

ABSTRACT

Risk is inherently tied to uncertainty that arises from a lack or even absence of information about future events. To address and minimize the risks that can affect a company or organization, an approach known as risk management is necessary. Risk management becomes crucial in running business operations, especially with increasing competition and the growing complexity of company activities. The goal of risk management is to minimize risks by providing comprehensive information and perspectives to management, calculating and measuring risk exposure, allocating resources and risk limits more accurately, and making adequate provisions to anticipate identified risks.

This research aims to examine the Leverage, profitability, institutional ownership, independent board of commissioners, and public ownership on the disclosure of risk management in the banking sub-sector companies listed on the Indonesia Stock Exchange from 2018-2022. The method used in this research is a quantitative method with secondary data obtained from financial reports and annual reports of companies accessed from the official websites of the companies and the Indonesia Stock Exchange website.

The object of this research is the banking sub-sector companies listed on the Indonesia Stock Exchange from 2018-2022. The sample used in this research consists of 35 companies with a research period of 5 years, processing a total of 175 data points using a purposive sampling technique. This research employs descriptive statistical analysis and panel data regression analysis.

The results of the descriptive statistical analysis indicate that the variables of Leverage, profitability, institutional ownership, independent board of commissioners, and public ownership simultaneously affect the disclosure of risk management. However, partially, only the variables of institutional ownership and public ownership have a positive and significant effect on the disclosure of risk management, while solvency, profitability, and the independent board of commissioners do not affect the disclosure of risk management.

Based on the research conducted, it is hoped that this can be used as a consideration for companies regarding the importance of risk management. Furthermore, it is hoped that future research will add other proxies, such as liquidity and risk management committees, and consider other objects of research beyond banking sub-sector companies.

Keywords: *Independent Board of Commissioners, Institutional Ownership, Leverage, Profitability, Public Ownership, Risk Management Disclosure.*