

ABSTRACT

Risk management disclosures are disclosures of company risks that have been managed by the company and disclosures made on how the company controls risks in the future. Risk management disclosures can be used as a solution in managing company uncertainty and are expected to prevent risks that can cause losses to the company.

The process of running a company can be disrupted by a problem, one of which is caused by the unavailability of information. If the disturbance cannot be resolved properly, it is certain that it will cause a loss in the future. This study aims to examine whether the effect of Ownership Structure, Profitability and Leverage on Risk Management Disclosure in banks listed on the Indonesia Stock Exchange (IDX) in 2015-2019.

The data used in this study were obtained from annual report data. The population in this study are all banking sector companies listed on the Indonesia Stock Exchange in 2015-2019. The sampling technique in this study was purposive sampling so as to obtain a total sample of 40 consisting of 8 companies with a period of 5 years. The method used in this research is panel data regression analysis using Eviews software.

The results of this study indicate that the ownership structure, profitability and leverage simultaneously affect the disclosure of risk management. Partially, domestic institutional ownership, foreign institutional ownership and leverage have an effect on risk management disclosure. Meanwhile, management ownership, public ownership and profitability partially have no effect on risk management disclosure.

The results of this study can be used by investors as material for consideration in making investment decisions in banking companies. Investors can pay attention to share ownership owned by domestic institutions, foreign institutions and the level of leverage because these variables have a significant influence on risk management disclosure, especially in the banking sector listed on the Indonesia Stock Exchange.

Keywords: *Domestic Institutional Ownership, Foreign Institutional Ownership, Management Ownership, Public Ownership, Leverage, Profitability*