

ABSTRACT

This research aims to obtain empirical evidence on the factors that influence the corporate risk disclosure in banking companies. The characteristics of corporate governance used in this study are the size of the board of commissioners, the size of the audit committee, institutional ownership, the size of the risk monitoring committee and the meeting of the risk monitoring committee.

This study used purposive sampling in conducting sample selection. A total of 128 of banking companies listed by IDX (Indonesia Stock Exchange) in 2017-2020 were sampled in this study. Agency theory is used to explain relationships between variables. Risk disclosure in this study using content analysis is based on identifying risk disclosure sentences in annual reports. The statistical method used to test hypotheses is the regression analysis of panels with random effect models.

The results of this study showed that the size of the board of commissioners had a significant positive effect with the risk disclosure, the size of the audit committee had a significant negative effect on the risk disclosure, while institutional ownership, the size of the risk monitoring committee and the meeting of the risk monitoring committee had no significant influence on the risk disclosure.

Keywords: Risk, risk disclosure, agency theory, corporate governance, institutional ownership, risk monitoring committee.