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THE EFFECT OF CORPORATE GOVERNANCE, PROFITABILITY, AND CAPITAL STRUCTURE ON CORPORATE RISK DISCLOSURE, WITH COMPANY SIZE AS MODERATION

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ABSTRACT

One of the information factors needed by investors is the disclosure of company risk. with the disclosure of risk, information users can find out the condition of the company and whether the company's risk can affect the funds they invest, this study aims to examine the effect of corporate governance, profitability, and capital structure on company risk, this study also uses banking company data obtained from the Indonesian stock exchange for the period 2018 to 2022, and the research method ii is quantitative research. The sample selection technique used was purposive sampling and obtained 45 bank companies so that the total amount of observation data was 225 data. The data analysis method in this study is multiple linear regression using panel data regression with a fixed effect model.

KEYWORDS *Corvorate governance, Profitability, Capital structure, Company risk, Company size.*

INTRODUCTION

Nowadays, the rapid development of business and economy makes the risks that every company must face more complex. To maintain public trust and all parties related to the company, business actors are not only required to publish transparent financial reports but also need to disclose non-financial information, one of which is the disclosure of company risk (Shagan, 2022). Wardoyo et al (2022) explain that risk disclosure is a condition where the company describes how the risks faced and what solutions will be carried out in dealing with these risks.

In line with the above opinion, Adanyana and Adwishanti (2020) explained that risk is one thing that cannot be avoided by every company in running its business. Disclosure of company risk management is very important for investors, because this can be used as a consideration when conducting business activities

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such as investing in a company. The existence of risk disclosure by the company will also minimize the level of risk that can be experienced by investors.

Oktaviana and Puspitasari (2022) In their research, they explain that one of the factors that can affect corporate risk disclosure is the independent board of commissioners which is part of *corporate governance*. In general, the independent board of commissioners can be interpreted as the party in charge of overseeing management in managing the company, including ensuring that the company has effective risk management. Based on the research that has been done, it is proven that the independent board of commissioners has an effect on corporate risk disclosure. One of the differences between previous research and this study lies in the independent variable. In previous studies, the independent variable used was *corporate governance* consisting of independent commissioners, the size of the independent board of commissioners, and auditor reputation. Whereas in this study the independent variables consist of *corporate governance*, profitability, and capital structure.

Other research that explains corporate governance's effect on corporate risk disclosure is research by Utami et al (2021). In this study, it is explained that an independent board of commissioners is someone who does not own company shares but is appointed as an independent commissioner who has the authority to oversee corporate governance. The study also explains that the existence of independent commissioners and audit committees can be used as a channel to increase the level of corporate risk disclosure. The difference between previous research and this study lies in the object and location of the research. In addition, another difference lies in the focus of research, where previous research examined the relationship between the supervisory board, independent commissioners, audit committee, and the activeness of the Board of Commissioners on corporate risk disclosure. Meanwhile, this study focuses on the relationship between *corporate governance*, profitability, and capital structure on corporate risk disclosure moderated by company size variables.

Not only *corporate governance*, Nustini and Ratri (2022) explained that corporate risk disclosure is also influenced by profitability. The results of the study explain that profitability, leverage, auditor reputation, and risk management committee are proven to have a positive and significant effect on the level of corporate risk disclosure. Profitability itself can generally be interpreted as the company's ability to generate profits. Based on the research that has been done, the research gap lies in the independent variables used. Where previous studies used independent variables in the form of profitability, financial leverage and corporate governance. Whereas in this study the independent variables are *corporate governance*, profitability, and capital structure. In this study, the authors will also use moderating variables, namely company size and control variables consisting of liquidity and leverage. While previous research without moderating variables and control variables.

Other research that examines the relationship between profitability and corporate risk disclosure is research by Wardoyo et al (2022). The study explains that profitability is one of the factors that have a positive effect on corporate risk disclosure. The difference between previous research and this study lies in the relationship between variables. In previous studies, the relationship studied was the relationship between profitability, leverage and company size which acted as independent variables on risk management disclosure. Meanwhile, in this study, company size does not act as an independent variable but as a moderating variable. Another difference lies in the object of research. In previous research, the object was life insurance companies listed on the IDX for the 2017-2020 period. While the object in this study is a banking company listed on the IDX for the period 2018-2022.

Another factor that affects corporate risk disclosure is capital structure. Capital structure is explained Annisa et al (2022) by as the composition between equity and long-term debt. In this study, the capital structure is proven to have an effect on corporate risk disclosure. The gap between previous research and this study lies in the variable of corporate risk disclosure. Where in previous studies, corporate risk disclosure acted as a moderating variable. Meanwhile, in this study, corporate risk disclosure acts as the dependent variable. Another difference lies in the location and object of research.

Another study that analyzes the relationship between capital structure and corporate risk disclosure is the research of Hundel et al (2020). In contrast to previous research, the research of Hundel et al (2020) explains that the capital structure variable does not have a positive influence on corporate risk disclosure. The research of Hundel et al (2020) and the research that the authors conducted also have differences which lie in the location of the research research conducted in Filandia, while the location of this research is located in Indonesia, the research conducted by Hundel et al (2050) also did not use moderating variables and control variables, but in this study the authors used moderating variables namely company size and control variables consisting of liquidation and leverage.

In addition to corporate governace, profitability and capital structure, another factor that has an influence on corporate risk disclosure is company size, company size itself can be interpreted as a measure of how much assets the company has. In general, companies with large sizes will have a large number of shares spread out. In research sari et al (2021). Company size has an effect on corporate risk disclosure, and as for this research GAP lies in the company size variable. Where previous research used company size as an independent variable, while in this study the authors used company size as an inerventing variable that moderates the effect of the relationship between corvorate governance, profitability, and capital structure on corporate risk disclosure.

Apart from the factors described above, another factor that affects corporate risk disclosure is liquidity. Based on Habrizons' research (2021), it is stated that liquidity positively affects corporate risk disclosure. Another study that explains the relationship between liquidity and corporate risk disclosure is Astuti's research (2020). From the results of the research that has been carried out, liquidity has an influence on corporate risk disclosure, while the difference between the two previous studies and research is that in previous studies liquidity was used as an independent variable, while for this study liquidity acts as a control variable.

In the research of istiqomah et al (2023) it is concluded that leverage is another factor that can be influenced by corporate risk disclosure. based on the research results. It is explained that leverage has a positive impact on corporate risk disclosure, leverage itself can be interpreted as total debt and total capital, while the difference between previous research and this study lies in the leverage variable where previous research leverage is used as an independent variable that affects corporate risk disclosure. While in this study the variable is used as a control variable, namely other variables besides the independent variable that affect the dependent variable. Another difference lies in the location and objects in the study.

In this study the authors will conduct research on banking companies listed on the Indonesia stock exchange for the period 2018 to 2022. The reason for choosing banking companies is because the period 2018 to 2022. Banking companies are one of the sectors that experience fluctuations both in the aspects of corvorate covernance, profitability, and capital structure, as well. Some samples of *corvorate governance* assessors in the banking sector for the period 2018 to 2022 listed on the IDX can be seen in the following table:

Table 1. Corvorate Governance

Code Shares	Company Name Banking	Score Per Year				
		2018	2019	2020	2021	2022
AGRO	Agroniaga Tbk	88,34	89,54	88,33	88,90	89,54
ANKB	Artha Niaga Kencana Tbk	80,34	81,30	79,29	79,28	80,49
INPC	Artha Graha Internasional Tbk	89,70	87,55	86,34	88,45	88,06
BBKP	Bulkopin Tbk	86,80	85,49	84,49	83,49	85,53
BNBA	Bumi Artha Tbk	88,91	89,02	86,67	85,22	90,12
BABP	Bumiputera Indonesia Tbk	90,09	91,11	87,08	85,10	88,97
READ	Capital Indonesia Tbk	90,41	90,41	89,30	89,31	91,28
BBCA	Central Asia Tbk	87,46	89,80	85,38	84,43	87,56
BCIC	Centuri Tbk	89,71	90,01	89,92	88,94	93,29
BNGA	CIMB niaga Tbk	85,58	86,89	85,64	85,61	87,85
BDMN	Danamon Indonesia Tbk	89,52	90,57	87,66	86,61	89,78
BAEK	Ekonomi Raharja Tbk	88,24	88,27	87,28	86,06	87,15
BEKS	Executive International Tbk	86,37	88,42	86,02	85,28	87,27
SDRA	Association of brothers 1906 Tbk	89,33	90,34	88,23	88,24	90,60
BNII	International Indonesia Tbk	86,15	88,06	87,02	86,02	88,74

Source: Indonesia Stock Exchange

Based on the table above, it can be concluded that banking companies listed on the IDX have experienced fluctuations or unstable increases and decreases in the corvorate govenace aspect of the company over the past five years. In 2020 to 2021, it can be seen that the average company has experienced a decrease in the assessment of corporate governance due to the worldwide covid-19 factor. While in 2022 the assessment gradually increased. The improvement in the assessment of corvorate governance in the banking sector is most likely due to the fact that in 2022, the Covid-19 pandemic in Indonesia began to subside. Apart from the corvorate governance aspect, banking companies also experience fluctuations in the aspect of profitability, this can be seen in the data table of banking companies listed on the IDX for the period 2018 to 2022 which explains Return On Equity (ROE) which is a profitability ratio.

Table 2. Return On Equity (ROE)

Code Shares	Company Name Banking	Year 2018	2019	2020	2021	2022
AGRO	Agroniaga Tbk	3,95	3,43	2,59	2,60	2,95
ANKB	Arta Niaga Kencana Tbk	2,78	2,60	1,84	2,08	2,33
INPC	Artha Graha Internasional Tbk	0,81	0,82	0,51	1,04	1,05
BBKP	Bulkopin Tbk	0,92	0,99	1,13	0,97	1,03
BNBA	Bumi Artha Tbk	2,36	1,42	1,02	0,84	1,23
BABP	Bumuputera Indonesia Tbk	3,48	2,57	2,03	1,74	2,00
READ	Capital Indonesia Tbk	1,25	1,16	0,80	0,58	0,90
BBCA	Central Asia Tbk	0,40	1,21	0,74	1,00	1,07
BCIC	Century Tbk	1,73	1,15	0,78	0,84	0,99
BNGA	CIMB Niaga Tbk	0,84	0,38	0,99	1,43	1,87
BDMN	Danamon Indonesia Tbk	0,56	0,53	0,32	0,34	0,76
BAElK	Ekonomi Raharja Tbk	5,92	4,43	4,93	5,97	6,12
BEKS	Executive International Tbk	0,88	0,46	0,22	0,17	0,30
SDRA	Himpunan Saudara 1906 Tbk	0,52	1,07	1,04	2,05	2,32
BNII	International Indonesia Tbk	0,30	0,55	0,35	0,69	0,86

Source: Indonesia Stock Exchange

It can be concluded from the table data above that the profitability of each banking company experienced an unstable and unstable decline from 2020 to 2021, and where in those two years the Covid-19 pandemic was attacking the world (especially Indonesia) which caused paralysis of the business sector which resulted in economic instability. And in the aspect of capital structure, it also experiences fluctuations, this can be seen from the data table of company data listed on the IDX for the period 2018 to 2022 which explains the Debt to Equity Ratio (DER) capital structure ratio.

Table 3. Debt to Equity Ratio (DER)

Code Shares	Company Name Banking	Year 2018	2019	2020	2021	2022
AGRO	Agroniaga Tbk	1,02	1,03	1,02	0,96	1,12
ANKB	Arta Niaga Kencana Tbk	0,47	0,62	0,32	0,42	0,78
INPC	Artha Graha Internasional Tbk	0,38	0,36	0,47	0,73	0,91
BBKP	Bulkopin Tbk	1,77	1,35	0,98	1,17	1,32
BNBA	Bumi Artha Tbk	1,61	1,61	1,68	1,68	1,86
BABP	Bumiputera Indonesia Tbk	1,02	1,03	1,02	0,96	1,12
READ	Capital Indonesia Tbk	1,54	2,08	2,35	2,49	2,57
BBCA	Central Asia Tbk	0,80	0,46	0,25	0,25	0,60
BCIC	Century Tbk	0,33	0,28	0,37	0,33	0,50
BNGA	CIMB Niaga Tbk	1,68	0,68	0,68	0,67	0,86
BDMN	Danamon Indonesia Tbk	1,69	1,45	2,38	1,10	1,60
BAEK	Elkonomi Raharja Tbk	2,45	1,06	0,96	0,88	1,70
BEKS	Executive International Tbk	0,70	0,76	0,69	0,53	0,74
SDRA	Himounan Saudara 1906 Tbk	1,04	0,87	0,76	0,58	0,91
BNII	Inernasional Indonesia Tbk	6,75	7,17	6,17	7,72	7,94

Source: Indonesia Stock Exchange

For five consecutive years from 2018 to 2022, it can be seen that not only aspects of corporate governance and profitability in banking companies have increased and decreased in the management of the capital structure they have. With this condition, it can be concluded that these banking companies still do not carry out their management system optimally, especially in the management of corvorate governance, profitability and capital structure, if this condition is left without any effort to improve, this problem will certainly have an effect on the profits obtained by the company will shrink further, therefore from the phenomenon described above, the author took the initiative to conduct related research. With this research, the results obtained are expected to be taken into consideration for banking companies in making the necessary policies and strategies.

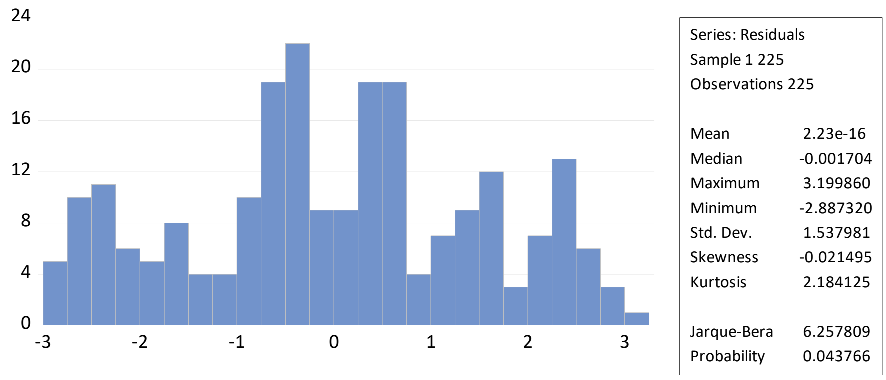
RESEARCH METHOD

The type of research used in this research is descriptive quantitative. In this study, the population that has been determined is all financial reports of banking companies listed on the IDX 2018-2022. In this study, sampling used purposive sampling method. In this study, the data collection technique used was the documentation technique. The documentation method is a data collection technique, namely regarding variables obtained through documents, websites, journals, articles, scientific writings and notes in the mass media. The data analysis technique used is the classic assumption test and hypothesis testing.

RESULT AND DISCUSSION

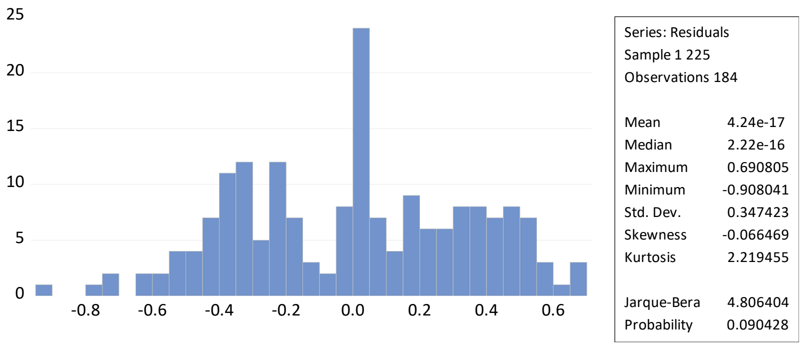
Classical Assumption Test

Normality Test



Source: EViews 12 output, (2023)

Based on the normality test results above, it can be concluded that the test results using the Jarque-Bera Test test get a prob value. 0.04 (0.04 <0.05). It can be concluded that the data used in the study is not normally distributed. To get the best results, an outlier test will be carried out. The outlier test is useful for knowing data - data that deviates too far or extreme. In this case the data is included in the natural logarithm. So that the final result of the amount of data that produces a normal distribution is 225 data. The results of the second normality test can be seen in the following table:



Source: EViews 12 output, (2023)

Based on the normality test results above, it can be concluded that the test results using the Jarque-Bera Test test obtained a probability value of 0.09 (0.09> 0.05). Thus, it can be concluded that the data used in the study is declared normally distributed.

Heteroscedasticity Test

Table 1. Heterocedacity Test

Heteroskedasticity Test: Breusch-Pagan-Godfrey **Null hypothesis: Homoskedasticity**			
F-statistic	0.982894	Prob. F(18,165)	0.4818
Obs*R-squared	17.81876	Prob. Chi-Square(18)	0.4677
Scaled explained SS	8.736663	Prob. Chi-Square(18)	0.9655

Source: EViews 12 output, (2023)

Based on the results of the heteroscedasticity test, it is known that the Prob. Chi-Square has a value above α 0.05. So the research data does not occur symptoms of heteroscedasticity.

Multicollinearity Test

Table 2. Multicollinearity Test

	KA	**DK**	**PF**	**SM**	**UlP**	**LIK**	**DAR**
KA	1.000000	0.033751	-0.018178	-0.038064	0.104193	0.070124	-0.025111
DK	0.033751	1.000000	0.032869	-0.741017	-0.376329	0.134566	-0.583516
PF	-0.018178	0.032869	1.000000	-0.045482	0.300050	0.018538	-0.018384
SM	-0.038064	-0.741017	-0.045482	1.000000	0.372689	-0.139529	0.750781
UlP	0.104193	-0.376329	0.300050	0.372689	1.000000	-0.044198	0.469577
LIK	0.070124	0.134566	0.018538	-0.139529	-0.044198	1.000000	-0.230866
DAR	-0.025111	-0.583516	-0.018384	0.750781	0.469577	-0.230866	1.000000

Source: EViews 12 output, (2023)

The correlation value of each independent variable > 0.9 means that there is a multicollinearity problem. However, if the correlation value of each independent variable <0.9 means that there is no multicollinearity problem. It can be seen from table 4.7 that the correlation coefficient between the independent variables is <0.9, so it can be concluded that there is no multicollinearity.

Hypothesis Test Results

Determination Coefficient Test

Table 3. Coefficient of Determination

Root MSE	0.360404	R-squared	0.160043
Mean dependent var	0.572485	Adjusted R-squared	0.116597
S.D. dependent var	0.391079	S.E. of regression	0.370616
Sum squared resid	23.90001	F-statistic	3.683715
Durbin-Watson stat	1.561253	Prob(F-statistic)	0.000303

Source: EViews 12 output, (2023)

Based on the output in Table 3, the Coefficient of Determination shows the Adjusted R-squared number of 0.116. This means that the dependent variable in this study is corporate risk disclosure, while the independent variables in this study are audit committee, profitability, capital structure. The control variables in the study are liquidity and leverage, and company size as a moderating variable of 11.6%.

F test

Table 4. Model Feasibility Test Results (F Test)

Root MSE	0.360404	R-squared	0.160043
Mean dependent var	0.572485	Adjusted R-squared	0.116597
S.D. dependent var	0.391079	S.E. of regression	0.370616
Sum squared resid	23.90001	F-statistic	3.683715
Durbin-Watson stat	1.561253	Prob(F-statistic)	0.000303

Source: EViews 12 output, (2023)

The results of the F test as shown in table 4 show that the Prob (F-Statistics) value is 0.000 <0.05, then the independent variable has an influence on the dependent variable and there is an overall model.

Partial Test (T Test)

Table 5. Partial Test (T Test)

Variable	Coefficient	Std. Error	t-Statistic	Prob.
KA	2.078419	1.490644	1.394310	0.1650
DK	-1.075089	1.544297	-0.696167	0.4873
PF	2.415240	1.358337	1.778086	0.0771
SM	0.045866	0.022577	2.031505	0.0437
UP	0.111560	0.130085	0.857588	0.3923
LIK	-0.071493	0.018224	-3.923092	0.0001
DAR	-1.150228	0.555331	-2.071246	0.0398
DK_UP	0.094463	0.112704	0.838151	0.4031

Variable	Coefficient	Std. Error	t-Statistic	Prob.
KA_UP	-0.142872	0.110678	-1.290873	0.1985
C	-0.039877	1.806496	-0.022074	0.9824

Source: Output EViews 12, (2023)

Based on Table 5, the hypothesis results are as follows:

1) The Prob. Value of Variable KA > α 0.05 is 0.165. This indicates that KA does not affect risk disclosure. Based on this statistical result, the first hypothesis is rejected.
2) The Prob. Value of Variable DK < α 0.05 is 0.487. This indicates that DK does not affect risk disclosure. Based on this statistical result, the second hypothesis is rejected.
3) The Prob. Value of Variable PF > α 0.05 is 0.07. This indicates that PF does not affect risk disclosure. Based on this statistical result, the third hypothesis is rejected.
4) The Prob. Value of Variable SM < α 0.05 is 0.04. This indicates that SM affects risk disclosure. Based on this statistical result, the fourth hypothesis is accepted.
5) The Prob. Value of Variable KA_UP < α 0.05 is 0.198. This indicates that company size does not moderate the effect of audit committee on risk disclosure. Based on this statistical result, the fifth hypothesis is rejected.
6) The Prob. Value of Variable DK_UP < α 0.05 is 0.403. This indicates that company size does not moderate the effect of the board of commissioners on risk disclosure. Based on this statistical result, the sixth hypothesis is rejected.

Effect of Audit Committee on Risk Factor Disclosure

Based on the research, there is a positive and significant relationship between the audit committee and risk disclosure. In agency theory, it is explained that agency conflicts that arise as a result of the separation of goals and interests between the agent and the principal can result in fraudulent practices or manipulation of information by management. With the existence of Bapepam circular letter SE03 / PM / 2000 dated May 5, 2000, Bapepam requires the formation of an audit committee in Indonesian public companies consisting of at least three members and known by the independent commissioner of the company with two external people who are independent of the company and master and have a background in accounting and finance.

If the audit committee has a small number of members, the results will affect the skills and knowledge that become slightly different so that it is less effective. Because the audit committee members in it have references to the experience of fellow audit members, on the other hand, an audit committee with too many members will result in the performance of the audit committee tending to decrease because it only focuses on work and becomes less participatory, therefore Bapapem determines as already described in the paragraph above.

Agency theory states that the audit committee as a supporting committee of the board of commissioners is expected to influence corporate risk disclosure practices. The performance of the board of commissioners as a supervisory body will be better in the presence of good audit committee performance. So that the bigger a company is, the greater the supervision carried out on the extent of information disclosed in the annual report.

The Effect of the Board of Commissioners on Risk Factor Disclosure

Based on the research, there is a negative and significant relationship between the board of commissioners and the disclosure of risk factors. An independent commissioner is a person appointed to represent independent shareholders (minority shareholders) and the party appointed is not in the capacity of representing any party and is solely appointed based on his background knowledge, experience and professional expertise to fully carry out duties in the interests of the company. This number of commissioners can be considered effective if it is in the range between more than 5 people and less than 14 people. The descriptive statistics show that the average number of commissioners in this study is only 3 to 4 people, so this is likely to cause insignificant results. The small size of the board of commissioners experiences a lack of expertise and makes agency costs quite high, thus affecting the board's ability to fulfill the company's corvorate governance responsibilities.

The Effect of Profitability on Risk Factor Disclosure

Based on research, there is no relationship between profitability and risk factor disclosure. This profitability ratio describes the company's ability to earn profits through all abilities, and existing sources such as sales activities, cash, capital, number of employees, number of branches etc.. The ratio that describes the company's ability to generate profits is also called the operating ratio, the higher the level of profitability of a company, the higher the interest for the principal to invest in the company. Company managers with a high level of profitability have a tendency to provide more risk information in the annual report to justify HR performance to shareholders. In addition, because risk disclosure can provide useful information to competitors, it can affect the company's competitive position in the market.

The Effect of Capital Structure on Risk Factor Disclosure

Based on the research, there is a positive and significant relationship between capital structure on risk factor disclosure. This means that the capital structure has a negative effect on the disclosure of risk factors. This shows that investors pay attention to the company's capital structure before investing. The greater the debt the company has, the greater the burden borne by the company to settle the debt, so investors before investing consider the size of the DAR value which is a measure of the company's capital structure, the greater the DER value of a company, the investor is only willing to pay a relatively small price or is not interested in the company's shares, causing the disclosure of risk factors to decrease.

Company Size Moderates the Effect of the Audit Committee on Risk Factor Disclosure

Based on the research, company size moderates the relationship between the audit committee and risk factor disclosure. This means that the size of the company is a factor that influences the company in disclosing information about company risk. Large size companies will disclose more information than small companies.

This is because companies with large sizes have adequate resources, so that companies need and are able to finance the provision of information about risks for internal and external purposes of the company rather than small companies. Signaling theory explains that a large company size will provide a positive signal to shareholders. Because the size of the company shows the questions owned by the company. Large company size will urge companies to carry out disclosure of risk factors to external parties. So that the greater the size of the company, the higher the level of disclosure of risk factors carried out, the size of a large company has more complex business activities which may have a greater impact on investors and the environment around the company. A larger audit committee will provide tighter oversight of management. The number of audit committees will benefit monitoring capacity and provide increased information, so as to improve the quality of risk factor disclosure, the number of audit committee members allows the company not to be dominated by management. Audit committee members must also have soft skills in the form of strong communication and leadership skills.

Company Size Moderates the Effect of the Board of Commissioners on Risk Factor Disclosure

Based on the research, company size does not moderate the relationship between the audit committee and the disclosure of risk factors, this is the greater the proportion of the number of members of the board of commissioners has the benefit of increased monitoring capacity and information provision so that it is expected to improve the quality of risk management disclosure. In the risk aspect, board size can also be determined by the overall risk of a company. If more people are involved in thinking about and memorizing the risks faced by the company, the greater the company's chances of being able to overcome all the threats brought by these risks. but of course by considering the existing constraints and capabilities of the company.

Agency theory explains that the board of commissioners can reduce agency costs because a large board size can provide a more effective role in carrying out the supervisory function of the board of commissioners. It is predicted that a large number of commissioners will have more incentive to provide supervision in risk factor disclosure practices so that no information is hidden.

Companies with a risk management committee can devote more time, energy and ability to evaluate all internal controls and handle risks that may occur. The existence of a risk management committee can assist the board of commissioners in improving the quality of risk assessment and supervision, and encourage companies to disclose the risks faced. The purpose of forming a risk management committee is to help the board of directors manage risk, establish risk policies that are in accordance with the circumstances faced by the company, therefore the risk management committee can moderate the relationship between the size of the board of commissioners and the disclosure of enterprise risk management. If the number of risk management committees is high, then the supervision of risk management carried out by the board of commissioners will produce good output.

CONCLUSION

Based on the results of research that has been conducted on the Effect of Corporate Governance, Profitability, and Capital Structure on Corporate Risk Disclosure as Moderation in Bank Sub-Sector Companies listed on the IDX in 2018-2022, it can be concluded that partially, the results show that the audit committee variable has no positive effect on risk factor disclosure. In addition, the board of commissioners variable also has no negative effect on risk factor disclosure. Furthermore, the profitability variable has no positive effect on risk factor disclosure. However, the capital structure variable has a positive effect on risk factor disclosure. In addition, the results show that company size does not moderate the audit committee on risk factor disclosure, and company size also does not moderate the board of commissioners on risk factor disclosure.

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