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THE EFFECT OF *CORPORATE SOCIAL RESPONSIBILITY*, *GOOD CORPORATE GOVERNANCE*, AND *ENTERPRISE RISK MANAGEMENT* ON FINANCIAL PERFORMANCE
(Case Study on *Consumer Non-Cyclicals* Companies Listed on the Indonesia Stock Exchange for the 2021-2023 period)

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ABSTRACT

This study aims to analyze the influence of Corporate Social Responsibility (CSR), Good Corporate Governance (GCG), and Enterprise Risk Management (ERM) on the financial performance of companies listed on the Indonesia Stock Exchange, specifically in the consumer non-cyclicals sector during the period of 2021 to 2023. Financial performance is measured using Return on Assets (ROA) as the main indicator. The research method employed is multiple linear regression analysis with secondary data obtained from the annual reports and sustainability reports of 40 selected companies.

The results of the study indicate that CSR has a significant impact on financial performance, with a significance value of 0.034. Meanwhile, independent commissioners and the audit committee do not show a significant influence on financial performance, with significance values of 0.258 and 0.440, respectively. Additionally, the implementation of ERM does not have a significant effect on financial performance, with a significance value of 0.131.

The conclusion of this study is that while CSR, GCG, and ERM are important aspects of corporate management, not all of these elements directly contribute to improving financial performance. This research provides insights for company management in formulating more effective strategies to enhance financial performance through better risk management and transparency in CSR practices.

Keywords: Corporate Social Responsibility (CSR), *Good Corporate Governance* (GCG), *Enterprise Risk Management* (ERM), *Return on Assets* (ROA).

INTRODUCTION

A company's financial performance is a key indicator in assessing the effectiveness and efficiency of resource management. Indicators such as profitability, liquidity, and solvency become benchmarks of business success as well as consideration for stakeholders, including investors and creditors (Brigham & Houston, 2019; Kasmir, 2010). A deep understanding of financial performance is essential for strategic decision-making. Along with the development of the global economy, the challenges faced by companies are increasingly complex, so a more comprehensive strategy is needed in maintaining financial stability.

In recent years, Corporate Social Responsibility (CSR) has received increasing attention as part of a sustainable business strategy. CSR not only focuses on economic benefits, but also considers the social and environmental impacts of corporate activities (Carroll & Shabana, 2010). Effective implementation of CSR is believed to enhance a company's reputation and strengthen relationships with stakeholders, which in turn contributes to financial performance (Orlitzky et al., 2003). Especially in the non-cyclical

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consumer sector, where consumer trust is a major factor in maintaining loyalty and business sustainability.

In addition to CSR, Good Corporate Governance (GCG) plays an important role in ensuring corporate transparency and accountability. GCG includes good governance principles, such as the role of independent commissioners and audit committees, to reduce conflicts of interest and improve operational efficiency (OECD, 2015; KNKG, 2006). Companies with good governance tend to have higher financial stability and wider access to funding (Ghozali, 2020). In the context of an increasingly dynamic industry, optimal GCG implementation can also help companies deal with economic uncertainty and maintain investor confidence.

Enterprise Risk Management (ERM) is also an important factor in effective company management. ERM helps companies identify, assess and manage risks systematically to improve business resilience and financial performance (COSO, 2017; Fraser & Simkins, 2021). This approach allows companies to optimize resources and mitigate risks that may affect business sustainability. The implementation of robust ERM in consumer non-cyclicals companies is becoming increasingly crucial given regulatory changes and market uncertainties that can impact supply chains and people's consumption patterns

The implementation of CSR, GCG, and ERM in the consumer non-cyclicals industry is increasingly relevant amid increasing consumer awareness of sustainable and responsible business practices. Companies that are able to implement these three aspects well are expected to gain a stronger competitive advantage, both in the short and long term. Therefore, analyzing the relationship between these three factors and financial performance is becoming increasingly important to understand in depth.

This study focuses on consumer non-cyclicals sector companies listed on the Indonesia Stock Exchange, given that this sector has stable demand characteristics despite fluctuating economic conditions. In addition, this industry also has unique challenges, such as intense competition and the need to continuously innovate in order to maintain market share. Although various studies have highlighted the relationship between CSR, GCG, and ERM to financial performance, the results obtained are still mixed and contradictory. Therefore, this study aims to comprehensively examine the effect of these three factors on company financial performance in the context of the consumer non-cyclicals sector in the 2021-2023 period.

It is hoped that the results of this study can contribute to the development of theory and become a reference for companies in designing more effective strategies to improve financial performance. In addition, the findings of this study can also be a reference for stakeholders in evaluating the effectiveness of CSR, GCG, and ERM policies implemented by the company.

THEORETICAL FRAMEWORK AND HYPOTHESIS FORMULATION

Agency Theory

Agency theory first developed by Jensen & William in 1976 explains the relationship between owners (principals) and managers (agents) in an organization. The essence of this theory is the difference in goals between the two, where managers often have personal interests that differ from the interests of the company as a whole. As a result, a potential conflict of interest arises that can hinder company performance. This conflict can be in the form of moral hazard, where managers take excessive risks for personal gain without considering the impact on the company, or adverse selection, where managers hide important information that should be known by company owners (Ghozali, 2020).

To overcome this problem, agency theory suggests that owners design an effective monitoring system and clear, incentive-based employment contracts. The supervisory system aims to monitor managers' performance and ensure they act in accordance with the interests of the company through mechanisms such as internal audits, boards of commissioners, and transparency of financial reports. Meanwhile, a good employment contract can include performance-based incentives, such as share-based compensation or target achievement-based bonuses, to align the interests of managers with owners (Ghozali, 2020).

Stakeholder Theory

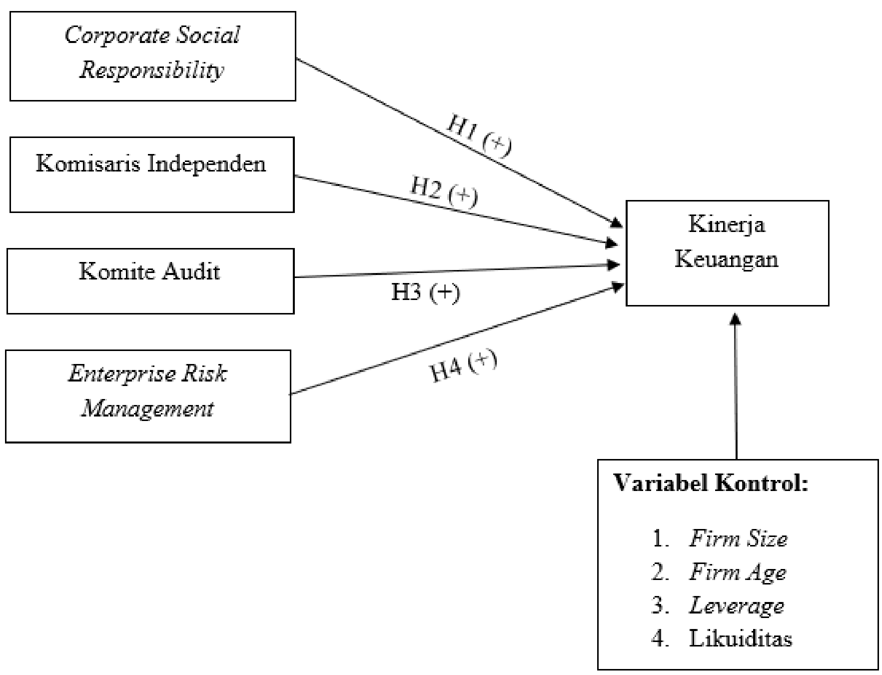
Stakeholder theory was first introduced by Edward Freeman (1984) in his book Strategic Management: A Stakeholder Approach. Freeman views the company as a network that involves various parties, not just the owners. These parties, such as customers, employees, suppliers, investors, and society, are called stakeholders because they have an interest in the success of the company (Freeman, 1984).

This theory emphasizes that a company's success depends on its ability to maintain good relationships with all stakeholders, rather than simply pursuing financial gain. Companies that are transparent and communicative are more likely to gain support, whereas ignoring one party can lead to risks such as consumer boycotts, employee dissatisfaction, or pressure from regulators (Donaldson & Preston, 1995).

In addition, stakeholder theory also emphasizes fairness, social responsibility, and transparency and communication. All stakeholders, regardless of the size of their influence, deserve fair treatment. In this case, the company must be responsible for the social and environmental impacts caused by its activities (Ghozali, 2020). Transparency and good communication are also needed to build trust through information disclosure and active engagement with stakeholders (Freeman et al., 2010).

Conceptual Framework

Figure 1
Conceptual Framework



The Effect of Corporate Social Responsibility on Corporate Financial Performance

According to stakeholder theory, companies have responsibilities not only to shareholders, but also to the government, community, environment, and consumers. One way to demonstrate this responsibility is through Corporate Social Responsibility (CSR) activities. When companies show concern for the environment, society, and other social issues, a positive reputation will be formed in the eyes of the public, including consumers. This positive image will increase consumer confidence in the company's products or services. Consumers who feel in line with the company's values tend to become more loyal and make more frequent purchases, which will directly increase sales. This increase in sales, in turn, will have a positive impact on the company's financial performance.

Research conducted by Okafor A. et al., (2021) and George et al. (2023) prove that companies that carry out CSR well tend to have better financial performance. This means that the company's efforts to balance business profits with social and environmental interests can have positive results for the company's financial performance. From this, the following hypothesis can be formulated:

H1 : Corporate social responsibility (CSR) has a positive effect on the company's financial performance

The Effect of Independent Commissioners on Corporate Financial Performance

Conflict of interest between owners and management is a classic issue in agency theory. To overcome this, many companies adopt good corporate governance practices, one of which is to appoint independent commissioners. As external supervisors who are free from the influence of certain parties, independent commissioners play a role in ensuring that management decisions are in line with the interests of shareholders, as well as ensuring that the company is managed properly and responsibly. Thus, independent commissioners can improve the quality of corporate governance, reduce risk, and increase investor confidence, which in turn will have a positive impact on the company's financial performance.

Research conducted by Titania & Taqwa (2023) shows that the independent board of commissioners has a significant positive effect on the company's financial performance. This means that the more boards of commissioners in a company, the stricter the supervision of management and directors will be, so that management and directors will be more likely to follow the wishes of shareholders. In addition, research conducted by Sholihah & Fidiana (2021) also supports these findings, stating that independent commissioners contribute positively to financial performance. With the increase in the number of commissioners, the input received by the board of directors will also be more diverse, providing more options in decision making. Thus, the hypothesis that can be formulated is:

H2 : Independent commissioners have a positive effect on the company's financial performance

The Effect of the Audit Committee on the Company's Financial Performance

The concept of good corporate governance emphasizes the importance of transparency and accountability. The audit committee is one of the internal control mechanisms that plays an important role in realizing the principles of good corporate governance. By supervising the accounting and financial reporting process, the audit committee helps reduce the risk of conflicts of interest between management and shareholders, thereby increasing investor confidence and contributing to improving the company's financial performance.

Research conducted by Abebe & Dhaliwal (2024), as well as other research by Arimby & Astuti (2023), shows that the existence of an audit committee has a significant

influence on the company's financial performance. Companies with strong audit committees tend to show better financial performance compared to companies that do not have audit committees or have less effective committees. This confirms that audit committees play a crucial role in ensuring effective corporate governance, improving financial stability, and driving profitability. Based on this, the hypotheses that can be formulated are:
H3 : The audit committee has a positive effect on the company's financial performance

The Effect of Enterprise Risk Management on Corporate Financial Performance

Stakeholder theory requires companies to be transparent in providing information related to their business activities. One way to fulfill this demand is through the disclosure of enterprise risk management. The greater the risk faced by the company, the more detailed information that needs to be conveyed to stakeholders through the annual report. This aims to explain the root cause of the risk, its potential impact, and the steps the company has taken to manage the risk. By increasing transparency in risk management, companies can build trust among stakeholders, including investors. This high trust can have a positive impact on the company's financial performance, such as attracting new investors, facilitating access to funding sources, and increasing stock prices. Conversely, companies that are less open in managing risks tend to be considered more risky and may experience a decline in financial performance.

Horvey & Mensah (2024) and Akbaş (2024) reveal that by implementing ERM, companies can identify and manage risks that could be detrimental. In addition, effective risk management allows companies to make better decisions, reduce costs associated with risks, and improve operational efficiency. As a result, the company's financial performance will be better. Thus, the following hypothesis can be concluded:
H4 : Enterprise Risk Management (ERM) has a positive effect on the company's financial performance

RESEARCH METHODS

Population and Sample

The population in this study are consumer non-cyclicals companies listed on the Indonesia Stock Exchange (IDX) for the period 2021-2023. The sampling method used is purposive sampling, where companies are selected based on specific criteria relevant to the research objectives. The sample criteria set in this study include:

1. Companies in the Consumer Non-Cyclicals sector that are listed on the Indonesia Stock Exchange (IDX) and have published annual reports from 2021 to 2023, either at www.idx.co.id or on the company's official website
2. The company provides information related to risk management
3. Companies that present information on the GRI Index in their annual report or sustainability report
4. Companies that did not experience losses between 2021 and 2023

Analysis Method

The data analysis method used in this research is multiple linear regression analysis. Multiple linear regression analysis involves more than one independent variable and aims to measure how much influence and direction these variables have on the dependent variable. Independent variables are viewed as random or stochastic variables, which reflect the existence of a probability distribution, while independent or independent variables are assumed to have a fixed value in each repeated sampling (Ghozali, 2021). The regression equation can be formulated as follows:

$$Y = \alpha + B_1CSR + B_2KI + B_3KA + B_4ERM + B_5SIZE + B_6AGE + B_7DER + B_8CR + e$$

Description:
Y = financial performance
α = constant
β1-β4 = regression coefficient
CSR = corporate social responsibility
KI = independent commissioner
KA = audit committee
ERM = enterprise risk management
SIZE = company size
AGE = company age
DER = leverage
CR = liquidity
e = error

Variables and Measurement

This study uses the independent variables Corporate Social Responsibility (CSR), Good Corporate Governance (GCG), and Enterprise Risk Management (ERM) as well as the control variables of company size, company age, leverage, and liquidity. The dependent variable in this study is financial performance. The following are the variables used in this study and their measurements:

Table 1
Variables & Measurement

Variables	*Symbol*	Measurement
Dependent Variable		
Financial Performance	ROA	Total net profit after tax to total assets
Independent Variable		
Corporate Social Responsibility	CSR	(Number of CSR indicators disclosed) / 126 GRI disclosure items
Independent Commissioner	KI	Number of independent commissioners / Total board of commissioners
Audit Committee	KA	Number of audit committee members
Enterprise Risk Management	ERM	(Number of ERM items disclosed) / 108 COSO disclosure items
Control Variable		
Company Size	SIZE	Ln (Total assets)
Company Age	AGE	Year of observation - Year of establishment
Leverage	DER	Total liabilities / Total equity
Liquidity	CR	Current assets / Current liabilities

Source: Developed by the author, 2025

RESEARCH RESULTS AND DISCUSSION

Description of Research Objects

This study uses secondary data as a source of information. Data were collected through annual reports and sustainability reports obtained from the Bloomberg laboratory at the Faculty of Economics and Business, Diponegoro University, as well as the idx.co.id website and the official website of each company. The total population identified includes 128 companies in the Consumer Non-Cyclicals sector, with a final sample of 33 companies that meet the criteria.

Table 2
Research Sample Determination

Sample Criteria	Sample Quantity
Consumer Non-Cyclicals companies listed on the IDX during the 2021-2023 period	128
Companies that did not publish annual reports during 2021-2023, either on the IDX or on the company's official website	(22)
Consumer Non-Cyclicals companies that experienced losses during 2021-2023	(41)
Consumer Non-Cyclicals companies that do not present information on the GRI Index during 2021-2023	(25)
Consumer Non-Cyclicals companies that do not provide information related to risk management	0
Number of sample companies that meet the criteria	40
Number of samples during the research period: 3 years x number of samples	120
Outlier data	21
Number of samples used in the study	99

Source: Developed by the author, 2025

Data Analysis
Descriptive Statistics

The purpose of this analysis is to obtain a general understanding of the research data as well as to understand the interaction between the variables used. Table 3 below shows the results of descriptive statistical testing related to the variables studied during the 2021-2023 period.

Table 3
Descriptive Statistics Test

	N	Minimum	Maximum	Mean	Std. Deviation
CSR	99	.25464	.56653	.41173	.07562
KOMISARIS INDEPENDEN	99	.25000	.66667	.39337	.09237
KOMITE AUDIT	99	2	4	2.99	.175
ERM	99	.52778	.76852	.64721	.06068
ROA	99	.0003	.1969	.079854	.0446828
FIRM SIZE	99	13.69799	19.04441	15.92831	1.24174
FIRM AGE	99	12	117	38.21	22.284
LEVERAGE (DER)	99	-219.81	4.67	.6022	.8305
LIKUIDITAS (CR)	99	.69	13.31	2.56374	2.41894
Valid N (listwise)	99				

Source: SPSS output, 2025

Classical Assumption Test

Table 4
Normality Test with One Sample Kolmogorov-Smirnov

One-Sample Kolmogorov-Smirnov Test			
			Unstandardized Residual
N			99
Normal Parameters[a,b]	Mean		0.0000000
	Std. Deviation		0.18937917
Most Extreme Differences	Absolute		0.073
	Positive		0.073
	Negative		-0.043
Test Statistic			0.073
Asymp. Sig. (2-tailed)[c]			0.200[d]
Monte Carlo Sig. (2-tailed)[e]	Sig.		0.208
	99% Confidence Interval	Lower Bound	0.197
		Upper Bound	0.218

Source: SPSS output, 2025

The table above presents the results of the normality test using the Kolmogorov-Smirnov test which shows that the Asymp. Sig. for each variable has a value of more than 0.05. This indicates that the research data is normally distributed.

Table 5
Multicollinearity Test

Coefficients[a]			
Model		Collinearity Statistics	
		Tolerance	VIF
1	CSR	.663	1.509
	KOMISARIS INDEPENDEN	.934	1.071
	KOMITE AUDIT	.903	1.107
	ERM	.532	1.879
	FIRM SIZE	.802	1.248
	FIRM AGE	.660	1.516
	LEVERAGE (DER)	.677	1.477
	LIKUIDITAS (CR)	.676	1.480

a. Dependent Variable: ROA

Source: SPSS Output, 2025

Based on the test results above, the analysis results show that there is no correlation between the independent variables in this test. This is because the tolerance value for each variable is more than 0.1, while the Variance Inflation Factor (VIF) value is less than 10. Therefore, it can be concluded that there is no multicollinearity problem in the regression model of this study.

Table 6
Heteroscedasticity Test

Heteroskedasticity Test: White
Null hypothesis: Homoskedasticity

F-statistic	0.476743	Prob. F(38,60)	0.9918
Obs*R-squared	22.95948	Prob. Chi-Square(38)	0.9742
Scaled explained SS	20.04570	Prob. Chi-Square(38)	0.9926

Source: SPSS Output, 2025

Based on the table above, the results of testing heteroscedasticity using the White test show that the Chi-Square probability value is greater than 0.05. This indicates that there are no symptoms of heteroscedasticity in the regression model of this study, so the model can be used for further test analysis.

Table 7
Autocorrelation Test

Model Summary[b]	
Model	Durbin-Watson
1	1.963[a]
a. Predictors: (Constant), FIRM SIZE, FIRM AGE, AUDIT COMMITTEE, INDEPENDENT COMMISSIONERS, CSR, LICUIDITY, LEVERAGE, ERM	
b. Dependent Variable: ROA	

Source: SPSS Output, 2025

Based on the Durbin-Watson table, with a sample of 99 and 4 independent variables (k = 4), the dL value is 1.5897 and dU is 1.7575. The test results contained in table 4.6 show a value of 1.963, which means that the Durbin-Watson value lies in du < dw < 4-du, namely 1.7575 < 1.963 < 2.2425 (4 - 1.7575). Therefore, it can be concluded that there is no autocorrelation problem in the variables used in this study.

Hypothesis Test

Table 8
Regression Analysis Results

Coefficients[a]						
Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	.515	.174		2.956	.004
	CSR	.217	.101	.232	2.149	.034
	KOMISARIS INDEPENDEN	-.106	.093	-.103	-1.138	.258
	KOMITE AUDIT	-.187	.241	-.072	-.776	.440
	ERM	.165	.109	.183	1.523	.131
	FIRM SIZE	-.240	.096	-.245	-2.500	.014
	FIRM AGE	-.233	.116	-.218	-2.013	.047
	LEVERAGE (DER)	-.245	.201	-.130	-1.220	.226
	LIKUIDITAS (CR)	.441	.134	.353	3.303	.001

a. Dependent Variable: ROA

Source: SPSS Output, 2025

With reference to the results of the regression analysis that has been carried out and based on the available formulas, the following multiple regression model is obtained:

$$Y = 0{,}515 + 0{,}217\ CSR - 0{,}106\ KI - 0{,}187\ KA + 0{,}165\ ERM – 0{,}240\ SIZE - 0{,}233\ AGE – 0{,}245\ DER + 0{,}441\ CR + e$$

Table 9
Determination Coefficient Test (R^2)

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.553[a]	.306	.244	.197616860581592

a. Predictors: (Constant), FIRM SIZE, FIRM AGE, AUDIT COMMITTEE, INDEPENDENT COMMISSIONERS, CSR, LICUIDITY, LEVERAGE, ERM

b. Dependent Variable: ROA

Source: SPSS Output, 2025

Based on the results of the SPSS analysis contained in Table 9 above, the Adjusted R Square value (R^2) is recorded at 0.244. This means that the variation in financial performance can only be explained by 24.4% by independent variables such as CSR, independent commissioners, audit committee, and ERM. In other words, the regression model cannot explain 75.6% of the variation or factors related to financial performance.

Table 10
Anova Significance Test (F Test)

ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	1.547	8	.193	4.953	.000[b]
	Residual	3.515	90	.039		
	Total	5.062	98			

a. Dependent Variable: ROA

b. Predictors: (Constant), FIRM SIZE, FIRM AGE, KOMITE AUDIT, KOMISARIS INDEPENDEN, CSR, LIKUIDITAS, LEVERAGE, ERM

Source: SPSS Output, 2025

Based on Table 10, the results of the ANOVA significance test (F test) show that the value (Sig.) is 0.000, which is smaller than the significance level $\alpha = 0.05$. This indicates that the regression model is simultaneously significant, which means that the independent variables CSR, independent commissioners, audit committee, and ERM together have a significant influence on the dependent variable, namely financial performance.

Table 11
Partial Statistical Test (t)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	.515	.174		2.956	.004
	CSR	.217	.101	.232	2.149	.034
	KOMISARIS INDEPENDEN	-.106	.093	-.103	-1.138	.258
	KOMITE AUDIT	-.187	.241	-.072	-.776	.440
	ERM	.165	.109	.183	1.523	.131
	FIRM SIZE	-.240	.096	-.245	-2.500	.014
	FIRM AGE	-.233	.116	-.218	-2.013	.047
	LEVERAGE (DER)	-.245	.201	-.130	-1.220	.226
	LIKUIDITAS (CR)	.441	.134	.353	3.303	.001

a. Dependent Variable: ROA

Source: SPSS Output, 2025

The t test results show that corporate social responsibility (CSR) has a positive and significant effect on financial performance with a significance value of 0.034 < 0.05 and a t value of 2.149, so hypothesis H1 is accepted. Meanwhile, independent commissioners have a significance value of 0.258 > 0.05 with a t value of -1.138, which indicates no significant effect on financial performance, so hypothesis H2 is rejected. The audit committee also has no significant effect on financial performance with a significance value of 0.440 > 0.05 and a t value of -0.776, so hypothesis H3 is rejected. Similarly, enterprise risk management (ERM) has a significance value of 0.131 > 0.05 with a t value of 1.523, which indicates that ERM has no significant effect on financial performance, so hypothesis H4 is rejected. These results indicate that of the four independent variables tested, only CSR is proven to have a positive and significant influence on the company's financial performance.

Interpretation of Results

Table 12
Hypothesis Test Summary

Code	Hypothesis	Decision
H1	CSR has a positive effect on financial performance	Accepted
H2	Independent commissioners have a positive effect on financial performance	Rejected
H3	The audit committee has a positive effect on financial performance	Rejected
H4	ERM has a positive effect on financial performance	Rejected

Source: Developed by the author, 2025

The results showed that Corporate Social Responsibility (CSR) has a significant influence on the company's financial performance. The higher the level of CSR disclosure, the greater the stakeholder trust, which in turn increases profitability and Return on Assets (ROA). This is in line with Stakeholder theory which emphasizes the importance of corporate responsibility to various stakeholders. With increased reputation and customer loyalty, companies can attract more investors and strengthen business relationships, which have a positive impact on financial performance. This finding supports the results of research conducted by Sholihah & Fidiana (2021), Melania & Tjahjono (2022), and Butar et al. (2024), which state that CSR disclosure contributes to improving the company's financial performance.

In contrast, the presence of independent commissioners has no significant effect on financial performance, as they are often appointed only to fulfill regulations without ensuring their effectiveness in corporate governance. This reinforces the findings of Abebe and Dhaliwal (2024), who state that independent commissioners are not always able to improve financial performance due to their lack of industry understanding and tendency to prioritize personal interests. The audit committee also has no significant effect on financial performance, because its role focuses more on compliance and transparency, not directly on increasing profitability. This finding is in line with Titania & Taqwa's research (2023), which shows that the effectiveness of the audit committee depends on the expertise and authority of its members.

Similarly, Enterprise Risk Management (ERM) does not have a significant impact on financial performance, as it is often implemented as a formality without a clear risk mitigation strategy. If ERM is not well integrated in the business decision-making process, then its benefits to financial performance are limited. This result supports the research of Azaria et al. (2023), which found that ERM implementation in many companies is still not a top priority in business planning and fund management, so the impact on ROA is relatively small. Therefore, for ERM to have a positive impact, companies need to implement it more strategically and effectively in overall risk management.

CONCLUSIONS

This study was conducted with the aim of knowing whether the financial performance of a company can be influenced by corporate social responsibility, independent commissioners, audit committees, and enterprise risk management. Data collection was carried out using a purposive sampling method, which involved 99 data from consumer non-cyclicals sector companies listed on the Indonesia Stock Exchange (IDX) in the 2021-2023 period as the entire population being analyzed. To analyze the data, the approach used is multiple linear regression. Based on the results of data analysis and the proposed hypothesis, the following conclusions are obtained.

1. *Corporate Social Responsibility* (CSR) has a significant positive effect on financial performance.
2. The existence of independent commissioners has an insignificant negative effect on financial performance.
3. The audit committee has no significant negative effect on financial performance.
4. *Enterprise Risk Management* (ERM) has a positive but insignificant effect on financial performance.

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