Can Female Directors Shrink the Gender Gap? Evidence from France*

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Abstract: This paper investigates how the gender composition of corporate boards impacts gender gaps within the firm, and whether this leads to an equity-efficiency trade-off. Harnessing a comprehensive panel of French firms from 2006 to 2021, we exploit a 2010 gender quota as an exogenous shock to board composition. In response to the quota, publicly listed firms increase their female board share from 11% to 42%, while non-listed firms exhibit a more modest change. Using firms' pre-quota listing status in difference-in-differences and IV strategies, we show that greater female board representation improves labor outcomes for women: it increases female representation among top earners and the likelihood that a woman becomes CEO, while reducing gender wage gaps across the wage distribution. These gains do not come at the expense of the firm's financial performance: despite higher labor costs, profitability remains unchanged. Boards with higher female representation leverage executive compensation to incentivize CEOs to address gender disparities, and female directors' effectiveness appears to be enhanced by their prior top executive experience and access to key board committees.

Key Words: Gender wage gap, Corporate governance, Discrimination, Human capital
JEL Codes: J1, J3, J7, G3

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Introduction

Gender imbalances are prevalent in the economy, both in upper management and the broader workforce. Women remain heavily under-represented in corporate leadership: in 2023, they accounted for only 7% of the CEOs and 16% of the CFOs of large companies in the United States and Europe (Deloitte, 2023). Moreover, the gender wage gap ranges from 11% at the bottom decile to 20% at the top decile in OECD countries (OECD, 2022). These imbalances have a significant economic cost (Hsieh et al., 2019; Morazzoni and Sy, 2022; Chiplunkar and Goldberg, 2024) and are now mainly driven by firm-specific policies (Goldin, 2014; OECD, 2022).

Over the past two decades, investors, business leaders, and policymakers have promoted greater female representation on corporate boards as a way to address these gender disparities.[1] In the United States, investors led initiatives such as the 2017 "Fearless Girl" campaign that have intensified pressure on firms to appoint more female directors. In Europe, gender board quotas have become widespread, starting with Norway in 2003 and culminating in a European Union-wide quota in 2022.[2] As a result, female representation on the boards of large U.S. and European firms doubled from 15% in 2010 to approximately 30% by 2023.

In this paper, we leverage France's gender board quota to conduct a two-fold investigation. First, we study the impact of female board representation on gender inequality within firms, as measured by female representation and gender wage gaps across the firm's wage distribution. Second, we explore how these changes affect the firm's labor costs and profitability.

Our main contribution is to provide the first evidence that a larger female board share significantly improves gender equality: it leads to an increase in female representation among top earners and a reduction in gender wage gaps throughout the wage distribution. While prior literature has used board quotas to examine similar outcomes in Norway (Bertrand et al., 2019) and Italy (Maida and Weber, 2022), these studies primarily focus on women in executive roles and find no significant effects. However, Norway's already high level of gender equality may have left limited room for improvement, while the staggered implementation of the Italian quota led the authors to exploit only a small variation in the average female board share.[3]

By contrast, France offers a valuable setting for our study for three main reasons. First, the gender quota, introduced in 2010, mandated a substantial increase in the female board share of targeted firms: the 40% threshold, to be reached by 2017, represented a 30 percentage point average increase relative to pre-quota levels. Second, France still has significant room for improvement in gender equality: it exhibits significant gender wage gaps across the earnings distribution – 12% at the median and 20.4% at the top decile in 2022 (OECD, 2023) – and ranks just 40th out of 146 countries in the

[1] For instance, Deloitte's Chair emphasized in 2019 that "*boards are in a position to reset the tone at the top when it comes to diversity by making gender parity a priority throughout the entire organization and holding leadership accountable to make progress*". The 2021 Sustainability Yearbook of S&P Global stated that "*having more women on the board will have trickle-down effects on the rest of the workforce.*" The European Commission's Directive 2022/2381 argued that "*a higher share of women on company boards has a positive impact on closing both the gender employment gap and the gender pay gap.*"

[2] Norway (2003), France (2010), Iceland (2010), Italy (2011), Belgium (2012), Denmark (2012), Germany (2015), and Spain (2023). In the US, California implemented a quota in 2018 (since overturned in court), and Washington in 2020.

[3] Norway has consistently ranked 2nd on the Global Gender Gap Ranking since its inception in 2006. In Italy, the quota-induced increase used for identification by Maida and Weber (2022) was about 10 percentage points on average.

Global Gender Gap Ranking in 2023. Third, French boards have the legal authority to directly shape firm strategy. Directors can thus, in principle, meaningfully influence corporate policies and practices, including those affecting gender equality.

Our analysis focuses on the period from 2006 to 2021 and relies on three data sources, each with comprehensive coverage of the French private sector. First, a matched employer-employee dataset with rich job-level information. Second, a firm panel containing detailed accounting and financial information. Third, a panel of directors and CEOs, which we newly compiled from commercial court registers recording changes in corporate leadership.

The main empirical challenge in estimating the causal impact of a change in the female board share is the endogeneity of director selection: firms that appoint more female directors may systematically differ from those that do not. Our identification strategy exploits the 2010 board quota, which initially applied to two groups of firms: (i) all publicly listed firms, regardless of size, and (ii) non-listed firms with more than 500 employees and over €50 million in either sales or net assets. Crucially, these two groups have very different incentives to comply. Listed firms are easy to monitor, as they are required to issue yearly proxy statements, and the composition of their board is thus public knowledge. By contrast, non-listed firms are not subject to such disclosure requirements and their board composition is much harder to track.[4]

We exploit this gap in ex-ante compliance incentives in two complementary empirical approaches: a Difference-in-Differences (DiD) and an Instrumental Variable (IV) strategy. In our DiD design, firms listed in 2009 – the pre-quota year – form our treatment group (henceforth "listed firms"), while non-listed firms with more than 500 employees and over €50 million in sales or net assets in 2009 comprise our control group (henceforth "large non-listed firms"). Despite having lower compliance incentives, these large non-listed firms are comparable to listed firms on key metrics (size, industry mix, and baseline outcomes) – unlike firms not targeted by the quota.[5] In our IV strategy, we instrument for a firm's female board share with its listing status in 2009. Since our instrument is the variable determining treatment assignment in our DiD, the DiD results provide the reduced form of the IV, while the IV yields more directly interpretable estimates of the effect size.

As expected, these two groups reacted differently after the introduction of the gender quota. While listed firms quadrupled their female board share from 11.3% in 2009 to 42.3% in 2021, large non-listed firms exhibited a modest increase from 16.7% to 27.6%. Furthermore, 80% of listed firms met the quota in 2021, compared to only 35% of large non-listed firms.

We ensure that this strong first stage can be used to estimate the causal impact of female board share on gender equality outcomes. We conduct a series of robustness checks to verify that the necessary identification assumptions are satisfied. First, we show that listed and large non-listed firms

[4]No government agency was mandated for identifying the firms subject to the quota or collecting information on their board composition. A 2021 review by the Prime Minister's Office acknowledges "[its] *inability to identify all the companies subject to the quota and the lack of comprehensive oversight.*" (Haut Conseil à l'Egalité entre les Femmes et les Hommes, *10 ans de la loi Copé-Zimmermann*, January 2021). First, non-listed firms are not required to disclose their financial statements, making it hard to know if they meet the criteria for quota implementation. Second, they do not have to publicly disclose their board composition, although any changes in corporate leadership (directors and top executives) must be declared to the Commercial Court of the region where they are headquartered. This makes it possible, albeit far from straightforward, to recover the detailed composition of their boards.

[5]We report robustness checks showing that our results hold when using non-targeted firms as an alternative control group.

were not on different time trends prior to the quota. Second, we ascertain that large non-listed firms did not become less pro-women after 2010, and that our results are not driven by an increase in the gender gap among them but rather by a larger reduction among listed firms. Third, we check that listed firms did not have additional incentives to reduce the gender gap after 2010 beyond their female board share. Specifically, we find evidence suggesting that it is unlikely that shareholder activism, media coverage, or an intent to showcase a pro-women stance drove the observed reduction in gender disparities within listed firms.

Our first key finding shows that greater female board representation improves gender equality within the firm. First, it leads to an increase in female representation in the highest corporate echelons. IV estimates show that a 30 percentage point increase in the female board share – the average increase among treated firms – leads to a 5.8 percentage point increase in the likelihood that a woman becomes CEO, effectively doubling it compared to pre-quota levels. Women are also more likely to be among the firms' top earners: the share of women in the top percentile of the firm's wage distribution increases by 30%. We observe a negative gradient across the wage distribution: the share of women increases by 11% among the top 10% of earners, and 4% among top 25% earners, with no significant effects for women in the bottom 25% or 10%. This pattern is consistent with the board's primary role in appointing the CEO and other top executives. Second, a larger female board share reduces gender wage gaps across the entire wage distribution. IV estimates indicate that a 30 percentage point increase in the female board share leads to a 2.1 percentage point decline in the average gender wage gap — a 12% reduction compared to the pre-quota year. Importantly, this narrowing of the gender wage gap is observed throughout the wage distribution. The median gender wage gap decreases by 3.7 percentage points (a 19% reduction relative to the pre-quota year), while gaps at the first and third quartiles respectively decline by 2.2 and 3.9 percentage points. These changes appear to be driven primarily by adjustments in the wages of incumbent employees rather than newly hired.

Our second key finding reveals that these gender equality improvements do not harm firm performance. We show that the reduction in gender wage gaps occurs through faster wage growth for women rather than slower growth for men. While this increases labor costs – the share of wage bill allocated to women rose by approximately 4% between 2009 and 2021, and the labor costs per employee ratio increased by 8% –, we find no evidence of decreased profitability, as measured by the ratio of operating income to net assets. Our results suggest that productivity improvements may offset these higher labor costs. This mechanism is consistent with what has been observed in other contexts such as Denmark, where Bennedsen et al. (2022) find that gender wage gap reductions achieved through slowing male wage growth negatively impact productivity.

Our third set of findings provides new evidence on the mechanisms linking female directors to improvements in gender equality within the firm. Due to data limitation, this analysis focuses on listed firms, i.e. our treated group. First, we find evidence that boards use executive compensation to advance gender equality within the firm by including gender-related metrics among the performance indicators of the CEO variable compensation. These changes are more likely to happen in firms where the female board share is higher, and companies that adopt such incentives exhibit larger improvements in gender equality. This suggests that female directors play an active role in promoting gender-related

goals. Second, female directors appointed post-quota do not appear as being less qualified or perceived as less legitimate. Instead, the gender gap in directors' top executive experience shrinks by half after the quota, driven by an increase 33% in the executive experience among female directors. Post-quota female directors are also more likely to hold seats on key board committees, further indicating that they are actively involved in core governance decisions and not relegated to symbolic roles.

Related literature. Our paper contributes to four strands of literature. First, we add to the research on corporate governance by showing that boards can effectively shape firm labor policies and by emphasizing the pivotal role of executive compensation in aligning CEO actions with the board's vision. This challenges the view that boards play only a limited role (Demb and Neubauer, 1992; Hermalin, 2005; Schwartz-Ziv and Weisbach, 2013; Jäger et al., 2021), and provides evidence that boards' influence extends beyond stock or financial performance (Ahern and Dittmar, 2012; Green and Homroy, 2018; Greene et al., 2020). Our paper also complements works exploring the channels through which boards can shape corporate strategy, such as Matsa and Miller (2013) who find that they can do so through the selection of like-minded executives.

Second, we contribute to the growing literature on gender and organization by providing new evidence of the spillover effects of female directors on gender equality within firms. The barriers women face in the labor market have long been documented (Athey et al., 2000; Goldin, 2014; Kleven et al., 2019; Hospido et al., 2022) and male-dominated corporate leadership has been found to foster less inclusive corporate cultures (Tate and Yang, 2015). Against this backdrop, research has shown that women in leadership positions can help dismantle these barriers. Outside the firm, female leaders have been found to serve as effective role models (Beaman et al., 2009; Porter and Serra, 2020) and to advocate for policies that better reflect the needs of women (Pande, 2003; Chattopadhyay and Duflo, 2004; Langan, 2019). Inside the firm, much of the existing research focuses on female executives. This literature finds that female executives can equalize the performance standards applied to women (Egan et al., 2022), reduce gender gaps in promotions (Kunze and Miller, 2017; Cullen and Perez-Truglia, 2023), narrow the gender pay gap among high-earners (Flabbi et al., 2019), and increase the responsibilities given to female managers (Duchin et al., 2021). However, evidence on whether female directors generate similar spillovers is more mixed. While Bertrand et al. (2019) and Maida and Weber (2022) find little effect, Matsa and Miller (2011) show (non-causal) results suggesting that female directors may encourage the promotion of women to top executive roles.

Third, our paper speaks to the literature on gender board quota, providing the first robust evidence that quotas can effectively reduce gender disparities across the broader firm hierarchy, not just at the board level. Prior studies focus on women in top executive positions within listed firms. These studies generally find no or slightly negative effects but do not explore the mechanisms behind these results (Bertrand et al., 2019; Maida and Weber, 2022; Gibert and Fedorets, 2024). Furthermore, the country-specific institutional contexts may have prevented the detection of significant effects in these studies.[6] A related study by Dalvit et al. (2021) examines the French context and finds modest positive effects for women in managerial roles, though their analysis has important limitations.[7] We

[6]The specificities of Norway and Italy are discussed above. In Germany, boards mainly serve a supervisory roles, thereby lacking the authority to shape the firm's strategy, as also suggested by Jäger et al. (2021).

[7]Notably, the analysis stops in 2016, a year before the implementation deadline, while we detect most of the effects after

extend this literature in three ways. First, we assess a broader range of outcomes, including gender gaps across the entire firm's wage distribution. Second, our analysis relies on a more comprehensive set of firms, including non-listed ones. This allows us to employ empirical strategies that differ from the one commonly used in the literature and whose validity has been questioned (see, e.g., Eckbo et al., 2022). Third, we directly study mechanisms driving our effects, helping explain why our results may differ from earlier works. For example, Maida and Weber (2022) suggest that the limited effect of the Italian quota may stem from female directors being excluded from key board committees, a hypothesis they do not test directly. Our evidence confirms the importance of committee membership for directors' influence, in line with Green and Homroy (2018), while also emphasizing that how broadly these positions are allocated (i.e., the share of directors belonging to committees) may also matter.

Finally, our paper also contributes to the literature on board composition and recruitment patterns (Adams and Ferreira, 2009; Kramarz and Thesmar, 2013; Kim and Starks, 2016; Bertrand et al., 2019). Most prior studies on gender quotas focus on how listed firms respond. Our new dataset allows us to extend this analysis to non-listed firms, a largely overlooked segment. In France, for example, Ferreira et al. (2017) show that post-quota female directors in listed firms tend to be more qualified and are more likely to be foreign. We confirm this pattern for listed firms but find no similar trend among non-listed firms, suggesting that non-listed firms either underutilize this talent pool or are less attractive to foreign candidates. We also identify two additional contrasts with prior studies. First, we find that post-quota female directors are less likely to have family connections to other directors, diverging from the pattern documented by Chevrot-Bianco (2021) in Denmark. Second, we show that post-quota female directors are more likely to have top executive experience contrasting with the pattern observed by Gormley et al. (2023) in the US, where changes in female board representation was driven by shareholder activism rather than a quota.

The remainder of this paper is structured as follows. Section 1 presents the institutional context. Section 2 describes our dataset, study sample, and the construction of our key outcomes. Section 3 documents the effects of the quota on board composition. Section 4 presents our empirical strategies. Section 5 discusses our main results. Section 6 investigates the potential mechanisms driving these effects. Section 7 concludes.

1 Institutional context and the 2010 reform

1.1 Corporate Governance in France

Types of firms. French corporate law allows boards to be established under three legal structures: *Sociétés par Actions Simplifiées* (SAS), where the formation of a board is optional; *Sociétés Anonymes* (SA); and *Sociétés en Commandite par Actions* (SCA), that both require the establishment of a board. Publicly listed firms cannot be organized as SAS. SCA firms have a two-tier board system in which the management board (*Directoire*) is distinct from the supervisory board (*Conseil de surveillance*), with no possible membership overlap. Firms operating as SAS that opt to form a board, as well as SA firms, have the discretion to adopt either a dual-board system analogous to that of SCAs or a unified board

2017. Moreover, they do not take into account pyramidal ownership structures, thereby failing to encompass the relevant firm scope, a major concern when looking at within-firm outcomes.

system (*Conseil d'administration*) that integrates executive and non-executive directors. Throughout, we use the term "board" to refer to both boards of directors and supervisory boards. Firms with a board remain a minority in France: in 2021, about 28% of firms had a corporate structure compatible with having a board, with a mere 1.1% actually required to establish one.[8] Despite their relatively small number, these board-governed firms represent a substantial share of the French economy.[9]

Publicly listed firms in France. Publicly listed firms face strict regulatory oversight from the *Autorité des Marchés Financiers* (AMF), France's financial markets regulator. In particular, they must comply with mandatory disclosure requirements, including quarterly financial reports and annual proxy statements. Per the directives of the AMF, proxy statements must contain, *inter alia*, comprehensive information on board composition and executive compensation. These requirements make listed firms' compliance with the quota considerably easier to monitor.

Role of the board. The responsibilities of a board are defined in Article L225 of the *Code of Commerce (CC)*. In a one-tier board system, the board is responsible for defining the firm's overall strategy and overseeing its implementation. In a two-tier board system, the board primarily has a supervisory role. The one-tier system is predominant in France: in 2021, 91% of the firms in our sample operated under this structure.[10]

In both systems, boards have two essential prerogatives. First, they appoint the CEO and/or the members of the management board, and can dismiss them *ad nutum* (at any time). Second, they set the compensation for the CEO and other top executives. Thus, even a supervisory board could promote pro-women policies within the firm by choosing like-minded executives.

Board size, appointment and compensation of directors. The size of the board must range from three to eighteen members.[11] A one-tier system allows for "executive directors," i.e., directors who also hold executive positions within the firm, such as the CEO or top managers. This is not permitted under a two-tier system. New appointments are proposed by incumbent directors and must be ratified by shareholders at the yearly General Meeting. Similarly, directors' yearly compensation (*jetons de présence*) must be approved by shareholders.

A director may qualify as "independent" upon meeting certain criteria recommended by the MEDEF, France's largest employer federation (e.g., not having family connections with any of the firm's executives, not being or representing a large shareholder, not being employed by the firm, etc.). Ultimately, the board itself has full discretion to assess the independence of each of its members. Independent directors are expected to be more impartial due to the absence of conflicts of interest,

[8] Further details are reported in Appendix Table A1 showing the number of firms by legal structure in 2021. In 2021, only 4% of the firms that can or must operate with a board actually had one.

[9] For instance, our main analysis sample, whose selection is described in Section 2.1, represents 21% of the total workforce and 27% of value added in 2021 (Appendix Table A2).

[10] It is unclear whether boards should be expected to exert more influence on management in a one- or two-tier system. On the one hand, Jäger et al. (2021) suggest that in a two-tier system, it may be harder for boards to constrain management to implement specific policies. On the other hand, in France, Belot et al. (2014) find evidence that monitoring is more effective under a two-tier system.

[11] This upper bound can be raised to 24 for at most three years under certain conditions.

and thus, they are perceived as promoting better governance (Masulis and Mobbs, 2011; Guo and Masulis, 2015). However, they may also suffer from an informational deficit, which can diminish their influence and effectiveness on the board (Duchin et al., 2010; Cavaco et al., 2017).

1.2 The Gender Quota Reform

Adoption of the quota. The government introduced the gender quota on corporate boards in December 2009, targeting listed firms only. The lower chamber of the Parliament voted an initial version of the law in January 2010, expanding its scope to large non-listed firms. Although the law was ultimately adopted in January 2011 (*Loi 2011-103*) after discussion in the upper chamber, firms knew as early as 2010 that a quota would be implemented, and we thus consider 2010 as the reform year.

As made clear by the Explanatory Memorandum of the law, the government's rationale was that female directors are more likely to champion gender equality initiatives, and that increasing their representation on boards would thus help close gender disparities within firms.

Requirements and targeted firms. The quota initially applied to two categories of firms: (i) all publicly listed firm; and (ii) non-listed firms with more than 500 employees and over €50 million in net assets or sales for three consecutive years.[12] Importantly, the employee and financial thresholds for quota application were set exogenously without any intention to specifically target firms that would inherently be less women-friendly. Instead, the focus on large firms was intended to maximize the impact of the law.

The quota stated that these two categories of firms were required to have at least 40% representation of each gender on their boards by January 1, 2017. It also requires that directors discuss gender equality issues during at least one board meeting per year.

Penalties. Firms face two main penalties in case of non-compliance: payments to directors are suspended until the quota is met, and any new appointments that fail to contribute toward meeting the required threshold are deemed invalid.

Incentives to comply. The law does not establish a government agency responsible for identifying firms subject to the quota or collecting information on their board composition. This lack of monitoring was acknowledged by the Prime Minister's Office in a 2021 review, which noted its "*inability to identify all the companies subject to the quota and the lack of comprehensive oversight.*"[13]

Two factors generate a gap in compliance incentives between listed and non-listed firms. First, because a firm's listing status is public knowledge, its targeting by the quota is as well. By contrast, determining whether a non-listed firm meets the quota's employee and financial requirements can be challenging since their financial statements are not publicly disclosed. Second, listed firms must issue annual proxy statements with detailed board composition information, thereby making it public

[12] The employee threshold was lowered to 250 in 2014, giving firms with 250-499 employees until 2020 to comply.
[13] Haut Conseil à l'Egalité entre les Femmes et les Hommes, *10 ans de la loi Copé-Zimmermann*, January 2021.

knowledge. By contrast, the exact board composition of non-listed firms is much harder to know, making them more difficult to monitor.

2 Data and sample construction

2.1 Construction of the Analysis Sample

Two principles guided our sample selection. First, we select firms with more than 50 full-time equivalent employees from 2010 onward. This threshold allows us to ensure that our entire sample is subject to two other regulations enacted after 2010 that could impact our outcomes. A 2010 law imposed yearly negotiations about gender equality.[14] A 2020 law requires these firms to publicly disclose a yearly measure of gender equality called "Index of Gender Equality." Ranging from 0 (worst) to 100 (best), this index is a weighted average of different gender gap measures.[15] A public database is updated every year. Our restriction thus allays concerns that our results might be driven by these laws rather than the quota.

Second, we restrict the main analysis to firms that (i) are observed every year from 2006 to 2021 and (ii) consistently have a board from 2008 to 2021.[16] This results in a balanced sample of 1,743 firms.

2.2 Categories of Firms

We base our categorization of firms on the pre-quota year (2009) characteristics. This allows us to avoid endogeneity issues, as it is immune to firms' strategic behaviors to evade quota requirements – e.g., delisting or staying below the thresholds of employees or sales specified in the law.[17]

As explained in Section 1.2, the two groups of firms targeted by the quota have different incentives to comply: listed firms have high compliance incentives while large non-listed have low incentives. Thus, in our empirical approach, we categorize firms into three distinct groups: (i) firms listed in 2009 (hereafter, "listed firms"); (ii) firms non-listed in 2009 but satisfying the employee and financial thresholds for quota application that year[18] (hereafter, "large non-listed firms"); (iii) firms not satisfying the employee and financial thresholds in 2009 (hereafter, "small non-listed firms").

Columns 1 and 2 of Appendix Table A2 report the number of employees and value added for firms included in our analysis sample in 2009 and 2021. It shows that our main sample represents a substantial portion of the French economy: in 2021, 21% of total workforce and 27% of total value added.

2.3 Data and Main Outcomes

Board composition. We rely on two main data sources to recover the board compositions for all firms in our sample and over our period of interest: (i) the firms' proxy statements when available on

[14] Coly (2022) analyzes the short-term implementation of this law, finding that most of the firms subject to it had complied by 2013, with no difference by firm size.

[15] Mean wage gap, wage raise gap, promotion gap, fraction of women among top ten earners, and number of pay rise upon return from maternal leave.

[16] As subsequently explained, we cannot reconstitute the board composition prior to January 1st, 2008.

[17] However, this strategic behavior appears rather limited: 94.3% of firms listed in 2009 and 95.1% of firms that targeted but not listed in 2009 still met the criteria for quota application in 2021.

[18] More than 500 employees and €50 million in sales/net assets.

the AMF website, and (ii) the *Bulletin Officiel des Annonces Civiles et Commerciales* (BODACC).

We leveraged the legal requirement that mandates both listed and non-listed firms to report changes in corporate leadership (directors, CEO and deputy CEO) to the Commercial Court of the region where they are headquartered. These reports must at least include the first and last names of incoming or departing individuals, as well as the date of the event. Data dating back to January 1, 2008, was made available in 2020 and has been continuously updated since then. However, the information is scattered, and no previous efforts have been made to compile it. We thus created the first comprehensive panel of directors and top executives covering every French firm from 2008. We infer the gender and nationality of directors from their names.

Employees level outcomes. To compute our main outcomes, we utilize a comprehensive nation-wide firm census: the *Déclarations Annuelles des Données Sociales* (DADS). Built from the annual mandatory workforce declarations required of all French firms, it provides complete coverage of private-sector employment and contains detailed information on all employees, such as gender, salary, job title, hours worked, etc. Each yearly dataset includes data from the previous year, allowing us to distinguish between incumbent and newly hired employees, as well as to examine changes in job titles.

We use the first digit of job title codes to categorize employees into distinct hierarchical layers, following Caliendo et al. (2015): Layer 1 comprises managerial occupations; Layer 2 professional occupations; Layer 3 intermediate occupations; Layer 4 clerical occupations; and Layer 5 production occupations. However, although job title codes help us get a sense of firms' human capital composition, they are not suited to examine promotions or to identify specific employees such as the CEO or members of the C-suite.[19]

Our main outcomes are gender hourly wage gaps. In accordance with the literature, we construct them such that a decrease in g_{jt} always indicates a narrowing of the gender wage gap. For firm j in year t, we compute the un-adjusted and adjusted mean hourly wage gaps g^u_{jt} and g^a_{jt} as follows:

$$\begin{aligned} \log w_{ijt} &= \alpha^u_{jt} + g^u_{jt} M_{ijt} + \varepsilon_{ijt} \\ \log w_{ijt} &= \alpha^a_{jt} + g^a_{jt} M_{ijt} + age_{ijt} + age^2_{ijt} + \text{Layer}_{ijt} + \eta_{ijt} \end{aligned} \tag{1}$$

where w_{ijt} is the hourly wage of employee i in firm j at year t and M_{ijt} is a dummy variable equal to one if the employee is male. The adjusted hourly wage gap accounts for employee i's age, which we use as a proxy for experience, as well as an indicator for her hierarchical layer.[20] Additionally, to investigate effects across the wage distribution, we look at percentile hourly wage gaps, which are computed as follows:

$$g_{q,jt} = \frac{w^m_{q,jt}}{w^f_{q,jt}} - 1, \quad q \in \{25, 50, 75\} \tag{2}$$

[19] A specific job title chiefly depends on the qualification required for the job, as well as the size and type of the firm. As noted in Caliendo et al. (2015), a broad categorization into layers based on the first digit of the job title can reflect hierarchies. However, job titles are not ranked within layers, making it impossible to identify promotions.

[20] As job title codes for Layer 1 are inconsistently reported across firms, we control for three indicators in this regression: one corresponding to Layers 1 and 2, one corresponding to Layer 3; and one corresponding to Layers 4 and 5.

where $w^m_{q,jt}$ (resp. $w^f_{q,jt}$) is defined as the hourly wage such that q% of male (resp. female) employees in firm j and year t earn less than this amount.

We also examine other indicators of gender inequality, notably pertaining to the representation of women at the top: the gender of the CEO and the board chair, as well as the representation of women among employees whose earnings are above the 75th, 90th and 99th percentiles. To examine if there was any impact on female representation in lowest rank, we also look at the female share of employees whose earnings are below the 10th and 25th percentiles. Finally, we also look at the female share of total workforce.

Firms' Financial Outcomes. To explore the impact on financial performance, we exploit a nationwide panel providing complete coverage of private-sector firms: the *Fichier approché des résultats ESANE* (FARE). Based on firms' tax income data, it includes detailed items from their balance sheet and income statements.

Analysis Period. We focus on the period from 2006 to 2021. This provides us with enough years to credibly rule out pre-trends while ensuring consistent sample selection over time. Indeed, prior to 2006, it is impossible to identify interim workers in the DADS dataset, whom we exclude from the analysis. We also exclude 2016 from the analysis: major changes in the data collection process were initiated that year and were phased in instead of being applied to every firm at once, which leads to breaks in our time series.

Pyramidal ownership. French firms are uniquely identified by a number called "SIREN," which corresponds to a "legal unit." However, pyramidal ownership structures are common in France, and large firms often comprise multiple legal units. For example, the largest French insurance company reported employing about 20,000 people in France in 2021, yet its official SIREN is that of a company with fewer than 10 employees.[21] Consequently, the French Bureau of Statistics (Insee) has been systematically tracking the ownership structure of French firms since 2017, identifying parent companies and their subsidiaries, which together form a "group."

We use the 2017 structure to identify groups for two main reasons. First, data on ownership structures does not exist prior to 2017. Thus, we must assume that the 2017 structure was in place before then. Second, our treatment period goes from 2010 to 2017, and therefore we attribute changes occurring in one subsidiary after 2017 to changes in the board composition of its parent company occurring during this period.

3 How Was Board Composition Affected by the Quota?

3.1 Compliance with the Quota

Changes in the female board share. The quota led to significant changes in board composition, though the responses varied markedly among targeted firms. Figure 1 Panel A shows that the average

[21] Béguin and Hecque (2015) show that, in France, neglecting pyramidal ownership could result in a 50% underestimation of the number of firms with more than 5,000 employees.

female board share in listed firms nearly quadrupled from 11.3% in 2009 to 42.3% in 2021. By contrast, it only rose from 16.7% to 27.6% in large non-listed firms over the same period. The small non-listed firms, which had the highest initial female board share in 2009 at 21.9%, experienced a more modest increase, reaching 25.4% by 2021.

This translates into substantial differences in compliance across groups: while about 80% of the firms listed in 2009 met the quota by 2021, only 35% of the large non-listed firms did so, slightly higher than the share of small non-listed firms (Figure 1 Panel B).

"Reshuffling" vs. "packing". An increase in the female board share can be achieved in two ways: substituting women for men at constant board size ("reshuffling"), or gradually adding more women to the board without removing incumbent men ("packing").

Panel A to Panel C of Appendix Figure A8 plot the yearly average number of female and male directors. Together with Table A4, they show that the differences in female board shares in 2009 were due to a difference in board size and not in the number of women on boards: listed firms had on average 9.3 members on their boards while large and small non-listed firms had smaller boards (average size of 8.3 and 6.7 respectively). Figure A8 shows that, in listed firms, the adjustment differed from the other two groups: listed firms started substituting men for women as early as 2011, i.e., the year following the reform. By contrast, the number of men remains roughly constant in the other two groups until 2017, when it decreases slightly. We also observe that, in 2021, the average number of women on the boards of large non-listed firms barely exceeds that of small non-listed firms.

3.2 Changes in Boards' Hiring Practices

Examining this sudden influx of new female directors raises two questions: Did firms expand their pool of candidates compared to before the reform? How did this affect incumbent and newly appointed male directors?

Characteristics of newly appointed directors. To answer these questions, we examine two observable characteristics of directors in every firm: family links with other directors and nationality.

Table A5 shows a contrasted picture. First, across all groups, we observe a decrease in the fraction of newly appointed directors who are family-related to other directors across both genders. Listed firms exhibit the strongest reaction, with the proportion of family-linked directors being halved for men and reduced by more than two-thirds for women, effectively erasing the gender gap along this dimension. By contrast, in the other two groups, the reduction is more pronounced for men than for women, leading to a widening of the gender gap.

Second, we find an increase in the proportion of foreigners among new appointees. Again, listed firms reacted more strongly: the proportion increased by 100% for women and by 50% for men, with no significant difference across gender. The increase in the other two groups is less pronounced, and, if anything, the gender gap appears to have slightly widened.

These results suggest that listed firms managed to comply with the quota by expanding the pool of female candidates. The comparable evolution that we detect for men supports the hypothesis of a change of the overall hiring process affecting all new appointees, resulting in an improvement of the

average "quality" of directors across both genders. This is consistent with what has been observed in similar contexts (Besley et al., 2017; Ferreira et al., 2017), as well as anecdotal evidence.[22] By contrast, it appears that the quota did not set large non-listed firms on a different trend from small non-listed firms, as the decline in the fraction of family-related appointees they experience is comparable. The fact that the proportion of foreign appointees did not change significantly suggests that large non-listed firms may have been hindered in attracting foreign directors, thereby losing access to a crucial channel to increase their female board share.

The reduction in family connections observed for all firms indicates a broader shift towards diversification of corporate boards, irrespective of the quota. This interestingly contrasts with what Chevrot-Bianco (2021) observes in Denmark, where the board quota led to an increase in nepotism, with newly appointed women more likely to be family-related to incumbent directors.

Potential implication for corporate governance. What implications might this have for our outcomes of interest? First, foreign and non-family-related directors are more likely to be independent and thus serve as effective monitors (Knyazeva et al., 2013; Guo and Masulis, 2015). Second, if foreign directors come from countries with greater awareness of gender issues, they may be more inclined to advocate for reducing gender gaps within the firm or help diversifying the pool of candidates considered for top executive positions. Therefore, we might expect to observe some effects among listed firms.

4 Empirical Strategy

To assess the impact of female board representation on gender equality outcomes, we exploit a unique institutional feature of the French quota: the different compliance incentives between otherwise similar firms. While both listed and large non-listed firms were subject to the same 40% requirement, only listed firms publicly disclose board composition through annual proxy statements. This makes listed firms easier to monitor, and generated substantial exogenous variation in female board share that we use for identification.

We rely on two complementary approaches. First, we use a Difference-in-Differences (DiD) design that remains agnostic about the functional form that maps the female board share to our outcomes of interest. Second, we implement an Instrumental Variable (IV) strategy that provides more directly interpretable estimates of the effect magnitude. Since we use the same treatment assignment/instrument in both approaches, the DiD can be viewed as the reduced form of our IV strategy.

4.1 Treatment and Control Groups

As discussed in Section 2.2, we categorize firms based on their ex-ante compliance incentives in 2009 (pre-reform year). As shown in Section 3, this approach generates a strong first stage: firms listed in 2009 overwhelmingly complied with the quota, while large non-listed firms did not. Accordingly, we define firms listed in 2009 as our treatment group and large non-listed firms as our primary control group.

[22] Interviews with directors of large listed firms revealed that complying with the quota led to a streamlining of the recruitment process for both women and men. Indeed, these firms started relying heavily on executive search firms that refined the selection criteria for all new directors, regardless of gender.

There are two main reasons for selecting this control group and we detail in Section 4.4 the assumptions required to ensure identification.

First, the two groups are economically comparable. Table 1 shows no significant difference in log employment between listed and large non-listed firms. By contrast, the workforce of small non-listed firms is two orders of magnitude smaller, making them a less reliable comparison group (Appendix Table A3). Listed and large non-listed firms also exhibit similar female employment shares and proportions of the total wage bill allocated to female employees. They are also comparable in terms of sales, with a difference only significant at the 10% level. The industry mix is similar between the two groups, as confirmed by a Pearson Chi2 test that fails to reject the equality of industry distributions (p-value = 0.20). Finally, listed and large non-listed firms have boards of similar size (Appendix Figure A8 and Table A4.).

Second, using firms also targeted by the quota as our control group isolates the effect of increased female representation from any effects of the regulation itself. If merely being targeted by the quota prompted firms to address gender inequality – regardless of actual board changes— – this would confound our estimates. Since both our treatment and control groups were formally subject to the same requirement, any general responses to being targeted should affect both groups similarly. This allows us to disentangle the effect of changing board composition from the effect of being subject to a quota.

4.2 Difference-in-Differences

Specification. Our DiD specification examines how outcomes evolved differently between listed and non-listed firms following the quota introduction, using 2009 as the reference year:

$$Y_{jt} = \alpha + \gamma_j + \lambda_t + \sum_{\substack{\tau=2006 \\ \tau \neq 2009}}^{2021} \delta_\tau Listed2009_j \times Year_{t=\tau} + X_{jt} + \epsilon_{jt} \quad t \geq 2006 \tag{3}$$

where Y_{jt} is our outcome of interest, γ_j and λ_t are firm and year fixed effects and $Listed2009_j$ is an indictor equal to one if firm j is listed in 2009. To account for firms' human capital composition and ensure that our results are not driven by composition effects, we control for the fraction of employees in each layer (see Section 2). This set of firm-specific, time-varying controls is denoted by $X_{j,t}$.

The coefficients of interest, δ_τ, capture the differential change in outcomes between control and treatment firms. The DiD estimates of Eq. (3) are plotted in Appendix Figures 2 and 3.

To present more interpretable estimates in our main tables, we collapse the post-reform period into two phases: the implementation period (2010-2015) and the post-implementation period (2017-2021). This grouping allows us to discuss both transition effects and long-term impacts:

$$Y_{jt} = \alpha + \gamma_j + \lambda_t + \kappa_1 Listed2009_j \times Imp_t + \kappa_2 Listed2009_j \times PostImp_t + X_{j,t} + \epsilon_{jt} \quad t \geq 2009 \tag{4}$$

Where Imp_t indicates the implementation period (2010-2015) and $PostImp_t$ indicates the post-implementation period (2017-2021). We report coefficients κ_1 and κ_2 in our main tables.

4.3 Instrumental Variable Approach

Specification. To translate the reduced-form quota effects into the impact of a percentage point increase in female board share, we also implement an IV strategy:

$$Y_{j,t} = \alpha + \beta FBS_{j,t} + \gamma_j + \lambda_t + X_{j,t} + \epsilon_{j,t}, \quad t \geq 2009 \tag{5}$$

where we use the same notation than in Eq. (3) and $FBS_{j,t}$ denotes the percentage of women on the board of the firm j in year t.

We instrument $FBS_{j,t}$ with $Listed2009_j \times Year_t$, that is, a dummy equal to one if firm j is listed in 2009 interacted with year dummies. This approach exploits the fact that listing status in 2009 strongly predicted subsequent female board share increases due to the differential compliance incentives created by the disclosure requirements.

First stage. We estimate:

$$FBS_{j,t} = \alpha + \sum_{\tau=2010}^{2021} \beta_\tau Listed2009_j \times Year_{t=\tau} + \gamma_j + \lambda_t + X_{j,t} + \epsilon_{j,t}, \quad t \geq 2009 \tag{6}$$

Appendix Table A7 confirms the relevance of our instrument. The size and magnitudes of the coefficients are as expected: being listed in 2009 is associated with larger adjustments after 2010. The magnitude of these adjustments increases over time, consistent with the fact that listed firms overwhelmingly complied with the quota.

4.4 Identification Assumptions

We now discuss the three assumptions necessary to ensure the validity of our empirical strategies. As the variable determining treatment assignment in our DiD is the instrument of our IV, both strategies rely on the same assumptions to ensure causal identification. The DiD requires both (i) parallel pre-trends (Assumption 1), and (ii) that no shocks other than the quota affected treatment and control firms differently after 2010 (Assumptions 2 and 3). If satisfied, these three assumptions together imply that the exclusion restriction required by the IV is met.

4.4.1 Assumption 1: Parallel pre-trends.

The first assumption is that outcomes in our treatment and control groups were on similar time trends prior to the quota. If listed firms were inherently more pro-women than large non-listed firms, and were already improving gender equality before the quota was implemented, this would bias our estimates upward.

We provide evidence of the validity of this assumption by examining δ_τ coefficients for years 2006 to 2008 in Equation (3). Appendix Figures 2 and 3 confirm parallel pre-trends for our main outcomes.

We also verify that outcomes are comparable in levels across treatment and control firms in the

pre-reform year (2009) by estimating the following:

$$Y_{j,2009} = \alpha + \beta C_j + X_{j,2009} + Industry_j + \epsilon_{j,2009} \tag{7}$$

where C_j is a dummy variable equal to one if j belongs to the control group, $Industry_j$ denotes firm j's industry and $X_{j,2009}$ the fraction of employees in each layer in 2009.[23]

Table A6 shows no significant differences at conventional levels between our treatment group and our main control group (large non-listed firms), except for the probability that the board chair is a woman. The probability that the CEO is a woman is different at the 10% level only. By contrast, small non-listed firms differ significantly across most outcomes.

4.4.2 Assumption 2: Control firms did not become less pro-women after 2010.

Another concern is that large non-listed firms failed to comply because they became systematically less women-friendly post-2010. If this were the case, we would mistakenly attribute any impact of the female board share to an improvement in gender equality among listed firms, while it would actually be driven by a decline in gender equality among large non-listed firms.

We address this in two ways and discuss results in Section 5.3. First, we present event-study graphs using 2009 as the reference year. We show that gender equality improves in both groups of firms, but that stronger gains are observed in listed firms. Second, we report estimates of our main effects using the small firms not listed in 2009 as an alternative control group and check that the results hold.

4.4.3 Assumption 3: Listed firms had no additional incentives to improve gender equality after 2010.

Our final concern is that listed firms may have faced additional incentives to improve gender equality after 2010, independent of changes in board composition. Given the absence of pre-trends, this would be relevant only if such incentives emerged or intensified post-reform.

Two aspects could trigger such incentives. First, public scrutiny: if listed firms are subject to greater media coverage, they might be more inclined to reduce gender gaps to enhance their public image or avoid negative press. Second, shareholder activism: if certain shareholders pushed firms to improve gender equality, we might erroneously attribute any observed effects to female board representation rather than investor influence. To assess whether these factors confound our results, we conduct three robustness checks.

Gender equality index (2020). The first test leverages a 2020 law requiring firms with over 50 employees to report an "Index of Gender Equality" every year. This index, publicly available on a government website, is a weighted average of key indicators, including gender pay gap, promotion gaps, and maternity leave-related pay increases. Importantly, it does not include the female board share, making it a useful measure for isolating broader firm-level commitments to gender equality.

[23] Note that $Industry_j$ is captured by the firm fixed effect in Eq. (3) and (4) and a subsequent robustness check verifies that our results are not driven by industry-specific time trends.

If listed firms were disproportionately concerned with public perceptions of gender equality, they should be systemically more likely to disclose it. However, results in Table A8 show that there is no difference in disclosure rates between listed and non-listed firms (Column 1) and that compliance is uncorrelated with female board share (Column 2). This suggests that listed firms were not under particularly strong pressure to publicly signal a commitment to gender equality.

As expected, being listed is associated with a higher index, although it is not significant (Column 3). We also observe that firms that did disclose their index show a significant positive correlation between female board share and index value (Column 4). Changes in firm-level gender policies thus appear to be driven by shifts in board gender composition rather than by incentives to appear more women-friendly.

Media coverage. The second robustness check examines whether increased media scrutiny influenced firm behavior. Using Factiva, we track mentions of sample firms in major French newspapers.[24] We focus on articles discussing either (i) the gender quota or (ii) gender gaps (female representation in corporate leadership and gender wage gaps). Two measures capture the intensity of media scrutiny. First, we consider an indicator for whether a firm is mentioned in gender-related articles in a given year ("Coverage Probability"). Second, we use the ratio of gender-related mentions to total media coverage (number of mentions) of the firm ("Coverage Intensity").

We then rely on a DiD specification to assess how these two proxies changed between the pre-quota period (2006-2009) and the post-quota period (2010-2021) for the two groups. More specifically, we estimate:

$$Y_{jt} = \alpha + \gamma_j + \lambda_t + \beta Listed_j \times Post2009_t + \epsilon_{jt} \tag{8}$$

where λ_t is a year fixed effect, γ_i a firm fixed effect, $Listed_j$ is one if firm j is listed in 2009 and $Post2009_t$ is one if $t \geq 2010$.

The results, reported in Appendix Table A9, confirm that listed firms already received significantly more media coverage than non-listed firms before the reform[25], although the absolute levels are low. In 2009, only 1.1% of listed firms were mentioned in articles on quota and 0. 4% in articles on gender equality.

Coverage of the quota more than doubled for listed firms relative to large non-listed firms in the post-reform period (Columns 1 and 2) while the overall increase in coverage intensity was marginal (about 0.1 percentage points). Importantly, there was no detectable increase in media coverage related to broader gender equality issues (Columns 3 and 4).

These findings suggest that media attention was unlikely to be a major driver of firm-level gender equality policies. While listed firms were more frequently mentioned in quota-related news, the absolute levels of coverage remained low, and there is no evidence of a systematic increase in pressure to address broader gender disparities.

[24] *Le Monde*, *Le Figaro*, *Les Echos*, *Le Point*, *L'Express* and *La Tribune*.

[25] Only 38 firms of our sample are mentioned in articles about quota or gender equality from 2006 to 2021 in these news outlets, of which 36 are listed firms.

Shareholder activism. The third robustness check examines whether our results could be explained by an intensification of shareholder activism on gender equality issues. Following recent literature (see, e.g., Appel et al., 2019; Cohn et al., 2023), we use FactSet's SharkWatch corporate activism database to identify activism campaigns targeting French firms during our study period. We classify campaigns as ESG-related if the "Corporate governance demands" variable contains the label "Social/Environmental/Political Issues."

In total, 92 campaigns occurred between 2006 and 2021, targeting 54 distinct firms from our sample. Appendix Figure A11 Panel A reveals a steady increase from 2013 onward, with a peak in 2021, when 13 campaigns were launched. This trend is comparable to what can be observed in the US during the same period (Panel B),[26], suggesting that the adoption of the gender quota in and of itself did not trigger a change in shareholder behavior.[27] However, only three ESG-related campaigns can be identified overall in France. Launched by the same activist fund in 2019 in three distinct firms, they focused solely on climate change issues and were ultimately unsuccessful.

Taken together, these findings indicate that shareholder activism did not play a meaningful role in driving gender equality improvements among listed firms. The adoption of the gender quota does not appear to have triggered a significant shift in shareholder behavior, nor did investors exert systematic pressure on firms to address gender gaps during our analysis period.

5 Main Results

5.1 Representation of Women

Our first set of results focuses on female representation, particularly at the top, where changes in board composition are likely to have the most direct impact. Boards are responsible for appointing and dismissing the CEO, as well as electing the chair of the board. As argued by Bertrand et al. (2019) and Maida and Weber (2022), if board composition influences firm policies, its effects are most likely to be observed in senior appointments, particularly within the C-suite. While we can identify the CEO and board chair using BODACC data, our employee-level dataset does not identify C-suite members. As a proxy, we use employees whose earnings rank among the top 1% of the firm's earners. We broaden the scope of this investigation by looking at the employees whose earnings are above the 75th and 90th percentiles (top 25% and 90%) and below the 10th and 25th percentiles (bottom 10% and 25%) of the firm-year distribution of earnings. To provide a benchmark, we look at the evolution of the female share of the total workforce.

DiD estimates. Panel A of Table 2 reveals a significant increase in the likelihood of appointing a female CEO (Column 1), alongside greater female representation among top earners (Columns 4 to 6). However, the probability that the board chair is a woman remains unaffected (Column 2) and we detect negligible impacts on the female share of total workforce (Column 3) and of bottom earners (Columns 7 and 8).

[26] However, levels are two orders of magnitude higher in the US, where 8,917 campaigns were identified between 2006 and 2021.

[27] Interestingly, according to Factset's description of each campaign, no activist shareholder exerted pressure on firms to increase female representation on boards.

Most of the significant impacts reported in Table 2 follow a similar pattern: during the implementation period (2010–2015), effects are small and statistically insignificant, though their direction suggests a gradual evolution. By contrast, the post-implementation period (2017–2021) sees larger and statistically significant increases.

IV estimates. Panel B of Table 2 confirms these results with more interpretable coefficient estimates. A 30-percentage-point increase in the female board share – the average change in the treatment group – raises the probability of having a female CEO by 5.8 percentage points. This is a substantial increase given that only 2.8% of treated firms had a female CEO in 2009. In line with the DiD results, the likelihood of appointing a female board chair also remains unaffected.

Columns 3 to 5 of Table 2 further confirm that greater female representation on boards leads to an increase in the share of women among top earners. The effect is stronger at higher percentiles: the share of women in the top 1% of earners increases by 2.8 percentage points (+30% relative to 2009), while the share of women in the top 25% increases by 1.1 percentage points (+4% relative to 2009). By contrast, there is no significant impact on the female share of employees in the total workforce or in the bottom 10% or 25% of the wage distribution. This attenuating pattern aligns with the notion that boards have the most direct influence on employees at the top of the firm's hierarchy.

5.2 Gender Wage Gaps Throughout the Wage Distribution

We now turn to the impact of board gender composition on gender wage gaps. To provide a comprehensive picture, we examine different measures of wage disparities: unadjusted and adjusted mean gender wage gaps (computed from Eq. (1)) and gender wage gaps at different percentiles (computed from Eq. (2)).

DiD estimates. Panel A of Table 3 reveals a pattern similar to that observed for female representation: significant changes emerge in the post-implementation period, although signs of early changes also appear during the implementation period. Both the unadjusted and adjusted mean wage gaps decline significantly in the post-implementation period, with the unadjusted gap showing a more pronounced reduction. The decline is consistent across the wage distribution, with significant reductions observed from the 25th to the 75th percentile wage gaps.

IV estimates. Panel B of Table 3 largely confirms these results. A 30pp increase in female board share leads to a 2.1pp reduction in the unadjusted wage gap, corresponding to a 12% decline relative to 2009 (Column 1). Although the adjusted wage gap also declines by a similar magnitude (-7% relative to 2009), this effect is less precisely estimated, likely due to the inclusion of multiple controls.

The impact is more pronounced at the median, where a 30pp increase in female board share reduces the median wage gap by 3.7pp (a 19% decline relative to 2009; Colum 5). Reductions are also observed at both ends of the wage distribution: an increase of 30pp in the female board share lead to a decline by 3.5pp of the top quartile gender wage gap (-12% relative to 2009) and 2pp of the bottom quartile gender wage gap (-15% relative to 2009).

Taken together, these results suggest that increasing female board representation leads to a broad-based reduction in gender wage disparities across the earnings distribution.

5.3 Robustness Checks

This section presents four sets of robustness checks: the first two address potential threats to our identification strategy (see Section 4.4). The last two verify that industry-specific time trends did not drive our results and that firms with a larger increase in their female board share exhibit larger changes.

Event study. First, we rule out that our effects are driven by deteriorating gender equality in large non-listed firms rather than improvements in listed firms. Appendix Figures A9 and A10 show event study graphs for all our outcomes, relative to their 2009 values. The patterns reveal that gender equality improved in both groups over time: female representation among top earners increased, and wage gaps decreased across both treated and control firms. The estimated effects reflect larger improvements in the treatment firms than deterioration in the control group, addressing the concern discussed when introducing Assumption 2.

Alternative control group. We next test the sensitivity to our preferred definition of the control group by considering small non-listed firms as an alternative control group. Appendix Tables A10 and A11 show that most results remain robust to this substitution, although effects on the third and first quartile wage gaps lose statistical significance. This consistency is reassuring, though the substantial size differences and baseline gender equality gaps between listed and small non-listed firms (Appendix Table A6) warrant caution in interpreting these estimates.

Industry-specific time trends. While the industry composition does not differ significantly between our treatment and control groups, we verify that industry-specific time trends do not drive our results.[28] Tables A12 and A13 show that replacing year fixed effects with year $\times$ industry fixed effects leaves our estimates mostly unchanged, indicating that industry-specific dynamics are unlikely to confound our findings.

Treatment intensity. Finally, we examine whether firms making greater adjustments to their board composition exhibit more pronounced effects.

We first estimate Equation (5) but considering the OLS version without instruments. Appendix Tables A14 and A15 confirm the expected correlations: higher female board shares is associated with increased female representation among top earners and reduced gender wage gaps. However, the direction of potential bias is theoretically ambiguous. On the one hand, the impact could be underestimated if women-friendly firms reduced gender gaps more while having a higher female board share at baseline. On the other hand, if women-friendly firms started with both high pre-reform female

[28] For instance, Matsa and Miller (2013) note that the effects measured in Ahern and Dittmar (2012) disappear after allowing year fixed effects to vary by industry.

board shares and low gender gaps, a smaller change in the female board share would be associated to smaller changes in gender gaps, thereby leading to an upward bias.

We also replicate the standard IV approach from the literature on gender board quota (Ahern and Dittmar, 2012; Bertrand et al., 2019): we estimate Eq. (5) but we now instrument the female board share by the fraction of women on the board in the pre-reform year interacted with year dummies. This instrument captures variation in mandated changes based on firms' distance from compliance. Appendix Table A16 confirms instrument relevance, showing that firms with lower initial female representation made larger subsequent adjustments. Appendix Tables A17 and A18 generally support our main findings: increased female board representation leads to greater female presence among top earners and reduced gender wage gaps. Compared to our primary estimates, effects on female representation are slightly smaller and less significant, while wage gap effects are more precisely estimated and somewhat larger in magnitude.

However, this alternative approach has important limitations. First, the female board share in 2009 is endogenous, and correlated with our outcomes of interest. Second, it requires a strong monotonicity assumption, i.e., that lower pre-reform female board shares consistently lead to larger subsequent increases for all firms in all years. This assumption is unlikely to hold for all firms and years given that the quota is not a ceiling (firms can exceed 40% female representation) and adjustment patterns vary across firms.[29]

5.4 Channels

We now examine two potential adjustment channels behind our main findings. First, we ask whether the observed reduction in gender wage gaps result from higher female wage growth or lower male wage growth. Second, we investigate whether these gender equality gains primarily benefit existing employees or new hires.

Wage growth dynamics. Figure A12 plots mean and median hourly wage growth by gender relative to their 2009 levels. Both listed and large non-listed firms show similar trends. Until 2015, wage growth was slightly stronger in non-listed firms for both genders but this trend started to significantly reverse from 2017 onward. Ultimately, female employees in listed firms experienced approximately 10 percentage points higher cumulative wage growth between 2009 and 2021 compared to male employees (40% versus 30%). Appendix Table A19 confirms these patterns.

These results suggest that the gender wage gaps narrowed through increased wage growth for female employees rather than slower wage growth for male employees. This finding contrasts with Bennedsen et al. (2022), who found that pay transparency requirements in Denmark reduced gender wage gaps by slowing male wage growth, ultimately contracting firms' overall wage bills. Our results instead suggest that increased female board representation triggers more gender-balanced compensation through female advancement, likely increasing total labor costs. We test this possibility directly in Section 5.5.

[29] For instance, it is possible that firms with low initial female board shares start adjusting later than firms with high female board shares. In that case, having a high pre-quota female board share would lead to larger adjustments in the short run, thereby violating the monotonicity assumption in the first years.

Incumbent vs. newly hired employees. We next explore whether observed changes in female representation among top earners and reduced wage gaps primarily benefit newly hired employees or existing workers. Importantly, we do not observe longitudinal employee trajectories, but only whether workers were present in the firm in the previous year. This limitation makes it difficult to distinguish structural changes from year-to-year hiring fluctuations. For instance, firms rarely hire directly into top-earners positions, creating substantial noise on the hiring margin. Thus, these additional estimates must be interpreted with caution.

Appendix Tables A20 and A21 present results separately for incumbent and newly hired employees across our key outcomes: female representation among top earners and mean wage gaps. It appears that improvements in gender equality benefited predominantly incumbent employees. The effects for this group closely match our main results in both magnitude and statistical significance. By contrast, none of the coefficients for newly hired employees reaches statistical significance. Interestingly, point estimates suggest that the female share of employees directly recruited into top earning positions (top 10% and 1%) may have actually declined as female board representation increased. This pattern suggests that gains in female representation at higher levels may come primarily from internal promotions rather than external recruitment.

5.5 Impact on Firms' Financial Performance

We now address the concern that documented improvement in gender equity outcomes may affect firm financial performance. As previously discussed, the gender wage gaps narrow primarily through faster wage growth for women. These changes likely lead to higher labor costs and a greater share of the total wage bill going to female employees.

However, the overall effect on profitability is a priori ambiguous. On the one hand, an increase in labor costs could reduce firm profitability. Moreover, if increasing female representation among top executives weakened meritocratic selection, it could adversely impact firm performance by lowering managerial quality. On the other hand, if greater gender equity enhances job satisfaction and productivity of female employees without negatively affecting male employees, it may offset rising labor costs (Akerlof and Yellen, 1990). Recent evidence from Denmark suggests that this latter mechanism is plausible Bennedsen et al. (2022).

This section explores whether and how the quota influenced firms' financial outcomes. Given the potential for confounding factors, we treat these results as suggestive. We focus our discussion on DiD estimates using Equation (3) to compare financial performance trends between listed and non-listed firms. Overall, we find no evidence of pre-trends before the quota, nor of major economic shocks affecting one group differently after its implementation.

Labor costs. As expected, the narrowing of gender wage gaps is accompanied by an increase in labor costs and a larger share of the wage bill allocated to female employees. This aligns with findings from Bennedsen et al. (2022), who document a significant decline in labor costs following a reduction in male wage growth due to a pay transparency policy in Denmark.

Panel Panel A of Figure 4 confirms this pattern, showing a significant increase in the share of the total wage bill that goes to female employees (+1.3 percentage points between 2009 and 2020).

Moreover, panel Panel B indicates that the ratio of labor costs to employment in listed firms began rising significantly in 2016, coinciding with the point at which their mean wages surpassed those of non-listed firms. By 2021, labor costs per employee had increased by €5,270 relative to 2009. This relative increase of about 7.7% is consistent with the magnitude of wage growth effects estimated in the previous section. A similar upward trend is observed when using Labor Costs/Assets as an alternative measure (Panel C).

Profitability. To assess profitability, we use operating income as a percentage of net assets (see, e.g., Matsa and Miller, 2013). This allows for comparisons between firms without requiring a logarithmic transformation, which would exclude observations with negative operating income. Panel Panel D Figure 4 shows that profitability in listed firms did not decline; if anything, it even exhibited a slight increase.

This result raises a natural question: how can rising labor costs be reconciled with stable or improving profitability? Recent literature suggests that the impact of wages on productivity may be part of the answer. For instance, in Denmark, Bennedsen et al. (2022) observe that a reduction in gender wage gaps occurring through a decline in men's wage growth has a negative impact on productivity. The decrease in productivity compensates the decrease in labor costs, ultimately leaving profitability unchanged.

To investigate whether a similar mechanism is at play, we analyze productivity using the same proxy: the logarithm of the sales-to-assets ratio. Figure A13, panel Panel A, reveals that productivity growth was initially stronger among non-listed firms. However, from 2015 onward, listed firms began catching up, surpassing non-listed firms by 2017. This timing aligns with the wage growth trends documented earlier: until 2015, hourly wages grew faster in non-listed firms; from 2015 onward, wage growth accelerated in listed firms, for both men and women. These patterns suggest that rising wages in listed firms may have contributed to productivity gains, helping to sustain profitability.

Another potential explanation is that listed firms benefited from an exogenous surge in sales after 2009, enabling them to reduce gender wage gaps without sacrificing profitability. If true, the observed stability in operating income would reflect a positive demand shock rather than improved productivity. To test this hypothesis, we examine the evolution of the sales-to-assets ratio in both groups, using 2009 as the baseline. Figure A13, panel Panel B, shows that sales declined for both listed and non-listed firms after 2009, though the drop was less pronounced for listed firms. Moreover, panel Panel C reveals that profitability did not increase in listed firms but instead declined slightly more in non-listed firms. These patterns are inconsistent with listed firms reducing gender gaps because of sudden financial windfalls.

Taken together, these findings suggest that the improvement in gender equity outcomes did not come at the expense of firm profitability. Instead, evidence points to a scenario in which better compensation conditions – particularly for female employees – may have led to productivity gains that offset rising labor costs.

6 Mechanisms

Our findings are consistent with a growing body of literature highlighting the critical role of boards – and particularly their gender composition – in shaping firm strategy (Matsa and Miller, 2013; Green and Homroy, 2018; Maghin, 2022). However, they contrast with recent studies examining the effects of gender board quotas on gender equality in Norway and Italy. Bertrand et al. (2019) and Maida and Weber (2022) find no impact on the representation of women among top earners and executives. Neither study explores the mechanisms behind these muted effects, though Maida and Weber (2022) suggest that female directors in Italy may have been systematically excluded from key board positions, thereby limiting their ability to influence firm policies. This leads to a natural question: Why did France's quota appear to be more effective?

One possibility is that initial gender disparities were larger in France, leaving more room for improvement. Another is that the reform itself was more binding and forced firms to make larger adjustments to their board compositions. Beyond these structural factors, we consider three additional mechanisms that could help explain the difference. First, we look for evidence that boards actively tried to influence gender equality and examine whether they use their compensation-setting power to incentivize CEOs to address gender disparities. Second, we assess whether post-quota female directors had the qualifications and experience needed to wield influence. Third, we analyze whether newly appointed female directors gained access to influential committee positions or were relegated to symbolic roles.

Due to the lack of data, we restrict our analysis in this section to our treatment group, i.e., firms listed in 2009.

6.1 Strategic Use of Executive Compensation

To explore whether boards actively attempted to address gender disparities, we look at the introduction of executive compensation incentives. Specifically, we examine whether boards included performance metrics related to gender equality in executive compensation packages, focusing on two criteria: (i) a reduction in gender wage gaps and (ii) an increase in female representation in executive positions.

Compensation incentives and gender outcomes. CEO pay structures typically include a fixed and a variable component. We focus on the variable component, as it can be tied to non-financial performance metrics. Using proxy statements from listed firms, we identify whether a firm's CEO compensation included a variable component and, if so, whether gender equality or diversity goals were among the performance criteria. Appendix Table A22 shows that by 2021, one-third of listed firms (87 firms) explicitly tied a portion of variable compensation to gender diversity objectives. Importantly, no firm had gender-based incentives in 2009 and the 2009 female board share did not differ significantly between firms that later adopted these incentives and those that did not ($\Delta = -0.018$, p-value $= 0.24$).

We first test whether firms that introduced these incentives saw stronger improvements in gender-

equity outcomes. To do so, we estimate the following specification:

$$Y_{jt} = \alpha + \gamma_j + \lambda_t + \zeta_1 Incentives_j \times Post2009_t + \zeta_2 NoIncentives_j \times Post2009_t + X_{j,t} + \varepsilon_{jt} \quad t \geq 2009 \tag{9}$$

where $Post2009_t$ is an indicator equal to one if $t \geq 2010$, $Incentives_j$ is an indicator equal to one if the firm implemented compensation incentives to push its CEO to reduce gender gaps, and $NoIncentives_{j,2}$ is an indicator equal to one if the firm did not implement such incentives. The reference year is 2009 to maintain consistency with prior analyses and facilitate comparison with the IV strategy. Appendix Table A24 confirms no pre-trends exist during 2006-2009.

Table 5 shows that firms implementing these incentives exhibited larger improvements in gender equality outcomes. These findings suggest that part of the observed impact of board gender composition on firm outcomes is driven by explicit directives from the board to the CEO. However, our results also indicate that CEO incentives are not the sole driver of these improvements. Indeed, firms that did not introduce such incentives still experienced positive changes across gender-related outcomes.

Link between female board share and adoption of incentives. We next investigate whether the introduction of such incentives was itself influenced by changes in board gender composition. We estimate the relationship between the magnitude of the increase in female board share and the likelihood that a firm adopted gender-related CEO incentives, as well as the fraction of variable compensation tied to these goals. We estimate the following regression:

$$Y_{i,t} = \alpha + \beta FBS_{i,t} + \lambda_t + \gamma_i + \varepsilon_{i,t}, \quad t \geq 2009 \tag{10}$$

where λ_t is a year fixed effect, γ_i a firm fixed effect and $FBS_{i,t}$ is the fraction of women on the board of firm i in year t. $Y_{i,t}$ is (i) either a dummy variable equal to one if firm i incentivizes its CEO through compensation in year t and 0 otherwise or (ii) equal to the share of variable compensation linked to gender equality outcomes in firm i and year t.

Column (1) of Table A23 shows that larger increases in female board share predict a significantly higher probability of implementing these incentives. Column (3) indicates that female board share also positively correlates with the magnitude of compensation tied to gender goals, though only significant at the 10% significance level.

Addressing reverse causality. Finally, we address the potential concern of reverse causality biasing $\hat{\beta}$ in Equation (10). Prior research suggests that CEOs with significant influence over their boards may manipulate performance metrics to align with their own interests (Morse et al., 2011), and recent work has linked ESG-based performance targets to weak corporate governance (Badawi and Bartlett, 2024). In our case, a pro-woman CEO might appoint more female directors and expect them to push for including gender-equality performance metrics that she is confident in achieving.

While we cannot fully rule out this hypothesis, we find evidence inconsistent with it. Column (2) of Table A23 shows that the implementation of gender-based incentives is negatively correlated

with the presence of the CEO on the board (significant at 10%). Column (4) of Table A23 similarly shows a negative, though insignificant, relationship between CEO board presence and the proportion of compensation tied to gender goals. These patterns suggest that gender-equality incentives more likely reflect board influence on CEOs.

Taken together, these findings suggest that boards actively used their compensation authority to address gender disparities, with female directors playing a key role in driving these efforts.

6.2 Director Qualifications: No Evidence of a Talent Shortage

A central concern about board quotas is that they might force firms to appoint under-qualified female directors if the pool of suitable candidates is limited. Critics warn this could create a "patronizing equilibrium" (Coate and Loury, 1993) where female directors appointed post-quota may either (i) under-invest in their human capital due to a higher likelihood of appointment or (ii) face negative stereotypes undermining their boardroom effectiveness.

To test this possibility, we compare qualifications of directors appointed before and after quota implementation. If there was talent shortage, we would expect post-quota female directors to be less qualified than pre-quota female directors, or their male colleagues.

Our analysis in Section 3 already revealed two important patterns for listed firms: the appointment of family-related directors declined sharply after the quota, while the fraction of foreign directors increased for both genders. These changes suggest firms broadened their search criteria rather than lowering their standards.

We now examine five additional key director characteristics that likely influence boardroom effectiveness: age, education, professional networks, past executive experience, and independence.[30] Experienced and independent directors are indeed more likely to be able to stand up to the CEO and assert their views in the boardroom. Table 4 presents our main findings.

Age and experience. Pre-quota female directors were significantly younger than their male counterparts, with a gender age gap of 4.6 years. This gap narrowed slightly to 3.8 years among post-quota appointees. In particular, both male and female directors appointed after the quota were older on average (+2.8 years for women, +1.8 years for men), suggesting that firms prioritized candidates with greater professional experience rather than reducing age requirements to meet quota targets.

Educational qualifications. We find no evidence of a lowering of educational qualifications. Pre-quota directors of both genders were equally likely to hold advanced degrees (30% for both). Post-quota appointees show a small, statistically insignificant decline in advanced degree credentials for both genders. This pattern suggests that firms maintained consistent educational requirements for newly hired directors, even after the quota.

[30] Consistent with the rest of the paper, we analyze these attributes at the board level, comparing the average female or male director in the average board. This approach prevents drawing misleading conclusions that might arise if highly qualified women were concentrated in a subset of firms.

Independence. Pre-quota, the proportion of independent directors was the same for both genders (29%). Women appointed post-reform are almost twice as likely to be independent compared to those appointed pre-reform, with an increase of 23 percentage points. By contrast, the proportion of independent male directors did not change, leading to a substantial widening of the gender gap on this dimension. These results run counter to fears of nepotism, as independent directors tend to be more inquisitive and tougher with the CEO relative to non-independent ones (Guo and Masulis, 2015).

Past executive experience. Prior to the reform, there was a substantial gender gap in executive backgrounds: 48% of the male directors appointed before 2009 had previously held C-suite positions, compared to just 36% of the female directors, a gap of 12 percentage points. The quota significantly reduced this disparity. Among post-reform appointees, the share of women with top executive experience jumped by 12 percentage points to 48%, while the corresponding increase for men was only 5 percentage points. This represents a 33% increase in executive credentials for women relative to the pre-quota period, effectively eliminating the gender gap in this dimension.

This set of evidence are inconsistent with a situation of talent shortage that would force firms to appoint less qualified female directors. Post-quota female directors match or exceed their pre-quota counterparts across key qualifications, with particularly notable gains in executive experience. Even more striking is the trend in director independence – a critical factor for effective governance – where newly appointed women were significantly more likely to serve as independent directors than their pre-quota or male counterparts.

These findings also suggest that the quota prompted firms to expand their recruitment beyond traditional networks, tapping into a previously overlooked pool of highly qualified women. This interpretation aligns with Bertrand et al. (2019)'s findings in Norway, where both female and male directors showed improved qualifications post-quota, with women experiencing more substantial gains in C-suite experience and human capital measures. These concordant patterns indicate that quotas may trigger improvements in director selection processes.

6.3 Allocation of Responsibilities in the Boardroom: No Evidence of Tokenism

Even when quotas increase female representation on boards, firms might marginalize female directors' influence by excluding them from influential board positions. This "tokenism" would limit their ability to affect corporate policies, potentially explaining why some quota studies find limited effects on gender equality outcomes. Indeed, Maida and Weber (2022) hypothesize (but do not test) that female directors' exclusion from key positions might explain the negligible impact of Italy's quota.

To examine whether newly appointed female directors have been "tokenized", we look at committee membership and chairmanship. Board committees play a central role in corporate governance, often serving as the locus of substantive decision-making (Jiraporn et al., 2009; Gormley et al., 2023). Prior research has shown that female representation on these committees can significantly impact firm performance (Green and Homroy, 2018), while some studies suggest that firms may pay lip service to gender quotas by appointing more women to boards while excluding them from these roles (Hwang et al., 2020).

Committee structure and importance. Since 2008, French listed firms have been required to establish audit committees to oversee financial management and risk monitoring.[31] This committee is tasked with overseeing financial management and monitoring risk. In addition, most firms have also established compensation committees (determining CEO and top executive pay) and nomination committees (identifying suitable candidates for CEO and board positions). Together, these three "core committees" constitute the primary pillar of corporate governance (Adams et al., 2010; Ferreira et al., 2017; Adams et al., 2021). We therefore examine female directors' access to these committees as well as female representation among board chairs.

Female representation in key positions. Figure 5 Panel A reveals that the female share of core committee seats and chairmanships increased substantially after the quota, closely tracking their overall board representation. By 2021, women held approximately 45% of committee seats and more than 40% of committee chair positions. As this representation matches or exceeds the 40% quota requirement, it suggests that women were not systematically excluded from influential positions after gaining board seats.

By contrast, the fraction of female board chairs barely changed, with female representation increased from under 4% in 2009 to just below 10% in 2021. Although marking a substantial improvement, this remains well below female overall board representation. Given that board chairs set board meeting agendas, and thus exert significant influence on the board's operations, this underrepresentation represents a remaining barrier to the full integration of women into governance leadership.

Broad distribution versus concentration. To determine whether committee positions were broadly distributed among female directors or concentrated among a few, we analyze the probability of committee membership conditional on gender. Figure 6 shows that both male and female directors maintained high committee membership rates throughout the period (60-80%). Female directors experienced a brief decline immediately following the reform, but their representation recovered and began rising from 2012 onward. Notably, male directors' committee membership probability declined steadily from 76% in 2008 to 63% in 2021, with female directors' probability surpassing men's by 2016. This pattern indicates that committee positions were broadly distributed among female directors rather than concentrated among a few.

Cross-country comparison. How do these patterns compare to Norway and Italy, which implemented similar quotas on listed firms in 2003 and 2011 respectively? Figures 5 Panel B and Panel C show remarkably similar trajectories for the three countries: Committee membership and chairmanship increased rapidly to 40-50% following reforms in the three countries, while board chair positions saw minimal gains. This consistent pattern contradicts Maida and Weber (2022)'s hypothesis that Italian women were excluded from influential positions. However, we identify one crucial difference:

[31] Under Article L823 of the *Code de Commerce*, firms may designate the entire board as the audit committee rather than creating a separate subcommittee. In these cases, we treat the entire board as the committee. Our results remain robust when focusing only on firms with dedicated subcommittees.

the proportion of directors of either gender holding committee positions is substantially lower in Norway and Italy than in France. Although partly explained by fewer committee seats relative to board size (44% in Norway and 50% in Italy versus 72% in France between 2008 and 2021), this disparity suggests an important distinction in governance structures. French female directors operated within a committee-based framework where most directors held formal positions of influence. This structured environment may have facilitated their ability to affect corporate policy, while Norwegian and Italian directors of both genders may have fewer established channels through which to exercise influence.

7 Concluding Remarks

In this paper, we provide the first evidence that a gender board quota can effectively reduce gender inequality within firms. We show that an increase in the female board share leads to an increase in the representation of women among top earners and CEOs. We find that it also reduces gender wage gaps throughout the wage distribution. Interestingly, these outcomes are neutral from a profitability standpoint. Although labor costs increase as women's wages rise faster than men's, firms maintain their profitability, and evidence suggests that it may be due to an increase in productivity.

Our investigation of the mechanisms driving the effectiveness of the French quota helps explain why our results diverge from those documented in other settings. We find evidence that boards used their compensation-setting power to incentivize CEOs to address gender disparities within firms, and that female directors played a key role in this effort. Moreover, our results are inconsistent with a situation of talent shortage or of "tokenization" of female directors. The gender gap in top executive experience among directors appointed post-quota declines by 50%, while female directors become significantly more likely to be independent and gain broad access to key board committees.

These findings underscore the potential for increased female representation on corporate boards to contribute to narrowing gender disparities in the labor market. However, while the improvements we document are statistically and economically significant, they remain insufficient to fully close gender gaps in representation or wages. Gender diversity at the top of the corporate hierarchy generates positive spillovers for women in the workforce and should be encouraged accordingly. Yet, on its own, it is unlikely to eliminate persistent inequalities in the medium and long term.

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8 Figures

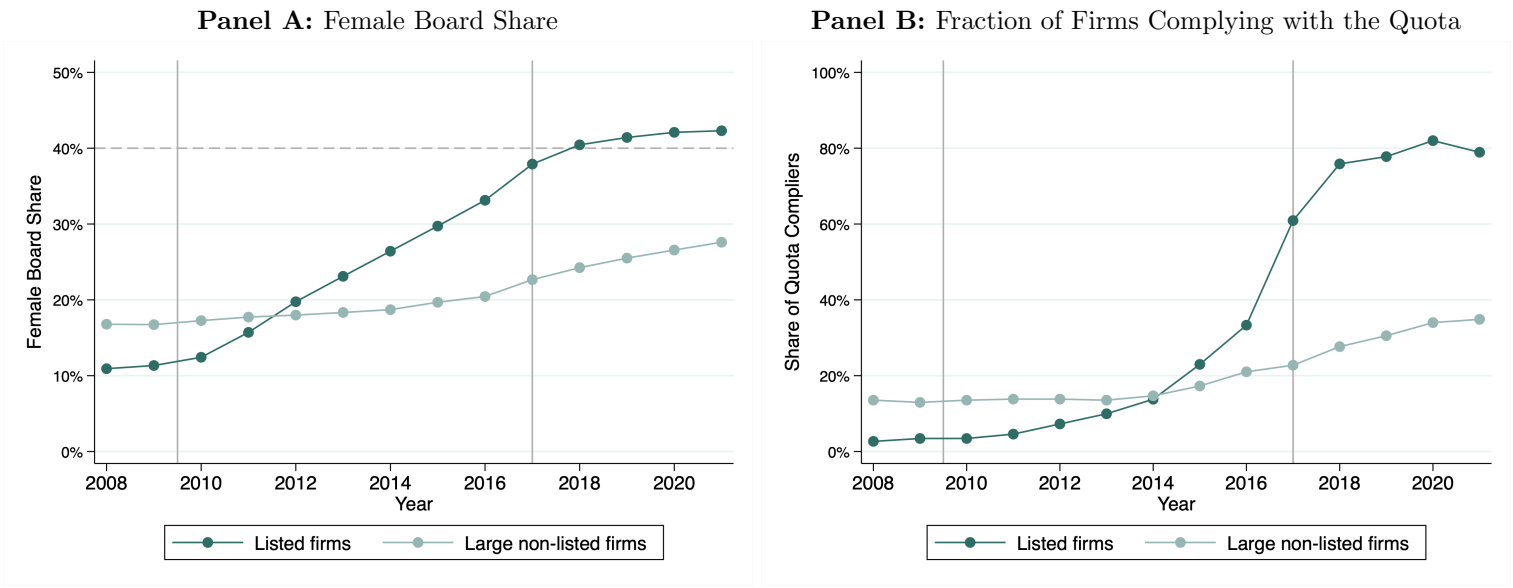


Figure 1: **Female Board Representation by Firm Group**

Note: These figures plot the evolution of the female board share (Panel A) and the fraction of quota-compliant firms (Panel B) for the two firm groups of our main analysis sample, as defined in Section 2.2. The dashed horizontal line in Panel A is the minimum female board share targeted firms had to reach by 2017. The two vertical lines delineate the quota implementation period (2010-2017). See Section 3 for details.

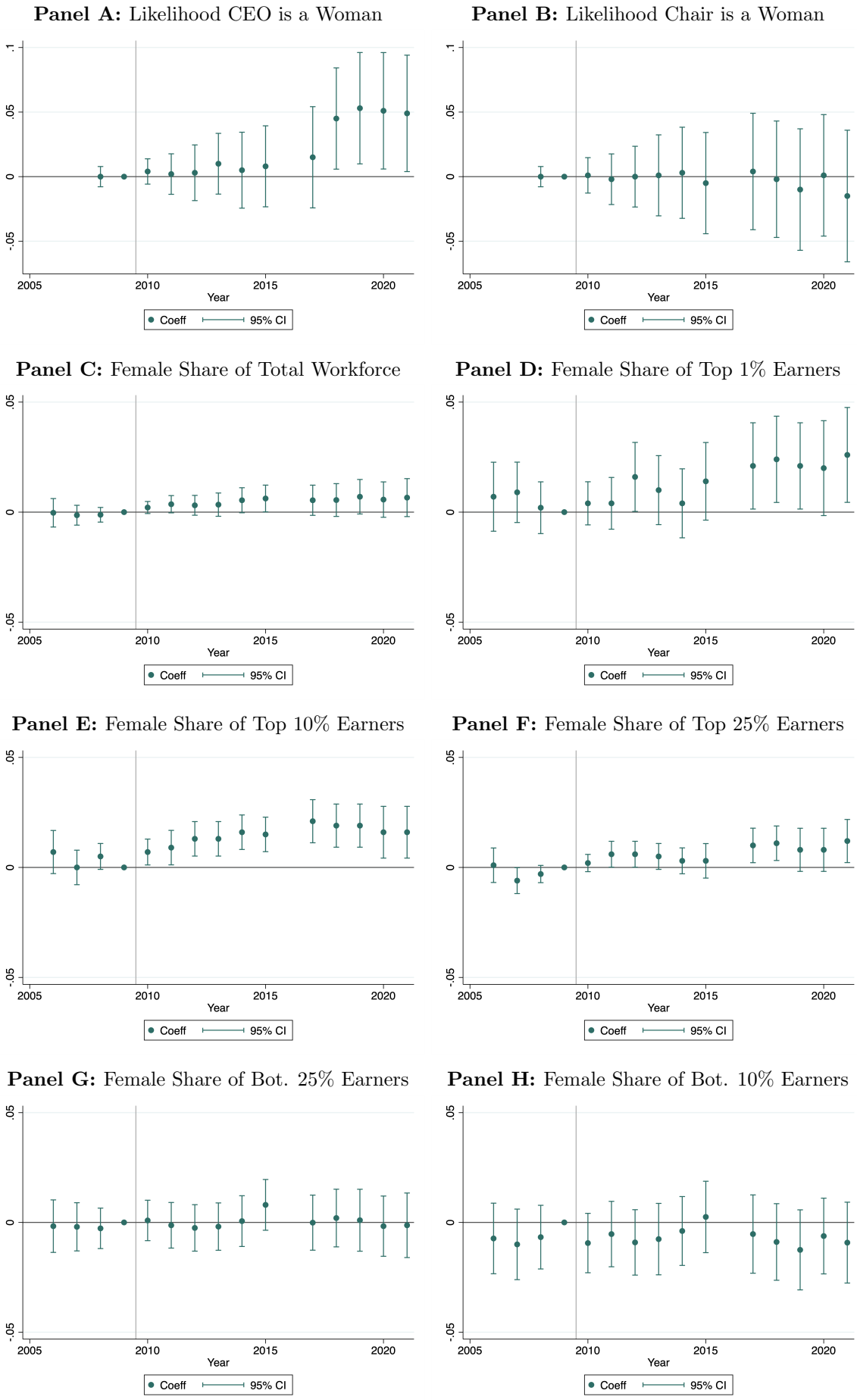


Figure 2: **DiD Estimates - Female Representation Throughout the Firm's Hierarchy**

Note: These graphs plot the DiD estimates from Equation (3). Large non-listed firms are the control group and listed firms are the treatment group. All panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. See Section 4 for details.

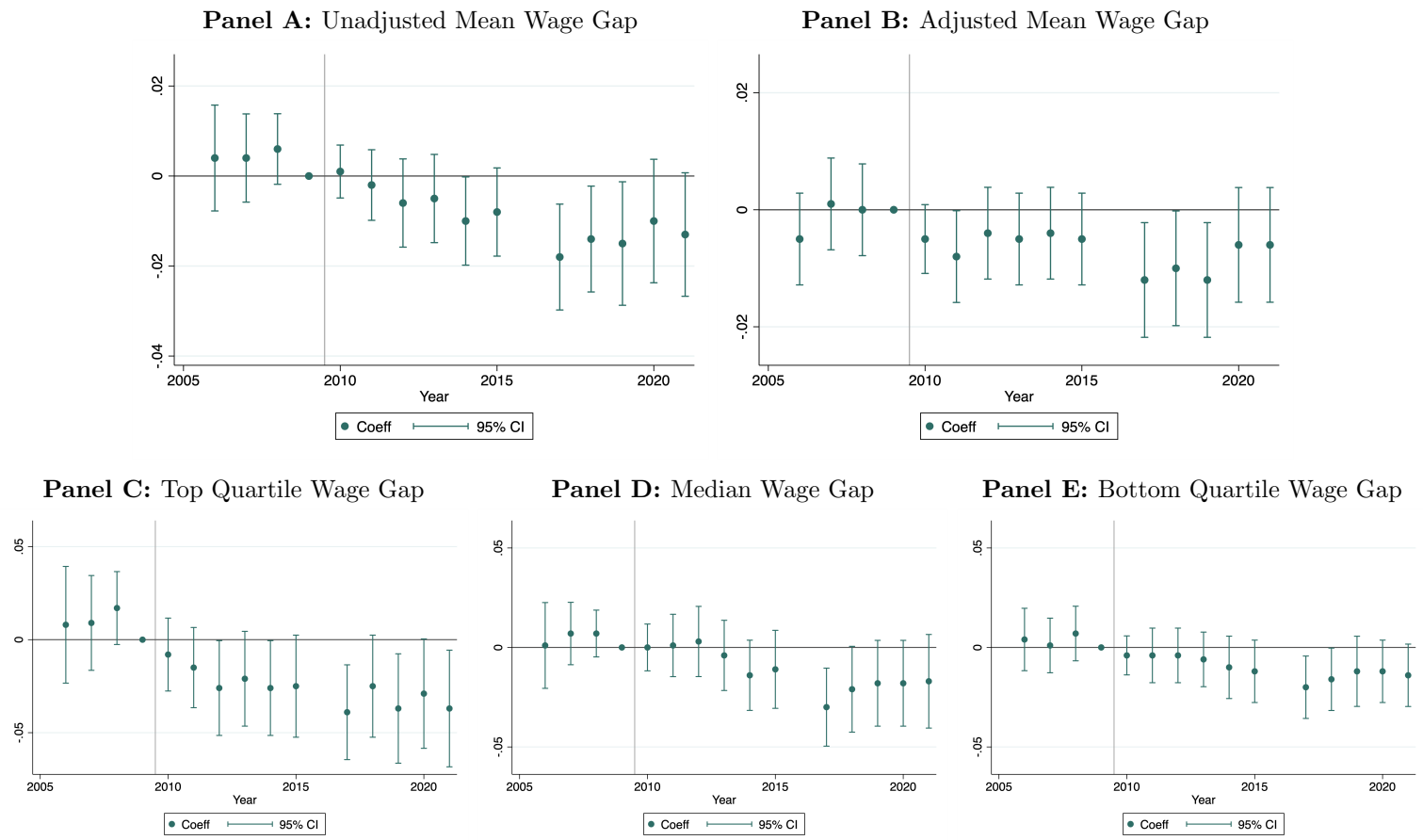


Figure 3: **DiD Estimates - Effects on the Gender Hourly Wage Gaps**

Note: These graphs plot the DiD estimates from Equation (3). Large non-listed firms are the control group and listed firms are the treatment group. All panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. Wage gap in Panel B is adjusted for age, age squared, and job title. The top quartile wage gap is computed as the ratio between the hourly wage such that 25% of men earn more, and the hourly wage such that 25% of women earn more. The bottom quartile wage gap is computed as the ratio between the hourly wage such that 25% of men earn less, and the hourly wage such that 25% of women earn less (see Section 2). All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2). Standard errors are clustered at the firm level. See Section 4 for details.

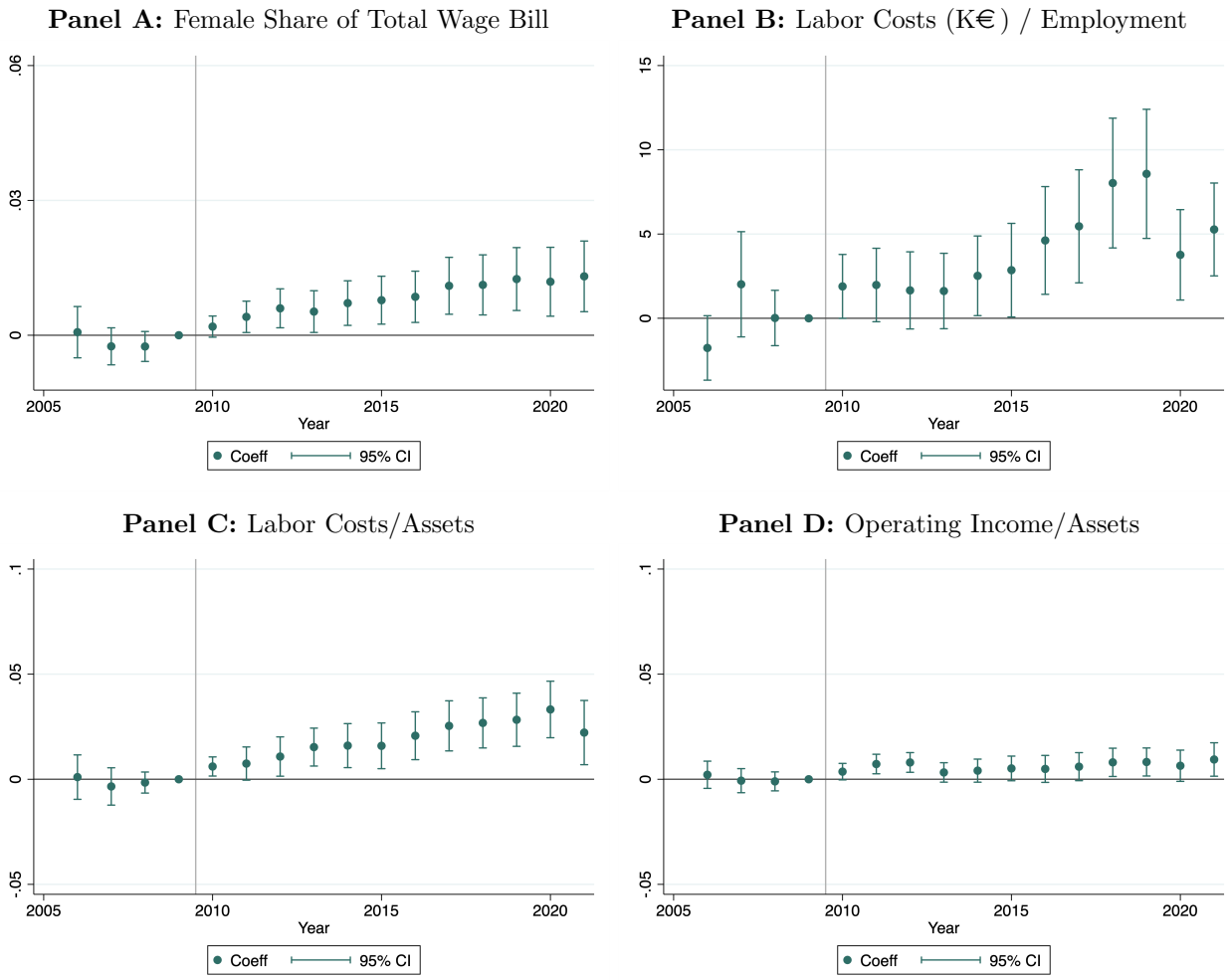


Figure 4: **Financial Outcomes**

Note: These figures plot the coefficients of the DiD regression (3) with the following dependent variables: Female share of total wage bill (Panel A), Labor Costs (K€)/Employment (Panel B), Labor Costs/Assets (Panel C) and Operating Income/Assets (Panel D). The treatment is defined as being listed in 2009, the control group is comprised of large non-listed firms. The vertical line indicates the (pre-reform) reference year 2009. See Section 5.5 for details. Standard errors are clustered at the firm level.

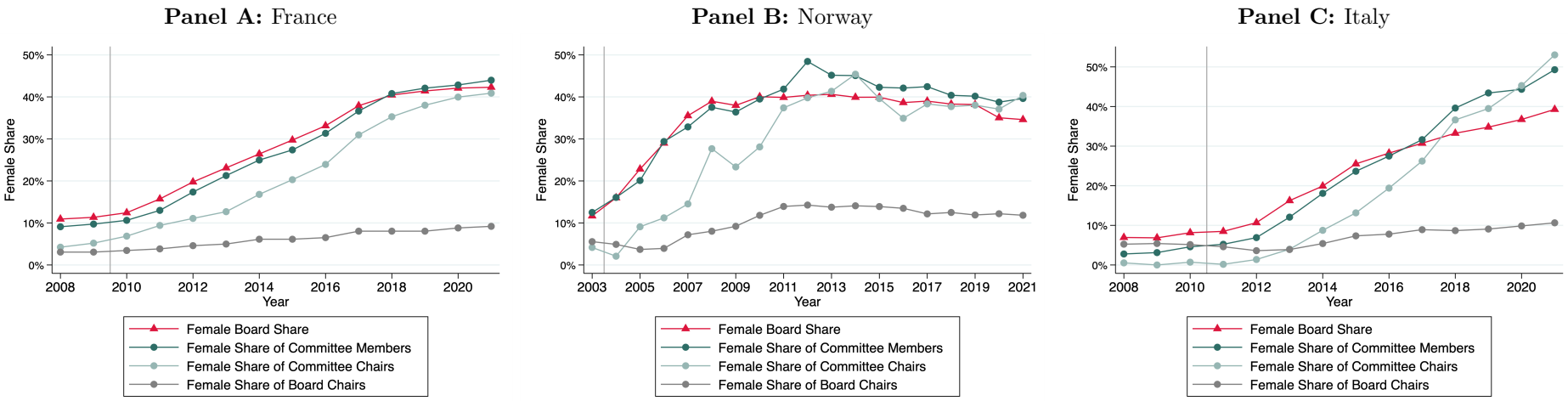
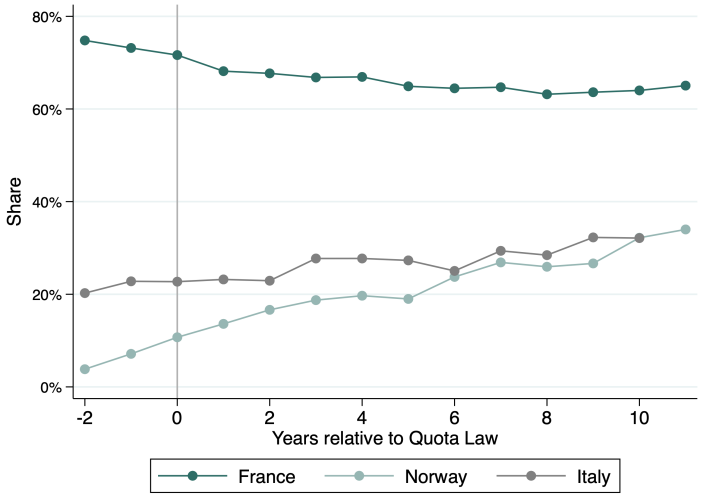


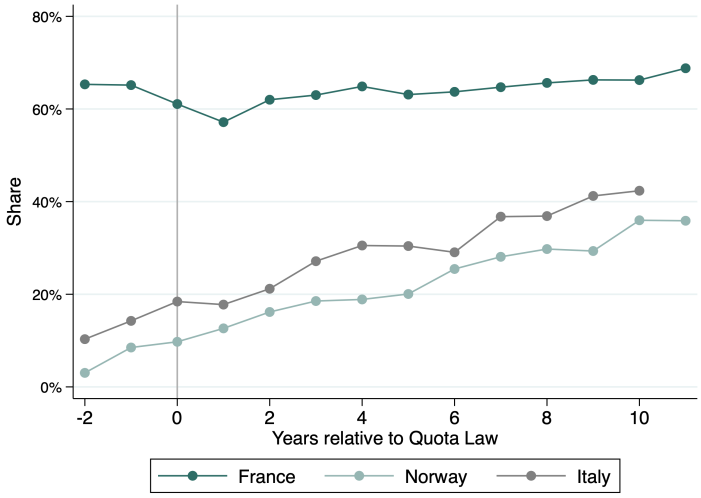
Figure 5: **Female Share of Key Positions in Listed Firms**

Note: These figures focus on listed firms only. The top figures plot the evolution of the fraction of committee member seats, committee chair seats and board chair seats going to female directors in France (Panel A), Norway (Panel B) and Italy (Panel B). The vertical line indicates the (pre-reform) reference year: 2003 in Norway, 2009 in France and 2010 in Italy. See Section 6.3 for details.

Panel A: All



Panel B: Women



Panel C: Men

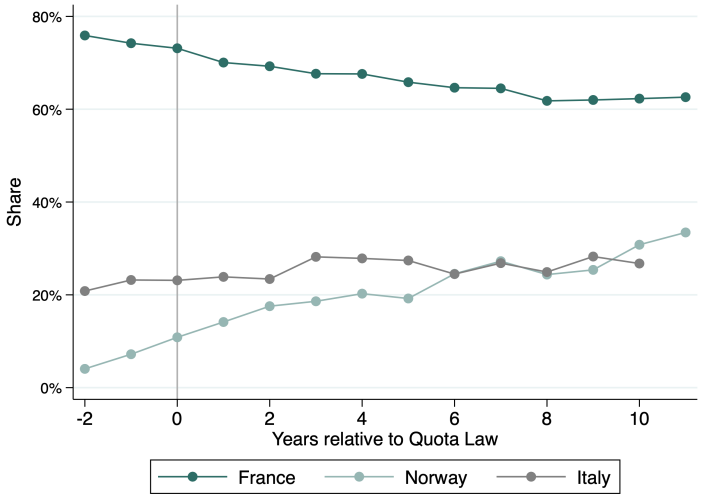


Figure 6: **Share of Directors sitting on Key Committees in Listed Firms**

Note: These figures focus on listed firms only. The bottom figures plots the fraction of directors who are given a seat on key committees among all directors (Panel A), female directors only (Panel B), and male directors only (Panel C). The vertical line indicates the reform year (2004 in Norway, 2010 in France, 2011 in Italy). See Section 6.3 for details.

9 Tables

Table 1: Balance Table in 2009

	Mean		Difference
	Listed	Large Non-Listed	
	(1)	(2)	(3)
Log Employees	7.21	7.12	-0.09
	[1.77]	[0.86]	(0.12)
Female Share of Employees	0.39	0.38	-0.01
	[0.17]	[0.22]	(0.02)
Female Share of Total Wage Bill	0.32	0.33	0.01
	[0.14]	[0.20]	(0.01)
Log Sales	5.93	5.68	-0.25*
	[1.92]	[1.13]	(0.13)
	Industry Share		
Construction	0.03	0.04	
Manufacturing	0.26	0.24	
Finance & Insurance	0.05	0.04	
Electricity, gas and water supply	0.03	0.01	
Mining	0.00	0.01	
Wholesale & retail trade	0.13	0.22	
Transportation, storage and communication	0.18	0.16	
Real estate	0.06	0.04	
Other services	0.25	0.23	
Number of firms	261	347	

Note: This table reports summary statistics in 2009 for the two groups of firms of our main analysis sample, as defined in Section 2.2. Financial variables are winsorized at the 1 percent tails. Columns (1) and (2) report the mean value for listed and large non-listed firms respectively, with standard deviations in brackets. Column (3) reports the estimate of the difference, with standard errors in parentheses and clustered at the firm level. The Pearson Chi2 test fails to reject the hypothesis of equality of industry distributions between the two groups (p-value = 0.20). *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 2: Estimates – Female Representation Throughout the Firm's Hierarchy

	Female CEO	Female Chair	Female Share of					
			Total Workforce	Top .. Earners			Bottom .. Earners	
				1%	10%	25%	25%	10%
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: DiD Estimates								
Listed x 2010-2015	0.0051	-0.000	0.004**	0.009	0.012***	0.004*	0.001	-0.005
	(0.009)	(0.012)	(0.002)	(0.006)	(0.003)	(0.002)	(0.005)	(0.006)
Listed x 2017-2021	0.043**	-0.005	0.007*	0.023**	0.018***	0.010**	0.001	-0.007
	(0.020)	(0.022)	(0.004)	(0.009)	(0.005)	(0.004)	(0.006)	(0.008)
Panel B: IV Estimates								
FBS	0.194**	-0.022	0.027	0.094**	0.063***	0.037*	0.011	-0.004
	(0.096)	(0.098)	(0.018)	(0.042)	(0.024)	(0.020)	(0.026)	(0.031)
Mean Listed 2009	0.027	0.031	0.394	0.103	0.200	0.260	0.495	0.500
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296	7296	7296	7296

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). large non-listed firms are the control group and listed firms are the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The FBS is computed excluding the CEO (Column 1) or the board chair (Column 2) to avoid spurious correlation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 3: Estimates – Hourly Wage Gaps

	Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	Unadjusted	Adjusted	Top Quartile	50th	Bottom Quartile
	(1)	(2)	(3)	(4)	(5)
			Panel A: DiD Estimates		
Listed x 2010-2015	-0.005	-0.005	-0.020**	-0.004	-0.006
	(0.004)	(0.003)	(0.010)	(0.007)	(0.006)
Listed x 2017-2021	-0.013**	-0.008*	-0.032**	-0.020**	-0.015*
	(0.006)	(0.004)	(0.013)	(0.010)	(0.008)
			Panel B: IV Estimates		
Female Board Share	-0.063**	-0.025	-0.117*	-0.112**	-0.067*
	(0.026)	(0.019)	(0.060)	(0.047)	(0.035)
Mean Listed 2009	0.181	0.115	0.289	0.202	0.133
Firm FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). large non-listed firms are the control group and listed firms are the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table 4: Comparison of Directors' Characteristics Pre vs. Post Reform - 2009 Listed Firms Only

	Appointed before 31/12/2009			**Appointed after 01/01/2011**			**Post vs. Pre**	
	Women	Men	Diff.	Women	Men	Diff.	Women	Men
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Previously Top Executive	0.36	0.49	-0.12***	0.48	0.54	-0.06***	0.12***	0.05**
	[0.42]	[0.28]	(0.03)	[0.30]	[0.29]	(0.02)	(0.03)	(0.02)
Independent	0.29	0.29	-0.00	0.52	0.30	0.22***	0.23***	0.00
	[0.41]	[0.22]	(0.03)	[0.30]	[0.27]	(0.02)	(0.03)	(0.02)
Family link	0.34	0.17	0.16***	0.10	0.09	0.01	-0.23***	-0.08***
	[0.44]	[0.24]	(0.03)	[0.19]	[0.19]	(0.01)	(0.03)	(0.02)
Foreign	0.08	0.11	-0.03*	0.17	0.17	-0.00	0.09***	0.05***
	[0.23]	[0.16]	(0.02)	[0.24]	[0.23]	(0.02)	(0.02)	(0.01)
Age	48.35	52.93	-4.59***	51.15	55	-3.85***	2.80***	1.78***
	[8.160]	[6.630]	(0.70)	[4.860]	[6.270]	(0.47)	(0.66)	(0.52)
Advanced Degrees	0.29	0.30	-0.01	0.27	0.28	-0.00	-0.02	-0.03
	[0.35]	[0.25]	(0.03)	[0.25]	[0.28]	(0.02)	(0.03)	(0.02)
N	178	261		256	245			

Note: This table focuses on listed firms. It reports comparisons between female and male directors appointed before and after the reform, along several dimensions. Observations are averaged at the firm × gender level. Columns 1 and 2 report the mean values of characteristics for directors appointed before or on December 31, 2009 included. Columns 4–5 report the same for those appointed after January 1, 2011 included. Columns (3) and (6) compare genders within appointment periods. Columns (7) and (8) compare periods within genders. Note that 5 firms did not appoint new female directors after 2011, and 6 did not appoint new male directors after 2011. Advanced degrees include MBA, PhD and JD. Family link is a dummy equal to one if a director has family connections to another director. Standard deviations are in brackets. Standard errors are in parentheses and clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 6.2 for details.

Table 5: Impact of Gender Equality Incentives in CEO Compensation on Main Outcomes

	Female Share of Top ... Earners			Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	1%	10%	25%	Unadjusted	Adjusted	Top Quartile	50th	Bottom Quartile
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: DiD Estimates								
Listed × Post2009 ×								
No Incentive	0.009	0.013***	0.006*	-0.004	-0.007*	-0.022*	-0.007	-0.003
	(0.007)	(0.004)	(0.003)	(0.005)	(0.004)	(0.012)	(0.009)	(0.006)
Incentive	0.026***	0.018***	0.008**	-0.016**	-0.006	-0.032*	-0.019*	-0.024**
	(0.008)	(0.005)	(0.004)	(0.007)	(0.005)	(0.018)	(0.010)	(0.009)
Mean Listed 2009	0.103	0.200	0.260	0.181	0.115	0.289	0.202	0.133
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296	7296	7296	7296

Note: This table reports DiD estimates from Equation (9) (Panel A). Large non-listed firms are the control group and listed firms are the treatment group. The time-period covered is 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. Outcomes are regressed on an indicator for whether the firm is listed interacted with whether the firm's board tied part of the CEO compensation to gender equality goals after 2009, as well as a set of controls. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The adjusted wage gap in Column (5) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

SUPPLEMENTARY APPENDIX

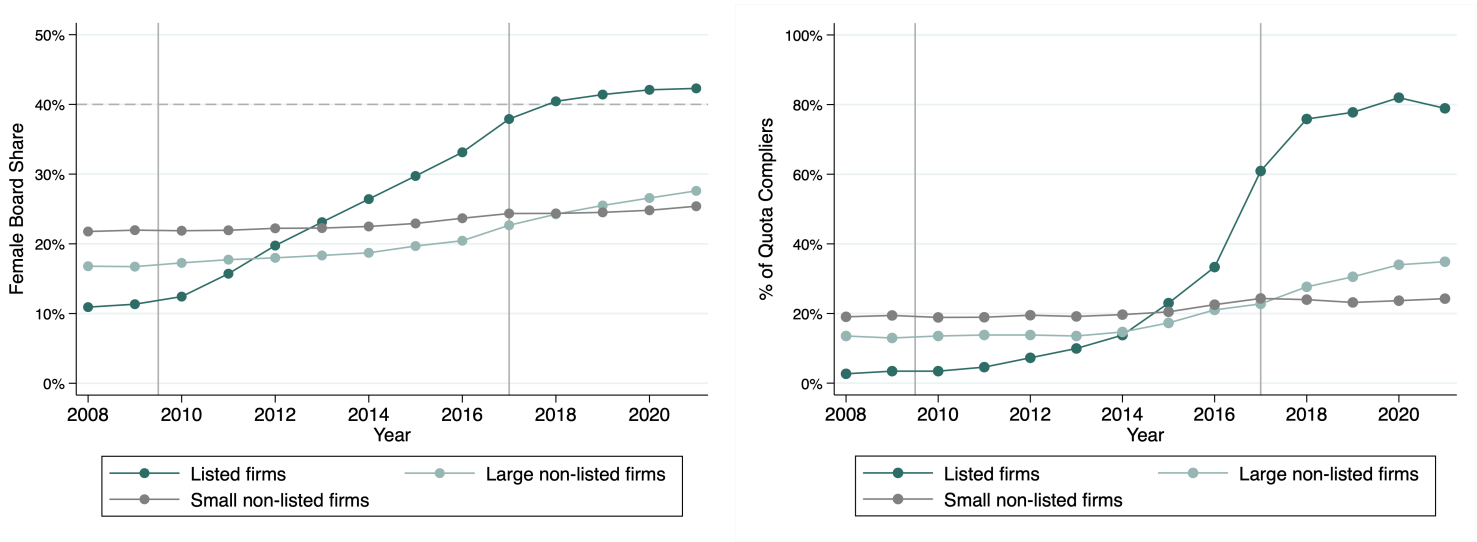


Figure A7: **Quota Implementation by Firm Group**

Note: These figures plot the evolution of the female board share (Panel A) and the fraction of quota-compliant firms (Panel B) for the three firm groups, as defined in Section 2.2. The dashed horizontal line in Panel A is the minimum female board share targeted firms had to reach by 2017. The two vertical lines delineate the implementation period (2010-2017). See Section 3 for details.

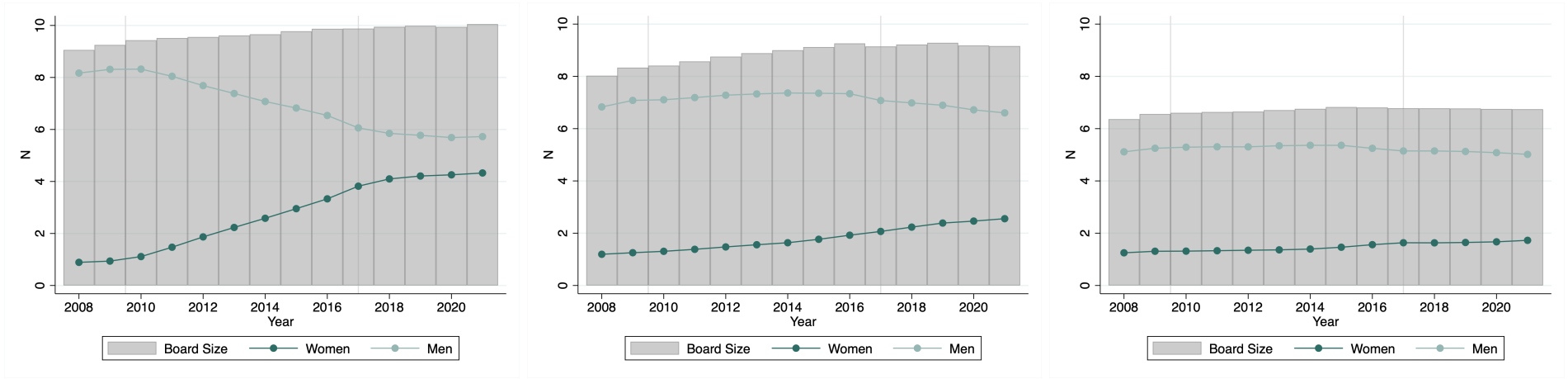


Figure A8: **Board Size**

Note: These figures plot the yearly average number of female and male directors for each of the three groups of firms, as defined in Section 2.2. Gray bars indicate the yearly average board size. Gray vertical lines delineate the implementation period (2010-2017). See Section 3 for details.

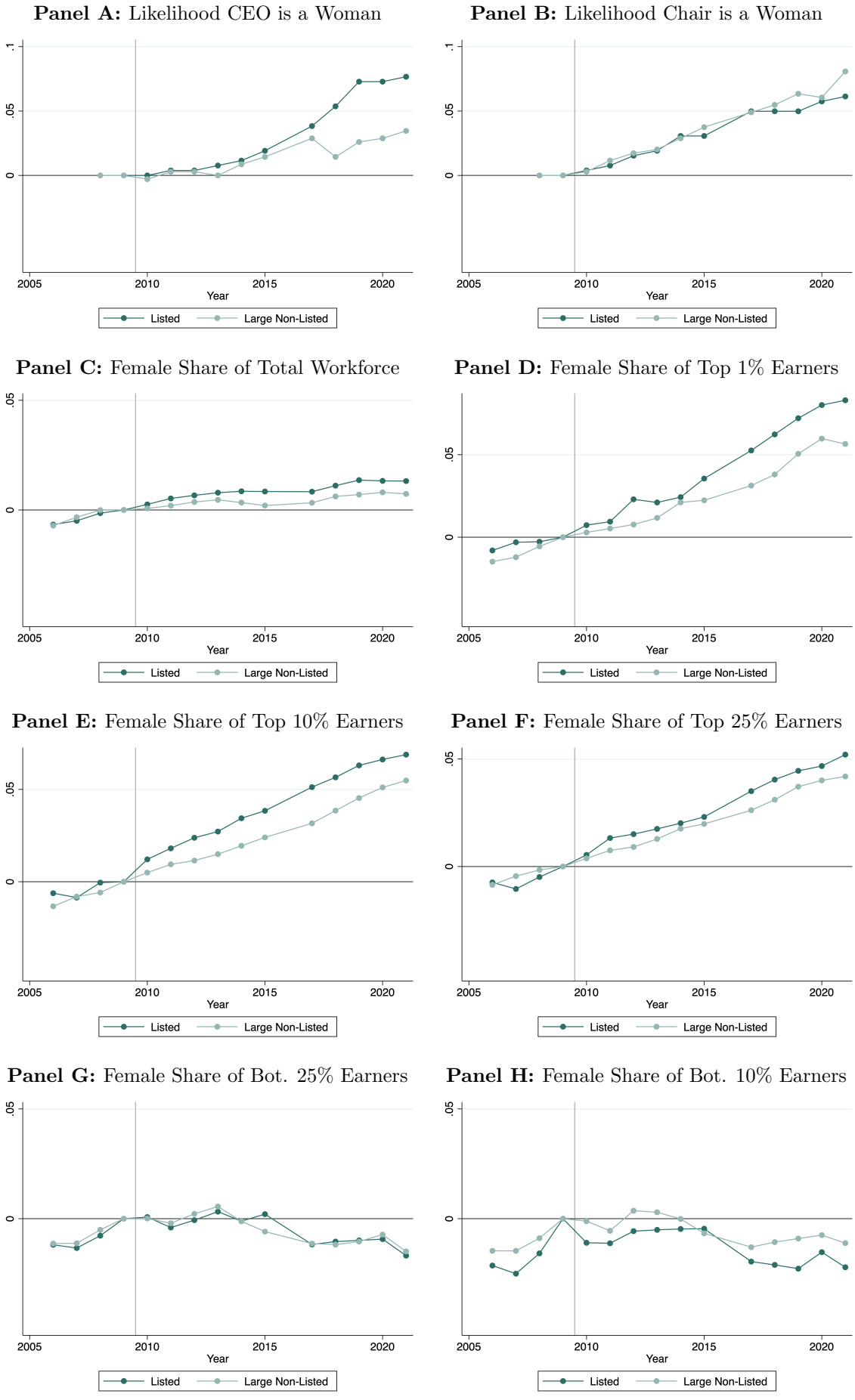


Figure A9: **Event Study - Female Representation Throughout the Firm's Hierarchy**

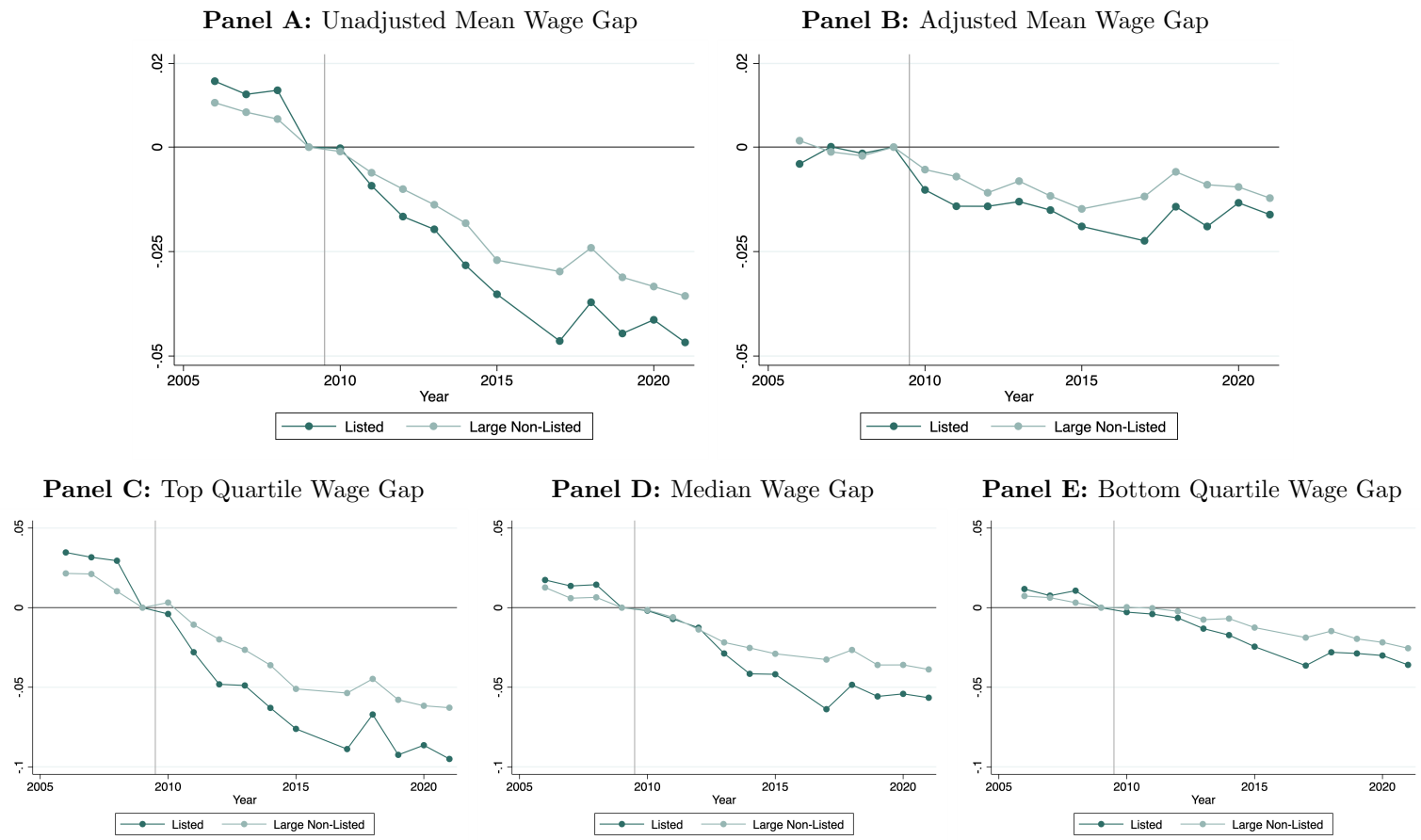
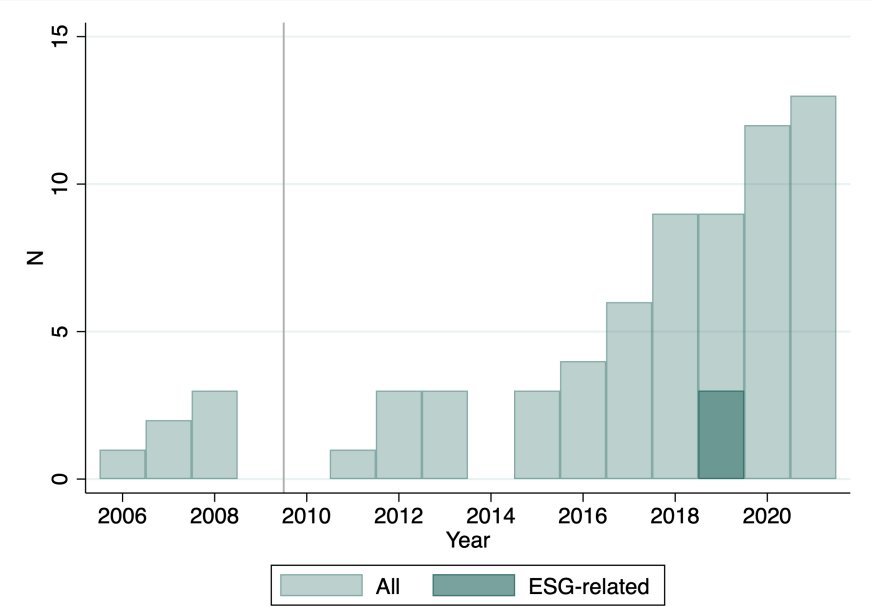


Figure A10: **Event Study - Gender Wage Gaps**

Note: These graphs plot the DiD estimates from Equation (3). Large non-listed firms are the control group and listed firms are the treatment group. All panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. Wage gap in Panel B is adjusted for age, age squared, and job title. The top quartile wage gap is computed as the ratio between the hourly wage such that 25% of men earn more, and the hourly wage such that 25% of women earn more. The bottom quartile wage gap is computed as the ratio between the hourly wage such that 25% of men earn less, and the hourly wage such that 25% of women earn less (see Section 2). All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2). Standard errors are clustered at the firm level. See Section 4 for details.

Panel A: Activism Campaigns in France



Panel B: Activism Campaigns in the US

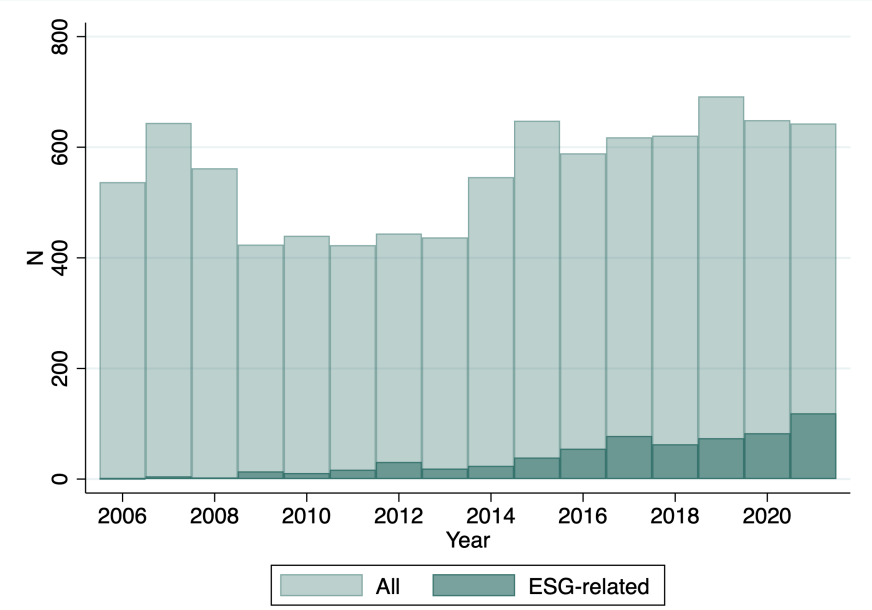


Figure A11: **Activism Campaigns**

Note: The light green bars plot the yearly number of activism campaigns targeting French (Panel A) and US (Panel B) firms according to FactSet's SharkWatch corporate activism database. The dark green bars report the number of ESG-related campaigns. In France, all of them specifically focused on climate measures and none was successful. The gray vertical line indicates the year the quota law was passed (2010). See Section 4.4 for details.

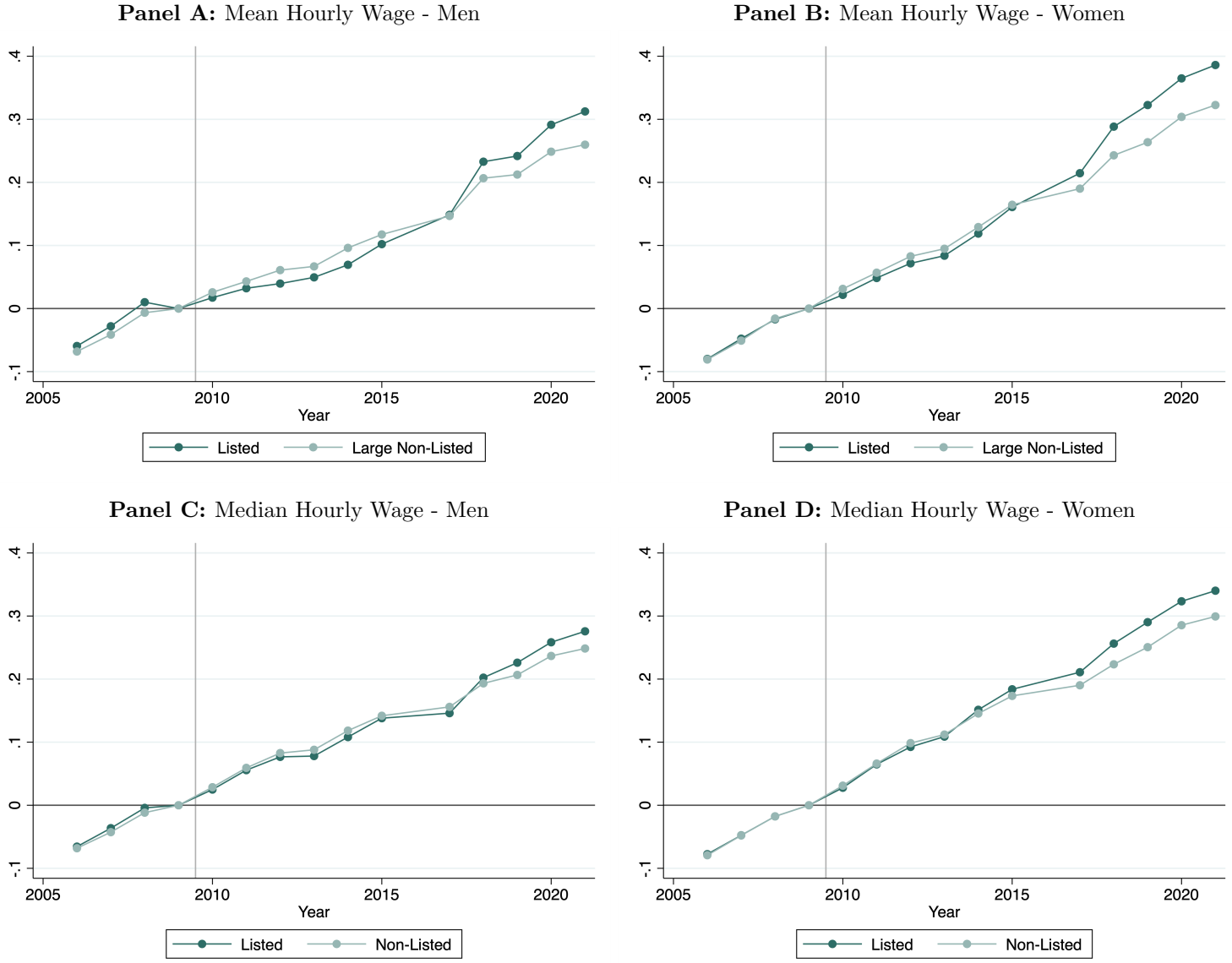
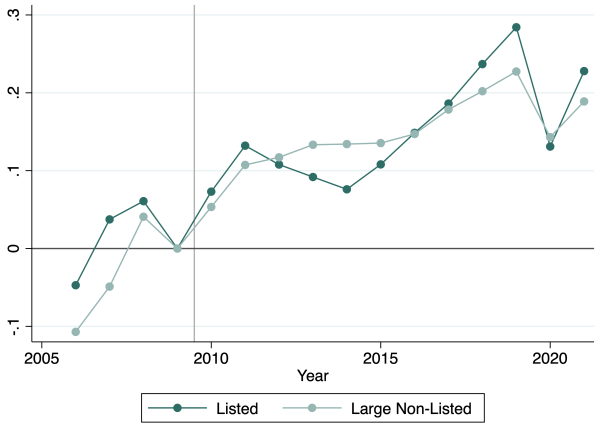


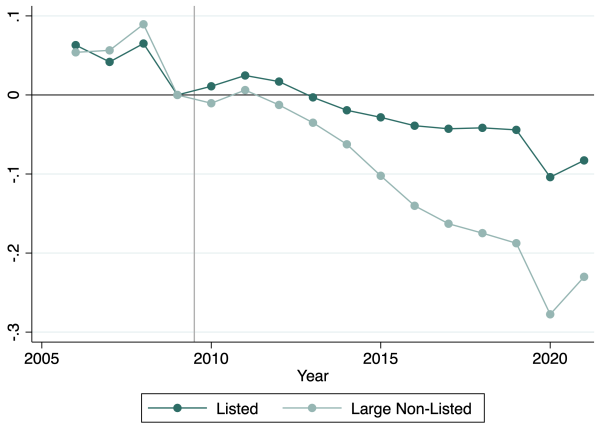
Figure A12: **Hourly Wage Growth by Gender**

Note: These figures plot the growth of the mean (Panel A and Panel B) and median (Panel C and Panel D) hourly wage for each gender relative to the value in 2009, among the listed and large non-listed firms. See Section 5.4 for details.

Panel A: Log Sales/Employees



Panel B: Sales/Assets



Panel C: Operating Income/Assets

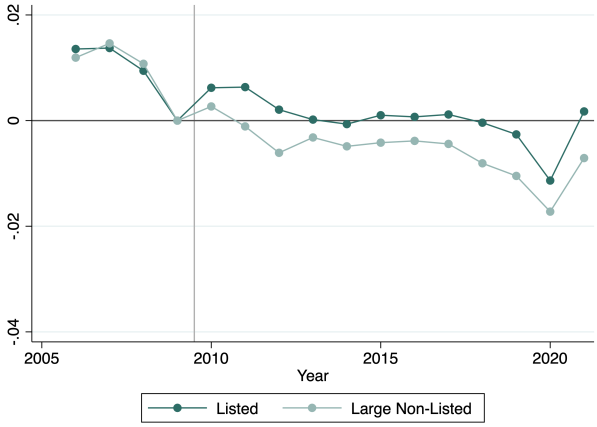


Figure A13: **Profitability - Event-Study**

Note: These graphs plot event study graphs for the treatment group (listed firms) and the control group (large non-listed firms) with 2009 as reference year for the following outcomes: Log Sales/Employees (Panel A), Sales/Assets (Panel B) and Operating Income/Assets (Panel C). The vertical line indicates the (pre-reform) reference year 2009. See Section 5.5 for details.

Table A1: Corporate Forms in 2021

	SA/SCA	SAS	Other
	(1)	(2)	(3)
Board	Mandatory	Discretionary	Prohibited
N	36,749	916,220	2,472,618
Share	1.1%	26.7%	72.2%

Note: This table displays the number of firms by corporate forms in 2021. Three of them (SA, SCA and SAS) allows for the establishment of a board. As shown in Column 3, almost three quarter of firms cannot have one. Data is from the Base SIRENE of Insee as of 2023.

Table A2: Our Sample in the Economy

	Listed	Large Non-Listed	Small Non-Listed
	(1)	(2)	(3)
		2009	
Employees	1,689,125	931,665	295,575
Share of total	*0.14*	*0.08*	*0.02*
Value Added (€M)	350,092	120,348	43,480
Share of total	*0.19*	*0.07*	*0.02*
		2021	
Employees	1,886,452	964,108	380,001
Share of total	*0.13*	*0.07*	*0.03*
Value Added (€M)	520,648	151,319	64,887
Share of total	*0.21*	*0.06*	*0.03*
Number of firms	261	347	1,743

Note: This table reports the total number of employees and the sum of value added (in million €) by group of firms as defined in Section 2.2, as well as the shares they account for in the entire French economy. See Section 2.2 for details.

Table A3: Balance Table in 2009

	Mean Listed	Difference with Listed	
		Large Non-Listed	Small Non-Listed
	(1)	(2)	(3)
Log Employees	7.21	-0.09	-2.27***
	[1.77]	(0.12)	(0.11)
Female Share of Employees	0.38	-0.01	-0.02*
	[0.17]	(0.02)	(0.01)
Female Share of Total Wage Bill	0.32	0.01	0.00
	[0.14]	(0.01)	(0.01)
Log Sales	5.93	-0.25*	-2.59***
	[1.92]	(0.13)	(0.12)

	Industry Share		
	Listed	Large Non-Listed	Small Non-Listed
Construction	0.03	0.04	0.07
Manufacturing	0.26	0.24	0.24
Finance & Insurance	0.05	0.04	0.05
Electricity, gas and water supply	0.03	0.01	0.01
Mining	0.00	0.01	0.01
Wholesale & retail trade	0.13	0.22	0.22
Transportation, storage and communication	0.18	0.16	0.10
Real estate	0.06	0.04	0.08
Other services	0.25	0.23	0.24
Number of firms	261	347	1,743

Note: This table reports summary statistics in 2009 for the three groups of firms, as defined in Section 2.2. Financial variables are winsorized at the 1 percent tails. Column (1) reports the mean value for listed firms, with standard deviations in brackets. Columns (2) and (3) report the estimate of the difference with large non-listed firms and small non-listed firms, with standard errors in parentheses and clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A4: Evolution of Board Size Between 2009 and 2021

	2009	2021	Diff.	N
	(1)	(2)	(3)	
Listed (L)	9.25	10.05	0.80***	261
	[4.15]	[3.99]	(0.20)	
Large non-listed (LNL)	8.33	9.15	0.82***	347
	[6.50]	[7.30]	(0.21)	
Small non-listed (SNL)	6.56	6.74	0.18***	1,743
	[5.19]	[5.49]	(0.07)	
	Diff.	Diff.		
L - LNL	-0.92**	-0.89*		
	(0.43)	(0.46)		
L - SNL	-2.69***	-3.31***		
	(0.28)	(0.28)		

Note: This table reports the evolution of the mean board size for the three groups of firms, as defined in Section 2.2. The differences in Columns (1) and (2) compare the within-year board size across groups. Column (3) reports the within-group difference across years. Standard deviations are in bracket. Standard errors are in parentheses and clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 3 for details.

Table A5: Comparison of Directors' Characteristics Pre vs. Post Reform

	Appointed before 31/12/2009			**Appointed after 01/01/2011**			**Post vs. Pre**	
	Women	Men	Diff.	Women	Men	Diff.	Women	Men
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
				Panel A: Family link to another director				
Listed	0.34	0.17	0.164***	0.10	0.09	0.011	-0.231***	-0.078***
	[0.44]	[0.24]	(0.030)	[0.19]	[0.19]	(0.013)	(0.031)	(0.016)
Large Non-Listed	0.33	0.29	0.042*	0.25	0.19	0.058***	-0.076**	-0.092***
	[0.42]	[0.34]	(0.022)	[0.35]	[0.28]	(0.0225)	(0.030)	(0.020)
Small Non-Listed	0.44	0.39	0.054***	0.34	0.27	0.072***	-0.102***	-0.121***
	[0.45]	[0.39]	(0.0122)	[0.41]	[0.35]	(0.013)	(0.016)	(0.010)
				Panel B: Foreign Directors				
Listed	0.08	0.11	-0.033*	0.17	0.17	-0.001	0.086***	0.054***
	[0.23]	[0.16]	(0.018)	[0.24]	[0.23]	(0.015)	(0.021)	(0.013)
Large Non-Listed	0.07	0.07	-0.001	0.08	0.09	-0.014	0.009	0.022**
	[0.24]	[0.19]	(0.016)	[0.21]	[0.21]	(0.013)	(0.017)	(0.009)
Small Non-Listed	0.07	0.06	-0.008	0.08	0.10	-0.017**	0.020**	0.029***
	[0.22]	[0.19]	(0.007)	[0.24]	[0.23]	(0.008)	(0.008)	(0.005)
N	1,555	2,351		1,571	1,854			

Note: This table reports comparisons between female and male directors appointed before and after the reform, along two dimensions: family connections (Panel A) and whether or not they are French citizens (Panel B). Observations are at the firm × gender level. Columns 1 and 2 report the mean values of characteristics for directors appointed before or on December 31, 2009 included. Columns 4–5 report the same for those appointed after January 1, 2011 included. Standard deviations are in brackets. Standard errors are in parentheses and clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 3 for details.

Table A6: Main Outcomes in 2009

	Mean Listed	Difference with Listed	
		Large Non-Listed	Small Non-Listed
	(1)	(2)	(3)
	Outcomes at the Top		
Female CEO	0.027	0.033*	0.057***
	[0.160]	(0.018)	(0.013)
Female Chair	0.031	0.038**	0.069***
	[0.173]	(0.017)	(0.014)
Women in Top 10 Earners	0.900	0.108	0.772***
	[1.040]	(0.095)	(0.087)
Female Share of Top 1% Earners	0.103	0.005	0.016*
	[0.120]	(0.010)	(0.009)
Female Share of Top 10% Earners	0.200	0.004	-0.013
	[0.125]	(0.011)	(0.009)
Female Share of Top 25% Earners	0.260	0.000	-0.020**
	[0.143]	(0.012)	(0.009)
	Hourly Mean Wage Gaps		
Unadjusted	0.181	-0.012	0.013
	[0.135]	(0.010)	(0.009)
Adjusted	0.115	-0.007	0.005
	[0.073]	(0.006)	(0.006)
	Percentile Hourly Wage Gaps		
75th	0.289	-0.024	0.065**
	[0.289]	(0.024)	(0.026)
50th (Median)	0.202	-0.016	0.017
	[0.216]	(0.018)	(0.016)
25th	0.133	-0.007	0.019*
	[0.140]	(0.011)	(0.010)
Number of firms	261	347	1,753

Note: This table reports summary statistics for our main outcomes in 2009 for the three groups of firms, as defined in Section 2.2. Column (1) reports the mean value for listed firms, with standard deviations in brackets. Columns (2) and (3) report the estimates of the adjusted difference with large non-listed firms and small non-listed firms (Equation (7)). The difference is adjusted for firm industry and share of employees in each hierarchical layer. Standard errors are in parentheses and clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 4.2 for details.

Table A7: First stage - 2009 to 2021

	Female Board Share
	(1)
$\text{Listed}_{2009} \times 2010$	0.00555
	(0.00396)
$\text{Listed}_{2009} \times 2011$	0.0344***
	(0.00602)
$\text{Listed}_{2009} \times 2012$	0.0720***
	(0.00725)
$\text{Listed}_{2009} \times 2013$	0.102***
	(0.00853)
$\text{Listed}_{2009} \times 2014$	0.131***
	(0.00988)
$\text{Listed}_{2009} \times 2015$	0.155***
	(0.0110)
$\text{Listed}_{2009} \times 2016$	0.180***
	(0.0119)
$\text{Listed}_{2009} \times 2017$	0.206***
	(0.0128)
$\text{Listed}_{2009} \times 2018$	0.216***
	(0.0136)
$\text{Listed}_{2009} \times 2019$	0.213***
	(0.0137)
$\text{Listed}_{2009} \times 2020$	0.208***
	(0.0142)
$\text{Listed}_{2009} \times 2021$	0.200***
	(0.0141)
Observations	7,904
F-stat	24.44

Note: This table reports the first stage estimates from Equation (6) on the sub-sample of targeted firms. The time-period covered is 2009-2021. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A8: Compliance with Gender Equality Index Law in 2021

	Index Disclosure		Index Value	
	(1)	(2)	(3)	(4)
Listed	-0.023	-0.007	0.959	-1.067
	(0.041)	(0.045)	(1.609)	(1.676)
Female Board Share		-0.108		14.51**
		(0.124)		(6.40)
Constant	0.548***	0.577***	81.57***	77.60***
	(0.027)	(0.044)	(1.14)	(2.31)
Observations	608	608	327	327

Note: This table regresses the disclosure of the gender equality index in 2021 (Columns 1 and 2) or the index value in 2021 (Columns 3 and 4) on an indicator variable equal to one if the firm is listed in 2009 (Columns 1 and 3), and including a control for the Female Board Share in 2021 (Columns 2 and 4). The sample is comprised of listed and large non-listed firms (Columns 1 and 2), restricted to the firms that reported the index in 2021 (Column 3 and 4). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 4.3 for details.

Table A9: Media Coverage

	Topic: Quota		Topic: Gender Equality	
	Coverage Probability	Coverage Intensity	Coverage Probability	Coverage Intensity
	(1)	(2)	(3)	(4)
Listed × Post2009	0.016***	0.001***	0.000	-0.000
	(0.004)	(0.000)	(0.004)	(0.001)
Mean Listed 2009	0.011	0.000	0.004	0.000
Firm FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm
Observations	9,728	9,728	9,728	9,728

Note: This table reports DiD estimates from Equation (8). Large non-listed firms are the control group and listed firms are the treatment group. The time-period covered is 2006-2021. The reference period is the pre-quota period (2006-2009). Coverage Probability is equal to one if firm j is mentioned in at least one article about the quota (Column 1) or gender equality (Column 3). Coverage intensity is the ratio of the number of articles about the quota (Column 2) or gender equality (Column 4) mentioning firm j to the total number of articles mentioning firm j. All regressions include year and firm fixed effects. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A10: Estimates with Alternative Control Group – Female Representation Throughout the Firm's Hierarchy

	Female CEO	Female Chair	Female Share of					
			Total Workforce	Top .. Earners			Bottom .. Earners	
				1%	10%	25%	25%	10%
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: DiD Estimates								
Listed x 2010-2015	-0.001	0.012	0.006***	0.011**	0.013***	0.005**	0.006	0.003
	(0.006)	(0.010)	(0.002)	(0.006)	(0.003)	(0.002)	(0.004)	(0.006)
Listed x 2017-2021	0.030*	0.015	0.007**	0.024***	0.020***	0.012***	0.004	0.000
	(0.015)	(0.018)	(0.003)	(0.009)	(0.005)	(0.004)	(0.006)	(0.007)
Panel B: IV Estimates								
FBS	0.121**	0.011	0.015	0.068**	0.052***	0.036**	0.001	0.003
	(0.060)	(0.062)	(0.011)	(0.031)	(0.018)	(0.014)	(0.018)	(0.022)
Mean Listed 2009	0.0270	0.0310	0.394	0.103	0.200	0.260	0.495	0.500
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	23988	23988	23988	23988	23988	23988	23988	23988

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). Results are estimated using an alternative control group: instead of large non-listed firms, the control group comprises small non-listed firms (i.e., not subject to the quota in 2009). Listed firms remain the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The FBS is computed excluding the CEO (Column 1) or the board chair (Column 2) to avoid spurious correlation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A11: Estimates with Alternative Control Group – Hourly Wage Gaps

	Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	Unadjusted	Adjusted	Top Quartile	50th	Bottom Quartile
	(1)	(2)	(3)	(4)	(5)
Panel A: DiD Estimates					
Listed x 2010-2015	-0.002	-0.002	-0.012	0.001	0.004
	(0.004)	(0.003)	(0.010)	(0.006)	(0.005)
Listed x 2017-2021	-0.008	-0.002	-0.025*	-0.012	-0.002
	(0.005)	(0.004)	(0.015)	(0.009)	(0.007)
Panel B: IV Estimates					
Female Board Share	-0.036*	-0.003	-0.077	-0.056*	-0.022
	(0.019)	(0.015)	(0.057)	(0.033)	(0.024)
Mean Listed 2009	0.181	0.115	0.289	0.202	0.133
N	23988	23988	23988	23988	23988

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). Results are estimated using an alternative control group: instead of large non-listed firms, the control group comprises small non-listed firms (i.e., not subject to the quota in 2009). Listed firms remain the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A12: Including Industry × Year FEs – Female Representation Throughout the Firm's Hierarchy

	Female CEO	Female Chair	Female Share of					
			Total Workforce	Top .. Earners			Bottom .. Earners	
				1%	10%	25%	25%	10%
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
FBS	0.175*	-0.020	0.025	0.094**	0.062**	0.036*	0.012	-0.004
	(0.099)	(0.099)	(0.017)	(0.042)	(0.024)	(0.020)	(0.026)	(0.031)
Mean 2009	0.0530	0.0540	0.387	0.108	0.206	0.260	0.480	0.478
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Industry × Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5) where year fixed effects are replaced with industry × year fixed effects. The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. All regressions include industry × year fixed effects and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The FBS is computed excluding the CEO (Column 1) or the board chair (Column 2) to avoid spurious correlation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A13: Including Industry × Year FEs – Hourly Wage Gaps

	Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	Unadjusted	Adjusted	75th	50th	25th
	(1)	(2)	(3)	(4)	(5)
FBS	-0.059**	-0.025	-0.114*	-0.099**	-0.058*
	(0.026)	(0.020)	(0.058)	(0.046)	(0.034)
Mean 2009	0.157	0.107	0.251	0.166	0.109
Firm FE	✓	✓	✓	✓	✓
Industry × Year FE	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5) where year fixed effects are replaced with industry × year fixed effects. The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include industry × year fixed effects and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A14: OLS Estimates – Female Representation Throughout the Firm's Hierarchy

	Female CEO	Female Chair	Female Share of		
			Top .. Earners		
			1%	10%	25%
	(1)	(2)	(3)	(4)	(5)
FBS	0.076	0.232***	0.060***	0.012	0.011
	(0.046)	(0.054)	(0.017)	(0.008)	(0.008)
Mean 2009	0.053	0.054	0.108	0.206	0.260
Firm FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5). The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year. In this specification, it is instrumented for by the percentage of women on the board in 2009 interacted with year dummies. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The FBS is computed excluding the CEO (Column 1) or the board chair (Column 2) to avoid spurious correlation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A15: OLS Estimates – Hourly Wage Gaps

	Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	Unadjusted	Adjusted	75th	50th	25th
	(1)	(2)	(3)	(4)	(5)
FBS	-0.029***	-0.005	-0.041*	-0.043**	-0.021
	(0.011)	(0.008)	(0.024)	(0.022)	(0.013)
N	7296	7296	7296	7296	7296
Mean 2009	0.157	0.107	0.251	0.166	0.109
Firm FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5). The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year. In this specification, it is instrumented for by the percentage of women on the board in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A16: First stage - 2009 to 2021 - IV a la Bertrand et al. (2019)

	Female Board Share
	(1)
$FBS_{2009} \times 2010$	-0.0386***
	(0.0141)
$FBS_{2009} \times 2011$	-0.114***
	(0.0223)
$FBS_{2009} \times 2012$	-0.188***
	(0.0239)
$FBS_{2009} \times 2013$	-0.265***
	(0.0357)
$FBS_{2009} \times 2014$	-0.371***
	(0.0392)
$FBS_{2009} \times 2015$	-0.436***
	(0.0433)
$FBS_{2009} \times 2016$	-0.486***
	(0.0460)
$FBS_{2009} \times 2017$	-0.555***
	(0.0485)
$FBS_{2009} \times 2018$	-0.597***
	(0.0491)
$FBS_{2009} \times 2019$	-0.617***
	(0.0469)
$FBS_{2009} \times 2020$	-0.647***
	(0.0467)
$FBS_{2009} \times 2021$	-0.658***
	(0.0447)
Observations	7,904
F-stat	20.12

Note: This table reports the first stage estimates from Equation (6) on the sub-sample of targeted firms. However, the instrument is now the fraction of women on the board in 2009 interacted with year dummies. The time-period covered is 2009-2021. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A17: Estimates a la Bertrand et al. (2019) – Female Representation Throughout the Firm's Hierarchy

	Female CEO	Female Chair	Female Share of					
			Total Workforce	Top .. Earners			Bottom .. Earners	
				1%	10%	25%	25%	10%
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
FBS	0.159	0.095	-0.002	0.041	0.025	0.023	-0.020	-0.024
	(0.108)	(0.129)	(0.020)	(0.040)	(0.024)	(0.020)	(0.026)	(0.028)
Mean 2009	0.0530	0.0540	0.387	0.108	0.206	0.260	0.480	0.478
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5). The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year. In this specification, it is instrumented for by the percentage of women on the board in 2009 interacted with year dummies. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The FBS is computed excluding the CEO (Column 1) or the board chair (Column 2) to avoid spurious correlation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A18: Estimates a la Bertrand et al. (2019) – Hourly Wage Gaps

	Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	Unadjusted	Adjusted	75th	50th	25th
	(1)	(2)	(3)	(4)	(5)
FBS	-0.083***	-0.021	-0.153**	-0.168***	-0.074**
	(0.030)	(0.023)	(0.061)	(0.055)	(0.031)
Mean 2009	0.157	0.107	0.251	0.166	0.109
Firm FE	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm
N	7296	7296	7296	7296	7296

Note: This table reports IV estimates from Equation (5). The time-period covered 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year. In this specification, it is instrumented for by the percentage of women on the board in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A19: Estimates – Evolution of Hourly Wage Gaps

	Mean Hourly Wage		Median Hourly Wage	
	Men	Women	Men	Women
	(1)	(2)	(3)	(4)
	Panel A: DiD Estimates			
Listed x 2010-2015	-0.265	-0.042	0.080	0.131
	(0.245)	(0.123)	(0.160)	(0.121)
Listed x 2017-2021	0.924**	1.144***	0.425	0.644***
	(0.370)	(0.283)	(0.270)	(0.223)
	Panel B: IV Estimates			
Female Board Share	5.644***	6.523***	2.244*	3.506***
	(1.713)	(1.420)	(1.301)	(1.061)
Mean Listed 2009	25.55	20.12	21.13	17.44
N	7296	7296	7296	7296

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). large non-listed firms are the control group and listed firms are the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. The adjusted wage gap in Column (2) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A20: Estimates – Female Representation – Incumbent vs. Newly Hired

	Female Share of							
	Total Workforce		Top 1% Earners		Top 10% Earners		Top 25% Earners	
	Inc.	NH	Inc.	NH	Inc.	NH	Inc.	NH
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: DiD Estimates								
Listed x 2010-2015	0.0051**	-0.002	0.007	0.035	0.013***	0.029	0.007***	0.007
	(0.002)	(0.007)	(0.006)	(0.035)	(0.003)	(0.022)	(0.003)	(0.017)
Listed x 2017-2021	0.007*	0.004	0.022**	0.007	0.019***	0.008	0.013***	0.008
	(0.004)	(0.008)	(0.009)	(0.038)	(0.005)	(0.024)	(0.005)	(0.019)
Panel B: IV Estimates								
FBS	0.023	0.038	0.098**	-0.133	0.067***	-0.020	0.041*	0.048
	(0.018)	(0.029)	(0.043)	(0.120)	(0.024)	(0.081)	(0.021)	(0.062)
Mean Listed 2009	0.389	0.432	0.103	0.130	0.199	0.222	0.259	0.271
Firm FE	✓	✓	✓	✓	✓	✓	✓	✓
Year FE	✓	✓	✓	✓	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm	Firm	Firm	Firm	Firm
N	7296	7295	7294	2891	7296	6020	7296	6854

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). large non-listed firms are the control group and listed firms are the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. Odd columns report estimates on incumbent employees only; even columns report estimates on newly hired employees only. A smaller number of observations is due to the fact that some firms did not recruit employees directly into top earners groups. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A21: Estimates – Mean Hourly Wage Gaps – Incumbent vs. Newly Hired

	Unadjusted Mean Hourly Wage Gap		Adjusted Mean Hourly Wage Gap	
	Inc.	NH	Inc.	NH
	(1)	(2)	(3)	(4)
Panel A: DiD Estimates				
Listed x 2010-2015	-0.008*	-0.009	-0.008**	-0.013**
	(0.004)	(0.008)	(0.004)	(0.005)
Listed x 2017-2021	-0.019***	-0.008	-0.012**	-0.014**
	(0.006)	(0.009)	(0.005)	(0.006)
Panel B: IV Estimates				
FBS	-0.083***	-0.009	-0.035*	-0.027
	(0.028)	(0.035)	(0.021)	(0.021)
Mean Listed 2009	0.192	0.137	0.129	0.074
Firm FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm
N	7296	7295	7296	7290

Note: This table reports DiD estimates from Equation (4) (Panel A) and IV estimates from Equation (5) (Panel B). large non-listed firms are the control group and listed firms are the treatment group. Both panels cover the time-period 2009-2021, excluding 2016 (see Section 2), with 2009 as the (pre-reform) reference year. FBS is the percentage of women on the board of the firm in a given year; it is instrumented for by the listing status in 2009 interacted with year dummies. Odd columns report estimates on incumbent employees only; even columns report estimates on newly hired employees only. The adjusted wage gap (Columns 3 and 4) is adjusted for age, age squared, and job title. Wage gaps on newly hired are winsorized at the 5% tails to account for outliers. A smaller number of observations is either due to the fact that some firms only hired one gender, making it impossible to compute a gender wage gap on the subset of newly hired employees. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

Table A23: CEO Incentive to Increase Gender Equality

	Variable Compensation Linked to Gender Equality Goals			
	Yes = 1 / No = 0		Share of Var. Comp.	
	(1)	(2)	(3)	(4)
Female Board Share	0.237***	0.239***	0.032*	0.033*
	(0.083)	(0.083)	(0.017)	(0.017)
CEO on Board		-0.064*		-0.016
		(0.034)		(0.010)
Firm FE	✓	✓	✓	✓
Year FE	✓	✓	✓	✓
Clustering	Firm	Firm	Firm	Firm
Observations	3,393	3,393	3,393	3,393

Note: This table reports estimates from Equation (10). The time-period covered is 2009-2021. The dependent variable in Column (1) is an indicator equal to one if the firm reports linking part of its CEO compensation to gender equality goals, and zero otherwise. The dependent variable in Column (2) is the fraction of the variable compensation that depends on meeting these goals. FBS is the percentage of women on the board of the firm in a given year. The sample is restricted to listed firms, excluding the 25 firms that did not disclose the breakdown of their CEO variable compensation. Firm and year fixed effects are included. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$. See Section 6.1 for details.

Table A22: Gender Equality Incentive in CEO Compensation - Listed Firms Only

	Mean		Difference
	Incentive	No Incentive	
	(1)	(2)	(3)
Mean Share of Variable Compensation			
in 2009	0.00	0.00	0.00
	[0.00]	[0.00]	-
in 2021	0.13	0.00	0.13
	[0.10]	[0.00]	-
Female Board Share			
in 2009	0.10	0.12	-0.02
	[0.09]	[0.14]	(0.02)
in 2021	0.46	0.41	0.05***
	[0.08]	[0.11]	(0.01)
Observations	87	174	

Note: This table reports descriptive statistics for listed firms, according to whether they incentivize their CEO to achieve gender equality goals through compensation (Column 1) or not (Column 2). Column (3) reports the difference between the two groups. See Section 6.1 for details.

Table A24: Impact of Including Gender Equality Incentives in CEO Compensation - Pretrends

	Female Share of Top ... Earners			Mean Hourly Wage Gap		Percentile Hourly Wage Gap		
	1%	10%	25%	Unadjusted	Adjusted	Top Quartile	50th	Bottom Quartile
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Panel A: DiD Estimates								
Listed × Pre-2009 ×								
No Incentive	0.004	0.004	-0.003	0.005	-0.003	0.007	0.006	0.009
	(0.007)	(0.004)	(0.003)	(0.004)	(0.004)	(0.013)	(0.009)	(0.007)
Incentive	0.010	-0.001	-0.005	0.004	0.003	0.013	-0.002	-0.002
	(0.008)	(0.005)	(0.004)	(0.007)	(0.005)	(0.018)	(0.011)	(0.010)
Mean Listed 2009	0.103	0.200	0.260	0.181	0.115	0.289	0.202	0.133
N	2432	2432	2432	2432	2432	2432	2432	2432

Note: This table reports DiD estimates from Equation (9) (Panel A), where $Post2009_t$ is replaced by $Pre2009_t$, an indicator equal to one if $t \leq 2008$. Large non-listed firms are the control group and listed firms are the treatment group. The time-period covered is 2006-2009, with 2009 as the reference year. Outcomes are regressed on an indicator for whether the firm is listed interacted with whether the firm's board tied part of the CEO compensation to gender equality goals after 2009, as well as a set of controls. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). The adjusted wage gap in Column (6) is adjusted for age, age squared, and job title. All regressions include year and firm fixed effects, as well as time-varying firm controls for the share of employees in each hierarchical layer (see Section 2.3). 25 listed firms from the main sample are excluded for lack of details about the CEO variable compensation. Standard errors are clustered at the firm level. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.