



**DEPARTMENT OF ACCOUNTING  
FACULTY OF ECONOMICS AND BUSINESS  
ANDALAS UNIVERSITY**

**THESIS**

**THE EFFECT OF ARTIFICIAL INTELLIGENCE DISCLOSURE ON  
FINANCIAL PERFORMANCE**

**(Empirical Study on Banking Industries Listed on The Indonesia Stock  
Exchange in 2020-2022)**

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## ABSTRACT

This study examines the impact of Artificial Intelligence (AI) disclosure on the financial performance of Indonesian banks, utilizing data from 135 annual reports of 45 banks listed on the Indonesia Stock Exchange from 2020 to 2022. AI disclosure is categorized into three groups: Digital awareness, transformation, and capabilities; AI application, product, service, and process; AI information challenges and cyber security threats. The frequency of AI-related terms in annual reports is used to construct an AI disclosure index. Multiple linear regression analysis reveals a consistent increase in AI-related disclosure since 2020. Digital awareness, transformation, and capabilities show no significant effect on Return on Assets (ROA), Price-Earnings Ratio (PER), and total operating expenses. Conversely, AI application, product, service, and process positively affect total operating expenses but not ROA and PER. AI information challenges and cybersecurity threats positively affect ROA and total operating expenses but negatively affect PER.

**Keywords:** artificial intelligence; artificial intelligence disclosure; voluntary disclosure; digital awareness, transformation, and capabilities; AI application, product, service, and process; AI information challenges and cyber security threats; financial performance; banking industries