

**Sustainability Reporting and Financial Performance of Listed Deposit Money Banks in  
Nigeria**

**Adedolapo Esther AJAYI  
LCU/PG/002011**

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(MSc) in Accounting**

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## Certification

This is to certify that Adedolapo Esther AJAYI with matriculation number LCU/PG/002011 carried out this research work titled "Sustainability Reporting and Financial Performance of Listed Deposit Money Banks in Nigeria" in the Department of Management and Accounting, Faculty of Management and Social Sciences, Lead City University, Ibadan, Oyo State, for the award of Master of Science Degree (MSc) in Accounting and that this has not been previously submitted.

\_\_\_\_\_  
**Prof. G. E. Oyedokun**  
Supervisor

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Dr. T. M. Akinbo**  
Head of Department

\_\_\_\_\_  
**Date**

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Dedication

This research work is dedicated to God Almighty.

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## Acknowledgement

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Even though the above-mentioned institution and persons have assisted in the process of this research work, I alone stand responsible for the errors, if any, found in the work.

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## Abstract

Recent years have seen an increase of interest in sustainability reporting from the business community, bringing with it the deserved attention from around the world. One possible explanation is that in recent years, interest among stakeholders in firms' non-financial activities has increased. As such, this research looked into the correlations between environmental, social, employee health and safety, and economic sustainability reporting and the performance measures (Gross Profit after Tax and Return on Capital Employed) of Nigeria's Deposit Money Banks. Ex-post facto research design was adopted and all of the Deposit Money Banks (DMBs) in Nigeria served as the population for this study, from which a random selection of 10 listed DMBs were judgmentally sampled. Data was acquired from the financial reports of the sampled banks was analysed using panel regression analysis across a 11-year time span (2010-2021). The findings shows that Corporate Social Sustainability Reporting had a negative and insignificant effect on financial performance measures with the probability value of 49% which is extremely higher than 0.05% statistically insignificant. Economic Sustainability Reporting documented a statistically significant positive effect of economic sustainability on performance measures(0.4781\*\*\*). Similarly, Environmental Sustainability Reporting also showed positive significant effect on both performance measure (0.0148\*\*\*). Finally, employee health and safety sustainability disclosure affect firm performance positively and significantly with a t-statistic of 3.23 and prob-value of 0.00 which is significant at 0.05 indicating statistical significance. it was recommended that reporting on environmental issues was helpful to the firms' health and survival, and so regulations that would sustain such reporting (such as required disclosure on environmental issues) should be encouraged. In addition, businesses and financial institutions should prioritise customer satisfaction to boost the approval of policies promoting engagement in social sustainability and, by extension, reduce the likelihood of financial losses.

**Keywords:** Economics Sustainability, Environmental Sustainability, Return on Capital Employed, Social Sustainability and Sustainability Reporting.

**Word Count:** 294

## Table of Contents

<b>Content</b>	<b>Page</b>
Title Page	i
Certification	ii
Dedication	iii
Acknowledgement	iv
Abstract	v
Table of Contents	vi
List of Tables	ix
List of Figures	x
List of Acronyms	xi
<b>Chapter One: Introduction</b>	
1.1 Background to the Study	1
1.2 Statement of the Problem	4
1.3 Aim and Objectives of the Study	6
1.4 Research Questions	7
1.5 Hypotheses	7
1.6 Significance of the Study	8
1.7 Scope of the Study	9
1.8 Limitation of the Study	9
1.9 Operational Definitions of Terms	10
Endnotes	12
<b>Chapter Two: Literature Review</b>	
2.1 Conceptual Review	14
2.2 Theoretical Framework	41

2.3	Review of Empirical Studies	46
2.4	Conceptual Framework	78
2.5	Summary of Gaps in Literature Reviewed	79
	Endnotes	81

### **Chapter Three: Methodology**

3.1	Research Design	92
3.2	Population of the Study	92
3.3	Sample and Sampling Techniques	93
3.4	Description of Research Instrument	94
3.5	Validity and Reliability of Research Instrument	95
3.6	Method of Data Collection	95
3.7	Method of Data Analysis	95
3.8	Model Specification	96
	Endnotes	98

### **Chapter Four: Results and Discussion of Findings**

4.1	Presentation of Data	99
4.2	Presentation of Test of Hypotheses	102
4.3	Discussion of Findings	108
	Endnotes	112

### **Chapter Five: Conclusion**

5.1	Summary of Findings	114
5.2	Conclusion	115
5.3	Recommendations	115

5.4	Contribution to Knowledge	116
5.5	Suggestion for Further Studies	117
	<b>Bibliography</b>	118
	<b>Appendix</b>	129
	<b>Biodata</b>	163
	<b>The University Compliance Certification</b>	165

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## List of Tables

<b>Table</b>	<b>Title</b>	<b>Page</b>
3.1	Sample Deposit Money Banks	93
4.1	Descriptive Statistics by Bank	100
4.2	Multicollinearity Analysis	101
4.3	Diagnostic Tests	103
4.4	Results of Regression Estimate	106

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## List of Figure

<b>Figure</b>	<b>Title</b>	<b>Page</b>
2.1	Conceptual Framework	74

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## List of Acronyms

<b>Abbreviation</b>	<b>Meaning</b>
COGS:	Cost of Goods Sold
CBN:	Central Bank of Nigeria
DER:	Debt-to-Equity Ratio
DPO:	Days Payable Outstanding
DSO:	Day Sales Outstanding
EPS:	Earnings per share
FGLS:	Feasible generalized least square
FMCG:	Fast Moving Consumer Goods
GHG:	Green House Gas
GPM:	Gross Profit Margin
IPMA:	International Personnel Management Association
MILP:	Multi Integer Linear Programming
NIM:	Net Interest Margin
OLS:	Ordinary Least Square
PS:	Production Scheduling
RAROA:	Risk-Adjusted Return on Asset
RAROE:	Risk-Adjusted Return on Equity
ROA:	Return on Asset
ROE:	Return on Equity
SKU:	Stock-Keeping Units
TDE:	Total Debt to Equity
TDTA:	Total Debt to Tangible Assets
WIP:	Work-in-Progress

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