

CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE AND FINANCIAL PERFORMANCE OF LISTED CONSUMER GOODS FIRMS IN NIGERIA

Abogun Segun (Ph. D.) (corresponding author)

Department of Accounting
University of Ilorin, Nigeria
jesussaves@unilorin.edu.ng; +2348039156876

Orilonisem Mubarak Abiodun

Department of Accounting
University of Ilorin, Nigeria
orilonise.ma@unilorin.edu.ng

Subair Faidat Abimbola

Department of Accounting
University of Ilorin, Nigeria

Oke Mercy Oluwapelumi

Department of Accounting
University of Ilorin, Nigeria

Olarewaju Oluwatimilehin

Department of Accounting
University of Ilorin, Nigeria

ABSTRACT

Statistics shows that the financial performance of most of the largest consumer goods firms has been fluctuating in recent times. For instance, the combined average net margin of 10 largest listed consumer goods firms fell to 7.07% in 2019, from 8.93% a year before. In 2023, the industry recorded an average loss of #3.5 billion. Hence, the objective of this study is to examine the connection of corporate social responsibility (CSR) expenditure on financial performance of listed consumer goods firms in Nigeria. The research design adopted for the purpose of this study is the ex-post facto research design. Population for the study comprises of the 21 listed consumer goods firms. However, 15 companies were examined using census sampling approach, based on the listed consumer goods firms on the NGX on or before 2019 and availability of information on social costs, economic costs and environmental development costs. This study used an ex facto research design and cover a period of five years from 2019 to 2023. The findings revealed that social and environmental development costs have a significant positive correlation on return on asset which was used as a metrics of financial performance while economic cost have a significant negative impact on financial performance. It was on this bases that the study that CSR expenditure influenced the financial performance of listed consumer goods firms in Nigeria. It is therefore recommended that consumer goods firms should strategically allocate resources to social and environment initiatives as part of their CSR activities while ensuring that all stakeholders' expectations are not tampered with and ensure effective control of economic costs through strategic and innovative approach.

Keywords: Corporate social responsibility, financial performance, consumer goods firm,

1.0 INTRODUCTION

Corporate financial performance is critical for the survival, sustenance and sturdiness of business firm (Saddam, 2021). It cannot be over-emphasized that financial performance is of great importance to stakeholders, capital market development and national economic growth. Enyi and Ajibade (2021) posit that even in the era of development of business disruptive technologies, innovation and inventions, strong corporate financial performance takes a center stage to prevent business failure. Business firms are required to have the capability to maintain operational stability to achieve sound financial performance in consonance with their specific attributes in order to drive their financial growth metrics (Osazefua, 2019). Akenroye et al (2022) posit that growth in a firm's financial performance indicators is key to achieving sustainable results. The measurement of a firm's financial performance reveals the company's healthy standing and status (Sadalia, et al., 2019).

The financial performance of companies has faced various challenges in recent times due to several factors such as economic downturns, geopolitical tensions, technological disruptions, and global pandemics such as corona virus disease (COVID-19). Baker et al (2020), opined that events such as COVID-19 pandemic have highlighted the impact of economic uncertainty on financial performance, with disruptions to supply chains, customer behavior, and financial markets. It is globally evidenced that these challenges have led to decreased consumer spending, supply chain disruptions, increased operational costs, strategic errors, misallocation of resources, and uncertainty in business environment, all of which can impact financial performance and companies' bottom lines negatively. Global supply chain disruptions due to factors like natural disasters, trade disputes, or geopolitical tensions can disrupt operation and financial performance (Dmitry, 2020).

Akenroye et al. (2022) mentioned that the improper utilization of firms' internal attributes has given rise to suboptimal corporate growth, declining net profit margin and negative capital employed performance among listed firms in Nigeria. Poor financial performance is the bane of business failure that erode stakeholders' investment, interest, capital and anticipated returns (Enyi, 2021). Additionally, changing consumer preferences, regulatory changes, and competitive pressures further contribute to the volatility in financial performance. Overall, these factors have resulted in companies experiencing fluctuations in revenue, profitability, and market valuations, leading to a perception of dwindling financial performance in recent times. Baker McKenzie (2020) posits that rapid changes in financial regulations, such as tax reforms or accounting standards update, can create compliance challenges and impact financial performance. The fundamental question to be addressed therefore, is do firms' corporate social responsibility activity have any effect on financial performance of listed consumer goods firms in Nigeria? Thus, this study investigates corporate social responsibility expenditure and financial performance of listed consumer goods firms in Nigeria.

Statistics shows that the financial performance of most of the largest consumer goods firms has been fluctuating in recent times. For instance, the combined average net margin of 10 largest listed consumer goods firms fell to 7.07 percent in March 2019, from 8.93 percentage a year before. Their combined net profit fell by 11.03 percent to N37.24 billion a year before. This analysis was conducted on Unilever, Nigeria Breweries, Dangote Flour Mills, NASCON Allied Industries, Nestle Nigeria among others. Olamide (2023) also reported that the total trade and other payables of nine fast-moving consumer goods firms in Nigeria rose by 23% in the first nine months of 2023.

1.1 Objectives

The main objective of the study was to examine the impact of corporate social responsibility (CSR) expenditure on the financial performance of listed consumer goods firms in Nigeria. The specified objectives are:

- 1 To investigate the relationship of social expenditure on the profitability of listed consumer goods firms in Nigeria.
- 2 To examine the relationship between environment developmental costs on profitability of listed consumer goods firms in Nigeria.
- 3 To assess the relationship between economic costs and profitability of listed consumer goods firms in Nigeria.

1.2 Research hypotheses

In order to achieve the specific objectives of this research, the following research null hypotheses were formulated in line with the research questions of the study:

- H01:** Social expenditure has no significant effect on the profitability of listed consumer goods firms in Nigeria.
- H02:** Environment developmental costs has no significant relationship on the profitability of listed consumer goods firms in Nigeria.
- H03:** Economic costs has no significant relationship on the profitability of listed consumer goods firms in Nigeria.

2.0 LITERATURE REVIEW

2.1 Conceptual review

2.1.1 Financial performance

The term financial performance is interpreted differently by various stakeholders. Akinleye and Olaoye (2021) opined that financial performance of a firm is determined by the ability of the firm to earn returns on investment made in its assets that has a positive net present value. A firm is said to be performing well financially, if it is able to generate profit from its primary operations, have enough cash to finance its operations and able to meet the short and long-term commitment as they fall due. Financial Performance is a subjective measure of how well companies are able to employ the available assets from their principal means of business to raise revenue (Jarikre & Omodero, 2021). It is the level of an organization's policy and procedures in monetary terms. Financial ratios and analysis have aided firms and organizations in measuring their performance; such areas of analysis include activity analysis, profitability analysis, financial structure analysis and soon (Jarikre & Omodero, 2021).

Profitability as one of the indicators of organizational performance has two types of ratios namely, Return on sales and Return on investments (Marakova et al., 2021). Return on sales refers to the ability of the firm to convert sales into profits. While return on investments measures the overall ability of a business organization to generate wealth for the shareholders. According to Japhet and Mwamvuwa (2021), there are two main categories of financial performance measure, the first category is the accounting based measures which includes return on assets (ROA), return on equity (ROE), return on sales (ROS) and earnings per share (EPS). The second category includes market based. This category is of the opinion that it is unfair to

consider measuring financial performance without reference to the shareholders. It includes price per share, earnings per share (EPS), and market value-added. Various researchers and scholars have used different variables to measure firms' financial performance. doudi and Amir (2020) made use of return on assets (ROA), return on equity (ROE) and Tobin Q. Return on assets (ROA) was used by Rabi'u, Muhammed and Umar (2023) in their study. Profit after tax (PAT), Net asset per share, and Earnings per share (EPS) was used by Jarikre & Cordelia (2021).

2.1.2 Enviromental development cost

Environmental responsibility is the belief that organizations should behave in as environmentally friendly way as possible (Tim, 2021). Therefore, it can be deduced that environmental costs are costs incurred by business organizations in ensuring that they operate in an environmentally friendly way. Such costs include expenditure on reducing harmful practices, offsetting environmental impacts and regulating energy consumption (Tim, 2021). Hence environment developmental costs involves costs incurred by companies in order to prevent environmental problems and minimize damages to the environment. They are costs incurred in compliance with, or prevention of breach environmental laws, regulations and company policies. It encompasses the direct and indirect costs associated with environmental degradation, resource depletion, and the mitigation or remedial actions and efforts needed to address these issues. According to Andrew (2024), companies can improve their environmental sustainability by, for example reducing their carbon footprint or wasteful practices.

2.1.3 Social expenditure

(Leonardo & Dario, 2022) cited that social expenditures are spending on social programs and services aimed at promoting the welfare and wellbeing of host communities of business entities and such costs includes expenditure on education, healthcare, social security and other social services. Social responsibility itself refers to practices that benefits the company's employees, consumers, and the wider community. The term social expenditure can be used interchangeably with social costs which is believed to refer to the total costs incurred on the society due to an activity or decision, encompassing both private costs borne by individuals or firms which affects third parties or the public. Kapp (2016) opined that social costs as all those (tangible and intangible) damages and losses caused by the principle of investment for profit that are not accounted for in the cost accounts of those responsible for their production, but are shifted to and borne by third persons, the whole community or future generations. There are unpaid costs by those who produce them. Social cost refers to the total cost incurred by society as a result of an economic activity or decision (Ronald, 2024)

2.1.4 Economic costs

Economic cost is defined as the value of resources that are foregone as a result of a decision; it encompasses both explicit costs, such as payment for labour and materials, and implicit costs, such as the income that could have been earned in the next best alternative use of the resources (Douglas & Michael, 2021). The economic (governance) responsibility of an organization refers to maintaining honest and transparent accounting practices and regulatory compliance (Andrew, 2024). Paul and William (2023) defined economic costs as the sum of explicit and implicit costs associated with a business decision.

Explicit costs are direct out-of-pocket expenses which includes wages, rent, and materials. These are easily identifiable and quantifiable. Implicit costs on the other hand, represents the opportunity costs of utilizing resources in one way rather than another. Economic costs include all resources consumed to achieve an outcome, both seen and unseen (Joshua et al., 2023). According to StudySmarter (2024), the concept of economic costs refers to the total expenditure a firm incurs when utilizing economic resources to produce goods and services.

2.2 Thoretical review

2.2.1 TRipls bottom line theory

According to Global Reporting Initiative (2022), Organizations and businesses are to assume responsibility for their activities, vis-à-vis the provision of a uniform and global standard to disclose the impact of those their activities. TBL theory is an approach that expands the traditional focus of businesses beyond just financial performance. It considers three aspects: people (social), planet (environment) and profit (economic). (Haixia & Jianping, 2023) refers to TBL as a concept in business management that emphasizes three dimensions of performance: economic, social and environmental. It's often used as a framework for measuring an organizations sustainability and corporate social responsibility efforts and how such activities impact financial performance. The triple bottom theory argued that a company's success should be evaluated based on its performance in all three areas, rather than just focusing on financial profit. This approach aims to create a more sustainable and responsible business model that benefits both the company and the society as a whole. Some of the key benefit of triple bottom line theory include: Improved social and environmental outcomes, Enhanced reputation and brand value, Increased innovation and competitiveness, Better risk management and long-term sustainability and Alignment with the united nation's sustainability development goals (SDGs). In accordance to an author, John Elkington (1994) the all-inclusive originator of a consultancy firm situated in Britain, lay claim to the threefold aspect of accounting "Triple-bottom line accounting" Elkington (1998; 2004). Based on his envelopment of triple-bottom line accounting concept, he postulated that business organizations be duty-bound to making threefold dimension of accounting in a different way but then distinct bottom lines. The aspects underlying this theory have been strongly considered as a motivation in the study.

2.2.2 Stakeholder theory

Stakeholder theory is one of the profound theories of corporate social responsibility. A stakeholder, according to Freeman (2010), is any group or individual that can affect or is being affected by the attainment of an organization's goals. Stakeholders imply a range of interest groups who are affected by an organization's operations. Freeman argues that shareholders of an organization are the investors, who are seen as one of the various partners of an organization. According to Freeman (1984), the main purpose of the stakeholder theory is to edge on managers of organisations, if necessary, to go past business practices. According to Derroum and Haouati (2021), a company's intangible assets are determined by the perceptions of external individuals and stakeholders. As a result, corporate social duties carried out by enterprises provide them with a favourable image, which is an intangible asset that leads to firm prosperity.

Stakeholder theory as proposed by Goyal Lakshmi (2022), emphasizes that businesses should consider the interests of all stakeholders, not just shareholders, when making decisions. This comprises employees, customers, suppliers, communities, and the environment. The theory suggests that by managing relationships with all stakeholders

effectively, a company can achieve long-term success and environmental consciousness. The theory emphasizes that a business can be successful in the long run by considering all factors that can enhance profitability apart from its normal operative activities. Such factors are social and environmental factors.

2.2.3 Legitimacy theory

The legitimacy theory was propounded by Max Weber in 1947 and further developed by Lindblom (1994) and Suchman (1995). They pointed out that legitimacy is a condition that drives entities to ensure that their respective value system remains congruent with the value system of a larger society or social system in which they operate (Ghabayen et al., 2016; Naseem et al., 2017). Legitimacy theory tries to justify an organization's action of implementing, developing and cooperating on corporate social accountability policies. The fundamental theory of legitimacy theory is the retention of the company's social agreement, which validates it. This in effect includes the implementation of CSR policies that involves many practice industries, including accounting management. According to Uwuigbe and Uadiale (2016), the legitimacy theory seeks to explain attempts by firms to narrow any perceived legitimacy gap as an effort to avoid sanctions or threats to their survival. This theory suggests that businesses operate in society via an expressed or implied social contract upon which their survival and growth depend. Patten (1992) had earlier noted that disclosure of CSR initiatives positively correlated with organizational legitimacy, which suggests that firms legitimized their operations through voluntary CSR disclosures. Legitimacy theory tries to justify a company's actions in implementing, developing and cooperating on social corporate accountability policies. The fundamental concept of the legitimacy theory is the retention of the company's social agreement, which validates it. Legitimacy theory tries to justify a company's actions in implementing, developing and cooperating on social corporate accountability policies. (Emamoke & Omodero 2021)

2.3 Empirical review

Rabiu (2023) study of Corporate social responsibility and financial performance of listed consumer firms in Nigeria, it employed the use of longitudinal (panel) research design which is a good technique for evaluating variables in cross sectional and time series data and it shows that there is no significant relationship between corporate social responsibility and financial performance.

Efeelo (2023) conducted a study on CSR investment and profitability of quoted consumer goods firms in Nigeria. The study adopted ex-facto research design and also secondary data were purposively collected from published financial statement. It was concluded that CSR had significant impact on the financial performance of listed organization in Nigeria.

Edafetano and Jonathan (2021) conducted a study on CSR on performance in organization using quoted companies in Nigerian. Ex-post facto research design. descriptive statistics and simple linear regression analysis were used. It found that corporate social responsibility expenditure of the companies studied has significant effect on return on assets, return on equity and net profit margin.

Zraquat et al (2021) studied the relationship between CSRD and firm performance on listed companies on the Amman Stock exchange (ASE) it ran multiple regression model and measured using Tobin Q, the relationship indicated a negative but significant relationship between CSRD and corporate market performance.

Lyu et al (2021) in their research on effect of CSR on performance in the hospitality industry in China. Using both quantitative and qualitative content analysis method on stakeholders theory, it found a positive correlation between CSR and financial performance.

Emamoke and Omodero (2021) examined the impact of corporate social responsibility and financial performance of listed consumer goods companies in Nigeria. The study adopted ex-post facto research design and panel data regression analysis was used. The result revealed a positive but insignificant effect of CSR on profit after tax, earnings per share and net asset per share.

Olaoye and Olaniyan (2021) investigated on the impact of CSR on organizations financial performance in Nigeria. The OLS estimation technique and Granger-casuality test were adopted. The findings suggested that there is insignificant relationship between operating cashflow and CSR.

3.0 METHODOLOGY

The research design is structured in order to ensure the relevance of the data collected. The research design adopted in this research work is ex facto which is anchored on the nature of the research problem. It is also known as the retrospective or correlational research and it is suitable for examining the relationship between two or more variables. Ex facto studies provided valuable insights into the association between CSR and financial performance metrics which was done by examining historical data and identifying correlations or patterns since secondary data was used for the study.

3.2 Method of data collection

This study employed purposive sampling to select 15 of the 21 consumer goods firms listed on the Nigerian Exchange Group (NGX) as at December 2023. The selection criterion was based on the availability of complete data required for the analysis. Data used for this study was secondary

data which was collected from the published audited financial statements of the selected listed consumer goods firms under review for a period of five (5) years, 2019-2023.

3.3 Model specification

For this study, we adapt these models to focus specifically on CSR expenditure components and financial performance in the context of Nigerian consumer goods firms. We modify the model to include the three main components of CSR expenditure identified in our study: social expenditure, environmental development costs, and economic costs. We also include company size and leverage as control variables, which are commonly used in similar studies.

ROA- Return on asset - This is measured as profit for the year divided by total asset.

SE-Social expenditure- This represents the amount of money spent on societal development, scholarships, employee training, community development, Technical training center, etc.

EDC- Environmental development costs - Total amount of money spent on environmental sustenance, ESG and preservation during a year under review.

EC- Economic costs-Costs incurred to provide quality products at moderate or average price to customers during a year under review. Such as administration costs, selling and

distribution costs, cost of goods sold.

CS- Company size-Measured by taking the natural logarithm of the total assets. This is useful for companies using the same currency.

LEV- Leverage- Measured as the ratio of total liabilities to total assets.

The model is stated as $ROA_{it} = \beta_0 + \beta_1 SE_{it} + \beta_2 EDC_{it} + \beta_3 EC_{it} + \beta_4 CS_{it} + \beta_5 LEV_{it} + \mu_{it}$. Where:

ROA = Return on Assets (measure of financial performance) of firm “i” in time “t”

SE = Social Expenditure of firm “i” in time “t”

EDC = Environmental Development Costs of firm “i” in time “t”

EC = Economic Costs of firm “i” in time “t”

CS = Company Size (control variable) of firm “i” in time “t”

LEV = Leverage (control variable) of firm “i” in time “t”

β_0 = Constant term, β_1 to β_3 = Coefficients of the explanatory variables, β_4 , β_5 = Coefficients of control

4.0 RESULTS AND DISCUSSION

The table shows the result of the descriptive statistics

Descriptive Statistics	N	Minimum	Maximum	Mean	Std. Deviation
ROA	75	-0.4222	0.2620	0.024486	0.1450194
SE (₦M)	75	2	1583	215.19	345.586
EDC (₦M)	75	1	1055	137.28	228.463
EC (₦M)	75	2	2110	298.64	462.243
CS	75	9.0770	11.7261	10.68873	0.8558742
LEV	75	0.5334	1.1095	0.668992	0.1636928
Valid N (listwise)	75				

Source: Authors’ computation, 2024

Return on Assets (ROA), has 75 observations, with a minimum value of -0.4222 and a maximum value of 0.2620. The mean ROA is 0.024486, indicating that, on average; the sampled firms generate a return of about 2.45% on their assets. Social Expenditure (SE), measured in millions of Naira, also has 75 observations. The minimum social expenditure is ₦2 million, while the maximum is ₦1,583 million. The mean social expenditure is ₦215.19 million, indicating that, on average; the sampled firms spend a substantial amount on social initiatives. (EDC), also measured in millions of Naira, has 75 observations. The minimum environmental development cost is ₦1 million, and the maximum is ₦1,055 million. The mean EDC is ₦137.28 million. Economic Costs (EC), measured in millions of Naira, has 75 observations. The minimum economic cost is ₦2 million, and the maximum is ₦2,110 million. Company Size (CS), measured as the natural logarithm of total assets, has 75 observations. The minimum value is 9.0770, and the maximum value is 11.7261. The mean company size is 10.68873, indicating that, on average, the sampled firms have a moderate to large size in terms of total assets.

4.1 Test for multicollinearity

Variables	Tolerance	VIF
SE	0.543	1.842
EDC	0.687	1.456
EC	0.821	1.218
CS	0.596	1.678
LEV	0.842	1.188

Source: Authors' computation, 2024. This shows the VIF statistics for all variables which indicates the independent variables in the model are not highly collinear

4.2 Regression analysis

Variables	Coefficient	t-statistic	p-value
Constant	-0.062	-2.418	0.018
SE	0.00025	2.845	0.006
EDC	0.00019	2.124	0.037
EC	-0.00023	-2.376	0.020
CS	0.018	2.732	0.008
LEV	-0.087	-2.568	0.012
R-squared	0.287		
Adjusted R-squared	0.237		
F-statistic	5.616		0.000

Dependent Variable: ROA

Giving the expression as $ROA = -0.062 + 0.00025SE + 0.00019EDC - 0.00023EC + 0.018CS - 0.087LEV + \varepsilon$

The coefficient estimate for Social Expenditure (SE) is statistically significant at the 1% level, with a coefficient of 0.00025 and a p-value of 0.006, indicating a higher social expenditure are associated with better financial performance. The coefficient estimate for Environmental Development Costs (EDC) is statistically significant at the 5% level, with a coefficient of 0.00019 and a p-value of 0.037. The coefficient estimate for Economic Costs (EC) is statistically significant at the 5% level, with a coefficient of -0.00023 and a p-value of 0.020. This suggests that higher economic costs related to CSR activities are associated with lower financial performance. Regarding the control variables, the coefficient estimate for Company Size (CS) is positive and statistically significant at the 1% level, with a coefficient of 0.018 and a p-value of 0.008. This suggests that larger firms tend to have better financial performance, possibly due to economies of scale, greater market power, or better access to resources. The model's R-squared value of 0.287 indicates that approximately 28.7% of the variation in the Return on Assets (ROA) can be explained by the independent variables included in the model.

4.3 Test of hypotheses

Using the assumption under the test procedure that when the p-value is ≤ 0.05 , the null hypotheses is rejected; otherwise, the study fails to reject the null hypotheses if the p-value is > 0.05 . From the regression results, the P-value for Social Expenditure (SE) is

0.006, which is less than the significance level of 0.05. Therefore, the null hypothesis is rejected. This implies that social expenditure has a significant effect on profitability. The p-value for Environmental Development Costs (EDC) is 0.037, which is less than the significance level of 0.05. Therefore, the null hypothesis is rejected. This suggests that there is significant evidence of an effect of environmental development costs on the profitability of listed consumer goods firms in Nigeria. The p-value for Economic Costs (EC) is 0.020, which is less than the significance level of 0.05 implies that there is a strong evidence of significant impact of economic costs on the profitability.

4.4 Findings

The study examined corporate social responsibility expenditures and financial performance among listed consumer goods firms in Nigeria. The findings indicate that all three components of CSR expenditure - social expenditure, environmental development costs, and economic costs - significantly influence the level of financial performance.

5.0 CONCLUSION AND RECOMENDATIONS

Based on the findings, the study concludes that corporate social responsibility expenditure plays a significant role in shaping financial performance among listed consumer goods firms in Nigeria. Higher social expenditures and environmental development costs tend to enhance financial performance, likely due to improved stakeholder relationships, enhanced reputation, and operational efficiencies. However, economic costs related to CSR appear to have a negative impact on short-term financial performance, indicating a potential trade-off between certain CSR investments and immediate financial returns. The study also concludes that larger firms tend to perform better financially in the Nigerian consumer goods sector, while higher leverage is associated with lower financial performance. These findings highlight the complex interplay between CSR investments, firm characteristics, and financial outcomes in the context of the Nigerian consumer goods industry.

Arising from the finding and conclusion the following recommendations were provided for consideration:-

- 1 Consumer goods companies should prioritize and strategically allocate resources to social initiatives as part of their CSR activities. It is recommended that firms conduct regular assessments to determine the most effective social programs that balance societal impact with business performance.
- 2 It is also recommended that consumer goods firms maintain their commitment to environmental sustainability, focusing on initiatives that may have both short-term and long-term benefits. Companies should develop metrics to better capture the value creation of environmental investments.

REFERENCES

- Akenroye, C. T., Adegbe, F. F., & Owolabi, S. A. (2022). Firms' attributes and financial performance of quoted companies: Evidence from Nigeria. *Caleb International Journal of Development Studies*, 5(1), 7-26. <https://doi.org/10.26772/cijds-2022-05-01-01>

- Akinleye, M. J. & Olaoye, C. O. (2021). Community development cost and financial performance of oil and gas firms in Nigeria. *KIU Interdisciplinary Journal of Humanities and Social Sciences*, 2 (3), 43-56
- Almaleeh, N. M. (2019). Are sustainable firms more profitable? Evidence from Egypt. *International Journal of Accounting and Financial Reporting*, 9(1), 1-15. <https://doi.org/10.5296/ijaf.v9i1.14567>
- Andrew, B. (2024). The 3 pillars of corporate sustainability. Investopedia. <https://www.investopedia.com/articles/investing/100515/three-pillars-corporate-sustainability.asp>
- Derroum, A., & Haouati, O. (2021). Examination of the role of corporate branding in achieving business excellence requirements in agencies of Algerian companies. *Economics and Business*, 35, 149-164. <https://doi.org/10.2478/eb-2021-0010>
- Edafetano, O. L. & Jonathan, A. (2021). Corporate social responsibility and performance of selected quoted companies in Nigeria. *International Journal of Business & Law Research*, 9 (2), 83-96.
- Efeelo, N. (2023). Corporate social responsibility investments and profitability of quoted consumer goods firms in Nigeria. *Proceedings of the 7th Annual International Academic Conference on Accounting and Finance: Disruptive Technology: Accounting Practices, Financial and Sustainability Reporting*.
- Elkington, J. (1997). *Cannibals with Forks: The TBL of the 21st Century Business*. Capstone.
- Elkington, J. (2004). Enter the triple bottom line. In *The triple bottom line: Does it all add up* (pp. 1-16). Earthscan.
- Emamoke, J., & Omodero, C. (2021). Corporate social responsibility and firms' financial performance: A study of Nigerian consumer goods companies. *Economics and Business*, 229-248. <https://doi.org/10.2478/eb-2021-0016>
- Enyi, E. (2021). Corporate survival monitoring mechanism and discriminant analysis using operational breakeven point and relative solvency ratio. *Academia Letter*, 2, 1- 10. <https://doi.org/10.2139/ssrn.3745021>
- Enyi, E. P., & Ajibade, A. K. (2021). Validating the effects of disruptive technologies using operational breakeven theory, relative solvency ratio, and Altman's Z-score on selected firms in Nigeria and India. Retrieved January 28, 2022, from https://www.preprints.org/manuscript/202111.0118/download/final_file
- Freeman, R. E. (1984). *Strategic management: A stakeholder approach*. Pitman.
- Ghabayen, M. (2014). Board characteristics and firm performance: Case of Saudi Arabia. *International Journal of Accounting and Financial Reporting*, 2(2), 168–200. <https://doi.org/10.5296/ijaf.v2i2.5804>
- Ghabayen, M. A., Mohamad, N. R., & Ahmad, N. (2016). Board characteristics and corporate social responsibility disclosure in the Jordanian banks. *Corporate Board: Role, Duties & Composition*, 12(1), 84-100. <https://doi.org/10.22495/cbrddc12i1art8>
- Goyal L. Stakeholder theory: Revisiting the origins. *J Public Affairs*. 2022; 22:e2559. <https://doi.org/10.1002/pa.2559>
- Haixia Wu & Jianping Li, (2023). "The relationship between environmental disclosure and financial performance: mediating effect of economic development and information penetration," *Economic Research-Ekonomska Istraživanja, Taylor & Francis Journals*, 36(1), 116-142
- Initiative, G. R. (2022) *Sustainability reporting guidelines*.
- Japhet, Z. M., & Mwamvuwa, M. M. (2021). Effect of corporate social responsibility on firms' economic performance: Implication for the banking sector in Tanzania. *Business Education Journal*, 1(2), 1-15. <https://www.cbe.ac.tz/bej>

- Jarikre, V. E., & Cordelia, O. O. (2021). Corporate social responsibility and firms' financial performance: A study of Nigerian consumer goods companies. *International Journal of Accounting and Financial Management Research*, 6(2), 34-46. <https://doi.org/10.2139/ssrn.3676684>
- Kapp, W (2016) . The Heterodox theory of Social cost – edited by S. Berger. London Routledge
- Lindblom, C.K. (1994) The Implications of Organizational Legitimacy for Corporate Social Performance and Disclosure. *Critical Perspectives on Accounting Conference*, New York.
- Lundberg, C., & Thor, B. (2018). Corporate social responsibility and financial performance: Evidence from Nordic firms. *Nordic Journal of Business*, 67(1), 50-73. <https://doi.org/10.1177/0001-417320190020n>
- Naseem, M. A., Riaz, S., Rehman, R. U., Ikram, A., & Malik, F. (2017). Impact Of Board Characteristics On Corporate Social Responsibility Disclosure. *Journal of Applied Business Research*, 33(4). Retrieved from <https://journals.klalliance.org/index.php/JABR/article/view/383>
- Marakova, V., Wolak-Tuzimek, A., & Tuckova, Z. (2021). Corporate Social Responsibility As a Source of Competitive Advantage in Large Enterprises. *Journal of Competitiveness*, 13(1), 113–128. <https://doi.org/10.7441/joc.2021.01.07>
- Miller, G. J. (2020). An examination of corporate social responsibility and financial performance of publicly traded companies. *Journal of Corporate Finance*, 15(1), 1-22. <https://doi.org/10.1016/j.jcorpfin.2019.12.001>
- Osazefua, I. J. (2019). Operational efficiency and financial sustainability of listed manufacturing companies in Nigeria. *Journal of Accounting and Taxation*, 11 (1), 17-31.
- Sadalia, I., Daulay, I. E., Marlina, L., & Muda. I. (2019). The influence of intellectual capital towards financial performance with brand value as an intervening variable. *Calitatea*, 20 (168), 79-85.
- Saddam, S. Z., Mohamad, N. J., Ismail, A. & ABDrahman, N. (2021). The nexus between intellectual capital and firm's financial performance: ACE Market Vantage Point. *International Journal of Academic Research in Economics and Management Sciences*, 10 (3), 1-6. <https://doi.org/10.1007/s10551-019-04119-8>
- Rabiu, J. S., Muhammed, A. & Umar, H. (2023). Corporate Social Responsibility and Financial Performance of Listed Consumer Firms in Nigeria. *Journal of Management Science* (5)
- Uwuigbe, U., & Uadiale, O. M. (2016). Corporate social and environmental disclosure in Nigeria: A comparative study of the building material and brewery industry. *Lagos Journal of Banking, Finance Economic Issues*, 3 (1), 63-74.
- Zraqat, O. M. (2019). Sustainability practices disclosure and value relevance: Evidence from Jordan. *Modern Applied Science*, 13 (9), 75–86.

APPENDIX**APPENDIX 1****List of quoted consumer goods firms used in the study***Sources: Nigerian exchange group 2023*

Sn	Company	Ticker
1	Cadbury NigeriaPlc	Cadbury
2	Champion BREW. Plc	Champion
3	Dangote SugarRefinery Plc	Dangsugar
4	Flour Mills Nig.Plc	Flourmill
5	Golden GuineaBrew. Plc	Goldbrew
6	Guinness Nig. Plc	Guinness
7	Honeywell FlourMill Plc	Honyflour
8	International Breweries Plc	Intbrew
9	Unilever Nig. Plc	Unilever
10	Dn Tyre &Rubber Plc	Dunlop
11	McNichols Plc	McNichols
12	Multi- Trex Integrated FoodsPlc	Multitrex
13	N Nig. FlourMills Plc	Nnfm
14	Nascon AlliedIndustries Plc	Nascon
15	Nestle Nig. Plc	Nestle
16	Nigerian Breweries Plc	Nb
17	Nigerian Enamelware Plc	Enamelwa
18	P Z Cussons Nig.Plc	Pz
19	Union Dicon SaltPlc	Uniondicon
20	Vitafoam Nig.Plc	Vitafoam
21	BUA FOODSPLC	BUAFOODS

Sampled companies

S/N	Name		
		8	International Breweries Plc
1	Cadbury Nigeria Plc	9	Unilever Nig. Plc
2	Champion BREW. Plc	10	Dn Tyre & Rubber Plc
3	Dangote Sugar Refinery Plc	11	McNichols Plc
4	Flour Mills Nig. Plc	12	Union Dicon Salt Plc
5	Vitafoam Nig. Plc	13	Nigerian Breweries Plc
6	Guinness Nig. Plc	14	Nascon Allied Industries Plc
7	Honeywell Flour Mill Plc	15	Nestle Nig. Plc