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EFFECT OF RISK MANAGEMENT COMMITTEE ATTRIBUTES ON RISK DISCLOSURE OF LISTED FINANCIAL SERVICE FIRMS IN NIGERIA

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ABSTRACT

Risk disclosure has emerged as a source of worry to many stakeholders in the business world due to the increased volatility and the uncertain nature of today's business environment. Despite the importance of risk disclosure to investors and other stakeholders' decision-making processes, there have been several reports on the low level of risk disclosure by financial institutions in Nigeria. In line with this, this study examined the effect of risk management committee attributes and risk disclosure of listed financial service firms in Nigeria. Risk management committee attributes were proxied by Risk Management Committee Size, Risk Management Committee Meetings, and Risk Management Committee Expertise and risk management committee industry experience while firm size is used as control variable, risk disclosure which is the dependent variable was measured using IFRS 7 disclosure index. The study used the correlational research design with a population of forty-four (44) listed financial services firms on the Nigerian Exchange Group (NGX). The study used an adjusted population of forty (40) financial service firms for the period of ten (10) year (2016-2025). The number of observation changed to 397 due to the absence of information of 3 firms for 3 years. Secondary data were extracted and analysed using robust fixed effect regression technique. The regression results showed that risk management committee expertise has a significant positive effect on risk disclosure of listed financial service firms in Nigeria. Furthermore, the regression results revealed that risk management committee industry experience has a significant positive effect on risk disclosure of listed financial service firms in Nigeria. Based on the conclusions, the study recommends that the management of listed financial service in Nigeria should increase the number of expert directors and also increase the number of directors with industry experience on their risk management committee because directors with financial expertise and industry experience are in a better position to evaluate potential impact of risk and monitor management in disclosing risk information

Keywords: *Risk management Committee attributes; Risk Disclosure and listed financial service firms*

1.0 INTRODUCTION

Risk disclosure has become a critical aspect of corporate governance in today's global economy, where stakeholders demand transparency and accountability from organisations. Effective risk management ensures that firms can identify, assess, and mitigate potential risks that may affect their operations, financial stability, and long-term sustainability. Disclosing these risk management practices is essential to gain the confidence of shareholders and other interest groups of the organisation. In the process of carrying out their operations, organisations are often exposed to various risks such as credit risk, liquidity risk, currency risk, market risk, operational risk among other forms of business risks which may affect their performance and, in some cases, result to the collapse of organisations (Marta, 2021). As a result, there has been increase pressure for risk disclosure by stakeholders to enable them make well informed decisions regarding their interest in organisations.

Furthermore, the importance of risk disclosure has gained attention globally in recent years due to the increase cases of corporate failure, most especially within the financial institutions. For example, the cases of Silicon Valley Bank, Credit Suisse, Signature Bank, First Republic Bank etc. (Thompson, 2023). According to Power (2023), the recent failures of the financial institutions in Europe and America has put the global financial system in turmoil. Even with the several measures put in place regarding risk disclosure by government and financial agencies of those regions to

cushion the effect on creditors and other stakeholders, fears about the risk practices of the global financial institutions continue to rise among key players (Karim, 2024).

Additionally, the International Monetary Fund (IMF) Report (2025) argue that the issue of corporate failures resulting from global financial crisis have become severe because it is related to financial institutions which are the main pillars in capital market stability. Serving as financial intermediaries for mortgage, government securities, corporate debt, equity markets, and derivatives among others. Relatively, several large listed financial services such as Sky bank PLC, Diamond bank among others worldwide no longer exist or have been taken over precisely because they neglected the basic rules of risk disclosure and control. Afterwards, the financial reliability, stability and profitability of a business solely depend on the process and practice of its Corporate Governance, and with effective Corporate Governance in operation, it is expected that the long-term value of stakeholders will be enhanced (Cohen *et al.*, 2002).

Disclosure of accounting information in the financial statement is however categorised as either mandatory or voluntary (Sejjaka, 2004). Mandatory disclosure is required by law, whereas voluntary disclosure is at the discretion of management. Therefore, Risk management disclosure falls under Mandatory disclosure as required by IFRS 7: Financial Instruments Disclosure. Risk disclosure is fully explained in Paragraph 34-41 of Check list for Disclosure Requirements of IFRS 7 for Risk disclosure.

In Nigeria, the importance of risk disclosure has gained attraction in recent years due to the dynamic nature of the country's business environment that keeps changing rapidly. As a developing economy, Nigeria faces unique risks, including political instability, fluctuation in oil prices, exchange rate volatility, infrastructural deficiencies, and regulatory uncertainties. These factors make it imperative for companies to adopt robust risk management frameworks and to communicate these efforts transparently to their stakeholders (Abbas *et al.*, 2023). However, corporate entities often choose not to disclosure their risk management practices so as to conceal the true state of the company from investors and other stakeholders to continue to gain the confidence of the shareholders (Bello *et al.*, 2019). This point out to the reason why firms will be given a clean report by the auditors and suddenly collapse, as was the case of Skye Bank Plc in 2018.

Additionally, the challenges of weak risk disclosure by firms in the country were further amplified by corporate collapses such as Diamond Bank Plc in 2019, Heritage Bank in 2024 etc. In response, regulatory bodies like the Central Bank of Nigeria (CBN), the Nigerian Exchange Group (NGX), the Securities and Exchange Commission (SEC), and the Financial Reporting Council of Nigeria (FRC) introduced frameworks and guidelines to enhance risk management and its disclosure. For instance, the 2018 Nigerian Code of Corporate Governance emphasizes the importance of risk oversight and disclosure as a key principle for listed companies (KPMG, 2019).

Past studies in this field have shown that the risk disclosure of firms can be affected by factors such as corporate board attributes, firm attributes, risk management committee attributes among others (Akpan & David, 2022; Musa & Tahir, 2024; Wada *et al.*, 2023). Wada *et al.* (2023) argue that risk management committees have significant effect on the risk disclosure of corporate entities. This is because risk management committees are control mechanisms put in place in order to reduce agency problem and associated cost so as to safeguard the shareholders' wealth and improve risk disclosure. Also most of the variables used to represent risk management committee attributes are risk management committee are: size, number of meetings, gender diversity, independence, expertise among others but very few studies looked at risk management committee industry experience. Hence, this study will examine the effect of risk management committee attributes such as risk management committee size, risk management committee expertise, risk management committee meetings, and risk management committee industry experience on risk disclosure practices of the listed financial service firms in Nigeria. This study will focus on these risk management committee attributes because the presence of risk management committee attributes in firm ensures effective management system, risk control and standard compliance in order to ensure transparent risk disclosure by firms (Adepoju, 2020).

2.0 LITERATURE REVIEW

This segment of the study, cover the conceptual review, empirical review and theoretical review of the study.

2.1 Risk Disclosure

Risk disclosure refers to the process by which organizations communicate information about their risk management practices, policies, and exposures to stakeholders (Elzahar & Hussainey, 2009). This disclosure aims to provide transparency regarding the organization's approach to identifying, assessing, and mitigating risks that could impact its objectives and performance (Malahim, 2023). According to the International Financial Reporting Standard IFRS 7, titled Financial Instruments: Disclosures (IFRS 7), entities are required to provide disclosures about the significance of financial instruments for their financial position and performance, as well as the nature and extent of risks arising from those financial instruments (Yamani *et al.*, 2021). Risk disclosure is the process through which organisations communicate their risk management strategies, practices to their stakeholders which is meant to ensure transparency, accountability and informed decision making by providing the nature and extent of risk the firm is exposed to (Mbithi *et al.*, 2020). Similarly, Jain and Raithatha (2021) posited that it is the process through which companies publicly share detailed information about their risk management policies, strategies and practices with their stakeholders for decision making. It is a corner stone of accounting and investment practice as it helps investors to estimate firm performance, manage uncertainty and risk profile.

2.2 Risk Management Committee

Risk management committee is an autonomous board of directors committee as its primary and exclusive role, is responsible for the risk management policies of the global operations of the company, and oversees the implementation of the global risk management system of the organization (Fali, *et al.*, 2020). The committee helps the board of directors in carrying out its regulatory duties regarding the corporation's risk tolerance and the risk control and enforcement process and the governance system that governs it (Karim, 2024). Risk management committee is responsible for reviewing, tracking and assessing the principles, practices, procedures, system and regulation of risk management which is expected to provide a wider risk management framework. According Musa and Tahir (2024), Risk management committee is a committee that focuses on risk issues that occur in the company which is considered capable of supporting the board in overseeing risk management and internal control.

2.2.1 Risk Management Committee size

Risk management committee size is the total number of individuals that make up the committee. The success of a committee is often attributed to the resources available, which is the number of members in the committee (Omotoye, *et al.*, 2021). the size of the risk committee is used as an indicator of an entity's readiness to contribute to the disclosure of risk management information (Lamidi *et al.*, 2022). Agency theory claims that increasing the size of risk management committee will provide additional knowledge and expertise that will strengthen the risk management oversight process and ensure that the committee provide all the relevant risk management information for decision making (Alqatamin *et al.*, 2024).

2.2.2 Risk Management Committee Meetings

Risk management committee meeting is the number of times the members of the committee converge to discuss issues relating to risk management of the organization (Karim, 2023). Various issues affecting the organization are raised and discussed in a meeting and the number of meetings signal the possibility of formulation and implementation of policies and strategies of improving the company's risk control measures (Lamidi, *et al.*, 2022). The frequency of meetings makes members to be active and committed to the course of the committee which enhance the value of the organization (Aliyu, *et al.*, 2021). Meeting provides the platform and opportunity for risk management committee members to discuss pertinent risks related issues with a view to finding lasting solution (Bello *et al.*,

2018). Taluka et. el.al, (2022) Asserts that meetings help in dealing with the daily management, increase the opportunities to discuss and advice for the problem also come up with solutions. Abubakar, *et al.*, (2023) states that busy directors are more inclined to hold meetings and have better incentives to benefit from each meeting so that they can be successful in informing and controlling the organizations.

2.2.3 Risk Management Committee Expertise

Risk management committee expertise refers members of the committee that have acquired special or additional skill and advanced academic knowledge like accounting or financial skills (Musa & Tahir, 2024). Risk management committee members with the needed experience plays a vital role in strengthening risk management, as well as lowering risk severity, improving risk disclosure, decreasing likelihood of failure by listed firms (Hassan *et al.*, 2022). Abbas *et al.* (2023) opined that risk management committee expertise refers to the experience, financial literacy, professional knowledge and the exposure that members in risk management committee possess.

2.2.4 Risk Management Committee Industry Experience

Risk management committee industry experience refers to the extent to which members of the risk management committee possess prior professional experience in the financial service industry such as banks, insurance and other financial institutions (Toa & Hutchinson , 2013). Risk management committee industry experience can be seen as a measure indicating whether at least one independent director on the risk management committee has experience in the financial service firms (Ellul & yerramilli, 2013). Risk management committee industry experience can be seen as the practical knowledge gained from working in an industry that enables committee members to identify, assess and monitor risk more effectively (Pellerin & Schuermann, 2021).

2.3 Theoretical Review

Many theories have been used to underpin the study of risk committee and firm performance. However, this study was underpinned using the agency theory.

2.3.1 Agency Theory

Agency theory was brought forth by Jensen and Meckling (1976) they argued that an agency relationship applied where individual(s), the principal, enters into a contract with another individual(s), the agent to carry out some functions that includes decision making. In company set up, managers act as the agents of the company owned by shareholders who are the principal delegating duties or discharging their responsibility to a third party (Abubakar, et al., 2021). Due to the different interests of the parties that make up a company, agency costs may arise. In case of abnormal activities shareholders employ monitoring tools at their own cost to inhibit further deterioration which on the other side managers have incurred bonding cost to convince the principals that no harm that would emerge owing to their activities and decisions (Fali, et al., 2020). According to Omotoye et al., (2021) board committees such as risk management committee are mechanisms put in place by the owners of the organization to monitor the behavior of the managements of their organization in order to protect their interest and ensure corporate performance.

3.0 METHODOLOGY

The study used the correlational research design. The study employed the census population method with a secondary data collected from the audited annual reports of listed financial service firms in Nigeria from the period of 2016-2025.The number of the listed firms at 31-12-2025 was 44 firms, This study used one filtration criterion to reduce the population to 40 adjusted population. The criterion is that the study filters out any firm without information needed for the measurement of either any of the independent variables, and/or the dependent variable of interest. Also among the 40 firms 3 did not have information needed for one year each making the number observation to be 397. The study employed the use of robust fixed effect regression analysis technique in running the analysis of the data collected to test the hypotheses of the study.

3.1 Variable Measurement

The variables used in this study and their measurements are presented in Table 3.1 as thus:

Table 3.1: Variable Measurement

Variable	Acronym	Measurement	Sources
Risk Disclosure	RIDI	Measured using a dichotomous variable of 1 if an item is disclosed and 0 if otherwise, then the sum of the actual items disclosed will be divided by the sum of the expected disclosable items on the checklist for each annual report of the firms under examination.	Karim et al. (2023); Putsai and Mkhize (2021)
Risk Management committee Size	RMCS	Measured as the total number of members on the risk management committee	Omotoye, et al., (2021)
Risk management committee meeting	RMCM	Measured as the number of meetings held by risk management committee members within a year	Aliyu, et al., (2021)
Risk management committee expertise	RMCE	Measured as the proportion of risk management committee members with financial and professional certificates (i.e., ICAN, ANAN, ACCA etc.).	Lamidi et al., (2021)
Risk management committee industry experience	RMCIE	Measured as the proportion of risk management committee members who possess at least ten years in the industry to the total number of RMC	Toa & Hutchinson (2013)
Firm size	FSIZE	Log of total assets of the banks	Abdullahi,et al.,(2023)

Source: Researcher's Compilation from the Literatures Reviewed (2026)

3.2 Model Specification

The model specification of the study is presented below as follows:

RD= *f*(Risk management committee).

$RD_{it} = \beta_0 + \beta_1 RMCS_{it} + \beta_2 RMCM_{it} + \beta_3 RMCE_{it} + \beta_{4RMCIE} + \beta_5 FSIZE_{it} + £_{it}$

Where:

RD = Risk Disclosure

RMCS = Risk Management Committee Size

RMCM = Risk Management Committee Meetings

RMCE = Risk Management Committee Expertise

RMCIE= Risk Management Committee Industry Experience

FSIZE = Firm Size

β_0 = Constant

$\beta_1 – \beta_5$ = coefficient of the variables of interest and the control variable

it = panel indicator.

4.0 RESULT PRESENTATION AND DISCUSSION

This section of the study covers the result obtained from the data extracted and analyzed. It starts with the descriptive statistics, correlation matrix, variance inflation factor (VIF) and the regression result.

4.1 Descriptive Statistics

The descriptive statistics explains the nature of the data used to represent the independent and the dependent variables used in the study. Starting with the mean, standard deviation, minimum and maximum values.

Table 4.1: Descriptive Statistics

Variable	Obs	Mean	Std.Dev	Min	Max
RD	397	0.6110	0.9675	0.3694	0.7873
RMCS	397	5.2393	1.5893	2	8
RMCM	397	3.9219	0.9674	1	12
RMCE	397	0.3089	0.1439	0.125	0.75
RMCIE	397	0.4488	0.0518	0.375	.5

Source: *Researcher's Computation from Stata Output, (2026)*

From Table 4.1 risk disclosure which is proxied by (IFRS 7) has a mean value of 0.6110 and a standard deviation of 0.9675. This means that on average the risk disclosure of the listed financial service firms in Nigeria stood at 61.10% with a fluctuation of 96.75% which signifies a low deviation from the mean value of risk disclosure. The minimum and maximum value stood at 0.3694 and 0.7873 respectively which shows that the minimum risk disclosure of the listed financial service firms in Nigeria within the period of the study stood at 36.94% and a maximum return of 78.73%.

Furthermore, table 4.1 shows that risk management committee size has a mean value of 5.2393 with a standard deviation of 1.5893. This suggest that on average the risk management committee size of the listed financial service firms is approximately 5 members, with a deviation of approximately 2 members which further means that there is a low variation from the mean value of RMCS of the listed deposit money banks in Nigeria within the period. Also, the minimum and maximum values of RMCS stood at 2 and 8 respectively which shows that the least size of the risk management committee of listed financial service firms in Nigeria stood at 2 members with a maximum of 8 members.

Similarly, the descriptive statistics shows that risk management committee meetings has a mean value of 3.922 and standard deviation of 0.967. This suggests that on average the listed financial service firms in Nigeria have meetings four (4) times per annum. The standard deviation of 0.967 shows a low variation from the mean value of 3.922. This low variation indicates that while some of the firms have very low RMCM, some have very high number of meetings as shown by the minimum and maximum values of 1.000 and 12.000 respectively.

Also, Table 4.1, shows that risk management committee expertise (RMCE) has a mean value of 0.309 and a standard deviation of 0.144. This reveals that on average 30.9% of the directors on the risk management committee of the listed financial service firms in Nigeria have an accounting qualification. Having accounting expertise on the committee may encourage the compliance with the various IFRS. Also, the standard deviation of 0.144 shows a low variation from the mean value of 0.309. This low deviation shows that while some firms have low number of directors with financial expertise on their RMC, some have very high percentage of financial expertise on their RMC as reveal by the minimum and maximum value of 0.125 and 0.750 respectively.

Finally, the descriptive statistics in respect to risk management industry experience (RMCIE) shows a mean value of 0.4488 and standard deviation of 0.0518. This means that on average listed financial service firms have 44.88% of its risk management committee members with industry experience with variation among them of 5.18% indicating a low variation among the listed financial service firms within the period covered by the study. Also the minimum and maximum values of

RMCIE are 0.375 and 0.5 respectively, this means that at least RMCIE is 37.5% and highest RMCIE is 50%.

4.2 Correlation Matrix

The correlation matrix explains the relationship between the independent variables and the dependent variables and the relationship between the independent variables themselves.

Table 4.2: Correlation Matrix of Dependent and Independent Variables

Variable	RD	RMCS	RMCM	RMCE	RMCIE	FSIZE
RD	1.000					
RMCS	0.1327	1.000				
RMCM	0.1882	0.1283	1.000			
RMCE	0.1069	-0.3603	0.1479	1.000		
RMCIE	0.0116	0.1283	0.0437	-0.1170	1.000	
FSIZE	0.3332	0.3701	0.3742	0.1487	0.0546	1.000

Source: *Researcher's Computation from Stata Output, (2026)*

The correlation table shows that risk disclosure has a positive relationship with risk management committee size and risk management committee meetings, risk committee management expertise and risk management committee industry experience has positive relationship with risk disclosure of the listed financial service firms in Nigeria. This means that the independent variables move in the same direction with the dependent variable. Also, it confirm from the correlation matrix that there is no presence of multi-collinearity between the variables used in the study as the coefficient of all the variables are below the threshold of 80% as stated by Gujarati, (2004). VIF was also conducted to further confirm the presence of multi-collinearity among the variables.

4.3 Multi-collinearity test

Multi-collinearity test was conducted to detect the presence of high inter-correlation between two or more independent variables used in the study, which may affect the validity of the result to be interpreted for the study.

Table 4.3: Variance Inflation Factor and Tolerance Value

Variable	VIF	1/VIF
RMCS	1.49	0.669
RMCM	1.20	0.833
RMCE	1.33	0.754
RMCIE	1.02	0.976
FSIZ	1.40	0.715
Mean	1.29	

Source: *Researcher's Computation from Stata Output, (2026)*

From Table 4.3, the tolerance and VIF were used as an advance measure to confirm the possible presence of multi-collinearity among the independent variables of the study, it was shown there is no multi-collinearity with the tolerance value and VIF concurrently below 1 and 10 respectively which signifies no presence of multi-collinearity among the variables (Gujarati, 2004).

4.4 Diagnostic Test

To select the appropriate model for the study carried out a number of test which include the multi-collinearity test using the VIF to find out if there is multi-collinearity among the variables,

hausman specification test to choose between fixed effect and random effect model which was significant and favours the use of fixed effect model as shown in the result presented in the Appendix, but due to the presence of heteroscadasticity,a robust fixed effect was favoured as shown in the result presented in the appendix. Thus, the study reported the robust fixed effect regression result.

4.5 Presentation of Result

The summary of the regression result is presented in the Table below as follows:

Table 4.4: Summary of Robust Fixed effect Result

Variable	Coef	Std Error	t-value	p>value
RMCS	0.0095	0.0088	1.08	0.287
RMCM	0.0094	0.0106	0.89	0.378
RMCE	0.2094	0.0915	2.29	0.027**
RMCIE	0.2610	0.0864	3.02	0.004***
FSIZE	0.0776	0.0946	2.64	0.012**
Cons	-0.5160	0.2827	-1.83	0.076
Prob > value	0.0000		Obs	397
R-Square	0.6228		F(5, 39)	12.44

Source: *Researcher's Computation from Stata Output, (2026)*

****p>0.01, **p>0.05*

From Table 4.4 the R-Square reflect a value of 0.6228 otherwise 62.28% this means the risk management committee attributes incorporated in the model of the study such as: risk management committee size, risk management committee meetings, risk management committee expertise and risk management committee industry experience explain the changes in risk disclosure of listed financial service firms in Nigeria by 62.28% while the remaining 37.72% which is explain by other factors not included in the model of the study. More so, F-statistic of 12.44 with an associated p>value of 0.000 which is less than 0.5 shows that the model is fit for the study and that the relationship among the variables do not happen by chance.

RD = -0.5160 + 0.0095RMCS + 0.0094RMCM + 0.2094RMCE+ 0.2610RMCIE + 0.0776FSIZE

The regression result show that risk management committee size has a coefficient of 0.0095, a t value of 1.08 and a p-value of 0.287 which is positive but not significant. This implies that RMCS has no effect on the risk disclosure of listed financial service firms in Nigeria. This essentially could be due to the fact that the size of the risk management committees within the firms are very large that could result to conflict of interest and delay in decision making. The finding contradicts Agency theory which predicts that governance mechanism such as risk committee members align agent behavior with principal interest. The theory also states that having an effective risk management committee in a firm not only helps board of directors, but it also helps to limit the agency problems in the organisation. Therefore, on the basis of this result, the study fails to reject the first null hypothesis which assumed that risk management committee size has no significant effect on risk disclosure of listed financial service firms in Nigeria. The finding contradicts the prior studies of Bello *et al.* (2018) and Karim (2024), who found that risk management committee size has positive and significant effect on risk disclosure. However, the finding is in line with the study of Musa and Tahir (2024), Abidemi *et al.* (2024) and Akpan and David (2022), who found that risk management committee size has no significant effect on risk disclosure.

Similarly, the regression revealed that risk management committee meeting has a coefficient of 0.0094, a t-value of 0.89 and p-value of 0.378 which is positive but not significant . This means that RMCM has no significant effect on the risk disclosure of listed financial service firms in Nigeria.

Although frequency meetings could enhance monitoring and discussion of risk issues potentially encouraging disclosure. However, the likely reasons for the non-significant effect could be due to the fact that the meetings held may be routine and lack depth or focus more on compliance rather than improving disclosure (Lamidi *et al.*, 2022). This result contradicts the agency theory which states that board activities such as the board risk management committee meetings reduces the information gap between agents and principals. On the basis of this result, the study fails to reject the second null hypothesis which assumes that risk management committee meeting has no significant effect on risk disclosure of listed financial service firms in Nigeria. The finding contradicts the studies of Ahmed et al (2021) and Sani and Hashim (2024)who found that risk management committee meetings affect risk disclosure. Whereas, it supports the findings of El-Deed et al (2024) and jia *et al.* (2019) who established that risk management committee meeting has no significant effect on risk disclosure.

Table 4.4 shows that risk management committee expertise (RMCE) has a coefficient of 0.2094, t-value of 2.29 and a p-value of 0.027 which is positive and significant. This implies that RMCE has significant effect on the risk disclosure of listed financial service firms in Nigeria. This could be due to the fact that directors with financial expertise are better equipped to understand and encourage transparent disclosure because they have additional financial qualification that will enable them to disclose more information in relation to risk disclosure. The finding supports the agency theory which predicts that governance mechanism such as risk management committee expertise align agent behavior with principal interest. The theory also states that having a knowledgeable risk management committee in a firm not only helps board of directors, but it also helps to limit the agency problems in the organisation. In line with this result, the study reject the third null hypothesis which states that risk management committee expertise has no significant effect on risk disclosure of listed financial service firms in Nigeria. The finding support the studies of Abubakar el.al (2018), Nkuutu et al (2020) and Abbas et al (2023) who found that risk management committee expertise affect corporate risk disclosure. Whereas, it contradict the findings of Fasihi and Barshad (2023) and Kakanda and Chandren (2017) who established that risk management committee expertise has no a significant effect on risk disclosure.

In addition, Table 4.4 shows that risk management committee industry experience has a coefficient of 0.2610, a t-value of 3.02 and a p-value of 0.004 which is significant. This shows that risk management committee industry experience has significant effect on risk disclosure of listed financial service firms in Nigeria. This could be as a result of the fact that risk management committee with extensive experience in the financial service industry are more familiar with risk peculiar to banking, insurance and other financial institutions. Therefore, the study the reject the fourth hypothesis which states that risk management committee industry experience has no significant effect on risk disclosure of listed financial service firms in Nigeria. This findings is in line with the works of Toa & Hutchinson (2013) and contradict the work of Ellul & yerramilli, (2013).

Finally, Table 4.4 indicates that firm size which is a control variable has a coefficient of 0.0776 . t- value of 2.64 and p-value of 0.012 which is significant. This shows that firm size has significant effect on risk disclosure of listed financial service firms in Nigeria. This could be as a result of the fact that larger financial firms usually have more branches, products, customers and transactions, also their operations expose them to more types of risk such as liquidity, market and credit risk, thereby making them to have more risk information to disclose.

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