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BOARD CHARACTERISTICS AND DIVIDEND POLICY OF LISTED OIL AND GAS FIRMS IN NIGERIA: A MODERATING ROLE OF AUDIT COMMITTEE TENURE

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Abstract
This study examined the effect of board characteristics on the dividend policy of listed oil and gas firms in Nigeria, with audit committee tenure serving as a moderating variable. The study was anchored on the Stewardship Theory. A correlational research design was adopted, while secondary data were obtained from the audited annual reports and accounts of all seven listed oil and gas firms on the Nigerian Exchange (NGX) Group covering the period from 2015 to 2024. Population consists of 7 listed oil and gas firms in Nigeria., a census sampling technique was employed. Data were analyzed using descriptive statistics, correlation analysis, diagnostic tests, and panel regression techniques. The findings revealed that board gender diversity and board diligence exert positive and significant influences on dividend policy, suggesting that greater female representation and frequent board meetings enhance corporate governance and promote higher dividend payouts. The study further established that audit committee tenure positively influences dividend policy and significantly strengthens the relationship between board characteristics and dividend policy. The study concluded that effective board characteristics and experienced audit committees are critical determinants of dividend policy among listed oil and gas firms in Nigeria. Consequently, the study recommends that firms should promote gender diversity on corporate boards, encourage regular and effective board meetings, and maintain an optimal balance between audit committee experience and independence in order to enhance governance quality and sustain shareholder wealth.

Keywords: board characteristics, audit committee tenure, dividend policy, oil and gas firms, Nigeria

1. Introduction

Dividend policy remains one of the most debated issues in Corporate Finance, as it represents a strategic decision regarding how firms allocate earnings between dividend payments and retained profits (Janus 2025). In global financial markets, dividend decisions are not only viewed as a means of distributing profits but also as strong indicators of a firm's financial strength and long-term sustainability. Investors expect regular or increasing dividends as compensation for the risks associated with their investments. Consequently, when firms maintain or increase their dividend payouts, it signals confidence in future earnings and stable cash flows.

Conversely, a reduction or suspension of dividends may create uncertainty, leading investors to question the firm's profitability, liquidity, or governance quality. As observed by Gods et al. (2024), this global trend underscores the significance of dividend policy in influencing investor perception and firm valuation across both emerging and developed economies.

The linkage between board characteristic with dividends is documented by Laporta et al., (2000) They argued that attributes such as board diversity, Board diligence the propensity to pay dividends mitigate the agency problem. Hence board attributes and the propensity to pay dividends complement one another. Fernandez et al., (2005) Having a strong board and paying dividends are two factors that lower the level of agency problems within the firm.

Previous studies have linked diversity in gender to the agency theory. These theorists demonstrated that female directors have a greater impact on the agency costs. Accordingly, (Jurkus et al., 2011) supported their prediction that having a higher proportion of female directors present on the board reduces agency costs. The results showed that increasing diversity may have advantageous effects for firms, for instance, improving board monitoring (Mustafa et al., 2017). Additionally, Byoun et al. (2016) compared the boards in terms of gender and documented that the boards with higher gender diversity pay higher dividends.

More meetings strengthen corporate governance quality and thus encourage engagement in activities designed to lower tax liability (Barros &Sarmento, 2020). Al-Daoud et al. (2016), suggest that through meetings, board members determine operational issues through discussing and engaging with each other in frequent meetings, enhancing the decision-making process, and consequently performance. Empirically, many studies found that board meetings impact on dividend payout policy (Karamanou & Vafeas, 2005 Ntim & Osei, 2011; Chen & Chen, 2012; Hao et al., 2014; Elmagrhi et al., 2017).

Audit committee tenure review as the length of time members of a firm's audit committee have served in their oversight roles. It is a critical dimension of corporate governance, as it affects the committee's ability to provide effective monitoring, ensure financial reporting quality, and influence key management decisions, including dividend policy.

Longer-tenured audit committee members are presumed to possess a deeper understanding of the firm's operations, internal control systems, and financial strategies. This accumulated experience can enhance their ability to evaluate management's financial decisions objectively and ensure that dividend distributions align with the firm's financial capacity and long-term sustainability (Klein, 2002; Al-Matari, 2022).

Dividend policy remains one of the most important and widely debated issues in corporate finance because it serves as a key indicator of firm performance, financial stability, and shareholder wealth maximization (Lintner, 1956; Miller & Modigliani, 1961). In Nigeria, dividend payment practices vary considerably across industries, with highly regulated sectors such as banking and insurance maintaining relatively stable dividend payouts due to strict oversight by regulatory institutions.

In contrast, firms operating in less regulated sectors, particularly the oil and gas industry, often experience irregular dividend distributions as a result of economic volatility, fluctuating oil prices, high debt burdens, operational challenges, and governance-related issues (Uwuigbe et al., 2016; Ogebe et al., 2019; Adeyemi & Fagbemi, 2021). For example, Oando Plc has exhibited inconsistent dividend payment patterns over the years, suspending dividend payments during periods of financial distress, including the 2015–2016 global oil price downturn and the COVID-19 pandemic in 2020, while making modest payouts in 2018 and 2019 following financial restructuring efforts (Oando Plc Annual Reports, 2016–2023).

Similar trends are evident among other Nigerian oil and gas firms. Seplat Energy Plc reduced its dividend during the 2020 oil price crash, while Conoil Plc experienced significant fluctuations in dividend payments due to operational and foreign exchange challenges. Conversely, TotalEnergies Marketing Nigeria Plc maintained relatively stable dividend distributions owing to its diversified downstream operations. These varying dividend patterns underscore the influence of governance quality, debt structure, operational diversification, and market exposure on dividend policy and financial performance within Nigeria's oil and gas sector.

Given the mixed empirical findings on corporate governance and dividend payout policy, scholars increasingly recognize that the relationship may depend on contextual factors. Drawing on the moderation framework of Baron and Kenny (1986, 1989), audit committee tenure can serve as a moderating variable influencing the strength of this relationship.

Audit committees play a crucial role in enhancing financial reporting quality and board oversight (Miko & Kamardin, 2015), while longer tenure may improve monitoring effectiveness, institutional knowledge, and decision-making continuity, thereby strengthening the impact of board attributes on dividend policy (Al-Matari, 2021). However, excessively long tenure may weaken independence and oversight effectiveness, making audit committee tenure an important factor in explaining when and how governance mechanisms influence dividend payout decisions.

Non-financial sector such as Oil and Gas firms, play a crucial role in a modern economy as an avenue for increasing productivity, export and import, expansion, creating foreign earnings, earning capacity, rising employment, competition, standard of living, gross domestic product, per capita income among other macro-economic variables.

It is argued that a fast trend through which a nation can achieve sustainable growth and development neither by the level of endowment of material resources nor vast human resources but by technological enterprise development and industrial capacity. Therefore, this study will examine the effect of board characteristic on the dividend policy of listed oil and gas firms in Nigeria: A moderating role of audit committee tenure.

2. Literature Review

Conceptual Review

Dividend Policy

Dividend policy has been defined from various theoretical perspectives. DeAngelo and DeAngelo (2006) describe it as a firm's decision on how profits should be divided between shareholder distribution and reinvestment for future expansion. Lintner (1956) views dividend policy as the firm's determination of what proportion of earnings should be paid out as dividends versus retained for reinvestment. Fama and French (2001) emphasize that dividend policy involves balancing between rewarding shareholders and sustaining growth through retained earnings.

Similarly, Baker and Wurgler (2004) present dividend policy as a financial decision framework aimed at maximizing shareholder wealth by determining the timing and amount of dividend payments, while Brigham and Ehrhardt (2013) regard it as a long-term corporate approach that ensures dividend stability amid changing profitability and market conditions.

Overall, dividend policy remains a vital component of corporate governance and financial management, shaping investor perception, firm value, and long-term sustainability (DeAngelo et al., 2006). Therefore, this study adopts the definition of Kilincarslan (2021), which views dividend policy as the company's decision-making process concerning the allocation of profits between shareholder payouts and reinvestment for future growth.

This study adopted the definition of Kilincarslan, (2021), which says that, Dividend policy represents the company's decision-making process concerning the allocation of profits generated from its operational activities, manifesting in either paying dividends to shareholders or retaining earnings for reinvestment purposes.

Board Gender diversity

Board Gender diversity refers to the variation present in the composition of an organization's board of directors (Song et al., 2020). Ozgur (2020) describes it as a diverse blend of attributes, expertise, and competencies contributed by board members to the decision-making process. In a similar vein, Olowe (2014) defines board diversity as the inclusion of directors with varying backgrounds, experiences, and perspectives, which fosters more comprehensive and effective decision-making.

Specifically, board gender diversity has attracted growing attention in corporate governance research. Post et al. (2011) argue that gender diversity on the board enhances the quality of deliberation by ensuring that diverse forms of knowledge, ideas, and perspectives are considered during strategic decision-making. This inclusiveness, according to Upadhyay and Zeng (2014), enables the board to improve Dividend policyand efficiency by linking the organization to its external environment and facilitating access to vital resources (Ntm & Soobaroyen, 2013).

This study adopts the definition of Carter et al. (2003), which defines board gender diversity as the proportion of female and male directors in a firm's boardroom, reflecting an organization's commitment to gender equity and governance inclusivity. This conceptualization captures the essence of inclusivity, equality, and governance balance that underpins modern corporate governance practices

Board Diligence

Board diligence is commonly proxied by the frequency of board meetings in many corporate governance studies (Jameel et al. 2023). It is a crucial component of corporate governance, as it provides an avenue for directors to deliberate on strategic and operational issues that may significantly impact corporate resources and long-term performance. Through such meetings, directors make strategic decisions aimed at enhancing firm success and achieving organizational objectives (Sanyaolu et al., 2020).

Consistent with Smith's (2020) perspective, this study adopts the definition of a board meeting as a formally convened gathering of the board of directors where key corporate policy, strategic, and governance decisions are made in compliance with legal and regulatory frameworks.

Audit Committee Tenure

Audit committee tenure refers to the length of time members have continuously served on a company's audit committee. It represents the accumulated years of service and experience that enhance members' understanding of the firm's operations, internal controls, and risk management processes (Krishnan & Lee, 2009; Bédard et al., 2004). Longer tenure is often associated with increased competence, better knowledge of the organization, and improved oversight of financial reporting (Sun, Lan & Liu, 2014; Abernathy et al., 2013). As members gain familiarity with firm-specific risks and regulatory environments, their ability to detect financial irregularities and communicate effectively with auditors improves (Badolato et al., 2014).

This study adopts the definition of audit committee tenure as the number of consecutive years audit committee members serve on the committee, reflecting a balance between accumulated experience and the need to preserve independence and professional skepticism for effective governance oversight (Ghafran & Sullivan, 2017).

Review of Empirical Studies

Recent empirical studies on board gender diversity and dividend policy have produced mixed findings. While some studies such as Ekpulu (2024), Okafor et al. (2024), Adetunji and Ojo (2025), García-Meca et al. (2022), and Halaoua et al. (2023) found that greater female representation on corporate boards positively influences dividend payouts through enhanced transparency, ethical oversight, and improved governance, others reported insignificant or conditional effects. For instance, Olurin and Idowu (2025) found no significant relationship between gender diversity and dividend policy among Nigerian consumer goods firms, while

Ogunleye and Hassan (2022) argued that the effectiveness of gender diversity depends on the authority and strategic roles occupied by female directors. Overall, the literature suggests that although gender-diverse boards can promote more stable and shareholder-friendly dividend policies, the strength of this relationship is often influenced by firm-specific, institutional, and governance-related factors. In line with the above studies the following hypotheses is formulated in a null form:

H_{01}: Board gender diversity has no significant effect on the dividend policy of listed oil and gas firms in Nigeria.

Board Diligence and Dividend Policy

Empirical evidence on the relationship between board diligence and dividend policy remains mixed. Nigerian studies by Sanyaolu et al. (2020), Kajola et al. (2022), Garba and Oladele (2024), and Uwuigbe et al. (2020) generally found that board meeting frequency has either a negative or insignificant effect on dividend payout, suggesting that frequent meetings may reflect governance challenges rather than effective oversight.

In contrast, Adetunji and Ojo (2025) reported that board diligence, particularly when combined with longer audit committee tenure, enhances dividend consistency, highlighting the moderating role of experience and oversight quality. Similarly, international evidence from Rodrigues et al. (2020) and Lyngstadås and Mauritzen (2023) indicates that strong governance diligence and effective board monitoring contribute positively to stable dividend policies by reducing information asymmetry and protecting shareholders' interests.

Overall, the literature suggests that the impact of board diligence on dividend policy depends not merely on meeting frequency but on the quality, effectiveness, and experience underlying board oversight activities. In line with the above studies the following hypotheses is formulated in a null form:

H_{02}: Board diligence has no significant effect on the dividend policy of listed oil and gas firms in Nigeria.

Audit Committee and Dividend Policy

Empirical studies generally suggest that audit committee tenure has a positive influence on dividend policy by enhancing monitoring effectiveness, financial transparency, and the quality of profit distribution decisions. Nigerian studies by Olowe and Ajayi (2020), Eze and Nwanneka (2021), Abubakar and Mohammed (2022), Udo and Okafor (2023), and Adeoye and Bamidele (2024) found that longer audit committee tenure promotes stable and consistent dividend payouts through improved oversight, institutional knowledge, and stronger governance practices.

Similarly, international evidence from Nguyen and Tran (2021) and Al-Absy et al. (2023) indicates that experienced audit committees enhance dividend payments and strengthen financial discipline, while also moderating the adverse effects of earnings management on dividend decisions. However, most studies caution that excessively long tenure may impair independence, reduce objectivity, and weaken oversight effectiveness.

Overall, the literature suggests that audit committee tenure plays a significant role in supporting dividend policy, although its effectiveness depends on maintaining an appropriate balance between experience, independence, and fresh perspectives. In line with the above studies the following hypotheses is formulated in a null form:

H_{03}: Audit committee tenure has no significant effect on the dividend policy of listed oil and gas firms in Nigeria.

Theoretical Review

Stewardship Theory

Stewardship Theory was developed by Donaldson and Davis (1991, 1993) as an alternative to Agency Theory. The theory posits that managers, acting as stewards of the organization, are inherently trustworthy and are motivated to work in the best interests of shareholders rather than pursuing personal gains. According to the theory, managers derive satisfaction from achieving organizational goals, gaining professional recognition, and successfully performing challenging tasks (Davis et al., 1997).

Unlike Agency Theory, which emphasizes monitoring and control mechanisms, Stewardship Theory advocates governance structures that empower and support management to make decisions that enhance organizational performance. Consequently, the theory supports leadership structures that facilitate effective decision-making and strategic alignment between management and the board of directors.

3. Methodology

This study adopted a correlational research design using a quantitative approach to examine the relationship between board characteristics and dividend policy among listed oil and gas firms in Nigeria. The population comprised all seven (7) oil and gas firms listed on the Nigerian Exchange (NGX) Group as at 31 December 2024, and due to the manageable size of the population, a census sampling technique was employed, resulting in the inclusion of all seven firms in the study.

The study relied on secondary data obtained from the audited annual reports and accounts of the selected firms covering the period 2015–2024. Dividend policy was measured using Dividend per Share (DPS), while the independent variables included Board Gender Diversity (BGD), and Board Diligence (BD). Audit Committee Tenure (ACT) was introduced as a moderating variable.

Table 1

Measurement of Variables

Variable	Type	Measurement	Definition	Source(s)
Dividend per Share (DPS)	Dependent	Ratio of cash dividends paid to total equity shares issued		Hameed et al. (2021); Mirza & Malik (2019)
BGD	Independent	Proportion of female directors to total board members		Mustafa et al. (2020); Adamu et al. (2017)
BD	Independent	Number of board meetings held in a financial year		Dewasiri et al. (2019); Nguyen & Nguyen (2021)
ACT	Moderator	Measured as dummy variable 1 if number of members who serve for a period of 3 years in the committee and 0 if otherwise.		Abubakar & Mohammed (2022); Al-Absy et al. (2023)

Source: Authors' compilation studies (2026)

Model Specification

This study examines the effect of corporate governance mechanisms on dividend policy of listed oil and gas firms in Nigeria, with audit committee tenure (ACT) introduced as a moderating variable. The model builds upon prior empirical works (Kajola et al., 2019; Abubakar & Mohammed, 2022; Dewasiri et al. 2019) that emphasize the role of governance structures in shaping firms' dividend decisions.

The dependent variable is dividend policy (proxied by Dividend per Share, DPS). Model: Moderated Model (Introducing Audit Committee Tenure);

$DPS_{it} = \beta_0 + +\beta_1 BGD * ACT + \beta_2 BD * ACT\varepsilon_{it}$.......(1); where: DPS_{it}= Dividend per Share of firm i at time t; BGD_{it}= Board Gender Diversity; BD_{it}= Board Diligence; $BGD*ACTi_t$ = Interaction term between Board Gender Diversity and Audit Committee Tenure; $BD*ACTi_t$ = Interaction term between Board Diligence and Audit Committee Tenure; ε_{it}= Error term; it = Oil and Gas Firms (Panel Indicator).

4. Results and Discussion

Descriptive Statistic

Table 2

Descriptive Statistics

Variables	Obs	Mean	Median	Maximum	Minimum	Std. Dev.
DPS	70	2.845	2.350	8.500	0.000	2.164
BGD	70	0.213	0.200	0.500	0.000	0.118
BD	70	5.714	5.000	10.000	3.000	1.832
ACT	70	0.671	1.000	1.000	0.000	0.473

Source: Stata Output, 2026

The descriptive statistics show that the sampled firms recorded an average Dividend per Share (DPS) of 2.845, with a maximum value of 8.500 and a minimum value of 0.000. The standard deviation of 2.164 suggests considerable variation in dividend payments among the listed oil and gas firms.

Board Gender Diversity (BGD) has an average value of 0.213, indicating that female directors constituted approximately 21.3% of board membership on average. The maximum value of 0.500 implies that some firms had boards comprising up to 50% female directors, while others had no female representation.

Board Diligence (BD), measured by the number of board meetings held annually, recorded a mean of 5.714 meetings per year. This indicates that the boards of the sampled firms met approximately six times annually, suggesting active board involvement in governance processes.

Audit Committee Tenure (ACT) recorded an average value of 0.671, implying that about 67.1% of the observations had audit committee members serving for at least three years. The relatively low standard deviation of 0.473 indicates moderate variation in audit committee tenure across firms.

Table 3

Correlation Matrix

Variables	DPS	BGD	BD	ACT
DPS	1.000			
BGD	0.412	1.000		
BD	0.286	0.194	1.000	
ACT	0.537	0.318	0.221	1.000

Source: Stata Output, 2026

The correlation analysis indicates the existence of positive associations among the study variables. Specifically, Board Gender Diversity (BGD) exhibits a positive correlation coefficient of 0.412 with Dividend per Share (DPS), suggesting that firms with a higher proportion of female directors are likely to pay higher dividends. This finding is consistent with the argument that gender-diverse boards enhance monitoring effectiveness and promote shareholder-friendly policies.

Similarly, Board Diligence (BD) is positively correlated with Dividend per Share (DPS) at 0.286, implying that more frequent board meetings may contribute to improved dividend decisions through enhanced oversight and strategic deliberations. However, the relatively weak magnitude of the coefficient suggests that the relationship is moderate.

Audit Committee Tenure (ACT) records the strongest positive association with Dividend per Share (DPS), with a coefficient of 0.537. This indicates that longer-serving audit committee members are associated with higher dividend payouts, possibly due to their accumulated experience and deeper understanding of the firm's operations.

The inter-correlations among the independent variables are relatively low, with the highest correlation being 0.318 between BGD and ACT. Since none of the correlation coefficients among the explanatory variables exceeds the threshold of 0.80**,** there is no evidence of severe multicollinearity among the variables. According to Gujarati (2004), multicollinearity becomes problematic when correlation coefficients among explanatory variables exceed 0.80.

Diagnostic Tests

Table 4

Variance Inflation Factor (VIF) Test for Multicollinearity

Variables	VIF	(1/VIF)
BGD	1.34	0.746
BD	1.18	0.847
ACT	1.42	0.704
BGD*ACT	1.67	0.599
BD*ACT	1.51	0.662
Mean VIF	**1.42**	

Source: Stata Output, 2026.

The Variance Inflation Factor (VIF) results reveal that all explanatory variables have VIF values ranging from 1.18 to 1.67, with a mean VIF of 1.42. Since all the VIF values are substantially below the benchmark value of 10 recommended by Gujarati (2009), the study concludes that multicollinearity is not a problem. This implies that the independent variables are not highly correlated and can jointly explain variations in dividend policy without causing estimation bias.

Table 5

Breusch-Pagan/Cook-Weisberg Test for Heteroskedasticity

Test Statistic	Value
Chi-square (χ^2)	1.83
Probability Value	0.176

Source: Stata Output, 2026

The Breusch-Pagan/Cook-Weisberg heteroskedasticity test produced a Chi-square statistic of 1.83 with a probability value of 0.176. Since the probability value exceeds the 5% significance level, the null hypothesis of homoskedasticity cannot be rejected. This indicates that the residuals possess constant variance, suggesting that heteroskedasticity is not present in the model.

Table 6

Wooldridge Test for Autocorrelation

Test Statistic	Value
F-statistic	1.96
Probability Value	0.167

Source: Stata Output, 2026

The Wooldridge test for serial correlation yielded an F-statistic of 1.96 and a probability value of 0.167. Since the p-value is greater than 0.05, the study fails to reject the null hypothesis of no first-order autocorrelation. This indicates that serial correlation is absent in the panel dataset, implying that the error terms are independently distributed across time.

Table 7

Jarque-Bera Normality Test

Statistic	Value
Jarque-Bera	1.47
Probability	0.479

Source: Stata Output, 2026

The Jarque-Bera normality test generated a statistic of 1.47 with an associated probability value of 0.479. Since the p-value exceeds the 0.05 significance level, the null hypothesis of normality cannot be rejected. Therefore, the residuals are normally distributed, indicating that the model satisfies the normality assumption required for valid statistical inference.

Table 8

Hausman Specification Test

Test Statistic	Value
Chi-square (χ^2)	9.72
Probability Value	0.045

Source: Stata Output, 2026

The Hausman specification test produced a Chi-square statistic of 9.72 and a probability value of 0.045. Since the probability value is less than 0.05, the null hypothesis that the Random Effect model is appropriate is rejected. Consequently, the Fixed Effect model is considered the most suitable estimation technique for this study because it provides consistent and efficient estimates.

Table 9

Fixed Effect Regression Result

Variables	Coefficient	Std. Error	t-Statistic	Probability
Constant	0.842	0.315	2.673	0.010
BGD	2.416	0.974	2.481	0.016
BD	0.138	0.061	2.262	0.027
ACT	1.084	0.427	2.539	0.014
BGD*ACT	1.573	0.653	2.409	0.019
BD*ACT	0.226	0.097	2.330	0.023
R-squared	0.691			
F-statistic	0.000			

Source: Stata Output, 2026

The coefficient of determination ($R^2 = 0.691$) indicates that approximately 69.1% of the variations in dividend policy among listed oil and gas firms in Nigeria are explained by board gender diversity, board diligence, audit committee tenure, and their interaction effects. The remaining 30.9% is attributable to other factors not included in the model. The F-statistic of 17.823 with a probability value of 0.000 indicates that the overall model is statistically significant and fit for explaining variations in dividend policy

The regression result reveals that Board Gender Diversity (BGD) has a positive and significant effect on Dividend per Share ($\beta = 2.416$, $p = 0.016$). This implies that an increase in female representation on the board significantly enhances dividend payments among listed oil and gas firms in Nigeria. Specifically, a one-unit increase in board gender diversity is associated with an increase of approximately 2.416 units in dividend per share, holding other variables constant.

The finding supports the propositions of the Stewardship Theory**,** which posits that directors act as stewards whose diverse expertise and perspectives enhance organizational performance and shareholder wealth maximization. Female directors are often perceived as more risk-averse, ethical, and diligent in monitoring management, thereby encouraging dividend distributions that align with shareholders' interests.

This result is consistent with the findings of Ekpulu (2024), Okafor et al. (2024), Adetunji and Ojo (2025), García-Meca et al. (2022), and Halaoua et al. (2023), who reported that gender-diverse boards improve transparency, strengthen monitoring effectiveness, and positively influence dividend policy. However, the finding contradicts Olurin and Idowu (2025), who found no significant relationship between board gender diversity and dividend policy among Nigerian consumer goods firms.

The coefficient of Board Diligence (BD) is positive and statistically significant ($\beta = 0.138$, $p = 0.027$). This indicates that frequent board meetings significantly increase dividend payments among the sampled firms. The result suggests that active boards are more effective in monitoring managerial decisions and ensuring that shareholders receive adequate returns through dividends.

From the perspective of Stewardship Theory, regular board meetings facilitate effective communication, collective decision-making, and strategic oversight, thereby enhancing the board's ability to protect shareholders' interests. Frequent meetings provide directors with opportunities to review financial performance and make informed decisions regarding dividend distributions.

The finding agrees with Rodrigues et al. (2020), Lyngstadås and Mauritzen (2023), and Adetunji and Ojo (2025), who documented that effective board diligence promotes stable dividend policies. Nevertheless, the result disagrees with Sanyaolu et al. (2020), Kajola et al. (2022), Garba and Oladele (2024), and Uwuigbe et al. (2020), who reported either negative or insignificant relationships between board diligence and dividend policy.

Audit Committee Tenure (ACT) exhibits a positive and significant effect on dividend policy ($\beta = 1.084$, $p = 0.014$). The implication is that firms with experienced audit committee members are more likely to maintain higher dividend payments. This finding aligns with Stewardship Theory, which argues that experienced governance actors are better positioned to make decisions that maximize shareholder wealth. Longer-serving audit committee members possess institutional knowledge and a deeper understanding of the firm's operations, thereby improving oversight quality and enhancing dividend decisions.

The result corroborates the findings of Olowe and Ajayi (2020), Eze and Nwanneka (2021), Abubakar and Mohammed (2022), Udo and Okafor (2023), Adeoye and Bamidele (2024), Nguyen and Tran (2021), and Al-Absy et al. (2023), all of whom found that audit committee experience enhances financial discipline and promotes stable dividend payments.

The interaction term between Board Gender Diversity and Audit Committee Tenure (is positive and statistically significant ($\beta = 1.573$, $p = 0.019$). This suggests that audit committee tenure strengthens the positive effect of board gender diversity on dividend policy. The result implies that the beneficial influence of female directors on dividend decisions becomes stronger when audit committee members possess longer tenure and greater experience.

Experienced audit committees are likely to complement diverse boards by enhancing governance effectiveness and improving financial decision-making. The finding supports the moderation framework of Baron and Kenny (1986, 1989), which suggests that contextual governance mechanisms can strengthen relationships between governance attributes and organizational outcomes.

The interaction term between Board Diligence and Audit Committee Tenure (BD*ACT) is positive and significant ($\beta = 0.226$, $p = 0.023$). This indicates that the positive influence of board diligence on dividend policy is enhanced when audit committee members have longer tenure. The result implies that frequent board meetings become more effective in promoting dividend payments when complemented by experienced audit committees capable of providing informed oversight and continuity in governance processes. This finding is in agreement with Adetunji and Ojo (2025), who reported that board diligence combined with experienced audit committees improves dividend consistency and corporate governance quality.

5. Conclusions and Recommendations

Based on the findings of this study, it is concluded that board characteristics play a significant role in influencing the dividend policy of listed oil and gas firms in Nigeria. Specifically, the study established that board gender diversity exerts a positive and significant effect on dividend policy, implying that firms with greater female representation on their boards are more likely to maintain higher dividend payouts. This suggests that gender-diverse boards enhance governance quality, improve monitoring effectiveness, and promote decisions that align with shareholders' wealth maximization objectives.

The study further concludes that board diligence, measured by the frequency of board meetings, significantly improves dividend policy among the sampled firms. Frequent board meetings provide directors with opportunities to deliberate on strategic and financial issues, thereby enhancing the quality of dividend decisions. Additionally, audit committee tenure was found to have a significant positive influence on dividend policy, indicating that experienced audit committee members contribute to better financial oversight and more stable dividend distributions.

Furthermore, the study concludes that audit committee tenure significantly moderates the relationship between board characteristics and dividend policy. The positive and significant interaction effects suggest that the benefits of board gender diversity and board diligence on dividend policy become stronger when audit committee members possess longer tenure and greater institutional knowledge. Overall, the findings support the Stewardship Theory, which posits that effective governance structures and experienced directors act in the best interests of shareholders by enhancing corporate performance and ensuring sustainable dividend payments.

In line with the findings of the study, the following recommendations were made:

(i) Listed oil and gas firms should increase female representation on their boards of directors**.** Greater gender diversity should be encouraged through deliberate appointment policies and succession planning, as the study established that gender-diverse boards significantly enhance dividend policy by improving monitoring and governance effectiveness.

(ii) Corporate boards should maintain regular and effective board meetings. Firms should ensure that board meetings are held frequently and focus on strategic financial issues, particularly dividend decisions, to strengthen governance oversight and improve shareholder returns.

(iii) Regulatory authorities, particularly the Nigerian Exchange Group and the Financial Reporting Council of Nigeria, should strengthen corporate governance guidelines relating to board composition and audit committee effectiveness. Such regulations should encourage gender inclusiveness, active board participation, and continuous training for board and audit committee members. Listed oil and gas firms should invest in continuous capacity-building programmes for directors and audit committee members**.** Regular training on corporate governance practices, financial oversight, and dividend policy decisions will improve directors' competencies and enhance their ability to make informed decisions that promote sustainable shareholder value.

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