

The Analysis of the Relationship between Gender Diversity and Corporate Governance Performance

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Abstract

ESG (Environmental, Social, Governance) performance has become a key criterion for assessing corporate sustainability and responsibility, being increasingly adopted by investors, regulators, and stakeholders. Recent trends highlight a growing interest in companies that demonstrate a clear commitment to sustainable practices, diversity, and inclusion, elements that contribute to building trust and long-term performance. In this context, gender diversity on boards of directors has attracted particular attention, being recognized as a factor that can positively influence not only financial performance but also the social and governance dimensions of organizations. Based on this premise, the objective of the research is to identify and analyze the impact of gender diversity on corporate governance, with a focus on how the composition of boards of directors influences organizational performance and sustainability. The sample includes companies listed on the Bucharest Stock Exchange with the highest market capitalization. The research approach involves reviewing the relevant literature and constructing a regression model to test the relationship between gender diversity and corporate governance performance. The findings of the research emphasize the multidimensional importance of gender diversity in corporate governance and the gender diversity imbalance in the corporate governance of the analyzed companies.

Key words: corporate governance; gender diversity; transparency; market capitalization; ESG score; Bucharest Stock Exchange;

JEL Classification: M42, M48

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Introduction

Corporate governance represents a fundamental pillar of any modern organization, playing a crucial role in ensuring transparent, efficient, and accountable leadership.

Through a solid corporate governance framework, economic entities can build a healthy organizational culture, fostering responsibility, ethics, and the protection of the interests of all stakeholders, from shareholders and investors to employees and communities.

Leadership plays an essential role as it sets the tone for organizational culture and allocates the necessary resources to develop and maintain this system.

Leadership is responsible for creating a culture of accountability and transparency, emphasizing the importance of adhering to procedures and ethical practices in all operations. The growing interest of investors and other stakeholders in information regarding sustainable corporate governance practices influences companies' credibility, financial performance, innovation, and long-term sustainability. Gender diversity plays a fundamental role in corporate governance through its significant impact on equity and social inclusion, financial performance, decision-making processes, transparency, reputation, and corporate social responsibility.

In the context of the increasing interest of stakeholders in ESG (Environmental, Social, Governance) information, the research objective is to investigate and analyze the impact of gender diversity on the corporate governance of companies listed on the Bucharest Stock Exchange, based on market capitalization.

The article is structured as follows: the first section presents a review of the specialized literature on corporate governance and the impact of gender diversity within companies; the second section includes the research methodology, while the third section discusses the results and findings. The final section is dedicated to conclusions, research limitations, and future research directions.

Literature review

In the specialized literature, the role of corporate governance is to address issues related to the coordination of actions among investors and to align the interests of various stakeholders with corporate claims there, by preventing conflicts between them. Mohamed, Yongqiang, and Ahmed (2024) analyze the relationship between gender diversity in boards of directors and ESG

performance. Their findings reveal a negative relationship between the two, supported by the observation that women tend to make short-term decisions to demonstrate their competence and efficiency, which can negatively impact ESG performance.

Samsul, Muhammad, Douglas, and Shahidul (2022) demonstrate that gender diversity in boards brings tangible benefits to firms. Their research highlights that companies and creditors should consider gender diversity as a risk-reduction factor in loan contracts when it comes to covenant violations. Based on the analyzed data, the study suggests that gender diversity in boards has a beneficial effect on compliance with loan covenants, particularly through the influence of independent women and by improving monitoring and financial performance.

Also, the article by Atif, Hossain, Alam, and Georgen (2021) examine the impact of gender diversity on boards of directors on the use of renewable energy. Using a sample of 11,677 firm-year observations from US companies for the period 2008-2016, the study analyzes whether the presence of women on boards of directors influences the use of renewable energy sources. So, the conclusion reached by the authors is that gender diversity on boards of directors not only favors the transition to the use of renewable energy sources, but also contributes to improving the financial performance of firms.

Tribbitt Mark A and Richard Walton (2024) analyze the impact of women's influence on the risk of bankruptcy of firms. The study uses a sample of 6,652 observations of public US firms between 2010 and 2020 and measures credit risk using the Altman Z score. The results of the study reveal a convex relationship between women's influence on the management team and the risk of bankruptcy. Management teams with a balance of men and women accept a higher level of risk than those dominated by only one gender. However, when women's influence is very high, the risk of bankruptcy decreases significantly, suggesting that their tendency towards risk aversion may reduce the probability of bankruptcy. This supports the hypothesis that gender diversity improves decision-making and can contribute to optimizing the financial risk of firms.

Jie, Woon, Marc (2017) analyze the influence of women on boards on firms' dividend policy. Based on a sample of 1,691 firms from 1997-2011, the study explores whether firms with a higher proportion of women on the board pay higher dividends. The research results show that firms with a higher proportion of women on the board tend to

pay higher dividends. This relationship is robust to various econometric methods and alternative measures of dividend payments and women's representation on boards. The study also argues that women on boards use dividends as a corporate governance mechanism to reduce cash waste and agency problems, especially in firms with weak governance.

Irma, Siri and Silvia (2024) highlight the institutional factors influencing the adoption of gender quotas and corporate governance codes on gender diversity on boards in Europe. The study is based on a pan-European dataset with 510 observations from 30 countries, collected between 2002 and 2018. Based on the results obtained, the authors argue that the strongest determinant of the adoption of gender quotas and codes is the presence of women in state decision-making bodies (parliament, government). Countries with better quality of governance and longer maternity leave are less likely to adopt mandatory gender quotas. Cultural factors such as high-power distance, masculinity, uncertainty avoidance and short-term orientation also increase the likelihood of introducing quotas. In contrast, left-wing political ideology does not have a significant influence on the regulation of gender diversity on boards. These findings show that the adoption of gender diversity regulations is influenced by each country's institutional and cultural structures rather than by short-term political factors.

Martin, Donald, and Siri (2024) explore gender diversity in the management teams and boards of entrepreneurial firms that conducted initial public offerings (IPOs) in the US between 1990 and 2020. The authors analyze changes in gender composition, investigating whether and how firms add women to leadership positions immediately before the IPO to meet institutional investors' demands for corporate governance. The research shows that firms appear to add women to management teams immediately before the IPO to send a positive signal to public investors, with gender diversity becoming an important signal for good corporate governance and influencing how entrepreneurial firms prepare for the IPO. Differences were also observed at the industry level, with the biotechnology industry having a higher level of female representation compared to digital technologies, where the "tech bro mentality" has long dominated.

Renee Adams and Patricia Funk (2010) conducted research examining how gender influences performance and decisions in leadership positions. The study examines behavioral differences between women and men in

leadership positions, and the results suggest that these differences are not just a consequence of women's underrepresentation in these positions, but may be fundamental.

To explore the impact of corporate governance factors on the performance of financial institutions in Bangladesh, the authors Shaikh, Tawfiq, Mahedi and Anwarul (2024) used annual data from 20 financial institutions from 2011 to 2022. The study shows that board size has a significant positive impact on performance as measured by Return on Assets (ROA) and Net Asset Value (NAV). Another key aspect determined by the authors is related to firm-specific factors, such as firm age, firm size and financial leverage that have a significant impact on performance. For example, firm size has a negative impact on ROA and ROE, while financial leverage has a positive effect on ROE but a negative one on NAV. Although other aspects of corporate governance, such as board independence and director ownership, do not show a significant influence, board size could contribute to more effective governance and increased performance.

Another approach to the relationship between corporate governance characteristics and financial risks in US financial institutions is carried out by Noora, Rasol, Arman, Hassan (2021). Based on a sample of 3,116 observations of financial institutions between 2011 and 2018, they apply principal component analysis (PCA) and structural equation modeling (SEM) to assess the impact of governance variables on risks. The authors conclude that certain characteristics, such as stock-based compensation or unequal voting rights, increase risk, while board independence and gender diversity have the opposite effect.

Research methodology

The main objective of the study is to highlight the impact of gender diversity on the performance of governance of companies listed on the Bucharest Stock Exchange. In this regard, we resorted to content analysis of the annual reports published by the companies included in the sample and to regression modeling.

The sample chosen for the research is made up of the top 10 companies listed on the Bucharest Stock Exchange. The selection of companies took into account the descending order of the existing stock market capitalization at the end of October 2024. The companies

operate in the following industries: energy, chemical, finance - banking, telecommunications.

The option for the top 10 companies listed on the Bucharest Stock Exchange, based on stock market capitalization, is argued by the fact that it provides an objective, updated and representative measure of the size and market position of the company. Stock market capitalization is a dynamic indicator, constantly updated, which reflects in real time the perceived value of the company.

The data used come from public information available in the annual reports for the period 2019-2023, financial statements, independent auditors' reports and other relevant documents, as appropriate, for the entities included in the sample, available on the official website of the Bucharest Stock Exchange.

As for the regression model, it aims to analyze the factors that influence the ESG (Environmental, Social, Governance) score of the companies in the presented sample. The ESG score, used as a dependent variable, represents a key indicator of the sustainability and social responsibility of companies. In the analysis, two independent variables were selected: the proportion of women on the board of directors and the stock market capitalization. The first variable, the proportion of women on the board of directors, is considered an important social factor, suggesting diversity and gender equality in the decision-making process. The second variable, the stock market capitalization, is used as a proxy for the size and economic influence of the company.

The purpose of this model is to assess the extent to which these two variables explain variations in the ESG score, so identifying the factors that significantly contribute to the sustainable performance of companies. This analysis aims to both confirm the impact of diversity and economic size on ESG performance and provide useful insights for strategic decision-making in the field of sustainability.

The information collected to achieve the research objective is as follows:

- ESG score: the dependent variable of the model, used to assess the performance of companies in terms of environmental, social and governance aspects.
- Proportion of women on boards of directors: this is a key independent variable, used to measure the level of gender diversity at the level of company

management. The data were collected from annual reports.

- Market capitalization: this independent variable was used to reflect the economic size of the companies and their position on the market. The values were taken from the data available on the official website of the Bucharest Stock Exchange.
- Board structure: information on the total number of members on the boards of directors, as well as the gender distribution, in order to analyze their balanced or unbalanced composition.
- Analysis period: data were collected for a period of five consecutive years, to allow for a longitudinal analysis and to observe the variations over time of the analyzed indicators.
- Industry information: some characteristics specific to the industry to which companies belong could influence the relationship between diversity and performance, for example, through the level of regulation or market specifics.

The analyzed sample consists of the following companies: Hidroelectrica S.A., OMV Petrom S.A., Banca Transilvania S.A., Romgaz S.A., BRD – Groupe Société Générale S.A., S.N. Nuclearelectrica S.A., Digi Communications S.A., Societatea Energetica Electrica S.A., S.N.T.G.N Transgaz S.A., Chimcomplex S.A.

OMV Petrom S.A is the largest integrated energy producer in South-Eastern Europe. The company is active along the entire energy value chain: from exploration and production of crude oil and natural gas, to refining and distribution of fuels and, further, to power generation, as well as the trading of natural gas and electricity. The company is organized into three operationally integrated business segments – Exploration and Production, Refining and Marketing, Gas and Power. OMV Petrom's integrated business model gives it financial resilience due to synergies and natural protection against oil and gas price volatility.

Banca Transilvania S.A is the third most powerful banking brand in the world according to the Brand Finance Banking 500, 2024 assessment. Banca Transilvania entered the Brand Finance Banking 500 in 2018, at 486th place, with a brand value of 174 million dollars.

Romgaz S.A is the largest producer and main supplier of natural gas in Romania. The company is admitted to trading on the Bucharest Stock Exchange and the London

Stock Exchange (LSE). The activities carried out within the Romgaz Group are the following: exploration and production of natural gas, underground storage of natural gas, supply of natural gas, special operations and well services, maintenance and transport services; production and supply of electricity.

BRD – Groupe Société Générale S.A is the second largest bank in Romania by total assets and has the fourth largest market capitalization on the Bucharest Stock Exchange. It has over 2.2 million customers and operates a network of 870 units. The bank mainly operates in 3 markets: retail banking, corporate banking and investment banking.

Chimcomplex S.A is the main producer and supplier of vital chemicals in the region, specializing in polyols, sodium chlorides and oxo alcohols. It is also a strategic company for the Romanian economy, continuously investing in new technologies to increase efficiency, while maintaining environmental protection and sustainability at the heart of its strategy.

Electrica S.A. is a key player in the electricity distribution and supply market in Romania, as well as one of the most important players in the energy services sector. The Electrica Group provides services to approximately 3.8 million users and has a national coverage area – organized in three areas for electricity distribution: Northern Transylvania, Southern Transylvania, Northern Muntenia, and throughout the country for electricity supply, maintenance and energy services. Since July 2014, Electrica has been a company with majority private capital, listed on the Bucharest and London stock exchanges. Electrica is the only Romanian company listed in the field of electricity distribution and supply in Romania.

Hidroelectrica S.A. is a leader in electricity production and the main provider of technological services necessary for the National Energy System in Romania. In November 2019, Hidroelectrica was ranked 3rd in the top of the most valuable companies in Romania, being the most valuable company with state capital, valued at 24.4 billion lei.

Societatea Națională Nuclearelectrică S.A. ("SNN" or "the Company") is a national joint-stock company, managed in a unitary system. Currently, SNN is the only producer of electricity based on nuclear technology in Romania. At the same time, SNN produces the CANDU nuclear fuel bundles that are used to operate its own nuclear reactors.

Transgaz holds the monopoly status in the transportation of natural gas in Romania and transports approximately

90% of the total natural gas consumed. Transgaz intends to become an internationally recognized operator in the field of natural gas transportation, a leader in the energy market in the region, with a modern national natural gas transportation system, integrated at European level and with a competitive management system, in accordance with the best corporate governance practices.

Digi Communications N.V. is one of the leading telecommunications service providers in Romania and Hungary, based on the number of revenues generating units (RGUs), with significant operations in Spain and Italy. The company's offerings in its main markets include pay-TV (cable and DTH), fixed internet, fixed data, mobile telephony and mobile data, as well as fixed telephony. Fixed telecommunications and entertainment services are provided through a technologically advanced fiber optic network, which serves 84.3% and 46.3% of households in Romania and Hungary, respectively.

Results and discussion

The results of the research from the point of view of gender diversity, at the level of corporate governance of the companies included in the sample, highlighted, globally, the preponderance of male members.

For the year 2019 (**Figure no. 1**) the companies Chimcomplex Borzești, Transgaz and Digi Communications stand out, having only male members of the board of directors.

Regarding the analysis for 2020 (**Figure no. 2**), a constant can be observed in terms of the composition of the boards of directors. At the level of BRD – Groupe Société Générale, an improvement is noted in terms of increasing the number of female persons on the board of directors.

In 2021 (**Figure no. 3**), an increasing trend of female members is observed. Transgaz and BRD – Groupe Societe Generale companies are starting to pay increased attention to gender diversity.

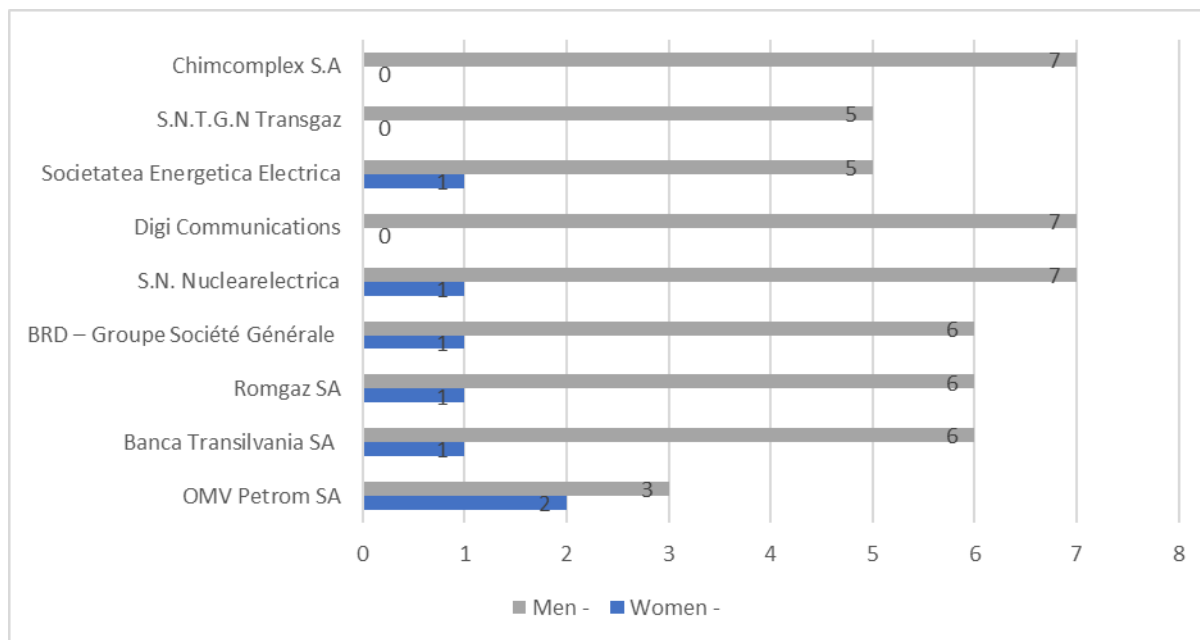
For 2022 (**Figure no. 4**), the Electrica Power Company stands out, with its board of directors composed only of male members. This represents a significant change from the previous period, when there was gender diversity in management, highlighting a possible involution in terms of gender balance.

In 2023 (**Figure no. 5**), a significant increase in gender diversity in boards of directors is observed. A notable example is the company Chimcomplex Borzești which,

although throughout the entire period analyzed, had exclusively male members on its board, in 2023

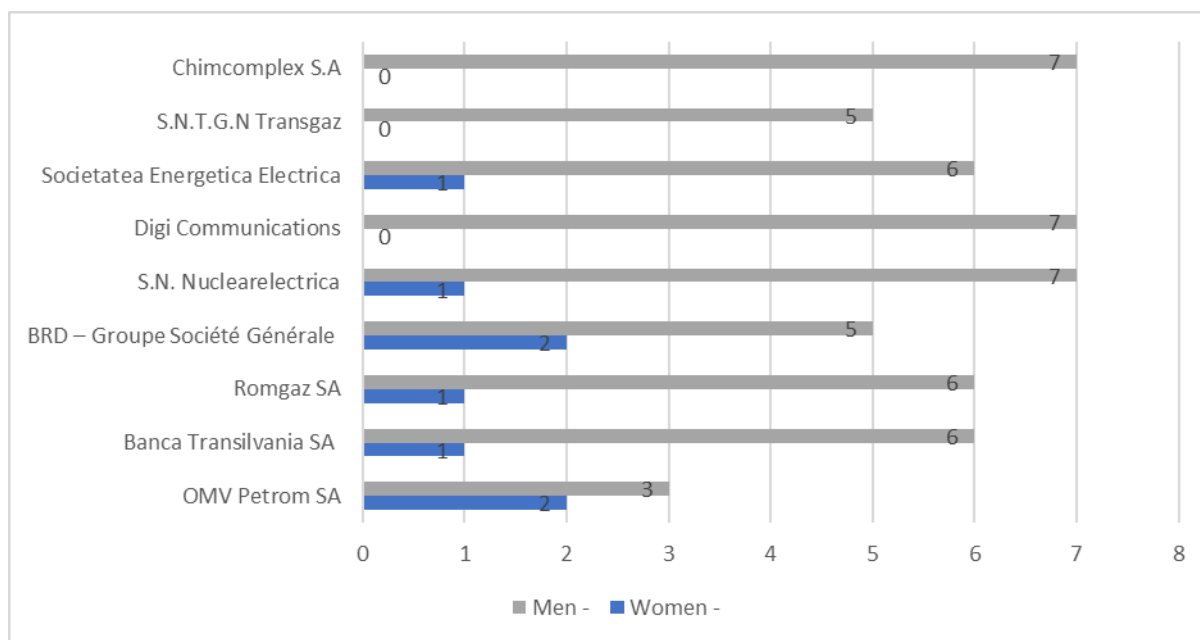
demonstrated an increased interest in promoting gender diversity, marking a positive change in this direction.

Figure no. 1. Presentation of the board of directors in 2019



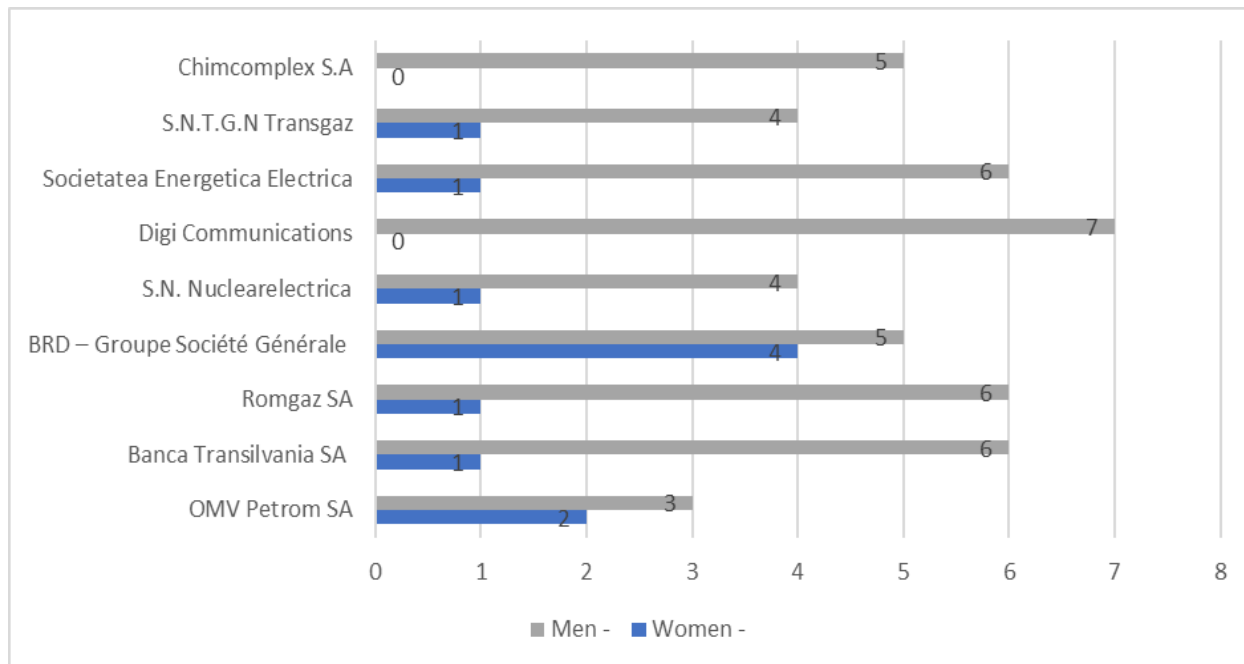
Source: own analysis

Figure no. 2. Presentation of the board of directors in 2020



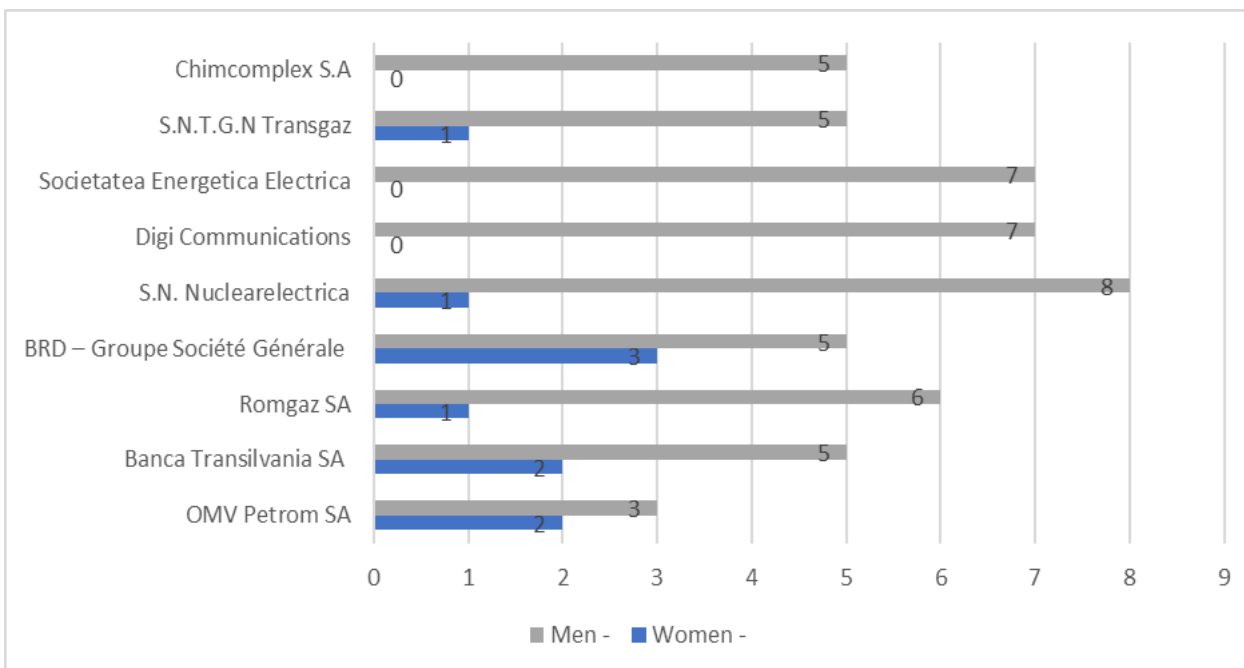
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Figure no. 3. Presentation of the board of directors in 2021



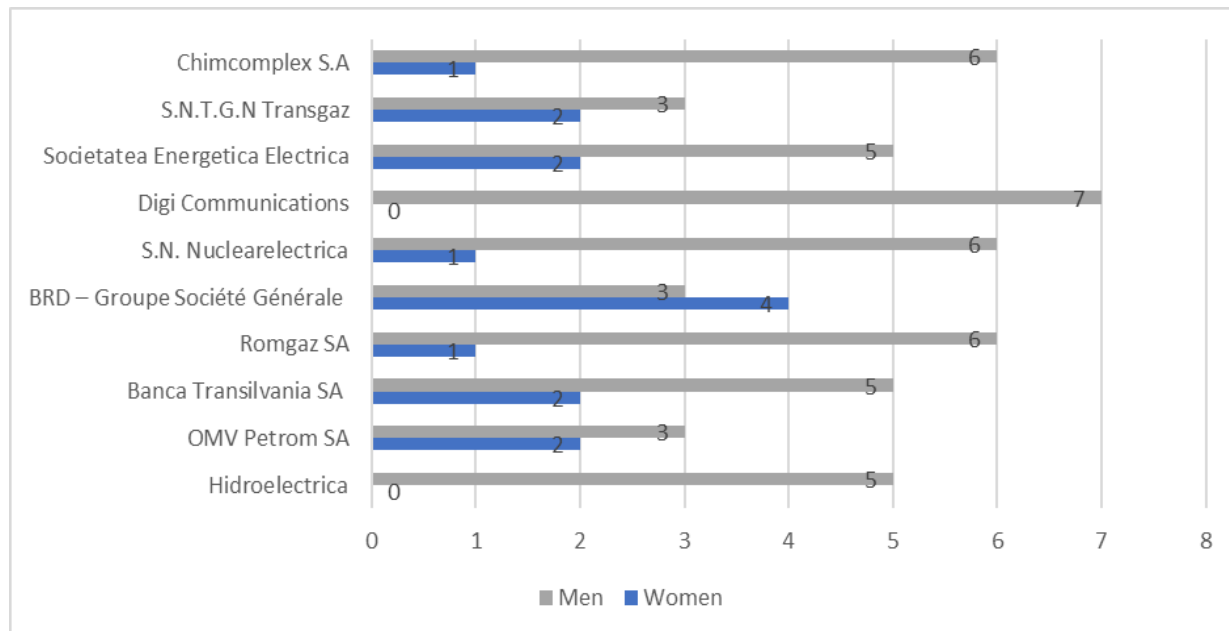
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Figure no. 4. Presentation of the board of directors in 2022



Source: own analysis

Figure no. 5. Presentation of the board of directors in 2023



Source: own analysis

Analyzing the graphs regarding the structure of the boards of directors of the 10 companies evaluated, it can be seen that, during the period 2019-2022, men were predominantly represented in these management positions. However, in 2023, the data indicate a slight increase in the number of women on boards of directors, suggesting a positive trend towards greater gender diversity. Although this evolution is still modest, it may reflect a growing concern for balancing gender representation in the management structures of companies.

A notable aspect of the analysis is that one of the companies evaluated (Digi Communications S.A) maintained an exclusively male management throughout the period 2019-2023, without any change in terms of female representation on the board of directors. This aspect highlights either a lack of initiative towards gender diversity or a possible structural barrier to women's access to leadership positions within that company. In contrast to the general trend of a slight increase in the number of women on boards of directors, this situation could suggest the need for more concrete measures to promote equal opportunities at the leadership level.

It is also important to note that Hidroelectrica S.A was only listed on the Bucharest Stock Exchange in 2023, which may influence the structure and dynamics of its board of directors compared to the other companies evaluated.

To investigate the impact of gender diversity on corporate governance (Table no. 1), a multiple regression model inspired by the one proposed by Mark A. Tribbitt and Richard Walton was built, with the aim of demonstrating the objectives established at the beginning of this research. Thus, information was collected about the ESG (Environmental, Social, Governance) scores of the 10 companies from the official website of the Bucharest Stock Exchange Research Hub. For the independent variable y1, data collected from the companies' annual reports were processed, while the independent variable y2 was taken directly from the website of the Bucharest Stock Exchange.

The multiple regression analysis (Figure no. 6) highlights the relationship between the ESG score, the proportion of women on the board of directors and the stock market capitalization. The results obtained show that the model is statistically significant, with an adjusted R^2 value of 0.7844, indicating that approximately 78.44% of the variation in the ESG score can be explained by the two

independent variables included in the model. This value suggests that the model is robust, with considerable explanatory power. In addition, the adjusted R² value

(0.7228) confirms that the model remains robust even when the number of variables included is taken into account.

Table no. 1. Centralization of data used for the regression model

Company	Dependent variable x - ESG score	Independent variable y - proportion of women in CA	Market capitalization	Estimated ESG score
Hidroelectrica	70	0,00	55.055.834.200,00	44
OMV Petrom SA	75	0,40	47.979.983.634,00	56
Banca Transilvania SA	66	0,29	26.497.827.549,00	53
Romgaz SA	60	0,14	22.894.090.560,00	48
BRD – Groupe Société Générale	67	0,57	12.892.678.083,00	61
S.N. Nuclearelectrica	45	0,14	13.212.002.557,00	48
Digi Communications	20	0,00	6.720.000.000,00	44
Societatea Energetica Electrica	37	0,29	5.195.160.961,00	53
S.N.T.G.N Transgaz	30	0,40	5.312.358.412,00	56
Chimcomplex S.A	41	0,14	3.232.023.220,00	48

Source: own analysis

Figure no. 6. Anova model

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0,885675091							
R Square	0,784420366							
Adjusted R Square	0,722826185							
Standard Error	9,978171875							
Observations	10							
ANOVA								
	df	SS	MS	F	Significance F			
Regression	2	2535,952602	1267,976301	12,73529988	0,004651864			
Residual	7	696,9473977	99,56391396					
Total	9	3232,9						
	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95%	Upper 95%
Intercept	24,11405324	6,737328203	3,579171522	0,008986101	8,182803579	40,0453	8,182804	40,0453
X Variable 1	41,16846959	18,10194787	2,274256334	0,057117901	-1,63583534	83,97277	-1,63584	83,97277
X Variable 2	8,65519E-10	1,82061E-10	4,754002641	0,00207385	4,35013E-10	1,3E-09	4,35E-10	1,3E-09

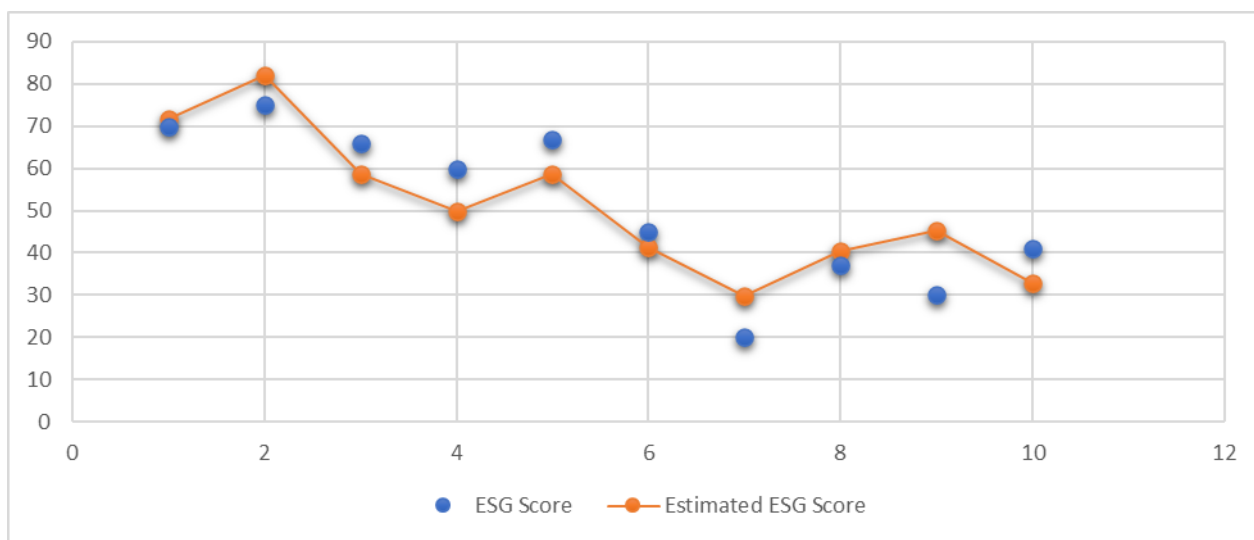
Source: own analysis

From the perspective of overall significance, the ANOVA test shows that the model as a whole is statistically significant, with a significance level of 0.0046. This indicates that at least one of the independent variables has a significant impact on the ESG score. The analysis of the coefficients provides more detailed information about each predictor. The proportion of women on the board of directors has a positive effect on the ESG score, with its coefficient being 41.164. This suggests that an increase in the proportion of women would theoretically lead to an increase in the ESG score. However, the p-value associated with this variable is 0.057, which places it slightly above the conventional threshold of 0.05. For this reason, the influence of the proportion of women cannot be considered significant at the 95% confidence level.

On the other hand, market capitalization is found to have a significant impact on the ESG score, with a positive coefficient of 8.655. Although the value of the coefficient is small, given the magnitude of market capitalization, its cumulative effect becomes substantial. Furthermore, the p-value of 0.002 associated with this variable indicates high statistical significance, highlighting that the variable, market capitalization, has a clear influence on the ESG score.

Based on the values obtained using the ANOVA Test, the estimated ESG score for each company can be determined. In **Figure no. 7** you can see the deviation from the scores held by the companies at the time of the analysis.

Figure no. 7. ESG Score VS Estimated ESG Score



Source: own analysis

The model results showed that approximately 78.44% of the variation in the ESG score can be explained by these two variables. Market capitalization was found to have a statistically significant effect on the ESG score, suggesting that the size and economic influence of a company play an important role in its corporate governance performance.

Although the proportion of women on the board had a positive effect on the ESG score, this effect was not significant at the 95% confidence level, indicating that, in the context of the companies analyzed, gender diversity is

not yet well enough represented to have a clear impact on the ESG score. This result reflects the need for further efforts to promote diversity on boards and to continuously assess its influence on corporate governance.

The model provides valuable insight into the factors that contribute to ESG performance, but also indicates the need to explore additional variables to better understand the dynamics of this phenomenon.

So, gender diversity is an essential aspect of modern corporate governance, with the potential to enhance organizational performance, improve decision-making

processes, and bring broader perspectives on sustainability and social responsibility. For the companies analyzed, increasing the proportion of women on boards could start with a series of specific measures such as:

- **Setting clear gender diversity targets.** Companies could adopt internal policies that set quantifiable goals for increasing female representation. For example, they could aim to reach a certain percentage (e.g. 30-40%) of women on the board of directors within a defined timeframe.
- **Implement mentoring and development programs.** To support the advancement of women into leadership positions, companies can introduce dedicated mentoring and professional development programs for women in management positions, preparing them for board roles.
- **Increase transparency in the recruitment process.** The selection of board members should be a transparent process, based on competence and diversity. Recruitment processes that eliminate bias can be used, such as including an equal number of male and female candidates on shortlists.
- **Adopt inclusion policies.** Companies should integrate gender diversity into their overall sustainability strategy, encouraging a corporate culture that promotes equal opportunities and respect for diversity.
- **Collaborate with investors and stakeholders.** Investors are increasingly concerned about sustainability and diversity, and companies can work with them to integrate diversity goals into their long-term strategy.

In this context, adopting measures to increase corporate governance could generate a series of significant benefits for both the companies analyzed and their stakeholders. Among these, we could mention:

- *Improve decision-making:* Gender diversity contributes to a better representation of different perspectives and experiences. Studies show that diverse teams make better-informed and more creative decisions, reducing the risks associated with unilateral decisions.
- *Increased financial performance:* Research shows that greater diversity on boards is associated with improved financial performance. This is due to more

innovative approaches and a better understanding of market and consumer needs.

- *Improved corporate image:* Companies that promote diversity are perceived more positively by investors, customers and employees. An improved public image can attract new talent and help build customer loyalty.
- *Increased sustainability:* Gender diversity is a pillar of the ESG agenda, and companies that embrace this goal can more easily attract investors interested in sustainability. This can lead to greater access to capital and a stronger market position.
- *Reduced reputational risks:* A lack of diversity can lead to criticism from investors, activists or the general public. By promoting gender diversity, companies can prevent these risks and build a better relationship with stakeholders.

Conclusions

The literature review highlights that gender diversity on boards brings significant benefits, not only in terms of financial performance, but also in terms of other essential dimensions of corporate governance. Studies show that a balanced gender representation can contribute to increased transparency and accountability, having a positive impact on dividend distribution and on the more efficient use of renewable resources. At the same time, gender diversity has been associated with a significant reduction in financial risks, especially in terms of loan contracts, due to a more balanced perspective and a more rigorous risk analysis.

Our research results highlight that the structure of the boards of directors of the ten companies included in the sample is relatively constant over a five-year period. This analysis highlighted the fact that although the proportion of women on boards varies between companies, in general, their representation remains relatively low, suggesting that gender diversity among decision-makers still represents a challenge within the companies analyzed.

The research results also highlight that gender diversity can have a positive impact on ESG score, even if this effect was not statistically significant in the current context. This aspect highlights the need to encourage a greater representation of women in order to observe clearer benefits. Moreover, the economic size of the company (measured by market capitalization) was shown to have a significant influence on ESG performance, suggesting that

organizations with greater financial capacity can invest more efficiently in sustainability initiatives.

In terms of research limitations, we consider that one of them is the reduced research sample that includes only companies listed on the Bucharest Stock Exchange which

have the largest market capitalization. As future research directions, we will extend the analysis on gender diversity in corporate governance to companies listed on the BVB from other industries, but over a longer time horizon.

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