VOL. 12 NO. 7,
MAY, 2026
E-ISSN 3026-9679
P-ISSN 3026-9423

African Scholar Publications & Research International
www.africanscholarpub.com

Journal of Business Dev. and Management Res. (JBDMR)

Board Characteristics and Integrated Reporting Quality of Deposit Money Banks in Nigeria: Moderating Role of Bank Size

Olayiwola, Tajdeen Gbola; & Okoughenu, Sunday Azeita (PhD)
Department of Accounting and Finance, Faculty of Management Sciences, Ajayi Crowther University, Oyo, Oyo State, Nigeria.
Corresponding Author: azetasunny@gmail.com
DOI: https://doi.org/10.70382/ajbdmr.v12i7.073

Abstract
This study investigated the relationship between board characteristics and integrated reporting quality and how the relationship is moderated by bank size in Nigerian listed Deposit Money Banks (DMBs) from 2016-2025. The research design adopted for the study was ex post facto, secondary data were used and the population of the study which also served as the sample size consisted of 24 listed DMBs. The method of data analysis employed was ordinary least square regression analysis. The findings revealed that board characteristics (F-stat. **5.392** p-value **0.001)** have significant positive relationship with integrated reporting quality of listed DMBs in Nigeria; bank size (F-stat. **7.813** p-value **0.000)** significantly positively moderated the relationship between board characteristics and integrated reporting quality of listed DMBs in Nigeria. It was thus concluded that board characteristics are significant governance mechanisms coupled with the interaction of banks size that drives integrated reporting quality. It was therefore recommended among others that the management of listed DMBs in Nigeria should encourages their board of directors by investing more resources on their Environmental, Governance and Social (EGS)-compensations, initiatives, digital skill and objectives pursues so as to help sustain the quality of integrated reporting. In addition, management should strategically manage their assets and invest their financial resources more on acquisition of modern technologies and physical assets to ensure the sustainability of their quality integrated reporting.

Keywords: Board Objectives, Board Digital Skills, Board Initiative, ESG-Based Executive Compensation, Integrated Reporting Quality.

Introduction

Integrated Reporting Quality (IRQ) is an important means of communication the financial and non-financial information of the business. The global concern for IRQ is to resolve of environmental, social, and economic challenges which associated with industrialisation and the increasing population foiled the stakeholders to perceive the societal role towards meeting their demand (Abdulrasheed & Aminu, 2024). Shareholders' wealth maximization is no longer seen as the overall objective of a company operation because businesses are been accorded environmental and social responsibilities by the society and this has made business environment more competitive demanding for a holistic modern reporting practice. The basic focus of business organisations is increasing profits in operations. However, switching to managing sustainability aspects that involve economic, social, and environmental dimensions has been another focus. The emphasis on social involvement and significant environmental impacts on operational activities is the reason for IRQ. Hence, information that will assist in making decision and addressing other aspects of business operations formed the basic need for IRQ (Dase, *et al.,* 2024).

However, IRQ can be influenced by many factors such as board characteristics and the size of the company. Full disclosure quality as a major reason for IRQ can be ensured by effective board which can mitigate managerial opportunism and provide a more comprehensive view of stakeholders' interests. The board of directors' quality is deemed to have a very significant influence over companies' choice of disclosure and its quality thereof by maintaining transparency through financial as well as nonfinancial information, which signals a commitment to stakeholders' expectations. Effective board qualities will be eager to reveal their environmental operations as it will assist enhance the company's value (Abdulwasiu, *et al.,* 2023). This is evident as managers who were appointed to represent the interest of shareholders are required to prepare annual reports of the company as their stewardship report for the stakeholders of the business firms. In achieving this, managers are permitted to exercise judgment in adopting corporate reporting methods that match the firm's business environment (Erin & Adegboye, 2022). Basically, in ensuring IRQ in business entity, some certain attributes must be recognize on the directors and this includes, the director initiative, the level of ESG-based executive compensation, board objectives, board digital skills, board initiative.

Moreover, the size of the firm may play a major role in interacting with board characteristics and IRQ of a business entity. Firm size can be linked to the overall resources of a company which include human resource such as the board

of directors, providing strategic planning and control, and taking the decision that will enable the corporate entity to achieve its goal and objective. Also, the firm size determines the characteristics of the board service required in a corporate business entity (Latifat, *et al.,* 2023).

Statement of Research Problem

This research argued that firm size can interact between board characteristics such ESG-based executive compensation, board objectives, board digital skills, board initiative and IRQ of the corporate business entity. However, evidence in prior studies such as Olayiwola and Osazevbaru (2023), Balogun and Ezeagu (2024), Ajayi and Obamuyi (2025), Adesanya and Akintunde (2025) indicated that firm size has not been explored to investigate how it interact between these board specific characteristics and IRQ in Nigeria firms particularly in the banking industries. Against this backdrop this study generally, this research investigated the extent firm size moderate between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria with specific timeframe from 2016 to 2025.

Research Questions

i. How do board characteristics relate to integrated reporting quality of listed deposit money banks in Nigeria?

ii. To what extent does firm size interact between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria?

Objective of the Study

This study generally investigated the extent to which firm size moderate the relationship between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria. The specific objectives were to:

i. examined the relationship between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria.

ii. investigated the extent to which firm size moderate the relationship between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria.

Research Hypotheses

Ho_1: There is no significant relationship between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria.

Ho_2: Firm size does not significantly moderate between board characteristics and integrated reporting quality of listed deposit money banks in Nigeria.

Conceptual Review

Integrated Reporting Quality (IRQ): The International Integrated Reporting Commission (IIRC, 2021: 2) defines IRQ as "concise information about how an organisation's strategy,

governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term". According to O'Dwyer, *et al.* (2024), IRQ requires a concise explanation of the relationship between the different factors influencing how the organisation generates value including social, environmental and economic variables which give rise to risk and affect the sustainability of the business model. According to Ikpor, *et al*. (2024), IRQ was introduced in business model for the purpose of value creation process which includes internal and external processes that have the potential to impact on the organizational performance.

Eight components of integrated reporting framework were prescribed by IIRC (2022) and they are organizational overview and external environment, governance, business model, risks and opportunities, strategy and resource allocation, performance, outlook, and basis of preparation and presentation. Okoughenu, *et al*. (2021) claimed that these components is able to overcome the criticism of traditional reporting practices as the report offers more comprehensive financial and non-financial information to firm stakeholders. In addition, this will enhance stakeholders' confidence on the financial statements, create better management decisions of resources allocation, risk management, and future business's strategies.

Board Characteristics: Mwangi and Bonuke (2024) defined board characteristics as board components or attributes which helps the board of directors effectively responsible to their duty which involved monitoring the activities of the managers and ensure a balance in decision-making with a view to enhancing the reliability and impartial disclosure of information. Board characteristics include ESG-based executive compensation, board objectives, board digital skills, board–management collaboration and board initiative.

ESG-based executive compensation may be inform of bonuses or stocks or cash given to a company's top management to achieving specific goal or profit or performance (Kaur, *et, al.* 2024). On the component of ESG-based, reducing carbon emissions is "E", improving diversity is "S" and enhancing board transparency is "G". These components functioned together to align executive incentives aiming at achieving long-term sustainability and stakeholder value beyond short term profitability performance of the company (Omar & Ilham, 2025).

Board objectives are the specific, strategic targets made by board of directors focusing on long-term success achievement of an organization order to enhance the shareholder value which could be inform of profit (Adesanya & Akintunde, 2025). The formulation of policies and monitoring activities of a firm is a function of the board of directors and this function should be aligned with stakeholders' interests (Siyanbola *et al.* (2019).

The capabilities and expertise required by members of a governing board is referred as board digital skills. The digital skills of the board of directors will helps the directors to effectively understand, oversee, and leverage digital technologies for the organization's success and governance. The digital skills of the board of directors involve using digital tools confidently, critically, and responsibly to achieve goals of the organization which must be alignment with the stakeholders' interest (Ajayi & Obamuyi, 2025).

The working together by the board of directors as a team, corporation, built on mutual trust and a clear understanding of their distinct roles in order to achieve the organizational goal aligned with the interest of stakeholders is derived from the concept of board–management collaboration. This model moves beyond a traditional "boss/subordinate" dynamic to one of shared purpose and strategic advantage (Balogun & Ezeagu, 2024).

The concept of board initiative according to Obaidat and Khasharmeh (2023) is derived from the proactivity of the board to identify opportunities, taking action, and driving change beyond routine tasks, innovation, problem-solving, and leading strategic projects linked to entrepreneurial spirit and talent development in order to achieve the organizational performance align with the stakeholders interest. The board of direct must be proactive in taking decision with high level of entrepreneurial spirit and talent development to achieve the goal of business organization.

Bank Size: According to Abu (2024), company size may either big or small and large companies will be more considered by the outsiders than smaller companies where the manager of large companies tend to have the motivation to be involved in earnings management and prefer to prioritize the interests of shareholders. Large companies have a more effective internal control system and corporate governance than the small companies, which leads to the reliability of its financial statements to the public (Amanamah, 2024). The larger firms like banks are the most likely to be monitored by industry analysts.

Firm size, it covers the economic value of the resources which include the assets which the companies put into production that resulted to operating performance within a specified period. Economic efficiency, economic increase and stability are based on a certain culture and social development, on the resources' diversity and availability (Alhassan, *et al.,* 2021). In addition, according to Adejola, *et al* (2024), the environment depends on the size of economic activity and on the social development, as it is the case of the society quality resulted not only from the economic efficiency and stability, but also from the quality of the environment.

Theoretical Review

There are a lot of theories that prior studies used to explain the factors that drives integrating reporting quality of companies. However, this research anchored on stakeholders' theory which is more popularly used by prior studies and reviewed with agency theory.

Stakeholders Theory: In 1984, stakeholder theory was propounded by Freeman, postulating that organizations should be accountable to the stakeholders which also including the shareholders. This theory posits that corporations have social responsibilities and must consider the interests of the stakeholders impacted by their actions. Stakeholders' theory views organizations as social components system, emphasizing the interconnections among stakeholders. The term "stakeholder" covers a wide range of individuals, including shareholders.

Management is obligated to provide accurate and reliable financial data for informed decision; bears a duty to all stakeholders and must address conflicts of interest by reducing it to a minimal level in the corporation (Rilwanu & Onipe, 2024). Directors must occupy a position of trust and manage the firm to enhance performance and this is coupled with ensuring the stakeholders' interests are meant.

Stakeholders' theory is significant for corporate managers who maintain essential interactions beyond those with owners, managers, and employees encompassed other stakeholders. Stakeholders' theory focused on the ability to of the corporate management to provide comprehensive financial reports that will meet the interest of the stakeholders. Hence, stakeholders' theory predicted a positive relationship between board characteristics and integrated reporting quality and how the relationship can be driven by the size of the bank.

Agency Theory: In 1976, agency theory was introduced by Jensen and Meckling and the theory emphasised by Desai and Dharmapala (2006). Agency theory analyses how principal connect with the agent stemming from the divergent interests of managers and those owned the company.

The agency theory suggested that the distinction between ownership and control created the conflict between managers and owners which could result in costs associated with resolving the conflict. It is assumed by agency theory that a manager who is individualistic, self-serving and opportunistic in nature (Makri, *et al.,* 2024). Managers would therefore not act to maximise shareholders value except there is good governance structures that will serve as monitoring mechanisms. Furthermore, the agency model suggests that autonomous governing boards of companies can manage and/or oversee the activities of the agents efficiently. Likewise, the strong existence of autonomous external directors can minimize agency conflicts by enhancing oversight of managers regarding their social and environmental strategic planning and funding, which can have influence the organizational value (Okoughenu, *et al.,* 2021). Therefore, agency theory predicted a positive relationship between board characteristics and integrated reporting quality and how the relationship can be moderated by size of the company.

Empirical Review

Ajayi and Obamuyi (2025), in their study, explored the role of digital and data literacy among bank executives to make integrated reporting more efficient in the era of digitization. Those executives possessing strong technical and analytical skills were better placed to make use of reporting tools, dashboards, and data platforms. The uses of technology facilitated accuracy, clarity, and usability in reports. The study discovered that digital literacy is a new management entrenchment facet enabling timely, connected, and forward-looking disclosures. These skills are essential in the wake of the evolving context of global reporting.

In Nigeria banks, the role of board committees was examined by Akinola, *et al* (2025) and the study focused on how it related to governance in facilitating integrated reporting practices. Survey data and annual financial reports were utilised by the study and it was deduced that

banks whose audit and governance committees were strong had a greater level of compliance with international integrated reporting guidelines.

Fourteen (14) banks were used to investigate the effect of firm size and audit quality on integrated reporting by Orjinta, *et al*., (2024) in Nigeria. The study reported with regression analysis that integrated reporting practices is influenced by firm size and longer audit firm tenure.

Sixty-four (64) companies from 2017 to 2020 were used to investigate the influence of audit committees on integrated reporting quality was investigated by Mohd *et al*. (2024). The study that audit committee size, independence, and chair expertise are positively related to integrated reporting quality.

In Nigeria, a sample of 167 companies 2015 to 2020 were used to board governance by Ikpor, *et al* (2024) and the study focused on how it influenced sustainability reports, the regression analysis showed that sustainability reporting quality was driven positively and significantly by board governance characteristics such as board capacity, board independence and board incentives.

From 2013 to 2022 in Kenya, board characteristics was investigated by Mwangi, *et al* (2024) and the study focused on how it influence on quality of integrated reporting of firms listed on NSE. The regression analysis showed that quality of integrated reporting was influenced by board characteristics positively and significantly.

Sustainability-linked executive compensation was examined by Adeoye and Bakare (2024) and the study focused on how it influence integrated reporting outcomes in Nigerian financial institutions. Findings indicated that banks where a portion of the management remuneration was tied to ESG goals significantly influence integrated reporting quality.

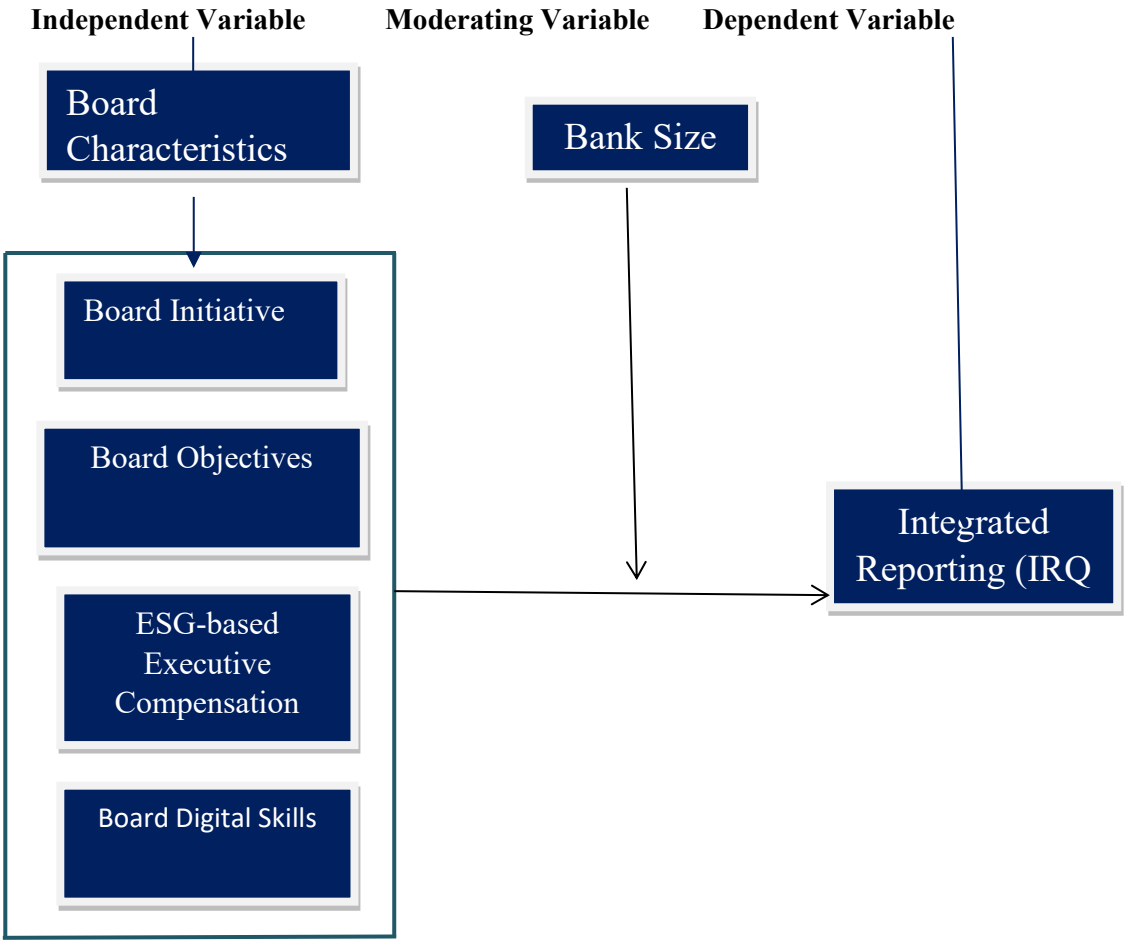
In India, a sample of 197 firms from 2017 to 2020 was used to investigate board characteristics by Makri, *et al.* (2023) and the study focused on how it influenced integrated reporting quality. The regression analysis showed that IRQ is positively influenced by board size, board independence and gender diversity. However, it was showed that IRQ is insignificantly influenced by board activity and role duality.

In Nigeria, eight (8) listed oil and gas firms from 2007 to 2021 was used by Abdulwasiu, *et al* (2023) to examine how profitability influences the relationship between board composition and integrated reporting. The result revealed that profitability moderate board size and gender diversity in relation to integrated reporting.

Gaps in the Literature

Despite a growing body of research exploring the relationship between board characteristics and integrated reporting quality, significant gaps persist within the context of listed DMBs in Nigeria. One notable shortcoming lies in the overemphasis on board characteristics metrics, such as board size, audit committee size, board independence, gender, and frequency of meetings of the board, while neglecting ESG-based executive compensation, board objectives, board digital skills, board–management collaboration and board initiative. Additionally, there

is limited exploration of how the interplay between board characteristics and integrated reporting quality can be interacted with size of the bank. Hence, these gaps weaken the understanding of how board characteristics function to relate with integrated reporting quality and how the relationship can be moderated with the size of the corporation in environmentally intensive sectors like DMBs in Nigeria. Therefore, this research filled these gaps in literature by providing the conceptual framework showing the diagrammatic representation of the variables.



Source: Author's computation (2026)

METHODOLOGY

Ex-post facto research design is adopted by this research because the design helped to examine the causal relationship between the variables. In addition, this research involved panel data type which combined time series and cross-sectional method. Hence, this is supported by Mwangi, *et al* (2024) which stated that ex-post facto research design is used in a study with dynamic panel data type which involves the combination of time series and cross-sectional method in pooling the required data.

The population of this research is twenty-four (24) DMBs listed on the NXG as at 31st December, 2025. However, the total population formed the sample size of this research because this helped the research to provide a robust finding without bias. The data was collected from annual reports of the listed DMBs on the NXG from 2016-2025. Furthermore, descriptive analysis and inferential statistics was employed in the research with pool ordinary least square regression analysis. This was done to test the formulated null hypotheses in the research.

The variables are measured as; integrated reporting quality is the dependent variable and it is measured by content analysis containing 85 items, in three categories: content elements (34 items), capital concept (50 items) and value creation process (1 item). Therefore, 34 items in the content elements spread across: (i.) organizational overview and external environment (6 items); (ii.) governance (6 items); (iii.) business model, (3 items); (iv.) risk and opportunities, (4 items); (v.) strategy and resource allocation (5 items); (vi.) performance (7 items); and (vii.) outlook (3 items). The 51 items of capital concept disclosure will involve: i. financial capital, (5 items); ii. manufactured capital (3 items); iii. intellectual capital, (6 items); iv. human capital, (12 items); vi. social and relationship capital, (17 items) and natural capital, (7 items) and value creation process.

Board characteristics is the independent variable and proxies as; ESG-based executive compensation is measured by ratio of the total amount of money paid to the executive directors inform of compensation or bonuses or stocks to total expenses; board objectives are measured by the total profit made by the listed DMBs during the year; board digital skills is measured by ratio of the total amount of money spent on board of directors in seminars, workshops and training to total expenses; and board initiative is measured by ratio total amount of money spent on programs that will helps the bank to increase profit for the year to total expenses. Furthermore, bank size is the moderating variable and it is measured by natural logarithm of total assets.

Model specification: In line with the previous researches, the study adapted and modified the Model of Makri, *et al*., (2023) in determining the extent firm size moderate between board characteristics and integrated reporting quality of listed DMBs in Nigeria. The original model is given as;

$$IRQ_{it} = (\beta_o + \beta_1 LnBS_{it} + \beta_2 LnBA_{it} + \beta_3 BIND_{it} + \beta_4 GG_{it} + \beta_5 RD_{it} + \beta_6 DIRWON_{it} + \beta_7 ACI_{it} + \beta_8 LnTA_{it} + \beta_9 ROA_{it} + \beta_{10} DE_{it} + \beta_{11} CAPIN_{it} + \beta_{12} RDIN_{it} + Year\text{-}effect + Industry\ Effect + \varepsilon i \quad 3.1$$

The research achieved objective one by modifying the original model in equation 3.1 as;

$$IRQ_{it} = \beta_o + \beta_1 lESGC_{it} + \beta_2 lBDS_{it} + \beta_3 lBO_{it} + \beta_4 lBI_{it} + \varepsilon it \quad 3.2$$

Where,

I*RQ* is integrated reporting quality; ESGC is ESG-based executive compensation; BDS is board digital skill; BO is board objectives; BI is board initiatives; *εit* is the error term; β_o

constant; β_1 represents the coefficient for the independent variable; i represent individual listed deposit money banks; t represent the period covered between 2016 and 2025.
The research achieved objective two by moderating the independent variable in equation 3.2 as;

$IRQ_{it} = \beta_o + \beta_1 lESGC_{it} *BSIZ + \beta_2 lBDS_{it} *BSIZ + \beta_3 lBO_{it} *BSIZ + \beta_4 lBI_{it} *BSIZ + \varepsilon it$ *3.3.*

Table 1 Descriptive Statistics

Variable	Symbol	Obs.	Mean	Std. Dev.	Min.	Max.
Integrated Reporting Quality	IRQ	240	0.48	0.13	0.31	0.64
ESG-Based Executive Compensation	ESGC	240	0.24	0.16	0.20	0.79
Board Digital Skill	BDS	240	0.33	0.13	0.41	0.90
Board Objective	BO	240	0.27	0.50	0.60	1.48
Board Initiatives	BI	240	0.55	0.21	0.19	0.59
Banks Size	BSIZ	240	12.58	1.28	9.12	19.70

Source: Author's Computation (2026)

Table 1 presents the descriptive statistics of the variables and the result shows a minimum of 0.31 and maximum of 0.64 meaning that some of the listed DMBs between 2016 and 2025 has reported differently on the IRQ disclosure content elements count on environment, economic, social and governance. Also, the sector's average came in at 0.48. The standard deviation which shows the degree of dispersion was 0.13 and indicated that IRQ in the listed DMBs was relatively low. Board objective (BO) has the highest value of 1.48 Billion Naira 0.82 the lowest score was 0.60 Million Naira on average value of 0.27 Million Naira. ESG-Based Executive Compensation (ESGC) showed a minimum ratio of 0.20 and maximum of 0.79. Board Digital Skill (BDS) showed an average ratio of 0.33 minimum of 0.41 and a maximum of 0.90. Board initiative (BI) showed an average ratio of 0.55 minimum of 0.19 and a maximum of 0.59. Bank size (BSIZ) showed an average value of 12.58Billion Naira with minimum of 9.12 Billion Naira and a maximum of 19.70 Billion Naira.

Table 2 Correlation Analysis

Variable	IRQ	ESGC	BDS	BO	BI	BSIZ
IRQ	1					
ESGC	0.13	1				
BDS	0.01	0.17	1			
BO	0.11	0.12	0.13	1		
BI	**0.14**	**0.01**	0.14	0.08	1	
BSIZ	**0.12**	**0.06**	0.10	0.15	0.20	1

Source: Author's Computation (2026)

Table 2 revealed a weak positive correlation of 0.13 between integrated reporting quality (IRQ) and ESG-Based Executive Compensation (ESGC). Moreover, there was a strong

positive correlation of 0.01 between integrated reporting quality (IRQ) and board digital skill (BDS). Board objective (BO) exhibited a weak positive correlation of 0.11 with integrated reporting quality (IRQ). Furthermore, board initiative (BI) asserted a weak positive correlation of **0.14** with integrated reporting quality (IRQ). Finally, bank size (BSIZ) exhibited a weak positive correlation with integrated reporting quality (IRQ), with a coefficient of **0.12**. Looking out the coefficients from correlation analysis, it seen to be weak and thus indicating the absence of multicollinearity

Table 3 Correlation Analysis

Variable	IRQ	ESGC*BSIZ	BDS*BSIZ	BO*BSIZ	BI*BSIZ
IRQ	1				
ESGC*BSIZ	0.25	1			
BDS*BSIZ	0.02	0.27	1		
BO*BSIZ	0.25	0.02	0.03	1	
BI*BSIZ	**0.23**	**0.22**	0.04	0.08	1

Source: Author's Computation (2026)

Table 3 revealed a weak positive correlation of 0.25 when bank size moderated the relationship between ESG-Based Executive Compensation (ESGC*BSIZ). Moreover, there was a strong positive correlation of 0.22 between integrated reporting quality (IRQ) and board digital skill when moderated by bank size (BDS*BSIZ). Board objective when moderated by bank size (BO*BSIZ) exhibited a weak positive correlation of 0.22 with integrated reporting quality (IRQ). Furthermore, board initiative when moderated by bank size (BI*BSIZ) asserted a weak positive correlation of **0.25** with integrated reporting quality (IRQ). Also, looking out the coefficients from correlation analysis, it seen to be weak and thus indicating the absence of multicollinearity.

Table 4 Regression Analysis without moderating Bank Size

Variable	Coefficient (β)	Std. Error	t-Statistic	p-Value
ESGC	**9.96**	**2.89**	**3.45**	**0.003****
BDS	0.21	0.58	0.20	0.000**
BO	**4.96**	**2.89**	**3.45**	**0.001****
BI	**3.96**	**2.89**	**1.45**	**0.004****
Constant	0.11	0.58	0.20	0.846
R-squared	**0.75**			
Adjusted R-squared	**0.099**			
F-statistic	**5.392**			
Prob(F-statistic)	**0.001**			
Observations	**240**			

Source: Author's Computation (2026) **p<0.05

Table 4 is pooled OLS regression and it shows it indicated that F-statistic of **5.392** with p-value of **0.001 implying** that the model is suitable for statistical inference. Furthermore, it indicated that the overall, integrated reporting quality is significantly related with board characteristics of listed DMBs under this research. Moreover, R-squared value of 0.75 given by the model means that 75% of the changes in the dependent variable can be explained by the independent variables of this research. However, the error term captured the unexplained part.

On this research, the positive and statistically significant relationships between board characteristics and integrated reporting quality was highlighted because of how crucial it is for listed DBs to work to engage effect governance mechanisms which include board characteristics. According to this research, the findings are significant in the implementation of ESG-Based Executive Compensation, board digital skill, board objective and initiative to facilitate the disclosure of both financial and non-financial information in the attempts to enhance information disclosure through the implementation of integrated reporting. This finding aligns with prior studies such as Ajayi and Obamuyi (2025) who found in their study a positive and significant relationship between board digital skill and integrated reporting. Also, this finding agreed with the finding indicated by Akinola, *et al* (2025) who reported that integrated reporting quality is positively and significantly related with ESG-based compensation values. Moreover, this finding agree with Ikpor, *et al* (2024) who in their study found that board governance characteristics such as board capacity, board independence and board incentives are significant factors that drive sustainability reporting quality. Similarly, the finding is consistent with Mwangi, *et al* (2024) who found that integrated reporting quality is positively and significantly related with board characteristics. Furthermore, this finding is consistent with the both agency and stakeholders' theory which predicted positive relationship between board characteristics and integrated reporting quality of business organization like DMBs.

Table 5 Regression Analysis with moderating Bank Size

Variable	Coefficient (β)	Std. Error	t-Statistic	p-Value
ESGC*BISZ	**7.09**	**0.34**	**2.56**	**0.000****
BDS*BISZ	0.51	0.21	0.30	0.004**
BO*BISZ	**5.76**	**1.43**	**3.09**	**0.003****
BI*BISZ	**5.21**	**3.52**	**3.49**	**0.000****
Constant	1.44	0.33	0.32	0.532
R-squared	**0.89**			
Adjusted R-squared	**0.12**			
F-statistic	**7.813**			
Prob(F-statistic)	**0.000**			
Observations	**240**			

Source: Author's Computation (2026) **p<0.05

The F-statistic of **7.813** with p-value of **0.000 in** Table 5 indicated that the model is suitable for statistical inference and the overall, integrated reporting quality is significantly related with board characteristics when moderated with bank size of the listed DMBs under this research. Moreover, R-squared value of 0.89 given by the model means that 89% of the changes in the dependent variable can be explained by the independent variables of this research. However, the error term captured the unexplained part.

This finding showed the importance of bank size in driving the board of directors to engage in integrated reporting quality of listed DMBs in Nigeria. The finding is also consistent with Orjinta, et al., (2024) who found that firm size positively influences integrated reporting practices of banks in Nigeria. Moreover, the finding is in line with the agency theory and stakeholders' theory which predicted a positive relationship between bank's attribute such as size of the bank and integrated reporting quality.

CONCLUSION AND RECOMMENDATIONS

The study concluded that board characteristics have positive and significant relationship with integrated reporting quality. This finding highlight the critical role plays by board characteristics in driving integrated reporting quality of listed DMBs in Nigeria. Banks that have invested on board digital skill, initiatives like programs, defined objective and ESG-based compensation like cash or stock do drive integrated reporting quality. Moreover, bank size is critical attribute of the bank that moderates the relationship between board characteristics and integrated reporting positively and significantly. Banks that manage their assets by putting them in productive capacity sustain long-term growth and create value for their stakeholders by providing integrated reporting quality to make not just single-line decision but a holistic decision.

Thus, the management of listed DMBs in Nigeria should encourages their board of directors by investing more resources on their EGS-compensations, initiatives, digital skill and objectives pursues so as to help sustain the quality of integrated reporting. In addition, management should strategically manage their assets and invest their financial resources more on acquisition of modern technologies and physical assets to ensure the sustainability of their quality integrated reporting.

However, this research encountered some limitations. In particular, the research is restricted to listed DMBs in Nigeria which is single-sector based investigation. Hence, this called for further investigation on the subject to explore large-data base across companies in Nigeria.

REFERENCES

Abdulwasiu, M. I., Mustapha, L.O. & Tauhid, S, (2023). Board characteristics and integrated reporting of listed oil and gas companies in Nigeria: Moderating Role of Profitability. *International Journal of Research Publication and Reviews, 4*(5), 6357-6373.

Abdulrasheed B. & Aminu A. (2024), Sustainability reporting and financial performance of listed consumer and industrial goods companies in Nigeria: A Comparative Analysis. *African Journal of Accounting and Financial Research, 7*(1), 132-151.

Abu, S. E. (2024). Audit committee characteristics and firm financial performance of quoted industrial goods firms in Nigeria. *International Journal of Financial, Accounting, and Management, 5*(4), 459-472.

Adejola, P.A., Joseph, B. O. & Ojuola, O. K. (2024). Sustainability reporting and financial performance of listed Agricultural Companies culture and natural resources firms in Nigeria. *International Journal of Social Sciences and Management Review, 07*(02), 16-32.

Adeoye, O. & Bakare, A. (2024). ESG-based executive compensation and integrated reporting quality: Evidence from Nigerian banks. *Sustainable Finance Journal, 3*(1), 102–119.

Adesanya, K. & Akintunde, O. (2025). Board objectives and management ESG capability: An integrated governance approach. *African Journal of Accounting and Management Studies, 9*(1), 56–74.

Ajayi, B. & Obamuyi, T. M. (2025). Executive digital skills and integrated financial communication in Nigerian banks. *Journal of Digital Governance, 2*(1), 77–90.

Akinola, A., Salawu, R. O. & Olajide, F. (2025). Governance committees and the quality of integrated reporting in Nigeria. *Journal of Sustainable Reporting, 4*(2), 115–130.

Amanamah, R. B. (2024). International financial reporting standard compliance in Sub-Saharan Africa: The influence of the board and firm characteristics. *International Journal of Auditing and Accounting Studies, 6*(3), 263–297.

Balogun, K. & Ezeagu, N. (2024). Board–management collaboration and integrated performance reporting. *Journal of Governance and Strategy, 5*(1), 55–70.

Ikpor, I. M., Akanu, O. O., Ugwu, J., Udu, G. O.C., Ulo., F. U., Achilike, N. & Oganezi, B. (2024). Influence of board governance characteristics on sustainability accounting and reporting in a developing country: Evidence from Nigeria Large Businesses. *Sage Journals.* https://doi.org/10.1177/21582440231224235.

International Integrated Reporting Council [IIRC]. (2022). *The international<IR> framework*. Retrieved from https://www.integratedreporting.org/wp-content/ uploads/2021/01/InternationalIntegratedReportingFramework.pdf.

Kaur, J., Sharma, M. & Kumar, R. (2024). ESG-Linked Executive Remuneration: Component-Level Panel Data Analysis of Indian Companies. *Iosr Journal of Economics and Finance, 15*(4), 48-58.

Latifat, A.A., Onipe, A.Y., Samuel, E.A. & Suleiman, T. (2023). The moderating role of firm size on the association between institutional ownership and integrated reporting of listed non-financial services firms in Nigeria. *Benin Journal of Accounting, Finance and Forensic Science Research, 3*(1), 40.

Makri, M., Makan, L. T. & Kabra, K. C. (2024). Board characteristics and integrated reporting in an emerging market: evidence from India. *Asian Journal of Accounting Research, 9*(1), 2-12.

Mohd A.A.H., Fayad A. A. S., Sawandi N., Abu, B. F., Md Hashim M.F.A. & Abdul, L. R. (2023). Audit committee and integrated reporting quality: Empirical evidence from an emerging market. *Polish Journal of Management Studies, 28*(2), 239-254.

Mwangi, B. W., Koske, N. & Bonuke, R. (2024).Board characteristics and quality of integrated reporting of firms listed Nairobi Securities Exchange. *Journal of Business Management and Economic Research, 8*(2), 33-48.

Obaidat, A. N. & Khasharmeh, H. A. (2023). Managerial initiative and governance alignment in Jordanian banks. *Middle East Journal of Business Reporting, 7*(2), 92–108.

O'Dwyer, B., Humphrey, C. & Rowbottom, N. (2024). From institutional integration to institutional demise: The disintegration of the International Integrated Reporting Council (IIRC). *Critical Perspectives on Accounting,* 99, 102699.

Okoughenu, S. A., Ogbeiwe, K. O. & Atanda, K. (2021). Integrated reporting and firm value: An insight into Nigerian listed companies. *Multi-Disciplinary Journal of Research and Development Perspectives (MJRDP),* 10(1), 1-13.

Omar, R. H. & Ilham, I. (2025). The role of ESG (Environmental, Social, and Governance) investment in attracting global investors. *Journal of Multidisciplinary Sustainability ASEAN, 2*(1), 23–34.

Orjinta, H. I., Ayemhenre S. & Udoezika, D. (2024). The effect of firm size and audit quality on integrated reporting of banks in Nigeria. *Journal of Accounting and Financial Management, 10*(12), 309-321.

Rilwanu, L. & Onipe, A.Y. (2024). The impact of corporate governance on integrated reporting. *Emerald Insight Management Decision, 62*(1), 370-392.