ABSTRACT

Financial performance is important information that can be used to assess a company's condition. This information can be used by various parties to make the right decisions. Increasing financial performance is considered a signal that the company has good prospects, while decreasing financial performance is considered a signal that the company has poor prospects.

In this research the dependent variable used is financial performance which is proxied by Return on Equity (ROE) and the independent variables used are company size, leverage and good corporate governance. This research aims to determine the effect of company size, leverage, and good corporate governance on financial performance (ROE) in basic materials sector companies listed on the Indonesia Stock Exchange for the 2019-2022 period.

The population in this study were basic materials sector companies listed on the Indonesia Stock Exchange for the period 2019 to 2022. This research used a purposive sampling method and obtained 54 sample companies over a 4year period so that the total sample was 216 sample data that could be observed. The analysis method uses panel data regression using the Eviews 12 application and the data used is secondary data, namely financial reports.

The research results show that simultaneously company size, leverage, audit committee, gender diversity and institutional ownership have a positive effect on financial performance. Partially, company size, leverage, gender diversity and institutional ownership have no effect on financial performance. Meanwhile, the audit committee has a positive effect on financial performance.

Keywords: *Company Size, Financial Performance, Good Corporate Governance, and Leverage*