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Effect of Sustainability Reporting on Value-Relevance of Accounting Information in Nigeria

[1]E.E. Osevwe-Okoroyibo
Department of Accounting, Faculty of Administrative & Management, Southern Delta University, Ozoro.

[2] Prof. Emma I. Okoye
Department of Accounting, Faculty of Administrative & Management, Nnamdi Azikiwe University, Awka
Corresponding Author. eloholizzybetty@gmail.com

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Abstract: *This study investigated the effect of sustainability reporting on value-relevance of accounting information in Nigeria. Ex-post facto research design was used and secondary data were obtained from 26 manufacturing companies listed in Nigerian Exchange Group. Data on sustainability reporting measures (environmental and governance) and value-relevance of accounting information measure (share price) were sourced from the published annual reports and accounts of the listed manufacturing companies from 2013-2023. Data obtained were analyzed using descriptive, correlation and inferential statistics. The analysis results revealed that sustainability reporting measures of environmental sustainability reporting and governance sustainability reporting significantly affect value-relevance of accounting information of the selected listed manufacturing companies in Nigeria. In view of the findings, the study recommends among others that, management of manufacturing companies should consistently increase its disclosure of environmental information and make it a mandatory practice and policy.*

Keywords: accounting information, environmental sustainability, governance sustainability, share price, value relevance

INTRODUCTION

In the corporate business environment, financial reporting serves a major function of giving the stakeholders, especially shareholders/investors and creditors useful information that can enable them make informed financial decisions (Agyemang, Yusheng, Twum, Ayamba, Kongkuah & Musahl, 2021; and Lydon, Ikechwukwu & Ayaundu, 2021).The importance of adequate disclosure cannot be over emphasized as inadequate disclosures can create ignorance in the shares about the future prospect of companies, increases information-asymmetry problem and make investor take decisions based on subjective measures rather than objective measures.

In the views of Baumol and Bowman (1965) as cited in Olaniyan, Efuntade and Efuntade (2021), basing such decisions on subjective measures could make investors purchase shares whose prices may be undulating and unable to yield the expected returns for investors. Bloomfield and Wilks (2000) as cited in Singh and Misra (2021) showed that higher disclosure of quality accounting information may lead to a high price for shares, given that accounting information is relevant in determining the intrinsic value of shares and subsequently used for investment decisions as reflected in share price; perhaps, this idea gave rise to value-relevance of accounting information concept.
In this study, the effect of sustainability information reporting/disclosure on value-relevance of accounting information in Nigeria was examined to establish the extent to which sustainability reporting enhances value-relevance of financial accounting information among listed manufacturing companies in Nigeria. Badingatus and Ukhti (2021) observed that the decision-usefulness approach to financial reporting is carried out via complete transparency and the provision of pertinent data. The investigation of sustainability reporting and the value-relevance of accounting information in Nigeria are very imperative given that the region is still developing and hence offers a valuable sample due to their vast population, which raises concerns about social, economic, governance and environmental challenges as well as their need to preserve biodiversity. The manufacturing sector is one of the major drivers of economic growth in most developed and developing nations. This is so because the manufacturing sector contribution to national gross domestic product (GDP), increased performance and employment; conceivably, this has made the manufacturing sector a 'bride' to most investors and governments. In making investment decision, empirical evidence suggests that investors rely on information disclosed by companies via their yearly financial statements/reports (Irabora, 2019; Aggarwal & Jha, 2019; Chaudhary, 2018; and Uwalomwa, Olubukola, Moyosore, Jimoh & Rehimetu, 2017).

Furthermore, most studies had focused on assessing the extents to which sustainability reporting affects financial performance and firm value in developed and developing countries, without robust empirical examination on the extents to which sustainability reporting influences value-relevance of accounting information (share price) of Nigeria manufacturing companies with data extending till 2023. Against this background this study examined the effect of sustainability reporting on value relevance of accounting information in Nigeria while specific objectives are environmental sustainability reporting and governance sustainability reporting influence on share price of listed manufacturing companies in Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Review

Value-Relevance of Accounting Information (VRAI): The extent to which changes in accounting numbers explain the changes in stock prices is referred to as value-relevance of accounting information (for short VRAI) (Outa et al., 2017 as cited in Imhanzenobe, 2022). As a result of this, the relationship between information, goodwill or capital movements can be established; this information cannot be categorised as value-related if there is no link between financial data and business value (Barth, Beaver & Landsman, 2001 as cited in Sukhari, Coetsee & Ade-Ibijola, 2023). Therefore, information is considered value-relevant if there are price fluctuations associated with disclosing the information.

Share Price

According to Amalia, Darma, and Siti (2020), share price is the current price of a listed or unlisted stock and is influenced by share players as well as sellers/buyers in the capital market. High share/stock prices attract investor attention and capital investment in the firm (Fatmasari et al., 2021), as the stock price indicates the company's worth to the investor. Share price are the selling prices of stocks formed by bidding and bidding on IDX stocks, and as is well known, stocks generate two types of income: dividends and capital gains. According to (Widiatmojo 1996; and Dicky, 2018), share prices can be divided into three parts namely nominal, grand and share price. Share prices can be high or low, having a fluctuating movement; share price can fluctuate irregularly due to the influence of many factors such as but not limited to company's performance, dividend announcements, value-relevance of accounting information (VRAI), etc.

The occurrence of share transactions is based on investors' observations of the performance of a company. Thus, maximising share price is a primary objective of most organisations. Factors that affect share prices have been studied by prior researchers. These factors include companies with high levels of debt have high borrowing costs, which can limit their ability to generate profits; and companies with capital structures, especially those with large debt, pay more interest each year and erode their net income (Ullah et al, 2020). An investor who discovers that debt has a significant negative impact on return on asset (ROA) would be interested in obtaining the shares of that company. In this current study, we adopted the definition of share price by Fatmassari et al., (2021) such that it sees share price as current price of the listed/unlisted stock which are determined by share participants and the supply/demand of the stock in the capital market.

Sustainability Reporting

A widely held view known as sustainability report gives investors an overview of a company's achievements in areas of economic, social, governance and environmental sustainability (Emenyi & Okpokpo, 2023). Sustainable development perhaps facilitates communication and interaction amongst companies' stakeholders. In the view of Onoh, Biradawa and Ndubuisi (2023), sustainability reports provide objective, unbiased and fair evaluation of company's achievement in sustainability, taking into account both positive and negative contributions. Globally, public entities manage natural and social resources and transform them into economical goods and services for consumers. Also, publicly available information is a requirement, but not sufficient, for the responsible use of resources and management (Brown, Dillard & Marshall, 2006 as cited in Rodrigues, Alves, Oliveira, Vale, Vale & Silva, 2021). GRI (2011) indicates that sustainability reporting mainly focus on human rights problem, business morals, corruption prevention actions, political contributions advocacy and lobbying employment procedures, such as non-discrimination guidelines, labour relations, security, job prospects, and training for local employees, particularly those from the host community. Onoh, Biradawa and Ndubuisi (2023), sustainability reporting can lower costs of capital and stock price volatility and uncertainty for publicly traded companies.

Environmental Sustainability Reporting (ESR)

Environmental Sustainability Reporting (ESR) is the public publication of objective data on environmental conditions. It is similar to public declarations of economic performance statistics in that it focuses on a company's environmental performance data. Reporting on environmental sustainability is not very popular (Utama & Mirhard, 2016). Using environmental data to guide management decisions has become a corporate body's concerns and area of emphasis. The field of environmental accounting is a branch of accounting that produces reports for both inside and outside usage. Environmental problems like pollution and habitat loss for vulnerable and threatened animals impact everyone, but they are more acute in developing nations (Kayode, 2011). To provide their shareholders and other stakeholders with an annual report that includes information that is qualitative as well as quantitative on their activities and performance, companies are obliged to create this report (Rodrigues, et al, 2021). Stakeholders' requirements for information content facilitate the disclosure of data concerning organisational effectiveness and ecologic accounting reports. Based on the following review above the research hypothesis was formulated and tested; H_{o1}*: Environmental sustainability reporting has no significant effect on share price of listed manufacturing firms in Nigeria.*

Governance Sustainability Reporting (GSR)

The procedure of expressing an organization's culture, structure, ethical standards, expertise and variety of people in charge of governance in the everyday affairs is termed 'governance'. The framework that directs and controls businesses is known as corporate governance (The Cadbury Report, 1992 as cited in Nwobu, 2017). In line with the Organisation for Economic Cooperation and Development's (OECD) guidelines of governance, organisational choices that directly affect

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employees' incentives, motivations and conduct are shown in the governance sustainability reports. For instance, increased board size can improve companies' overall performance by lessening the control of management, which could lead to conflict of interest (Hu & Loh, 2018; and Irabora, 2019). The establishment of frameworks, procedures and regulations known as corporate governance serves as a guide and guarantees that businesses are run effectively for the benefit of all parties involved. It involves keeping the proper balance of accountability between three major parties: the company's owners (principals), executives (owners' agents - directors and managers) and executives' relationship with other parties (stakeholders) (Ahmad, Waseer, Hussain & Ammara, 2018). Based on the review above, the following hypothesis was formulated: *H_{02}: Governance sustainability reporting has no significant effect on share price of listed manufacturing firms in Nigeria.*

Theoretical Review

This study was hinged on agency theory because it identifies and accentuates the major aims/objectives of companies, which seek to maximise the value of shareholders. Agency theory explains the configuration of companies and the roles they play in realizing or maximizing their objectives (e.g. making the company to engage in sustainability reporting and in making accounting numbers value-relevant). The agent cannot only adopt the decision that pursue only the interest of the principal; thus resulting to agency conflict between owners of wealth and those that seeks to maximize companies' objectives.

Agency theory results to the needs for harmonization of interest of management with those of shareholders for the objective of maximizing the value of firm (value-relevant of accounting numbers and engaging in sustainability reporting) such that all interests are not affected by the competing interests of management when they report sustainability metrics. Since stakeholders in a company, including the society use knowledge that management provide, this necessitates corporate social reporting on the part of management (Munjal & Malarvizhi, 2021).

Empirical Review

Apollos, Grace, and Peter (2022) investigated how deposit money banks (DMBs) in Nigeria defend their financial capital providers (shareholders and creditors) by considering the value relevance of IR. This study employed the ex-post facto inquiry design. A total of 24 DMBs under CBN oversight as of December 31, 2020. Based on their overall standing on the Nigerian Exchange (NGX) from 2005 to 2020, a sample of thirteen DMBs was chosen. Two types of inductive statistics that were applied in the investigation to examine the findings were regression and correlation. The investigation discovered that although relative value relevance of IR had minimal impact on guaranteeing creditors (Adj.R2 = 0.003, DID = 0.139, $F(3, 204) = 1.72$, $p > 0.05$), it had a substantial impact on securing investors in the pre- and post-IR Structure eras (Adj.R2 = 0.395, DID = 0.856, $F(3, 204) = 27.43$, $p < 0.05$).

Maryam, Lateef, and Onipe (2021) assess the effect of sustainability assessments on the monetary results of 26 listed consumer goods businesses in Nigeria. The investigation used a correlational research technique, and secondary data was collected from the yearly reports and financial statements of the firms during a ten-year period (2009-2018). The data were analysed using multiple regression approaches, and post estimation tests and diagnostic checks were performed on the data. The findings demonstrate that financial success is significantly positively impacted by social performance. Similar findings indicate that financial success is significantly improved by environmental performance. Findings, however, indicate that financial success is significantly harmed by economic performance. The study suggests that business financial performance benefits from sustainability reporting.

Nzekwe et al. (2021) conducted study to examine the effect of sustainability reporting on financial results of identified industrial goods corporations in Nigeria from 2008 to 2019. The implications of social, economic, and environmental reporting on cash value added were specifically investigated in this study. Eleven (11) businesses with a focus on industrial goods were chosen through a careful selection procedure from among Nigeria's fifteen (15) listed industrial goods companies. In this study, panel data from sample businesses' 2008–2019 annual reports and accounts were used. Ex-post facto research methodology was used. The descriptive statistics of the information set from the acquisition of firms were calculated using the average, standard deviation, minimum, and highest values of the collected information for the study variables. Inferential statistics, such as the Granger causality test, panel least square regression analysis, Pearson correlation coefficient, and Hausman test, were used to evaluate the research's hypotheses. The results showed that reporting on finances, reporting on social issues, and reporting on the environment all greatly raised cash value added at the 5% level.

Using panel data methods, Ighosewe (2021) investigated the impact of sustainability disclosure on the Nigerian consumer goods and industrial sectors. From 2010 to 2019, a sample of ten companies listed in Nigeria's industrial and consumer products sector were examined for this study, resulting in 100 cross-sectional units. company size (FSIZE), environment disclosure (ENVID), research and development disclosure (REDED), employee disclosure (EMPD), corporate social responsibility disclosure (COSRD), and company performance as assessed by Tobin Q are the regressors and the regressed, respectively, are sustainability disclosure. As per the Global Reporting Initiatives (GRI, 2013), the regressor and regressed were retrieved from the financial statement using content analysis. GRETL software was used to examine the data that was collected for the investigation. The research demonstrated that Tobin Q is considerably lowered by environmental transparency, employee disclosure, and business size. On the other hand, disclosure of research and development greatly raises the Tobin Q. Furthermore, corporate social responsibility barely lowers Tobin Q.

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Dewa and Ni-Nyoman (2021) investigate whether sustainability reporting influences business value and has value relevance for shareholders purchasing or disposing of shares. This research made use of two models. Book value and earnings were examined in relation to company value using the first study model. Employing a different approach, the effect of sustainability assessments on corporate value and a description of the value relevance of the report on sustainability were examined. The investigation's data were 306 companies that were listed on the Indonesia Stock Exchange between 2017 and 2020. The study discovered that information from sustainability reports is highly helpful when choosing investments. When making investment selections, investors consider sustainability reports and long-term earnings in addition to short-term gains.

Yane and Dita (2021) looked at how sustainability reporting is impacted by financial statement quality as well as the significance of accounting statements' relevance. In accordance with classifications supplied by the stock exchange's listed companies in 2016 and the National Centre for Sustainability Reporting in 2017, the investigation was carried out on winning enterprises. Partial least square analysis of research. The results demonstrate that while sustainability reporting on ecological and social issues is unaffected by the standard of reporting, which is gauged by conservative accounting, it does have an effect on the economic aspects. The value relevance of the financial statements using earnings per share or book value per share in the overall setting of sustainability reporting has no bearing on any feature of the social results of sustainability reporting. The influence of business sustainability reporting on the earnings per share, net profit margin, return on assets, and return on capital invested of firms listed on the Nigerian Stock Exchange is evaluated by Yusuf et al. (2020). This inquiry used an ex post facto design. Sixty-four businesses that were chosen among 76 non-financial enterprises registered in the Nigerian Stock Exchange made up the study's sample. This study made use of secondary data. Regression model description was employed in the model description. The student t-test statistic was the statistical method used to evaluate the hypotheses. The results of the study demonstrate that sustainability reporting has a beneficial effect on the financial growth of listed firms on the Nigeria Stock Exchange.

Samuel, Aruna, and Amahalu (2020) investigate the impact of environmental cost reporting on the profitability of manufacturing companies that were listed between 2010 and 2019 on the Nigeria Stock Exchange. For a small sample, eleven (11) listed energy and petroleum companies were picked at random. Waste management, employee safety and well-being, and environmental remediation costs are among the proxies for environmental expenses disclosure; the company's net profit margin was the profitability indicator employed. The study's hypotheses were evaluated using Panel Least Square (PLS) Regression analysis and Pearson Correlation Coefficient using STATA 13 statistical programme. Content analysis was also employed. The study's findings demonstrated that, at the 5% level of importance, the costs of dealing with waste, safety and health of staff, and environmental clean-up all significantly increase net profit margin.

METHODOLOGY

The study employed the *ex-post facto* research design; this design was used because the study employed historical accounting data in assessing whether sustainability reporting affects value-relevance of accounting information. This study used listed manufacturing companies in Nigerian Exchanges Group. The study population comprised of 36 listed manufacturing companies in Nigeria. The study used only companies listed as at 2013 - 2023 due to the fact that they have the required dataset within the period of study. The study employed multi-stage sampling in obtaining the sample size of the study. First, the inclusion and exclusion criterion was employed in obtaining companies who had reported sustainability as at 2013. In view of this criterion, 26 companies was selected sample size of the study. Secondary data obtained from financial statements and accounts of the publicly listed manufacturing companies. Data on sustainability reporting such as environmental and governance, value-relevance of accounting information measure of share price were obtained from 2013-2023; this captured 11years period. Descriptive, Diagnostic and Inferential statistics were employed in analysing the data collected.

Model Specification

This study adapted the model of Sutopo et al., (2018) the model is given as follows:
P= (EPS, BVPS, EPS, SRA, BVPS, SRA) and it modifies to suit the variables used in the study
SHAPRI = *f*(ENVSDI, GOSDI) Model 1
The above model can be express in econmatric form as follows:
$SHAPRI_{it} = \alpha_0 + \alpha_1 ENVSDI_{it} + \alpha_2 GOSDI_{it} + \varepsilon_{it}$ Eq.2
Where: SHAPRI = Share price; EnvSR = Environmental Sustainability Reporting; GovSR = Governance Sustainability Reporting; β_1-β_2 = Regression Coefficients; α= Constant; ε= Stochastic Error Term; *i*= is the cross-section of companies used; t = study period (2013-2023).

Analysis and Interpretation
Descriptive Statistics

Table 4.1a: Descriptive Statistics

Statistics	ShpVRA	EnvSR	GovSR
Mean	29.684	0.1088	0.5833
Median	8.2900	0	0.6000
Std. Dev.	77.752	0.1929	0.0964
Min. Value	0.0100	0	0.3400
Max. Value	548.98	0.6700	0.9600
Skewness	4.7581	1.4412	-0.2135
Kurtosis	26.650	3.7133	3.3717
N	286	286	286

Source: Researcher’s Computation via STATA 13.0

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Table 4.1a captured the mean values (average) for each of the variables and their standard deviation (degree of dispersion) for the sampled companies in Nigeria from 2013-2023; the result shed light on the nature of the selected companies in Nigeria in terms of sustainability reporting measures (EnvSR – Environmental Sustainability and GovSR – Governance Sustainability Reporting), value-relevance of accounting information variable (ShpVRA -Share Price).
First, GovSR had the least dispersion with a standard deviation value of 0.0964; the standard deviation revealed that listed manufacturing companies' sustainability reporting are similar; an indication of relative change in the sustainability reporting and value-relevance of accounting information. Also, EnvSR, GovSR and ShpVRA recorded averages of 0.1088, 0.5833 and 29.684respectively; the high mean value for ShpVRA is expected since it is expressed as a ratio of the value share price of companies.

Furthermore, the minimum values for EnvSR, is zero (0); indications that not all the listed manufacturing companies were engaged in sustainability reporting while the minimum values for GovSR is 0.34.The skewness values for GovSR (-0.2135) is negative; indicating that it moved in opposite direction from ShpVRA while EnvSR (1.4412) had positive skewness values, indicating that EnvSR moved in the same direction with ShpVRA. The kurtosis values for governance sustainability reporting would result to increased tremendous positive events (share price) while EnvSR and GovSR were > 3 (leptokurtic), suggesting that EnvSR and GovSR would result in a greater chance of extreme negative events (share price) for the sampled listed manufacturing companies in Nigeria.

Correlation Matrix

Table 4.2a: Correlation Matrix

Statistics	ShpVRA	EnvSR	GovSR
ShpVRA	1.0000		
EnvSR	-0.1769	1.0000	
GovSR	0.1797	-0.3334	1.0000

Source: Researcher's Computation via STATA 13.0

Table 4.2a captured the results of Pearson correlation matrix for the dependent and independent variables for the sampled listed manufacturing companies in Nigeria and it was found that GovSR have positively correlated with ShpVRA and EnvSR have negatively correlated. This implies that there is a positive effect on value-relevance of accounting information (ShpVRA) while a negative effect exists between environmental sustainability reporting and the value-relevance of accounting information (ShpVRA) of listed manufacturing companies in Nigeria.

Post-Estimation Statistics

Table 4.3a: Variance Inflation Factor (VIF) Results

Variables	VIF	1/VIF
EnvSR	1.96	0.5106
GovSR	1.53	0.6516
Mean VIF	**1.60**	

Source: Researcher's Computation via STATA 13.0

Table 4.3a captured the multicollinearity results for the panel data of the sampled companies in Nigeria. The mean VIF is = 1.60, which is not greater than the accepted mean VIF of 10.0, an indication that there is non-existence of multicollinearity in the empirical model of sustainability reporting, firm size and value-relevance of accounting information of the listed manufacturing companies in Nigeria. Hence, the panel dataset is exceptionally reliable for conducting statistical inferences for Nigeria.

Table 4.3b: Heteroskedasticity Results

Variables	Fitted Values of ShpVRA
$Chi^2(1)$	98.44
Prob. > Chi^2	0.0000

Source: Researcher's Computation via STATA 13.0

Table 4.3b captured the Breusch-Pagan/Cook-Weisberg test for heteroskedasticity for panel data of the sampled companies in Nigeria. The Breusch-Pagan/Cook Weisberg chi^2 (1) is = 98.44, Prob. chi2 is = 0.0000 and is not greater than 0.05 percent significance level indicating the non-existence of heteroskedasticity in the empirical model of Nigeria. It implies that the sample used in the panel regression does not contain unequal variance and as such, there is evidence that the results are valid.

Table 4.3c: Ramsey RESET Test

Ho	Model has no Omitted Variables
F(3, 211)	2.94
Prob. >F	0.0340

Source: Researcher's Computation via STATA 13.0

Table 4.3c showed the Ramsey regression specification-error test (RESET) for omitted variables and fitted values of response variables (dependent variable – ShpVRA). The result revealed that F(3, 211) is = 2.94 and Prob. F is =0.0340, indicating that the alternate hypothesis was rejected while the null hypothesis was accepted, suggesting that the powers of the fitted values have no effect which serves to explain the response variables (i.e. the model has no omitted variable), thus sustainability reporting, firm size and value-relevance of accounting information models do not suffer from an omitted variable problem or functional form misspecification.

Test of Research Hypotheses

Table 4.4: Fixed/Random Effects Panel Regression for Sustainability Reporting and Value-Relevance of Accounting Information

Dependent Variable: Share Price (ShpVRA)				
Estimator(s)	**Fixed Effect (FE)**		**Random Effect (RE)**	
Variable(s)	**Coefficient**	**Probability**	**Coefficient**	**Probability**
EvnSR	-29.18 (-0.87)	0.385	-25.69 (-0.78)	0.433
GovSR	-1.27 (-0.02)	0.164	8.82 (0.13)	0.897
_cons.	-10.04 (-0.17)	0.867	-0.53 (-0.01)	0.993
F-value	(5,204) = 3.55			
F-Probability	0.0043			
R-Squared (within)	0.0799		0.0794	
R-Squared (between)	0.1755		0.0229	
R-Squared (overall)	0.0772		0.0777	
Wald $Ch^2(6)$			18.04	
Prob. Ch^2			0.0029	
Hausman Test	$Chi^2(2) = 1.58$		$Prob>Chi^2= 0.9039$	

Source: Researcher's Computation via STATA 13.0
** Significant at 0.05% level; Items in parentheses are t-values for FE; Z-scores are in parentheses for RE,*

Table 4.4 showed the fixed/random effects panel regression for sustainability reporting (EvnSR and GovSR), firm size and value-relevance of accounting information of listed manufacturing companies in Nigeria. Using the RE results, the coefficients were -25.69 (EvnSR) and 8.8201 (GovSR), suggesting that the manufacturing companies in Nigeria's sustainability reporting will lead to approximately -26%, and 9% changes in share price (ShpVRA).

Besides, sustainability reporting and value-relevance measures were jointly statistically significant for both FE (F, 5,204 = 3.55; F-Prob. = 0.0043< 0.05), and RE (Wald Ch^2 (6) = 18.04; Prob.Ch^2 = 0.0029<0.05) at 5% significance level. Nevertheless, the overall R^2were 0.0777 and 0.0772 for RE and FE respectively; this implies that all the sustainability reporting explained about 9% variation in ShpVRA. In addition, Hausman test was used to differentiate between FE and RE models. The decision rule is that if the probability value of Hausman test is less than 0.05, reject the null hypothesis (FE) and if greater than 0.05, accept the alternate hypothesis (RE). The result of the Hausman test ($Prob>Chi^2= 0.9039 > 0.05$) suggests that RE is more efficient than FE thus, RE showed that the subjects from which measurements were drawn are random and that the differences between companies in Nigeria, are therefore not of interest, thus the subjects and their variances are identical. If the probability values of Wald Ch^2 (RE) and F-ratio (FE) is lesser than 0.05 level of significance the null hypothesis is rejected while the alternate hypothesis is accepted and if otherwise accept the null hypothesis and reject the alternate hypothesis. Wald Ch^2 (RE) is 18.04 (p-value=0.0029<0.05) and is jointly statistically significant, providing evidence that the measures of sustainability reporting (environmental and governance) have joint significant affects value-relevance of accounting information (share price) in Nigeria. Hence, sustainability reporting significantly affects value-relevance of accounting information of listed manufacturing companies in Nigeria.

Conclusion and Recommendations

In conclusion, disclosure of information especially voluntary information enhances companies' reputation before the stakeholders. Investors should be able to make more valuable investment decisions by using information disclosed by companies, such as their duty towards environmental and governance aspects, in the long run.

Based on the analysis the following recommendation was made:

1. It is recommended that because the environmental sustainability reporting level is not strong enough to cause a major change in share price of manufacturing companies should consistently increase its disclosure of environmental information and make it a mandatory practice and policy.
2. Management of publicly listed manufacturing companies should strengthen or reinforce governance structure and improved disclosure of governance sustainability activities or programs as this would then positively affect the value-relevance of accounting information of listed manufacturing companies in Nigeria.

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