CORPORATE GOVERNANCE ATTRIBUTES AND SOCIAL SUSTAINABILITY REPORTING

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Abstract

The objective of this study is to examine the relationship between corporate governance and social sustainability reporting in quoted firms in Nigeria. The ex-post facto research design was used for this study. The data set was sourced from the annual reports of selected quoted companies on the Nigerian stock exchange. Out of a population of 176 quoted firms on the NSE as at December 31st, 2016, thirty five financial and non financial companies had complete and consistent data that was useful for this study. The balanced panel data regression technique was used in this study. The corporate governance attributes which are the independent variables were CEO tenure, executive compensation, Board gender diversity, Board size and firm size (as control variable). Correlation results show that there is a positive association between the dependent variable of social sustainability reporting and all the independent variables of interest except for the variable of executive compensation. The adjusted R2 of the probit panel random effect regression model is 0.34 which indicates that only 34% of the changes in the variable of social sustainability reporting is explained by the changes in the regressor. It was discovered that executive compensation and CEO tenure has no significant relationship with corporate social sustainability reporting. While Board gender diversity and board size had a significant relationship with corporate social responsibility reporting. It was recommended that the representation and participation of women on boards should be sustained and improved to promote social sustainability reporting for the firms and that quoted companies should keep up with the recommended board size in order to maintain a sizeable performance in terms of social sustainability reporting.

Keywords: Corporate governance, Social sustainability reporting, Quoted firms, Board gender diversity, Board size

Introduction

There is the need for stock exchanges to find a balance between enhanced market valuations and improving investor protection. Operational risk can therefore be reduced and business opportunities can be generated through a desire for environmental, social and governance disclosure (Experts in Responsible Investment Solutions, 2010). These disclosures are anchored on the volition of firm managers in the context of emerging economies. These financial statements are currently known as integrated reports that communicate financial and sustainability information. In Nigeria, sustainability

reporting is not a listing requirement. However, most of the firms that are involved in environmental reporting disclosures are found in the manufacturing sectors (Owolabi, 2010; Uwuigbe, 2011).

Popa, Blidisel and Bodgan (2009) state "that corporate transparency and disclosures are more useful when sustainability reporting is incorporated". Another argument by Bansal (2005) is that some firms follow strategies that comprise three principles of sustainable corporate development which are environmental veracity by means of corporate environmental administration, social parity through sustainability reporting and economic success by creating worth.

Corporate governance refers to the management of an organization in a way that assures its owners or stakeholders of a fair return on their investment, while meeting the expectations of other stakeholders (Magdi & Nedareh, 2002 in Ibekwe & Harry, 2018).

A lot of business collapses in recent past are ascribed to corporate governance failures (Sanusi, 2010). "According to Beck, Cambell and Shrives, 2010), Sustainability reporting contrasts with environmental reporting which focuses on environmental performance in areas such as climate change, waste, water usage, environmental protection costs, environmental liabilities and greenhouse gas emissions (Beck, Campbell, & Shrives, 2010). Sustainability reporting consist of the way business decisions are made, offering of products and services, their determination in achieving an open and honest culture, administration of social, environmental and economic impacts of business undertakings and their relationships with their employees, customers and other key stakeholders". Gray, Owen and Adams (1996) noted that the role of firm social donations reporting takes a growing importance of such duties of accountability and sustainability.

In the Nigerian context, much empirical work has not been done on the area of corporate governance and sustainability reporting especially in the areas where corporate social donation is being used to capture corporate sustainability. However, researchers such as Ngwakwe (2009), Guobadia (2000), Minga (2010) examined "the relationship between corporate social responsibility practices and firm performance while focusing on the manufacturing industry". Oba and Fodio (2012) studied quality of environmental reporting in Nigeria and board characteristics. Uwuigbe and Jimoh (2012) investigated corporate environmental disclosure in the Nigerian manufacturing industry. The above mentioned studies have left a research gap in knowledge where the impact of corporate governance structure on firms' social sustainability reporting have not been sufficiently addressed. Furthermore, most of these research studies have concentrated on selected sectors of the economy which may not be a factual likeness of the activities of the entire business sector. Hence, this study tends to fill the gap in knowledge by establishing "the affiliation between corporate governance attributes and social sustainability reporting in Nigeria. The objective of this study is therefore to examine whether any relationship exist between corporate governance and social sustainability reporting in Nigeria". The remaining part of this research is divided into: Literature review; Methodology; Data analysis and interpretation; Conclusion and; Recommendations

Literature Review

Sustainability Reporting

Przychodzen & Przychodzen, 2013 holds "that concept of sustainability was initially proposed as an environmental idea, which is based on the conservation of resources. Now, it has become a landmark for the entire business community (Herbohn, Walker & Loo, 2014; Przychodzen & Przychodzen, 2013).

The most extensively acknowledged description of sustainability that has arisen over time is the triple bottom line (TBL) deliberation of economic viability, social responsibility, and environmental responsibility (Yu and Zhao, 2015). A tenacious concentration on economic sustainability can succeed only in the short term, however, in the long term; it needs all three components to be satisfied concurrently (Dyllick and Hockerts, 2002). They added that when transposing the sustainability idea to the corporate level, it should meet the current firm's stakeholders' needs, without negotiating the firm's capability to meet the future stakeholders' desires as well"

Corporate Governance

Corporate governance can be viewed from different angles and not a single definition. Corporate governance as defined by Berle and Means (1932) is the capital structure, allocation of ownership, takeovers, managerial incentive schemes, pressure from institutional investors, board of directors, product market competition, organizational structure, labour market competition, etc. In summary, corporate governance can be thought of as institutions/customs, traditions, conventions that affect quasi-rents distribution.

Shleifer and Vishny (1997) define "corporate governance as methods of assuring suppliers of finance to corporations of getting a return on their investment. OECD in 1999 describes corporate governance as a system of directing and controlling business organizations" The corporate governance structure specifies the sharing of rights. Responsibilities among different members in the corporation, such as, managers, the board, shareholders and other stakeholders, are made specific. Rules and processes for making decisions on corporate matters are also spelt out These actions deliver the structure in which the company's objectives are established, and the methods of attaining those objectives and watching performance.

Theoretical Framework

In explaining the concept of corporate governance and sustainability reporting, there have been some theoretical reviews developed from previous works. This section takes a look at some of these frameworks as they relate to this study.

Stakeholder Theory

According to Kaur and Lodhia, 2006, "One of the major methods to environmental, social and sustainability management research is through the Stakeholders' theory. Stakeholders are groups and individuals that can affect or be affected by the activities connected to trade and value creation. Individuals and groups who rely on the firm in trying to achieve their personal goals depend on the firm for its survival. Stakeholder theory has contributed to considering stakeholders' impacts on organizations' actions and how organizations respond to these impacts. Stakeholders regularly seek to impact their organization's attitude and practice of sustainability reporting"

Stakeholder engagement is described as a "trust-based collaboration between individuals and social institutions with different objectives that can only be achieved collaboratively. Sustainable development can improve trust-based collaborative effort from both stakeholders and the organization. Organizations are stirring in the direction of stakeholder engagement largely to increase transparency, trust and accountability, and deliver more effective and efficient communication concerning sustainability reporting (Horishch, Freeman and Schaltegger, 2014; Kaur and Lodhia, 2006)"

This study is anchored on the stake holder theory because it helps us to appreciate stakeholders' concerns and characteristics of corporate governance in a firm (Mitchell, Agle & Wood, 1997).

Resource Dependency Theory

This theory provides a platform for board of directors to use their over sight functions to manage the resources of corporations (Hillman, Canella & Paetzold, 2000). The resource dependence theory emphasizes that organizations exert positive control over their operating environment by gathering resources needed for the survival of the organization. According to them, "the resource dependence function, external directors might bring wealth such as skills, information, access to key constituents (e.g social groups, suppliers, public policy decision makers, buyers) and legitimacy to the firm". According to this theory the board is a strategic resource that provides linkage to many external resources in a business organization. Therefore, the resource dependence theory sees the board as a means of not only complimenting the need for other resources, but also influencing the environment in its favor, which will bring about improvement in firm performance (Hillman, Canella & Paetzold, 2000).

Legitimacy Theory

Organizations are in a continuous attempt to ensure that they operate within the limits and norms of their respective societies. That is, they attempt to guarantee that their activities are seen by external parties as being 'legitimate' (Deegan, 2000). Similarly, Suchman (1995), views "legitimacy as a generalized perception or notion that the actions of an organization are appropriate, desirable or proper, within some socially created system of values, norms, beliefs and definitions". Legitimacy theory is essentially a systems-oriented theory. That is, organizations are regarded as components of the larger social environment in which it exists (Gray, et al 1996).

According to the legitimacy theory, firms are seen to assume various actions to legitimize their actions so as to gain public confidence. Effective organizations respond fast to changes in community priorities and concerns. Legitimacy management is largely about managing societies' beliefs. Legitimacy theory delivers the theoretical background for appreciating the reasons management teams tend to use externally focused disclosure reports to improve an organization's status and manage threats. It is another popular theory that explains firms' social reporting practices (Moerman & Van Der Laan, 2005). Legitimacy theory emphasizes that management of corporation will respond to the expectations of community and management of human resources (Deegan, et al 2002).

Relationship between CEO tenure and corporate social sustainability reporting

Hazarika, Karpoff and Nahata, (2012) noted that "based on the potentially positive role of corporate social responsibility reporting in attaining such goals as signaling firms' future financial performance, most researchers posit that shorter CEO tenure have a higher incentive to build their reputation and signal their ability, shorter-tenured CEOs tend to commit to a higher level of corporate social responsibility reporting. However, there are several other reasons to predict a relationship which is negative between CEO tenure and corporate social responsibility reporting". First is from the cost perspective, although studies have suggested that both corporate social responsibility reporting and overstated financial outcomes through earnings manipulation can favorably influence market participants' perception of CEOs' ability unlike corporate social responsibility reporting, earnings manipulation may come with significant costs to CEOs and consequently fail to reduce CEOs' future career concern (Hazarika, Karpoff & Nahata, 2012).

Due to the long-term nature of corporate social responsibility investment, CEOs with a short career horizon (ie CEOs with shorter tenure) are less likely to commit to such actions (Matta & Beamish, 2008). This argument again predicts a "negative relationship between CEO tenure and corporate social responsibility reporting". Finally, from the external pressure perspective, when the strategies or structures of firms deviate from the requirements of the environment, CEOs may face external pressures; longer tenured CEOs, who have greater power than shorter-tenured CEOs, tend to be more able to resist such external pressures (Miller, 1991).

Relationship between executive compensation and corporate sustainability reporting
Maas (2015) contends that incentives can be used by companies to integrate corporate social performance targets into executive compensation. Maas and Rosendaal (2016) inspects the addition of sustainability goals in executive compensation by utilizing 490 listed companies from 11 countries and finds that organizations utilizes sustainability goals which centres on social issues in their compensation policies. Kolk and Perego (2014) made reference to four case studies from the Netherlands to find out the performance measures in bonus packages and decide if the sustainability-related bonuses introduction is a trustworthy signal or a mere keeping up of bonuses level.
Davila and Venkatachalam (2004) examines if CEOs are remunerated based on non-financial performance measures and claim that disclosure of non-financial metrics are beneficial only if they are able to provide incremental information concerning the agent's efforts outside financial metrics. Brown-Liburd and Zamora (2014) in a recent study claims that compensation that is linked to sustainability information is value relevant. They also claim that pay-for-performance significantly incentivizes managers to invest in sustainability strategies and to account for strong sustainability performance. In addition, they contend that there is need for managers to seek independent guarantee of sustainability information to signal credibility, and investors will sufficiently be able to carry out independent assessment on assured information that is related to incentive system. The study "finds that in the case of pay-for-CSR performance and high CSR investment level, investors' stock price assessments are greater only when CSR assurance is also present".

Board gender diversity and corporate social sustainability reporting
Board independence is enhanced by board diversity, as individuals of different cultural backgrounds, genders and ethnicities seek for answers that may not be topical to a traditional unitary board of directors (Carter, Simkins & Simpson, 2003). Board diversity tend to improve the effectiveness of corporate governance mechanism. "According to Post, Rahman and Rubow (2011), board diversity impacts on better decision-making by the involvement of directors with diverse perception, knowledge, and ideas. The role of gender in the board is an important aspect of corporate governance, as women differ socially and ethically, from men".

Ibrahim and Angelidis (1994) emphasize that "female directors are more philanthropically driven and less economically oriented than male directors. This implies that female directors are less driven by self-interest. Women differ from men in terms of communication style, education, personality, professional experience and expertise (Buss, 2005). There is a significant and positive relationship between participation of women in leadership and social responsible behavior in the organization. Although, it is of importance to note that the presence of a female on a board does not imply socially responsible behavior, since they do not have the same quota of power as males (Kapotas, 2010). There is also result to show that the presence of female directors on a board enhances corporate reputation and corporate sustainability reporting ratings (Bear Rahman & Post, 2010)"

Terjesen, Sealy and Singh (2009) discovered female board members are more socially responsible. Bear, Rahman and Post (2010) found that the proportion of female board members is positively related to corporate social responsibility impact. According to Yaroson and Giwa (2016), "women tend to meet social responsibility needs. Using data collected from 22 countries, results from Fernandez-Feijoo, Romero and Ruiz-Blanco (2014) show that women on boards were responsible for a higher quantity and quality of corporate sustainability disclosure. However, a study conducted in Bangladeshi banks show a no relationship between female directors and corporate sustainability disclosure (Khan,2010)".
Relationship between board size and corporate social sustainability reporting

"An effective and efficient and board is important for good performance (Vafeas, 1999). An ideal board size should vary between 5 and 16 depending on the industry, size, nature, and complexity of the organization. Bigger boards are seen to obtain a variety of resources at low cost and therefore better performance. The board of directors decisions also play an important role in finding out the level of voluntary disclosure. Laksmana (2008) found a positive relationship between the level of voluntary disclosures and board size. A large size board provides diverse knowledge and expertise that will prevent agency–principle conflict. "According to Janggu, Darus, Zain and Sawani (2014), large board size impacts more on sustainability issues. The existing literatures are inconclusive concerning the relationship between board size and sustainability disclosure. For example, a weak association between board size and corporate social sustainability disclosures was observed by Said, Zainuddin and Haron (2003)"

Some researchers such as Htay, Ab Rashid, Adnan and Meera (2012) "found a negative relationship between board size and the level of corporate social sustainability reporting. According to Majeed, Aziz and Saleem (2015), the level of corporate social sustainability disclosure was found to be high in those Pakistani companies with a larger board size. Similarly, a study by Rao, Tilt and Lester (2012) show that board size can increase the level of environmental reporting".

Relationship between firm size and corporate social sustainability reporting

Arguments thrown up in the literature show that firm size can impact on sustainability reporting. This argument is based on the fact that larger firms can afford sustainability expenditures easily. Big firms appreciate higher levels of resource accessibility and more resourcse-slack (Udayasankar, 2008). These advantages make it more likely for large firms to adopt socially desired practices such as sustainability reporting (Gallo and Christensen, 2011).

Another argument is that the relative costs of sustainability reports are lower for larger firms than they are for smaller ones. Baumann-Pauly, Wickert, Spence and Scherer (2013) argue that, due to specialization, functional differentiation and decentralization, larger firms more evolved administrative processes, have more specialized staff, and have more sophisticated internal systems to handle business related issues, resulting in lower relative (sustainability) reporting cost and higher likelihood to adopt new behaviors for large firms.

However, increase in firm size leads to the marginal utility of additional sustainability reporting diminishes. Firstly, can easily resist external pressures, and are therefore less socially responsive and are usually more powerful (Meznar & Nigh, 1995), Secondly, big firms have easy access to the resources they need (Udayasankar, 2008). The largest firms will thus not be obliged to do extensive reports on their corporate sustainability activities.

Having considered empirical literatures related to this topic, we shall now be considering the methodology used in carrying out this research work.

Methodology

The research design for this study is ex-post facto research design. The ex-post panel survey assumes cross sectional heterogeneity and time heterogeneity among the sampled companies. This will enable the researcher to examine corporate governance and social sustainability reporting in Nigeria. The nature of this study necessitates the use of secondary data. The data set was sourced from the annual reports of the selected quoted companies on the Nigerian Stock Exchange and publications of the Nigerian Stock Exchange. The final compilation of the data set is carried out by MachameRatios an annual financial reports data collation company based in South-Western Nigeria. The population of the study consists of all quoted firms on the Nigerian Stock Exchange (NSE) and comprises of all quoted firms (176) on the Nigerian Stock Exchange (NSE Fact Book 2016) which can be grouped into financial and non financial firms. Each firm in the population must have finished its obligation in delivering annual reports for seven consecutive years, from 2010- 2016. The sample size is based on thirty five financial and non financial companies listed on the Nigerian Stock Exchange as at 31 December, 2016. These are the companies that have complete and consistent data useful for the study.

The balanced panel data regression techniques was used in this study since there are no missing data in the sample used. There are three fundamental justifications for the use of panel data regression methodology in this study: (1) the data collected is subject to cross and time and sectional attributes (2) better results are provided by the panel data regression since it increases sample size and reduces the problem of degree of freedom, and (3) the use of panel regression would avoid issues of multicollinearity, endogeneity problems and aggregation bias (Greene, 2002). The estimation results were evaluated based on individual statistical significance test (t-test) and overall statistical significance test (F-test). This study used descriptive statistics, data normality test and correlation analysis which helped to explain the nature of our data. In conducting data analysis, the researcher used both Microsoft Excel and STATA 13 software applications.

Table 1: Data and Variables Description

Variable	Measurement	Sources
CEOT = CEO Tenure (Independent variable)	Number of years that the CEO holds the current position in the firm	Kariuki, Namusonge, & Orwa (2015).
EXEC = Executive Compensation (Independent variable).	This is measured by the annual pay of executive officers divided by the revenue of he company.	Hassan & Ahmed (2012), Olaniyi & Obembe (2015),
BGDR = Board Gender (Independent variable)	Measured as the total number of women on he board for the period under consideration	Schubert, Brown, Gysler and Brachinger (1999)
BS = Board Size (Independent variable).	Number of directors sitting on the board.	Ammari, kadria & Ellouze (2014)
FS = Firm Size (Control variable).	Firm size will be measured by the logarithms of total assets	Shalit & Sankar (1977)

Author's Compilation 2018

SUSR = Corporate Sustainability Reporting (Dependent variable). Sustainability reporting is proxied by dummy. It is measured as = 1 if company reports social activities in annual financial statement otherwise = 0

Model Specification

In the light of the methodological knowledge gathered and empirical literature, a panel data multiple regression model is specified. A panel data multiple regression model is one that seeks to explain a change or variation in the value of one variable called the dependent variable (Sustainability Reporting as in this study) on the basis of changes in other variables known as the independent or explanatory variables using panel data. The model assumes that the dependent variable is a linear function of the independent variables with consideration to the heterogeneity in the paneled companies. This means that panel regression model assumes that there is no difference in the panel companies. That is, cross sectional heterogeneity (Cross section fixed effect) and period heterogeneity (Time fixed effect). The panel regression model with an error term ($\in_{it}$) is specified in econometric form as stated below:

Model: Corporate Governance and Sustainability Reporting Model

$SUSRit = {}_0 + {}_1CEOT_{it} + {}_2EXC_{it} + {}_3BDGR_{it} + {}_4BS_{it} + {}_5FS_{it} + z_{it} + \in_{it}$ .... (1)

Where;

SUSR	=	Sustainability Reporting (proxy by social donations)
CEOT	=	CEO Tenure
EXEC	=	Executive Compensation
BGDR	=	Board Gender
BS	=	Board Size
FS	=	Firm Size
${}_0$	=	constant
	=	variables that vary across companies but do not vary over time
$\in_{it}$	=	error terms over the cross section and time.
z_{it}	=	cross section of listed companies time variant

The presumptive signs of the parameters in the specifications are:

${}_1, {}_2, {}_3, {}_4, {}_5, {}_6 > 0$

Data Analysis and Result

Descriptive Statistics

Table 2: Descriptive Statistics

Variables	Mean	Max	Min	Std Dev	JB (P-value)
SUSR	0.274	1	0	0.447	0.000
BSIZE	10.657	19	5	3.321	0.008
BOGD	14.062	44.44	0	11.489	0.009
CEOT	0.811	1	0	0.392	0.000
EXCOM	0.728	1	0	0.921	0.000
FSIZE	7.701	9.68	6.21	0.95	0.000

Sources: Author's Computation 2018

Table 2 shows the mean (average) for each of the variables, their minimum values, maximum values, standard deviation and the Jarque-Bera (JB) statistics (normality test). The result provided some

insight into the nature of the selected companies that were used for the study. Firstly, it was observed that within the period under review, the level of sustainability disclosure reporting is very low among listed companies in Nigeria. Sustainability disclosure level of 27% can be said to be poor in Nigeria compared to developed economies such as the UK, 81%, US 86%, China 77%, and Italy 78%. Martins and Roova (2017)

From the descriptive statistics, it is observed that most of the companies in the study sample had more than 10 members' seated on the board. This is important since it meets the standard recommendation of the corporate governance code issued in 2012 requiring listed companies to build a board that will consist of at least 7 members. From the statistics, board size had a maximum of 19 persons with a minimum of 5. Another observation from the descriptive statistics showed that board gender diversity which is the ratio of female board members to total board size revealed that most of the sampled companies are not gender sensitive. This is revealed from the mean value of about 14%. It is equally important to note that about 81% of the sampled companies do observe the required CEO tenure of 3 years. The variable of director compensation revealed that majority of the firms pay over 72% of its revenue to their directors. However, it should be noted that this could play a very detrimental role to the overall financial performance of the company.

Firm size has a mean value of 7.7, maximum value of 9.68 and minimum value of 6.21. This indicates that the firms employed in this study are homogenous. The wide variation (95%) together with the little difference between the maximum and minimum value of firm size show that most of the firms are homogeneous in size. Lastly, on the descriptive statistic table, the Jarque – Bera (JB) which tests for normality or the existence of outlier or extreme value among the variables shows that all other variables are normally distributed. This is evident from the significant values recorded by the JB test.

Test of Hypotheses

Correlation Analysis

In examining the association among the variables, the study employed the Pearson correlation Coefficient (Correlation Analysis) and the results are presented below in Table 3

Table 3: Correlation Analysis

	susd	bsize	bogd	ceot	dirc	fsize
susr	1.0000					
bsize	0.4697	1.0000				
bogd	0.2828	0.0864	1.0000			
ceot	0.0344	-0.0543	0.0702	1.0000		
dirtc	-0.1045	-0.2036	-0.1106	0.0167	1.0000	
fsize	0.3865	0.6726	0.1233	-0.0439	-0.4066	1.0000

Author's Computation 2018

The use of correlation matrix is to check for autocorrelation and to explore the association among the variables used for the study. The table above (3) shows the relationship that exists among the dependent and independent variables of this study. Corporate Social Sustainability Reporting (SUSR), Board Size (BSIZE), Board Gender Diversity (BOGD), Chief Executive Officer Tenure (CEOT)

Executive Compensation (DIRC) and Firm Size (FSIZE). The correlation analysis table shows that there is a positive association between the dependent variable of social sustainability reporting and all the independent variables of interest except for the variable of executive compensation. Furthermore, the correlation matrix revealed that all the independent variables of interest are positively associated with the control variable of firm size, except for the variables of board size and executive compensation. However, the associational relationship between them is weak. While the associational relationship between sustainability reporting and board size is 47%, sustainability reporting and board gender diversity is 28%, sustainability reporting and chief executive officer tenure is 3% and sustainability reporting and executive compensation is -10%.

Regression Analysis

The regression analysis is used to test for the effect of the corporate governance characteristics on sustainability reporting in Nigeria. The summary of the analysis result is presented below.

Table 4: Tobit Panel Regression Coefficient Estimates

Variables	BSIZE	BOGD	CEOT	EXEC	FIZE
Random Effect	0.193	0.036	0.446	0.157	0.461
	(2.44)	(1.96)	(1.05)	(0.98)	(1.40)
	{0.015}**	{0.050}**	{0.292}	{0.328}	{0.160}
Adjusted R^2 0.34					
Wald Chi2	13.66				
Prob Wald Chi2	0.018				

Author's Computation 2018

Note: z-statistic and probability statistics are represented in () and {}respectively
Where: *** and * represents 1% and 5% level of significance respectively

From the table above, the adjusted R-Squared of the probit panel random effect regression model above is 0.34 which indicates that only 34% of the changes in the variable of social sustainability reporting are explained by the changes in the regressors. This suggests that about 66% of the variation in the dependent variable is unexplained by the regressors. However, an acceptable level of the model fit is reaffirmed by the probability of the Wald Chi2 statistics of 0.02 which clearly shows that the model is good enough for interpretation. The value of Prob- Wald Chi2 is the probability that the null hypothesis for the full model is true (i.e all of the regression coefficients are zero). Therefore it follows that all independent variables of interest as well as the control variable in the model are good enough to explain the changes that occur in the dependent variable of sustainability reporting for the period under review in Nigeria. This implies that the overall resultant coefficient estimates obtained from the results are not mere chance finding but can be relied upon for policy recommendations.

Interpretation And Hypothesis Testing

Hypothesis 1:CEO tenure has no significant relationship with Corporate Social Sustainability Reporting.

From the regression result above, the variable of CEO tenure (excom) with a z- coefficient of 1.05 shows that CEO tenure has a positive relationship with sustainability reporting but it is statistically insignificant for the period under consideration due to the corresponding P value of 0.292. The study

concludes that CEO tenure has no significant effect on corporate social sustainability reporting in Nigeria. This result therefore suggests that we should accept the null hypothesis which states that CEO tenure is not significantly related to sustainability reporting.

Hypothesis 2: Executive compensation has no significant relationship with corporate social sustainability reporting.
From the regression table above, the variable of executive compensation (excom) with a z- coefficient of 0.16 shows a positive relationship with sustainability reporting but it is statistically insignificant for the period under consideration due to the value of z = 0.98 with corresponding P value of 0.39. The study concludes that CEO compensation has no significant effect on corporate social sustainability reporting in Nigeria. This result therefore suggests that we should accept the null hypothesis which states that CEO compensation is not significantly related to sustainability reporting.

Hypothesis 3: Board Gender has no significant relationship with corporate social sustainability reporting.
From the analysis, the variable of board gender diversity was found to have a positive significant impact on sustainability reporting among the sampled firms (z = 1.96 with Prob = 0.05). The implication of this finding suggests that as board gender diversity increases (indicative of more women on the board) the level of sustainability reporting also increases at a 5% statistical significant rate. The result suggests that an addition of one more female into the board will raise the likelihood of reporting sustainability activities by 5%. Following the above result we carefully state here that board gender diversity has a significant relationship with sustainability reporting in Nigeria. Hence, we carefully reject the null hypothesis of no significant relationship between board gender diversity and sustainability reporting.

Hypothesis 4: Board size has no significant effect on corporate social sustainability reporting.
A cursory look at the effect of board size (bsize) with a z- coefficient of 2.44 shows a positive relationship with social sustainability reporting and it is statistically significant for the period under study due to the corresponding P-value of 0.015. This result suggests that we should accept the alternative hypothesis which states that board size is significantly related to sustainability reporting. The implication of this result is that as more members are added to the board the likelihood of reporting sustainability activities increases. Therefore, we carefully conclude that there is a significant relationship between board size and corporate sustainability reporting in Nigeria.

Hypothesis 5: Firm size has no significant effect on corporate social sustainability reporting.
The variable of firm size (fsize) with a coefficient of 0.461 and a z- statistics value of 1.40 (P-value 0.16) shows a positive relationship with the dependent variable of sustainability reporting but it is statistically insignificant for the period under review. The result suggests that firm size has no significant relationship with sustainability reporting. Hence, we carefully accept the null hypothesis of no significant relationship between firm size and sustainability reporting among listed companies in Nigeria because the likelihood of the independent variable in impacting on the dependent variable of sustainability reporting is not significant.

Discussion of Findings

The finding obtained from the relationship between board size and corporate sustainability reporting is compatible with the findings of Udayasankar (2008) and Gallo and Christensen (2011) who posited

that an effective and efficient board is vital for better performance. The researchers argue that "larger boards are considered to obtain series of resources at low cost and have improved performance. Their arguments further suggest that large board offers diverse knowledge and expertise that acts to mitigate agency–principle conflict and bring different perspectives into the organization. However, our result negates the findings of Bauman-Pauly, et al (2013); Meznar and Nigh (1995) who found a negative relationship between board size and the level of sustainability reporting".

In the case of board gender diversity, extant literature "suggests that women are more inclined toward sustainability; their power to influence board decisions is high but prone to the dictate by the orientation of male directors toward sustainability matters. Our result aligns with the result of Terjesen, et al (2009) who found that companies with more women on the board are more socially responsible. Also Bear, Rahman (2010) found that the proportion of women on a board is positively related to corporate social responsibility. This finding also aligns with the study of Yaroson and Giwa (2006), Fernandez-Feijoo, Romero and Ruiz-Blanc (2014), but negates the findings of Khan (2010) who found a negative relationship between board gender diversity and sustainability reporting"

From our finding, CEO compensation was revealed to be insignificantly related with sustainability reporting. This finding is not in line with the findings of Brown-Liburd and Zamora (2014); Davila and Venkatachalam (2004) in which they noted that companies concerned with sustainability reporting are likely to link executive compensation to sustainability in recognition of the view that management needs to be compensated for the increased risks associated with long-term social strategies.

The finding obtained from the relationship between firm size and sustainability reporting do not align with the Political Cost Hypothesis of Positive Accounting Theory which suggests that larger firms have higher political costs due to their visibility which might lead to higher government and society attention Setyorini and Ishak (2012). This result of no significant relationship implies that the size of a company does not in any way influence the sustainability reporting of that entity.

Conclusion and Recommendations

The study intends to verify the relationship between corporate governance attributes and sustainability reporting among listed firms in Nigeria. Corporate governance characteristics of board size, board gender diversity, chief executive officer tenure, executive compensation and firm characteristic variable of size was adopted for the study. Data set corresponding to the variables from thirty (30) quoted companies on the Nigerian stock exchange was employed in this study. The study adopted a unique analysis technique of Tobit Regression which is best suited for studies whose dependent variable is measured as dummy.

Following the findings obtained from the analysis, independent variables of board size and board gender diversity were seen to significantly impact positively on corporate sustainability reporting among listed companies in Nigeria. This goes a long way to ratify the fact that an improvement in these aforementioned factors will enhance performance in the light of corporate social responsibility reporting. The unpleasant incidences of corporate failures which have been stirring up demands from different governments, stock market regulators, media and academia, for increased corporate transparency and disclosure in order to assess performance in diverse areas that are potential sources of risk can now be verified. This study has added to the body of literature which tends to answer the questions about the adequacy of traditional financial reports in assessing corporate performance.

Based on the empirical findings from the analysis we carefully recommend the following:

1. Quoted firms in Nigeria should always ensure to keep up with the recommended size of the board to enable them maintain a high performance in terms of sustainability reporting. Mandatory compliance may also be enforced.
2. The participation and representations of women on boards should be sustained and seriously enhanced in a bid to promote sustainable reports for the firms.

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