

Are Firms with Female CEOs More Environmentally Friendly?

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Abstract

In this paper, we document a previously unknown benefit of women's role in firm management: the enhancement of environmental protection. Through a panel data analysis, we find that firms with female CEOs produce less air and water pollution and greenhouse gas emissions, and receive fewer environmental penalties, compared to firms with male CEOs. Our difference-in-differences analysis shows that firms also reduce air and water toxic releases, greenhouse gas emissions, and receive fewer environmental penalties after experiencing a male-to-female CEO transition. Moreover, firms demonstrate higher awareness of environmental protection, reflected in their 10-K filings, when being led by female CEOs.

Keywords: Female CEOs, Pollution, Environmental Penalties

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