mining or finance. Additional researchers are expected to test which sector has better IR quality. Further researchers can

also expand the current study by conducting a difference test on more than two sectors and testing which sector has the best IR quality in Indonesia.

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