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the interpretation difficult and consequently of no significant values to the stakeholders, as such the stakeholders lose confidence on the legislative framework which contradict compliance with the new Global Reporting Index (GRI). The contribution of the macro-economic indicator of green accounting is ignored. Green expenditures related with green accounting practice is not calculated or taken into account. (Imad, 2023)

Most of the Banks particularly in Nigeria do not disclose these costs in monetary terms in their financial statement. Only qualitative information is presented in the director's report. No attempt is made to disclose quantitative information in financial statements. Therefore, the objective of the study is to examine the effects of environmental and social disclosure practices on profitability by Nigerian Deposit Money banks in Nigeria.

2.0 Literature Review

This section presents a review a relevant theoretical and empirical literature as well as conceptual framework model for the study. The importance of companies especially Banks making disclosure Sustainability Report is to gain the trust of stakeholders because it is needed for the continuity of the company's business. The trust of these stakeholders can be in the form of investment decisions or cooperation that has the potential to increase company productivity which can affect the level of the company's net profit, where the increase in the company's net profit will increase the value of Return on Assets (ROA) in the company (Natasha &Putu, 2020). Profitability is a comparison tool on various investment alternatives that are appropriate to the level of risk. Which can be measure by Return on Assets (ROA) ration Return on Equity (ROE) and Earning per share (EPS) which are all determined as a proxy for measuring profitability in accordance with the research of (Al-Dhaimesh & Al-Zobi, 2019).

Banking institutions are the primary source of finance for many industrial projects such as steel, paper, cement, chemicals, fertilizers, power, textiles, etc in Nigeria, with potentially significant adverse social or environmental impacts. Therefore, as financiers they have huge influence on the projects undertaken by industries, and thereby green banking disclosure can play a significant role in ensuring responsible behavior of other businesses too (Khairunnessa, Vazquez-Brust, & Yokovleva, 2021)

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2.1. Empirical Review

Edidiong et al (2023) investigated the effect of green accounting practices on shareholders' value in Nigeria by drawing samples from listed consumer goods firms on the floor of the Nigerian Exchange Group from 2012 to 2021. Ex post facto design was used, secondary data were employed and least square dummy variable regression was used in analyzing the data. A sample size of 20 companies were determined using Taro Yamane formula and these companies were selected using simple random sampling technique. Green accounting being the dependent variable was proxied by biodiversity disclosure, emission disclosure, waste disclosure, water & effluents disclosure, and compliance to environmental laws & regulations disclosure. The dependent variable of this study was shareholders' value proxied by shareholders' value added (SHVA). The result showed that biodiversity disclosure and compliance to environmental laws disclosures have a positive significant effect on shareholders' value added; water & effluents disclosures have a positive significant effect on shareholders' value added of listed consumer goods firms in Nigeria during the period under study. It was thus concluded that green accounting practices have significant effect on shareholders' value added of manufacturing companies in Nigeria. Therefore, it was recommended among others that compliance to green accounting practices should be made mandatory for all companies because standard green accounting disclosures are signals to all stakeholders that the companies are 'green' and eco-friendly companies and this in turn boost shareholders value.

Ajide and Aderemi (2014) investigate to ascertain whether Portuguese banks use their websites as one of the media to disclose social responsibility information and also to identify what type of information they disclosed, and compare such disclosure with similar disclosure in annual report. Their findings suggest Portuguese banks seem to attribute greater importance to annual report as disclosure media than to websites. Banks with a higher visibility among consumers seems to exhibit greater concern to improve on image through high CSR disclosure in annual report and on websites

Omaliko et al (2020) found significant positive association between the level of environmental disclosures and performance of manufacturing firms in Canada. The study used OLS and measured social and environmental disclosure using the index of environmental disclosure and recommend for firms to comply with this disclosure as it has positively influence firms performance over the years;

2.1.1 Theoretical Review

The theoretical literature of this research is anchored on stakeholder and legitimacy theory, the choice of these theories is as a result of frequently used of the theory on similar research area of this nature because they provides motivation for making non -financial disclosures and also to known banks makes certain this sustainability document disclosure in their annual financial statement in order to get support within the environment they operates. Further, Freeman (2010) contended that, Stakeholder theory is to solve the problem of price value creation and trade, additionally to expose how a commercial enterprise can be managed to take into account its effects and duties on accountants. To result in maximizing earnings the research output is of the view that, stakeholder and management need to make sure real services and products with the employer have a say and what organizations do, and have interaction with providers that drive agencies better, and reduce the employees worried of their work, and aid groups that enable companies to flourish

2.2 Conceptual Review

2.2.1 Concept of Profitability

Profitability in a banking context is an important ingredient of financial development, its relevance spans through banking firm performance to macroeconomic stability. At the firm level, a higher return to a large extent reduces bank fragility. At the macro level, increased profitability makes for a sustainable banking sector that can finance economic growth and development. The measures of bank profitability usually considered in the extent literature on the determinants of bank profitability are the return on assets (ROA), return on equity (ROE), Earnings per share (EPS) and in some cases, the net interest margin (NIM).

2.2.2 Concept of environmental disclosure

Environmental disclosure is a form of corporate social responsibility as a result of environment impacts caused by industries, this will be able to encourage businesses to innovate, creative and develop new solutions that reduce their environmental impact. According to Agbanike, Nwani, Uwazie, Anochiwa and Enyoghasim (2019) assert that environmental disclosure is a deliberate strategy plans of the bank to disclose information in relation to preserving the environment, aiming at conservation of natural resources, efforts toward preventing or reducing environmental pollution all nature, and reversing environmental damage as well as biodiversity. Furthermore, Emanuel, Trimisiu, and Appolos (2023) defined environmental disclosure as voluntary or solicited information which show the banks plans towards its commitment on environment protection and mitigation of greenhouse gasses emission, wastes, and other harmful substances. Operating a sustainable institution with regards to the environment implies the ability to have an operation that averts negative environmental, consequences, such as deforestation, desertification, air pollution, water contamination and erosion. For deposit money banks to be environmentally responsible involves developing and financing products that conserve the ecosystem, natural habitats and minimize carbon footprints (Okolie & Igaga, 2020)

2.2.3 Concept of Social Disclosure:

Social environmental disclosure, refers to a company performance in offering or disseminating information on societal programs which implemented by the organisations. To the extents that companies provides contents on their societal efforts, regarding societal request and expectation regarding social disclosure. Social environmental disclosure has been put forward by Fadara &Adegbie, (2020) as deliberate effort of the bank to disclose policies and strategies of the bank in threat of people and human capital of the bank. Social indicators are in this study as some of the measures of social disclosure reporting. The social element of disclosure of the banks is concerned with the promotion and enhancement of the mental health being of the people, physical and emotional welfare, and well-being of people in such that allow future generations to have better or similar benefits, in other words, the social disclosure relates to the equity of all employee of the bank.

Social dimension to sustainable development accomplishes social justice and equity in the dissemination of common social and economic assets, advances social cooperation and investment in nearby networks, creates social assorted variety, and thinks about human rights and regards for human rights as noted by (Okolie & Igaga, 2020, Fatai, Florence, & Helen, 2021). In the financial services sector, the social sustainability pillar focuses on the impact of bank operations and that of her clients/investees on the social variable of equality, human rights, labour rights, social justice, and cultural tolerance. The socially responsibility requirements also entails banks close monitoring of vendors to avoid their involvements in child labour and human right violations.

2.3The Global Reporting Initiative (GRI -G4) and Its Disclosure Requirements

According to GRI (2022), GRI is an independent organisation that causes other businesses and organisations to assumed responsibility for their actions and activities in the environment where they operate, vis-a vis the provision of uniform and global standard of disclosure the impact of those their activities where they carry own their operations (Emmanuel, 2023).

The GRI-G4 Guidelines and the Financial Services Sector Disclosures form together the reporting framework for financial institutions particularly commercial banks. The disclosure of the economics aspects in sustainability report improve market performance since the disclosure of these aspects can prove their company's contribution to the development of the global economy and local communities where they operates their businesses (Natasha &Putu, 2020). Most of the studies such as that of (Al-Dhaimesh & Al-Zobi, 2019), have concluded that the disclosure of the economic dimension has led to the improvement of companies financial performance exponentially in their reporting practices to the shareholders and those that were affected.

Table1: The GRIs Standard Disclosure Indicators Applied in respect of this Research work According to GRI, (2022)

Disclosure	**Indicators**
Financial Profit Disclosure (FD)	- Economic Performance (EP) - Tax (T) - Anti- Corruption (AC) - Market Presents (MP)

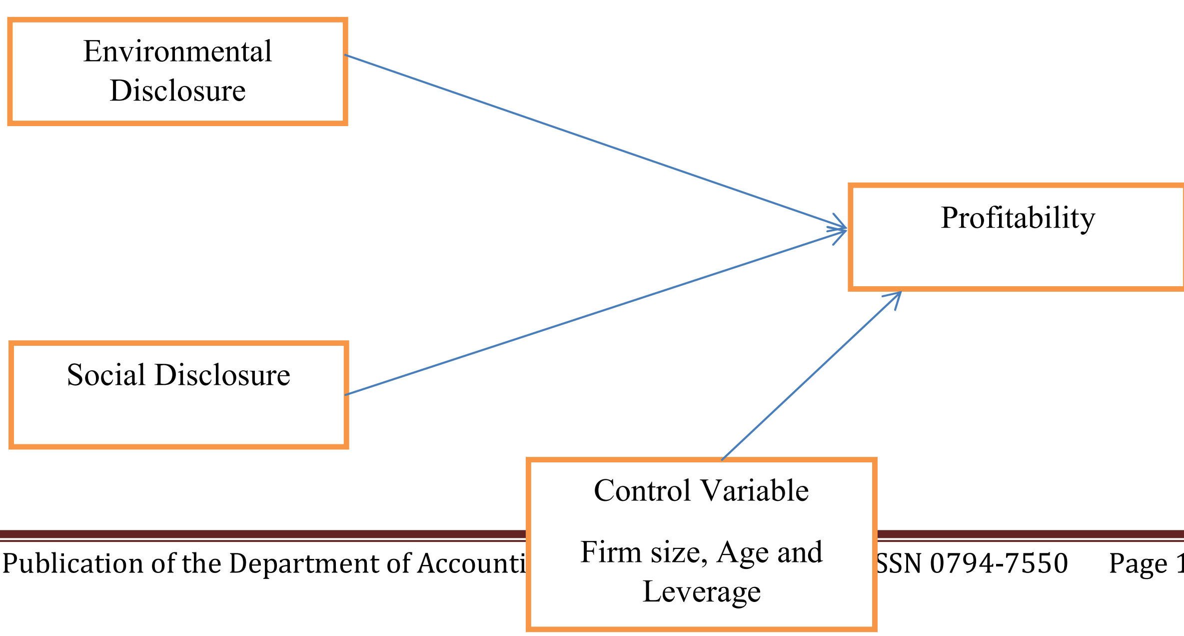
	- Anti- Competitive Behavior (ACB) - Procurement Practice (PP) - Indirect Economic Impact (IEI)
Environmental Disclosure (ED)	- Material (M) - Supplier Environmental Assessment (SEA) - Environmental Compliance (EC) - Waste (W) - Energy (E_N) - Emission (E_M) - Biodiversity (B) - Water and Effluence (WE)
Social Disclosure (SD)	- Employment (E_M) - Labor/ Management Relationship (LMR) - Occupational Health and Safety (OHS) - Training and Education (TE) - Diversity and Equal Opportunities (DEO) - Non Discrimination (ND) - Freedom of Association and Collective Bargains

	(FACB) - Child Labor (CL) - Forced or Compulsory Labor (FCL) - Security Practices (SP) - Right of Indigenous People (RIP) - Human Right Assessment (HRA) - Local Communities (LC) - Supplier Social Assessment (SSP) - Public Policy, Customer Health and Safety (PPHCS) - Marketing and Labeling (ML) - Customer Privacy (CP) - Socio-economic Compliance (SEC)

Adopted from Emmanuel Obiora NWAKEZE (2023**)**

Conceptual Framework Model

Independent Variables Dependent Variables



Source: Author compilation, 2024

2.4.1 Construct on the relationship between the variables

The above conceptual framework is the continuing from research objectives, and research questions in section one, the conceptual framework explain the relationship between the independent variables and the dependent variables, the independent variables are: environmental disclosure (ED) and social disclosure (SD) Whereas the dependent variable is profitability proxies by Return on Assets (ROA), Return on Equity (ROE) and Earnings per share (EPS). The control variables are firm size and age. The independent variables is a variable that stands alone it cannot be changed by another variable, in another way the independent variables is a variable that has control over what can be chosen and manipulated, the independent variable were selected based on the theoretical framework and previous empirical studies, whereas the dependent variable is a variable that depends on another factor, the dependent variable is the variable of main interests in any study (Garba, 2023). The researcher tries to recognize, describe or predict its variability. The dependent variable for this study is profitability.

Therefore, this section proposes three constructs as for the basis for effects of environmental and social disclosure on profitability which discusses the entire variable identified under this research work, the variable along with their construct were identified based on previous literature.

2.5 Hypotheses Development:

After reviewing extent literature related to environmental and social disclosures Practices and profitability on the research topic, the hypotheses were developed by relying on the results that have been confirmed so far. Therefore, it seems appropriate to set the hypotheses depending on the existence of an impact of the social disclosure (SOD) and environmental disclosure (END) on the profitability which is represented by Returns on Assets (ROA), Returns on Equity (ROE) and Earnings Per Share (EPS); this means there is prediction influence of the social disclosure (SOD) and environmental disclosure (END) on Returns on Assets (ROA), Returns on Equity

(ROE) and Earnings Per Share (EPS), in agreement with the prevailing views. This agreement is lead us to the formulation of the following hypotheses

H1: There is no positive and significant relationship between environmental and social disclosure on Return on Assets (ROA)

H2: There is no positive and significant relationship between environmental and social disclosure on Return on Equity (ROE)

H3: There is no positive and significant relationship between environmental and social disclosure on Earnings per Share (EPS)

Table:2

The following table presents the summary of variables and their measurement as that was be used in the study.

Variables	Nature of Variables	Proxies	Variable Measurement
Environmental Disclosure & Social Disclosure	Independent variable		GRI
Profitability	Dependent variable	ROA Liquidity EPS	EBIT/TA CA/CL EBIT/No of shares
Firm Size, Age, And Leverage	Control Variable		Size = Natural Logarithm of Assets Age = diff btw the annual report date and the firm of establishment date Leverage =Total Debt/Equity

Source: Authors compilation, 2024

3.0 Methodology

Data Sample

The study focused on 15 commercial banks listed on the Nigeria Stock exchange Market for the financial year ends December 2017 -2022 that is five years' time frame regarding the environmental and social information disclosure on the profitability as well as control variable information. The sample banks were as follows:

Table 3: Population of the study

S.N	Banks	Year of Listening
1	Access Bank	1998
2	Eco bank Plc	2006
3	First Bank Nigeria Ltd	1971
4	Fidelity Bank	2005
5	FCMB Group Plc	2004
6	Guaranty Trust Bank	1996
7	Sterling Bank Plc	1993
8	Stanbic IBTC Holdings Plc	2006
9	Sterling Bank	1993
10	Standard Chartered Bank	1999
11	Union Bank Plc	1970
12	United Bank for Africa (UBA) Plc	1971
13	Unity Bank	2005
14	Wema Bank	1991
15	Zenith Bank Plc	2004

Source: Researchers Compilation, 2024.

3.1 Model Specification

Model specification for this study is derived from the research efforts of previous contributors in the area of study. In this study, multiple linear regression analysis is used to address the research question and tested hypotheses. The multiple regression models of the study are estimated as follows:

Model 1:

$ROA = \alpha + \beta1SOD + \beta2END + \beta3\ SIZE + \beta4\ AGE + \beta5LEV + \varepsilon$ ….. 1

Model 2:

$ROE = \alpha + \beta1SOD + \beta2END + \beta3\ SIZE + \beta4\ AGE + \beta5LEV + \varepsilon$ …... 2

Model 3:

$EPS = \alpha + \beta1SOD + \beta2END + \beta3\ SIZE + \beta4\ AGE + \beta5LEV + \varepsilon$ ….. ... 3

Where:

(ROA) is Return on Assets, (ROE) is Return on Equity, (EPS) is Earning Per Share, SOD and END are Environmental and social Disclosures, (Size) is Firm size (log of total assets), (Lev) is leverage, (Age) Firm Age and ε is the regression error term

3.2 Variables of the study and their Measurement

The study makes used of one dependent variable and two explanatory variables. The dependent variable, profitability is represented by ROA, ROE and EPS. While explanatory variables are Environmental disclosure and social disclosure and the control variable is firm size.

According to the figures appearing in the financial statements of the banks at the end of 2022, the ROA was calculated by dividing the net income by the total assets, ROA is intended to gauge the effectiveness of the bank's management with regards to the utilization of its advantages to produce profits.(Okolie & Igaga, 2020) posits that it is communicated as the consequence of isolating the bank's net profit after deducting charges on the total resources of the bank. The ROE was calculated by dividing the net income by the total equity ROE is intended to gauge the profit investors earned from the deployment of funds in the bank's capital. (Okolie & Igaga, 2020), expresses ROE as the consequence of separating the net profit after taxes on investors' value, which incorporates paid-in capital, premiums, reserves, and held income, and the EPS was calculated by dividing the net income on the number of common shares it has outstanding. EPS is the profitability measurement proxies of a firm on per share basis. It is measured in Naira or Kobo. EPS captures the financial profitability of banks and other financial institutions in respect to shareholders funds (Okolie & Igaga, 2020). Authorities are in agreement that EPS represents the returns per *N*aira in a specified period of time, usually a financial year (Weygandt, Kieso, & Kimmel, 2010; Alexander, Britton, Jorissen, Hoogendoorn, & Mourik, 2015 as cited in Okolie &Igaga, 2020). EPS is measured as Net profit after taxes divided by current number of shares

The independent variables have been measured like many previous studies by comparing annual and sustainability reports with the GRI Sustainability Reporting that offers Reporting Principles and Standard Disclosures (Imad,2023). GRI is an independent international institution that has led sustainability reporting since 1997. GRI helps firms and governments globally to understand and report their impact on critical sustainability issues such as human rights, climate change, governance, and social luxury life.

Control variables: in line with the extent literature related to the subject of this study as well as the nature and sample of the study, three factors were identified as control variables that have an impact in determining the impact of social disclosure and environmental disclosure on the profitability (Firm Size, leverage, and Firm Age). Firm size was measured as the natural logarithm of total assets. For statistical analysis, the natural logarithm was used instead of the real number of total assets, leverage was calculated as total debt divided by total equity, and the firm's age was measured as the difference between the annual report date and the firm establishment date.

4.0 Result and Discussion:

Descriptive Analysis:

Descriptive statistics results END and SOD measures, dependent variables, and control variables for the sample are presented in Table 1. The means value of the END and OSD are 10% and 20% respectively in the annual reports of banks with a range from 0% to 3% for END and from 0.75% to 3% for SOD. These results indicate that despite there is evidence of listed banks' engagement in environmental and social disclosure practices, they do not fully disclose all items of the sustainability report (GRI, 2022). Such as, environmental pollution, water effluence, emission, right of indigenous people, local communities etc. It is also evident that there is a significant difference in the size of disclosure between banks which can be seen from the big difference between maximum values and minimum values, the reason may be the absence of regulations or laws that specify or oblige banks on how to disclose their environmental commitment.

Table4: Descriptive Statistics

Variable	Observation	Min	Max	Mean	Std. Dev.
ROA	60	-0.9	56	20	8.732
ROE	60	0.0	0.9	0.2	0.217
EPS	60	-1	11	20	2.863
END	60	0	3	10	0.942
SOD	60	0.75	3	20	0.673
FSIZE	60	11	13	12	0.5601215
FAGE	60	5	51	17	15.0715

LEV	60	0.0%	2%	0.3%	0.7541323

Source: researcher Compilation 2024

Table 4above shows that the average mean the ROA of the banks listed in Nigeria NGX is 20% with a range from -0.9% to 56%. The study finds that the mean value of ROE is 0.2% with a range from 0.0% to 0.9%. On average 20% of EPS between the highest value of 3% and the lowest value of 0.75%, it is clear that there is a big difference in the performance of banks and there is a disparity in achieving returns. This difference also appears in the financial leverage of banks (Lev), where the highest value appeared at 2.00 and the lowest value at 0.00, this means that there are differences in the banks' ability to cover their obligations, whether short or long-term. There are also differences in the ages of banks, which range from 51 years to 17 years as at the time of compiling this data, and the highest value shows the extent of the age and experience of the banking field in Nigeria. Finally, there is no significant difference between banks in terms of size, which is represented by total assets, as the highest value appears at 13 and the lowest value at 11, taking into account, this value has been modified by natural logarithm to be valid for statistical use.

Table 5: Correlation Matrix

Variables	ROA	ROE	EPS	END	SOD	FSIZE	FAGE	LEV
ROA	1.0000							
ROE	0.1356	1.0000						
EPS	0.0342	0.0558	1.0000					
END	-0.0669	0.0240	-0.1413	1.0000				
SOD	0.0274	-0.0731	0.0322	0.3333	1.0000			
FSIZE	-0.0990	0.2468	0.2408	-0.0062	-0.3173	1.0000		
FAGE	-0.0529	-0.1756	0.2174	-0.4233	-0.0283	0.0544	1.0000	
LEV	0.0425	-0.1190	0.1102	-0.1178	-0.0577	-0.0445	0.0666	1.0000

Source: Extracted from STATA 14 Output

From the Table 8 shows the correlation between all pairs of independent variables and the dependent variable in the model. It is observed that there is negative and week relationship between ROA and END, Firm Growth and Firm Age. This is inferred from the correlation coefficient of -0.0669, -0.0990 and -0.0529 respectively. This indicates that there are inverse relationships between END, Firm Growth and Firm Age and profitability of listed Deposits Money Banks in Nigeria. Similarly, it shows a positive and week association between ROA and

SOD, and Firm leverage which is evident by the correlation coefficient of 0.0274 and 0.0425 respectively

Table 6: Results of Linear Regression Analysis (Model 1)

		Coefficients					
		Standardized coefficients				95% confidence interval for B	
		B	Std. Error	t	Sig	Lower Bound	Upper bound
1	(Constant)	19.248	29.287	0.66	0.514	39.468	77.965
	END	-1.106	1.490	-0.74	0.461	-4.095	1.882
	SOD	0.532	1.989	0.27	0.790	-3.457	4.521
	FSIZE	-1.244	2.241	-0.56	0.581	-5.737	3.249
	FAGE	-0.580	0.872	-0.67	0.509	-0.233	0.116
	LEV	0.392	1.571	0.25	0.804	-2.757	3.542
	Dependent variable ROA						

Table 6 shows the results of the regression analysis of the first model of return on assets (ROA = α + β1 SOD + β2 END + β3 Size + β4 Age + β5 Lev + ε).

According to the regression analysis test results and shown in Table 5, the coefficient for the correlation of the social disclosure variable with the return on assets appears with a positive and moderate value of 0.532, this correlation has no statistical significance as can be seen from the p-value statistics of 0.790, which is greater than the significance level of 0.05. Likewise, concerning the correlation between environmental disclosure and return on assets, it appears negative and very weak, with a coefficient of -1.106, which also has no statistical significance as can be seen from the p-value statistics of 0.461, which is greater than the significance level of 0.05. Based on these results, the study failed to reject the null hypothesis, and reject the first hypothesis of the study (H1) which predicted that the return on assets is affected by the level of social disclosure and environmental disclosure

Table 7: Results of Linear Regression Analysis (Model 2)

		Coefficients					
		Standardized coefficients				95% confidence interval	

		B	Std. Error	t	Sig	for B Lower Bound	Upper bound
2	(Constant)	-0.9824	0.6947	-1.41	0.163	-2.374	0.410
	END	-0.204	0.035	-0.58	0.566	-0.091	0.050
	SOD	0.008	0.472	0.19	0.851	-0.857	0.103
	FSIZE	0.101	0.531	1.91	0.061	-0.004	0.208
	FAGE	-0.003	0.002	-1.53	0.132	-0.007	0.000
	LEV	-0.292	0.372	-0.78	0.436	-2.374	0.410
	Dependent variable ROE						

Table 7 shows the results of the regression analysis of the second mode2 of return on equity (ROE = $\alpha + \beta_1$ SOD + β_2 END + β_3 Size + β_4 Age + β_5 Lev + ε). Based on the regression analysis test results, and what appears in Table 3, the coefficient for the correlation of return on equity appears a negative and very weak value with environmental and slightly positive with social disclosure (-0.204 and 0.008 respectively), this correlation has no statistical significance as can be seen from the p-value statistics with the two variables (SOD 0.709, END 0.937) which are greater than the significance level of 0.05. As a result, the study failed to reject the null hypothesis, and reject the second hypothesis of the study (H2) which predicted that the return on equity is affected by the level of social disclosure and environmental disclosure.

Table 8: Results of Linear Regression Analysis (Model 3)

		Coefficients					
		Standardized coefficients				95% confidence interval for B	
		B	Std. Error	t	Sig	Lower Bound	Upper bound
3	(Constant)	-17.684	9.025	-1.96	0.055	-35.778	0.409
	END	-0.374	0.459	-0.81	1.295	-1.295	0.546
	SOD	0.751	0.613	1.22	4.783	-0.478	1.980
	FSIZE	1.497	0.690	2.17	0.112	0.112	2.882
	FAGE	0.279	0.268	1.04	-0.025	-0.025	0.818
	LEV	0.414	0.484	0.86	-0.556	-0.556	1.384
	Dependent variable EPS						

Depending on the regression analysis test results in Table 7, the coefficient for the correlation of the environmental disclosure variable with the earning per share appears with a negative and weak value of -0.374, this correlation has no statistical significance as can be seen from the p-value statistics of 1.295, where it is greater than the significance level of 0.05. Also, regarding the correlation between social disclosure and earnings per share, it appears positive and weak, with a coefficient of 0.751, which also has no statistical significance as can be seen from the p-value statistics of 4.783, which is greater than the significance level of 0.05.

According to these results, the study failed to reject the null hypothesis, and reject the third hypothesis of the study (H3) which predicted that the earnings per share are affected by the level of social disclosure and environmental disclosure.

4.1 Findings:

Findings from analyses and statistical tests, the study found the following results:

i. The level of practice of environmental and social disclosure in commercial banks listed in Nigeria NXG is very week and indeed not acceptable, especially because it is considered voluntary and non-binding, as its effects has reaches the level of 3% and an average of 10% for social disclosure and the level of 3% and an average of 20% for environmental disclosure.

ii. The results showed that there is no correlation between the independent variables (SOD and END) and the dependent variables (ROAS, ROE, and EPS) in the existence of a group of controlling variables represented by firm size (log of total assets), leverage and firm Age.

iii. The study proved that there is no relationship or effect of environmental and social disclosure on the profitability variables represented in ROA, ROE, and EPS. Thus, the change in profitability cannot be predicted by the change in the level of environmental and social disclosure

5.0 Conclusions and Recommendation

Recently, there are increasing demands in developed societies that firms pay attention to social responsibility practices and increase disclosures about their environmental and social role. This study sought to test the impact of environmental and social disclosure practices on financial performance and corporate profitability. Data was collected from the annual statements and financial reports of twelve commercial banks listed in Bursa Istanbul. Profitability variables were determined through return on assets, return on equity, and earnings per share and their data were collected according to the financial statements published for the year 2020. Environmental and social disclosure information was measured according to GRI, and the information published in 2019 was determined. Accordingly, correlation testing and regression analysis were used to identify the relationship and impact of environmental and social disclosure at the end of 2019 on the profitability of banks at the end of 2020. The results of the study were contrary to many previous studies applied in different societies, where the results indicated that there was not a significant relationship or effect of environmental and social disclosure on profitability in commercial banks listed on the Bursa Istanbul. Thus, the change in profitability cannot be predicted by the change in the level of environmental and social disclosure. It has been recommended based on the finding that Nigerian Deposit money Banks should adopt the disclosure of their activities inline with global best practices, so that stake holders will be able to appreciate their present by improving the environment, social and governance participation. it was also recommended that firms should constantly reposition their accounting system in order to provide information on environmental and social disclosure so that the true costs in an organization can be ascertained

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FIRM ATTRIBUTES AND CAPITAL STRUCTURE OF LISTED OIL AND GAS COMPANIES IN NIGERIA

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Abstract

This study aim to examine the impact of firm attributes and capital structure of listed oil and gas companies in Nigeria. The population of the study consist all oil and gas companies listed on the flow of Nigerian Stock Exchange with sample of five oil and gas companies. Expose factor research design was adopted, the study used multiple regression technique as a technique of data analysis. The result of the study revealed that, that profitability, asset tangibility and liquidity have negative and significant relationship with capital structure**,** on the other hand, firm growth is found to have a positive but insignificant relationship with capital structure. The study recommend that, Emphases should be made on the profitability given that profitability shows a negative and significant relationship with capital structure, using approaches such as cost optimization, revenue increase, and efficient and effective utilization of resource allocation, so also, Management should focus on managing asset tangibility and liquidity efficiently. Advanced asset tangibility and liquidity are associated with lesser capital structure, indicating reduced dependence on debt financing.

Keyword: profitability, liquidity, tangibility, Firm Growth and capital structure**.**

1.1 Background to the Study

All types of business organizations, whether large or small, require funding to either start up or to cover daily and long-term obligations in order to sustain their operations. These businesses aim to achieve a variety of objectives such as maximizing profits, increasing shareholder value, boosting sales volume and revenue, growing market share, ensuring survival, meeting ethical standards, and more. Attaining these objectives involves fulfilling the expectations of stakeholders. Central to achieving these goals is the careful consideration of available financing options. A firm's capital structure is determined by its mix of debt and equity. As noted by Chechet, et al, (2016), finding the right balance between debt and equity is crucial for a company's growth and future success when managed effectively. Thus, any decisions that relate to capital structure must be taken with seriousness because they are vital to achieving the firm's goals cannot be over emphasized. Bashir, (2019) assert that one of the major decision that usually affect the corporate entity is the ability of managers to select best financing mix that maximizes the overall firm value and minimizes the cost of capital. capital structure as one of the tool used by managers in achieving corporate target, managers are very conscious of the financing mix so that it may not lead them to unexpected and undesirable outcomes. Equity and debt financing decision poses a great challenge to management and it requires financial managers to largely use their skills, competence and acumen as decision about capital mix has a long term effect on firm's future cash flow and going concern status.

Going by the above assertion scholars have highlighted many factors need to be considered in making this critical financial decision, as an incorrect choice could lead to financial instability or distress, which contradicts the goal of maintaining a going concern. As noted by Akbar and Bhuntton, (2015) a firm's capital structure is influenced by a detailed analysis of the costs and benefits associated with debt and equity. Additionally, Chechet, et al, (2016) argue that since capital structure decisions are long-term, understanding the factors that influence capital structure over time helps managers adjust their financial mix to the optimal level. Consequently, researchers have delved into identifying the best capital mix to maximize a firm's value. Despite extensive debate, the determinants of capital structure remain a significant and unresolved issue in corporate finance (Shehu, 2015; Martina, 2015; Butt, 2016).

Existing literature has identified various factors that influence capital structure choices. However, according to Bundala and Machogu, (2015), these factors are not definitive and cannot be universally applied due to micro factors influenced by technology and specific national policies. Masnoon and Anwar, (2015) also highlight that, in addition to country-specific and institutional factors, firm-related factors play a crucial role in shaping capital structure decisions. Industry-specific factors, firm-specific factors, and macroeconomic factors are among the key determinants of capital structure. These factors affect firm decisions both externally and internally (Shehu, 2015) and have distinct impacts on a firm's capital structure. Important considerations include liquidity, profitability, growth, size, age, non-debt tax shields, business risk, asset tangibility, industry medians, and expected inflation. Thus, firm management must be aware of these factors to make informed decisions regarding their capital mix.

Firm’s attributes which remains peculiar to individual firm, determines its strength or weakness, at the same time, they could be financial or non-financial and internal or external. They are essential to a firm's financial decision and other policy making, aiming at strengthening its profitability (Tahir, et al 2013 & Hassan & Bello, 2013). Though, Firm attributes include size, age, liquidity and leverage (Hassan, 2014), they can however, be classified into controllable, partly controllable and uncontrollable attributes (Iyoha, 2012). The controllable include leverages which the firm can manipulate, the partially controllable on the other hand, are ones which the firm has limited or no power to change, but are susceptible to improve in the long run such as (organizational resource and organizational maturity). The uncontrollable are factors that fall outside the purview of the firm such as (organizational size and structure) all these attributes play significant role in determining company's capital structure.

The profitability of a firm is a key indicator of its economic success in relation to the capital employed, which is a primary concern for its shareholders (Nawaiseh, 2015). A firm that is not profitable may struggle to secure financing for future growth opportunities, as lenders may be hesitant to provide loans to firms in poor financial health. Additionally, such firms are unlikely to have retained earnings available for reinvestment in viable projects. Thus, profitability is a crucial factor in corporate managers' financing decisions. Profitable firms are in a better financial