

**DOES BOARD GENDER DIVERSITY STIMULATE CORPORATE WATER EFFICIENCY
IN BRAZILIAN COMPANIES? THE MODERATING EFFECT OF SUSTAINABLE
COMPENSATION POLICIES**

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Introdução

Climate change exacerbates the imbalance between water supply and demand (Karki & Rao, 2023; UN Water, 2021), which may damage crucial trade routes and prevent supplies from reaching those who need them most (World Economic Forum, 2023). Further, climate change has worsened water scarcity due to pollution (IPCC, 2022), especially in poorer communities, by reducing the water storage in soil, snow, and ice (UN Water, 2021).

Problema de Pesquisa e Objetivo

Based on the discussion above, the primary objective is to examine how board gender diversity affects corporate water efficiency. This paper also investigates the moderating effect of sustainable compensation policy on the relationship between board gender diversity and water efficiency.

Fundamentação Teórica

Upper echelon theory points out that corporate outcomes are affected by the cognitive bases and values of the organization's powerful actors (Hambrick & Mason, 1984). In other words, executive characteristics impact organizational outcomes (Hambrick, 2007). Stakeholder theory refers to a set of propositions that indicate that executives have obligations to the different stakeholders of firms (Freeman, 2015).

Metodologia

This study examined the impact of board gender diversity on corporate water efficiency and the moderating role of sustainable compensation policies in this relationship for a sample of 134 Brazilian companies from 2010 to 2021. We collect ESG and financial data from the Refinitiv Eikon (formerly Thomson Reuters) database. We use Feasible Generalized Least Squares (FGLS) with heteroscedasticity and panel-specific AR1 autocorrelation.

Análise dos Resultados

The results suggest that the presence of women on the board does not influence the implementation of water efficiency initiatives. The evidence also indicates that sustainable compensation policy positively moderates this relationship.

Conclusão

This study examined the impact of board gender diversity on corporate water efficiency and the moderating role of sustainable compensation policies in this relationship for a sample of 134 Brazilian companies from 2010 to 2021. The results suggest that the presence of women on the board does not influence the implementation of water efficiency initiatives. The evidence also indicates that sustainable compensation policy positively moderates this relationship.

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