



**BABCOCK**  
**UNIVERSITY**

ILISHAN-REMO, OGUN STATE, NIGERIA

# COLLEGE OF POSTGRADUATE STUDIES

## 2022/2023 PhD Thesis Abstract

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**RT:** Environmental Disclosure and Sustainable Stock Returns of Selected Manufacturing Companies listed in Nigeria

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**AB:** Investors desire investment opportunities that ensure sustainable stock returns from their investments. Evidence from the literature showed that volatility and unfavourable environment affect manufacturing companies from a stable performance that would ensure good returns to stockholders on their various investments. Studies have further shown that not many manufacturing companies have successfully integrated environmental disclosure practices into their business operations. This study, therefore, examined the effect of environmental disclosure on sustainable stock returns (price earnings ratio, return on assets, stock market capitalization, market share price, dividend yield) in manufacturing companies in Nigeria.

The study employed *ex-post facto* research design. The population of the study was the 66 listed manufacturing companies on the Nigerian Exchange as of 31st December 2021. Using purposive sampling technique, 29 manufacturing companies with relevant data were selected. Validated data, covering a period of 16 years (2006 -2021) were extracted from published financial statements of the selected manufacturing companies. The reliability of the data was premised on the statutory audit of the financial statements and certification of regulatory agencies. Descriptive and inferential (multiple regression) statistics were used to analyse the data at a 5% significant level.

The results showed that environmental disclosure had significant effect on the price-earnings ratio ( $Adj.R^2 = 0.22$ ,  $F(5, 458) = 22.87$ ,  $p < 0.05$ ); return on assets ( $Adj.R^2 = 0.02$ ,  $F(5, 458) = 8.33$ ,  $p < 0.05$ ); stock market capitalization ( $Adj.R^2 = 0.23$ ,  $F(5, 458) = 23.99$ ,  $p < 0.05$ ), market share price ( $Adj.R^2 = 0.04$ ,  $F(5, 458) = 3.25$ ,  $p < 0.05$ ) and dividend yield ( $Adj.R^2 = 0.03$ ,  $F(5, 458) = 3.18$ ,  $p < 0.05$ ).

The study concluded that environmental disclosure enhanced sustainable stock returns of selected listed manufacturing companies in Nigeria. It was recommended that the management of manufacturing companies should prioritize mandatory and voluntary compliance with environmental disclosure guidelines in respect to global reporting standards to maximize sustainable returns on investments.

**Keywords:** Dividend yield, Environmental policies, Environmental management, Emission reduction, Market share price, Return on assets, Stock market capitalization

**Word Count:** 311

**Abbreviations:** *RFN: Researcher's Full Name, RD: Researcher's Department, RS: Researcher's School, RE: Researcher's Email, RAE: Researcher's Alternate Email, RP: Researcher's Phone Contact, RT: Registered Title, MS: Main Supervisor, ME: Main Supervisor's E-mail Address, SP: Main Supervisor's Phone Contact, CS: Co-Supervisor, CE: Co-Supervisor's E-mail Address, CP: Co-Supervisor's Phone Contact, AB: Abstract*

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