

ABSTRACT

By using an agency theory as the theoretical framework, this study investigates the influences of corporate governance attributes (including the proportion of the independent commissioners, the size of the board of commissioners, managerial ownership, the existence of risk oversight committee, and the board of commissioners and audit committee meeting frequency) on corporate risk disclosure with firm performance as controlling variable.

This study analyzes 126 annual reports of manufacturing companies listed in the Indonesia Stock Exchange (IDX) in the period of 2018-2019. The unweighted disclosure index approach is used to measure corporate risk disclosure by adapting the risk items checklist developed by Mokhtar and Mellett (2013).

This study uses the multiple regression analysis method to test the hypotheses. The results show that the size of the board of commissioners, managerial ownership, risk oversight committee, and board of commissioners meeting frequency are all significantly positive related to corporate risk disclosure, while the proportion of the independent commissioners, audit committee meeting frequency, and firm performance as the control variable do not affect corporate risk disclosure.

Keywords: Corporate Risk Disclosure, Corporate Governance, GCG, Unweighted Disclosure Index, Agency Theory.