Abstract

In the current corporate context, information on corporate risks plays an essential role in the decision-making process and in an adequate assessment of different organizations. The current study examines the main risks disclosed by the largest Spanish companies and analyses the factors underlying this disclosure, particularly those linked to corporate governance. The content analysis performed shows that Spanish companies reveal relatively little information on risks. Their disclosure mainly focuses on the divulgation of the basic characteristics of the financial risks involved. Likewise, the results obtained emphasize the complexity of the voluntary revelation of risks. While an extended management board might improve the provision of more detailed information about the risks required by the current regulation, it tends to adopt a conservative policy of reporting concerning the voluntary disclosure. Moreover, we show the relevance of transparency as a deterrent for providing voluntary information by larger companies, due to the concerns about negative strategic repercussions.

Keywords
Corporate disclosure, Financial risks, Corporate risks, Voluntary disclosure.