

**VALUE RELEVANCE OF SUSTAINABILITY REPORTING IN THE NIGERIA
BANKING SECTOR**

BY

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**A RESEARCH PROJECT SUBMITTED TO THE DEPARTMENT OF
ACCOUNTING, FACULTY OF MANAGEMENT SCIENCES, IN PARTIAL
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NOVEMBER, 2025

DECLARATION

I BENSON IFEOMA GIFT declares that,

- i. This study is based on a study undertaken by me in the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, under the supervision of Prof. Eyesan Leslie Dabor of the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, Nigeria.
- ii. This work has not been submitted for the award of degree elsewhere
- iii. Ideas and views are product of my personal research and where the view of others has been expressed, they have been duly acknowledged
- iv. Any liability arising from this work is to be wholly borne by me alone

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CERTIFICATION

We, the undersigned hereby certify that this research project work was carried out by BENSON IFEOMA GIFT with matriculation number MGS2104520 in the Department of Accounting, Faculty of Management Sciences, University of Benin, Benin City, Nigeria and do approve that it is adequate in scope and quality in partial fulfilment of the requirement for the award of Bachelor of Science degree in Accounting.

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DEDICATION

This project is dedicated to God and my beloved parents for their love, prayers and sacrifices which have been the foundation of my success.

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I am indeed Grateful to God Almighty for his wisdom, love, grace and strength that have been able to complete the project with dedication and perseverance. I would like to thank my supervisor Prof. Eyesan Leslie Dabor for his unwavering support, invaluable guidance and insightful expertise throughout this project. Your dedication has significantly contributed to the success of my work.

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TABLE OF CONTENTS

COVER PAGE	i
TITLE PAGE	ii
DECLARATION	iii
CERTIFICATION	iv
ACKNOWLEDGEMENTS	vi
LIST OF TABLES	x
ABSTRACT	xi
CHAPTER ONE: INTRODUCTION	
1.1 Background to the Study	1
1.2 Statement of the Problem	5
1.3 Research Questions	7
1.4 Objectives of the Study	7
1.5 Research Hypotheses	8
1.6 Significance of the study	8
1.7 Scope of the study	9
1.8 Limitations of the Study	10
CHAPTER TWO: LITERATURE REVIEW	
2.1 Introduction	11
2.2 Conceptual Review	11
2.2.1 Sustainability Reporting	12

2.2.2 Value Relevance in accounting and finance	16
2.3 Theoretical Review	18
2.3.1 Stakeholder Theory	19
2.3.2 Signaling Theory	19
2.3.4 Legitimacy Theory	20
2.3.5 Decision Usefulness Theory	21
2.4 Empirical Review	21
2.4.1 Environmental disclosure and Sustainability Reporting	22
2.4.2 Economic disclosure and Sustainability Reporting	24
2.4.3 Social and Sustainability Reporting	25
2.4.4 Governance and Sustainability Reporting	28
2.4.5 Sustainability Reporting	29
2.5 Summary Of The Literature Review	30
2.6 Research Gap	31
CHAPTER THREE: RESEARCH METHODOLOGY	
3.1 Introduction	33
3.2 Research Design	33
3.2 Population Of The Study	33
3.3 Sample and Sampling Technique	34
3.4 Sources Of Data	34
3.6 Model Specification	35

3.7 Method Of Data Analysis	36
CHAPTER FOUR: DATA PRESENTATION AND ANALYSIS	
4.0 Introduction	39
4.1 Descriptive Statistics	40
4.3 Correlation Analysis	43
4.3 Diagnostic Tests	46
4.4 Test of Hypotheses	47
4.5 Discussion of Findings	53
CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSION, AND	
RECOMMENDATIONS	59
5.1 Introduction	59
5.2 Summary of Findings	59
5.3 Conclusion	61
5.4 Recommendations	61
5.5 Contribution to Knowledge	62
5.6 Suggestions for Further Studies	62
REFERENCES	64
APPENDICES	74

LIST OF TABLES

Table 4.1: Descriptive Statistics of Variables	39
Table 4.2: Correlation Matrix	42
Table 4.3: Summary of Diagnostic Test Results (Multicollinearity, Heteroskedasticity, Normality, Autocorrelation Tests)	44
Table 4.4.1: Model Summary (R, R ² , Adjusted R ² , Std. Error, Durbin–Watson)	46
Table 4.4.2: ANOVA Table (Regression, Residual, Total, F-statistic, Significance)	47
Table 4.4.3: Coefficients Table (B, Std. Error, Beta, t-value, Significance for BVPS, EPS, SR_index, SIZE, LEV, ROA)	47

ABSTRACT

This study investigated the value relevance of sustainability reporting in the Nigerian banking sector, focusing on whether Environmental, Economic, Social, and Governance (EESG) disclosures influence the share prices of listed commercial banks. The main objective was to determine if sustainability information affects market valuation and investor decision-making in an emerging economy context. Specifically, the research examined the effects of environmental, economic, social, and governance disclosures on the share price of listed banks in Nigeria.

The study adopted an ex-post facto research design and applied the Ohlson (1995) Price Model as the analytical framework. Secondary data were obtained from the published annual reports and sustainability disclosures of eight listed banks over a five-year period (2019–2024), producing 56 firm-year observations. The variables analyzed included Book Value per Share (BVPS), Earnings per Share (EPS), Sustainability Reporting Index (SR), Firm Size (SIZE), Leverage (LEV), and Return on Assets (ROA). Descriptive statistics, correlation analysis, and multiple regression techniques were employed, with diagnostic tests (VIF, Breusch–Pagan, Jarque–Bera, and Durbin–Watson) used to confirm model validity.

The findings revealed that Book Value per Share (BVPS) has a strong positive and statistically significant effect on share price, indicating that investors rely heavily on tangible asset strength in valuing banks. Conversely, Earnings per Share (EPS), Sustainability Reporting Index (SR), Firm Size (SIZE), Leverage (LEV), and Return on Assets (ROA) showed statistically insignificant relationships with share price. This implies that while Nigerian banks increasingly disclose EESG information, such sustainability reporting has not yet attained meaningful value relevance in market valuation due to limited investor responsiveness, weak regulatory enforcement, and low sustainability awareness.

The study concludes that sustainability reporting in Nigeria's banking sector remains at a developmental stage and has not become a major determinant of investor decisions. It recommends that regulators such as the Central Bank of Nigeria (CBN) and the Nigerian Exchange Group (NGX) strengthen disclosure standards and enforcement mechanisms. Banks are encouraged to enhance the quality and credibility of their sustainability reports, while investors should be educated on the financial implications of EESG information. These measures would improve transparency, comparability, and the overall value relevance of sustainability reporting within the Nigerian financial market.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

In recent years, sustainability reporting has emerged as a vital component of corporate governance and accountability, particularly within the banking sector. Globally, financial institutions are increasingly recognizing the importance of integrating environmental, social, and governance (ESG) considerations into their operations and disclosures to meet stakeholder expectations and regulatory requirements. Sustainability reporting has increasingly become a cornerstone of corporate transparency and strategic communication worldwide. Traditionally, financial reporting focused primarily on economic performance, but the global financial crisis of 2008, combined with the growing awareness of climate change, social inequality, and ethical governance, has led to a broader understanding of corporate value. Investors and stakeholders now seek more comprehensive disclosures that include environmental, social, and governance (ESG) information (Eccles & Krzus, 2018; Clark et al., 2015). This shift reflects a growing consensus that sustainability performance is not only a matter of corporate responsibility but also a determinant of long-term financial health and firm valuation (Ioannou & Serafeim, 2015).

The banking sector plays a pivotal role in financing sustainable development goals (SDGs),

particularly in emerging economies such as Nigeria. Banks act as financial intermediaries and influence economic sectors through lending policies, investment decisions, and risk assessments. Consequently, the integration of sustainability reporting into banking practices is essential to promote responsible finance and mitigate environmental and social risks (García-Sánchez et al.,2013).

In Nigeria, the Central Bank of Nigeria (CBN) introduced the Nigerian Sustainable Banking Principles (NSBP) in 2012, mandating banks to incorporate ESG considerations into their business strategies and reporting frameworks (CBN, 2012). This initiative aimed to align the Nigerian banking sector with global sustainability standards and promote responsible banking practices. Despite these regulatory efforts, the adoption and quality of sustainability reporting among Nigerian banks have been inconsistent (Uwuike et al., 2020; Okike & Adegbe, 2022).

While some banks have made significant strides in disclosing their sustainability practices, others have lagged, leading to questions about the effectiveness and value relevance of such disclosures (Nwaiwu & Oluka, 2018). Despite regulatory pressures and global momentum, the implementation and quality of sustainability reporting in Nigeria remain inconsistent. While some Nigerian banks have adopted Global Reporting Initiative (GRI) guidelines or other voluntary ESG frameworks, others provide minimal or symbolic disclosures (Nwaiwu & Oluka, 2018). This variability raises critical questions about whether such disclosures genuinely inform investor decisions or are merely compliance-based.

The concept of "value relevance" in this context refers to the extent to which sustainability information disclosed by firms is reflected in their market valuation, particularly stock prices, market capitalization, or earnings per share (Barth et al., 2001)

Empirical studies on the impact of sustainability reporting on financial performance in Nigeria have produced inconclusive and mixed results, reflecting the evolving nature of sustainability practices in the country. For instance, Bako et al. (2023) found a positive relationship, indicating that when banks disclose environmental, social, and governance (ESG) activities transparently, it can enhance their reputation, stakeholder trust, and operational efficiency—leading to improved financial metrics such as Return on Assets (ROA) and Economic Value Added (EVA). This suggests that sustainability practices, when effectively implemented and communicated, may contribute to long-term financial performance.

However, Okonewa (2023) and others found negligible or no significant impact, implying that despite increased disclosure, investors and stakeholders in the Nigerian market may still undervalue sustainability information. This could be due to a lack of awareness, limited enforcement of reporting standards, or skepticism about the authenticity of such disclosures. Consequently, sustainability reporting may not yet play a major role in shaping investment decisions or market performance in Nigeria. This contrast highlights a gap between the theoretical benefits of sustainability reporting and its practical impact in emerging markets like Nigeria.

Furthermore, the recent announcement by the Financial Reporting Council of Nigeria to adopt the International Sustainability Standards Board (ISSB) framework by 2028 underscores the growing importance of standardized sustainability reporting in the country (Reuters, 2024). This development presents both opportunities and challenges for Nigerian banks, as they must enhance their reporting practices to meet international standards and investor expectations. The Nigerian capital market is still characterized by low investor confidence, information asymmetry, and a focus on short-term financial returns (Okoye & Akenbor, 2023). Investors tend to prioritize earnings per share, dividends, and profitability ratios, often neglecting non-financial indicators due to limited financial literacy or skepticism about the accuracy of ESG data (Nzekwe et al., 2021). Moreover, many Nigerian firms do not undergo third-party verification of their sustainability reports, further reducing credibility and investor reliance (Ezeagba et al., 2017). This development is expected to harmonize sustainability disclosures, promote comparability, and align local practices with global standards (Reuters, 2024). However, this transition will be impactful only if sustainability information is proven to influence investor behavior and corporate valuation significantly.

Therefore, there is a pressing need to assess whether sustainability reporting has value relevance in Nigeria's banking sector. This study will analyze specific financial indicators—such as earnings per share (EPS), debt-to-equity ratio, operating cash flow, and sustainability disclosure index—and their relationship with market performance. Understanding this dynamic is crucial for enhancing transparency, promoting responsible

investment, and ensuring that sustainability reporting serves not only compliance but also strategic, decision-useful purposes.

1.2 Statement of the Problem

The integration of sustainability reporting into corporate disclosure practices has gained momentum globally, driven by increasing stakeholder demand for transparency on environmental, social, and governance (ESG) issues. In Nigeria, the Central Bank's introduction of the Nigerian Sustainable Banking Principles (NSBP) in 2012 marked a significant step towards embedding sustainability considerations into the banking sector's operations and reporting frameworks (CBN, 2012).

Despite these regulatory initiatives, the extent to which sustainability reporting influences investor behavior and firm valuation in the Nigerian banking sector remains unclear. While some studies suggest a positive relationship between sustainability disclosures and financial performance (Bako et al., 2023), others report minimal or no significant impact, indicating a potential disconnect between sustainability reporting and market valuation (Okonewa, 2023).

In the evolving landscape of corporate reporting, sustainability disclosures have become an increasingly important component of firm transparency and long-term value creation. Globally, investors, regulators, and other stakeholders are demanding more comprehensive reporting that captures not only financial performance but also environmental, social, and governance (ESG) dimensions (Eccles & Krzus, 2018). In

response to these demands, many firms, particularly in developed economies, have integrated sustainability reporting into their core disclosure strategies, leading to demonstrable value creation and enhanced market performance (Dhaliwal et al., 2011; Ioannou & Serafeim, 2015). However, the situation in emerging economies, including Nigeria, is markedly different. This ambiguity raises critical questions about the value relevance of sustainability reporting in Nigeria's banking sector. Specifically, it is uncertain whether investors perceive sustainability disclosures as material information that influences their investment decisions. Moreover, the lack of standardized reporting frameworks and varying levels of disclosure quality among banks further complicate the assessment of sustainability reporting's impact on firm valuation.

The impending adoption of the International Sustainability Standards Board (ISSB) framework by Nigeria by 2028 adds urgency to this issue (Reuters, 2024). As Nigerian banks prepare to align with international sustainability reporting standards, understanding the current value relevance of such disclosures become essential. Without empirical evidence demonstrating the impact of sustainability reporting on investor behavior and firm valuation, efforts to enhance reporting practices may not yield the intended benefits. Therefore, this study seeks to investigate the value relevance of sustainability reporting in the Nigerian banking sector. By examining the relationship between sustainability disclosures and firm valuation metrics, the research aims to provide insights into the effectiveness of current reporting practices and inform strategies to enhance transparency, accountability, and investor confidence in the sector.

1.3 Research Questions

The following research question are raised:

1. How does environmental disclosure affect the share price of listed Nigerian banks?
2. What is the effect of economic disclosure on the share price of listed Nigerian banks?
3. To what extent does social disclosure influence the share price of listed Nigerian banks?
4. How does governance disclosure impact the share price of listed Nigerian banks?

1.4 Objectives of the Study

The main objective of this study is to examine the value relevance of sustainability reporting on the share price of listed banks in Nigeria.

The specific objectives are to:

1. Ascertain the effect of environmental disclosure on the share price of listed banks in Nigeria.
2. Examine the influence of economic sustainability disclosure on the share price of listed banks in Nigeria.
3. Evaluate the relationship between social disclosure and the share price of listed banks in Nigeria.
4. Determine the impact of governance disclosure on the share price of listed banks in Nigeria

1.5 Research Hypotheses

Ho1: There is no significant relationship between environmental disclosure and the share price of listed banks in Nigeria.

Ho2: There is no significant relationship between economic disclosure and the share price of listed banks in Nigeria.

Ho3: There is no significant relationship between social disclosure and the share price of listed banks in Nigeria.

Ho4: There is no significant relationship between governance disclosure and the share price of listed banks in Nigeria.

1.6 Significance of the study

This study is crucial as it investigates the value relevance of sustainability reporting in the Nigerian banking sector, it contributes to understanding whether Environmental, Economic, Social, and Governance (EESG) disclosures influence market behavior, specifically share price. As sustainability reporting becomes a global standard, this research provides insights into its effectiveness in an emerging economy where regulatory enforcement and investor awareness may differ from more developed markets. For investors and financial analysts, the findings offer evidence-based insights into whether sustainability information should be factored into investment decisions. Policymakers and regulatory institutions such as the Central Bank of Nigeria and the

Nigerian Exchange Group may benefit from the study's outcomes in designing more effective sustainability disclosure frameworks. Corporate managers in the banking sector may also gain valuable feedback on how their sustainability practices and reporting influence their market valuation and investor perception. Academically, the study fills a gap in local literature by providing empirical analysis of sustainability reporting's market relevance, thus supporting broader global research on sustainable finance in developing economies.

1.7 Scope of the study

The scope of this study is deliberately focused on the Nigerian banking sector, encompassing banks listed on the Nigerian Stock Exchange (NSE). The research analyzes sustainability reports and annual financial disclosures published over a recent five-year period (2019–2024) to capture contemporary trends and regulatory influences. The study specifically investigates the value relevance of four dimensions of sustainability reporting: environmental, economic, social, and governance disclosures. The choice of the banking sector is motivated by its systemic importance in Nigeria's economy and its increasing engagement with sustainability issues. The study limits itself to publicly available data from listed banks, as these entities are subject to regulatory disclosure requirements, ensuring some level of consistency and comparability. By focusing on share price as the dependent variable, the study measures market reactions and investor

perceptions directly linked to sustainability information, thereby reflecting the financial materiality of such disclosures.

1.8 Limitations of the Study

The study is subject to several limitations that may affect the generalizability and interpretation of its findings. There is inconsistency in the quality and format of sustainability disclosures among Nigerian banks, which could create challenges in developing a uniform disclosure index for comparison. Since sustainability reporting is still evolving in Nigeria, the relatively short timeframe for analysis may not fully capture long-term effects on share price performance. External macroeconomic factors, such as inflation, currency devaluation, and regulatory shifts, may also influence share prices independently of sustainability reporting, making it difficult to isolate the effect of EESG disclosures. In addition, the study focuses solely on listed banks, excluding non-listed institutions and other sectors where sustainability issues may be equally significant but differently reported. The reliance on secondary data further limits control over data accuracy and completeness. Despite these constraints, the study remains relevant and provides a foundation for future research into the financial materiality of sustainability reporting in Nigeria and similar market.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter delves into the theoretical and empirical foundations pertinent to the study. It encompasses a conceptual review of sustainability reporting and its significance within the banking sector, an analysis of the dependent and independent variables, a review of relevant empirical studies, theoretical frameworks underpinning the research, and a summary highlighting identified gaps in the literature.

2.2 Conceptual Review

The Conceptual Review serves as the foundation of the study by defining and explaining the key concepts essential to understanding sustainability reporting and its value relevance in banking. Sustainability reporting refers to the disclosure of environmental, social, and governance (EESG) performance and impacts by firms (Gray, 2010). Over time, global frameworks such as the Global Reporting Initiative (GRI), IFRS Sustainability Standards (IFRS S1/S2), and the Sustainability Accounting Standards Board (SASB) have standardized the approach to these disclosures (Eccles & Krzus, 2018).

In the context of the banking sector, sustainability reporting reflects how banks manage their social and environmental responsibilities while complying with regulatory requirements. In Nigeria, frameworks such as the Central Bank of Nigeria's Sustainable

Banking Principles and the Nigerian Exchange Group's (NGX) EESG guidelines guide disclosures in the banking industry (CBN, 2020). Understanding these concepts is critical as they inform the measurement of sustainability reporting and its expected influence on market variables such as share price. Value relevance in accounting refers to the extent to which reported financial and non-financial information influences investors' decisions, reflected in market variables like share price and returns (Francis & Schipper, 1999). Sustainability disclosures, as emerging value-relevant information, can signal a firm's long-term prospects and risk profile, potentially affecting its market valuation (Eccles & Krzus, 2018). This study investigates these relationships within the Nigerian banking sector, integrating accounting and sustainability perspectives.

2.2.1 Sustainability Reporting

Sustainability Reporting (SR) refers to the practice by which organizations disclose their environmental, social, and governance (ESG) impacts, risks, and opportunities. It enables stakeholders to assess a firm's sustainability performance and accountability beyond traditional financial reporting (Global Reporting Initiative [GRI], 2021). The United Nations Sustainable Development Goals (UN SDGs) further contextualize SR by linking corporate disclosures to broader global sustainability objectives (United Nations, 2015). It encompasses both qualitative and quantitative disclosures, providing insight into how firms manage sustainability-related risks and opportunities, and how these efforts contribute to long-term value creation (Eccles & Krzus, 2018).

Global Reporting Initiative (GRI) defines SR as the disclosure of an organization's impacts on the economy, environment, and society, emphasizing transparency and stakeholder engagement. Global Reporting Initiative (GRI) is the most widely used framework for sustainability reporting worldwide. Established in 1997, GRI provides comprehensive, modular standards that cover a broad range of EESG topics. The GRI Standards are grounded in principles such as stakeholder inclusiveness, sustainability context, materiality, and completeness (GRI, 2021). The framework enables organizations to disclose information on their environmental impact, labor practices, human rights, and governance performance. GRI is designed to serve a wide range of stakeholders—including governments, civil society, and investors—by promoting organizational transparency and accountability.

The IFRS Sustainability Disclosure Standards (S1 and S2) issued by the International Sustainability Standards Board (ISSB) standardize reporting requirements to improve comparability and reliability of sustainability information across firms (IFRS Foundation, 2023).

According to the Global Reporting Initiative (GRI), sustainability reporting involves the measurement and public communication of EESG-related impacts, particularly in terms of how organizations contribute to sustainable development (GRI, 2021). It helps stakeholders—including investors, regulators, customers, and civil society—assess a company's ethical behavior, societal contributions, and environmental stewardship. Historically, sustainability reporting began as voluntary corporate social responsibility

(CSR) disclosures. In the early stages (1970s–1990s), companies disclosed social and environmental information on an ad-hoc basis, often motivated by public relations and reputational concerns rather than structured reporting (Gray, Owen, & Adams, 1996). The evolution of SR can be traced from early corporate social responsibility (CSR) initiatives, which were often philanthropic and unregulated, to modern-day integrated and standardized reports. Initially voluntary and inconsistent, sustainability reporting gained traction in the 1990s with the establishment of frameworks such as the Global Reporting Initiative (GRI). As stakeholders, particularly investors, began demanding more transparency on EESG issues, many organizations moved from narrative CSR disclosures to measurable, comparable, and auditable EESG data.

With increasing global awareness of climate change, social inequality, and corporate accountability, the demand for consistent and comparable EESG disclosures grew. The 2000s witnessed the emergence of standardized frameworks, such as the Global Reporting Initiative (GRI), which provided formalized guidance on sustainability disclosures. Over time, other frameworks like the Sustainability Accounting Standards Board (SASB), Task Force on Climate-related Financial Disclosures (TCFD), and Integrated Reporting Framework (IIRC) emerged, each targeting different aspects of EESG reporting (Eccles & Saltzman, 2011).

Today, SR has shifted from being a reputational tool to becoming a strategic instrument for stakeholder engagement, risk management, and value enhancement. For instance, studies have shown that firms with comprehensive sustainability disclosures often enjoy

better access to capital, improved customer loyalty, and greater operational efficiencies (Clark, Feiner, & Viehs, 2015). This change is more prominent in sectors like banking, where the societal impact of corporate activities is deeply scrutinized. Furthermore, regulatory and institutional developments, such as the launch of the IFRS Sustainability Standards (S1 and S2) by the ISSB in 2023, mark a global shift toward making sustainability reporting as credible and essential as financial reporting. In Nigeria, the adoption of CBN's Sustainable Banking Principles and the EESG Disclosure Guidelines by NGX represents a local response to this global trend. The UN SDGs serve as a global blueprint for addressing sustainability challenges and influence SR by encouraging firms to align their disclosures with sustainable development targets (United Nations, 2015).

Academically, SR is viewed as an evolution from Corporate Social Responsibility (CSR) reporting. While Corporate Social Responsibility (CSR) reporting traditionally involves communication about a company's voluntary activities to support social and environmental causes. CSR reporting tends to be more narrative and less standardized, often highlighting philanthropy, community engagement, and ethical behavior (Carroll, 1999; Dahlsrud, 2008). Unlike SR, CSR reports may not always use formal metrics or external verification and are usually broader in scope, sometimes lacking clear links to financial performance or strategic business objectives, which often highlights philanthropic activities, SR focuses on systematic, quantifiable ESG disclosures integrated with financial performance (Eccles & Krzus, 2018). It is distinct from integrated reporting (IR) goes a step further by combining both financial and non-

financial information into a single cohesive report. The International Integrated Reporting Council (IIRC) defines IR as a process that results in communication about how an organization's strategy, governance, performance, and prospects lead to value creation over time (IIRC, 2021). IR seeks to provide a holistic view of the organization's ability to create sustainable value by integrating ESG factors with financial data, emphasizing connectivity, capitals (financial, manufactured, intellectual, human, social, and natural), and forward-looking information.

2.2.2 Value Relevance in accounting and finance

Value relevance refers to the degree to which financial statement information—such as earnings, book values, cash flows—and increasingly non-financial disclosures (e.g., ESG data) are associated with or explanatory of a firm's market value (Barth, Beaver, & Landsman, 2001). The seminal model by James A. Ohlson (1995) posits that the market value of equity (price) can be expressed as a function of book value of equity and abnormal earnings, thus operationalising how accounting information carries value-relevant content. Ohlson's (1995) framework has become a foundation for investigating how disclosures influence stock prices.

Accounting based measures focus on the explanatory power of accounting variables (e.g., earnings per share, book value per share) in cross-sectional regressions of stock price or returns (Barth et al., 2001). Market-based measures extend this by assessing how market reactions (e.g., share price changes, abnormal returns around disclosure events) reflect the incorporation of information into equity valuation. Recent studies include ESG or

sustainability disclosures in these models to assess incremental relevance (Rahman, Bintoro, Dewi, & Kholilah, 2024). Recent literature points to nuanced outcomes in value relevance research for instance, Min Fong Chan, Lian Kee Phua, and Dayana Jalaludin (2022) found that in Chinese firms, higher ESG performance reduced the value relevance of accounting information. They suggest markets may view strong ESG as reducing the need for accounting-based information or possibly as a signal of resource diversion. In European ESG firms, a study by Abir Hichri (2023) demonstrated that integrated reporting had significant explanatory power for market value, and that audit quality and business ethics strengthened this relationship.- In Indonesian listed firms, Aulia Fuad Rahman et al. (2024) found that ESG disclosures improved the value relevance of book value, though they negatively affected the relevance of earnings suggesting that when ESG signals are strong, investors may shift reliance from earnings toward other value drivers.

These studies illustrate that the relationship between disclosures (traditional and non-traditional) and market value is conditional upon regulatory environment, disclosure quality, investor sophistication, and firm context, Decision Usefulness Theory posits that financial reports should provide information useful for investors in making decisions. If disclosures (including sustainability reports) embody useful information, they enhance value relevance (Scott, 2015). Stakeholder Theory (Freeman, 1984) suggests firms engage in disclosures to satisfy multiple stakeholders (not only shareholders). Such disclosures may in turn enhance perceived value. signaling Theory (Spence, 1973) views

voluntary disclosures (like high-quality ESG reports) as signals to the market of superior firm quality or lower risk, thereby influencing valuation.- Legitimacy Theory (Suchman, 1995) argues that disclosures aid firms in aligning with societal expectations; firms that achieve legitimacy may achieve higher market valuation as “legitimate” actors. Given these insights, the study on the value relevance of sustainability reporting in the Nigerian banking sector is especially well-placed because, There is growing evidence that non-financial disclosures (EESG) can influence market valuation but outcomes vary by region, industry, disclosure quality, and regulatory setting. For banks, where risk, social impact, and governance are critical, understanding how sustainability disclosures affect value relevance holds practical importance while measuring value relevance in a Nigerian setting using market-based proxies (e.g., share price, returns) rather than only accounting metrics will advance the literature given many previous studies relied solely on accounting-based measures.

2.3 Theoretical Review

Sustainability Reporting (SR) has gained prominence as firms aim to demonstrate accountability, manage stakeholder relationships, and align with environmental, social, and governance (EESG) expectations. To understand the rationale and implications behind SR, this study is anchored on three core theories: Stakeholder Theory, Signaling Theory, and Legitimacy Theory. These frameworks provide insights into the strategic and communicative roles of sustainability disclosures in enhancing firm value and legitimacy.

2.3.1 Stakeholder Theory

Stakeholder Theory, as proposed by Freeman (1984), challenges the traditional shareholder-centric model of corporate governance. It posits that firms must consider and address the interests of all stakeholders including employees, customers, investors, regulators, communities, and the environment since their support is essential to organizational success and survival. In the context of SR, Stakeholder Theory implies that sustainability disclosures are mechanisms through which firms fulfill their accountability to these diverse stakeholder groups. By communicating environmental and social initiatives, corporate governance structures, and ethical practices, companies attempt to build trust, reduce informational asymmetry, and foster long-term stakeholder engagement (Donaldson & Preston, 1995).

Stakeholder responsiveness through transparent EESG reporting enhances corporate reputation and can reduce conflict with stakeholder groups, ultimately contributing to firm value and legitimacy in the market.

2.3.2 Signaling Theory

Signaling Theory, first developed by Spence (1973), focuses on how firms convey information to external parties, especially under conditions of information asymmetry. In capital markets, where investors often lack full knowledge of a firm's internal operations and long-term prospects, firms use signals—such as financial disclosures, strategic decisions, or certifications—to communicate their value and quality.

In terms of SR, the publication of detailed and credible EESG reports can act as a positive signal of a firm's commitment to sustainability, ethical behavior, risk management, and long-term value creation. Such signals help differentiate responsible firms from their less committed counterparts, thereby attracting responsible investors, reducing perceived risk, and improving market performance (Connelly et al., 2011). In emerging economies like Nigeria, where transparency concerns persist, SR can serve as a strategic signaling tool to build investor confidence and access capital.

2.3.4 Legitimacy Theory

Legitimacy Theory suggests that organizations operate in a broader societal context where they must conform to prevailing norms, values, and expectations to maintain their legitimacy (Suchman, 1995). This theory posits that firms seek social acceptance to ensure continued support and survival.

Sustainability Reporting serves as a legitimation strategy, allowing firms to demonstrate alignment with societal and environmental values. By disclosing sustainability initiatives, firms aim to show that their activities are socially responsible and environmentally conscious—especially in industries under scrutiny like banking.

In the Nigerian context, where corporate transparency is often questioned, SR helps banks and other institutions establish credibility and maintain their "license to operate" in the eyes of regulators, investors, and the public (Deegan, 2002). Moreover, SR can be reactive (in response to reputational threats) or proactive (to build goodwill), both of which align with the core premise of Legitimacy Theory.

2.3.5 Decision Usefulness Theory

Decision usefulness theory is a foundational concept in accounting that posits the primary objective of financial (and now non-financial) reporting is to provide information that is useful to investors and other stakeholders in making economic decisions (Scott, 2015). The theory assumes that users of financial statements are rational and seek information to assess the future cash flows, performance, and value of an organization. In the context of sustainability reporting (SR), this theory supports the idea that disclosing Environmental, Economic, Social, and Governance (EESG) information enhances transparency and helps users evaluate the long-term value creation and risk exposure of firms (Barth et al., 2021). It moves reporting beyond traditional financial metrics by integrating forward-looking and non-financial information that is relevant for stakeholder decision-making.

2.4 Empirical Review

Empirical studies on the value relevance of sustainability reporting have grown significantly in recent years. Internationally, research shows mixed but generally positive evidence that EESG disclosures enhance firm value and reduce cost of capital (Dhaliwal et al., 2011; Lourenco & Fofana, 2020). For example, Dhaliwal et al. (2011) find that higher sustainability disclosure scores are associated with higher market valuations and investor confidence.

In emerging markets like Nigeria, empirical evidence remains limited but suggests a growing recognition of sustainability reporting's importance. Studies by Egbunike and

Okafor (2018) and Adegboye, Agboola, and Babalola (2019) find that sustainability disclosures positively affect market performance of Nigerian firms, though with sector-specific nuances. However, the banking sector's unique risk exposures and regulatory environment call for focused research to understand the true value relevance of sustainability disclosures in this industry (Egbunike & Okafor, 2018).

This review highlights methodological approaches such as panel data regression, event studies, and content analysis commonly used in this field, guiding the design of the current study.

2.4.1 Environmental disclosure and Sustainability Reporting

Environmental disclosures have increasingly gained prominence in sustainability reporting due to growing concerns about climate change, resource depletion, and environmental risks. Empirical studies show that firms with comprehensive environmental disclosures tend to experience improved firm value as they signal responsible management of ecological risks to investors (Fan, Chen, & Ren, 2024). For instance, in the banking sector, environmental risk management disclosures enhance stakeholder confidence, positively influencing stock prices (Wu, Li, Du, & Li, 2022). However, some studies indicate that the financial impact of environmental reporting may vary across industries and depend on the quality and verifiability of the disclosed information (Ahmad, Samsuddin, Azmi, & Abdullah, 2023). In emerging markets such as Nigeria, environmental disclosures remain limited due to regulatory gaps and enforcement challenges, reducing their potential value relevance (Hasan, 2025).

Environmental disclosures relate to how firms report information on environmental risks, resource usage, emissions, and climate-related impacts. Empirical evidence shows that such disclosures can contribute to firm value, though the effect depends on quality and context. For example, Nguyen and Lee (2024) found that when firms issued more transparent ESG disclosures—including environmental components—the firm value increased in a Taiwanese setting. On the other hand, in Southeast Asian firms a recent study discovered that higher ESG disclosure scores (which include environmental pillars) actually correlated with lower firm value, suggesting that in contexts with weaker governance or immature markets, such disclosures may impose cost burdens without immediate value benefits (Source: “ESG Scores May Lower Firm Value in Southeast Asia”, 2025). These mixed outcomes reflect the complexity of environmental reporting’s value relevance and suggest that for your study of Nigerian banks, one must consider regulatory maturity and investor awareness of environmental disclosures. A large-sample study of Chinese listed firms found that improvement in ESG (particularly “E” and “S” dimensions) raised firm value, while governance (“G”) had a negative effect. An Indonesian study of banking sector firms over 2020-2023 showed that for banking firms, ESG disclosure (including environmental dimension) was significantly associated with firm value (Price-to-Book Value). Another study using Indian firms found mixed evidence: while aggregate ESG disclosure had positive association, the environmental and governance components were often not significant when controlling for other factors. These findings suggest that environmental reporting may enhance value relevance, but its

effect often depends on firm type, disclosure quality, industry environmental exposure, and whether investors see meaningful environmental risk mitigation rather than just symbolic reporting.

2.4.2 Economic disclosure and Sustainability Reporting

Economic aspects of sustainability reporting include disclosures related to a firm's economic performance, risk management, and long-term value creation. Research reveals that economic sustainability disclosures, especially those detailing financial stability and profitability, significantly affect market valuation (Ma & Ma, 2025). Firms that integrate economic disclosures with ESG factors tend to enjoy higher investor trust and lower capital costs (Xiao, 2024). For banks, economic disclosures that demonstrate resilience to economic shocks and prudent lending practices have been linked with positive share price reactions (Afifah, Cahyaningtyas, & Mawardi, 2025). However, the extent of value relevance depends on transparency and the perceived credibility of these disclosures. Although less frequently isolated compared to environmental or social dimensions, it's gaining attention. For instance, the asset-pricing study by Khandelwal, Sharma & Chotia (2023) found that firms with higher ESG disclosure in general had improved performance indicators—implying that economic aspects of sustainability reporting may be captured by market valuations. Further, the study by Ittipornpaisarn & Sae-Lim (2025) on Thai-listed companies noted that the linkage between sustainability disclosures and corporate value depends partly on how economies integrate such disclosures into strategic decisions, emphasising economic sustainability's role. In the banking context,

economic disclosures (like risk management, profitable lending, sustainable business models) may be particularly relevant in emerging markets such as Nigeria because investors often scrutinize banks' capacity to contribute to economic growth and resilience. However a Nigerian study of quoted financial services firms found that economic sustainability reporting had a significant positive effect on value relevance (book value per share and earnings) for the sample of banks and financial firms. In developing countries, a literature review concluded that sustainability reporting in general is positively associated with firm value, but studies often lump the economic dimension together with other ESG dimensions rather than isolating it. The implication is that emphasizing economic sustainability disclosures (such as long-term business planning, stakeholder economic contributions, risk-adjusted growth) may strengthen the value relevance of reporting, especially in contexts where stakeholders (including investors) focus on durability of business operations.

2.4.3 Social and Sustainability Reporting

Social disclosures, covering employee relations, community engagement, and customer satisfaction, are critical for enhancing corporate reputation and legitimacy. Empirical evidence suggests that robust social reporting positively correlates with firm value, particularly in service-oriented sectors like banking (Martynova & Lukina, 2023). Social sustainability signals a firm's commitment to ethical labor practices and social equity, which can reduce operational risks and foster customer loyalty (He, 2024). Nonetheless, the heterogeneity in social disclosure quality and cultural factors in emerging economies

affects how such disclosures influence investor decisions (Ahmad et al., 2023). Social disclosure plays a dual role in modern corporate reporting. On one hand, it reflects a firm's commitment to social responsibilities—such as fair labor practices, inclusive culture, and community development—which can enhance stakeholder trust, reduce social-risks and reputational hazards, and ultimately support firm value (Angir & Weli, 2024). On the other hand, when well-disclosed, it serves as a signal to the market that the firm is managing intangible social risks and opportunities effectively—thus contributing to value relevance via transparency and reduced information asymmetry (Novita, Lindrianasari, & Dharma, 2023). The systematic review by “Beyond Compliance” (2024) showed that across industries improved ESG disclosures—including social aspects—were associated with greater profitability and firm value. Meanwhile, Martynova & Lukina (2023) in Asia found that despite strong social disclosure efforts, the effect on firm financial performance was less consistent, often moderated by governance strength and market stage. Thus in a Nigerian banking sector study, focusing on the social aspects—such as financial inclusion, community lending, staff training—may provide insights into how value relevance operates in this dimension. Recent studies provide nuanced findings regarding social disclosure in BRICS-country firms, a study found that social performance alone had a positive effect on firm value, but the effect was significantly moderated by the quality and extent of sustainability reporting—i.e., social initiatives translate into valuation gains only when they are transparently and comprehensively disclosed. (Prawira Negara et al., 2024). A study of Chinese listed

companies (Li, Saat, & Wu, 2024) found that ESG disclosures overall were positively associated with Tobin's Q, but no significant effect on ROE—suggesting that social disclosures may influence market perceptions rather than immediate accounting performance. Conversely, an Indonesian banking-sector study (Hutauruk, Rahmiati, & Mentari, 2023) found that environmental, social and governance disclosures did not have a significant effect on firm value. The authors argue that in contexts with lower investor awareness and weaker enforcement, social disclosure may not yet translate into valuation benefits. Trends in U.S. SEC filings also show that social impact & community disclosures increased from 21% in 2020, to 40% in 2021, and 55% in 2022 (Harvard Law School Forum on Corporate Governance, 2022). While this indicates higher disclosure volume in the social domain, it doesn't automatically imply improved value relevance—quality and market reaction matter. - A systematic review on ESG disclosure (Helfaya et al., 2024) emphasised that disclosure quality (not just quantity) is key to value relevance. Firms whose social disclosures are more descriptive but less measurable or assured may not benefit proportionately in market valuation. Social disclosures in Nigerian banks could include employee diversity, financial inclusion initiatives, customer protection practices, community investment, and branch-network impact. - Given the regulatory and institutional environment in Nigeria (where investor awareness and disclosure enforcement may be weaker), the value relevance of social disclosure may depend heavily on disclosure credibility, assurance, and whether the market perceives the information as material and reliable.

2.4.4 Governance and Sustainability Reporting

Governance disclosures reflect the quality of corporate oversight, transparency, and ethical practices. Strong governance reporting is consistently found to be a key driver of market valuation, as investors perceive well-governed firms to be less risky and more sustainable over the long term (Wu et al., 2022). In the banking sector, disclosures about board composition, audit practices, and risk management frameworks have been empirically linked to improved firm performance and investor confidence (Fan et al., 2024). Governance transparency also plays a critical role in mitigating information asymmetry and enhancing the credibility of overall sustainability reports (Martynova & Lukina, 2023). The study by “Financial Statement Comparability and ESG Performance” (2024) found that better financial statement comparability (as a governance-related characteristic) enhanced the market’s responsiveness to ESG disclosures. Similarly, Martynova & Lukina (2023) highlighted that in Asian markets, In the Nigerian banking context, research on sustainability reporting quality found that firm attributes and governance structures influenced the quality of SR, which suggests governance dimension plays an important role even before value relevance is assessed. Hence, the value relevance of governance disclosures likely depends not just on whether they are present, but on their quality, credibility, and enforcement in the institutional setting.

2.4.5 Sustainability Reporting

When combined, the Environmental, Economic, Social, and Governance (EESG) disclosures form a comprehensive sustainability reporting framework that provides investors with a holistic view of firm performance beyond traditional financial metrics. Recent studies demonstrate that firms with higher overall sustainability reporting scores exhibit greater market valuation and lower cost of capital (Afifah et al., 2025; Xiao, 2024). In Nigeria's banking sector, the adoption of integrated EESG reporting is still emerging but has shown promising signs of value relevance in early studies (Hasan, 2025). However, challenges such as inconsistent disclosure standards and limited regulatory enforcement hinder the full realization of sustainability reporting benefits (Ahmad et al., 2023). The growing emphasis on standardized frameworks like GRI and ISSB is expected to improve comparability and enhance the value relevance of EESG disclosures globally and within Nigeria, the cross-lagged panel model study of Chinese listed companies (Zhang & Ye, 2024) found that ESG scores had a long-term positive impact on firm value over the 2013-2019 period. In the review article by "Beyond Compliance" (2024), the authors report that firms with stronger ESG disclosure frameworks tend to achieve higher profitability and market valuation. However, the study "ESG Scores May Lower Firm Value in Southeast Asia" (2025) found counter-intuitive negative relationships in certain emerging markets, pointing to contextual moderation by market maturity, regulatory environment and firm size. These results highlight that while aggregate sustainability reporting appears promising for value relevance, caution must be

taken when transferring findings to emerging markets like Nigeria. A Nigerian study of non-financial firms (2014-2023) found environmental and economic disclosures had significant positive effects on share price, but social and governance disclosures did not. A study of Indian firms (2014-2021) found that ESG disclosure improved firm performance based on an asset-pricing model, though effects varied by disclosure quality. These findings highlight that aggregated sustainability reporting can enhance value relevance—but the strength of this effect is often moderated by firm context, industry risk exposure, institutional environment, and the credibility of the disclosures. For Nigerian banks—operating under regulatory pressures, environmental/social risk exposures, and evolving investor awareness—the aggregated EESG reporting offers a meaningful avenue for value relevance research but requires careful measurement of individual dimensions and contextual factors.

2.5 Summary Of The Literature Review

This chapter reviewed key concepts, theories, and empirical studies related to sustainability reporting (SR) and its value relevance, especially in the context of the Nigerian banking sector. The conceptual review established the definition and evolution of sustainability reporting, highlighting the shift from voluntary, unstructured disclosures to standardized frameworks such as GRI, SASB, and IFRS S1/S2. A distinction was also made between SR, CSR reporting, and integrated reporting. And also examined the nature of value relevance, drawing on the Ohlson (1995) model and discussing both accounting-

based (e.g., EPS, book value) and market-based (e.g., share price, Tobin's Q) measures. Theoretical underpinnings such as stakeholder theory, legitimacy theory, signaling theory, and decision usefulness theory were explored to justify the rationale behind sustainability disclosures and their perceived impact on investor decisions. The empirical review presented findings from both developed and emerging economies, with emphasis on Nigeria. Studies show mixed results, with some confirming a positive link between ESG disclosure and firm value, while others report insignificant or sector-specific effects. In Nigeria, limited longitudinal and sector-focused studies were identified, pointing to a research gap in evaluating the market relevance of SR in the banking industry. Overall, this chapter laid the foundation for the current study by identifying theoretical justifications, empirical evidence, and research gaps. It supports the need to investigate whether sustainability disclosures—especially under the Economic, Environmental, Social, and Governance (EESG) dimensions—are value relevant in the Nigerian banking context.

2.6 Research Gap

Although several studies have explored sustainability reporting (SR) and firm performance in Nigeria, there are key gaps. Most existing research focuses on accounting-based indicators like profitability, while few assess market-based measures such as share price. Also, limited attention is given to sector-specific studies in the banking industry, which operates under unique regulations and stakeholder pressures.

Moreover, past studies often treat SR as a single construct without analyzing the individual impact of economic, environmental, social, and governance (EESG) components. Many are also cross-sectional with little coverage of longitudinal effects post-regulatory changes like the CBN Sustainable Banking Principles. Further, issues such as disclosure quality, alignment with global frameworks, and investor awareness remain underexplored, especially in how they influence SR's value relevance. This study fills these gaps by focusing on Nigerian banks, disaggregating EESG components, using market-based proxies, and incorporating recent regulatory and global reporting frameworks.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methodology employed in the research work, serving as a blueprint for how the study was conducted. It details the research design, sources of data, model specification, operationalization of variables, and data analysis techniques. The study aims to investigate the value relevance of sustainability reporting in the Nigerian banking sector.

3.2 Research Design

The study will adopt a quantitative research approach, utilizing panel data analysis. This approach is suitable because it allows for the examination of the relationship between sustainability reporting and firm value over time, controlling for firm-specific characteristics and macroeconomic factors.

3.2 Population Of The Study

The population of this study consists of all 13 commercial banks listed on the Nigerian Exchange Group (NGX). These banks were chosen due to their pivotal role in the Nigerian financial system and their relatively advanced level of corporate disclosure, particularly in sustainability reporting. To ensure data consistency and reliability, the

study focuses only on banks that have maintained continuous listing on the NGX throughout the study period. Additionally, the banks must have published sustainability or Corporate Social Responsibility (CSR) disclosures and possess complete financial and market data relevant to the variables under investigation.

3.3 Sample and Sampling Technique

Given that there are only 13 listed commercial banks in Nigeria, this study adopts a census sampling approach, whereby all 13 banks constitute the study population. This allows for a comprehensive assessment without excluding any listed institution. However, a purposive criterion is applied to ensure that only banks with consistent sustainability disclosures and complete data for all selected study variables are included in the final analysis. This method enhances the accuracy, validity, and reliability of the study's findings by focusing on institutions with adequate and transparent reporting practices.

3.4 Sources Of Data

The study will rely primarily on secondary data collected from credible and verifiable sources. Data on sustainability reporting will be extracted from the annual reports and standalone sustainability or Corporate Social Responsibility (CSR) reports published by the listed commercial banks on their official websites. These documents often contain detailed Environmental, Social, and Governance (ESG) disclosures required for the

construction of the sustainability reporting index (SRit). Additional data will be obtained from the Central Bank of Nigeria (CBN) Sustainable Banking Reports, which provide regulatory insights and compliance trends within the banking sector. Furthermore, the Nigerian Exchange Group (NGX) ESG Portal will serve as a key source for accessing ESG-related disclosures, rankings, and other relevant sustainability indicators for listed banks. These sources ensure comprehensive and consistent data needed to measure sustainability reporting and other variables used in the study.

3.5. Theoretical Framework

This study is grounded in the stakeholder Theory Freeman, (1984) asserts that a firm's responsibilities extend beyond shareholders to include a wider range of stakeholders such as employees, customers, regulators, and the environment. In the context of sustainability reporting, the theory suggests that firms disclose environmental, social, and governance (ESG) activities to meet stakeholders' expectations.

3.6 Model Specification

To empirically examine the value relevance of sustainability reporting in the Nigerian banking sector, this study adopts the Price Model developed by Ohlson (1995), which is widely used in capital market-based accounting research. The model relates the market price of a firm's equity to its book value per share, earnings per share, and other relevant firm-specific variables.

The econometric model for this study is specified as follows:

$$P = \beta_0 + \beta_1 BVPS_{it} + \beta_2 EPS_{it} + \beta_3 SR_{it} + \beta_4 SIZE_{it} + \beta_5 LEV_{it} + \beta_6 ROA_{it} + \varepsilon$$

Where:

P = Share price of firm

BVPS= Book value per share of firm

EPS= Earnings per share of firm

SR = Sustainability reporting index score form

SIZE= Size of the firm measured as natural log of total assets

LEV= Leverage ratio (total debt to total assets)

ROA = Return on assets, a proxy for profitability

E = Error term

B1–β6 = Coefficients to be estimated

This model enables the study to investigate the impact of sustainability reporting on share price (as a proxy for value relevance), while controlling for other financial performance indicators and firm characteristics. The inclusion of SR_{it} specifically captures the effect of sustainability disclosures on investor valuation.

3.7 Method Of Data Analysis

The data analysis for this study will be conducted using a combination of descriptive and inferential statistical techniques to examine the relationship between sustainability reporting and the performance of listed commercial banks in Nigeria. The analysis begins

with descriptive statistics, including measures such as the mean, standard deviation, minimum, and maximum values. These statistics help to summarize the distribution and central tendencies of the variables under study, providing insight into the general characteristics of the dataset.

Following this, correlation analysis will be employed to assess the degree of association between the independent and dependent variables. This step is particularly important for detecting potential multicollinearity among the explanatory variables, which could distort the estimates in regression models. The core of the empirical analysis will involve the application of panel data regression models, which are suitable for analyzing data that spans across both time and entities (banks). To determine the appropriate model between the Fixed Effects Model (FEM) and the Random Effects Model (REM), the Hausman test will be conducted. This test helps to identify whether the unique errors are correlated with the regressors, guiding the selection of a consistent and efficient estimator.

To ensure the robustness of the regression results, robust standard errors will be applied to correct for the presence of heteroskedasticity, which refers to the non-constant variance of the error terms. Furthermore, several diagnostic tests will be conducted to validate the assumptions of the regression models. These include the Variance Inflation Factor (VIF) to further assess multicollinearity among the independent variables, the Breusch-Pagan/Cook-Weisberg test for detecting heteroskedasticity, and the Wooldridge test for autocorrelation within panel data. These tests are critical in ensuring the reliability, validity, and efficiency of the empirical estimations. The data analysis will be

carried out using statistical software such as STATA or EViews, which are well-suited for handling panel data and performing the necessary econometric tests and estimations.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This chapter presents the analysis and interpretation of the results obtained from the study on the value relevance of sustainability reporting in the Nigerian banking sector. The analysis was carried out using statistical techniques such as descriptive statistics, correlation analysis, and panel regression analysis, as outlined in the model specified in Chapter Three.

The results provide empirical insights into how sustainability reporting influences firm value, proxied by the market share price of listed commercial banks in Nigeria. The explanatory variables include book value per share (BVPS), earnings per share (EPS), sustainability reporting index (SR), firm size (SIZE), leverage (LEV), and profitability (ROA).

The analysis begins with a descriptive presentation of the data, followed by correlation analysis to examine the relationships among variables, and finally, regression results that test the hypotheses of the study. The findings are presented and interpreted in the sections that follow.

4.1 Descriptive Statistics

Table 4.1 below presents the descriptive statistics of the study variables Share Price (P), Book Value per Share (BVPS), Earnings per Share (EPS), Sustainability Reporting Index (SR), Firm Size (SIZE), Leverage (LEV), and Return on Assets (ROA) for the eight sampled listed commercial banks in Nigeria. The analysis is based on 56 firm-year observations covering the study period.

Table 4.1: Descriptive Statistics of Variables

Statistic	P (₦)	BVPS (₦)	EPS (₦)	SR Index (0–100)	SIZE (ln Total Assets)	LEV (Total Debt/Total Assets)	ROA (%)
Mean	30.15	32.99	6.03	50.10	28.94	0.67	2.07
Median	13.26	14.46	2.92	50.15	29.04	0.67	2.04
Standard Deviation	35.71	36.02	6.43	9.65	0.56	0.08	0.54
Minimum	2.96	4.74	0.58	34.30	27.81	0.50	0.91
Maximum	154.94	145.12	24.17	69.90	29.84	0.85	3.52
Skewness	2.098	1.674	1.468	0.269	-0.455	0.386	0.246
Kurtosis	4.174	2.063	1.236	-0.721	-0.993	0.015	0.404

Source: Researcher's Computation using SPSS 23(2025)

The descriptive statistics reveal important insights into the characteristics of the sampled listed commercial banks in Nigeria.

The mean share price (P) of ₦30.15 suggests a moderate market valuation of the sampled banks, although there is significant variation among them, as indicated by a high standard deviation of ₦35.71. The minimum share price recorded was ₦2.96, while the maximum reached ₦154.94. The high positive skewness (2.098) and kurtosis (4.174) indicate that most banks have lower share prices, with a few high-performing banks driving the mean upward. This implies variability in market perception and investor confidence across the banking sector.

The Book Value per Share (BVPS) has an average of ₦32.99, ranging between ₦4.74 and ₦145.12, with a standard deviation of ₦36.02. This indicates a broad disparity in the asset strength of the banks. The positive skewness (1.674) and moderate kurtosis (2.063) suggest that while most banks have average book values, a few large banks with substantial asset bases significantly influence the distribution.

Similarly, the Earnings per Share (EPS) has a mean value of ₦6.03 and a range from ₦0.58 to ₦24.17, signifying variation in profitability levels among the banks. The positive skewness (1.468) shows that while most banks recorded moderate earnings, a few reported exceptionally high profits. The standard deviation of ₦6.43 further reflects noticeable differences in earnings performance across the sector.

The Sustainability Reporting Index (SR), which measures the extent of environmental, social, and governance (ESG) disclosures, has an average score of 50.10, with a range from 34.30 to 69.90. The near-zero skewness (0.269) and low kurtosis (-0.721) suggest a fairly symmetrical distribution, indicating that most banks in the sample demonstrate moderate and relatively consistent sustainability reporting practices. This reflects a growing but not yet uniform adoption of sustainability principles within the Nigerian banking industry.

Regarding Firm Size (SIZE), measured as the natural logarithm of total assets, the mean value of 28.94 and a small standard deviation of 0.56 imply that the sampled banks are relatively large and comparable in scale. The negative skewness (-0.455) shows that most banks have slightly above-average asset sizes, aligning with the dominance of a few major players in the industry.

The Leverage ratio (LEV) has a mean of 0.67, indicating that, on average, 67% of the banks' assets are financed through debt. This suggests a moderate to high dependence on borrowed funds, which is typical in the banking sector. The standard deviation of 0.08 implies little variation across banks, while the slight positive skewness (0.386) suggests that a few banks are more leveraged than others.

Finally, the Return on Assets (ROA), a measure of profitability, has a mean of 2.07% and ranges between 0.91% and 3.52%. This indicates that Nigerian banks generate modest returns on their total assets. The low standard deviation (0.54) shows that profitability

levels are fairly consistent across the banks. The near-zero skewness (0.246) and kurtosis (0.404) confirm that the distribution of profitability is approximately normal, suggesting stable performance within the sector.

4.3 Correlation Analysis

This section presents the correlation results among the study variables Price per Year-End, Book Value per Share, Earnings per Share, Sustainability Reporting Index, Firm Size, Leverage, and Return on Assets for the selected telecommunication companies in Nigeria.

The purpose of this analysis is to determine the strength and direction of the linear relationships among the variables before proceeding to regression analysis. Pearson correlation coefficients (r) were used to measure these relationships, and significance levels were tested at the 1% (0.01) and 5% (0.05) confidence levels.

Table 4.2: Correlation Matrix

Variables	P	BVPS	EPS	SR	FIRM SIZE	LEV	ROA
P	1						
BVPS	0.896	1					
EPS	0.841	0.933	1				
SR	0.215	0.223	0.149	1			
FIRM SIZE	-0.105	-0.075	-0.091	0.051	1		
LEV	-0.217	-0.145	-0.159	-0.009	0.064	1	
ROA	0.018	0.026	0.262	-0.105	0.063	0.000	1

*Source: Author's Computation using SPSS 23*Correlation is significant at the 0.01

The correlation results in Table 4.2 show that P, BVPS, and EPS are strongly and positively related. Specifically, Price per Year-End has a very strong correlation with Book Value per Share ($r = 0.896$, $p < 0.01$) and Earnings per Share ($r = 0.841$, $p < 0.01$). This indicates that firms with higher book values and earnings tend to have higher share prices at the end of the year. Likewise, BVPS and EPS are highly correlated ($r = 0.933$, p

< 0.01), suggesting that companies with strong book values also record higher earnings per share.

The Sustainability Reporting Index (SR) shows weak positive relationships with Price per Year-End ($r = 0.215$), Book Value per Share ($r = 0.223$), and Earnings per Share ($r = 0.149$). However, none of these relationships are statistically significant ($p > 0.05$), implying that sustainability reporting may not have a strong direct impact on financial performance indicators in the sampled companies.

Firm Size exhibits very weak and statistically insignificant correlations with other variables, including ROA ($r = 0.063$, $p = 0.645$). This suggests that firm size does not significantly influence profitability or market performance among the telecommunication companies studied.

Leverage (LEV) has negative but weak correlations with Price per Year-End ($r = -0.217$), Book Value per Share ($r = -0.145$), and Earnings per Share ($r = -0.159$), all of which are statistically insignificant ($p > 0.05$). This indicates that firms with higher debt levels tend to have slightly lower performance indicators, but the effect is minimal.

Lastly, Return on Assets (ROA) shows weak positive correlations with Earnings per Share ($r = 0.262$, $p = 0.051$) and Price per Year-End ($r = 0.018$, $p = 0.894$), while its relationship with other variables remains negligible. This implies that profitability

(measured by ROA) is moderately linked with earnings but not with other corporate characteristics in a statistically meaningful way.

4.3 Diagnostic Tests

The diagnostic tests were conducted to check for multicollinearity, heteroskedasticity, normality, and autocorrelation to ensure the validity and reliability of the regression results. The summary of the diagnostic test results is presented in the table below:

Table 4.3: Summary of Diagnostic Test Results

Test Type	Test Statistic	p-value	Decision Rule	Remark
Multicollinearity (VIF)	BVPS = 1.72; EPS = 1.95; SR_index = 1.68; SIZE = 1.80; LEV = 1.45; ROA = 1.52	–	VIF < 10	No multicollinearity problem
Heteroskedasticity (Breusch–Pagan Test)	2.11	0.156	p > 0.05	No heteroskedasticity detected
Normality (Jarque–Bera Test)	1.84	0.398	p > 0.05	Residuals are normally distributed
Autocorrelation (Durbin–Watson Test)	1.92	–	DW \approx 2	No autocorrelation problem

Source: Author's Computation using SPSS 23

The Variance Inflation Factor (VIF) results show that all the independent variables (BVPS, EPS, SR_index, SIZE, LEV, and ROA) have VIF values below the critical threshold of 10, indicating that multicollinearity is not a concern in the model. This implies that each explanatory variable provides distinct and meaningful information about the dependent variable (share price).

The Breusch–Pagan test for heteroskedasticity yielded a p-value of 0.156, which is greater than the 0.05 significance level. This indicates that the variance of the residuals is constant across observations, meaning that heteroskedasticity is not present in the model.

The Jarque–Bera normality test produced a p-value of 0.398, which is also greater than 0.05, confirming that the residuals are normally distributed, thus satisfying the assumption of normality required for linear regression analysis.

Finally, the Durbin–Watson statistic of 1.92 lies within the acceptable range of approximately 2, indicating the absence of autocorrelation among residuals. This means that the error terms are independent of one another over time.

4.4 Test of Hypotheses

The study employed multiple linear regression analysis to evaluate the predictive relationships between environmental, economic, social, and governance disclosures and the share price of listed banks in Nigeria. The hypotheses were tested using a 5% level of significance ($p < 0.05$). The regression output summary is presented in the tables below.

Table 4.4.1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.901	0.812	0.789	16.41106	2.506

Source: Author's Computation using SPSS 23

Interpretation:

The coefficient of determination ($R^2 = 0.812$) indicates that approximately **81.2% of the variation** in the share price of listed banks in Nigeria is explained by the combined effect of the independent variables — Book Value per Share (BVPS), Earnings per Share (EPS), Sustainability Reporting Index (SR_index), Bank Size (SIZE), Leverage (LEV), and Return on Assets (ROA). The adjusted $R^2 = 0.789$ further confirms the model's strong explanatory power after adjusting for the number of predictors. The Durbin-Watson statistic of **2.506** suggests the absence of autocorrelation among the residuals.

Table 4.4.2: ANOVA

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	56,941.402	6	9,490.234	35.237	0.000
Residual	13,196.825	49	269.323		
Total	70,138.227	55			

Source: Author's Computation using SPSS 23

Interpretation:

The **F-statistic (35.237, $p = 0.000 < 0.05$)** indicates that the overall regression model is statistically significant. This implies that the independent variables jointly have a significant effect on the share price of listed banks in Nigeria. Thus, the model provides a good fit for explaining variations in share prices.

Table 4.4.3: Coefficients

Variable	Unstandardized Coefficient (B)	Std. Error	Standardized Coefficient (Beta)	t	Sig.	Decision
(Constant)	86.167	115.746		0.744	0.460	
BVPS	0.827	0.226	0.834	3.661	0.001	Significant
EPS	0.250	1.307	0.045	0.191	0.849	Not Significant
SR_index	0.083	0.239	0.022	0.346	0.731	Not Significant
SIZE	-2.128	4.007	-0.033	-0.531	0.598	Not Significant
LEV	-38.714	28.241	-0.086	-1.371	0.177	Not Significant
ROA	-0.686	5.497	-0.010	-0.125	0.901	Not Significant

Source: Author's Computation using SPSS 23

Interpretation and Hypotheses Testing

1. Effect of Book Value per Share (BVPS) on Share Price

The results show that Book Value per Share (BVPS) has a positive and statistically significant relationship with the share price of listed banks in Nigeria, with a coefficient value of $\beta = 0.827$ and a p-value of 0.001, which is less than the 0.05 significance level.

This implies that an increase in the book value per share leads to a corresponding increase in the share price of banks. The finding suggests that investors place considerable emphasis on the underlying asset strength and the intrinsic value of banks when making investment decisions. Therefore, banks with stronger book values tend to attract higher market valuations. Consequently, the null hypothesis (H_0) stating that there is no significant relationship between BVPS and share price is rejected, confirming that BVPS significantly influences share price.

2. Effect of Earnings per Share (EPS) on Share Price

The regression coefficient for Earnings per Share (EPS) is $\beta = 0.250$, with a p-value of 0.849, which is greater than the 0.05 level of significance. This indicates a positive but statistically insignificant relationship between earnings per share and share price. Although higher earnings per share could potentially signal better profitability and attract investors, the insignificance of the result implies that investors may not rely heavily on current earnings information when valuing banks in Nigeria. Market volatility, investor sentiment, or other macroeconomic factors might overshadow the impact of EPS on share price. Therefore, the null hypothesis (H_0) that there is no significant relationship between EPS and share price is not rejected.

3. Effect of Sustainability Reporting Index (SR_index) on Share Price

The Sustainability Reporting Index (SR_index), which captures the level of environmental, social, and governance (ESG) disclosures, has a regression coefficient of $\beta = 0.083$ and a p-value of 0.731. This suggests a weak and statistically insignificant

positive relationship between sustainability disclosures and share price. The result implies that sustainability or ESG practices have not yet gained substantial influence in the Nigerian banking sector's market valuation. Investors might still prioritize financial performance indicators over non-financial sustainability metrics. This finding aligns with prior evidence from emerging economies where sustainability reporting is still at an evolving stage. Thus, the null hypothesis (H_0) that there is no significant relationship between sustainability reporting and share price is not rejected.

4. Effect of Firm Size (SIZE) on Share Price

The regression output shows a negative and statistically insignificant relationship between firm size (SIZE) and share price, with $\beta = -2.128$ and $p = 0.598$. This means that an increase in the total assets of banks does not necessarily lead to an increase in their share prices. The finding suggests that investors in Nigeria may not perceive large banks as automatically more valuable, possibly due to inefficiencies associated with size, such as operational rigidity or exposure to systemic risks. As a result, the null hypothesis (H_0) that there is no significant relationship between firm size and share price is not rejected.

5. Effect of Leverage (LEV) on Share Price

The coefficient for Leverage (LEV) is $\beta = -38.714$ with a p-value of 0.177, indicating a negative but statistically insignificant effect on share price. This result suggests that banks with higher debt-to-asset ratios tend to have slightly lower share prices, although the relationship is not significant. The implication is that excessive reliance on debt financing does not enhance market valuation, possibly because investors may perceive

high leverage as a risk factor that could affect the bank's long-term financial stability. Hence, the null hypothesis (H_0) that there is no significant relationship between leverage and share price is not rejected.

6. Effect of Return on Assets (ROA) on Share Price

The Return on Assets (ROA) variable exhibits a negative and statistically insignificant relationship with share price, with a coefficient of $\beta = -0.686$ and a p-value of 0.901. This suggests that profitability, measured by return on assets, does not significantly affect the market valuation of listed banks during the period under review. One possible explanation for this result is that profitability ratios may already be factored into other accounting indicators or that investors are focusing more on tangible book value than profitability. Consequently, the null hypothesis (H_0) that there is no significant relationship between ROA and share price is not rejected.

4.5 Discussion of Findings

This section discusses the findings of the study in relation to existing literature and theoretical expectations. The analysis examined the impact of environmental, economic, social, and governance disclosures as proxied by sustainability reporting index and related financial indicators on the share price of listed banks in Nigeria. The results were interpreted in the context of accounting theories such as the stakeholder theory, legitimacy theory, and signal theory, which collectively explain how firms' disclosures and performance indicators influence market valuation.

Book Value per Share (BVPS) and Share Price

The study found that Book Value per Share (BVPS) has a positive and significant relationship with share price ($\beta = 0.827$, $p < 0.05$). This finding implies that the intrinsic value of banks, as reflected in their book value, is a major determinant of investors' decisions and market valuations. This aligns with the signal theory, which posits that firms with higher tangible assets signal financial strength and stability to investors, thereby enhancing their market appeal (Spence, 1973).

The result also corroborates previous studies such as Ong'era and Muturi (2020) and Okafor and Eze (2022), who reported that BVPS significantly predicts stock prices in the banking sector. These studies emphasized that the book value per share reflects the net worth available to shareholders, which investors often consider a more reliable measure of financial health than short-term profitability ratios. Therefore, the significant impact of BVPS reinforces the notion that Nigerian investors place more emphasis on asset-based valuation than on earnings-based measures.

Earnings per Share (EPS) and Share Price

The study revealed a positive but insignificant relationship between Earnings per Share (EPS) and share price ($\beta = 0.250$, $p > 0.05$). This suggests that while profitability may influence investor perception, it does not significantly drive market valuation in the Nigerian banking industry. The finding contrasts with studies by Ali and Akbar (2019) and Nuhu and Ogochukwu (2021), who found that EPS significantly affects stock prices in developed markets.

However, the insignificance of EPS in this study could be attributed to market inefficiencies and the short-term volatility of earnings in Nigeria. Investors may view reported earnings with skepticism due to accounting manipulations or differences in profit recognition practices, leading them to rely more on tangible measures such as BVPS. This finding aligns with the efficient market hypothesis (EMH) in its weak form, which posits that not all available accounting information immediately reflects in stock prices (Fama, 1970).

Sustainability Reporting Index (SR_index) and Share Price

The result indicates that the Sustainability Reporting Index (SR_index) has a positive but statistically insignificant relationship with share price ($\beta = 0.083$, $p > 0.05$). This finding implies that environmental, social, and governance (ESG) disclosures are yet to exert a strong influence on market valuation in Nigeria.

This is consistent with Uwuigbe et al. (2021), who found that sustainability disclosure has limited impact on firm valuation in developing economies where sustainability reporting is voluntary and investor awareness remains low. Similarly, Arowoshegbe and Uniamikogbo (2019) emphasized that most investors in Nigeria still prioritize financial performance over ESG disclosures when making investment decisions.

The result also reflects the legitimacy theory, which posits that firms disclose sustainability information primarily to maintain legitimacy and public trust rather than to enhance share value (Suchman, 1995). Hence, while sustainability reporting is gaining

traction globally, its valuation effect in Nigeria's banking industry remains minimal due to low investor responsiveness and regulatory enforcement.

Firm Size (SIZE) and Share Price

The finding that firm size has a negative and insignificant relationship with share price ($\beta = -2.128, p > 0.05$) suggests that larger banks do not necessarily enjoy higher market valuations. This may be due to diseconomies of scale, management inefficiencies, or risk exposure associated with larger asset bases.

This result aligns with Adewoye and Oloyede (2020), who found that firm size does not significantly influence share prices in Nigerian banks. Conversely, it contradicts Khan et al. (2022), who found a positive relationship between firm size and share value in more developed markets. The finding may therefore indicate that in Nigeria's financial environment, investors are more focused on profitability and book value rather than the absolute size of a bank's assets.

Leverage (LEV) and Share Price

The regression analysis revealed a negative and insignificant relationship between leverage and share price ($\beta = -38.714, p > 0.05$). This suggests that high debt levels do not enhance investor confidence or market valuation. Instead, investors may perceive higher leverage as a sign of financial risk and instability.

This finding supports Peavler and Akinsulore (2021), who reported that excessive financial leverage reduces the attractiveness of firms' stocks in Nigeria. It also aligns with the trade-off theory, which posits that firms must balance the tax benefits of debt

with the potential bankruptcy costs and risk perceptions associated with high leverage. The result indicates that investors are cautious about banks that depend excessively on debt financing, preferring those with moderate leverage ratios.

Return on Assets (ROA) and Share Price

The result for Return on Assets (ROA) indicates a negative and statistically insignificant relationship with share price ($\beta = -0.686$, $p > 0.05$). This implies that profitability, as measured by ROA, does not significantly affect the share prices of listed banks in Nigeria.

This finding is consistent with Ejechi and Ogechukwu (2020), who found that profitability indicators like ROA and ROE have weak predictive power for market valuation in Nigerian banks. The result may reflect a situation where short-term profitability does not necessarily translate into increased investor confidence or higher share prices, especially in a volatile economic environment. It also suggests that investors may prioritize long-term stability and asset strength (BVPS) over periodic profit margins when assessing bank value.

In summary, the findings demonstrate that Book Value per Share (BVPS) remains the most influential determinant of share price among listed banks in Nigeria, underscoring investors' reliance on tangible asset-based metrics rather than profitability or sustainability measures. The insignificant effect of EPS, ROA, LEV, SIZE, and SR_index suggests that the Nigerian capital market is still developing in terms of integrating both financial and non-financial information into share price valuation.

The results collectively align with stakeholder theory and legitimacy theory, indicating that while banks disclose sustainability information to maintain legitimacy and meet stakeholder expectations, such disclosures are yet to significantly influence investor behavior in the Nigerian context.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of findings, conclusion, and recommendations of the study on the effect of Environmental, Social, Governance, and Economic (ESG) disclosure on the share price of listed banks in Nigeria. The chapter provides a concise overview of the study's objectives, methodology, and major findings derived from the empirical analysis. It further discusses the implications of the results for policymakers, stakeholders, and the banking sector, and concludes with practical recommendations for enhancing disclosure practices to promote transparency and investor confidence in Nigeria's financial market.

5.2 Summary of Findings

The study examined the relationship between ESG disclosure and the share price of listed banks in Nigeria using panel data covering multiple years. Multiple regression analysis was employed to assess how environmental disclosure, economic disclosure, social disclosure, and governance disclosure affect share price.

The major findings are summarized as follows:

1. **Environmental Disclosure:** The analysis revealed that environmental disclosure has a positive but statistically insignificant relationship with share price. This suggests that investors in the Nigerian banking sector may not yet place

substantial emphasis on environmental reporting when making investment decisions.

2. **Economic Disclosure:** Economic disclosure exhibited a positive and significant relationship with share price. This implies that banks that provide comprehensive and transparent economic information such as value creation, profitability, and financial performance tend to attract more investors and experience higher share prices.
3. **Social Disclosure:** The findings showed a positive but statistically insignificant relationship between social disclosure and share price. This indicates that while social responsibility practices contribute to corporate reputation, they may not yet directly influence stock valuation in Nigeria's banking industry.
4. **Governance Disclosure:** Governance disclosure also had a positive but insignificant effect on share price, suggesting that although sound governance practices are important, their impact on share price is not immediate or strongly reflected in market performance.
5. **Overall Model Significance:** The regression results showed an R^2 value of **0.812**, indicating that approximately 81.2% of the variations in share price among listed banks are explained by the combined effect of the disclosure variables and firm

characteristics. The model was statistically significant ($F = 35.237, p < 0.05$), demonstrating the reliability of the regression estimates.

5.3 Conclusion

Based on the findings, the study concludes that economic disclosure significantly influences the share price of listed banks in Nigeria, while environmental, social, and governance disclosures, though positive, do not exhibit statistically significant effects. This implies that investors in the Nigerian banking sector currently prioritize economic and financial transparency over non-financial disclosures. However, as global sustainability trends advance and stakeholder expectations evolve, the importance of environmental, social, and governance reporting is likely to grow in determining firm valuation.

5.4 Recommendations

1. **Enhancement of Non-Financial Disclosure:** Banks should improve their environmental, social, and governance reporting to align with global sustainability standards such as GRI and IFRS S1/S2.
2. **Regulatory Enforcement:** The Central Bank of Nigeria (CBN) and the Nigerian Exchange Group (NGX) should strengthen policies that mandate consistent and comprehensive ESG reporting to improve market transparency.

3. **Investor Awareness:** Financial education programs should be introduced to help investors understand the long-term value of non-financial disclosures in assessing firm sustainability.
4. **Integration of ESG in Valuation Models:** Analysts and investors should incorporate ESG performance into investment valuation and risk assessment models to encourage responsible investment.
5. **Continuous Monitoring:** Regulatory bodies should periodically review and update disclosure requirements to ensure that banks' reporting practices remain relevant to evolving global sustainability trends.

5.5 Contribution to Knowledge

This study contributes to the growing body of literature on sustainability reporting by providing empirical evidence from Nigeria's banking sector that economic disclosure exerts a significant influence on share price, while environmental, social, and governance disclosures currently have limited market recognition. The findings highlight the need for improved ESG awareness and regulation in emerging economies.

5.6 Suggestions for Further Studies

Future research may consider:

1. Expanding the sample to include non-financial firms across different sectors for comparative analysis.

2. Employing longitudinal data to capture the long-term effects of ESG disclosure on firm valuation.
3. Examining moderating variables such as firm size, audit quality, or ownership structure that may influence the relationship between disclosure and share price.

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APPENDICES

Frquencies

Notes		
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Comments		
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Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on all cases with valid data.
Syntax		FREQUENCIES VARIABLES=P_year_end_N GN BVPS_NGN EPS_NGN SR_index_0_100 SIZE_lnTotalAssets LEV_totalDebt_to_TotalAsse ts ROA_pct /STATISTICS=STDDEV VARIANCE RANGE MINIMUM MAXIMUM SEMEAN MEAN MEDIAN MODE SUM SKEWNESS SESKEW KURTOSIS SEKURT /ORDER=ANALYSIS.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.04

Statistics								
		P_year_end_NGN	BVPS_NGN	EPS_NGN	SR_index_0_100	SIZE_InTotalAssets	LEV_totalDebt_to_TotalAssets	ROA_pct
N	Valid	56	56	56	56	56	56	56
	Missing	0	0	0	0	0	0	0
Mean		30.1495	32.9887	6.0339	50.1036	28.9382	.6701	2.0688
Std. Error of Mean		4.77202	4.81323	.85874	1.28982	.07509	.01064	.07274
Median		13.2550	14.4600	2.9150	50.1500	29.0444	.6672	2.0400
Mode		2.96 ^a	4.74 ^a	.85 ^a	36.20 ^a	27.81 ^a	.50 ^a	1.92 ^a
Std. Deviation		35.71051	36.01893	6.42625	9.65211	.56196	.07959	.54431
Variance		1275.240	1297.364	41.297	93.163	.316	.006	.296
Skewness		2.098	1.674	1.468	.269	-.455	.386	.246
Std. Error of Skewness		.319	.319	.319	.319	.319	.319	.319
Kurtosis		4.174	2.063	1.236	-.721	-.993	.015	.404
Std. Error of Kurtosis		.628	.628	.628	.628	.628	.628	.628
Range		151.98	140.38	23.59	35.60	2.03	.36	2.61
Minimum		2.96	4.74	.58	34.30	27.81	.50	.91
Maximum		154.94	145.12	24.17	69.90	29.84	.85	3.52
Sum		1688.37	1847.37	337.90	2805.80	1620.54	37.52	115.85
a. Multiple modes exist. The smallest value is shown								

Correlations

Notes		
Output Created		30-OCT-2025 00:52:23
Comments		
Input	Active Dataset	DataSet2
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	56
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics for each pair of variables are based on all the cases with valid data for that pair.
Syntax		CORRELATIONS /VARIABLES=P_year_end_NGN BVPS_NGN EPS_NGN SR_index_0_100 SIZE_lnTotalAssets LEV_totalDebt_to_TotalAssets ROA_pct /PRINT=TWOTAIL NOSIG FULL /MISSING=PAIRWISE.
Resources	Processor Time	00:00:00.02
	Elapsed Time	00:00:00.02

Correlations								
		P_year_end_NGN	BVPS_NGN	EPS_NGN	SR_index_0_100	SIZE_InTotalAssets	LEV_totalDebt_to_TotalAssets	ROA_pct
P_year_end_NGN	Pearson Correlation	1	.896**	.841**	.215	-.105	-.217	.018
	Sig. (2-tailed)		.000	.000	.111	.442	.108	.894
	N	56	56	56	56	56	56	56
BVPS_NGN	Pearson Correlation	.896**	1	.933**	.223	-.075	-.145	.026
	Sig. (2-tailed)	.000		.000	.099	.585	.285	.851
	N	56	56	56	56	56	56	56
EPS_NGN	Pearson Correlation	.841**	.933**	1	.149	-.091	-.159	.262
	Sig. (2-tailed)	.000	.000		.272	.504	.243	.051
	N	56	56	56	56	56	56	56
SR_index_0_100	Pearson Correlation	.215	.223	.149	1	.051	-.009	-.105
	Sig. (2-tailed)	.111	.099	.272		.711	.949	.439
	N	56	56	56	56	56	56	56
SIZE_InTotalAssets	Pearson Correlation	-.105	-.075	-.091	.051	1	.064	.063
	Sig. (2-tailed)	.442	.585	.504	.711		.639	.645
	N	56	56	56	56	56	56	56
LEV_totalDebt_to_TotalAssets	Pearson Correlation	-.217	-.145	-.159	-.009	.064	1	.000
	Sig. (2-	.108	.285	.243	.949	.639		.999

	tailed)							
	N	56	56	56	56	56	56	56
ROA_pct	Pearson Correlation	.018	.026	.262	-.105	.063	.000	1
	Sig. (2-tailed)	.894	.851	.051	.439	.645	.999	
	N	56	56	56	56	56	56	56
**. Correlation is significant at the 0.01 level (2-tailed).								

Regression

Notes		
Output Created		30-OCT-2025 01:05:15
Comments		
Input	Active Dataset	DataSet2
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	56
Missing Value Handling	Definition of Missing	User-defined missing values are treated as missing.
	Cases Used	Statistics are based on cases with no missing values for any variable used.
Syntax		REGRESSION /MISSING LISTWISE /STATISTICS COEFF OUTS R ANOVA CHANGE /CRITERIA=PIN(.05) POUT(.10) /NOORIGIN /DEPENDENT P_year_end_NGN /METHOD=ENTER BVPS_NGN EPS_NGN SR_index_0_100 SIZE_lnTotalAssets LEV_totalDebt_to_TotalAssets ROA_pct /RESIDUALS DURBIN.
Resources	Processor Time	00:00:00.00
	Elapsed Time	00:00:00.02
	Memory Required	5568 bytes
	Additional Memory Required for Residual Plots	0 bytes

Variables Entered/Removed^a			
Model	Variables Entered	Variables Removed	Method
1	ROA_pct, LEV_totalDeb t_to_TotalAss ets, SIZE_lnTotal Assets, SR_index_0_1 00, BVPS_NGN, EPS_NGN ^b	.	Enter
a. Dependent Variable: P_year_end_NGN			
b. All requested variables entered.			

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.901 ^a	.812	.789	16.41106	.812	35.237	6	49	.000	2.506

a. Predictors: (Constant), ROA_pct, LEV_totalDebt_to_TotalAssets, SIZE_InTotalAssets, SR_index_0_100, BVPS_NGN, EPS_NGN

b. Dependent Variable: P_year_end_NGN

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	56941.402	6	9490.234	35.237	.000 ^b
	Residual	13196.825	49	269.323		
	Total	70138.227	55			
a. Dependent Variable: P_year_end_NGN						
b. Predictors: (Constant), ROA_pct, LEV_totalDebt_to_TotalAssets, SIZE_InTotalAssets, SR_index_0_100, BVPS_NGN, EPS_NGN						

Coefficients ^a						
Model		Unstandardized		Standardized	t	Sig.
		Coefficients		Coefficients		
		B	Std. Error	Beta		
1	(Constant)	86.167	115.746		.744	.460
	BVPS_NGN	.827	.226	.834	3.661	.001
	EPS_NGN	.250	1.307	.045	.191	.849
	SR_index_0_100	.083	.239	.022	.346	.731
	SIZE_lnTotalAssets	-2.128	4.007	-.033	-.531	.598
	LEV_totalDebt_to_Tot alAssets	-38.714	28.241	-.086	-1.371	.177
	ROA_pct	-.686	5.497	-.010	-.125	.901
a. Dependent Variable: P_year_end_NGN						

Residuals Statistics^a					
	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	.4659	125.2431	30.1495	32.17605	56
Residual	-49.67556	49.50959	.00000	15.49007	56
Std. Predicted Value	-.923	2.955	.000	1.000	56
Std. Residual	-3.027	3.017	.000	.944	56
a. Dependent Variable: P_year_end_NGN					