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DETERMINANT FACTORS OF COMPANY RISK DISCLOSURE

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Abstract

Disclosure of corporate risk is part of the information contained in the notes to the financial statements. This study aims to examine the effect of the determinants of the company's risk disclosure, including the independent board of commissioners, the quality of external auditors, competition, company size, and profitability on the risk disclosure. The population in this study are plantation companies listed on the Indonesia Stock Exchange in 2018-2021. The sampling method was *purposive sampling* , and 75 samples were obtained. The data used is multiple linear regression analysis, tested using Social Science Statistics (SPSS) version 23. Then the data used is secondary data in the form of complete financial statements for the 2018-2021 period . The results showed that the external auditor quality variable and firm size had a positive effect on corporate risk disclosure. The competition variable hurts the company's risk disclosure, while the independent board of commissioners and profitability variables does not affect the company's risk disclosure. The limitation of this research is the lack of people in the *content analysis* process, this process must be carried out by more than one person. The results of this study can provide scientific contributions to further research on the determinants of risk disclosure practices.

Keywords: Corporate governance, competition, company characteristics, risk disclosure.

Abstrak

Pengungkapan risiko perusahaan merupakan bagian dari informasi yang dimuat dalam catatan atas laporan keuangan. Penelitian ini bertujuan untuk menguji pengaruh faktor determinan pengungkapan risiko perusahaan, antara lain dewan komisaris independen, kualitas auditor eksternal, kompetisi, ukuran perusahaan, dan profitabilitas terhadap pengungkapan risiko perusahaan. Populasi dalam penelitian ini adalah perusahaan perkebunan yang terdaftar di Bursa Efek Indonesia tahun 2018-2021. Metode pengambilan sampel yag digunakan *puposive sampling,* dan diperoleh 75 sampel. Data yang digunakan adalah analisis regresi linear berganda, diuji menggunakan Statistik Ilmu Sosial (SPSS) versi 23. Kemudian data yang digunakan adalah data sekunder berupa laporan tahunan lengkap periode 2018-2021. Hasil penelitian menunjukkan bahwa variabel kualitas auditor eksternal dan ukuran perusahaan berpengaruh positif terhadap pengungkapan risiko perusahaan. Variabel kompetisi berpengaruh negatif terhadap pengungkapan risiko perusahaan. Sedangkan variabel dewan komisaris independen dan profitabilitas tidak berpengaruh terhadap pengungkapan risiko perusahaan. Keterbatasan ini adalah kurangnya orang dalam melakukan *content analysis,* proses ini harus dilakukan oleh lebih dari satu orang. Hasil penelitian ini dapat memberikan kontribusi ilmiah untuk penelitian lebih lanjut tentang faktor-faktor penentu praktik pengungkapan risiko.

Kata kunci: Tata kelola perusahaan, kompetisi, karakteristik perusahaan, risiko perusahaan.

1. PRELIMINARY

In the last few decades, financial cases often occur which have an impact on the declining level of trust of the company's stakeholders (Indriana & Kawedar, 2019) . Lack of awareness of safe and effective risk management procedures is the main cause of the problems encountered. At some point during the process of achieving goals, risky situations will inevitably arise. Risk in business is a risk that an organization cannot prevent. Risk disclosure is one of the most efficient ways to reduce risk (Nathaniela & Badjuri, 2018) .

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Corporate risk disclosure aims to reduce risk, collect more accurate information, and make it easier for *stakeholders* to understand the company's risk profile (Muslih & Mulyaningtyas, 2019) . But not all companies anticipate risk. An example is PT Austindo Nusantara Jaya Tbk . The company suffered a loss of US$491,612 in 2018 due to a decrease in the selling price of CPO and Palm Kemel last year. Revenue in 2018 was US$151.70, down 6.24% from US$491.612 in 2018, in contrast to 2017 which still had a profit of US$46.54 million. The company also recorded a foreign exchange loss of US$2.11 million, up from US$724.575 in the previous year. The loss of the loan exchange rate in US dollars and the decline in the exchange rate of the rupiah against the US dollar, at the end of 2017 was Rp . 13,548 to 14,481 at the end of 2018 (business.com).

Disclosure of corporate risk is important to reduce corporate risk. This prompted the Indonesian government to issue regulations contained in the company's annual report on risk disclosure. The regulation is contained in PSAK No. 60 concerning Financial Instruments in Disclosures (Revised 2016) and Financial Services Authority Regulation Number 29.PJOK.04 /2016 concerning Annual Reports of Issuers or Public Companies. The annual report reviews the understanding of the company's management including risk management and its disclosures which are suspected as a form of delivering industry management expertise in tackling the risks experienced as well as a form of industry transparency in delivering the level of risk experienced, and reflecting industry performance that can be useful for shareholders and stakeholders. other interests.

Several factors that are considered to influence risk disclosure include *good corporate governance* , competition, and company characteristics. To carry out *Good Corporate Governance* in the industry, the board of commissioners plays an important role. The board of commissioners is a corporate organization that carries out supervision and provides advice to the board of directors to ensure that the company is managed by industry goals (Barbara et al., 2016) . To supervise the company, it is necessary to have an independent board of commissioners with the aim that the company carries out its business activities (Ramos & Cahyonowati, 2021) . Several studies conducted by (Kencana & Lastanti, 2018) , (Wicaksono & Adiwibowo, 2017) , and (Setyawan, 2019) state that independent commissioners have a positive effect on corporate risk disclosure. Meanwhile, research conducted by (Muslih & Mulyaningtyas, 2019) and (Ramos & Cahyonowati, 2021) states that independent commissioners hurt company risk disclosure. However, research (Aditya & Meiranto, 2015) , (Indriana & Kawedar, 2019) , and (Ramos & Cahyonowati, 2021) state that independent commissioners do not affect company risk disclosure.

The external auditor is an objective independent assurance and consulting activity designed to add value and improve the organization's operations, assist the organization and improve the effectiveness of control risk management, and corporate governance processes (Amin, 2012:136). External auditors are concerned with the quality that affects the level of confidence of *stakeholders* in the industry (Ruwita & Harto, 2013) . Several studies conducted by (Kencana & Lastanti, 2018) , and (Rifani & Astuti, 2019) prove that the quality of external auditors has a positive effect on corporate risk disclosure. Meanwhile, research according to (Muslih & Mulyaningtyas, 2019) and (Fayola & Nurbaiti, 2020) found different results, namely the quality of external auditors hurts company risk disclosure. On the other hand, research conducted (Marhaeni & Yanto, 2015) and (Tarantika & Solikhah, 2019) found that the quality of external auditors does not affect the disclosure of company risk.

Competition is competition between similar or dissimilar industries. A new company that will join the business world must have different conveniences and difficulties depending on the state of the industry (Agustina & Ratmono, 2014) . To enter an industry, a company requires an amount of capital investment that reflects the fixed assets owned by the company (Kusuma Dewi & Meirina, 2021) . Several studies conducted by (Mazaya & Fuad, 2018) , (Muslih & Mulyaningtyas, 2019) , (Pramitha et al., 2020) , and (Kusuma Dewi & Meirina, 2021) that competition has a positive effect on corporate risk disclosure.

One of the important variables in understanding company risk is company size because it can provide several perspectives such as competitive advantage, production costs, and political considerations (Mokhtar & Mellett, 2013) . The bigger the company, the greater the risk disclosure is needed to increase public trust, explain the level of profit, and reduce political sensitivity to the company's risk disclosure (Ruwita & Harto, 2013) . Several studies conducted by (Puspawardani & Juliarto, 2019) , (Made & Adwishanti, 2020) , and (Hanny & Susanto, 2021) prove that firm size has a positive effect on corporate risk disclosure. Meanwhile, research conducted by (Mubarok & Rohman, 2013) and (Agustina & Ratmono, 2014) found that firm size does not affect the disclosure of corporate risk.

According to (Saskara & Budiasih, 2018) a company that has higher profitability, more company data is used, because it aims to increase investor confidence, therefore investor confidence and industrial compensation must be increased by increasing the company's profitability. Research conducted by (Yunifa & Juliarto, 2017) , (Saskara & Budiasih, 2018) , and (Fadly & Simanjuntak, 2019) states that profitability has a positive effect on company risk disclosure. Meanwhile, research conducted by (Wicaksono & Adiwibowo, 2017) and (Hanny & Susanto, 2021) states that profitability does not affect company risk disclosure.

Based on the explanation of the disclosure of risk disclosure, and supported by the results of previous studies which are still diverse, as well as the lack of research on the disclosure of corporate risk, this research is important to do. The research object is a plantation company listed on the Indonesia Stock Exchange in 2018-2021. The purpose of this study was to examine the determinants of corporate risk disclosure, including an independent board of commissioners, external auditor quality, competition, firm size, and profitability on corporate risk disclosure.

This article is organized as follows: 1). Introduction, which is discussed, 2). Literature review and hypothesis development, 3). The research methodology describes the sample, 4). Results of analysis and discussion 5). Closing, which contains conclusions, limitations, and suggestions for further research.

2. LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

2.1. Agency Theory (Agency Theory)

Agency theory can be interpreted as the relationship between the agent and the *principal* . The relationship regulates the rights obtained and the obligations that must be carried out by each party while taking into account the overall benefits. The agent referred to in this theory is the management of the company, while the principal is the owner of capital and shareholders (Jensen & Meckling, 1976) .

In practice, agency theory often creates a relationship conflict between the principal and the agent *(agency conflict)* , conflicts that arise as a result of the willingness of management (agents) to carry out their interests can sacrifice the interests of shareholders to get returns and long-term value of the company. The concept of agency theory is a risk disclosure practice that underlies how managers share risk information with shareholders and creditors by sharing reliable information (Fadly & Simanjuntak, 2019) .

2.2. Effect of an independent board of commissioners on company risk disclosure

Based on agency theory, companies that have high ratios need to disclose more information. To reduce agency costs, namely by increasing the percentage of independent commissioners (Indriana & Kawedar, 2019) . If the composition of the board of commissioners increases, the disclosures related to performance will be of higher quality and increase the quality of risk management disclosures (Puspawardani & Juliarto, 2019) . This is in line with research (Kencana & Lastanti, 2018) , (Nathaniela & Badjuri, 2018) , and (Puspawardani & Juliarto, 2019) being able to produce an influence between independent commissioners on corporate risk disclosure. Based on the theoretical explanation and supported by previous research, the initial hypothesis is formulated:

H_1 : Independent commissioners have a positive effect on the company's risk disclosure.

2.3. The influence of the quality of external auditors on the company's risk disclosure

External auditors influence the quality of external auditors related to the level of trust of shareholders in the company. In line with agency theory, companies that use external auditors with the *Big Four KAP type* can provide more guarantees for shareholders to reduce *monitoring costs* incurred by *principals* (Mokhtar & Mellett, 2013) . If the company uses KAP *Big four,* the company will disclose the company's risk more broadly. This is to the results of research (Rifani & Astuti, 2019) and (Kencana & Lastanti, 2018) which proves the influence of external auditors on company risk disclosure. Based on the theoretical explanation and supported by previous research, the second hypothesis is formulated:

H_2 : The quality of external auditors has a positive effect on the company's risk disclosure.

2.4. The effect of competition on the company's risk disclosure

Competition is the most important determinant of a company's risk profile (Mokhtar & Mellett, 2013) . According to agency theory, when the barriers to entry are high, the old company discloses more information to prevent new potential competitors from competing with them in the industry, because new competitors cannot use the information (Mazaya & Fuad, 2018) . If the company has a higher capital, it will be easier for the company to enter the market, because in overcoming barriers to entry the company depends on the amount of capital owned. This is to the results of research (Pramitha et al., 2020) , (Kusuma Dewi & Meirina, 2021) that competition affects the company's risk disclosure. Based on the theoretical explanation and supported by previous research, the third hypothesis is formulated:

H_3 : Competition has a positive effect on the company's risk disclosure.

2.5. The effect of company size on company risk disclosure

Company size is one of the important identities for companies that can affect investor confidence. The bigger the company, the more *stakeholders* are entitled to get company information, and this results in greater pressure to disclose information related to risk (Hanny & Susanto, 2021) . This is to agency theory which states that large companies require wider disclosure of information about risks to reduce agency costs and information asymmetry with *stakeholders* (Puspawardani & Juliarto, 2019) . This study is in line with research (Pramardhikasari & Januarti, 2019) , and (Made & Adwishanti, 2020) that firm size affects corporate risk disclosure. Based on the theoretical explanation and supported by previous research, the fourth hypothesis is formulated:

H_4 : Firm size has a positive effect on corporate risk disclosure

2.6. **The effect of profitability on the company's risk disclosure**

The higher the level of profitability that the company has, if followed by high risk, the company will disclose wider information about the company's risk (Yunifa & Juliarto, 2017) . By agency theory, managers of companies with higher levels of profitability disclose more risk information in the annual report to increase investor confidence and compensation (Al-Shammari, 2014) . This study is in line with research (Ibrahim et al., 2019) , and (Fadly & Simanjuntak, 2019) which proves that profitability affects company risk disclosure. Based on the theoretical explanation and supported by previous research, the fifth hypothesis is formulated:

H_5 : Profitability affects the company's risk disclosure .

3. Research Methodology

This research is a type of quantitative research using secondary data obtained from articles, journals, and IDX's official website (www.idx.co.id). Quantitative research methods are research methods based on the philosophy of positivism to examine certain populations and samples, data collection using research instruments, and data analysis are quantitative or statistical, to test predetermined hypotheses (Sugiyono , 2019). The sampling method used *purposive sampling* , and the samples taken were plantation companies listed on the Indonesia Stock Exchange in 2018-2021.

3.1. Operational definition and measurement Variable

Variable Type	Operational definition	Measurement
Corporate Risk Disclosure	The practice of corporate risk disclosure is part of the application of the concept of *disclosure,* where information and explanations are disclosed in the annual report related to the results of the company's performance (Aditya & Meiranto, 2015)	By comparing 37 risk disclosure items contained in the annual report (Linsley & Shrives, 2006) . Then it is formulated: the number of risk disclosure items made by the company divided by the total company risk disclosure items.
Independent Board of Commissioners	An independent board of commissioners in this study is defined as someone who does not own company shares, but has knowledge and experience in the field and is appointed by the company to be an independent board of commissioners (Muslih & Mulyaningtyas, 2019) .	The number of boards of commissioners in the company is divided by the total number of boards of commissioners in the company (Puspawardani & Juliarto, 2019) .
External Auditor Quality	The quality of external auditors depends on the KAP auditing the company. Good quality external auditors will increase stakeholder confidence regarding the validity of the results of the examination of financial statements and become stakeholder considerations in making	dummy variables. KAP big four (1) Non-KAP big four (0) (Rifani & Astuti, 2019) .

	decisions (Muslih & Mulyaningtyas, 2019) .	
Competition	Competition in this study is defined as the competition experienced by companies to enter similar or dissimilar business industries (Muslih & Mulyaningtyas, 2019) .	Natural logarithm (Total fixed assets). According to (Saskara & Budiasih, 2018) .
Company Size	Company size is the size of the wealth owned by the company (Tarantika & Solikhah, 2019) .	Natural Logarithm (Total assets). According to (Made & Adwishanti, 2020)
Profitability	Profitability is a ratio that measures the financial performance of a company in obtaining profits in a certain period (Saskara & Budiasih, 2018)	$ROA = \frac{\text{Net Profit}}{\text{Total Assets}} \times 100\%$ According to (Wahyuni et al., 2021) .

3.2. Data analysis method

Data analysis in research using Multiple Linear Regression. This analysis is used to test two or more independent variables on the dependent variable. The research model is as follows:

$$\boxed{\mathbf{RD = \alpha + \beta_1 DKI + \beta_2 KAE + \beta_3 BE + \beta_4 SIZE + \beta_5 ROA + e}}$$

Information :

RD : *Risk Disclosure* (disclosure of risk)
α : Constant
β_1 , β_2 , β_3 , β_4 , β_5 : Regression Coefficient
DKI : Independent Board of Commissioners
KAE : External Auditor Quality
BE : *Barriers to Entry* (Competition)
SIZE : Company Size
ROA : Profitability
e : *Error*

4. RESULTS AND DISCUSSION

4.1. Descriptive statistical analysis

This descriptive test can share a picture of data about the distribution which will become information that is easy to understand and can be seen from the average *(mean),* median, mode, standard deviation, minimum, and maximum.

Table 1. Test Statistics Description

	N	Minimum	*Maximum*	*mean*	*Std. Deviation*
DKI	75	0.30	0.70	0.3587	0.08714
BE	75	20,13	31.63	27.8752	2,62689
SIZE	75	23.15	31.33	29,4760	1.38088
ROA	75	-0.58	0.49	0.0127	0.11628
CRD	75	0.08	0.54	0.2371	0.11428
Valid n *(listwise)*	75				

Source: Data processed using SPSS 2022

Based on table 1, this descriptive statistical test shows the number of observed samples (N) in this study is 75 data. Then the table also shows the dependent variable of company risk disclosure has a minimum number of 0.08, then the *maximum number is* 0.54. While the average of the company's risk disclosure is 0.2371 and the std. deviation is 0.11428. The independent board of commissioners variable has an average value of 0.3589 and a maximum value of 0.70.

The competition variable has an average value of 27.8752 and a maximum value of 31.63. The firm size variable has an average value of 29.4760 and a maximum value of 31.33. The profitability variable has an average value of 0.2371 and a maximum value of 0.54.

Table 1.1. Frequency Descriptive Statistical Test

		Frequency	Percent
Valid	Non-Big Four	46	61.3
	Big Four	29	38.7
	Total	75	100.0

Source: Data processed using SPSS 2022

Based on table 1.1 the Big Four KAPs have audited 25 companies and *the Non-Big Four KAPs* have audited 46 companies. This shows that most of the plantation companies are audited by *non-big four KAP* .

4.2. Classic assumption test

4.2.1. Normality test

Table 1.2. Normality test

One-Sample Kolmogorov-Smirnov Test	
	Unstandardized Residual
N	71
asymp . Sig. (2-tailed)	0.200 [cd]

Sources : Data processed using SPSS 2022

Based on the results in table 1.2 it is known that the asymmp.sig value. of 0.200 > 0.05. These results prove that the data has been normally distributed.

4.2.2. Multicollinearity Test

Table 1.3. Multicollinearity Test

Model		Collinearity Statistics		Information
		Tolerance	VIF	
1	(Constant)			
	DKI	0.885	1,130	Multicollinearity Free
	KAE	0.857	1,167	Multicollinearity Free
	BE	0.674	1.484	Free Multicolonierity
	SIZE	0.594	1,682	Free Multicolonierity
	ROA	0.938	1.066	Free Multicolonierity

Sources : Data processed using SPSS 2022

Based on table 1.3, it is known that the independent variable has a tolerance value> 0.10 and a VIF value < 10, so this study can be concluded to be free from multicollinearity symptoms.

4.2.3. Autocorrelation Test

Table 1.4. Autocorrelation Test

Model	*Durbin-Watson*	K	Information
1	1,202	5	Autocorrelation Free

Sources : Data processed using SPSS 2022

Based on table 1.4, it is known that the *Durbin-Watson column* has a value of 1.202, so this study can be concluded to be free from autocorrelation symptoms because the *Durbin-Watson value* is between -2 to 2.

4.2.4. Heteroscedasticity Test

Table 1.5. Heteroscedasticity Test

Model	R Square	N	Information
1	0.589	71	Heteroscedasticity Free

Sources : Data processed using SPSS 2022

Based on table 1.5 shows that the heteroscedasticity test uses the white test, it is calculated that ^{C2} count = nx R Square = 71 x 0.589 = 41.819, while the value of C2 table is calculated using Df = n- ^{1} = 71-1 = 70, df 70 on chi-square is 90 . 53123 . This shows that the value of C ^{2} count (41.819) < C ^{2} table (90 . 53123) , so this study can be concluded to be free from heteroscedasticity symptoms.

4.2.5. Multiple Linear Regression Test

Table 1.6. Multiple Linear Regression

Coefficients						
Model		*Unstandardized Coefficients*		*Standardized Coefficients*		
1		B	Std.Error	Beta	t	Sig.
	(Constant)	-0.084	0.216		-0.386	0.701
	DKI	-0.062	0.116	-0.060	-0.534	0.595
	KAE	0.074	0.021	0.405	3,531	0.001
	BE	-0.008	0.004	-0.240	-1.856	0.068
	SIZE	0.018	0.009	0.273	1,985	0.051
	ROA	-0.112	0.083	-0.143	-1.337	0.186

Sources : Data is processed using SPSS 2022

Based on the multiple linear regression test in table 1.6, these results result in risk disclosure as follows :

RD = -0.084 – 0.062 DKI + 0.074 KAE – 0.008 BE + 0.018 SIZE – 0.112 ROA + e

4.2.6. Determinant Coefficient Test (R2)

Table 1.7. Determinant Test (R^2)

ModelSummary				
Model	R	RSquare	AdjustedRSquare	Std.ErroroftheEstimate
1	0.517	0.267	0.211	0.08069

Sources : Data processed using SPSS 2022

Based on the results of the R2 test above , it can be seen that the Adjusted R Square value indicates the number 0.211 or 21.1%. This value indicates that the independent variable can explain the dependent variable 21.1 % then the remaining 78.9 is explained by other variables not examined.

4.2.7. Model Test (F)

Table 1.8. F test test

ANOVA						
models		sum of Squares	df	mean Square	F	Sig.
1	Regression	0.145	5	0.031	4,742	0.001 b
	Residual	0.423	65	0.007		
	Total	0.5777	70			

Sources : Data processed using SPSS 2022

Based on the results of the F test above, it can be seen that the significant number is 0.001 < 0.05. So it can be concluded that the form of regression in this study can explain the relationship between the independent variable and the dependent variable.

4.2.8. T test test

Table 1.9. T test test

Variable	B	T	*Sig.*	Information
(Constant)		-0.386	0.701	
DKI	-0.062	-0.534	0.595	no effect
KAE	0.074	3,531	0.001**	Positive Influence
KOMP	-0.008	-1.856	0.068*	Negative Effect
SIZE	0.018	1,985	0.051*	Positive Influence
ROA	-0.112	-1,337	0.186	no effect

Source: Data processed using SPSS 2022
Notes:
*= Sig < 10%
***= Sig < 5%

The test results in the table above show that the independent board of commissioners variable shows that variable shows a coefficient value of -0.062 with a negative direction and a significance value of 0.595 > 0.05 at a significant level of 5%. So these results indicate that H0 is accepted and Ha is rejected. If H0 is accepted, it can be concluded that the independent board of commissioners variable does not affect the disclosure of company risk. So it can be interpreted that the higher proportion of the independent board of commissioners will not affect the disclosure company risk. This is not by agency theory which explains that companies with high ratios need to disclose more information, thereby increasing the percentage of independent commissioners. This is because there are only a few independent commissioners in
Company. Therefore, they are not expected to provide broader guidance on corporate risk disclosure to companies (Muslih & Mulyaningtyas, 2019) . The results of the study are in line with research (Aditya & Meiranto, 2015) , (Indriana & Kawedar, 2019) , and (Ramos & Cahyonowati, 2021) which proves that independent commissioners do not affect the disclosure of corporate risk .

Based on table 1.9, shows that the external auditor quality variable shows a coefficient value of 0.074 with a positive direction and a significance value of 0.001 < 0.05 at a significance level of 5%. So that these results can be used to prove that H0 is rejected and Ha is accepted. If H0 is rejected, it can be concluded that the external auditor quality variable has a positive effect on the company's risk disclosure. So it can be interpreted that the companies audited by the Big four KAPs will be more extensive to disclose the company's risk. This is to agency theory which reveals that to reduce agency costs, larger audit firms tend to assist investors. External auditors with high standards help stakeholders understand the availability of available information. Stakeholders will expand the information provided by the auditor in making decisions (Rifani & Astuti, 2019) . The results of the study are in line with research (Wardhana & Cahyonowati, 2013) , (Kencana & Lastanti, 2018) , and (Rifani & Astuti, 2019) which proves that the quality of external auditors has a positive influence on corporate risk disclosure .

Based on table 1.9, shows that the variable shows a coefficient value of -0.008 with a negative direction and a significance value of 0.068 <0.10 at a significance level of 10%. So that these results can be used to prove that H0 is rejected and Ha is accepted. If H0 is rejected, it can be concluded that the competition variable hurts the company's risk disclosure. This means that companies that have high total fixed assets, companies are less likely to disclose risk information. This is not to agency theory which states that companies with high total fixed assets will disclose more risk than companies with low total fixed assets (Mazaya & Fuad, 2018) . The results of the study contradict research (Mazaya & Fuad, 2018) , (Muslih & Mulyaningtyas, 2019) , and (Kusuma Dewi & Meirina, 2021) which results that competition affects the company's risk disclosure.

The fourth hypothesis is size company . Based on table 1.9, shows that the variable shows a coefficient value of 0.018 with a positive direction and a significance value of 0.051 < 0.10 at a significant level of 10%. So that these results can be used to prove that H0 is rejected and Ha is accepted. If H0 is rejected, it can be concluded that the firm size variable has a positive effect on corporate risk disclosure. This means that companies with large company sizes will make more risk disclosures. This is to agency theory which explains that large companies will have high agency costs, so to reduce these costs companies must disclose more information (Made & Adwishanti, 2020) . The results of the study are in line with the results of research (Pramardhikasari & Januarti, 2019) , (Puspawardani & Juliarto, 2019) , and (Indriana & Kawedar, 2019) which prove that company size affects company risk disclosure.

The fifth hypothesis is profitability. Based on table 2.10 shows that the variable shows a coefficient value of -0.112 with a negative direction and a significance value of 0.186> 0.05 at a significant level of 5%. So that these results can be used to prove that H0 is accepted and Ha is rejected. If H0 is accepted , it can be concluded that the profitability variable does not affect the company's risk disclosure. This means that the size of the level of profitability will not affect risk disclosure. This is not by agency theory which explains that a company's high level of profitability will reveal more a lot of risk information to show their performance to shareholders. This is because companies with high and low levels of profitability will face situations with the company's condition so that the addition or reduction of the company's profitability will not affect risk disclosure (Muslih & Mulyaningtyas, 2019) . The results of the study are in line with the results of research (Wicaksono & Adiwibowo, 2017) , (Muslih & Mulyaningtyas, 2019) , and (Hanny & Susanto, 2021) which prove that profitability does not affect the company risk disclosure.

5. CONCLUSIONS AND SUGGESTIONS

This study aims to examine the determinants of risk disclosure which include independent commissioners, external auditor quality, competition, company size, and profitability on corporate risk disclosure in plantation companies listed on the Indonesia Stock Exchange in 2018-2021. The conclusion obtained: the external auditor quality variable and firm size have a positive effect on the disclosure of corporate risk, the competition variable hurts the disclosure of corporate risk, while the independent board of commissioners and profitability variables does not affect the disclosure of corporate risk .

The limitation of this research is that the content analysis process is carried out by one person so it tends to be subjective in interpreting sentences that are considered company risk. Suggestions for further research are to conduct content analysis involving more than one person as a comparison so that the results are more valid. In addition, the value of Adjusted R^2 is 21.1 %, which means 79.9% is influenced by other variables not examined. Thus for future research to examine other variables that are thought to affect risk disclosure.

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