

ABSTRACT

Risk management disclosure is a corporate responsibility to stakeholders. This study examines the determinants that influence the level of disclosure of enterprise risk management (ERMD) with ISO 31000: 2018 standard in insurance companies in Indonesia, taking into account the complexity of risks and transparency demands. The parameters studied are financial performance including profitability, leverage, liquidity along with company size, and ownership structure, which includes public, institutional, and managerial ownership. The 18 listed companies and observations were collected through purposive sampling. The study utilizes a fixed effects model for panel data regression on an unbalanced panel revealing that liquidity and firm size have a significant impact on ERMD. Liquidity has a negative impact, while firm size has a positive impact. Factors such as profitability, leverage, public ownership, and institutional ownership do not have a large impact on ERMD. The results of this study help explain how liquidity and firm size affect risk management disclosure in the Indonesian insurance industry. Investors should choose companies that are large in size and have relatively low liquidity due to their strong risk management disclosures.

Keywords: ERMD, Financial Performance, Ownership Structure, Company Size.