EFFECT OF SOCIAL SUSTAINABILITY DISCLOSURE ON PERFORMANCE OF OIL AND GAS FIRMS IN NIGERIA.

Igbru, Oghenekaro[1] and Ofor, Theresa N. (Ph. D)[2]

[1,2] *Department of Accountancy, Faculty of Management Sciences, Chukwuemeka Odumegwu Ojukwu University, Igbariam Campus, Anambra State Nigeria*

Abstract

This study empirically investigated the effect of social sustainability disclosures on performance of oil and gas firms' in Nigeria. The study is vital as it portrays the extent to which social sustainability disclosure influences firms' performance. In order to determine the effect social sustainability disclosures (SSDs) on firms' performance, social sustainability disclosure index by GRI was used while firms' performance on the other hand was proxy by return on equity (ROE). Three hypotheses were formulated to guide the investigation. Ex Post Facto design was adopted and data for the study were obtained from the Nigerian Stock Exchange Factbook and the published annual financial reports of the entire oil and gas firms quoted on NSE with data spanning from 2014-2018. The statistical test of parameter estimates was conducted using OLS regression model operated with SPSS 20. The finding generally indicates that labour practices and decent work disclosure, product responsibility disclosure and human rights disclosure have exerted significant influence on firms' performance (ROE) at 5% significant level. Based on this, the study concludes that social sustainability disclosure has positively improved firms performance over the years.

Keywords: Social Sustainability Disclosure, Firms Performance, GRI

1.0 Introduction

Organizations are generally established with an objective to maximize shareholders welfare while remaining profitable. More often than not, activities carried out by these organizations tell on the environment in which they are located as well as the environment at large. In recent times, social sustainability has become an issue of major concern around the globe (Akabom, Dada & Onyeogaziri, 2018).

Sustainability reporting (SR) practices are also called corporate social responsibility (CSR) reporting, non-financial reporting, triple bottom line reporting, or value reporting. This new genre of corporate reporting received attention from a wide range of academic study and reporting practices have been explained in various theoretical perspectives, such as the stakeholder theory. Such disclosure has significant influence on improving accountability, transparency, and firm performance (Laskar, 2018).

Unerman, Bebbington and O'Dwyer (2017) is of the view that one way to address these issues is in terms of long-term need to ensure that economic activity is socially and environmentally sustainable. Therefore, if organizations carry out their activities in such a way that causes continuous damage to the society leading to an unstable environment for economic activities, such an organizations activities are neither economically nor socially sustainable.

Expectation for all organizations to be more transparent in how they treat the environment, how they handle their corporate governance issues, how they treat their employees, and how they treat their communities has continued to increase. Sustainability tends to focus on how to organize and manage human activities in such a way that they meet physical and psychological needs without compromising the ecological, social or economic base which enable these needs to be met. Unerman, Bebbington and O'Dwyer (2017) maintain that in practice, attempts to account for social, environmental and economic performance has increased among many organizations and the influence of social sustainability on improving firms' performance has been widely investigated in prior research but with mixed results which requires further clarifications.

Kanwal, Khanam, Nasreen and Hameed (2013) observed that some business organizations in Nigeria incur huge expenditures on social responsibility because they regard Corporate Social Responsibility (CSR) as a public relations stunt used by large corporations to look good in front of customers and other stakeholders. However, most companies do not find the justification for such, as the relationship between CSR expenditure and financial performance of corporations in developing nations remains unclear.

It was also noted through academic research that social sustainability provides information on firm's corporate responsibility, therefore any company that does not produce social sustainability report could be seen as working towards unsustainable development and there is no consensus on this argument empirically (Sampong, Song, Boahene & Wadie, 2018).

Therefore, this study was carried out to evaluate the effect of social sustainability disclosure on performance of oil and gas firms in Nigeria using Global Reporting Initiative (GRI) G4 on content index which remains most authoritative and widely used in the international and national arena and also most popular voluntary reporting guideline worldwide. To achieve this purpose, these hypotheses were formulated:

H_{01}: Labour practices and decent work disclosure has no significant effect on performance of oil and gas firms in Nigeria.

H_{02}: Product responsibility disclosure has no significant effect on performance of oil and gas firms in Nigeria.

H_{03}: Human rights disclosure has no significant effect on performance of oil and gas firms in Nigeria.

2.0 Review of Related Literature

Sustainability Disclosure

A sustainability disclosure as defined by the Global Reporting Initiative (GRI) is "a report published by a company or organization about the economic, environmental and social impacts caused by its everyday activities".

The concept of sustainability reporting is perceived to be identical with other certain concepts that describe disclosure of information on economic, environmental and social impacts, such as triple bottom line reporting and Corporate Social Responsibility (CSR) reporting.

Sustainability reports are voluntarily disclosed by corporations that want to offer additional value and information to their stakeholders concerning the effect their activities and operations have on the society and environment (Garg, 2015).

Social Sustainability Disclosure

In recent years, companies were paying earnest attention to demonstrate their commitment to CSR by including it in the information provided to their stakeholders (Kotonen, 2009). Although some of the researchers name this disclosure as CSR reporting (Khan, 2010), corporate social disclosure (Menassa, 2010), social and environment reporting (Guthrie, Cuganesan & Ward, 2016) and corporate social reporting (Amran & Siti-Nabiha, 2017), the fundamental was referring to the same scenario which was to report the companies' CSR activities to the public. Researchers around the globe studied their countries' Corporate Social Responsibility disclosure level to indicate the awareness of Corporate Social Responsibility practice. It was noted that social sustainability is currently a burning issue and a major cause of concern across the globe. Social sustainability disclosure according to the study is referred to as corporate social responsibility disclosure.

The concept of CSR requires that companies should map out and give effect to specific programmes in accordance with a well-defined social policy. Business social responsibility exists and can be felt in many facets in the companies' corporate relationship with stakeholders such as, suppliers, customers, employees, host community, owners of businesses, creditors, management, government and the society (Ohiokha, Odion & Akhalumeh, 2016). This concept may relate to the tackling of pollution problems, poverty and ethnic discrimination and parochial interests, product safety, misleading advertising, consumer complaints and smuggling.

CSR is viewed as an action by a firm, which the firm chooses to take, that substantially affects identifiable social stakeholder welfare. A socially responsible corporation should take a step forward and adopt policies and business practices that go beyond the minimum legal requirements and contribution to the welfare of its key stakeholders. Corporate social responsibility is also called corporate conscience or corporate social performance and duties perform by organizations to the society in which they operate such as, protection of the environment, provision of social amenities, donations to health organizations, charitable contributions to approved organizations and so on (Olayinka & Temitope 2011).

Unugbro (2014) defined social responsibility as the obligation of corporate decision-makers to take actions, which protect and improve the welfare of the society which the organization does business. That is to say in addition to their economic and legal obligations, they also owe the society some responsibilities. Gray, Owen and Adams (2016) defined corporate social responsibility disclosure as the process of communicating the social and environmental effects of organization economic actions to particular interest groups within the society and to the society at larger.

According to European Union (2002) CSR is viewed as a concept whereby a company integrates social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis as they are increasingly aware that responsible behaviour leads to sustainable business success.

The corporate social responsibility according to EU (2002) means:

-Organization responding positively to emerging societal priorities and expectations.

-Conducting business in an ethical way and in the interests of the external environment.

-Balancing the shareholders' interests with the interests of other stakeholders in the society. The idea of CSR implies how organization can manage its business process to produce an overall positive impact on society. It also means how organizations behave ethically and contribute to economic development of society by improving the quality of life of the local community and society at large. The CSR are set of standards that company subscribes to in order to make positive impact on society. It also means how organizations behave ethically and contribute to economic development of society by improving the quality of life of the local community and society at large.

According to Nigerian Code of Corporate Governance (NCCG) 2018, paying adequate attention to sustainability issues including environment, social, occupational and community health and safety ensures successful long term business performance and projects the Company as a responsible corporate citizen contributing to economic development.

The following policies are recommended by NCCG 2018 as regard to SSD:

1. Report on the Company's business principles, practices and efforts towards achieving sustainability;
2. Report on the most environmentally beneficial options particularly for companies operating in disadvantaged regions or in regions with delicate ecology, in order to minimize environmental impact of the Company's operations;
3. The nature and extent of employment equity and diversity (gender and other issues);
4. Opportunities created for physically challenged persons or disadvantaged individuals;
5. The environmental, social and governance principles and practices of the Company; etc.

The position of Global Reporting Initiative (G4-LA1, LA9, G4-HR4, HR8 and G4-SO1) on social sustainability disclosure is as follows

1. Report on the total number and rate of new employee hires during the reporting period, by age group, gender and region.
2. Report on education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious disease
3. Operations and suppliers in which employee rights to exercise freedom of association or collective bargaining may be violated or at significant risk
4. The total number of identified incidents of violations involving the rights of indigenous peoples during the reporting period.
5. Percentage of operations with implemented local community engagement, impact assessments, and development programs

Firms Performance

Corporate performance can be summarized to mean a subjective measure of how well a firm can use assets from its primary mode of business and generate revenues. This term is also used as a general measure of a firm's overall financial health over a given period of time, and can be used to compare similar firms across the same industry or to compare industries or sectors in aggregation (Okeke, 2015).It was this definition that prompted consideration of alternative measures of performance so that the response of social and environmental disclosures' (SED) to firms performance (FP) can be statistically established and generalized rather than relying on SED behaviour to a particular performance measure.

Return on Equity and Net Assets Per Share were used as a performance measurement in the prior expectations of Brockman (2015), Kanwal, Khanam, Nasreen and Hameed (2013), Nahiba (2017), Menassa (2010), Wibowo (2015) etc.

For the purpose of this study, Return on Equity (ROE) was used. This was captured as Net Profit after Tax measured by Equity

This is expressed mathematically as

$$ROE = \frac{NPAT}{Equity}$$

2.2 Theoretical Framework

The theoretical foundation of this paper is anchored on the "Stakeholders' Theory".

The Stakeholders' Theory

This theory was propounded by Freeman in the year 1984. The theory sees corporate organizations as the elements of the social system or group where the firm's success is dependent upon the successful management of all the relationships that a firm has with its stakeholders; those groups without whose support the organization would cease to exist. Freeman's stakeholders' theory asserts that, managers must satisfy a variety of constituents (example, employees, customers, suppliers, local community and so on) who can influence the firm's outcomes. According to this view, it is not sufficient for managers to focus exclusively on the needs of stockholders, or the owners of the business. This implies that it can be beneficial for the firm to engage in certain environmental activities that non-financial stakeholders perceive important, because without this, these groups might withdraw their support from the business.

The stakeholders' theory proposed an increased level of environmental awareness which creates the need for companies to manage these interests (groups' interest) in order for them to become environmentally friendly towards the environment in which the business is domiciled. The main concern of the stakeholders' theory in environmental accounting is to address the environmental disclosure elements and valuation and its inclusion in the financial statements for external user's consumption.

Summarily, the stakeholder theory illustrates that the firm has one and only one goal – to satisfy the desires of shareholders by making profits. However, profit may not be attainable if the environment in which the business operates is neglected.

Thus, the study is anchored on stakeholders' theory, as its concern is to encourage business managers to carry out social sustainability practices which the non- financial stakeholders consider very important so as to maximize stakeholders' value as well as minimize environmental costs.

2.3 Empirical Review

Social Sustainability Disclosure (SSD) and Firms' Performance

Laskar (2018) emphasized on the impact of CSR reporting on firm performance between developed and developing countries of Asia. The study used a logistic regression model and found a significant positive relation between SR and firm's performance. The relative impact of SR on firm performance is more in developed countries than in developing countries of Asia.

Karaman, Kilic and Uyar (2018) in their study on social sustainability reporting used logistic regression model to find the relationship between GRI-based reporting and firm performance. They mainly focused on the aviation industry, and they emphasized mainly on firm size and financial leverage and the study revealed that social sustainability reporting is positively associated with SR. Michelon, Pilonato and Ricceri, (2015) study on CSR reporting practices and the quality of disclosure used regression analysis and found that CSR reporting practices are not associated with higher disclosure quality.

Sampong, Song, Boahene and Wadie, (2018) examine the relationship between CSR disclosure performance and firm value. They used regression analysis with CSR disclosure performance as an independent variable, and Tobin's Q is used as a measure of firm value. They study found a positive and insignificant relationship between CSR disclosure performance and firm value.

McGuinness, Vieito and Wang (2017) study the role of board gender and foreign ownership in the CSR performance. They used regression analysis, and they found that more excellent gender balance in top-management supports stronger CSR performance. Miller, Eden and Di (2018) on CSR reputation and firm performance used panel data regression analysis and found that changes in CSR reputation have predictable, asymmetric, and sizeable impacts on firm performance.

This is contrary to the studies of Amran and Siti-Nabiha (2017), in their study on corporate social reporting in Malaysia established simple regression model and found significant negative relationship between corporate social reporting and firms' performance. The study recommended on the relevance of quantitative information sufficed in the companies report.

This is in line with the study of Yusuf (2016) used dummy variables and explored the test tool of regression model and found significant positive effect between corporate social responsibility disclosure (CSRD) and firms performance.

Guthrie, Cuganesan and Ward (2016) in their study on social and environmental reporting and its effect on performance of food and beverage firms in Australia note that quality social and environmental disclosure influences firms' performance. The study explored the use of dummy variable and applied the test tool of OLS and recommended that shareholders should look beyond the quantitative information in the companies report and its footnote. Much emphasis should also be placed also on qualitative information provided in the companies report for investment decision making.

According to Uwaloma and Egbide (2016), making research on sample of 41 listed companies in Nigerian Stock Exchange for the period of 2015. Multiple regression analysis was employed to analyse the data. The study revealed that there is a significant negative relationship existed between firm's financial performance measured by RONW and the level of corporate social responsibility disclosures.

This disagrees with the study of Wibowo (2015) on effect of non-financial disclosures on performance of Italian listed Firms explored simple regression model who measured non-financial information using corporate social responsibility disclosure and found positive correlation between CSR disclosures towards financial performance proxy as ROE. The study however concluded that CSR disclosure has improved firms performance.

This is also in agreement with the prior expectations of Khaveh, Nikhashemi, Yousefi, and Haque (2014) who found positive correlation between CSR disclosures towards financial performance. The study established the statistical tool of OLS and recommended that corporate social responsibility disclosure should be encouraged and should form skeletal part of corporate reporting for stakeholders' perusal.

Domenico (2014) used samples from Italian firms and suggest a weak positive association between corporate social performance and financial performance. The study explored the statistical tool of regression model and concludes that corporate social responsibility disclosure has no significant effect on financial performance of firms measured by ROE in Italy.

The study of Javed, Saeed, Lodhi and Malik (2013) suggest that there is a positive relationship between firms' financial performance (ROA), economic and legal responsibilities and negative relationship in the case of ethical and discretionary responsibilities. The study used OLS and concludes that CSR by corporate sector in Kenya provides a healthy environment for the country and promotes a culture in which laws are abided willingly.

Kanwal, Khanam, Nasreen and Hameed (2013) also attempted on the relationship between firm performance and CSR in different KSE (Kenya Stock Exchange) listed companies and found a positive correlation between these two variables using OLS (CSRD & NAPS). They suggest that CSR activities give dual benefits to the firm. At one end they enhance a positive image in the minds of their stakeholders on the other hand improve their financial position.

Menassa (2010) in his study on corporate social responsibility used logistic regression model and argues that corporate social responsibility disclosure has significant implications on firms' performance. The study however gives a better understanding to the users of annual reports on the influence of Non-Financial Information disclosure on firm's profitability. Based on this finding, the study recommended that firms should improve on its corporate social responsibility disclosure as it influences firms' performance.

Shil and Paramanik (2009) examined CSR disclosure and firms' performance in Bangladesh and established test tool of logistic regression model using dummy variables and concluded that such disclosure adds value to firms reporting for stakeholders' consumption.

3.0 Methodology

This study adopts ex-post facto research design. This was adopted based on the fact that our data is secondary data that exists already which cannot be manipulated or controlled. The population of the study consists of the entire 12 oil and gas firms quoted on NSE as at 2019 business list covering from 2014-2018 with 60 observations. They include; Forte Oil Plc, Conoil Plc, Oando Plc, Japaul Oil Plc, Seplat Oil Plc, Mrs Oil Plc, Total Nig Plc, Amino International Plc, Rak Unity Pet Plc, Capital Oil Plc, 11 Plc, and Eternal Plc. The study used data from secondary source and was obtained from the NSE Factbook and annual reports and accounts of the oil and gas firms in Nigeria.

The technique of data analysis employed in this study is the OLS regression analysis. The study adopted this technique to ascertain the effect of the firm social sustainability disclosures on firms' performance which was measured using return on equity (ROE). The data was analysed using SPSS V20 statistical package, and the outcome was used to test the hypothesis formulated for the study after conducting necessary tests. Various robustness tests such as test for multi-collinearity between the independent variables were carried out to improve the validity of the results obtained.

Operationalization and Measurement of Variables

Dependent Variable

The dependent variable in this study is Firms' Performance and it was proxy and measured using Return on Equity. This is in harmony with the works of Nahiba (2017), Brockman (2015), Kanwal, Khanam, Nasreen and Hameed (2013), Menassa (2010). Wibowo (2015) etc.

Independent Variable

Social sustainability disclosure is measured using labour practice and decent work index, product responsibility index and human rights index adopted from the Global Reporting Initiative as used in the study of Jones (2005), Burhan and Rahmanti (2012), Aggarwal (2013) etc. A dichotomous procedure by (GRI) was applied in scoring the items whereby specifically, a "1-point" score was awarded for each item that is disclosed in the annual report and otherwise, a "0-point".

Model Specification

In line with the previous researches, the researcher adapted and modified the Model of Wibowo (2015) in determining the effect of social disclosures on firms' performance. This is shown below as thus:

Wibowo (2015): $\mathbf{ROA = \beta 0 + \beta_1 SSD + \mu}$

Where:
ROE = Return on Equity
SSD = Social Sustainability Disclosure
The above model is modified for this study as thus:

Model 1: $ROE_{it} = \beta_0 + \beta_1 LPDWD_{it} + \beta_2 PRD_{it} + \beta_3 HRD_{it} + \mu_{it}$

Where LPDWD = Labour Practice and Decent Work Disclosure

PRD = Product Responsibility Disclosure

HRD = Human Rights Disclosure

4.0 Results and Discussion

This section presents the results from the analysis of data and its interpretation

Table 1: Descriptive Statistics

Descriptive Statistics

	Mean	Std. Deviation	N
ROE	.5215	.61982	60
LPDD	2.5667	1.44230	60
PRD	3.4167	1.35661	60
HRD	2.6667	1.25774	60

Source: SPSS Computational Results (2020)

Table 1 above shows that 52.15% of our observations for the model 2 have social sustainability disclosure items in their financial reporting. The mean value of labour practices and decent work disclosure (LPDWD) for the sampled firms' was 2.56. This implies that firms with LPDWD values of 2.56 moderately disclosed this information in their annual reports based on GRI G4. The average value of product responsibility disclosure (PRD) for the sampled firms was 3.41 which indicate that firms with PRD values of 3.41 moderately disclosed this information in its corporate reporting at a risk of 1.35. Human rights disclosure on the other hand has an average value of 2.667 which shows that firms with HRD values of 2.667 moderately disclosed this information in its corporate reporting

Test of Hypotheses

Table 2: Regression Result for the Model

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					
					R Square Change	F Change	df1	df2	Sig. F Change	Dubin-watson
1	.748[a]	.521	.274	.59653	.121	2.566	3	56	.044	2.012

a. Predictors: (Constant), HRD, LPDD, PRD
b. Dependent Variable: ROE

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	.315	.364		.866	.030	1.044	.413		
	LPDD	.132	.056	.306	2.359	.022	.020	.243	.931	1.074
	PRD	.233	.059	.073	.559	.050	.086	.152	.931	1.075
	HRD	.459	.064	.120	1.926	.038	.187	.069	.934	1.071

a. Dependent Variable: ROE

Source: SPSS Computational Results (2020)

The coefficient of determination "R-Square" shows 52.1% for the model which indicates that the variables considered in the model accounts for about 52.1% change in the dependent variable of ROE. Thus implies that the remaining 47.9% is as a result of other variables not addressed by this model.

The sig. (or p-value) for the Model is .044 which is below the .05 level; hence, we conclude that the overall model is statistically significant, or that the variables have a combined or joint effect on the dependent variable. With this, the researcher affirms the validity of the regression model adopted in this study.

Interpretation of Results for the Model

In addition to the above, the specific finding from the explanatory variable from the regression model as shown on table 2 is provided below as follows:

H₀₁: *Labour practices and decent work disclosure has no significant effect on firms' performance.*

This hypothesis was tested and the result of the regression model as exposited on table 2 indicates that the relationship between labour practices and decent work disclosure (LPDWD) and Return on equity (ROE) is positive and significant with a P-value (significance) of 0.020 for the model which is less than the 5% level of significance adopted.

Likewise, the result of the positive coefficient shows that an increase in firms' labour practices and decent work activities while other variables are held constant increases firms return on equity (ROE) by 13.2%. We consequently rejected null hypothesis and accepted alternate hypothesis which contends that labour practices and decent work disclosure has significant effect on firms' performance.

This agrees with our priori expectations of Javed, Saeed, Lodhi and Malik (2013) Uwalome and Egbide (2016) and also negates the study of Domenica (2014) and Amran and Siti-Nabiha (2017)

H₀₂: *Product responsibilities disclosure has no significant effect on firms' performance.*

This hypothesis was tested and the result of the regression model as exposited on table 2 indicates that the relationship between product responsibilities disclosure (PRD) and return on equity (ROE) is positive and significant with a P-value (significance) of 0.50 for the model which is less than the 5% level of significance adopted.

Likewise, the result of the positive coefficient shows that an increase in firms' product responsibilities while other variables are held constant increases firms return on equity (ROE) by 23.3%. We consequently rejected null hypothesis and accepted alternate hypothesis which contends that product responsibilities disclosure has significant effect on firms' performance.

This agrees with our priori expectations and the studies of Khaveh, Nikhashemi, Yousefi, and Haque (2014), Wibowo (2015), Amran and Siti-Nabiha (2017), Yusuf (2016) and also negate the study of Domenica (2014).

H₀₃: *Human rights disclosure has no significant effect on firms' performance.*

This hypothesis was tested and the result of the regression model as exposited on table 2 indicates that the relationship between Human Rights Disclosure (PRD) and Return on equity (ROE) is positive and significant with a P-value (significance) of 0.038 for the model which is less than the 5% level of significance adopted.

Likewise, the result of the positive coefficient shows that an increase in firms' human rights practice while other variables are held constant increases firms return on equity (ROE) by 45.9%. We consequently rejected null hypothesis and accepted alternate hypothesis which contends that human rights disclosure has significant effect on firms' performance.

5.0 Conclusion and Recommendations

Based on the findings of the study, it was concluded that social sustainability disclosure has significant influence on firms' performance proxy as ROE and this influence is statistically significant at 5% level. The implication of this is that social responsible firms make higher profits. Since the study shows that social responsible firms' make higher profit, the study suggests that firms should disclose more of this information in their annual reports in order to legitimize their operations by making public known about her commitment of business to contribute to sustainable economic development, working with employees, their families and the local communities as this disclosure is relevant for investors decision making.

References

Aggarwal, A. (2013). Corporate social responsibility disclosures and corporate performance, *Journal of Empirical Literature, 2(9); 34-51*

Akabom, I., Dada, E., & Onyeogaziri, U. (2018). The effect of sustainability reporting on corporate performance of selected quoted brewery firms in Nigeria, *International Journal of Business & Law Research 6(3); 1-10*

Amran, A., & Siti-Nabiha, A. (2017). Corporate social reporting in Malaysia: A case of mimicking the West or succumbing to local pressure. *Social Responsibility Journal*, *5(3); 358–375.*

Brockman, T. (2015). Social corporate disclosure and firms performance, evidence from list manufacturing firms' in Italy, *Journal of Science*, *4(9); 45-52*.

Burhan & Rahmanti (2012). Determinants of corporate social responsibility disclosures using GRI, *Journal of Social Science and Management Research, 4(2); 1011-1032*

Domenico, P. (2014) Italian mutual banks: corporate social and financial performance. *European Scientific Journal 10(4); 1857- 1890*.

European Union (2002). Corporate social responsibility disclosures.

Freeman, R. E. (1984). *Strategic Management*: a stakeholder approach. London: *Financial Times Prentice Hall.*

Garg, P. (2015). Impact of sustainability reporting on firm performance of companies in India. *International Journal of Marketing and Business Communication*, *4(3); 38-45.*

GRI (2017). Reporting principles and standard disclosure requirements for elimination of reporting confusion

Guthrie, M., Cuganesan, S., & Ward, L. (2016). Social and environmental reporting and its effect on performance of food and beverage firms, *Journal of Financial Economies, 3: 1–40*.

Javed, M., Saeed, R., Lodhi, R., & Malik Q. (2013). The Relationship between Corporate Social Responsibility and Firm Financial Performance: A Case of Kenya. *Journal of Basic and Applied, 3(11)34-45.*

Kanwal, M., Khanam F., Nasreen S., & Hameed S. (2013). Impact of corporate social responsibility on the firm's financial performance. *IOSR Journal of Business and Management*, *14(5); 67-74.*

Karaman, A. S., Kilic, M. & Uyar, A. (2018). Sustainability reporting in the aviation industry: worldwide evidence, Sustainability Accounting, *Management and Policy Journal, 9(4); 362-391*

Khan, M. (2010). The effect of corporate governance elements on corporate social responsibility (CSR) reporting: Empirical evidence from private commercial banks of Bangladesh. *International Journal of Law and Management, 52*(2); *82–109.*

Khaveh, T., Nikhashemi, S., Yousefi, B., & Haque (2014). Effect of non-financial disclosures on corporate performance in France, *Australian Journal of Business and Management Research, 1(12); 33–41.*

Kotonen, U. (2009). Formal corporate social responsibility reporting in Finnish listed companies. *Journal of Applied Accounting Research, 10(3); 176–207.*

Laskar, N. (2018). Impact of corporate sustainability reporting on firm performance: an empirical examination in Asia, *Journal of Asia Business Studies, 12(4); 571-593*

McGuinness, P. B., Vieito, J. P., & Wang, M. (2017). The role of board gender and foreign ownership in the CSR performance of Chinese listed firms. *Journal of Corporate Finance, 42: 75–99.*

Menassa, E. (2010). Corporate social responsibility An exploratory study of the quality and extent commercial banks. *Journal of Applied Accounting Research, 11(1); 4–23.*

Michelon, G., Pilonato, S., & Ricceri, F. (2015). CSR reporting practices and the quality of disclosure: An empirical analysis. *Critical Perspectives on Accounting, 33: 59-78.*

Miller, S. R., Eden, L., & Li, D. (2018). CSR reputation and firm performance: A dynamic approach. *Journal of Business Ethics, 1-18,*

Nigerian Code of Corporate Governance (2018). Issued by financial reporting council of Nigeria in accordance with section 11 and 51 subsection c of the Act

Ohiokha, F., Odion, O., &Akhalumeh, P. (2016). Corporate social responsibility and corporate performance: The Nigerian experience. *International Journal of Accounting Research, 2(10), 1-13*.

Okeke, N. (2015). Financial performance synergies, empirical review, *European Accounting Review, 1(3); 55–59.*

Olayinka, M.U. & Temitope, O. F. (2011). CSR and financial performance: The Nigerian experience. *Journal of Economic and Sustainability Development, 3(4): 44-54.*

Sampong, F., Song, N., Boahene, K., & Wadie, K. (2018). Disclosure of CSR performance and firm value: new evidence from South Africa based on the GRI guidelines for sustainability disclosure.

Shil, N. C., & Paramanik, A. K. (2009). A look into the disclosure improvements for CSR reporting in Bangladesh. *Malaysian Accounting Review, 8(2); 67–83.*

Unerman, J., Bebbington, J. & O'Dwyer, B. (Eds.). (2017). *Sustainability Accounting and Accountability*, London: Routledge.

Unugbro, A. O. (2014). *Management: Theory and practice*. Benin City: Mindex Publishing Inc

Uwalomwa, U., & Egbide, B. (2016). Corporate social responsibility disclosures in Nigeria: A study of listed financial and non-financial firms. *Journal of Management and Sustainability, 2(1); 160 – 169.*

Wibowo, M. (2015). Effect of non-financial disclosures on performance of Italian listed firms. *Journal of Financial Economies, 8(3); 23-29.*

APPENDIX 1

DATA FOR OIL AND GAS FIRMS QUOTED IN NIGERIASTOCK EXCHANGE

S/N	NAMEOFCOMPANY	YEARS	ROE	LPDD	PRD	HRD
1	CAPITAL OIL PLC	2014	-0.165	3	2	2
		2015	-0.085	2	5	1
		2016	-0.752	1	3	3
		2017	-0.696	1	2	3
		2018	-0.875	5	4	5
2	FORTE OIL PLC	2014	0.101	4	3	4
		2015	0.125	3	3	3
		2016	0.067	2	**2**	**2**
		2017	0.221	3	2	1
		2018	0.006	0	5	3
3	JAPAUL OIL PLC	2014	-0.208	0	**2**	4
		2015	-2.304	1	2	3
		2016	1.127	2	2	2
		2017	0.469	3	3	1
		2018	0.453	4	1	3
4	CON OIL PLC	2014	0.010	3	2	3
		2015	0.033	3	5	2
		2016	0.041	2	1	1
		2017	0.025	1	5	3
		2018	0.045	4	1	4
5	MRS OIL PLC	2014	0.037	5	2	3
		2015	0.045	4	3	1
		2016	0.066	3	**1**	**3**
		2017	0.060	4	2	3
		2018	-0.061	5	1	5
6	TOTAL OIL PLC	2014	0.332	2	4	3
		2015	0.249	1	5	3
		2016	0.628	3	4	2
		2017	0.284	4	5	1
		2018	0.271	5	5	2
7	OANDO PLC	2014	-3.340	0	4	3
		2015	-0.976	1	**3**	4
		2016	0.020	1	4	4
		2017	0.075	2	4	5
		2018	0.104	3	**3**	4
8	ETERNAL OIL PLC	2014	0.153	4	4	3
		2015	0.132	3	5	3
		2016	0.136	2	**3**	**2**
		2017	0.161	3	3	1
		2018	0.078	5	2	2
9	11 PLC	2014	0.472	5	3	0
		2015	0.317	3	5	3
		2016	0.380	2	5	4

		2017	0.275	1	**3**	**5**
		2018	0.276	2	1	5
10	SEPLAT OIL PLC	2014	0.156	0	4	4
		2015	0.046	2	5	3
		2016	-0.121	1	5	2
		2017	0.176	3	4	1
		2018	0.091	2	**3**	**1**
11	AMINO PLC	2014	0.033	1	5	2
		2015	0.028	1	5	3
		2016	0.008	4	**5**	4
		2017	0.002	3	5	1
		2018	0.002	2	4	2
12	RAKUNITY PLC	2014	0.191	2	5	1
		2015	0.105	5	5	1
		2016	0.077	4	4	2
		2017	0.053	3	**3**	4
		2018	0.050	1	4	2

Source: Nigerian Stock Exchange Factbook and Annual Reports and Accounts of Oil and Gas Firms in Nigeria from (2014-2018).