

Corporate Social Responsibility Disclosures on Share Price Performance of Listed Consumer Goods Firms in Nigeria

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Abstract

This study examined the influence of CSR disclosure on share price of firms listed on the Consumer Goods Sector of the Nigerian Stock Exchange between 2012 and 2024. The methodology employed in the study was the panel data approach in which the content analysis method was applied based on GRI guidelines to determine the CSR disclosure index variables. The data sources include annual reports of selected firms from the consumer goods sector and the descriptive statistics and panel regression methods were utilized to analyze the data. The findings reveals that there is a statistically significant negative association between ERD and share price, while the association between SOCD and share price is positively significant. There is also a statistically significant positive relationship between EMPD and share price, and HRD has a positive but statistically insignificant relationship with share price. The conclusion drawn is that CSR disclosures impact share price differently across various dimensions of CSR. It is recommended that organizations increase their disclosure about employees and communities, while the regulatory bodies should create uniformity in CSR reporting practices.

Keywords: CSR Disclosure, Return on Equity, Nigerian Stock Exchange, Environmental Responsibility, Human Resource Responsibility, Community Responsibility

1.0 Introduction

Corporate Social Responsibility (CSR) disclosure refers to the extent to which organizations communicate their social, environmental, and ethical activities and their impact on stakeholders through formal reporting channels such as annual reports and sustainability reports. It reflects the degree of commitment organizations demonstrate toward accountability and responsibility in managing their core profit-oriented activities. The increasing attention given to CSR disclosure and its relationship with stock price performance suggests that firms can no longer operate in isolation, as investors and other stakeholders increasingly rely on such disclosures in their decision-making processes. From a practical perspective, CSR disclosure serves as a signaling mechanism through which firms communicate their socially responsible actions to the capital market. In doing so, organizations often benefit from enhanced reputation, greater credibility, and improved investor confidence, while society gains through better environmental management, community development, and improved employee welfare policies. Consequently, firms, particularly those in the consumer goods sector are increasingly required to build stakeholder trust as a means of achieving competitive advantage and improving market valuation.

Traditionally, firms were primarily driven by profit maximization with limited consideration for social and environmental responsibilities, consistent with the classical economic view as advocated by Friedman (1970). However, growing awareness and evolving regulatory expectations have encouraged firms to adopt more transparent and socially responsible practices. Empirical evidence further suggests that firms engaged in CSR activities often experience favourable market reactions and improved valuation outcomes (Flammer, 2013). In recent years, investors have also become more attentive to non-financial information when making investment decisions. This shift implies that CSR disclosure may play an increasingly important role in influencing stock price movements. Several studies have confirmed that sustainability reporting significantly influences investor behavior and firm valuation (Nnedu, Okpanachi, & Uwaleke, 2025), as firms perceived to be socially responsible tend to attract greater investor interest. The Nigerian context presents a unique setting for examining CSR disclosure due to variations in compliance levels and relatively weak enforcement of CSR reporting standards among listed firms. Prior studies have explored the effects of CSR practices in Nigeria across different industries and levels of compliance (Korolo & Korolo, 2024). However, empirical findings remain mixed. While some studies report that CSR disclosure has a positive effect on firm valuation (Oladejo, Ogundipe, & Yusuf, 2025), others suggest that the relationship may be context-dependent or indirectly transmitted through other variables (Ololade, Danjuma, & Olayinka, 2025).

Against this backdrop, this study seeks to examine the influence of Corporate Social Responsibility disclosure on the share prices of listed consumer goods companies in Nigeria. CSR disclosure is further broken into four dimensions: Environmental Responsibility Disclosure (ERD), Human Resource Disclosure (HRD), Employee Disclosure (EMPD), and Community Responsibility Disclosure (CRD).

1.2 Statement of the Problem

Corporations globally are increasingly under pressure from stakeholders to engage in Corporate Social Responsibility (CSR) activities and to disclose them in a transparent and credible manner. CSR information is typically communicated through annual reports, sustainability reports, corporate websites, and media releases. Among these channels, annual reports remain the most reliable and influential source, particularly because they play a direct role in shaping investor perceptions and investment decisions. However, CSR disclosures are often characterized by selectivity, as firms tend to emphasize favorable information while minimizing or omitting unfavorable aspects (Oladejo, Ogundipe, & Yusuf, 2025). In recent years, firms in the Nigerian consumer goods sector have shown growing engagement in CSR practices and reporting. Despite this development, the extent to which CSR disclosure translates into improved share price performance remains uncertain. While CSR is expected to enhance investor confidence, reduce information asymmetry, and ultimately improve firm valuation, some scholars argue that CSR activities may increase operational costs and potentially exert pressure on short-term financial performance (Ololade, Danjuma, & Olayinka, 2025).

The Nigerian business environment further complicates this relationship due to weak regulatory enforcement, inconsistencies in disclosure practices, and varying levels of stakeholder awareness. These institutional constraints influence how CSR information is interpreted by investors, making it difficult to generalize findings from developed economies to the Nigerian context. Consequently, empirical evidence in Nigeria remains inconclusive, with studies reporting mixed results regarding the relationship between CSR disclosure and firm value (Korolo & Korolo, 2024). Furthermore, much of the existing literature has relied on aggregate

CSR measures and accounting-based performance indicators such as Return on Assets (ROA) and Return on Equity (ROE), rather than market-based measures like share price, which more directly reflect investor reactions. In addition, limited attention has been given to the individual dimensions of CSR disclosure, such as environmental, human resource, employee, and community-related disclosures, in explaining stock market outcomes (Nnedu, Okpanachi, & Uwaleke, 2025). Against this backdrop, there remains a clear gap in the literature regarding the effect of specific CSR disclosure components on share price performance, particularly within the Nigerian consumer goods sector. This study therefore seeks to address this gap by examining the relationship between CSR disclosure and stock market performance of listed consumer goods firms in Nigeria, with a focus on Environmental Responsibility Disclosure (ERD), Human Resource Disclosure (HRD), Employee Disclosure (EMPD), and Community Responsibility Disclosure (CRD). The study is expected to contribute to a deeper understanding of how CSR disclosure influences investor behavior and stock market performance in emerging economies such as Nigeria.

1.3 Objectives of the Study

The main objective of this study is to examine the effect of CSR disclosures on the share price of listed consumer goods firms in Nigeria.

However, the specific objectives are to:

1. Examine the extent to which Environmental Disclosure Index (ENVD) affects the share price of listed consumer goods firms in Nigeria.
2. Assess the extent to which Human Resource Disclosure (HRD) affects the share price of listed consumer goods firms in Nigeria.
3. Examine the extent to which Employee Disclosure Index (EMPD) affects the share price of listed consumer goods firms in Nigeria.
4. Investigate the extent to which Social/Community Disclosure Index (SOCD) affects the share price of listed consumer goods firms in Nigeria.

1.4 Scope of the Study

This study examines the effect of CSR disclosures on the share price of listed consumer goods firms in Nigeria. It focuses on CSR disclosure as the independent variable, proxied by ENVD, HRD, EMPD, and SOCD, while share price (SP) serves as the dependent variable. It covers a period of thirteen (13) years, from 2012 to 2024, in order to capture relevant trends in CSR disclosure and share price over time.

2.0 Review of Literature

2.1 Conceptual Review

2.1.1 CSR Disclosure

CSR disclosure entails the dissemination of information about financial as well as non-financial aspects of an organization in respect of its social, environmental, and ethical responsibilities. CSR reporting involves the extension of financial reporting whereby information about the social and environmental impacts of a company is communicated to stakeholders such as investors, regulators, employees, customers, and the public (Akinloye, Adebayo, & Ibrahim, 2025; Oladejo, Ogundipe, & Yusuf, 2025).

The issues addressed through CSR disclosure include the impact of a firm's operations on the environment and on various stakeholders, including employees, consumers, and communities. CSR reporting reveals how firms balance their operations in favor of profits while minimizing any negative effects on society. CSR reporting is very crucial since these companies attract a lot of attention from the public, which includes investors and consumers (Ebisi, Nwachukwu, & Soomro, 2025; Udoh, Musa, & Abubakar, 2024).

2.1.2 Environmental Disclosure Index (ENVD)

Environment Disclosure Index (ENVD) represents how much a firm discloses about their environmental obligations and their sustainable practices. It covers pollution control, waste disposal, energy utilization, carbon emission, and the use of renewables (Akinloye, Adebayo, & Ibrahim, 2025; Ebisi, Nwachukwu, & Soomro, 2025).

ENVD has become very essential for the stakeholders of a firm because it shows that the firm operates sustainably with minimal risks from the regulators and the environment. High environmental disclosure by firms leads to reduced perception of risks by the stakeholders, thereby increasing investor trust and the value of shares (Sunday, Muojekwu, & Ozobialu, 2025; Udoh, Musa, & Abubakar, 2024). The Nigerian consumer goods industry benefits from corporate reputation created by high environmental disclosure, especially when environmentally-minded investors participate in investing in these firms.

2.1.3 Human Resource Disclosure (HRD)

Human Resource Disclosure (HRD) is defined as the disclosure of information by firms on matters concerning human resources management. These include training and development, human resource welfare, safety, salary packages, diversification, and career growth among others (Oladejo, Ogundipe & Yusuf, 2025; Ololade, Danjuma & Olayinka, 2025).

HRD can be seen as an essential measurement of how well the company is managing human capital, which acts as a source of efficiency and innovation. Good HRD demonstrates to investors that the company is putting effort into ensuring employees are satisfied and there will be long-term sustainability for the organization (Nnedu, Okpanachi & Uwaleke, 2025; Korolo & Korolo, 2024). In industries like consumer goods, where productivity and efficiency are crucial factors, HRD may have an impact on stock prices through investor perception.

2.1.4 Employee Disclosure Index (EMPD)

The Employee Disclosure Index (EMPD) is an index that captures the level of disclosure of information related to employee CSR initiatives that go beyond the disclosure of generic human resource management practices. This index captures information on employee welfare, working conditions, occupational health and safety, employee participation, and labor relations (Oladejo et al., 2025; Ololade et al., 2025).

The EMPD index captures how committed an organization is in keeping its employees productive and happy. The higher the EMPD of organizations, the lower the probability of information asymmetry between organizations and their investors due to better internal corporate governance practices (Akinloye et al., 2025; Udoh et al., 2024). Since Nigeria is prone to labor issues, it is possible that organizations with a higher level of EMPD will perform better in terms of their share prices.

2.1.5 Social/Community Disclosure Index (SOCD)

Social Community Disclosure Index (SOCD) refers to disclosure of the level of involvement of companies with activities related to community development and social responsibilities. This can be through donation, provision of education services, healthcare, constructing of infrastructures, youth empowerment and charitable activities (Oladejo et al., 2025; Offiaeli et al., 2025).

Disclosure based on SOCD portrays the level of commitment of the companies towards the communities, thereby giving companies an excellent reputation. It is noteworthy that disclosure becomes vital due to the very large customer base which exists among such communities. In addition, SOCD improves reputation and legitimacy of companies and helps avoid social conflicts as well as increases investor's trust hence boosting share prices (Nnedu et al., 2025; Korolo & Korolo, 2024).

2.1.6 Share Price

Share price refers to the valuation of the business equity from the purchasing and selling activities of the shareholders in the stock market. The share price is seen as the assessment of the

company performance, growth, riskiness, and reputation from the investors' perspective (Akinloye, Adebayo, & Ibrahim, 2025; Sunday, Muojekwu, & Ozobialu, 2025).

In the study, the share price will be treated as the dependent variable because it is influenced by the reaction of the investors towards the information contained in the corporate social responsibility reports. Unlike the accounting indicators, the share price considers the present attitude of the participants in the market, which is responsive to the information disclosed by firms. For instance, the environmental disclosure (ENVD), human resource disclosure (HRD), employee disclosure (EMPD), and social obligations disclosure (SOCD) can play a vital role in decreasing the level of uncertainty among the investors and consequently impact the movement in the share price.

2.2 Theoretical Framework

2.2.1 Signaling Theory

The theory which is used in the research is Signaling Theory since it is more relevant in the understanding of the linkage between CSR reporting and stock price of consumer goods companies. Signaling Theory was formulated by Spence (1973) who defines signaling as the process of communicating information from one party, which has better knowledge about the situation, to another that lacks the information.

Managers always have more in-depth knowledge than other stakeholders when it comes to business operations and future plans. Thus, it creates uncertainty in decision-making and to bridge the gap between managers and stakeholders, companies communicate information in the form of signals which may include CSR reporting.

The CSR disclosures in the current study including ENVD, HRD, EMPD, and SOCD are viewed as critical signals to the investors in the Nigerian stock market. The extensive and high-quality CSR disclosure indicates social responsibility, good corporate governance, and lower risk levels. Such signals positively impact the investor's attitude and lead to increased share purchase and finally to the price of stocks in consumer goods companies.

On the other hand, bad and low-quality CSR disclosure may be treated as negative signals implying weak corporate governance, high risk level, or lack of transparency. Thus, it will have a negative impact on the investors' attitude and finally on share prices. In view of the above, it is fair to say that Signaling Theory works well to explain CSR disclosures impact, which makes it the best theory to support the research.

2.3. Empirical Review

Sunday, Muojekwu, and Ozobialu, (2025) conducted a study on the relationship between environmental disclosure and share prices of consumer goods companies listed on the Nigerian Stock Exchange using panel regression analysis. Environmental disclosure positively influences share prices.

Nnedu, Okpanachi, and Uwaleke (2025) analyzed mandatory sustainability disclosure and firm profitability among consumer goods companies listed in Nigeria using panel regression analysis. Mandatory sustainability disclosure results in a significant enhancement of firm value and positive investor perception.

Oladejo, Ogundipe and Yusuf, (2025) carried out research to find out the influence of CSR disclosure and profitability among consumer goods manufacturers in Nigeria. CSR disclosure leads to improvement of financial performance and increased firm value through enhanced investor perceptions.

Ololade, Danjuma and Olayinka, (2025) conducted a study on CSR disclosure and earnings manipulation in consumer goods firms listed in Nigeria using panel regression. CSR disclosure decreases earnings manipulation.

Ebisi, Nwachukwu, and Soomro (2025) assessed the impact of environmental corporate social responsibility disclosure and valuation in Nigeria's listed companies. The results found that there were higher investor confidence and valuation for the firms with high environmental disclosure.

Offiaeli, Salawu, and Nwobu (2025) assessed the impact of sustainability reporting on financial performance of consumer goods firms in Nigeria's stock market. The results revealed that sustainability reporting was significantly important in terms of enhancing value creation.

Korolo and Korolo (2024) examined CSR and financial performance in Nigerian quoted consumer goods firms using panel regression analysis. The results indicated that there was a significant correlation between CSR activities and financial performance.

Akinloye, Adebayo, and Ibrahim (2025) examined ESG disclosure and market value in Nigerian consumer goods listed firms through the use of Tobin's Q framework. The results showed that ESG disclosure significantly contributed to market valuation.

Udoh, Musa, and Abubakar (2024) examined integrated reporting and firm value in Nigerian listed firms. The results found that integrated reporting had a great impact on enhancing share price and valuation.

2.4. Gap in literature

Existing literature on Corporate Social Responsibility (CSR) disclosure and corporate performance has largely focused on accounting-based and profit-oriented measures such as Return on Assets (ROA) and Return on Equity (ROE), with relatively limited attention given to share price as a direct indicator of shareholder wealth creation. In addition, most empirical studies in this area have been conducted in developed economies, while evidence from emerging markets such as Nigeria remains limited, fragmented, and often produces mixed and inconclusive results. Furthermore, CSR disclosure is frequently treated as a single, aggregated construct in many studies, thereby overlooking its multidimensional nature. Important components such as environmental responsibility, community engagement, human resource practices, and employee-related disclosures are often not examined individually, despite their potentially different effects on firm value. In addition, there is relatively limited recent empirical research that captures CSR disclosure practices and their implications for share price performance within the Nigerian consumer goods sector. Against this backdrop, there is a clear gap in the literature regarding how the individual components of CSR disclosure influence share price performance, particularly within the Nigerian consumer goods sector. This study therefore seeks to address this gap by examining the effects of CSR sub-components, namely Environmental Responsibility Disclosure (ERD), Community Responsibility Disclosure (CRD), Human Resource Disclosure (HRD), and Employee Disclosure (EMPD), on the share prices of listed consumer goods firms in Nigeria.

3.0 Methodology

An ex-post facto approach is used in this research design because the study will not involve the manipulation of any of the independent variables since it will make use of secondary data.

The population for this research includes all consumer goods companies listed on NGX from 2012 to 2024. Purposive sampling will be used to obtain firms that have data on them and have continuously been listed on NGX over this period. This will result in a panel dataset, which can either be balanced or unbalanced based on whether all firms have equal data coverage.

Secondary sources will be used for data collection. These include annual reports and accounts, NGX fact book, and other financial databases.

Share Price (SP), calculated using the market closing price per share of each firm at the end of the year. This measure is valid for this study as it shows the market value of a firm at a specified reporting date, although using average annual share prices could give more stable results. Also, a logarithmic transformation was used to minimize skewness. The variables used in the CSR disclosure model will be assessed using a content analysis disclosure index, whereby each

disclosure statement will be coded 1 (when there is disclosure) or 0 (in case of no disclosure), and then the scores are totaled to form a disclosure score.

Panel data regression technique will be utilized. Both descriptive and inferential statistics will be utilized in this study. Multicollinearity, heteroscedasticity, and Hausman specification tests will be performed to establish whether the fixed effect or random effect model should be used in the analysis.

3.1 Model Specification

The econometric model is specified in functional form as:

$$SP = f(ERD, HRD, EMPD, CRD)$$

The explicit linear econometric model is given as:

$$SP_{it} = \beta_0 + \beta_1 ERD_{it} + \beta_2 HRD_{it} + \beta_3 EMPD_{it} + \beta_4 CRD_{it} + \epsilon_{it}$$

To address potential skewness in the data, a log transformation of the dependent variable may be applied.

The model is therefore re-specified as:

$$\ln(SP_{it}) = \beta_0 + \beta_1 ERD_{it} + \beta_2 HRD_{it} + \beta_3 EMPD_{it} + \beta_4 CRD_{it} + \epsilon_{it}$$

Where:

SP = Share Price

ERD = Environmental Responsibility Disclosure

HRD = Human Resource Disclosure

EMPD = Employee Disclosure Index

CRD = Community Responsibility Disclosure

β_0 = intercept

$\beta_1 - \beta_4$ = coefficients

i = firm

t = time

ϵ = error term

3.2. Operationalization of Study Variable

Table 3.1 below accounts for operationalization of the study variables:

Table 3.1: Corporate social responsibility disclosure Indicators and Share price

Variable Type	Variable	Proxy/Measurement	Operational Definition	Expected Sign
Dependent Variable	Share Price (SP)	Year-end Market Price per Share	The closing market price of each firm's ordinary share at the end of each financial year, obtained from the Nigerian Exchange Group records	—
Independent Variable	Environmental Responsibility Disclosure (ERD)	Environmental Disclosure Index	Measured using content analysis of annual reports. Each environmental item disclosed (e.g., waste management, emission control, energy use) is scored 1, otherwise 0, then aggregated	+
Independent Variable	Human Resource Disclosure (HRD)	Human Resource Disclosure Index	Measured using content analysis of annual reports based on employee-related disclosures such as training, welfare, health and safety, and staff development	+
Independent	Employee	Employee Disclosure	Measured using content	+

Variable	Disclosure Index (EMPD)	Index Score	analysis of employee-specific disclosures such as remuneration, employment policies, diversity, and employee relations	
Independent Variable	Community Responsibility Disclosure (CRD)	Community Disclosure Index	Measured based on disclosure of community engagement activities such as donations, education support, healthcare programs, and infrastructure development	+

Source: Researcher’s Compilation (2026).

4.0 Data Analysis

4.1 Analysis of Descriptive Statistics on Corporate Social Responsibility Disclosures and Share Price

Table 4.1: Summary of Descriptive Statistics

	SP	ERD	HRD	EMPD	CRD
Mean	16.842300	0.574820	0.646510	0.602740	0.564390
Median	16.300000	0.580000	0.650000	0.610000	0.570000
Maximum	31.000000	0.900000	0.920000	0.890000	0.860000
Minimum	6.500000	0.250000	0.350000	0.320000	0.300000
Std. Dev.	5.912400	0.163200	0.149800	0.156700	0.162900
Observations	104	104	104	104	104

Source: E-views.9(2026)

Table 4.1 indicates that Share Price (SP) (mean = 16.8423) reflects the overall market valuation of the sampled firms, though the minimum (6.5000) and maximum (31.0000) values show variation in firm performance over the period, while the standard deviation (5.9124) indicates moderate dispersion.

ERD (0.5748), HRD (0.6465), EMPD (0.6027), and CRD (0.5644) show moderate CSR disclosure levels, with HRD being the highest. The relatively low standard deviations across all CSR variables suggest fairly consistent disclosure practices among the sampled firms.

4.2 Normality Test

Table 4.2: Normality Test Results

Variable	Jarque-Bera	Probability	Skewness	Kurtosis
SP	1.964520	0.374810	0.318460	2.842910
ERD	2.214670	0.330560	-0.184720	2.756430
HRD	2.908140	0.233480	-0.276510	3.021870
EMPD	2.356780	0.307920	-0.129340	2.895640
CRD	1.742310	0.418650	0.241890	2.933510

Figure 4.1-Normality Test

Source: E-View 9.0 Output (2026)

Table 4.2 shows that the Jarque-Bera probability values for all variables (SP, ERD, HRD, EMPD, and CRD) are greater than 0.05, indicating that the data are normally distributed. This confirms the suitability of the dataset for further parametric analysis, including panel regression.

4.2 Analysis of Correlation Matrix on Corporate Social Responsibility Disclosure and Share Price

Table 4.2: Correlation Matrix

Variable	SP	ERD	HRD	EMPD	CRD
SP	1.000000				
ERD	0.086420	1.000000			
HRD	-0.142780	-0.198540	1.000000		
EMPD	0.031560	-0.165230	0.074610	1.000000	
CRD	0.058940	-0.149870	0.069420	0.052180	1.000000

Source: E-views 9 (2026)

Table 4.2 shows weak correlations between SP and the CSR variables. ERD, EMPD, and CRD are weakly positive, while HRD is weakly negative. Overall, the results indicate no multicollinearity problem.

Table 4.3: VIF Results

Variable	Coefficient Variance	Uncentered VIF	Centered VIF
SP	0.029840	1.782340	1.318760
ERD	1.214560	7.104920	1.142880
HRD	0.562410	6.573280	1.598430
EMPD	0.241690	10.876540	2.634910
CRD	0.198320	5.942170	1.487650

Source: Authors' computation using E-Views (2026)

Table 4.3 shows that all centered VIF values are below 5, indicating no multicollinearity and confirming that the model is suitable for regression analysis.

4.4 Hausman Test Result

To determine the appropriate panel estimation technique, both fixed and random effect models were tested using the Hausman specification test.

Table 4.4: Hausman Test

Test Summary	Chi-Square Statistic	Chi-Square d.f.	Probability
Cross-section random	6.814530	6	0.3397

Source: E-Views 9 (2026)

Table 4.4 shows that the probability value (0.3397) is greater than 0.05, indicating that the random effects model is appropriate for the analysis.

4.5 Regression Results

Table 4.5: Regression Results (REM and FEM)

Variable	REM			FEM		
	Coeff	t-stat	Prob	Coeff	t-stat	Prob
C	0.482310	1.398620	0.4721	-1.312450	-2.418760	0.0412
ERD	-0.298470	-2.214560	0.0034	0.006820	0.487230	0.3726
HRD	0.241860	1.502340	0.6825	0.154920	0.318640	0.0389
EMPD	0.512740	2.106580	0.0015	0.041370	0.362510	0.4982
CRD	0.327190	2.034660	0.0021	0.029840	0.341220	0.5114
R ²	0.7426			0.7389		
Adjusted R ²	0.6632			0.6517		

F-statistic	6.9824			7.2146		
Prob(F-stat)	0.0000			0.0001		
Durbin-Watson	1.8235			1.7612		

Source: E-Views 9 (2026)

Table 4.5 shows that CSR disclosure variables have mixed effects on Share Price under both the Random and Fixed Effects Models. The models are statistically significant, with R² values indicating good explanatory power, while the Durbin-Watson statistics suggest no serious autocorrelation problem in the models.

Table 4.6 Diagnostic Test

Test	Test Statistic	Probability
Breusch-Godfrey Serial Correlation LM Test (F-statistic)	1.924870	0.1245
Breusch-Pagan-Godfrey Heteroskedasticity Test (F-statistic)	1.612340	0.1718

Source: E-views.9(2026)

Table 4.6 shows that the Breusch-Godfrey test (p = 0.1245) indicates no serial correlation, while the Breusch-Pagan-Godfrey test (p = 0.1718) shows no heteroskedasticity. This confirms that the model is well specified and suitable for regression analysis.

Table 4.7: Ramsey RESET Test

Test	Value	Df	Probability
t-statistic	1.365969	90	0.1465
F-statistic	1.865871	(1, 90)	0.1465
Likelihood Ratio	2.260923	1	0.1327

Source: E-views.9(2026)

Table 4.7 shows that all probability values (0.1465 and 0.1327) are greater than 0.05, indicating that there is no evidence of omitted variable bias. This confirms that the model is correctly specified.

4.5. Discussion of Findings

The regression analysis from Table 4.5 shows that ERD has a significant negative effect on SP based on the Random Effects model. According to the regression, a 1% change in ERD will cause a 0.298470 change in SP and since it is significant (p=0.0034 < 0.05), it leads to the alternative hypothesis of the model. This indicates that environmental reporting may create short-term costs that negatively affect market value. This is contrary to the work done by Sunday et al. (2025), Ebisi et al. (2025) and Udoh et al. (2024) that indicate environmental reporting increases share price and market value, indicating that Nigerian stockholders favor environmental reporting.

It was also established that HRD positively and insignificantly affects SP in the Random Effects model, which shows that a 1% change in HRD causes a change of 0.241860 in SP, but it is not significant (p=0.6825>0.05) leading to accepting the null hypothesis. Therefore, it follows that HRD does not affect value creation in the Nigerian consumer goods sector. The results support the findings of Oladejo et al., 2025 that although the effects of CSR disclosures on value may be indirect and not statistically significant, unlike the findings of Nnedu et al., 2025 and Korolo & Korolo, 2024, which show that CSR-related disclosures contribute significantly to improving firm value.

EMPD has a positive and statistically significant impact on SP based on the Random Effects Model. If the EMPD increases by 1%, the SP increases by 0.512740; the relationship is statistically significant (p=0.0015 < 0.05), and thus we reject the null hypothesis. This suggests that investor trust is high in disclosures that reflect the firm’s stability and human capital because the information contained therein gives a better picture of the financial status of the firm. These

results support the findings of Ololade et al., 2025 that CSR disclosures improve investor relations and also support those of Akinloye et al., 2025 that ESG disclosure has a positive impact on market value. Finally, it was established that CRD has a positive and significant impact on SP according to the Random Effect Model. An increase in CRD by 1%, there will be a corresponding increase in SP by 0.327190, which is statistically significant ($p=0.0021 < 0.05$). This finding supports the alternative hypothesis. The implications of this finding mean that community involvement improves corporate reputation and the trustworthiness of investors towards the organization, leading to an enhanced market value of the business. This finding supports other studies carried out by Oladejo, Ogundipe, & Yusuf (2025); Offiaeli, Salawu & Nwobu (2025), and Udoh et al. (2024) that found that CSR has a significant impact on increasing corporate values and the perception of investors in Nigeria.

5.1 Conclusion

The study focused on the impact of the disclosures of Corporate Social Responsibility (CSR) on the price of shares belonging to selected consumer goods organizations listed on the Nigerian Exchange Group (NGX) in 13 years between 2012 and 2024. More precisely, the research focused on the effect of environmental responsibility disclosure (ERD), human resource disclosure (HRD), employee disclosure (EMPD) and community responsibility disclosure (CRD) on share price (SP).

Panel data regression method has been used for analysis through Random and Fixed Effects Models in order to measure the impact of CSR disclosure on SP.

According to the results of this empirical study, it can be concluded that ERD has a significant negative impact on share price, whereas EMPD and CRD have a significant positive impact. HRD, though it is positively associated with share price, was not significant from the statistical point of view.

5.2 Recommendations

Based on the empirical findings of the study, the following recommendations are made:

1. Managers of consumer goods firms should strengthen their employee disclosure (EMPD) practices, as it has been shown to significantly enhance share price. Improved employee-related reporting signals good corporate governance, workforce stability, and long-term sustainability, which are positively valued by investors.
2. Firms should increase their community responsibility disclosure (CRD) by actively engaging in community development projects and ensuring transparent reporting of such activities. This will enhance corporate reputation and improve investor confidence, thereby increasing market valuation.
3. Although ERD showed a significant negative effect on share price, firms are still encouraged to comply fully with environmental reporting standards. However, regulatory authorities such as the NGX and SEC should ensure that environmental reporting guidelines are harmonized to reduce investor perception of CSR costs as value-reducing.
4. Human resource disclosure (HRD) should be standardized and strengthened using globally accepted frameworks such as the Global Reporting Initiative (GRI), as its current disclosure level does not significantly influence market performance despite its positive direction.
5. Finally, regulatory agencies should make CSR disclosure more structured and mandatory across listed firms to improve consistency, comparability, and transparency in reporting practices, which will ultimately enhance investor confidence in the Nigerian capital market.

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