GREEN ACCOUNTING DISCLOSURE AND FIRMS VALUE OF OIL AND GAS COMPANIES QUOTED ON NIGERIA EXCHANGE GROUP

ONYEMA, Chukwuemeka Collins, MBA, ACTI, FCA, PhD Student
Department of Accounting, Lagos State University, Ojo
Email@: emekason124@gmail.com,
Gsm:08038175441

Ojo-Agbodu Ayodele. PhD, FCA, CFAN, ACTI
Department of Accounting, Lagos State University, Ojo Lagos
Email@: ojoagbodu@gmail.com, ayodele.ojo-agbodu@lasu.edu.ng,
Gsm: 08023004868

Adebayo M. Adeniyi. PhD, FCA
Department of Accounting, Lagos State University, Ojo Lagos
Email@: mudashiru.adebayo@lasu.edu.ng. Gsm: 08090972797

ABSTRACT

The Research centred on Green Accounting Disclosure and Firms Value of oil and gas companies quoted in the Nigeria Exchange Group. The study revealed the influence of Green accounting disclosure on the value of the companies. Descriptive statistics with panel regression-method with Statistic V. 15 were used. Ex-post facto design was adopted. Secondary data from the annual reports of selected companies quoted in the Nigeria Exchange Group for ten-years (2014 to 2023) were used. The study indicated that Green Accounting Disclosure have positive and significant effects on the market value of all the selected quoted oil and gas companies. The Study recommended that regulatory bodies need to wake- up to their responsibilities and reward firms that practices green accounting disclosures.

Keywords: *Green Accounting Disclosure, Green Remediation Disclosure, Pollution Control Disclosure, Market Value, Firms Value*

INTRODUCTION

The impact of environmental challenges is a great concern in today's business successes. At present, human activities have led to the damages of the environment. This includes the depletion of natural resources and the pollution of the green environment which is as a result of industrialisation. It is logical that the environmental degradation costs are due to industry matters that should be internalized in the company's financial reports so as to enable them itemise their contributions into the environment towards maintaining and sustaining green environment. The aim of green accounting and environmental accounting in any organisation is to determine the organisation's needs to take care of its environment, its preservations which will in turn impact their existence positively. Green accounting report/disclosure is the reporting of the organisations financial and non-financial information of public interest to stakeholders via annual report. The information is disclosed to internal and external stakeholders who takes decisions based on the feedback from such information disclosed.

Green accounting disclosure explained the efforts accounting standards and other agencies are making to ensure that companies are involved in cleansing and sustaining their environments as noted by (Edema & Emegba 2022). The activities of these companies are fully accounted for and disclosed in their annual reports or stand-alone environmental disclosure report. Nimanthi and Priyadarshanie (2021), defined green accounting disclosure as the disclosure of a firms environmental accounting practices that show how committed an entity is in taking care of its environments in which it operates. This is made public to the stakeholders via the Green accounting disclosure reports.

Oyedokun, et. al., (2019), defined Green Accounting report as the branch of accounting that produces reports for internal and external user. Green accounting disclosure emerges as a result of advancement in technologies used by industries and organisations in their daily productions which resulted into environmental degradations, air pollutions, emissions, water pollutions etc. all these damages happens to the environment in which the companies operates. It has become a concern for corporate organisations to use environmental information in making their management decision. Mbatuegwu, et al., (2022), stated that environmental issues like deforestation of habitat, air pollution water pollution has becomes the challenges in the most developing countries like Nigeria. The challenge is that in a developing country like Nigeria, some of these companies do not voluntarily disclose their green accounting practices as expected in their annual report to make it public to all the stakeholders (Anselem & Jane 2020). This is a great concern that needs urgent attention as stated by (Nwaimo 2020). Many crisis has erupted in oil and gas companies as a result of environmental degradations, soil spillages, water pollutions, and to mention but a few.

This has negatively affected these areas with corresponding developments. The business activities of these oil companies which gives them income causes problems to their host communities and the nation at large. This is the reasons the oil companies have to take care of the area in order to improve the lives of the people which they have to disclose in their annual report to stakeholders as it would enhance their values.

Tyoti (2019), explained that the practice of Green accounting Disclosures in the annual reports of these oil and gas companies are still difficult as at today. The level of compliance when compared with the level of damages done to the environment is a far cry. There is a need to conduct investigation to assess the relationship with their firm's value which could be a way to make the companies to respond to voluntary compliance in green accounting disclosures. Charles and Muyiwa (2022), posits that companies in these line of business have to play important part in the development of their host communities. This is because, their activities causes great discomfort to their immediate communities and the environs. It leads to serious health challenges and causes social disagreements, Nkwoji (2021), Green accounting disclosure report is one of the key reports that stakeholders look out for in annual reports. This enables them to assess how their establishment is meeting up with their environmental policies and the areas where they need to do more. This marked the significance of this disclosure/report.

The objectives of this study is to measure Green Accounting Disclosures via Green Remediation Disclosure (GRD) and Pollution Control Disclosure (PCD). Green Remediation Disclosures is the reporting of the remedies the management of an entity has provided to those already affected by their operations, while Pollution Control Disclosure is the disclosure of information on how pollution of the environment is being controlled to prevent its negative effects on the environments in the future.

Erinsolo and Oyedokun (2022), noted that cases of environmental pollutions in the production processes has led to environmental degradations, emissions and intensification of greenhouse effects. It has also caused acid rain, poor water quality, ground water contamination, biodiversity losses and the destruction of our eco systems. The cases of chimerical toxic, heavy metals air pollutions, waste management, the ozone layer depletion, ocean and fisheries, deforestation, vandalization of oil and gas pipelines has affected the green environment negatively. All these actions have accumulated into health hazards. The marine land and ecosystems are disturbed and destroyed. It has caused sharp disputes between the host communities and the oil and gas companies.

Various scholars have researched on environmental reporting, environmental accounting disclosures, environmental sustainability reports and its effects on performances/profitability and values of entities. Some of them includes the works of Gusti, et al., (2020), Enerson and Adegbie (2021), Ezejifor and Emenike (2022), Yahaya, et al., (2022), Iliemena and Okolocha (2019), Nwambeke, et al., (2019). Their works concludes that there is relationship between green accounting disclosure, performances and firm's values. While few others scholars such as Charles, et al., (2017), Ati, et al., (2021) concluded otherwise.

Some of the researchers have used, Earning Per Share, Adebayo and Oyewole (2022), Net Asset per share value, Obiora and Omaliko (2022), only in their separate studies to measure firms value. There is a need to apply another variable in order to have more robust results for generalization. The variable are market value as a measurement of Firms values to establish if Green accounting disclosure measured under, Green Remedial Disclosure (GRD) and Pollution Control Disclosure (PCD) have effects on firms value of oil and gas companies in Nigeria as listed in Nigeria Exchange Group. The objectives of this study is to measure Green Accounting Disclosures under, Green Remediation Disclosure (ERD) and Pollution Control Disclosure (PCD) as indicators. It's upon this premise that this research is necessitated to find out the relationship that exist between Green accounting disclosure and firms' value. It is expected that where Green accounting disclosure adds to firms value, their compliance level would be extremely tremendous and great improvement in the Green accounting disclosure as noted by Muhammed and Nooraini (2020), Solomon, (2020), Hurka, et, al., (2019). This study is therefore set to fill the identified gap by investigating the effect of Green accounting disclosure on firm value of oil and gas companies in Nigeria.

The hypotheses of the study are stated in null form:

i. There is no significant influence of Green Remediation Disclosure (GRD) on market value of oil and gas companies quoted on the Nigeria Exchange Group.
ii.. There is no significant effect of Pollution Control Disclosure (PCD) on market value of oil and gas companies quoted on the Nigeria Exchange Group.

2. Literature Reviews

Conceptual Reviews

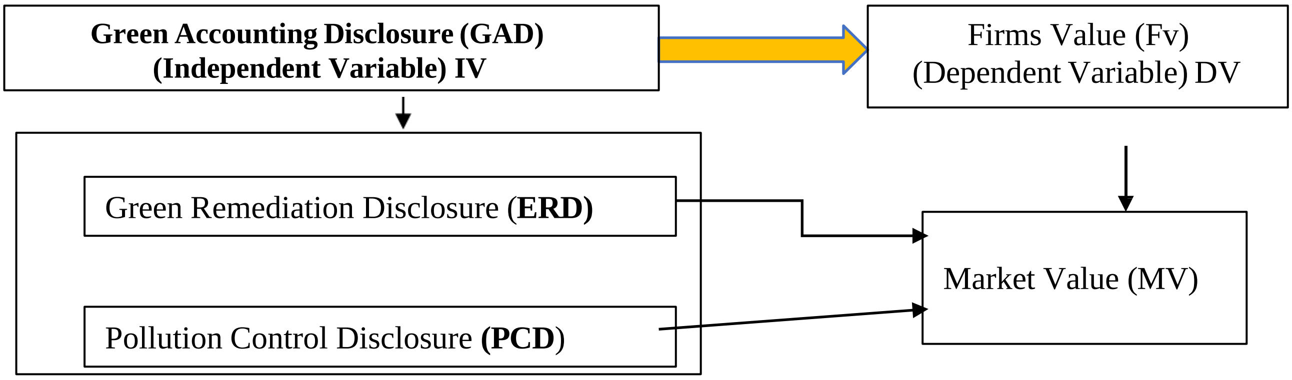
Green Accounting Disclosure.

Green accounting disclosure is the practice of providing financial and non-financial information related to organization's environmental performance and sustainability practices. It involves the measuring, reporting and disclosure of environmental costs, risks, and opportunities that exist in a transparent and standardized way. The disclosure includes Environmental impacts, on greenhouse gas emissions, water usage, waste management and biodiversity conservation. Sustainability performance: energy efficiency, renewable energy usage and supply chain sustainability, Environmental expenditures: such as costs associated with environmental protection, compliance and remediation, environmental damage or noncompliance.

Environmental management accounting relates to the system of management development of the business. According to Rizal and Yatminiwati (2020), revealing environmental expenses can offer data on the distribution of expenses relevant for enhancing and regulating corporate performance.

Yahaya, et, al., (2022), explained Green/Environmental accounting disclosure as the disclosure of the costs of what it costs the organization to care for their environments. It focused on environmental monitoring and data collections. This environment accounting disclosure in the annual reports indicates to the public whether those charged with the responsibilities to take decisions (the board) are taken environmental issues serious or not. Ala (2019), posits that environmental accounting disclosure is the disclosure of the company's goal on their environments. He stated that despites the increase in focus on environmental accounting disclosures, it has been a problem for companies to invest immensely in their environments. The level of development in developing nations like Nigeria is still low. This is attributed to implementation gap in Nigeria Modupe (2020).

Measurement of Green Accounting Disclosures



Source: *Author 2025*

Green Remediation Disclosure (ERD):

These are solutions to those affected by companies operations. The organization need to provide and disclose these remedies in their environmental accounting reports to stakeholders. It should be imputed in the management planning. Balogun and Gospel (2022), explained that Green Remediation Disclosure refers to those actions which organizations needs to correct the sufferings which the environment is already experienced as a result of the activities of the company. The organization needs to disclose their actions in their financial reports.

An effective environmental remediation is a key to sustainable developmental programmes that will be of great positive impact to the life of the company. The disclosure of environmental issues in the financial reports of an entity affects how investors-evaluates the firm's ability to generate returns. Ogunode and Adegbie (2022), defined Green Remediation's Disclosure as the measures undertaken by companies which communicates their environmental consciousness in order to correct negative impacts their operational activities has caused their environments. These remedies form parts of the entities of the financial reports Chinedu, Udama and Ali (2019).

Pollution Control Disclosure (PCD):

These are disclosure strategies meant to increase the information needed for pollution control of the environment. Here, information are meant to be disclosed for public consumption on how environmental pollution are controlled in the interest of the public.

Victoria, et. al., (2022) defined Pollution Control Disclosure as a process of reducing the wastes and control its impacts on the environments. It is an important practice that must be observed. Organizations that generates wastes have to fashion out ways to minimize its effects thereby reducing its hazardous and negative environmental impacts on the people. Emmanuel & Ifeanyichuiwu (2021). The disclosure of pollution control measures practiced by and entity will speak for that entity.

FIRMS VALUE

Firm value is the economic market value of the whole organization. It is the total value of interest of both shareholders and creditors who have invested in that entity. The market value and grow of the company is of most interest to all the stakeholders. The environmental resources used by the company go a long way to determine future value of the company. The firm value is important because it shows how effective and efficient the company is, in conducting their business operations Obiora, et. al., (2022). Nwala, et. al., (2020), defined the firms value as the worth of the organization. It is the value which a potential purchaser would want to pay to take over the entire business. Augustina, et. al., (2022), explained firm's value as the total worth of a business organization. All the assets of the entity are taking into consideration. It is an economic concept that shows that value of a business entity. In a nut shell, it is an amount that a company or group needs to pay in order to buy such a company. It is the addition of all the liabilities and shareholders' funds. The value of a firm is calculated by Lessing the market value of debt from the total value of the company. Ibrahim (2020).

MARKET VALUE CONCEPT

Haji, et. al., (2023), noted that Market value is the worth of a product at a given market. It goes under the name open market valuation as well. That is the open market price an asset will attract. It is the worth of the associated investment to an equity. Augustine (2022), explained that market value is a reflection of the performance of an entity. The market value of an entity is used to determine how well such an organization is performing in their industry and the economy respectively. It is computed by multiplying the number of shares issued by the price per shares of the company as traded in the Nigerian Exchange Group. Darya, et. at., (2022), explained that a company's market value refers not only to the total value of all corporate assets but reflects a wide intangible assets of the company. Intangible assets adds to the market value of the company. They are not seen physically in the premises of the entity but it is important to note that intangible assets contributes significantly to the market value of an entity. Care must be taken of all intangible assets in order not to diminish the market value of the organization.

Theoretical Reviews

Two ideas guiding this article helped to clarify the interaction between Green Accounting Disclosure and the value of oil and gas firms quoted in Nigeria Exchange Group.

Theory of Legitimacy:

Suchman (1995) developed Legitimate theory in the arena of social and environmental accounting. This theory was introduced and it has been an influential concepts.

This theory states that businesses will ensure that they operates in line with the standards, values and norms that is in existence in the environment in which the entity is located and operating from. Ati, et. al., (2021), posits that companies make use of environmental based performances and disclosure of Green environmental reports to legitimize their company's operations via their annual financial reports. The aim of making this report to the public is to gain positive value and legitimacy from their host community.

The legitimacy in return will improve the reputations of the entity. It will enhance the revenues of the company. This goes in line with the theory that corporations and business operations must be legitimate in the face of the public in order to allow them to continue in existence. The entities do not operate against the laws, regulations, standards and the host communities. An entity that has lost its legitimacy will begin to dwindle and die eventually, hence the importance of this theory.

Legitimate theory is very important. It has implication for the study of green accounting as it focuses on environmental impacts of business operations and accurate reporting of these impacts. It helps to meet expectations, transparency and reporting which are critical. It provides the framework for understanding the motivations behind implementation and reporting of green accounting practices.

Stakeholders Theory

This theory was propounded by Edward (1984). This theory has gain influence and importance as it applies to business operations and it is stakeholders.

The theory sates that management and organization should consider the interests of all parties that affects their operations. These stakeholders should be identified, organizations should have moral responsibilities to engage with these stakeholders and attain to their needs.

This theory states further that firm's accomplishment is depended upon the fruitful running of all the stakeholders that have relationship with the organization. According to Charles, et al., (2017), stakeholders are the group who is very important for the successful business activities of the company. Without them, the business organization would cease to exist. These stakeholders are employees, suppliers, customers, local communities, shareholders, investors and the governments. Their influences determines the company's future results. Therefore all the managers both line and top must ensure that they are satisfied in order to earn their supports for the success of the organization. The company should be involved in the development of the localities (Iheduru & Chukwuma 2019).

Emerson and Adegbie (2021), opined that stakeholders has demands for information which enables them take certain decisions. They have the right to ascertain information which includes information on how their company have implemented their environmental policies, how they have accounted the environmental costs using Green accounting procedures and corporate social responsibilities which directly has to do with the environment in which the firm operates.

The theory relates with green accounting by recognizing the environment as a vital stakeholder group. Companies are increasing being held accountable to environmental concerns which requires consideration and reporting of their environmental impacts, thereby reflecting stakeholder's interests.

Empirical Reviews

Emerson and Adegbie (2021), studied on EMA practices and environmental capacity for sustainable economy in manufacturing industry in Nigeria. The findings revealed a notable and favorable link between the elements of the research. The research reveals that the performance of the companies is much influenced by degree of environmental disclosures as well as economic sustainability. This improves the sustainability and environmental reporting status and the going concern for the entities they opined. It is the duty of the federal government to develop rules, regulations, and standards that should be adopted in environmental reporting they recommended.

Polycap (2020) investigated the impacts of general environmental reporting and individual performance displaying economic social and environmental reporting disclosures on the performance of the business. The study findings showed that environmental sustainability disclosure of a business influences their financial performances as expressed by Return on Asset (ROA). This happens when they are merged and treated together. But it has adverse results if they are treated separately. Oshiole, et al. (2020) investigate how environmental disclosures by oil and gas corporations affected for ten years, 2010 to 2019, he conducted research using employee health safety costs and environmental cleanup expenses as proxy. He tested the hypothesis of the research using panel least square (PLS). His findings revealed that the financial performance of the selected companies is much influenced by the expenses of environmental health and safety as well as remedial actions. Studying environmental accounting and financial performance of listed family held enterprises in Nigeria, Charles and Muyiwa (2022) The data analysis in the study applied Ordinary Least Squares methods together with descriptive statistics. According to the study, financial success of the chosen companies correlates with the cost of restoration. While health and safety expenditures have a positive and notable impact on the financial performance of the companies, community development costs have the same. The study found that the only expenses related to health and safety would improve the performance of family-owned companies. Agboola and Oroge (2019) investigated how environmental charges affected the financial operations of a selected cement company in Nigeria. The studies made use of primary and secondary data for periods between 2013 and 2018, the main data collecting tool was a questionnaire. The gathered data was subjected to analysis using regression theory. The findings revealed that the financial performances of the cement companies in Nigeria benefit much from environmental expenses.

Ati, et. al. (2022) investigated how environmental performance and green accounting affected company profitability in Indonesia. The study comes to the conclusion that environmental reports of the businesses correlate with the profitability of the businesses. According to the study, the business might raise their environmental cost-effective efficiency. Unaimikogbo and Ali (2021) in their investigation used forty Nigerian manufacturing companies serving as a sample. 2010 to 2019 annual reports of the companies covered the time. Their results showed that the share prices, returns on equity, and returns on assets of the manufacturing companies depend on environmental disclosures and reports in some meaningful way. The study recommended that the businesses should mention the environmental initiatives more often in their yearly accounts.

Ifada (2021) investigated the impact of environmental performances outside of boards and company environmental disclosure. The study's population consists of Indonessa's manufacturing and mining enterprises. 2017 until 2019 is the period. Their research used multiple linear regression with statistical hypothesis testing and selective sampling. Their results revealed relationships between financial performance, corporate size, and environmental performance. Their findings revealed that the financial achievements of the chosen companies show notable environmental performance.

Abdul et al (2020), they studied the relationship between environmental disclosures and financial performances among companies in Malasia, Singapore and Thailand that disclosed their environmental information willingly. Their study revealed that high performance companies have more detailed environmental disclosed. Their study conclude that there is relationship between a company’s environmental disclosure/reporting and their financial performances.

Rachael, et al., (2022), examined the empirical examination of sustainability reporting, return on capital employed and gross profit margin. Their study concludes that there is positive relationship between social disclosure and gross profit margin. Social responsibility should be incorporated as part of the firms reporting policy. Muffe (2021), noted that there are different stakeholders to a corporate organization. They includes trade creditors, investors, employees, customers, management, potential investors who needs environmental information reported in the annual reports of these companies to take investment decisions. He concludes that the environment reporting policy of the firms should be handled in such a way to prevent negative publicity.

Ajape, et al., (2021), studied on correlate of environmental sustainability disclosure in Nigeria. Their studies supports for contingency theory and enriched sustainability reporting literature. Managers of listed firms are to consider the importance of the policy when formulating sustainability policy of their companies. Lawrence, (2022), Okafor, et. al., (2022), Huang (2021), examined the determinants of environmental disclosure of quoted oil and gas companies in Nigeria. Their studies concludes that oil and gas firms should be encouraged to leverage on debt sources of finance to make more wealth which would enable them get more involved in environmental developments.

3. Research Methods

The study used *ex-post facto* research design. The research design predicts the causes behind an event that has already occurred hence, it's a suitable design for the study. The population of the study is oil and gas companies quoted in Nigeria Exchange Group. Secondary data were used for the study. Annual reports of the oil and gas companies were used to collect the information used for the analysis of the research work. The period covered is 10 years period from (2014 to 2023). In this study, thirteen quoted oil and gas companies were considered

Population and Statistical Techniques:

The population of the study consist of all the oil and gas companies quoted at the Nigeria Exchange Group. They are (10) in number.

Sampling Techniques:

The study adopted purposive sampling techniques. This was used in selecting the companies. Total enumeration or census method was used for this study. This is because the total population is not wide. It also improve the chances of generalizing the results of the study. The companies are 10 in number they are listed below:

No	Companies
1	Cannoil Plc
2	Etnerna Oil Plc
3	Japaul Gold & Ventures Plc
4	Ardova Plc
5	MRS Oil Nigeria Plc
6	Oando Plc
7	Septlat Energy Plc
8	Total Energies Marketing Nig Plc
9	Capital Oil Plc
10	Aradel Holdings Plc

For analysis, panel regression method of analysis via STATA 15.0 were used in the analysis of the study.

Model Specification

The study borrowed and changed the model of Aigienohuwa and Ezijiofor (2022) as used in their paper – Earning per share and market price of industrial products companies: a comparative analysis for pre and after covid 19 pandemic in Nigeria. This present work changed the model under consideration.

$MV = f(GRD_{it}, PCD_{it}, FS_{it})$

$MV_{it} = \beta_0 + \beta_1 GRD_{it} + \beta_2 PCD_{it} + \beta_3 FS_{it} + \mu_i + \varepsilon_{it}$

Where;
Y = Firm Value (FV)
y_1 = Market Value (MV)
X = Green Accounting Disclosure (GAD)
x_1 = Green Remediation Disclosure (GRD)
x_2 = Pollution Control Disclosure (PCD)
Z = Firm Size (FS) = Control Variable
ε_{it} = Error Term

4. Data Analysis Method

Descriptive Statistics

The descriptive statistics in this study clarify the least, the average and the greatest values of the series in the distribution; also, the degree of series changes ascertained by means of the standard deviation.

Table 1: Descriptive Statistics

	Mean	Standard Error	Minimum	Maximum
MV	13.56	5.85	23.29	28.28
GRD	25.85	35.28	34.25	140.78
PCD	2.10	1.89	3.99	6.56
FS	9.64	24.91	10.91	25.36

Source: *Author's Computation (2025)*

From Table 1 above, Market Value (MV) having a minimum value of 23.29 and 28.28 maximum that the oil and gas companies at some points reported gain to the extent that strategies were employed to gain more market value later with 28.28 maximum. On average, the oil and gas companies recorded minimum of 34.25 in **Green** Remediation Disclosure (GRD) with maximum value of 140.78. The Pollution Control Disclosure (PCD) maximum value is closer to the minimum value with value of 6.56 and 3.99 where majority of the oil and gas companies report pollution and environment damage. The total asset as measure for firm size is huge with very small with minimum value of 10.91 and maximum value of 25.36. This indicated that the selected oil and gas companies recorded increment in its total assets.

Analysis and Interpretation

Table 2: Correlation Coefficients for Multicollinearity Test

Variables	ERD	PCD	FS	VIF
GRD	1	0.563	0.190	1.80
PCD	0.672	1	0.621	1.32
FS	0.680	0.220	1	1.73

Source: *Author's Computation (2025)*

Table 2 shows that the correlation coefficients of the relationship among the explanatory variables are much below the rule of thumb criterion of 0.8. This suggests that adding these explanatory variables to the same model will not lead to a serious multicollinearity issue.

Objective model for this study has been estimated using methods of stationary panel data. The researcher has estimated the models using panel data approaches since the unobservable heterogeneity and endogeneity cannot be obtained with pooled regression estimate. “Fixed effect and random effect models are the most commonly used static panel data models. The statistical tests like LM test and Hausman test have been carried out to find out a suitable panel data technique for estimating the environmental accounting disclosure model.

These tests ultimately preferred the fixed effect model over the random effect model. “The fixed effect model allows control for unobserved heterogeneity, which describes individual-specific effects not captured by observed variables. The term ‘fixed effects’ is attributed to the idea that although the intercept may differ across individuals and each individual’s intercept is time-invariant. The correctness of the models is specified by the F-statistics.

Table 3:**Panel Result for Objectives of the Study**

Variables	**Fixed Effect (FE)**	**Random Effect (RE)**	**Pooled Regression (PR)**
Green	0.520	0.019	2.922
Remediation	(0.527)	(0.089)	(1.046)
Disclosure	[7.921]	[3.121]	[4.181]
GRD	{0.030}**	{0.036}**	{0.032}**
Pollution	0.241	0.396	0.139
Control	(0.380)	(0.813)	(2.158)
Disclosure	[5.021]	[4.091]	[3.838]
PCD	{0.025}**	{0.064}*	{0.042}**
Firm Size (FS)	0.720	0.039	0.145
	(0.191)	(0.126)	(1.046)
	[4.911]	[5.721]	[0.349]
	{0.040}**	{0.066}*	{0.364}**
Constant	5.217	4.271	-1.440
	(1.342)	(3.236)	(2.846)
	[1.032]	[0.072]	[-0.243]
	{0.202}	{0.299}	{0.884}
Breush-Pagan (Language Multiplier) (LM)Test	$\chi^2(4) = 57.12$ (0.0210)	$\chi^2(4) = 5.46$ (0.0367)	$\chi^2(4) = 121.53$ (0.0421)
Hausman Test	$\chi2(10) = 25.28$ (0.0212)	$\chi2(10) =$ 27.30..00 (0.0215)	$\chi2(10) = 23.62$ (0.0523)
F -Test	F(4,125) = 28.24	Wald chi2(13) = 16.14	F(4,125) = 9.62
Pesaran Cross-Dependence (CD)	0.482 (p>5% = 0.491)	0.831 (p>5% = 0.241)	0.312 (p>5% = 0.721)
N	130	130	130
Ajd-R^2	0.42	0.38	0.512

Source: *Author's Computation (2025)*

Dependent Variable: Market Value (MV)

Notes: FE and RE represent Fixed Effect Panel Regression and Random Effect Panel Regression; Standard errors ( ), t-statistic [ ] and p-value { } are reported in parentheses. *, ** and *** show the 10%, 5% and 1% significance level respectively."

Table 3 provides the results model for a subset of chosen and quoted Nigerian oil and gas businesses. According to the important F-statistics, the model is fit and properly described. The findings of the LM test and the Hausman test showed that the fixed effect model is appropriate for this research representing model. In this study, Green accounting disclosure was measured with, Green Remediation Disclosure (GRD) and Pollution Control Disclosure (PCD) with firm size proxied with total assets as the control variable. Thus, this study adopted fixed effect (FE) panel regression. For the fixed effect model adopted, the result found that Green Remediation Disclosure (GRD) and Pollution Control Disclosure (PCD) have positive and significant effect on market value of quoted oil and gas companies in Nigeria since the p<5% and 10%. Thus, the study rejected the two null hypotheses that;

(i): There is no significant influence of Green Remediation Disclosure (GRD) on market value of oil and gas companies quoted on the Nigeria Stock Exchange
(ii): There is no significant effect of Pollution Control Disclosure (PCD) on market value of oil and gas companies quoted on the Nigeria Stock Exchange

Discussion of Findings

The selected oil and gas companies recorded increment in total assets as discovered in the descriptive statistics results in table 1. This implied that when organizations takes care of their environments in which they operates, it will positively impact on their assets base. The correlation coefficient for muticollinariety test indicated a relationship that is explanatory in variables. It is quite below 0.8. This indicated that there are no multicollinarity issues in this study. The panel table result measures the variables – Green Remediation Disclosure (GRD) and Pollution Control Disclosure (PCD). This study revealed positive and significant effects on the market value of quoted oil and gas companies in Nigeria. This signifies that the management of wastes and its proper accounting is paramount in the environments. It enhances the market values of these oil and gas companies. The findings of this study corroborates with the studies of Uniamikobgo and Ali (2021), Muhammed Nooraini (2020) and Emerson Adegbie (2021) respectively. This goes in line with the theory of legitimacy theory. This goes in line with the theory that corporations and business operations must be legitimate in the face of the public in order to allow them to continue in existence. The entities do not operate against the laws, regulations, standards and lives of their host communities. An entity that has lost its legitimacy will begin to dwindle and die eventually, hence the importance of this theory

Conclusion and Recommendations,

Green Accounting Disclosure has positive and significant effects on the market values of oil and gas companies as discovered in this study. It is the duty of the management to ensure that their environment accounting costs, procedures, methods of wastes management, remedial and controlling is practiced with optimum compliance and disclosed in their annual report to all stakeholders. This would be made available to all the stakeholders and eventually increase the market values of the firm. Oil and gas companies that published their Green Accounting reports gains positive values and legitimately from both the immediate and host communities and the international world at large. This creates more markets for them and increases their chances of products acceptance, patronage and friendship with the government. The production and reporting of Green Accounting reports would add more life to the corporate existence of the organisation. It should be encouraged at all levels, those not practising it are expected to commence its practice and publish same in their annual reports. In view of the above, the organisations should disclose their reports of Green Accounting reports in their annual reports. The study recommends as follows based on the findings:

Green Accounting Disclosure is not done or practiced by many companies presently. There is need for government to enforce its practices. When this is done, it would help in the development of communities. The controlling of environmental pollution is a necessity. Seminars, symposiums should be organised for companies management to create more awareness so that they would publish it on the number of times their board members attends such seminars annually and the level of their compliance in practising Environmental Accounting disclosure.

There should be a regulatory body set up to be monitoring, auditing, check making for companies' implementations of their Environmental Accounting Disclosure policies or plans. The body should set up ethical standards to guide companies and serves as a reference standard to match up with the level of environmental accounting disclosures to be practiced. Where they are found wanted, they should be fined and their operations constrained. This would make these companies to take the matter of Waste management very serious thereby increasing the compliance level voluntarily.

The government and regulatory authorities need to motivate entities who make it a point of duty to manage their wastes, remedy and control same. They should be rewarded in different ways. More contracts should be given to them to handle. The government can grant some tax relief as a strategy. This if done, would be an impetus, a moving force to move others out of their shells to ensure that they take care of their environment. It will lead to an increase in the protection of the environment and improvement in the health of the citizens.

Contributions to Knowledge

The study contributed to knowledge in the following ways.

This study has added to knowledge by modifying the model to create a new model under this research method. This revealed the effect of, Green Remediation Disclosure and Pollution Control Disclosure on market value of the oil and gas companies quoted on Nigeria Stock Exchange. The combination of the variables under this study produced a result that supported the practice of green accounting disclosures in oil and gas organisations in Nigeria. This is because investment into green accounting increased their assets.

The researcher is of the opinion that more researches should be conducted in other sectors different from oil and gas companies for more results.

References

Adam, C., Hurka, S., Knil, C., Peter, B. G. & Steinebach, Y. (2019). Introducing Vertical policy coordination to comparative policy analysis: The Missing link between policy production and implementation. *Journal of Comparative policy Analysis: Research and practice*. Routledge, *21*(5), 499-517.

Abdul, R. L., Yahya, N. H., Moh, K. N., Hasnah, K. & Ariff A. H. M. (2020). The influence of Board Diversity on Environmental Disclosures and ustainbaility performance in Malasia. *International Journal of Energy Economic s and Policy, 10* (5), 287 – 296.

Adebayo, O., & Oyewole, O. A. (2022). Environmental Accounting Disclosure and Market value of Listed Non financial Firms in Nigeria. *International Journal of Management, Accounting and Economics*, *9*(7),42-47.

Agboola, O. S. & Oroge, C. A. (2019). Environmental costs and financial performance of cement companies in Nigeria. *International journal of Academics and applied Research*, *3*(18),60-65.

Aigienohuwa, O.O. & Ezijiofor, R. A. (2022). Earning per share and market price of industrial Goods companies. A comparative study of pre and post Covid 19 pandemic in Nigeria. *Journal of Global Accounting, 8*(2) 37 – 47.

Ajape, K. M., Adeyemi S. B. & Omolehinwa E. O. (2021), Correlate of Environmental Sustainability Disclosures in Nigeria: A perceptual approach. *International Journal of Contemporary Accounting Issues*. *10*(2), 49-63.

Ala Mohammed, R. (2019). Board Characteristics and Environmental Disclosure: Evidence from Jordan. *International Journal of Business and Management*, *14*(1), 57-65.

Anselem, C., & Jane Frances, N. (2020). Environmental costs and financial performance and social costs of firm performance mediating by earning management. *Polish journal of Management Studies 21*(2), 2-13.

Ati, S. Santi, S. Ahmad, M. Lina I. & Diana P. and Rini, I. (2021). Influence of Green Accounting and Environmental Performance on profitability. *Advances in Economics, Business and Management Research 20*(5) 145-151.

Augustina, K. Muhamad, R. & Endri, E. (2022). Cost of capital and firms value, Evidence from Indonesia. *Investment and Financial Innovations Journal, 19*(4) 14-22.

Augustine, A. (2022). Earnings Quality and Market Value of listed companies in Nigeria. *European Journal of Accounting, Auditing and Finance Research 10* (3) 76 – 91.

Balogun, A. O. & Gospel, C. (2022). Hazardous Waste management and investors perception of firms value, *GSC Advanced Research and Reviews 13*(2) 136 – 144.

Charles, E. E., John., C. R., & Umeoduagu, C. (2017). Environmental Disclosures and Financial performance: A Study of selected food and Beverage Companies in Nigeria. *International Journal of Academics Research in Business and Social Sciences*, *7* (9) 162- 174.

Charles, J. & Muyiwa, K. (2022). Environmental Accounting and Financial Performance of listed family owned companies in Nigeria. *International Review of Business and Economics*. *6*(1) 71-82.

Chinedu., N. G., Udama, B., & Ali, O. R. (2019). Impact of environmental accounting disclosure on financial performance in cement companies in Nigeria. IDOSR *Journal of Arts and Humanities*, *4*(1), 1-14.

Darya, D. Jakub, S. Jozef, G. & Alena, A. (2022). The Impact of Intangible Assets on the Market value of companies cross evidence 1-14, https://doi.org/10.3390/math10203819

Edema S. T. and Emegba, J. O (2022). Effect of Environmental Degradation on the Inhabitants of |Obodo Community in Warri South local Government Area of Delta State, Nigeria. *Journal Apple science Environmental Management 26*(12), 1951-1955.

Edward, F. R. (1984). Strategic Management: A stakeholder Approach, Boston: Pitman.

Emerson, J., & Adegbie, F. F. (2021). Environmental Accounting practices and Environmental capacity for sustainable Economy. *The international Journal of business and management*. *9*(4). 225-232.

Emmanuel, U. I. (2021). Environmental accounting practices and return on assets of quoted manufacturing companies in Nigeria. *International Journal Innovation Financial Economics Research*, *9*(4) 7-17.

Etale, L.M. Ochuba, I.S., & Sawyerr, A. E. (2021). Social cost accounting and profitability of Glaxo smithkline Nigeria plc. *European Journal of Business and Innovation Research 9*(1) 1-18.

Ezejiofor, R. A. & Emeneka O. L, (2022). Leverage and social Sustainability reporting on listed oil and gas firms in Nigeria. *International journal of Advanced Academics Research.8*(2) 1-14

Erinoso, O. M. & Oyedokun, E. G. (2022). Environmental Disclosure, Audit and Financial Performance of listed oil and gas companies in Nigeria. *African Economics and Management Review*, *2*(3) 1-10.

Gusti, K. A., Yunika M., Astari C. M. & Unggul, P. (2020). Green Accounting, material flow cost accounting and environmental performance, www.growingscience.com/ac/.html,

Haji, S. A., Feiyan, J. Z. & Jingue, X. (2023). Effect of block chain technology initiative on firms market value, *Financial innovation open Access Research 9(1)*, 2-35.

Huang, D.Z, (2021), Environmental, social and governance activity and firm performance: a review and consolidation. *Journal of Account and Finance,61*, 335-360.

Ibrahim, U. A. & Isiaka, A. (2020). Effect of Financial Leverage on firms value: Evidence from selected firms quoted on the Nigeria Stock Exchange. *European Journal of Business and Management 12*(3) 124-135.

Ida, A. P. & Gerianta, W.Y. (2017). Effect of company size, profitability, industrial type and circle performance on environmental disclosure. *E-Journal Akuntansi University*, *Udayana*, *20*(3), 2362-2391.

Ifada, L. M., Indriastuti M., Ibrani E. & Setiawanta, Y. (2021). Environmental performance and environmental disclosure: The role of financial performance. *Journal of Asian financial, Economics and Business,8*(4) 349-362.

Iheduru, N. & Chukwuma, I. R. (2019). Effect of environmental and social cost on manufacturing companies in Nigeria. *International Journal of Accounting Review4*(2), 1-7.

Iliemena, R. O. C., & Okolocha C. B (2019). Effect of audit quality on financial performance: evidence from a developing capital market. *International Journal of Recent Research in commerce, Economics and Management.6*(1) 191-198.

Lawrence, M. (2022). Sustainability reporting and financial performance of companies listed in the Nigeria Stock Exchange. *European Journal of Accounting, Auditing and Finance Research*, *10*(5), 25-73.

Mbatuegwu, C. D, Lawal S. & Egberi O. E. (2022). Impact of Environmental Accounting Disclosure on Financial Statements. *Journal of Multidisciplinary Research and Development. 8*(1), 111-120.

Modup, O. (2020). Evaluation of environmental accounting and its impact on sustainable economy in Nigeria. *International Journal of Social Sciences and Management Review*, 3(6), 23-37.

Muhammed, A. & Nooraini, O. (2020). Bridging the gap between policy intent and Implementation. *Perdana Centre of Science,* Technology and Innovation policy, Malaysia, Kuala Lumpur. *6*(1) 1-10.

Muffe, V. W. (2021). The effects of environmental accounting on corporate performance (an empirical study of some companies in Magzi Ombe. *International Journal of Economics, Commerce and Management*, 9(10), 163-199.

Nimanthi, D. K. S. & Priyadarshanie, W. A. N. (2021). Environmental Disclosure Practice and Firm performance: Evidence from Sri Lanka. *International Journal of Accounting and Business Finance.* 7(2) 75-90.

Nkwoji, N. (2021). Environmental accounting and profitability of selected quoted oil and gas companies in Nigeria. *Journal of Accounting and Financial Management*, *3*(4) 117-126.

Nwaiwo, S. C. (2020). Effect of environmental cost on performance of quoted firms in sub-Saharan Africa. *European Journal of Accounting, Auditing and Finance Research*, *8*(7) 97-120.

Nwala, M. N., Gimba, J. T., & Oyedokun, G. M. (2020). Impact of corporate financial policies on firm value of quoted insurance firms in Nigeria. *Fountain University Osogbo Journal of Management 5*(1), 219 – 236

Nwambeke, G. C. Udama, D. U. & Oko, R. A. (2019). Impact of Environment Accounting disclosure on Financial Performance. *Journal of Arts and Humanities 4*(1): 63-76.

Obiora, F., Onuora, J. K. & Okeke O. (2022). Environmental Accounting Disclosure and Tax Aggressiveness of Quoted Firms in Nigeria, *Journal of Accounting and Financial Management*, *8*(2) 62-78.

Obiora, F. & Omaliko, E. (2022). Effect of Community's Development and Waste Management Disclosures on liquidity of firms in Nigeria. *Asia Journal of Advances in Research*, *15*(3) 1-10.

Ogunode, O. A. & Adegbie, F. F. (2022). Environmental Disclosure practices and sustainable performance of quoted manufacturing companies in Nigeria, Asian Journal of Economics, Business and Accounting, 22(23) 455-469.

Okafor, O. O, Egbunike P. A., & Amahalu N. N. (2022). Determinants of environmental disclosure of quoted oil and gas firms in Nigeria. *International Journal of Management Studies and social science Research*, *4*(1) 77-88.

Oshiole, S. Elamah, A. F., & Amahalu, N. N. (2020). Effect of environmental cost disclosure on profitability of listed oil and gas firms in Nigeria. *International journal of Academic Research in Accounting finance and Management Sciences10*(2)157-170.

Suchman, M. C. (1995), "Managing Legitimacy: Strategic and Institutional Approaches" The Academy of Management Review, 20(3), 571 – 610.

Nwadialor, E., Nwize, A., & Omaliko, E. (2020). Effects of Social and Environmental Disclosure on performances of non-financial firms in Nigeria. *Journal of Accounting and Financial Management, 6*(1) 40- 58.

Onyedokun, G. E., Egberioyinemi, E. & Tonademukaila, A. (2019). Environmental Accounting Disclosure and Firms Value of Industrial Goods Companies in Nigeria. *Journal of Economics and Finance.10*(1),7-21.

Pahuja, S. (2019). Relationship between environmental disclosures and corporate characteristics: a Study of large manufacturing companies in India. *Social Responsibility Journal*, *5*(2), 227-244.

Polycap, S. U. (2019). Environmental Accounting and Financial Performance of oil and gas companies in Nigeria, *Research journal of finance and accounting*, *10*(10), 192-200.

Rachael, O. I., Amedu J. A. A. & Ekatah, R. E. (2022). Empirical examinations of sustainability reporting, return on capital employed and gross profit margin. *European Journal of Sustainable Development Research*, *7*(1), 1-14.

Rizal, N., & Yatminiwati, M. (2020). Disclosure of Green Accounting of Financial performance, Assets: Journal of Financial Economics, 4 (1), 1 – 7.

Solomon, P. J. (2020). Environmental Disclosure and financial performance of listed oil and gas companies in Nigeria. *Journal of Economics and International Business Management 9*(2), 36-48.

Tyoti, K. (2019). Green Accounting And Its Importance. *Journal of Commerce, Economics and Computer Science.5*(3) 45 -48.

Uniamikogbo, E., & Ali, P. I. (2021). Environmental accounting disclosure and financial performance of manufacturing firms in Nigeria. *Journal of Economics and International Business Management*, *9*(2) 71-81.

Victoria, D. P. (2022). Tracking Waste management information Disclosure behavior connected to financial performance through moderating variables. *International Journal of Environmental Research and Public Health.*https://www.mdpi.com/journal/ijerph

Yahaya, K. A., Bamigbade, D., & Ajiboye, O. G. (2022). The effect of corporate Governances on Environmental Disclosure by listed Nigeria consumer goods firms. *Journal of Administration and Business*, *11*(1), 53 -64. s