ATLANTIS PRESS
Advances in Economics, Business and Management Research, volume 161
Proceedings of the Conference on International Issues in Business and Economics Research (CIIBER 2019)

Financial Risk Disclosure and Corporate Governance:
Empirical Evidence on Banking Companies in Indonesian Stock Exchange

Putri Agustin [1,] Bunga Maharani[2,] Rochman Effendi[3*]

[1,2,3] *University of Jember*
[*]*Corresponding author: rochman.fe@unej.ac.id*

ABSTRACT
Risk disclosure, especially financial risk disclosure, is useful for providing information to stakeholders about how the risk arises, as well as how management handles risk and the impact of such risks. Risk disclosure is also used to reduce agency conflict and asymmetry information problems. This research aims to examine and analyze the effects of corporate governance on financial risk disclosure in banking companies listed in the Indonesian Stock Exchange. The final sample of this study was 20 banks listed on the Indonesian Stock Exchange in 2015-2017. The result shows that both the number of commissioners' board and the number of audit committee meetings have a significant positive effect on the extent of financial risk disclosure. Our findings indicate that the existence of the commissioners' board is important as part of the internal control function of financial risk that will be disclosed by the company. The results of this study were also able to prove that the supervisory activities by the audit committee in the form of an audit committee board meeting affect financial risk disclosure. Overall, our study provides additional evidence that corporate governance mechanisms affect the broad disclosure of a company's financial risk.

Keywords: *Financial Risk, Disclosure, Corporate Governance, Banking*

1. INTRODUCTION

During the last five years, economic growth in Indonesia has driven the role of banks as intermediary institutions. This role has grown because of the increase in the company's financing needs, mainly in line with the increase in domestic economic growth and the need to fulfill the provisions of authority by financial companies. The increase in domestic economic activity, such as the development of government infrastructure projects and private investment, has led to an increase in the total financing of non-financial companies. According to Bank Indonesia, in December 2018 nonfinancial corporations recorded external financing needs of Rp.4,699.82 trillion, or grew by 11.66%, so that the ratio of debt or non-financial corporate financing to Gross Domestic Income increased from 30.98% in 2017 to 31.68% in 2018[1].

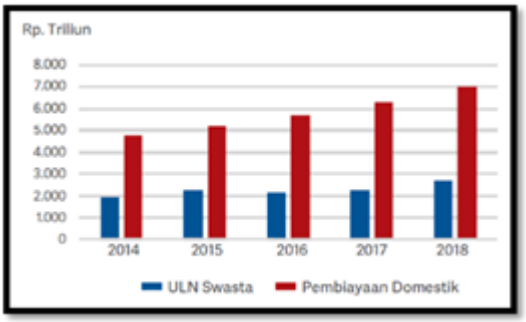

Figure 1 Development of Corporate External Financing [1]

In undertaking its role, the banking industry is faced with various risks. Financial risk is one of the biggest risks faced by banking companies because this risk is closely related to the activities of the banking business model. These risks, for example, relate to a possible change related to financial instruments such as price indices, exchange rates, commodity prices, financial instrument prices, interest rates, and credit levels that will occur in the future [2]. Financial risk consists of three risks, i. e. liquidity risk, market risk (interest rate risk and exchange rate risk), and credit risk [3].

In Indonesia, banking companies are required to disclose risk (mandatory disclosures) because few regulations are governing it, i.e. Statement of Financial Accounting Standards no. 60 concerning Financial Instruments, Financial Service Authority Regulation no. 29/POJK.04/2016 concerning Obligation to Submit Annual Reports to Issuers or Public Companies, and Bank Indonesia Regulation no. 14/14/ PBI/2012 concerning Transparency and Publication of Bank Reports. The risk disclosure helps stakeholders to be able to know how risks arise, and how management handles risk and the impact of the risk. If the company discloses more and more of the risks faced, stakeholders will get more information about these risks. It will reduce the information asymmetry between management and stakeholders. In the decision-making process, risk disclosure also needed. The extent of the risk disclosure undertaken shows that the bank has been transparent in presenting information to stakeholders.

Disclosure of financial risk is one of the best corporate practices to achieve good corporate governance. The disclosure is a reflection of the implementation of one of the good corporate governance principles, i.e. transparency. Also, risk disclosure is a manifestation of the company's compliance with existing regulations.

Good corporate governance is very important to be implemented by banking companies. It is because the stakeholders of the banking company are not only investors and creditors, but also their customers, i.e. depositors and borrowers. The good corporate governance aims to create added value for the company so that later it can provide benefits to shareholders and can improve the competitiveness of the company. If the company can achieve these goals, good corporate governance will take place that takes into account the interests of stakeholders. Consequently, the government and related authorities issue guidelines or regulations that regulate the mechanism for implementing corporate governance, including banking companies. These regulations are explained in Bank Indonesia Regulation about Implementation of Good Corporate Governance for Commercial Banks [4]. The regulation explains that to improve bank performance, protect stakeholders, and improve compliance with rules and ethical values, banks are required to conduct their operations activities based on the principles of good corporate governance.

Few studies have investigated the relationship between corporate governance and risk disclosure. The findings of previous studies have succeeded in proving that disclosure of financial risk is influenced by some indicators of good corporate governance, i.e. the composition and number of boards of directors, audit committees, CFOs, institutional ownership, and block ownership[5, 6, 7].

In Indonesia, there are only a few studies about determinant financial risk disclosure. Suhardjanto and Dewi [2] showed that corporate governance affects the level of financial risk disclosure banking companies in Indonesia through the variable board size and the number of board meetings. However, this study was conducted in 2007-2009, when the implementation of good corporate governance is still new and regulations have just been established. Wibowo and Probohudono [8] were able to prove the number of board of commissioners, meetings market culture, and company size affected the level of financial risk disclosure, while the background of the board of commissioners, the existence of independent commissioners, and culture, adhocracy culture, hierarchy culture, and leverage did not affect financial risk disclosure. Most prior studies have focused on the effect of corporate characteristics and various corporate governance mechanism indicators on financial risk disclosure. It made a discussion about the results of research on the most encouraging factors for companies to disclose financial risks to be unfocused.

Given this background, our study attempts to overcome the limitations of existing studies in several ways, and thus extends, as well as making disclosure literature. First, distinct from most prior studies, we explore how firm-level corporate governance quality in the form of board characteristics (i.e. the number of board's commissioners, number of board of commissioners meetings, number of audit committees, number of audit committee meetings) drives financial risk disclosure. Second, our research focuses on disclosure of risks, especially financial risk. It is because our research uses the banking industry as the object of research. The banking industry was chosen because Bank Indonesia forced penalties on four banks, i.e. Bank Mega, Bank Panin, Bank Jabar Banten, and Bank Mestika Dharma in 2013. The four banks were given penalties because they did not implement good corporate governance. These cases indicate that they did not carry out good corporate governance so that they confuse stakeholders.

Based on the explanation above, this study is aimed to examine whether the number of commissioner board, commissioner board’s meetings, the number of audit committees, and audit committee’s meetings affect financial risk disclosure.

This study is useful to provide knowledge of the importance of implementing good corporate governance in realizing better management company, as well as increasing transparency through financial risk disclosure. For academics, it provides empirical evidence about the effect of corporate governance on financial risk disclosure. Also, this study can be new literature for further studies about corporate governance and financial risk disclosure. For stakeholders, it provides information and understanding of financial risk disclosures which can be used as consideration for stakeholders in decision making.

2. LITERATURE REVIEW

Credit risk is ranked first in the risks expressed by banking companies[9]. Furthermore, the second and third highest numbers are the market risk and capital adequacy risk. Bank Indonesia describes the classification of financial risk consisting of market risk, liquidity risk, and credit risk [10].

2.1. Credit Risk

Credit risk arises from debtors or other parties unable to fulfill their obligations to repay funds borrowed from the bank. Many factors trigger why the debtor fails to pay, this can be caused by the debtor's business failure, the second is because the character of the debtor does not have the intention to pay off his obligations, or bank mistakes when the bank carries out the stages of credit analysis. Therefore, with the existence of credit risk, it is necessary to handle the credit risk itself [11].

2.2. Liquidity Risk

The liquidity risk itself arises from the inability of banks to fulfill their maturing obligations that come from funding sources of cash flows / or from high-quality liquid assets that have been pledged without disrupting the activities and financial condition of the bank. Thus, liquidity risk can be caused by the inability of banks to generate cash flows from the collection of funds and liquidity risks themselves can arise even though the company has productive assets, but the problem here is that these productive assets cannot be converted immediately into cash this raises liquidity risk[11].

2.3. Market Risk

Market risk is a risk in the balance sheet and administrative account positions including derivative transactions, this is caused by the overall change in market conditions, including the risk of changes in option prices. Market risk is usually caused by movements in foreign exchange rates, changes in interest rates and fluctuations in commodity prices. Market risk itself is divided into two, namely interest rate risk and exchange rate risk. The risk of interest is due to a potential loss caused by a movement in market interest rates, if the interest rate is unstable then it will affect the bank's income. As for exchange rate risk related to changes in foreign exchange rates. This is related to foreign exchange transactions which result in changes in income caused by the difference in exchange rates[11].

2.4. Risk Disclosure

Risk disclosure is the disclosure of information needed by stakeholders. Companies can be said to have disclosed risks if readers of annual reports are informed about opportunities or prospects, hazards, losses, threats or exposures that will affect the company now and in the future [9]. The disclosure of risk affects the decisions of stakeholders. Risk disclosure itself is one of the good corporate governance practices, with the disclosure of risk itself makes the company more transparent in disclosing risks. Increased corporate risk disclosure would help the investor to make a better decision in their portfolio investment [5].

In Indonesia, the obligation for banking companies to disclose risks is stated in regulations made by several authorities. First, the Financial Service Authority concerning the Obligation of Submitting Annual Reports to Issuers or Public Companies, stating that the company is required to present an explanation of the risks that can affect the continuity of the company's operations, efforts that have been made to manage risk [12]. Second, the Bank Indonesia Regulation concerning Transparency and Publication of Bank Reports. The regulation requires banks to disclose various types of risks and potential losses (risk exposures) faced by banks and risk management practices implemented by banks [13]. Finally, Statement of Financial Accounting Standards (PSAK) 60 issued by the Indonesian Institute of Accountants on Financial Instruments. The standard explains that the disclosure of information in question is in the form of qualitative disclosures and quantitative disclosures[14]. With the existence of several regulations related to risk disclosure, it means that banks must disclose the various types of risks that arise due to the complexity of banking activities.

2.5. Corporate Governance

Good corporate governance is a set of rules that govern relationships between creditors, company managers, shareholders, employees, governments, as well as external and internal stakeholders related to rights and their obligations, or can be said to be a system that controls and regulates the company. The purpose of good corporate governance is to create added value for stakeholders[15].

For the implementation of good corporate governance to be conducted properly, the company must apply good corporate governance principles. There are five basic principles of good corporate governance, which consist of the principle of transparency, the principle of accountability, the principle of responsibility, the principle of independence, and the principle of fairness and equality [16]. Transparency is one of the principles that become the rationale for our study related to corporate risk disclosure. Companies must provide relevant and material information in a way that is easily understood and accessible by stakeholders to maintain objectivity in conducting business [16]. The company must take the lead to disclose not only the problems required by legislation, but also important topics for decision making by creditors, shareholders, and other stakeholders. Information that must be disclosed includes, but is not limited to, company vision, mission, business objectives and strategies, financial conditions, composition and compensation of management, controlling shareholders, share ownership by members of the Board of Directors and members of the Board of Commissioners, share ownership their family members in companies and in other companies, risk management systems, supervision and internal control systems, good corporate governance’s systems and implementation, the level of compliance, and important events that can affect the condition of the company.

Corporate governance is important determinant disclosure compliance. For good corporate governance in a company to run effectively, the role of the board of commissioners and the audit committee is needed. Improving the disclosure of internal control should lead to improvements in the communication links between investors and their investee companies[6].

2.6. Number of Board of Commissioners

The board of commissioners is a corporate organ in charge and has the responsibility to collectively supervise and provide advice to directors and ensure that the company implements good corporate governance [16]. The number of members of the Board of Commissioners must be adjusted to the complexity of the company while taking into account the effectiveness in decision making. Bank Indonesia through regulations concerning the Implementation of Good Corporate Governance for Commercial Banks stipulates that the number of members of the board of commissioners must consist of at least 3 (three) people and at most the same as members of the Board of Directors.

The greater number of members of the board of commissioners, the easier it will be to control the CEO and the supervision carried out will be more effective[17]. If it is associated with financial risk disclosure, the board of commissioners certainly have the power to pressure management to disclose it. Suhardjanto and Dewi [2] prove that the number of board of commissioners influences the broad disclosure of the financial risk of a company.

2.7. Number of Board of Commissioners Meetings

Implementation of corporate governance can be seen through meetings conducted by the board of commissioners. The Financial Services Authority stipulates that the board of commissioners must hold a meeting, which is conducted at least 1 (one) time in 2 (two) months [18]. Also, Bank Indonesia Number: 8/14 / PBI / 2006 stipulates that the board of commissioners must hold regular meetings at least 4 times a year[19].

Board of Commissioners' meetings is a means of communication and coordination among members of the board of commissioners in undertaking their supervisory duties. Problems related to information that needs to be disclosed are one of the topics for discussion of board of commissioners' meetings, including information about financial risks. Information that crucial to be disclosed are important to discuss to reduce information asymmetry between stakeholders and management. By communicating these various problems, more risks are expressed, especially financial risks. When more board meetings are held, it encourages compliance with risk disclosures[2, 6, 8].

2.8. Number of Audit Committees

The audit committee is a committee supporting the board of commissioners in carrying out their duties. The role of the audit committee ensures that (i) financial statements are presented fairly in accordance with generally accepted accounting principles, (ii) the company's internal control structure is carried out properly, (iii) the implementation of internal and external audits is carried out in accordance with applicable audit standards, and (iv) follow-up of audit findings carried out by management[16]. The number of audit committee members must be adjusted to the complexity of the company while still taking into account the effectiveness of decision making [16]. The Financial Service Authority regulates that the audit committee consists of at least 3 people [20]. Reference [21] explains that the determinant of audit committee performance is a committee size. It indicates that adding more members to the performance improvement team there are more people on whom to draw. The performance of supervision will also be better when evaluating the company's performance [22].

2.9. Number of Audit Committee Meetings

In addition to the number of members, our study also uses the number of meetings conducted by the committee audit to see the quality of the implementation of corporate governance. The intensity of the meetings conducted shows how effective the audit committee is in undertaking their functions. An important objective for audit committees is to provide their members with sufficient time to carry out their duties [21]. Further, board meetings, in general, are a credible measure of board activity. The Financial Service Authority stipulates that the audit committee must hold regular meetings at least once in 3 (three) months or 4 times a year [20]. The more audit committees carry out meetings, the wider disclosure made by the company[6, 23].

2.10. Hypothesis

The hypothesis of this research is as follows:

H1: the number of board of commissioners effect on financial risk disclosure

H2: the number of boards of commissioner meetings effect on financial risk disclosure

H3: the number of audit committee effect on financial risk disclosure

H4: the number of audit committee meetings effect on financial risk disclosure

3. METHODS

Our study uses secondary data in the form of annual reports of banking companies listed on the Indonesian Stock Exchange (IDX). Data is obtained through IDX's official website, i.e. idx.co.id. The population in our study are listed banking companies in IDX from 2015 until 2017. Our sampling method is purposive sampling. We use a sample of 20 companies for 3 years or as many as 60 firm-year observations.

3.1. Variable

Our study uses financial risk disclosure as the dependent variable. Financial risk disclosure is calculated using scoring techniques. Eight items must be disclosed for 4 financial risks, so the total number of financial risk disclosure items is 32 items. To measure corporate governance, our study using 4 independent variables, i.e the number of the board of commissioners, the number of board of commissioners meetings, the number of the audit committee, and the number of audit committee meetings.

Table 1. Variable Operational Definition

Variable	Measurement
Financial Risk Disclosures FIRD)	$\frac{\sum \text{Financial Risk Disclosure Item company } i \text{ year } t}{\sum \text{Total Financial Risk Disclosure Item}}$
Number of Board of Commissioners (NBC)	Number of the board of commissioners of a company *i* in year *t*
Number of Board of Commissioners Meetings (NBCM)	Number of the board of commissioners meetings of a company *i* in year *t*
Number of Audit Committees (NAC)	Number of members of the company audit committee of a company *i* in year *t*
Number of Audit Committee Meetings (NACM)	Number of company audit committee meetings of a company *i* in year *t*

3.2. Data Analysis Method

This study uses multiple regression analysis. The normality test and classical assumption test were carried out in this study to meet the criteria of the Best Linear Unbiased Estimation (BLUE). Testing the hypothesis in this study using the t-test. The following is the regression model of this study.

$$FIRD_{i,t} = \beta_0 + \beta_1 NBC + \beta_2 NBCM + \beta_3 NAC + \beta_4 NACM + e$$

Where β_0 is a constant, $FIRD_{i,t}$ is financial risk disclosure index, NBC is the number of board of commissioners, NBCM is the number of board of commissioner meetings, NAC is the number of audit committees, NACM is the number of audit committee meetings, β_1, β_2, β_3, β_4 are variable regression coefficients and e is an error.

4. RESULTS AND DISCUSSIONS

4.1. Summary of Descriptive Statistics

Table 2 below presents the maximum value, minimum value, mean value, and standard deviation value of each variable

Table 2. Descriptive Statistics.

	Minimum	Maximum	Mean	Std.Deviation
FIRD	0.44	0.97	0.713	0.1127
NBC	3	9	6.080	1.7490
NBCM	4	51	16.980	14.2390
NAC	3	7	4,100	1.1890
NACM	4	31	13,900	6.8930

Based on Table II, the average financial risk disclosure in Indonesia's banking companies in during 2015-2017 was 71,3 percents. These results indicate that there is a high increase in financial risk disclosure when compared with the results of previous studies. Reference [2] showed that the average financial risk disclosure during 2007-2009 was only 46,5 percents.

4.2. Multiple Regression Results

Ordinary-least square results are shown in Table 3. The model is estimated using panel data analysis.

Table 3. Regression Analysis Results

	Coefficient	*t*	*p-value*
Constant	0.566	9.453	0.000
NBC	0.021	2.333	0.023
NBCM	0.000	-0.223	0.825
NAC	-0.011	-0.829	0.411
NACM	0.005	2.244	0.029
F			4.220
Probability			0.005
Adjusted R square			0.179
Dependent Variable: Financial Risk Disclosure			

In Table 3, taking the number of commissioner board as an independent variable, the coefficient of NBC is a value (0.021) and *t-value* signification is (0.023). It indicates that the coefficient of NBC is positive and is highly significant at α = 5%. It implies that the increase in the number of commissioner's board will significantly affect the financial risk disclosure of the firm. The result supports Hypothesis 1.

Table 3 shows the result that the coefficient value of NBCM is (0,000) and *t-value* signification is (0,825). It indicates that the coefficient of NBCM is negative and not significant at α = 1%, α = 5%, or α = 10%. It implies that the increase in the number of audits will not affect the financial risk disclosure of the firm. This result is opposite to Hypothesis 3.

In Table 3, the results show that the coefficient value of NAC is (-0,011) and *t-value* signification is (0,411). It indicates that the coefficient of negative NAC and not significant at α = 1%, α = 5%, or α = 10%. It implies that the increase in the number of audits will not affect the financial risk disclosure of the firm. This result is opposite to Hypothesis 3.

In Table 3, taking the number of audit committee meetings as an independent variable, the coefficient of NACM has a value (0.005) and *t-value* signification is (0.029). It indicates that the coefficient of NACM is positive and is highly significant at α = 5%. It implies that the increase

in the number of audit committee meetings will significantly affect the financial risk disclosure of the firm. The result supports Hypothesis 4.

4.3. Effect of the Number of Board of Commissioners and Board of Commissioners' Meeting on Disclosure of Financial Risk

Based on our results, this study shows that the number of commissioners has a positive coefficient on financial risk disclosure. It means that the larger the size of the commissioner's board the higher is the extent of financial risk disclosure. Our finding indicates that the number of board of commissioners was able to encourage company management to comply with regulations related to financial risk disclosure. Our study also suggests that the supervisory function of the board of commissioners has proceeded as it should control the company to disclose material and relevant information to stakeholders in making decisions. Our study aligns with the results of [2]. They explained that a large number of board of commissioners would later create a combination of skills among its members so that it would increase accuracy in terms of supervision and control of company management.

On the other hand, our study failed to prove the effectiveness of the number of board meetings on disclosure of financial risk. It means that meetings conducted by the board of directors are not able to encourage management to disclose information needed by stakeholders, such as financial risk. Meetings conducted by the board of directors are only coordination and communication meetings of the supporting committees. Meetings conducted by the board of commissioners are more strategic, not technical, related to the role that must be carried out. Because the members of the board of commissioners are also part of the supporting committees, the supervisory function of the board of commissioners is undertaken through meetings at the level of the supporting committee. This contradiction with the prior expectation that the higher commissioner board meeting is the extension of risk financial disclosure as monitoring power increases [8, 24].

4.4. Influence of the Number of Audit Committees and Audit Committee Meetings on Disclosure of Financial Risks

Our study does not find that the number of audit committee increases the level of risk financial disclosure. Reference [21] explains that ex-ante, adding more directives to having a nonlinear effect on committee performance. When committees grow too large, performance declines are due to process losses and diffusion of responsibility. National Committee of Governance Policy also stipulates that the audit committee is chaired by an independent commissioner and its members can consist of commissioners and/or professional actors from outside the company [16]. It indicates that actually the audit committee members are also members of the board of commissioners, so the number of audit committee members also depends on the number of the board of commissioners. It is evident from our results, that the number of members of the board of commissioners precisely determines the extent of disclosure of a company's financial risk. Determining the number of audit committee members is only a form of company compliance with applicable regulations, not as a reflection of the need to minimize information asymmetry between stakeholders and management. This reason is reinforced by [6]. who found that the "existence" of audit committees that influence risk disclosure, not the amount. Our findings are in line with the results of [2].

On the other hand, our study can provide evidence that the number of meetings conducted by the audit committee affects the broad disclosure of financial risk. Our study supports the results of [6]. The audit committee is an organ supporting the board of commissioners. One of the tasks of the audit committee is that financial statements are presented fairly under generally accepted accounting principles, including risk disclosures [16]. Audit committee meetings are conducted as a means of coordination and communication for the audit committee in undertaking their duties. The results of the audit committee meeting are a basis for the board of commissioners in encouraging management to disclose the financial risks faced by the company. The more meetings conducted by the audit committee, the more information about the risks presented. This will maximize the identification process of the risks that can affect the broad disclosure of financial risk.

5. CONCLUSION

Our study examines the effect of corporate governance on risk financial disclosure within a sample of Indonesian bank annual reports from 2015 to 2017. Based on our finding, we can be inferred that the size of the board of commissioners and the frequency of audit committee meetings have a significant positive effect on the financial risk disclosure. Our study indicates that the existence of the commissioner's board is important as part of the internal supervision function of financial risk that will be disclosed by the company. These findings imply that a company with a large number of members of the board of commissioners, the wider the financial risk disclosure, vice versa. Furthermore, our study was also able to prove that the supervisory activities by the audit committee in the form of an audit committee board meeting affect financial risk disclosure. These findings imply that the more often the audit committee of a company conducts meetings, the broader financial disclosure will be. But on the other hand, we failed to prove the influence of the number of audit committees and the number of boards of commissioner meetings on the extent of financial risk disclosure.

There are several implications of our research findings. First, this study provides evidence that the frequency of audit committee meetings is more influential than the frequency of the board of commissioners meetings in terms of financial risk disclosure. This reinforces the evidence that the implementation of the role of the board of commissioners is distributed to each of their supporting committees. The audit

committee is one of the board of commissioners supporting committee relating to financial statements and compliance. Discussions about the technical details of supervision on this matter were undertaken through a mechanism at the committee level meeting. Meetings at the board of commissioner level become a formality of coordination between their supporting committees. Second, this study shows the number of board of commissioners is more influential than the number of audit committees. This finding strengthens the concept that the existence of a board of directors is a form of implementation of good corporate governance to reduce information asymmetry between stakeholders and management. The more the board of commissioners, the greater the power to ensure management provides the information needed by stakeholders in making decisions. The audit committee only implements the mandate of the board of commissioners in undertaking their roles. Third, reference [5] has found that risk disclosure is an important and relevant issue within the agenda for Corporate Governance reform, as certain significant links were established between the perceptions of corporate governance and attitudes towards risk disclosure although such links tended to be moderate. The relationship that tends to be moderate is evident in our study. Of the four corporate governance variables used in this study, only two variables influence the extent of financial risk disclosures. Another additional evidence is that the adjusted R2 value of our research model is very low, which is only 17,9 percent.

REFERENCES

[1] Departemen Kebijakan Makroprudensial. 2019, Kajian Stabilitas Keuangan, 32, Bank Indonesia, 2019.

[2] D. Suhardjanto and A. Dewi, Pengungkapan risiko finansial dan tata kelola perusahaan: Studi empiris perbankan Indonesia. Jurnal Keuangan dan Perbankan, vol. 15(1), 2011, pp. 105-118.

[3] Bank Indonesia Regulation No.5/8/PBI/2003 tentang Penerapan Manajemen Risiko Bagi Bank Umum. Bank Indonesia, 2003.

[4] Peraturan Bank Indonesia Nomor 8/14/PBI/2006 Tentang Perubahan Atas Peraturan Bank Indonesia Nomor 8/4/PBI/2006 Tentang Pelaksanaan Good Corporate Governance Bagi Bank Umum. Bank Indonesia, 2006.

[5] J. F. Solomon, A. Solomon, S. D. Norton, N. L. Joseph, A conceptual framework for corporate risk disclosure emerging from the agenda for corporate governance reform, The British Accounting Review, vol. 32(4), 2000, pp. 447-478.

[6] M. Ettredge, K. Johnstone, M. Stone, Q. Wang, The Effects of Firm Size, Corporate Governance Quality, and Bad News On Disclosure Compliance, Review of Accounting Studies, vol. 16(4), 2011, pp. 866-889.

[7] C. G. Ntim, S. Lindop, D. A. Thomas, Corporate governance and risk reporting in South Africa: A study of corporate risk disclosures in the pre-and post-2007/2008 global financial crisis periods, International Review of Financial Analysis, vol. 30, 2013, pp. 363-383.

[8] A. E. Wibowo, A. N. Probohudono, Board of Commisisioners, Organizational Culture, dan Financial Risk Disclosure di Indonesia (Studi pada Perusahaan yang Tercatat di Bursa Efek Indonesia Tahun 2013-2015), Simposium Nasional Akuntansi XX, 2017, pp. 1-24.

[9] P. M. Linsley, P. J. Shrives, Risk Reporting: A Study of Risk Disclosure in the Annual Reports of UK Companies, Journal The British Accounting Review, 38, 2006, pp. 387-404.

[10] Peraturan Bank Indonesia Nomor 11/25/PBI/2009 Tentang Penerapan Manajemen Risiko bagi Bank Umum. Bank Indonesia, 2009.

[11] Ikatan Bankir Indonesia, Manajemen Risiko 1 Jakarta: PT Gramedia Pustaka Utama, 2015.

[12] Peraturan Otoritas Jasa Keuangan Nomor 29/POJK.04/2016 Tentang Laporan Tahunan Emiten atau Perusahaan Publik. Otoritas Jasa Keuangan, 2016.

[13] Peraturan Bank Indonesia Nomor 14/14/PBI/2012 Tentang Transparansi dan Publikasi Laporan Bank. Bank Indonesia. 2012.

[14] Pedoman Standar Akuntansi Keuangan 60 : Instrumen Keuangan: Pengungkapan, 2010.

[15] Forum for Corporate Governance in Indonesia, Peranan Dewan Komisaris dan Komite Audit dalam Pelaksanaan Corporate Governance, Seri Tata Kelola Perusahaan (Corporate Governance), Jilid II. Edisi ke-2. Jakarta, 2002.

[16] Komite Nasional Kebijakan Governance, Pedoman Umum Good Corporate Governance Indonesia,2006.

[17] Sembiring, E. R, Karakteristik perusahaan dan pengungkapan tanggung jawab sosial: study empiris pada perusahaan yang tercatat di Bursa Efek Jakarta, MAKSI, 6, 2016.

[18] Peraturan Otoritas Jasa Keuangan Nomor: 33/PJOK.04/2014 tentang Direksi dan Dewan Komisaris Emiten atau Perusahaan Publik. Otoritas Jasa Keuangan, 2014.

[19] Peraturan Bank Indonesia Nomor 8/4/PBI/2006 Tentang Pelaksanaan Good Corporate Governance Bagi Bank Umum, Bank Indonesia, 2006.

[20] Peraturan Otoritas Jasa Keuangan Nomor 055/POJK.04/2015 Tentang Pembentukan dan Pedoman Pelaksanaan Kerja Komite Audit, Otoritas Jasa Keuangan, 2015.

[21] N. Vafeas, Audit committees, boards, and the quality of reported earnings, Contemporary accounting research, vol. 22(4), 2005, pp. 1093-1122.

[22] D. T. Manurung, R. W. R. Kusumah, D. W. Hapsari, F. Husnatarina, Effect of Corporate Governance, Financial Performance and Environmental Performance on Corporate Social Responsibility Disclosure, International Journal of Arts and Commerce, vol. 6(5), 2017, pp. 15-28.

[23] J. W. Lin, J. F. Li, J. S. Yang, The Effect of Audit Committee Performance on Earnings Quality, Managerial Auditing Journal, vol. 21(9), 2006, pp. 921-933.

[24] S. Saidah, Pengaruh Mekanisme Corporate Governance Terhadap Pengungkapan Risiko Perusahaan (Studi Empiris pada Laporan Tahunan Perusahaan Non Keuangan Yang Terdaftar di BEI Periode 2011-2013), Jurnal Akuntansi UNESA, vol. 3(1), 2014.