

Risk disclosure and corporate governance characteristics

ABSTRACT

This study examined the degree of disclosure of risk information disclosed by companies established in Malaysia. Additionally, this study sought to identify the governance attributes that influenced the practice of risk disclosure among the selected companies in Malaysia. Secondary data gathered from Bursa Malaysia for a range of 10 years (2008-2017) were analysed. Among the governance aspects studied refer to independence of board, board size, independence of auditor, and independence of audit committee (AC). In order to assess the degree of information disclosure, the content analysis approach was adopted. This study applied the descriptive statistical method and fixed effect analysis to measure the degree of information disclosure, as well as to elaborate the interrelationship between disclosure practice in Malaysia and governance attributes. A total of 167 companies were assessed to unravel the degree of information disclosure within the context of Malaysia. Agency and signalling theories were adopted in this study to elucidate the company disclosure practice.