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## Appendix - Tables and Figures

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<sup>1</sup>The file was submitted in October 2024, LaTeX code updated in January 2025. Tables and figures are already cited in the main body of text, but due to size limitations, the report was divided into text and appendix. The report can be accessed from [Google Drive](#) and [GitHub](#).

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## A review on ESG investing: Investors' expectations, beliefs and perceptions

Table 1, page 485.

TABLE 1 Investor preferences for sustainability.

Studies	Focus	Period	Main Findings
Riedl & Smeets (2017)	Investors' motives for holding socially responsible mutual funds.	2006–2012	Social preferences and social signaling explain socially responsible investment decisions. Financial motives play a minor role.
Hartzmark & Sussman (2019)	The value investors attach to sustainability	2016–2017	Mutual fund investors value sustainability. Market-wide demand for funds depends on their sustainability rating.
Zerbit (2019)	Effect of ESG investors' preferences on bond market prices	2013–2017	Low impact of investors' pro-environmental preferences on bond prices.
Larcker & Watts (2020)	Willingness-to-pay in the municipal securities market	2013–2018	Investors appear unwilling to forgo wealth to invest in environmentally sustainable projects.
Bauer et al. (2021)	Sustainable investment behavior and drivers behind investors' willingness-to-pay	2018, 2020	67.9% of participants favor increasing pension funds' engagement to increase sustainability of portfolio companies. Social preferences rather than financial beliefs or confusion drive choice for more sustainability.
Baker et al. (2022a)	Willingness-to-pay in the municipal bonds market	2010–2016	Investors in the bond market are willing to pursue nonpecuniary benefits.
Brodbeck et al. (2022)	Investors' willingness-to-pay for socially responsible assets and magnitude of impact	Experimental	Investors attribute a positive value to social responsibility at an increasing rate and are willing to pay a higher price for more responsible companies, even if they cannot expect a higher return.
Heeb et al. (2023)	Impact investors' willingness-to-pay for sustainable investments	2020	While investors have substantial willingness-to-pay for sustainable investments, their allocation decisions are not sensitive to impact.
Cecarelli et al. (2023)	Willingness to pay for sustainable investment	2017–2019	Substantial increase in the monthly net flows of low-carbon funds relative to conventional funds after being labeled as "low carbon".

Note: This table summarizes the evidence documented in recent studies on investors' willingness to pay for sustainability.

## Altruism and Egoism in Investment Decisions

Figure 1, page 130.

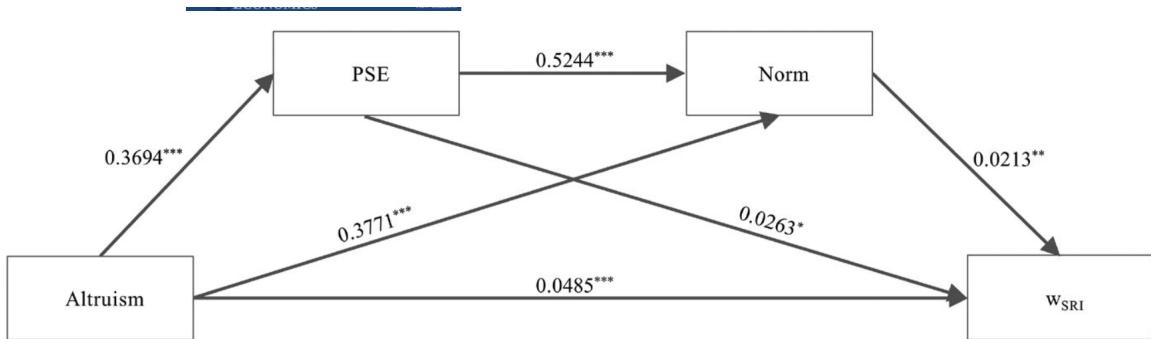


FIG. 1 Causal chain for mediation model

Notes: Adapted causal chain from the Value-Belief-Norm theory (Stern et al., 1999). w<sub>SRI</sub> is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. Altruism is a scale assessing how much an individual identifies with altruistic values. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. The effect of Altruism on w<sub>SRI</sub> is mediated through perceived SRI effectiveness (PSE) and Norm. The total effect coefficient is the sum of the product of all paths: 0.0485 + 0.3694 × 0.5244 × 0.0213 + 0.3771 × 0.0213 + 0.3694 × 0.0263 = 0.0703. Coefficients are obtained from the linear regressions reported in Table 6. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

**Table 5, page 127.****TABLE 5** Values, beliefs, and norms in investment decisions

	(1)	(2)	(3)	(4)
Altruism	0.0794*** (8.8852)		0.0719*** (8.0043)	0.0485*** (4.5856)
Egoism		-0.0567*** (-4.7710)	-0.0250** (-2.2723)	-0.0272*** (-2.5967)
PSE				0.0263* (1.9367)
Norm				0.0213** (2.0214)
Gender				-0.0383 (1.4340)
PercRet				0.0843*** (5.0545)
Age				-0.0019 (-1.4883)
InvKH				0.0034 (0.2564)
Income				0.0335* (1.8938)
Constant	0.0064 (0.1131)	0.7857*** (12.7016)	0.1832*** (2.1081)	-0.1093 (-0.9755)
R <sup>2</sup>	0.224	0.078	0.232	0.350
Observations	292	292	292	292

*Notes:* Linear regression results (for various specifications of Equation 3) with  $w_{SRI}$  as dependent variable.  $w_{SRI}$  is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. Altruism and Egoism assess an individual's values. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. Gender is a dummy variable and takes the value of 1 if the individual is female. PercRet is the individual's return perception of SRI relative to conventional investments. Higher values indicate higher perceived SRI returns. Age is the individual's age. InvKH is the individual's self-reported investment know-how. Higher values indicate a higher know-how. Income is a scale measuring net income. Higher values indicate higher net income. *t* statistics (in parentheses) are derived from heteroskedasticity consistent standard errors (Long & Ervin, 2000). Variance inflation factors (unreported) for all covariates are below 2, suggesting no multicollinearity to be present. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

**Table 6, page 129.****TABLE 6** The mediating impact of beliefs and personal norms

	<b>PSE</b>	<b>Norm</b>	<b>w<sub>SRI</sub></b>	<b>w<sub>SRI</sub></b>
Altruism	0.3694*** (8.4398)	0.3771*** (7.1256)	0.0703*** (8.2939)	0.0485*** (4.5856)
Egoism	-0.1669*** (-2.7381)	-0.0928 (-1.3025)	-0.0354*** (-3.3889)	-0.0272*** (-2.5967)
PSE		0.5244*** (7.6438)		0.0263* (1.9367)
Norm				0.0213** (2.0214)
Gender	0.0299 (0.2188)	-0.0186 (-0.1222)	0.0391 (1.4333)	0.0383 (1.4340)
PercRet	-0.1347* (-1.8343)	0.1467* (1.7525)	0.0824*** (4.8410)	0.0843*** (5.0545)
Age	-0.0088 (-1.5256)	-0.0051 (-0.9496)	-0.0023* (-1.8101)	-0.0019 (-1.4883)
InvKH	0.0742 (1.1600)	0.1387** (2.0103)	0.0091 (0.6892)	0.0034 (0.2564)
Income	-0.1072 (-1.0916)	0.0842 (0.8137)	0.0313* (1.7343)	0.0335* (1.8938)
Constant	3.9956*** (8.1180)	-1.1270* (-1.7384)	0.0164 (0.1671)	-0.1093 (-0.9755)
R <sup>2</sup>	0.290	0.459	0.321	0.350
Observations	292	292	292	292

*Notes:* Linear regression results (for Equations 4–6) with PSE, Norm, and w<sub>SRI</sub> as dependent variables. For reasons of comparison and in order to assess the mediation of PSE and Norm, we report in column (4) linear regression results for Equation 3 from Table 5. w<sub>SRI</sub> is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. Altruism and Egoism assess an individual's values. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. Gender is a dummy variable and takes the value of 1 if the individual is female. PercRet is the individual's return perception of SRI relative to conventional investments. Higher values indicate higher perceived SRI returns. Age is the individual's age. InvKH is the individual's self-reported investment know-how. Higher values indicate a higher know-how. Income is a scale measuring net income. Higher values indicate higher net income. *t* statistics (in parentheses) are derived from heteroskedasticity consistent standard errors (Long & Ervin, 2000). Variance inflation factors (unreported) for all covariates are below 2, suggesting no multicollinearity to be present. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

**Table 7, page 131.****TABLE 7** Altruism and financial incentives as motives for socially responsible investing (SRI)

	$w_{\text{SRI}}$
PercRet	0.3267*** (7.8657)
Altruism	0.1588*** (6.8396)
(PercRet × Altruism)	-0.0435*** (-5.5178)
PSE	0.0249* (1.8498)
Norm	0.0210** (2.0370)
Egoism	-0.0293*** (-2.7829)
Gender	0.0414 (1.6128)
Age	-0.0018 (-1.4468)
InvKH	0.0075 (0.5904)
Income	0.0384** (2.1470)
Constant	-0.7274*** (-4.8603)
$R^2$	0.405
Observations	292

*Notes:* Linear regression results for Equation 7 with  $w_{\text{SRI}}$  as dependent variable.  $w_{\text{SRI}}$  is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. PercRet is the individual's return perception of SRI relative to conventional investments. Higher values indicate higher perceived SRI returns. Altruism and Egoism assess an individual's values. PercRet × Altruism is an interaction term between perceived SRI return and Altruism. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. Gender is a dummy variable and takes the value of 1 if the individual is female. Age is the individual's age. InvKH is the individual's self-reported investment know-how. Higher values indicate a higher know-how. Income is a scale measuring net income. Higher values indicate higher net income. *t* statistics (in parentheses) are derived from heteroskedasticity consistent standard errors (Long & Ervin, 2000). \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

**Table 8, page 132.****TABLE 8** Egoism and financial incentives as motives for socially responsible investing (SRI)

	$w_{SRI}$
PercRet	-0.1670** (-2.1968)
Egoism	-0.1375*** (-4.2324)
(PercRet × Egoism)	0.0426*** (3.5269)
PSE	0.0221* (1.6783)
Norm	0.0233** (2.2401)
Altruism	0.0499*** (4.7955)
Gender	0.0449* (1.7129)
Age	-0.0017 (-1.4021)
InvKH	0.0045 (0.7229)
Income	0.0387** (2.2720)
Constant	0.5201** (2.3856)
$R^2$	0.379
Observations	292

*Notes:* Linear regression results for Equation 8 with  $w_{SRI}$  as dependent variable.  $w_{SRI}$  is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. PercRet is the individual's return perception of SRI relative to conventional investments. Higher values indicate higher perceived SRI returns. Altruism and Egoism assess an individual's values. PercRet × Egoism is an interaction term between perceived SRI return and Egoism. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. Gender is a dummy variable and takes the value of 1 if the individual is female. Age is the individual's age. InvKH is the individual's self-reported investment know-how. Higher values indicate a higher know-how. Income is a scale measuring net income. Higher values indicate higher net income. *t* statistics (in parentheses) are derived from heteroskedasticity consistent standard errors (Long & Ervin, 2000). \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

**Table 11, page 136.****TABLE 11** The mediating impact of beliefs and personal norms for a subsample consisting of investors

	<b>PSE</b>	<b>Norm</b>	<b>w<sub>SRI</sub></b>	<b>w<sub>SRI</sub></b>	<b>w<sub>SRI</sub></b>	<b>w<sub>SRI</sub></b>
Altruism	0.3668*** (5.1375)	0.4863*** (4.5726)	0.0729*** (3.7775)	0.0451* (1.8801)	0.1983*** (4.4117)	0.0413* (1.7010)
Egoism	-0.3147*** (-3.9773)	-0.1977 (-1.4132)	-0.0357 (-1.5317)	-0.0190 (-0.7976)	-0.0305 (-1.4347)	-0.1512** (-2.3980)
PSE		0.4415*** (2.6617)		0.0183 (0.9645)	0.0012 (0.0666)	0.0163 (0.9024)
Norm				0.0326 (1.5359)	0.0357* (1.7637)	0.0470* (1.9414)
Gender	0.0237 (0.1116)	0.1059 (0.7027)	0.0433 (0.8778)	0.0391 (0.7866)	0.0375 (0.8085)	0.0446 (0.9217)
PercRet	0.0043 0.0420	0.1061 (0.7915)	0.1166*** (4.6748)	0.1130*** (4.5363)	0.4446*** (5.3119)	-0.2324 (-1.3940)
(PercRet × Altruism)					-0.0629*** (-3.7807)	
(PercRet × Egoism)						0.0543** (2.2122)
Age	-0.0062 (-0.9979)	-0.0073 (-0.9130)	0.0003 (0.1667)	0.0007 (0.4174)	0.0012 (0.7775)	0.0014 (0.8681)
InvKH	-0.0361 (0.7176)	0.0616 (0.4855)	-0.0112 (-0.3896)	-0.0121 (-0.4273)	-0.0062 (-0.2429)	-0.0017 (-0.0654)
Income	-0.1075 (-0.8190)	0.1355 (1.1256)	0.0091 (0.3165)	0.0082 (0.2888)	0.0148 (0.5308)	0.0117 (0.4375)
Constant	4.9349*** (6.3565)	-0.4818 (-0.3375)	-0.0658 (-0.3179)	-0.2112 (-0.9286)	-0.9262*** (-3.6439)	0.5279 (1.1519)
R <sup>2</sup>	0.446	0.537	0.430	0.449	0.592	0.539
Observations	105	105	105	105	105	105

*Notes:* Linear regression results (for Equations 3–8) with PSE, Norm, and w<sub>SRI</sub> as dependent variables. w<sub>SRI</sub> is the relative importance of social responsibility in investment decisions as determined from the conjoint analysis. Altruism and Egoism assess an individual's values. PSE is the perceived SRI effectiveness and measures whether an individual believes her engagement in SRI to be feasible. Norm is a scale measuring how far the individual feels morally obliged to engage in SRI. Gender is a dummy variable and takes the value of 1 if the individual is female. PercRet is the individual's return perception of SRI relative to conventional investments. Higher values indicate higher perceived SRI returns. PercRet × Altruism is an interaction term between perceived SRI return and Altruism and PercRet × Egoism an interaction term between perceived SRI return and Egoism. Age is the individual's age. InvKH is the individual's self-reported investment know-how. Higher values indicate a higher know-how. Income is a scale measuring net income. Higher values indicate higher net income. *t* statistics (in parentheses) are derived from heteroskedasticity consistent standard errors (Long & Ervin, 2000). Variance inflation factors (unreported) for all covariates of column (1)–(4) are below 2.5, suggesting no multicollinearity to be present. \*\*\*, \*\*, and \* indicate significance at the 1%, 5%, and 10% level, respectively.

## ESG investing: Does one score fit all investors' preferences?

**Table 6, page 7.**

**Table 6**

Linear regression - Willingness to Pay

Note: This table shows linear regressions using OLS with robust standard errors (clustered by individual). The dependent variables are indicated in column headers. *t*-statistics are in brackets. The \*, \*\*, and \*\*\* marks denote statistical significance at the 10%, 5%, and 1% levels, respectively.

	(1) WTP ESG all criteria	(2) WTP environmental criteria	(3) WTP social criteria	(4) WTP governance criteria
Anti-discrimination	0.404*** [7.82]	0.302*** [4.50]	0.439*** [8.88]	0.606*** [9.88]
Green for the planet	0.325*** [6.27]	0.441*** [7.28]	0.241*** [4.44]	0.296*** [4.68]
Anti-fraud	0.123** [2.42]	0.0446 [0.71]	0.197*** [3.83]	0.0685 [1.09]
Day to day green	0.0499 [1.01]	0.0995* [1.78]	0.0219 [0.40]	0.00243 [0.04]
Economic development	0.159*** [3.33]	0.164*** [2.88]	0.178*** [3.46]	0.0598 [1.11]
Woman	-0.101 [-0.87]	-0.184 [-1.37]	-0.0655 [-0.55]	0.0270 [0.21]
Age	0.000557 [0.12]	0.000389 [0.07]	-0.000478 [-0.10]	0.00580 [1.06]
Cohabiting	0.0782 [0.52]	0.0981 [0.57]	0.0480 [0.30]	0.145 [0.79]
Married	0.00766 [0.04]	-0.0527 [-0.27]	0.0409 [0.22]	0.0693 [0.37]
Civil union	0.0645 [0.33]	-0.0530 [-0.24]	0.109 [0.51]	0.273 [1.36]
Separated or divorced	-0.122 [-0.49]	-0.0110 [-0.04]	-0.196 [-0.75]	-0.176 [-0.66]
Urban area	-0.000900 [-0.01]	0.0955 [0.74]	-0.0486 [-0.41]	-0.124 [-0.98]
Education level	0.0455 [0.81]	0.0533 [0.82]	0.0471 [0.79]	0.0111 [0.18]
Have children	-0.0259 [-0.19]	-0.0468 [-0.29]	0.0160 [0.12]	-0.141 [-0.94]
Income cat.	-0.0150 [-0.61]	-0.00846 [-0.31]	-0.0152 [-0.57]	-0.0372 [-1.28]
Gross wealth	-0.0295 [-0.54]	-0.0136 [-0.22]	-0.0299 [-0.53]	-0.0838 [-1.45]
Debt to wealth ratio	0.0762 [1.56]	0.0680 [1.24]	0.0898* [1.70]	0.0433 [0.73]
Constant	3.246*** [11.75]	3.304*** [10.52]	3.226*** [10.87]	3.133*** [10.15]
Observations	283	283	283	283
R <sup>2</sup>	0.36	0.30	0.34	0.41

## Attitudes Towards Socially and Environmentally Responsible Investment

Table 1, page 32.

**Table 1**

Attitudes towards the exclusionary screens. This table summarizes the self reported importance level of several exclusionary screens often applied in practice by (social) investment funds. The answers range from 1 = very unimportant to 7 = very important. Panel A contains basic summary statistics. Panels B to D compare the answers over different groups of respondents testing the uncontrolled mean differences based on gender, smoking, and drinking behavior. Panel reports on the importance of the alcohol exclusionary screen and drinking behavior.

Summary statistics for the Exclusionary screens

Panel A					
Variable	Obs.	Mean	Std. Dev.	Min.	Max.
Weapons	1766	5.58	1.93	1	7
Alcohol	1766	4.11	1.90	1	7
Tobacco	1766	4.54	1.94	1	7
Gambling	1766	4.95	1.97	1	7
Sexind	1766	5.10	2.02	1	7
Nuclear_en	1766	4.52	2.12	1	7
Human	1766	5.89	1.77	1	7
Panel B					
	Female (815 obs.)		Male (951 obs.)		Difference Tests
	Mean	Std. Dev.	Mean	Std. Dev.	t-stat
Weapons	5.88	1.76	5.32	2.03	0.56*** 6.14
Alcohol	4.44	1.86	3.83	1.89	0.62*** 6.88
Tobacco	4.77	1.89	4.35	1.97	0.42*** 4.57
Gambling	5.25	1.88	4.70	2.01	0.56*** 5.98
Sexind	5.53	1.88	4.73	2.07	0.80*** 8.50
Nuclear_en	5.08	1.97	4.04	2.12	1.04*** 10.63
Human	6.08	1.66	5.74	1.85	0.34*** 4.01
Panel C					
	Smoker (316 obs.)		Non-smoker (1450 obs.)		Difference Tests
	Mean	Std. Dev.	Mean	Std. Dev.	t-stat
Weapons	5.47	1.96	5.60	1.92	-0.14 -1.14
Alcohol	3.71	1.82	4.20	1.91	-0.48*** -4.13
Tobacco	3.82	1.77	4.70	1.95	-0.88*** -7.44
Gambling	4.75	1.97	5.00	1.97	-0.24** -1.98
Sexind	4.97	2.01	5.13	2.03	-0.16 -1.26
Nuclear_en	4.37	2.11	4.55	2.12	-0.18 -1.37
Human	5.82	1.77	5.91	1.77	-0.09 -0.86
Panel D					
	Drinker (1285 obs.)		Non-drinker (481 obs.)		Difference Tests
	Mean	Std. Dev.	Mean	Std. Dev.	t-stat
Weapons	5.62	1.90	5.48	2.01	0.14 1.35
Alcohol	3.97	1.86	4.49	1.95	-0.53*** -5.21
Tobacco	4.50	1.94	4.65	1.96	-0.15 -1.46
Gambling	4.97	1.95	4.90	2.03	0.07 0.73
Sexind	5.09	1.99	5.12	2.12	-0.04 -0.37
Nuclear_en	4.42	2.11	4.79	2.11	-0.37*** -3.30
Human	5.93	1.74	5.80	1.85	0.13 1.36
Panel E					
Units of alcohol per week	Obs.	Percent	Mean	Std.Dev.	Min Max
None	481	27%	4.49	1.95	1 7
1–5	705	40%	4.12	1.88	1 7
6–10	353	20%	3.94	1.86	1 7
11–20	189	11%	3.68	1.81	1 7
>20	38	2%	2.92	1.40	1 5

\* significance at the 10%

**Table 2, page 33.****Table 2**

Financial choices and screening valuation, three candidates. This table summarizes the sums of self reported importance level of screens (often applied in practice by social investment funds) sorted by three financial choice variables. The answers range from 1 = very unimportant to 7 = very important per screen. Panel A compares the answers between the groups that want to invest less, the same, or more in stocks if the portfolio applies the exclusionary screens. Panel B does the same for portfolio preferences "screened", "indifferent", and "conventional". Panel C reports the differences of the self reported important levels between the group willing to pay for screening and the group that is not as well as summary statistics on the willingness to pay variable. This is done using two different definitions of the WTP variable. In each panel we test difference between the outer categories and report the two tailed t-statistics. Standard deviations are reported below the coefficients.

<i>Panel A: % of stock invested</i>					
	More	The same	Less	More-Less	Tests (t-stat)
Sum excl. screens	38.20	34.13	35.19	3.01***	2.62
Std. Dev.	9.26	10.69	12.57		
Observations	153	1304	309		
Percentage	8.66%	73.84%	17.50%		
<i>Panel B: preferred portfolio</i>					
	Screened	Indifferent	Conventional	Screen-Conv.	Tests (t-stat)
Sum excl. screens	36.91	30.47	33.91	3.00***	4.85
Std. Dev.	9.31	12.59	11.35		
Observations	964	451	351		
Percentage	54.59%	25.54%	19.88%		
<i>Panel C: willingness to pay (WTP)</i>					
WTP(a)	Yes = 5-7	Neutral = 4	No = 1-3	Yes-No	Tests (t-stat)
Sum excl. screens	37.57	34.6	30.96	6.61***	11.49
Std. Dev.	9.13	9.68	12.60		
Observations	805	336	625		
Percentage	45.58%	19.03%	35.39%		
WTP(b)	Yes = 6-7	Neutral = 3-5	No = 1-2	Yes-No	Tests (t-stat)
Sum excl. screens	38.44	34.59	30.89	7.55***	10.38
Std. Dev.	8.94	9.70	13.36		
Observations	494	795	477		
Percentage	27.97%	45.02%	27.01%		

\* significance at the 10%.

\*\* significance at the 5%.

\*\*\* significance at the 1%.

**Table 3, page 35.****Table 3**

Financial literacy and making consistent financial choices. This table presents marginal effects measured at mean values after a probit estimation on four different Inconsistency dummies that take on a value of one if the respondent makes a choice that is not consistent with the previously made financial choice. Inconsistency1 measures the consistency of answers between the "% of stock invested" and "WTP(b)", Inconsistency2 between "% of stock invested" and "preferred portfolio", Inconsistency3 between "WTP(b)", and "preferred portfolio", Inconsistency4 measures only 0 for those who make consistent choices for all three variables. See Appendix D for the exact specification of the Inconsistency measures. Panels A and B use the sum of the correct answers to the financial literacy questions as independent variables. Panels C and D include a factoring method explained in detail in Appendix C. In the first step of the two-step regression model the standard errors are clustered by household. We report the R-squared of the first stage. Z-statistics are in parentheses.

Inconsistency:	1 11%	2 15%	3 26%	4 37%
<i>Panel A: without controls</i>				
Finlitsum				
	-0.019** (-2.158)	-0.042*** (-4.110)	-0.008 (-0.621)	-0.048*** (-3.366)
1st stage pseudo-R2	0.005	0.015	0.000	0.007
Test Fin. Literacy = 0	4.654	16.920	0.385	11.330
P-value	0.031	0.000	0.535	0.001
<i>Panel B: with controls</i>				
Finlitsum	-0.012 (-1.377)	-0.029*** (-2.702)	-0.008 (-0.598)	-0.037** (-2.389)
L_hhnetincome	0.003 (0.406)	-0.009 (-1.160)	-0.016* (-1.704)	-0.024** (-2.277)
Education	-0.015** (-2.548)	-0.019*** (-2.831)	-0.022** (-2.498)	-0.034*** (-3.577)
Age	0.002*** (3.153)	0.002** (2.351)	0.002* (1.878)	0.004*** (3.382)
Rural	0.005 (0.772)	0.006 (0.742)	0.010 (1.033)	0.008 (0.751)
Hhszie	-0.014 (-1.535)	0.005 (0.460)	0.012 (0.987)	0.009 (0.704)
Male	0.008 (0.459)	0.002 (0.083)	0.059** (2.388)	0.065** (2.353)
Dsmoker	-0.011 (-0.513)	-0.025 (-1.002)	-0.003 (-0.086)	-0.014 (-0.370)
Drinker	-0.002 (-0.218)	-0.006 (-0.603)	0.013 (1.101)	-0.005 (-0.381)
Finexpert_self	-0.003 (-0.565)	-0.011 (-1.608)	0.003 (0.355)	-0.005 (-0.544)
Risktol_Barsky	0.001 (0.160)	0.004 (0.573)	0.005 (0.530)	0.006 (0.558)
Risktol_self	0.007 (0.994)	0.006 (0.694)	0.030*** (2.904)	0.028** (2.412)
L_time	0.010 (0.840)	0.011 (0.856)	0.009 (0.513)	0.016 (0.787)
1st stage pseudo-R2	0.047	0.044	0.026	0.038
Test Fin. Literacy = 0	1.903	7.360	0.358	5.703
P-value	0.168	0.007	0.550	0.017
<i>Panel C: factor variables without other controls</i>				
Factor1	-0.013* (-1.705)	-0.019** (-2.137)	-0.011 (-0.957)	-0.033** (-2.454)
Factor2	-0.011 (-1.279)	-0.035*** (-3.501)	-0.001 (-0.077)	-0.032** (-2.399)
1st stage pseudo-R2	0.005	0.015	0.001	0.007
Test Fin. Literacy = 0	4.727	16.790	0.920	11.750
P-value	0.094	0.000	0.631	0.003
<i>Panel D: factor variables with other controls</i>				
Factor1	-0.007 (-0.885)	-0.009 (-0.996)	-0.004 (-0.309)	-0.017 (-1.244)
Factor2	-0.008 (-1.018)	-0.028*** (-2.750)	-0.006 (-0.496)	-0.031** (-2.197)
L_hhnetincome	0.003 (0.404)	-0.009 (-1.134)	-0.016* (-1.702)	-0.024** (-2.275)
Education	-0.015** (-2.540)	-0.020*** (-2.969)	-0.022** (-2.499)	-0.035*** (-3.613)
Age	0.002*** (3.152)	0.002*** (2.398)	0.002* (1.876)	0.004*** (3.391)
Rural	0.005 (0.753)	0.005 (0.650)	0.010 (1.020)	0.008 (0.706)
Hhszie	-0.014 (-1.537)	0.005 (0.482)	0.012 (0.986)	0.009 (0.704)
Male	0.008 (0.458)	0.004 (0.192)	0.060** (2.385)	0.067** (2.390)

(continued on next page)

**Table 4, page 37.****Table 4**

Attitudes towards the best practices screens. This table summarizes the self reported importance level of several best practices screens often applied in practice by (social) investment funds. The answers range from 1 = very unimportant to 7 = very important. Panel A contains basic summary statistics. Panels B to D compare the answers over different groups of respondents testing the uncontrolled mean differences based on gender, smoking, and drinking behavior.

Summary statistics for the best practices screens						
Panel A						
Variable	Obs.	Mean	Std. Dev.	Min.	Max.	
Recycling	1766	5.53	1.43	1	7	
CO2	1766	5.44	1.49	1	7	
Employees	1766	5.76	1.37	1	7	
Community	1766	5.33	1.46	1	7	
Charity	1766	4.82	1.62	1	7	
Profit	1766	5.15	1.44	1	7	
Panel B						
	Female (815 obs.)		Male (951 obs.)		Difference	Tests
	Mean	Std. Dev.	Mean	Std. Dev.		t-stat
Recycling	5.66	1.37	5.43	1.48	0.22***	3.29
CO2	5.63	1.41	5.28	1.54	0.35***	4.99
Employees	5.94	1.28	5.61	1.42	0.33***	5.11
Community	5.47	1.41	5.20	1.49	0.27**	3.93
Charity	4.99	1.56	4.67	1.67	0.32***	4.14
Profit	5.21	1.42	5.11	1.45	0.10	1.44
Panel C						
	Smoker (316 obs.)		Non-smoker (1450 obs.)		Difference	Tests
	Mean	Std. Dev.	Mean	Std. Dev.		t-stat
Recycling	5.30	1.48	5.59	1.42	-0.29***	-3.25
CO2	5.26	1.51	5.48	1.48	-0.22**	-2.38
Employees	5.62	1.43	5.79	1.35	-0.17**	-2.02
Community	5.15	1.56	5.37	1.43	-0.21**	-2.35
Charity	4.65	1.72	4.85	1.60	-0.20**	-2.02
Profit	5.12	1.49	5.16	1.43	-0.05	-0.52
Panel D						
	Drinker (1285 obs.)		Non-drinker (481 obs.)		Difference	Tests
	Mean	Std. Dev.	Mean	Std. Dev.		t-stat
Recycling	5.58	1.40	5.41	1.53	0.16**	2.15
CO2	5.45	1.49	5.41	1.49	0.04	0.50
Employees	5.75	1.36	5.79	1.39	-0.04	-0.54
Community	5.30	1.45	5.39	1.47	-0.09	-1.14
Charity	4.79	1.62	4.89	1.65	-0.10	-1.19
Profit	5.18	1.43	5.10	1.48	0.08	0.98

\* significance at the 10%.

\*\* significance at the 5%.

\*\*\* significance at the 1%.

**Table 5, page 38.****Table 5**

Willingness to pay for personalized social pension investments. This table reports the willingness to pay for personalized social pension investment screening. We personalize the investments by selecting only those screens valued higher than four on a seven point Likert scale. If none of the screens is valued higher than four we select all screens. Panel A reports the fractions of the sample and the accompanying answers. Panels B and C report the average sum of reported attitude-values sorted by willingness to pay and the number of screens valued higher than 4. The differences and two tailed *t*-statistics are reported in the most right columns.

Panel A: WTP(p) variable					
WTP	Exclusionary screens		Best practices screens		
	Obs.	Percent	Obs.	Percent	WTP(p)
<1%	456	25.72%	509	28.71%	No
1%	84	4.74%	113	6.37%	Yes
2%	446	25.16%	460	25.94%	Yes
≥5%	787	44.39%	691	38.97%	Yes

Panel B: reported attitudes and WTP(p) for exclusionary screens							
WTP(p)	Yes (1317 obs.)		No (456 obs.)		Difference	Tests ( <i>t</i> -stat)	
	Mean	Std. Dev.	Mean	Std. Dev.			
Sum excl. screens	36.26	(9.60)	30.18	(13.25)	6.08***	10.49	
#screens > 4	4.69	(2.18)	3.11	(2.80)	1.58***	10.80	

Panel C: reported attitudes and WTP(p) for best practices screens							
WTP(p)	Yes (1264 obs.)		No (509 obs.)		Difference	Tests ( <i>t</i> -stat)	
	Mean	Std. Dev.	Mean	Std. Dev.			
Sum B.P. screens	33.08	(6.14)	29.42	(8.63)	3.66***	10.04	
#screens > 4	4.84	(1.54)	3.70	(2.36)	1.14***	10.45	

\* significance at the 10%.

\*\* significance at the 5%.

\*\*\* significance at the 1%.

**Table 6, page 39.****Table 6**

Determinants of WTP for personalized pension investments. This table reports the marginal effects estimated at mean values after estimating probit models. The dependent variable is a dummy that is 1 for individuals who are willing to pay for socially screened pension investment portfolios. The individuals are offered a customized choice that selects only those screens rated >4 out of 7. Panel A presents the results for exclusionary screens on the full sample (columns 1 and 2) and a subset which excludes all respondents who make an inconsistent choice (columns 3 and 4). In panel B we do the same for the best practices screens. In addition columns 5 and 6 exclude respondents who only value the "profit" screen higher than 4 out of 7. In the first step of the two-step regression model the standard errors are clustered by household. We report the R-squared of the first stage. Z-statistics are in parentheses.

	Exclusionary screens				Best practices screens				Excl. only profit >4	
	Full sample		Conditional inconsistency 4 = 0		Full sample		Conditional inconsistency 4 = 0			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Dimportant	0.401*** (11.249)	0.395*** (9.402)	0.455*** (9.382)	0.454*** (7.924)	0.437*** (11.422)	0.422*** (9.279)	0.496*** (10.138)	0.459*** (7.677)	0.444*** (10.806)	0.443*** (9.075)
L_hhnetincome	0.022* (1.657)	0.017 (1.091)	0.039** (2.453)	0.039** (2.242)	0.044*** (3.131)	0.035** (2.195)	0.040** (2.461)	0.042** (2.277)	0.042*** (2.971)	0.033** (2.031)
Education	0.028*** (3.528)	0.021** (2.381)	0.035*** (3.597)	0.026** (2.360)	0.033*** (4.037)	0.030*** (3.216)	0.045*** (4.355)	0.043*** (3.762)	0.032*** (3.968)	0.029*** (3.113)
Age	0.001 (1.465)	0.001 (0.855)	0.001 (1.121)	-0.000 (-0.235)	0.001 (0.773)	0.001 (0.507)	0.000 (0.224)	-0.001 (-0.449)	0.001 (0.716)	0.001 (0.530)
Rural	0.000 (0.025)	0.003 (0.264)	-0.001 (-0.126)	-0.002 (-0.197)	0.003 (0.357)	0.004 (0.372)	-0.006 (-0.525)	-0.007 (-0.605)	0.005 (0.580)	0.006 (0.613)
Hhsize	0.006 (0.567)	-0.001 (-0.094)	0.007 (0.505)	0.002 (0.155)	-0.000 (-0.039)	-0.006 (-0.466)	0.009 (0.604)	0.002 (0.119)	-0.001 (-0.045)	-0.005 (-0.406)
Male	-0.032 (-1.493)	-0.050** (-2.037)	-0.036 (-1.336)	-0.048 (-1.562)	-0.062*** (-2.684)	-0.077*** (-3.016)	-0.060** (-2.080)	-0.085*** (-2.625)	-0.061*** (-2.628)	-0.078** (-3.045)
Dsmoker	-0.065** (-2.214)	-0.056 (-1.628)	-0.022 (-0.606)	-0.029 (-0.703)	-0.050 (-1.636)	-0.055 (-1.533)	-0.021 (-0.559)	-0.043 (-0.986)	-0.050 (-1.640)	-0.054 (-1.495)
Drinker	0.019 (1.590)	0.019 (1.436)	0.026* (1.847)	0.030* (1.955)	0.023* (1.881)	0.019 (1.419)	0.037*** (2.582)	0.037** (2.329)	0.023* (1.950)	0.020 (1.526)
Finexpert_self	0.001 (0.101)	-0.008 (-0.869)	0.003 (0.292)	-0.015 (-1.369)	0.005 (0.638)	-0.005 (-0.485)	0.006 (0.561)	-0.008 (-0.699)	0.006 (0.671)	-0.004 (-0.446)
Risktol_Barsky	0.024*** (2.887)	0.025*** (2.618)	0.025** (2.343)	0.033*** (2.606)	0.024*** (2.659)	0.020** (2.060)	0.018 (1.547)	0.018 (1.392)	0.024*** (2.721)	0.020** (2.071)
Risktol_self	0.004 (0.439)	0.002 (0.184)	-0.001 (-0.106)	-0.003 (-0.194)	0.008 (0.738)	0.009 (0.756)	0.007 (0.532)	0.009 (0.606)	0.007 (0.705)	0.008 (0.709)
Finlitsum	0.065*** (4.494)		0.084*** (4.490)		0.059*** (3.749)		0.065*** (3.373)		0.059*** (3.734)	
Observations	1764	1368	1098	858	1764	1368	1098	858	1736	1347
1st stage	0.107	0.124	0.135	0.175	0.105	0.109	0.137	0.145	0.101	0.109
pseudo-R2										

\* significance at the 10%.

\*\* significance at the 5%.

\*\*\* significance at the 1%.

**Table C.1, page 41.****Table C.1**

Panel A			
Component	Eigenvalue	Proportion	Cumulative
Factor1	1.49	0.30	0.30
Factor2	1.00	0.20	0.50
Factor3	0.96	0.19	0.69
Factor4	0.79	0.16	0.85
Factor5	0.76	0.15	1.00

Panel B			
Variable	Factor1	Factor2	Unexplained
Finlitr	0.65	-0.22	0.53
Finlitinfl	0.69	-0.01	0.53
Finlitbonds	0.30	0.46	0.70
Finlitrisk	0.66	-0.33	0.46
Finlitmort	0.28	0.80	0.28

**Table D.1, page 42.****Table D.1**

Preferred basket is the answer to the question in which we ask the respondents the preference between the exclusionary screened and the conventional portfolio. WTP represent whether or not the respondent was willing to pay for screening in his or her portfolio (see Table 3). % in stocks is the answer to the question in which we asked the respondents if they would prefer to invest a different percentage in stocks given the basket of stocks is screened using exclusionary screens compared to their ideal percentage invested in stocks. Inconsistency1 to 3 are the variables we created using the answers those questions. Inconsistency4 takes on the value of one if the respondent makes one of the inconsistent financial choices. We distinguish three types of rational beneficiaries, one whose utility function is not influenced by social values, one who gets positive utility from the exclusionary screens proposed, and one who gets negative utility from the proposed screens. All types get positive utility from returns and negative utility from risk. In panel A we take risk aversion into account, panel B follows from panel A.

Panel A: answers consistent with three types of rational agents					
Utility from social values		Preferred portfolio		WTP	% invested in stocks
No relation		No preference		No	The same
Positive		Screened		No/Neutral/Yes	More/The same
Negative		Conventional		No	Less/The same

Panel B: definition of Inconsistency variables					
% in stocks	WTP	Inconsistency 1	% in stocks	Preference	Inconsistency 2
Less	Yes	1	Less	Conventional	0
	No	0		Screened	1
	Neutral	1		No preference	1
Same	Yes	0	Same	Conventional	0
	No	0		Screened	0
	Neutral	0		No preference	0
More	Yes	0	More	Conventional	1
	No	0		Screened	0
	Neutral	0		No preference	1
WTP	Preference	Inconsistency 3			Inconsistency 4
Yes	Conventional	1			
	Screened	0			
	No preference	1			
No	Conventional	0			
	Screened	0			
	No preference	0			
Neutral	Conventional	1			
	Screened	0			
	No preference	1			

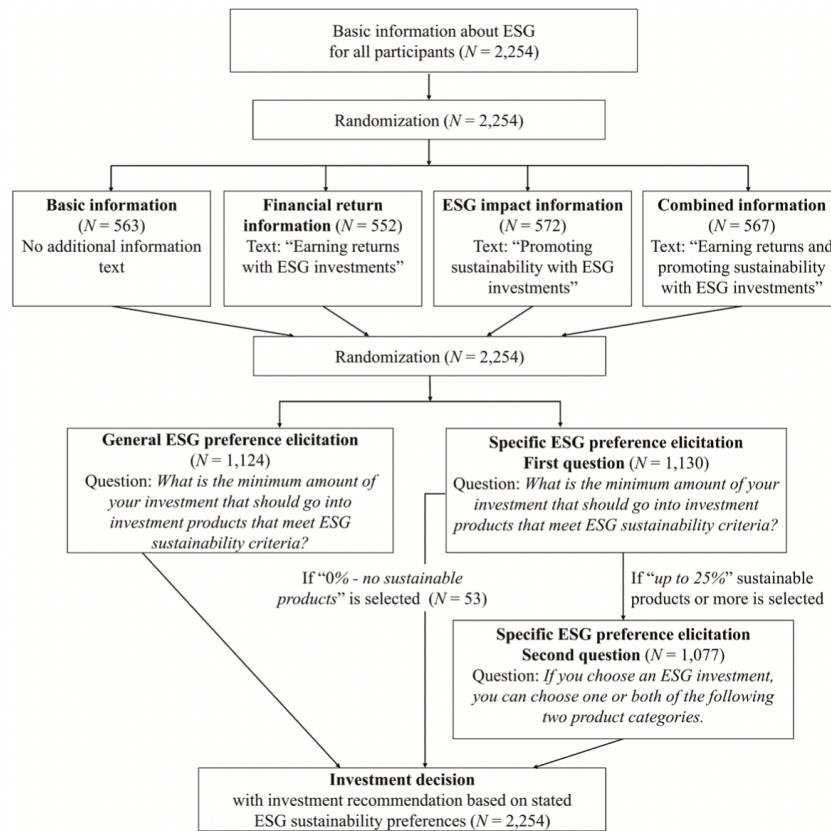
## Can information provision and preference elicitation promote ESG investments? Evidence from a large, incentivized online experiment

**Figure 1, page 4.**

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Fund	Fund A	Fund B	Fund C	Fund D
Orientation	Conventional		Sustainable	
Type	Fund with focus on energy and finance	Fund with focus on information technology and healthcare	Fund that avoids negative impacts on ESG factors	Fund that invests in activities that are considered sustainable by law
Risk and return profile	6	6	6	6
Performance in the last year	Greater than 30 %	Greater than 30 %	Greater than 30 %	Greater than 30 %
Largest shares by sector	Finance, Oil, Gas	Microelectronics, Semiconductors, Agricultural products	Insulation technology, Metal recycling, Electricity	Plant engineering, Wind energy, Semiconductors

**Figure 2, page 7.****Table 3, page 9.**

**Table 3**  
OLS models: Impact of information on satisfaction with the information.

	(1)	(2)	(3)	(4)	(5)	(6)
Financial return	0.088 (0.068)	0.008 (0.055)	0.185* (0.092)	0.074 (0.085)	0.034 (0.092)	-0.040 (0.072)
ESG impact	0.140* (0.067)	0.047 (0.055)	0.292** (0.091)	0.210* (0.084)	0.045 (0.092)	-0.062 (0.072)
Financial * impact	-0.089 (0.095)	0.009 (0.078)	-0.192 (0.130)	-0.069 (0.119)	-0.030 (0.130)	0.062 (0.101)
Specific elicitation mode	0.005 (0.039)			0.026 (0.060)		-0.012 (0.050)
Biospheric values	0.156*** (0.031)			0.093* (0.051)		0.179*** (0.039)
Altruistic values	0.129*** (0.031)			0.128* (0.053)		0.120*** (0.039)
Household income	0.058* (0.024)			0.038 (0.034)		0.073* (0.034)
Financial literacy	0.697*** (0.079)			0.415* (0.161)		0.735*** (0.092)
Constant	5.507*** (0.048)	1.187*** (0.209)	5.638*** (0.064)	1.949*** (0.353)	5.423*** (0.065)	1.277*** (0.224)
Control variables	NO	YES	NO	YES	NO	YES
N	2254	2254	871	871	1383	1383
Adjusted R <sup>2</sup>	0.012	0.139	0.004	0.100	0.015	0.154
F	9.797	20.202	2.048	6.357	8.173	15.768
p	0.000	0.000	0.106	0.000	0.000	0.000
Mean (SD)	5.60 (1.13)	5.60 (1.13)	5.83 (0.96)	5.83 (0.96)	5.45 (1.21)	5.45 (1.21)

Note. Robust standard errors in parentheses. Models (1) and (2) use the full sample, Models (3) and (4) the retail investor sample, in Models (5) and (6) the population sample. Information is included as dummy variables (0 = no financial return information, 1 = financial return information; and the same for ESG impact information). Control variables: age, gender, education, children, experience, risk preference, trust in ESG products, relevance of the incentive, email address dummy (0 = no, 1 = yes), attention check question dummy (0 = passed attention check, 1 = failed), sample dummy in Model (2) (1 = retail investor sample, 2 = population sample); for full models, see Tables E.1 and F.2 in the Appendix. F and p indicate the overall significance of the regression model. Mean (SD) is the mean (standard deviation) of the dependent variable. In the Appendix, we show that the results are qualitatively robust to stratifying standard errors by age and gender (Table I.2) and to month-year fixed effects (Table I.4).

+  $p < 0.1.$

\*  $p < 0.05.$

\*\*  $p < 0.01.$

\*\*\*  $p < 0.001.$

**Table 2, page 8.****Table 2**  
OLS models: Impact of information on ESG investments.

	(1)	(2)	(3)	(4)	(5)	(6)
Financial return	0.055*** (0.017)	0.041** (0.015)	0.037 (0.025)	0.025 (0.023)	0.067** (0.022)	0.053** (0.020)
ESG impact	0.082*** (0.016)	0.063** (0.015)	0.052* (0.024)	0.037 (0.023)	0.101*** (0.022)	0.080*** (0.020)
Financial * impact	-0.064** (0.023)	-0.045* (0.022)	-0.037 (0.035)	-0.024 (0.033)	-0.082** (0.031)	-0.063* (0.028)
Specific elicitation mode	0.005 (0.011)		-0.011 (0.017)			0.015 (0.014)
Biospheric values	0.063*** (0.009)		0.070*** (0.014)			0.061*** (0.011)
Altruistic values	-0.014 (0.009)		-0.014 (0.015)			-0.015 (0.011)
Household income	0.024** (0.007)		0.004 (0.009)			0.040*** (0.010)
Financial literacy	0.074*** (0.022)		0.046 (0.044)			0.083** (0.026)
Constant	0.605*** (0.012)	0.001 (0.058)	0.651*** (0.017)	0.095 (0.097)	0.575*** (0.016)	-0.040 (0.063)
Control variables	NO	YES	NO	YES	NO	YES
N	2254	2254	871	871	1383	1383
Adjusted R <sup>2</sup>	0.012	0.172	0.004	0.100	0.015	0.154
F	9.797	24.338	2.048	6.357	8.173	15.768
p	0.000	0.000	0.106	0.000	0.000	0.000
Mean (SD)	0.66 (0.28)	0.66 (0.28)	0.69 (0.26)	0.69 (0.26)	0.64 (0.29)	0.64 (0.29)

*Note.* Robust standard errors in parentheses. In Models (1) and (2) use the full sample, Models (3) and (4) the retail investor sample, and Models (5) and (6) the population sample. Information is included as dummy variables (0 = no financial return information, 1 = financial return information; and the same for ESG impact information). Control variables: age, gender, education, children, experience, risk preference, trust in ESG products, relevance of the incentive, email address dummy (0 = no, 1 = yes), attention check question dummy (0 = passed attention check, 1 = failed), sample dummy in Model (2) (1 = retail investor sample, 2 = population sample); see Tables D.1 and F.1 in the Appendix for the regression coefficients of the control variables. F and p indicate the overall significance of the regression model. Mean (SD) is the mean (standard deviation) of the dependent variable. In the Appendix we show that the results are qualitatively robust to stratifying standard errors by age and gender (Table L.1) and to month-year fixed effects (Table L.4).

\*  $p < 0.05$ .\*\*  $p < 0.01$ .\*\*\*  $p < 0.001$ .**Table 4, page 10.****Table 4**  
OLS models: Impact of elicitation mode on ESG investments (Models (1) & (2))  
and on satisfaction with the information (Models (3) & (4)).

	ESG investments		Satisfaction with elicitation	
	(1)	(2)	(3)	(4)
Specific elicitation mode	0.002 (0.012)	0.005 (0.011)	-0.044 (0.049)	-0.053 (0.040)
Financial return		0.041** (0.015)		0.058 (0.057)
ESG impact		0.063*** (0.015)		0.028 (0.056)
Financial * impact		-0.045* (0.022)		0.044 (0.080)
Biospheric values		0.063*** (0.009)		0.149*** (0.031)
Altruistic values		-0.014 (0.009)		0.127*** (0.032)
Household income		0.024** (0.007)		0.058* (0.025)
Financial literacy		0.074*** (0.022)		0.743*** (0.081)
Constant	0.656*** (0.008)	0.001 (0.058)	5.663*** (0.035)	1.027*** (0.215)
Control variables	No	Yes	No	Yes
N	2254	2254	2254	2254
Adjusted R <sup>2</sup>	0.000	0.172	0.000	0.347
F	0.032	24.338	0.823	60.907
p	0.858	0.000	0.364	0.000
Mean (SD)	0.66 (0.28)	0.66 (0.28)	5.64 (1.16)	5.64 (1.16)

**Table 5, page 11.****Table 5**

Ordered probit models and average marginal effects: Impact of information on stated preferences for ESG investments.

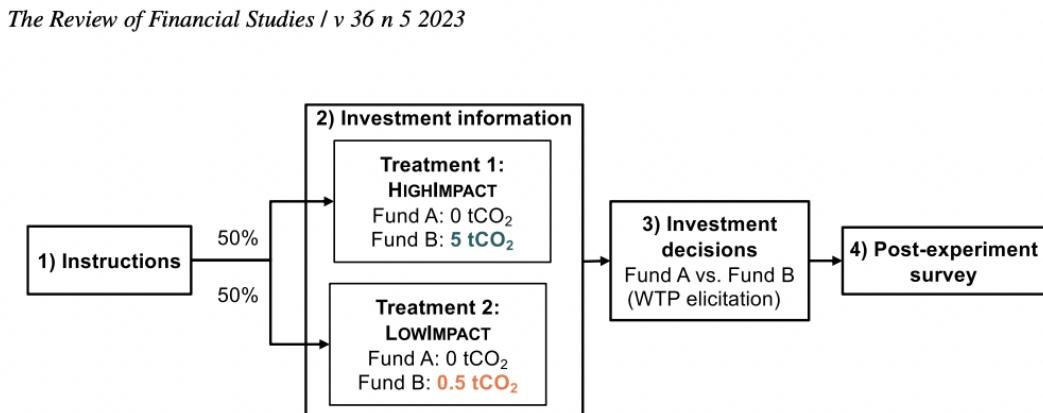
	Coefficients		Marginal Effects				
	(1)	(2)	0 %	Up to 25 %	Up to 50 %	Up to 75 %	100 %
Financial return	0.169*** (0.063)	0.135* (0.064)	-0.009 (0.005)	-0.019 (0.012)	-0.012 (0.007)	0.008 (0.005)	0.031 (0.020)
ESG impact	0.318*** (0.063)	0.274*** (0.064)	-0.018*** (0.005)	-0.043*** (0.012)	-0.030*** (0.008)	0.016** (0.005)	0.075*** (0.020)
Financial * impact	-0.207* (0.089)	-0.164 <sup>+</sup> (0.091)	-0.017*** (0.005)	-0.041*** (0.012)	-0.028*** (0.008)	0.015** (0.005)	0.071*** (0.020)
Biospheric values		0.287*** (0.036)					
Altruistic values		-0.027 (0.036)					
Household income		0.068* (0.030)					
Financial literacy		0.233* (0.092)					
Control variables	NO	YES					
N	2254	2254					
Nagelkerke Pseudo R <sup>2</sup>	0.014	0.204					

*Note:* Robust standard errors in parentheses for Models (1) and (2). Marginal effects are based on Model (2), shown with standard errors. The dependent variable is the outcome of the general sustainability preference elicitation (*What is the minimum amount of your investment that should go into investment products that meet ESG sustainability criteria?*, 1 = 0 % - no sustainable products; 2 = up to 25 %; 3 = up to 50 %; 4 = up to 75 %, 5 = 100 % - only sustainable products). Information is included as dummy variables (0 = no financial return information, 1 = financial return information; and same for ESG impact information). Control variables: age, gender, education, children, experience, risk preference, trust in ESG products, relevance of the incentive, email address dummy (0 = no, 1 = yes), attention check question dummy (0 = passed attention check, 1 = failed), sample dummy (1 = retail investor sample, 2 = population sample).

<sup>+</sup>  $p < 0.1.$ <sup>\*</sup>  $p < 0.05.$ <sup>\*\*</sup>  $p < 0.01.$ <sup>\*\*\*</sup>  $p < 0.001.$ 

## Do Investors Care about Impact?

Figure 1, page 1744.

**Figure 1**

### Experimental procedure of the main experiment

This figure provides an illustration of the four steps of the experimental procedure we use in our main experiment. In the second step, participants are randomly assigned either to the HIGHIMPACT treatment or the LOWIMPACT treatment.

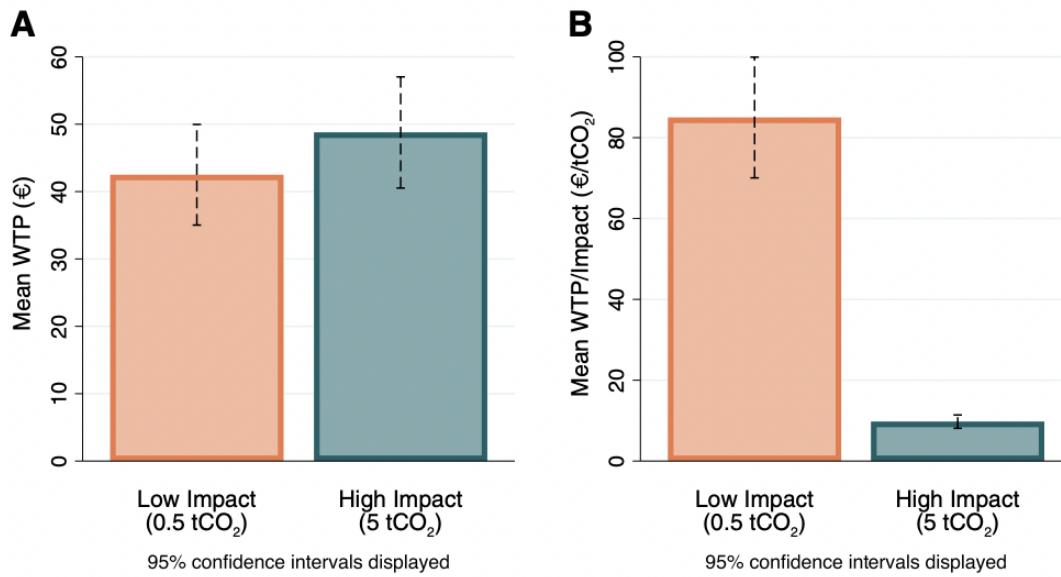
**Figure 2, page 1745.**

	Fund A	Fund B	
<b>Fund Category</b>	US Large-Cap Blend Equity	US Large-Cap Blend Equity	<b>Asset class and market segment</b> in which the fund invests.
<b>Annualized Return (3 years)</b>	6%	6%	Average amount <b>earned</b> by an investment in the fund each year.
<b>Morningstar™ Risk</b>	 Low      Average      High	 Low      Average      High	Assesses the <b>variations</b> in a fund's monthly returns, compared to similar funds.
<b>Climate Change</b>	<p>An investment of €1000 in this fund <b>saves 5000 kg of CO<sub>2</sub></b> emissions.</p> <p>This corresponds to:</p> <ul style="list-style-type: none"> <li>The CO<sub>2</sub> saved by planting <b>30 trees</b>.</li> <li>The CO<sub>2</sub> emissions of traveling <b>15000 km</b> by plane.</li> <li>The CO<sub>2</sub> emissions caused by an EU citizen in <b>250 days</b>.</li> </ul>	<p>An investment in this fund does not save CO<sub>2</sub> emissions.</p>	<p>Some funds finance projects that <b>save CO<sub>2</sub> emissions</b>.</p> <p>Some experts argue that this is a valuable way of how investors can <b>contribute</b> to fighting climate change.</p> <p>Other experts argue that this is a <b>distraction</b> and may delay the policies needed to fight climate change (e.g., carbon taxes).</p>

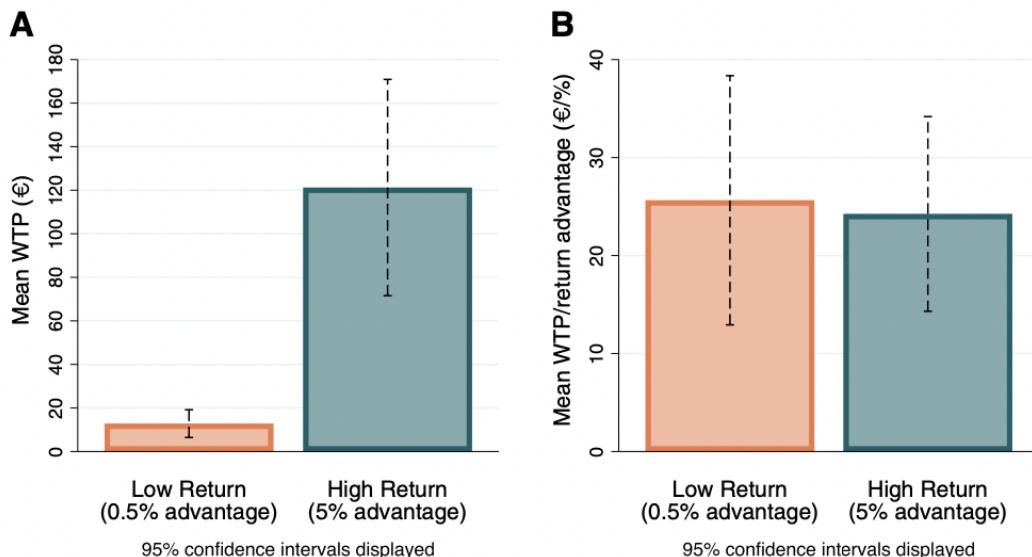
Data retrieved: 15-05-2020

**Figure 2****Investment information in the main experiment**

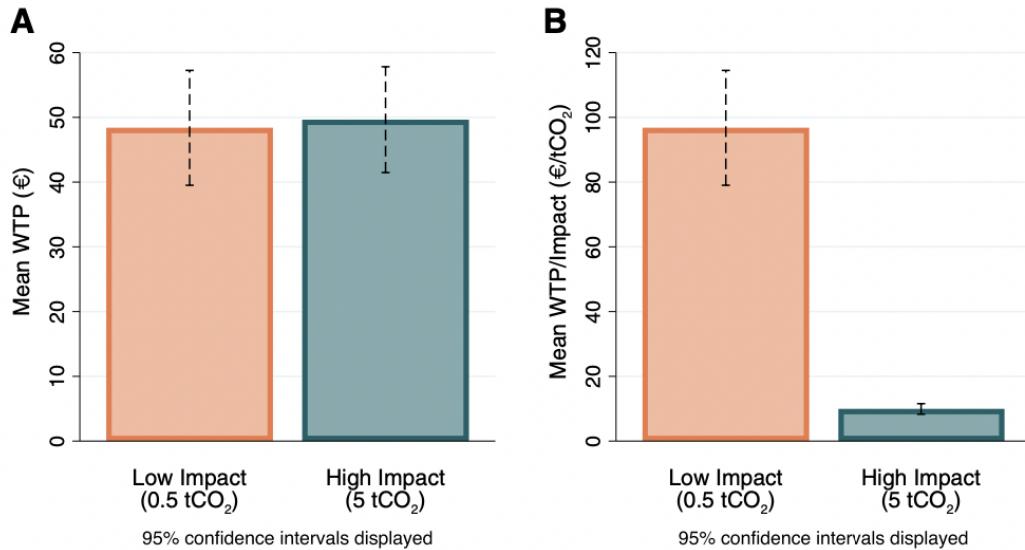
This figure provides a screenshot of the information the investors participating in our main experiment receive on the two investments if they are assigned to the HIGHIMPACT treatment. The investment information investors in the LOWIMPACT treatment receive is shown in Figure A.3.

**Figure 3, page 1748.****Figure 3****Response of private investors' WTP to the impact of sustainable investments.**

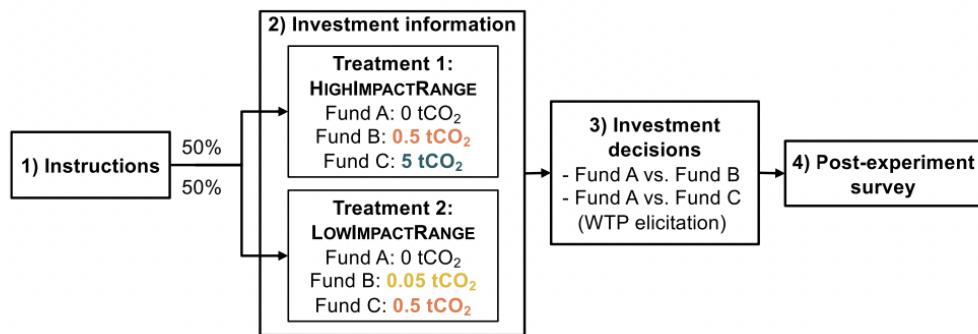
This figure shows the results of our main experiment, which investigates how private investors' WTP for sustainable investments responds to the impact of these investments. Panel A: mean absolute WTP for the sustainable investment, by impact treatment. Panel B: mean relative WTP for the sustainable investment per ton of CO<sub>2</sub> saved, by impact treatment.

**Figure 4, page 1752.****Figure 4****Response of private investors' WTP to the level of outperformance of investments.**

This figure shows the results of an extension of our main experiment, investigating how private investors' WTP responds to the level of outperformance of investments. Panel A: mean absolute WTP for the investment with a higher past return, by treatment. Panel B: mean relative WTP for the investment with a higher past return, by treatment, expressed relative to outperformance in percentage points.

**Figure 6, page 1761.***Do Investors Care about Impact?***Figure 6****Response of impact investors' WTP to the impact of sustainable investments**

This figure shows the results of our experiment investigating how impact investors' WTP for sustainable investments responds to the impact of these investments. Panel A: mean absolute WTP for the sustainable investment, by impact treatment. Panel B: mean relative WTP for the sustainable investment, per ton of CO<sub>2</sub> saved, by impact treatment.

**Figure 7, page 1763.***Do Investors Care about Impact?***Figure 7****Experimental procedure of the joint evaluation extension**

This figure provides an illustration of the experimental procedure we use in the joint evaluation extension of our main experiment.

**Figure 8, page 1763.**

	Fund A	Fund B	Fund C	
<b>Fund Category</b>	US Large-Cap Blend Equity	US Large-Cap Blend Equity	US Large-Cap Blend Equity	<b>Asset class and market segment</b> in which the fund invests.
<b>Annualized Return (3 years)</b>	<b>6%</b>	<b>6%</b>	<b>6%</b>	Average amount <b>earned</b> by an investment in the fund each year.
<b>Morningstar™ Risk</b>	 Low      Average      High	 Low      Average      High	 Low      Average      High	Assesses the <b>variations</b> in a fund's monthly returns, compared to similar funds.
<b>Climate Change</b>	An investment into Fund A does not save CO <sub>2</sub> emissions.	<p>An investment of €1000 in this fund <b>saves 500 kg of CO<sub>2</sub></b> emissions.</p> <p>This corresponds to:</p> <ul style="list-style-type: none"> <li>The CO<sub>2</sub> saved by planting <b>3 trees</b>.</li> <li>The CO<sub>2</sub> emissions of traveling <b>1500 km</b> by plane.</li> <li>The CO<sub>2</sub> emissions caused by an EU citizen in <b>25 days</b>.</li> </ul>	<p>An investment of €1000 in this fund <b>saves 5000 kg of CO<sub>2</sub></b> emissions.</p> <p>This corresponds to:</p> <ul style="list-style-type: none"> <li>The CO<sub>2</sub> saved by planting <b>30 trees</b>.</li> <li>The CO<sub>2</sub> emissions of traveling <b>15000 km</b> by plane.</li> <li>The CO<sub>2</sub> emissions caused by an EU citizen in <b>250 days</b>.</li> </ul>	<p>Some funds finance projects that <b>save CO<sub>2</sub> emissions</b>.</p> <p>Some experts argue that this is a valuable way of how investors can <b>contribute</b> to fighting climate change.</p> <p>Other experts argue that this is a <b>distraction</b> and may delay the policies needed to fight climate change (e.g., carbon taxes).</p>

Data retrieved: 15-05-2020

**Figure 8**  
**Screenshot of the investment information in the joint evaluation extension**

This figure provides an example of the information the investors receive with regard to the three investments in the joint evaluation extension of our experiment. The screenshot corresponds to the investment information investors in the HIGHIMPACTRANGE treatment receive. The investment information investors in the LOWIMPACTRANGE treatment receive can be found in Figure A.5.

**Table 8, page 1768.****Table 8**  
**Emotions, cost estimates, and investors' valuation of impact**

	Private Investors		Impact Investors		MTurks	
	(1) WTP/tCO <sub>2</sub>	(2) WTP/tCO <sub>2</sub>	(3) WTP/tCO <sub>2</sub>	(4) WTP/tCO <sub>2</sub>	(5) WTP/tCO <sub>2</sub>	(6) WTP/tCO <sub>2</sub>
Positive emotions	4.341*** (0.968)	4.314*** (0.957)	3.408** (1.229)	2.668* (1.326)	4.826*** (0.384)	4.680*** (0.388)
Estimated cost of saving 1 ton of CO <sub>2</sub>	0.0318 (0.0235)	0.0165 (0.0237)	-0.0117 (0.00781)	-0.00976 (0.00831)	0.00232* (0.00113)	0.00197 (0.00114)
Impact treatment	-77.76*** (7.132)	-78.21*** (6.998)	-86.57*** (8.919)	-86.07*** (9.295)	-76.17*** (2.919)	-76.14*** (2.916)
Demographics	No	Yes	No	Yes	No	Yes
Constant	56.20*** (8.124)	-63.67 (44.96)	74.91*** (11.80)	15.94 (46.45)	52.51*** (3.349)	83.37*** (17.38)
Observations	195	195	117	117	1,000	1,000
R <sup>2</sup>	0.416	0.486	0.492	0.524	0.464	0.474
F	45.40	10.53	36.54	9.534	287.0	74.12

\* p &lt; .05; \*\* p &lt; .01; \*\*\* p &lt; .001.

This table presents the results of an ordinary least squares (OLS) regression with WTP for the sustainable investment per unit of impact as the dependent variable. In all specifications, investors' level of self-stated positive emotions experienced when choosing the sustainable investment as well as their estimate of the cost of saving a ton of CO<sub>2</sub> are included as independent variables, together with an indicator variable taking the value of 0 for the LOWIMPACT treatment and 1 for the HIGHIMPACT treatment. In addition, specifications (2) and (4) also include controls for investors' demographics, as described in detail in Table A.4. Specifications (1) and (2) report the results for our sample of private investors in the main experiment; specifications (3) and (4) report the results for our sample of impact investors and specifications (5) and (6) report the results for our sample of MTurks in the "R1: MTurk Baseline" replication of the main experiment. Standard errors are shown in parentheses.

## Do Sustainable consumers prefer socially responsible investments? A study among the users of robo advisors

**Table 5, page 13.****Table 5**  
Willingness to sacrifice financial returns.

Return sacrifice	(1)	(2)	(3)	(4)
Revealed SC	0.520** (0.222)			
Reported SC		0.0733 (0.180)		
Revealed & reported SC			0.377* (0.227)	
Reported SC (cts.)				0.273** (0.129)
No choice	0.604** (0.289)		0.532* (0.282)	
Controls	yes	yes	yes	yes
Observations	213	213	213	213
Adjusted R <sup>2</sup>	0.024	-0.009	0.006	0.010

This table presents the results of four OLS regressions. We use all clients of the conventional robo advisor for our analysis. The dependent variable *Return sacrifice* indicates how many percentage points of the annual net return for a conventional robo advisor portfolio an investor reports to be willing to forego in order to invest in a sustainable portfolio with similar risk instead. The return sacrifice is calculated as average of four return scenarios for the conventional portfolio (2.5%, 5%, 7.5%, 10%). The different regression specifications refer to our respective measure of sustainable consumption. We use the usual investment-related and socio-demographic controls. For definitions of the remaining variables, see Table A.1 in the Appendix. Robust standard errors are reported in parentheses. \*, \*\* and \*\*\* relate to the 10%, 5% and 1% confidence level, respectively.

**Table 7, page 16.**

**Table 7**  
Relying on talk versus action.

Panel A: Investment choices							
SRI	(1)		(2)		(3)		(4)
	Mixed robo advisor	All clients	Green robo advisor	Sustainable portfolio	Mixed robo advisor	All investors	SRI
Revealed SC	1.498 (0.4403)		3.515*** (1.502)		0.275*** (0.0712)		0.184*** (0.0368)
Att.-beh. gap	1.162 (0.3503)		1.084 (0.524)		0.0704 (0.0814)		0.0721* (0.0432)
Controls		yes		yes		yes	
Observations		448		144		477	
Pseudo R <sup>2</sup>		0.216		0.271		0.215	

Panel B: Reported interest							
Interest	very unlikely	2	3	4	5	6	very likely
Revealed SC	-0.0758*** (0.0245)	-0.0447*** (0.0163)	-0.0691*** (0.0212)	-0.0580*** (0.0171)	0.00320 (0.00863)	0.0645*** (0.0192)	0.180*** (0.0454)
Att.-beh. gap	-0.0527** (0.0216)	-0.0311** (0.0134)	-0.0481*** (0.0167)	-0.0404*** (0.0135)	0.00223 (0.00604)	0.0449*** (0.0162)	0.125*** (0.0405)
Controls	yes	yes	yes	yes	yes	yes	yes
Observations	213						
Pseudo R <sup>2</sup>	0.100						

In Panel A, columns (1) and (2) report the relative risk ratios of four multinomial logit regressions. We use all clients of all three robo advisors for our analysis. The dependent variable takes on three values for the robo advisors mixed, green and conventional. The baseline group are clients of the conventional robo advisor. Column (3) presents the estimated marginal probability effects of a probit regression where we use all clients of the mixed robo advisor for our analysis. The dependent variable

**Table 8, page 17.**

**Table 8**  
Deviating motives among the various consumer groups.

SRI	Revealed sustainable consumers			Mainstream consumers			Attitude-behavior gap		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Social preferences	0.00643 (0.0278)	-0.00129 (0.0271)	-0.00130 (0.0264)	0.0707*** (0.0214)	0.0538** (0.0218)	0.0706*** (0.0257)	0.0287 (0.0212)	0.0183 (0.0211)	0.0276 (0.0220)
Signaling	0.00149 (0.0252)	-0.00280 (0.0246)	0.00239 (0.0250)	0.0630** (0.0249)	0.0524** (0.0208)	0.0630** (0.0252)	0.00652 (0.0172)	0.0120 (0.0168)	0.00819 (0.0168)
Trust	0.0109 (0.0259)	0.00351 (0.0246)	0.00567 (0.0258)	0.0214 (0.0180)	0.0179 (0.0177)	0.0213 (0.0181)	-0.00421 (0.0225)	-0.00765 (0.0222)	-0.00897 (0.0228)
Impact	0.0854*** (0.0232)	0.0437* (0.0254)	0.0529** (0.0234)	0.0236 (0.0207)	-0.00279 (0.0194)	0.0235 (0.0278)	0.00276 (0.0185)	-0.0250 (0.0216)	-0.00554 (0.0178)
SRI knowledge	0.222*** (0.0447)	0.194*** (0.0446)	0.198*** (0.0451)	0.00660 (0.0196)	-0.00475 (0.0192)	0.00655 (0.0207)	0.0359 (0.0288)	0.0436 (0.0284)	0.0386 (0.0284)
Identification		0.0989*** (0.0380)			0.0526* (0.0273)			0.0500** (0.0241)	
Warm glow			0.0923*** (0.0349)			0.000179 (0.0237)			0.0152 (0.0191)
High exp. returns	-0.0106 (0.0816)	-0.0352 (0.0789)	-0.0471 (0.0808)	0.0890 (0.0851)	0.0615 (0.0790)	0.0888 (0.0866)	0.182*** (0.0631)	0.149** (0.0583)	0.171*** (0.0606)
Low exp. returns	0.136* (0.0819)	0.124 (0.0810)	0.114 (0.0811)	0.0751 (0.0559)	0.0549 (0.0573)	0.0750 (0.0556)	0.104* (0.0614)	0.0886 (0.0583)	0.103* (0.0604)
High exp. risk	0.0703 (0.0849)	0.0956 (0.0874)	0.0858 (0.0824)	0 (..)	0 (..)	0 (..)	-0.0600 (0.0436)	-0.0706 (0.0458)	-0.0611 (0.0439)
Low exp. risk	0.0537 (0.0640)	0.0420 (0.0646)	0.0512 (0.0476)	0.0487 (0.0450)	0.0132 (0.0504)	0.0486 (0.0504)	-0.167*** (0.0574)	-0.163*** (0.0554)	-0.166*** (0.0555)
Risk preferences	0.00885 (0.0315)	0.0000500 (0.0309)	0.00601 (0.0304)	-0.0590* (0.0313)	-0.0527* (0.0293)	-0.0590* (0.0343)	-0.0141 (0.0221)	-0.0158 (0.0217)	-0.0124 (0.0224)
Investment skills	-0.271*** (0.0606)	-0.232*** (0.0584)	-0.248*** (0.0608)	-0.0884*** (0.0636)	-0.0539** (0.0260)	-0.0883*** (0.0262)	-0.0605 (0.0250)	-0.0678* (0.0385)	-0.0636* (0.0382)
Female	-0.0215 (0.0667)	-0.0319 (0.0675)	-0.0363 (0.0679)	-0.00143 (0.0650)	0.0171 (0.0564)	-0.00138 (0.0649)	0.0865** (0.0407)	0.0790* (0.0405)	0.0857** (0.0403)
Age	-0.00222 (0.00232)	-0.00205 (0.00224)	-0.00181 (0.00232)	0.00435* (0.00241)	0.00403* (0.00225)	0.00435* (0.00248)	0.00000337 (0.00144)	-0.000119 (0.00142)	-0.0000198 (0.00144)
Highly educated	-0.0633 (0.0594)	-0.0742 (0.0588)	-0.0672 (0.0603)	0.0428 (0.0636)	0.0629 (0.0609)	0.0428 (0.0637)	0.102** (0.0486)	0.102** (0.0471)	0.0998** (0.0479)
Income up to 1499 euros	0.0426 (0.108)	0.0505 (0.102)	0.0697 (0.111)	0.190 (0.120)	0.217* (0.131)	0.190 (0.123)	0.0118 (0.115)	0.00243 (0.102)	0.0147 (0.117)
Income 3,500 to 6000 euros	0.0630 (0.0653)	0.0676 (0.0638)	0.0719 (0.0643)	0 (..)	0 (..)	0 (..)	-0.0797 (0.0505)	-0.0617 (0.0531)	-0.0769 (0.0506)
Income above 6000 euros	-0.0643 (0.116)	-0.00633 (0.128)	-0.0256 (0.127)	0.0913 (0.0909)	0.0493 (0.0768)	0.0910 (0.0900)	-0.0326 (0.0657)	-0.0370 (0.0664)	-0.0345 (0.0656)
Income not reported	0.0943 (0.134)	0.0778 (0.132)	0.0835 (0.131)	0.0906 (0.108)	0.142 (0.106)	0.0907 (0.106)	0.0858 (0.0835)	0.0833 (0.0803)	0.0771 (0.0823)
Observations	150	150	150	82	82	82	126	126	126
Pseudo R <sup>2</sup>	0.368	0.392	0.391	0.496	0.527	0.496	0.380	0.407	0.383

This table presents the estimated marginal probability effects of a probit regression where we use subsamples of all investors, i.e. actual clients and newsletter subscribers

**Table A.7, page 24.**

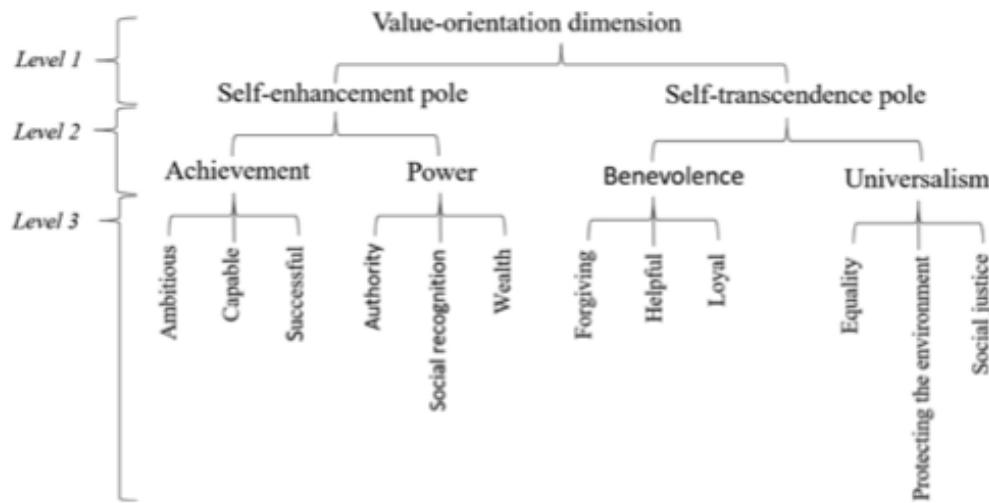
**Table A.7**  
Adding attitudinal variables to regression (1).

SRI	Mixed robo advisor			All investors		
	(1)	(2)	(3)	(4)	(5)	(6)
Revealed SC	0.154*** (0.0525)	0.115** (0.0517)	0.104** (0.0496)	0.100*** (0.0274)	0.0735*** (0.0274)	0.0794*** (0.0272)
No choice	-0.107 (0.140)	-0.0504 (0.100)	-0.0365 (0.113)	0.0626 (0.0511)	0.0728 (0.0462)	0.0616 (0.0467)
Social preferences	0.00559 (0.0188)	0.00858 (0.0192)	0.0114 (0.0192)	0.0283** (0.0116)	0.0219* (0.0112)	0.0242** (0.0118)
Signaling	-0.0225 (0.0163)	-0.0216 (0.0156)	-0.0221 (0.0158)	0.00769 (0.00944)	0.00708 (0.00919)	0.00845 (0.00933)
Trust	0.0419* (0.0220)	0.0340 (0.0219)	0.0240 (0.0207)	0.00200 (0.0116)	-0.00455 (0.0115)	-0.00319 (0.0118)
Impact	0.0903*** (0.0200)	0.0334 (0.0216)	0.0364 (0.0227)	0.0344*** (0.0105)	0.00876 (0.0123)	0.0190 (0.0125)
SRI knowledge	0.0777** (0.0330)	0.0426 (0.0324)	0.0422 (0.0311)	0.0759*** (0.0166)	0.0657*** (0.0165)	0.0687*** (0.0167)
Identification		0.0939** (0.0252)			0.0529*** (0.0138)	
Warm glow			0.0939*** (0.0234)			0.0325** (0.0132)
Controls	yes	yes	yes	yes	yes	yes
Observations	144	144	144	477	477	477
Pseudo R <sup>2</sup>	0.472	0.530	0.547	0.327	0.352	0.337

This table presents the estimated marginal probability effects of several probit regressions. In columns (1) to (3) we use all clients of the mixed robo advisor for our analysis. The dependent variable *SRI* takes the value of one if the investor has a sustainable portfolio at the mixed robo advisor and zero if the investor has a conventional portfolio. We exclude clients from the regression that have both portfolios. Columns (4) to (6) present the estimated marginal probability effects of a probit regression where we use all investors, i.e. actual clients and newsletter subscribers that report to have a securities portfolio. The dependent variable *SRI* is equal to one if an investor reports to have allocated a considerable share of the total securities portfolio (at least 25%) to SRI. The explanatory variable *Revealed sustainable consumption (Revealed SC)* is a dummy variable equal to one if an investor opts to receive a fair fashion voucher in the lottery, and zero otherwise. We additionally control for investors who opt not to be considered in the lottery. The different specifications refer to the respective combination of attitudinal variables that we include into the regression. We control for *social preferences*, *signaling*, *trust*, *impact*, and *SRI knowledge* in specifications (1) and (4). We add *identification* in specifications (2) and (5) respectively *warm glow* in specifications (3) and (6). We include our usual investment-related and socio-demographic control variables. We additionally use controls for financial expectations about SRI. For definitions of the remaining variables, see Table A.1 in the Appendix. Robust standard errors are reported in parentheses. \*, \*\* and \*\*\* relate to the 10%, 5% and 1% confidence level, respectively.

## A three-level analysis of values related to socially responsible retirement investments (SRRI)

Figure 1, page 330.

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**Figure 1.** The three levels of values: (1) The poles of the value-orientation dimension self-enhancement versus self-transcendence, (2) the motivational domains, and (3) the values. Note: The values at the third level are limited to those measured in the present study.

Table 1, page 332.

**Table 1.** The three levels of values (value-orientation dimension poles, motivational domains, and values).

### Self-enhancement values

#### Achievement

- Ambitious (hard-working, aspiring)
- Capable (competent, effective, efficient)
- Successful (achieving goals)

#### Power

- Authority (the right to lead or command)
- Social recognition (respect, approval by others)
- Wealth (material possessions, money)

### Self-transcendence values

#### Benevolence

- Forgiving (willing to pardon others)
- Helpful (working for the welfare of others)
- Loyal (feeling of faithfulness to friends and group members)

#### Universalism

- Equality (equal opportunities for all)
- Protecting the environment (preserving nature)
- Social justice (correcting injustice, care for the weak)

**Table 2, page 333.****Table 2.** Independent-samples *t*-tests on three levels of values as a comparison between socially responsible retirement (SRR) investors and non-SRR investors.

Value level	Variable	SRR investors ( <i>n</i> = 68)		Non-SRR investors ( <i>n</i> = 937)	
		<i>M</i>	<i>SD</i>	<i>M</i>	<i>SD</i>
<b>Control variables</b>					
	Age	51.94	10.65	51.31	11.73
	Gender (% women)**	66.2		48.3	
	Education (% university degree)*	56.7		40.8	
	Income (% high income)	29.9		36.0	
<b>Values</b>					
1	<b>Self-enhancement values</b>	3.63	0.54	3.62	0.60
1.1	Achievement	3.89	0.58	3.85	0.66
1.1.1	Ambitious	3.85	0.80	3.82	0.84
1.1.2	Capable	4.22	0.59	4.11	0.73
1.1.3	Successful	3.59	0.80	3.61	0.82
1.2	Power	3.37	0.65	3.39	0.67
1.2.1	Authority*	3.49	0.91	3.26	0.93
1.2.2	Social recognition	3.65	0.84	3.65	0.88
1.2.3	Wealth*	2.99	0.86	3.26	0.86
2	<b>Self-transcendent values***</b>	4.21	0.52	3.95	0.60
2.1	Benevolence*	4.09	0.59	3.90	0.63
2.1.1	Forgiving**	4.10	0.76	3.85	0.79
2.1.2	Helpful	3.97	0.90	3.86	0.82
2.1.3	Loyal*	4.21	0.80	3.99	0.87
2.2	Universalism***	4.32	0.54	4.01	0.67
2.2.1	Equality***	4.31	0.72	3.93	0.84
2.2.2	Protecting the environment**	4.49	0.59	4.23	0.82
2.2.3	Social justice**	4.16	0.77	3.86	0.83

Note: *M* = mean value, *SD* = standard deviation.  $\chi^2$ -tests with continuity correction were performed for gender, education, and income.

\* *p* < .05; \*\* *p* < .01, \*\*\* *p* < .001.

## Examining pension beneficiaries' willingness to pay for a socially responsible and impact investment portfolio: A case study in the Dutch healthcare sector

**Figure 1, page 29.**

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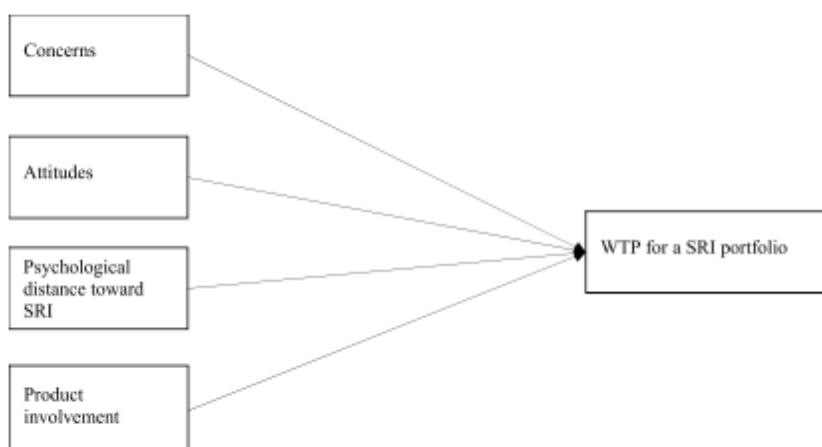
**Fig. 1.** Conceptual framework of predicting WTP for a SRI portfolio.

Figure 2, page 30.

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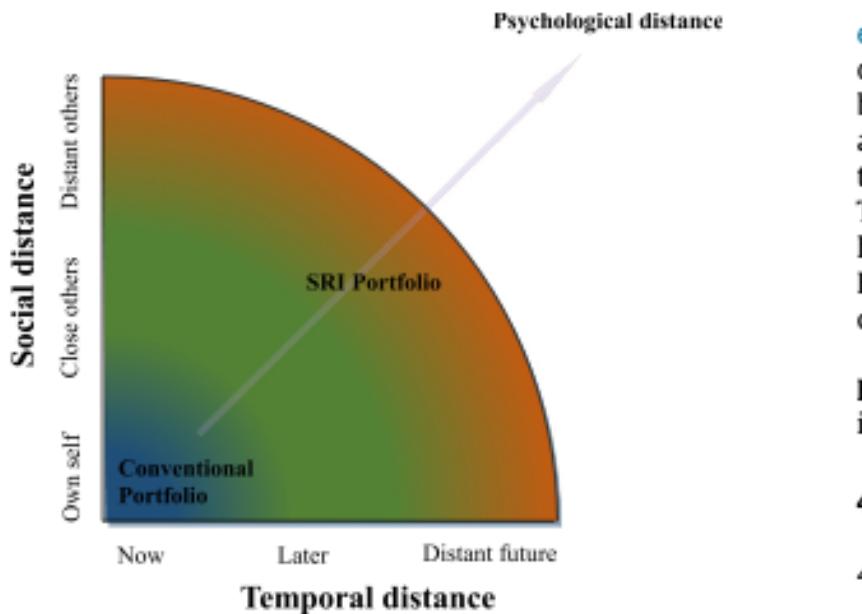
*G. Apostolakis et al. / Journal of Behavioral and Experimental Finance 11 (2016) 27–43***Fig. 2.** Portfolio preferences and psychological distance.

Table 1, page 32.

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*G. Apostolakis et al. / Journal of Behavioral and Experimental Finance 11 (2016) 27–43***Table 1**  
Choice and portfolio selection with product involvement and PD.

Panel A		Product involvement			Product involvement				
Choice		Low (236)	High (401)	Total (637)	WTP Choice	Low (62)	High (182)	Total (244)	
Yes		26.27	45.39	38.30	Yes	19.35	34.62	30.74	
No		41.53	21.45	28.89	No	62.90	38.46	44.67	
No opinion		32.20	33.17	32.81	No opinion	17.74	26.92	24.59	
Total%		100	100	100	Total%	100	100	100	
chi2(2) = 34.9500 Pr. = 0.000					chi2(2) = 11.2735 Pr. = 0.004				
Select		Product involvement			Product involvement				
Conventional portfolio.	SRI portfolio	Low (236)	High (401)	Total (637)	WTP SRI portfolio	Low (236)	High (401)	Total (637)	
58.47	18.64	14.21	75.56	30.61	Yes	6.78	51.12	34.69	
22.88	No preference	10.22	54.47	14.91	No	82.63	34.59	52.59	
Total%		100	100	100	No opinion	10.59	13.97	12.72	
chi2(2) = 199.38011 Pr. = 0.000					chi2(2) = 149.8417 Pr. = 0.000				
Panel B		PD SRI			PD SRI				
Select		Low (127)	High (510)	Total (637)	WTP SRI portfolio	Low (127)	High (510)	Total (637)	
Conventional portfolio	SRI portfolio	22.83	62.99	32.55	54.47	Yes	38.58	33.73	34.69
14.17	No preference	15.10	10.43	10.61	14.91	No	51.18	52.94	52.59
Total%		100	100	100	100	I don't know	10.24	13.33	12.72
chi2(2) = 5.3056 Pr. = 0.070					chi2(2) = 1.5183 Pr. = 0.468				
Panel C		PD Conventional			PD Conventional				
Select		Low (474)	High (163)	Total (637)	WTP SRI portfolio	Low (474)	High (163)	Total (637)	
Conventional portfolio	SRI portfolio	33.76	49.79	21.47	54.47	Yes	30.38	47.24	34.69
16.46	No preference	10.43	10.43	30.61	14.91	No	56.54	41.10	52.59
Total%		100	100	100	100	I don't know	13.08	11.66	12.72
chi2(2) = 16.7089 Pr. = 0.000					chi2(2) = 16.3952 Pr. = 0.001				

Note: Observations are reported in parentheses. PD stands for psychological distance and Pr. stands for probability.

**Table 7, page 35.**

**Table 7**  
Means and standard deviations of the sample.

	Mean	Std. Dev.	Min	Max
WTP	0.3469	0.4763	0	1
Pension issues concern	2.9011	1.0631	1	6
Social issues concern	3.6405	0.9522	1	6
Financial investment criteria	6.0447	0.9282	1	7
Impact investment criteria	5.4521	1.2358	1	7
SRI + screening criteria	5.1749	1.3216	1	7
SRI – screening criteria	4.8157	1.9632	1	7
Product involvement	5.0900	1.5840	1	7
Psychological distance toward SRI	4.5604	1.1773	1	7
Psychological distance toward Conventional	3.8032	1.1318	1	7
Risk aversion	2.7860	1.3571	1	7
Gender (male-female)	1.6876	0.4638	1	2
Age (26-35, 36-45, 46-55, 56-65, >65)	4.1523	0.9551	2	6
Education (lower, middle, higher)	2.5000	0.6235	1	3
Married (no–yes)	0.6593	0.4743	0	1
Children	1.4349	1.3842	0	8
Net income (Q1–Q4)	2.1601	1.1143	1	4
Own house (no–yes)	0.7943	0.4045	0	1
Saved last year (no–yes)	0.8038	0.3975	0	1
Perceived health condition	3.8524	0.8743	1	7

Note: Sample = 637 respondents.

**Table 10, page 38.***G. Apostolakis et al. / Journal of Behavioral and Experimental Finance 11 (2016) 27–43***Table 10**  
Binary logistic regressions.

Variables	(1) $dy/dx$ WTP	(2) $dy/dx$ WTP	(3) $dy/dx$ WTP	(4) $dy/dx$ WTP
Pension concerns		-0.0178 (-0.8429)	-0.0197 (-0.9563)	-0.0179 (-0.8820)
Social concerns		-0.0118 (-0.5101)	-0.0074 (-0.3172)	-0.0117 (-0.5032)
Financial cr.		-0.0969 *** (-4.4406)	-0.0976 *** (-4.6226)	-0.0964 *** (-4.5860)
Impact cr.		-0.0878 *** (-3.6783)	-0.0864 *** (-3.7401)	-0.0876 *** (-3.8669)
SRI + cr.		0.0570 ** (2.4706)	0.0569 ** (2.4944)	0.0579 ** (2.5421)
SRI - cr.		-0.0030 (-0.3048)	-0.0005 (-0.0492)	-0.0006 (-0.0664)
Product involvement		0.1970 *** (10.5200)	0.1988 *** (10.8351)	0.2023 *** (10.8975)
PD SRI portfolio				0.0268 (1.5364)
Risk aversion			0.0313 ** (2.1993)	0.0336 ** (2.3499)
Male	0.0238 (0.5072)	0.0542 (1.0792)	0.0435 (0.8757)	0.0411 (0.8361)
Age = 3, 36–45	-0.0125 (-0.1593)	0.0200 (0.2437)	0.0209 (0.2544)	0.0202 (0.2522)
Age = 4, 46–55	0.0166 (0.2301)	-0.0284 (-0.3982)	-0.0320 (-0.4536)	-0.0282 (-0.4097)
Age = 5, 56–65	0.0836 (1.1542)	0.0025 (0.0350)	0.0017 (0.0243)	0.0064 (0.0928)
Age = 6, >65	0.2570 (0.8285)	0.4461 *** (2.6080)	0.4732 *** (2.8587)	0.4990 *** (3.0611)
Middle education	0.1422 ** (2.3033)	0.1133 * (1.7642)	0.1119 * (1.7271)	0.1038 (1.5208)
Higher education	0.2841 *** (4.5253)	0.1431 ** (2.3656)	0.1342 ** (2.2021)	0.1226 * (1.8882)
Married	-0.1048 ** (-2.1133)	-0.0546 (-1.1057)	-0.0538 (-1.0965)	-0.0521 (-1.0652)
Children #	0.0163 (1.1039)	0.0053 (0.3523)	0.0037 (0.2534)	0.0036 (0.2413)
Net income Q2	0.1014 * (1.7696)	0.1023 * (1.8705)	0.1089 ** (1.9664)	0.1091 ** (1.9767)
Net income Q3	0.1223 ** (2.1904)	0.1594 *** (2.8359)	0.1600 *** (2.8761)	0.1641 *** (2.9893)
Net income Q4	0.1162 * (1.7628)	0.1177 * (1.7064)	0.1125 * (1.6894)	0.1081 (1.6275)
Own house	0.0104 (0.1945)	0.0663 (1.1786)	0.0625 (1.1390)	0.0627 (1.1297)
Saved last year	0.0768 (1.4465)	0.0872 (1.6135)	0.0842 (1.5585)	0.0866 (1.5882)
Perceived health	0.0025 (0.1097)	0.0033 (0.1320)	0.0022 (0.0939)	0.0019 (0.0794)
Observations	637	637	637	637
Pseudo $R^2$	0.0595	0.3398	0.3455	0.3484
	0.3575	0.0775	0.0365	0.0229
<i>P</i> -value test age = 0				
<i>P</i> -value test education = 0	0.0000	0.0609	0.0878	0.1674
<i>P</i> -value test income = 0	0.1038	0.0237	0.0193	0.0154

Note: Average marginal effects. Robust Z statistics are in parentheses.

**Table 11, page 39.***G. Apostolakis et al. / Journal of Behavioral and Experimental Finance 11 (2016) 27–43***Table 11**  
Moderating effects of low and high product involvement.

Variables	(1)	(2)
	<i>dy/dx</i> WTP Low product involvement	<i>dy/dx</i> WTP High product involvement
Pension concerns	-0.0065 (-0.9925)	0.0002 (0.0047)
Social concerns	0.0047 (0.4697)	-0.0067 (-0.1789)
Financial cr.	-0.0151 (-1.6204)	-0.1526*** (-4.0471)
Impact cr.	-0.0237* (-1.9468)	-0.1378*** (-3.8172)
SRI + cr.	0.0221** (2.1430)	0.1540*** (4.1432)
SRI - cr.	0.0064 (1.2434)	0.0001 (0.0098)
Risk aversion	-0.0007 (-0.0732)	0.0271 (0.9894)
PD SRI portfolio	-0.0002 (-0.0336)	0.0511** (2.2163)
Male	0.0619 (1.2456)	0.0279 (0.3860)
Age = 3, 36–45	-0.0113 (-0.3501)	0.0365 (0.2634)
Age = 4, 46–55	0.0052 (0.1623)	-0.0908 (-0.7552)
Age = 5, 56–65	0.0020 (0.0709)	0.0106 (0.0894)
Middle education	-0.0099 (-0.2029)	0.2169* (1.6630)
Higher education	-0.0033 (-0.0620)	0.2611** (2.0567)
Married	-0.0256 (-1.0002)	-0.0935 (-1.2450)
Children #	0.0158 (1.5892)	-0.0058 (-0.2733)
Net income Q2	0.0024 (0.0600)	0.1512* (1.8220)
Net income Q3	-0.0285 (-0.8292)	0.2476*** (3.2248)
Net income Q4	-0.0167 (-0.4667)	0.1762* (1.7390)
Own house	-0.0074 (-0.2746)	0.1093 (1.3162)
Saved last year	0.0341 (1.0454)	0.1043 (1.2800)
Perceived health	-0.0034 (-0.2872)	0.0048 (0.1341)
Observations	235	399
Pseudo R <sup>2</sup>	0.1758	0.1819

Note: Average marginal effects. Robust Z-statistics are in parentheses. Age > 65 excluded as it predicts success perfectly, and 3 observations were dropped.

## What drives retail portfolio exposure to ESG factors?

Table 4, page 6.

**Table 4**  
Panel data regression results.

Variable	E score	S score	G score
Intercept	72.4741***	71.4675***	64.1688***
<b>Panel A : Sociodemographics</b>			
Age	0.0476***	0.0750***	0.0135**
Gender	0.1881	0.1586	1.4305***
Language	5.6479***	5.3825***	2.7137***
Education	-0.2251**	-0.5740***	-0.3514***
<b>Panel B : Subjective individual variables</b>			
Financial literacy	-0.7341***	-0.8317***	0.1866***
Risk tolerance	-0.6526***	-0.4592***	0.6928***
<b>Panel C : Trade- &amp; portfolio-based variables</b>			
# trades	-1.0387***	-0.9123***	-1.0858***
Portfolio value	-0.4471***	-0.6580***	-0.2168***
Portfolio size	-0.1946	0.2962	0.5911***
<b>Panel D : Market-related variables</b>			
Market return	-0.3469	-6.1933	1.7571
Crisis period	-1.8299*	-3.5502***	-6.1283***
N	204,519	204,486	204,519
R <sup>2</sup>	0.0233	0.0246	0.0341

This table reports the coefficient estimates for panel regression models in which the dependent variable is one of the investor stock portfolio ESG scores. The set of explanatory variables is presented in four panels. Panel A contains sociodemographic variables. *Age* is investor age in 2012. *Gender* is a dummy variable set to 1 for men. *Language* is a dummy variable set to 1 for French-speaking investors. *Education* refers to the level of education, which is set to 1 for investors who hold a university degree. Panel B refers to subjective individual variables. *Financial\_literacy* is equal to 1 when investor  $i$  selected one of the two highest levels on the financial literacy scale. *Risk\_tolerance* is equal to 1 when investor  $i$  selected one of the two highest levels on the risk tolerance scale. Panel C refers to trade- and portfolio-based variables, defined quarterly. *# trades* is the natural logarithm of 1 plus the total number of trades executed by the investor. *Portfolio\_value* is the natural logarithm of 1 plus the investor monthly average portfolio market value. *Portfolio\_size* is the natural logarithm of 1 plus the investor monthly average number of stocks held in the portfolio. Panel D refers to market-related variables, defined quarterly. *Market\_return* corresponds to the arithmetic average of monthly market returns. *Crisis\_period* is a dummy variable for the financial crisis period set to one from January 2008 to June 2009. Standard errors are clustered by quarter. Thirty-three stock portfolio scores on the social factor are missing (out of 204,519 observations).

\*\*\*Indicate significance at 1%.

\*\*Indicate significance at 5%.

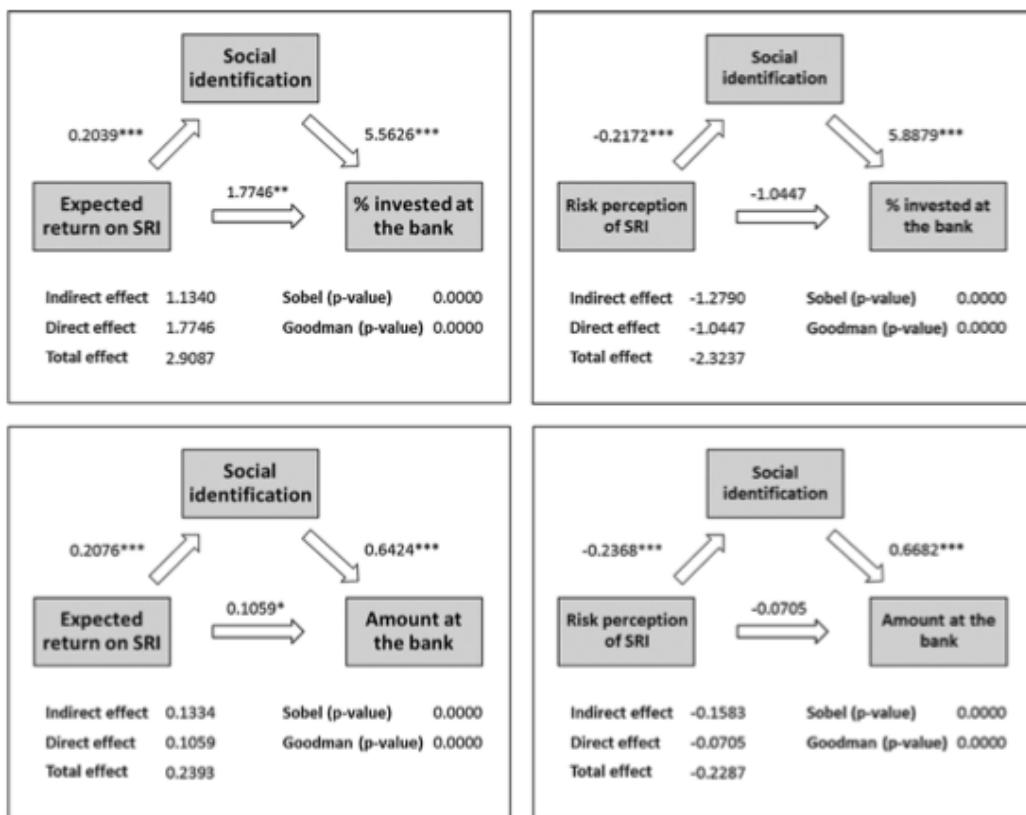
\*Indicate significance at 10%.

## Social identification and investment decisions

Figure 4, page 131.

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\*\*\* 1%, \*\* 5%, \* 10% significance levels.

**Fig. 4.** Mediation analysis. These figures report the results of mediation analyses (Baron and Kenny, 1986). The dependent variable is either the percentage of the total portfolio invested at the socially responsible bank, or the (log) of the amount invested at the bank. The independent variable is either return expectations on SRI funds or risk perceptions on SRI funds, and the mediation variable is social identification. The direct effect refers to the effect of the independent variable on the outcome variable, and the indirect effect refers to the effect of the independent variable on the dependent variable that goes through the mediating variable (social identification). The Sobel and Goodman tests indicate whether the mediation effect of social identification is significant. \*\*\*1%, \*\*5%, and \*10% significance levels.

**Table 7, page 132.***K. Bauer, P. Smeets / Journal of Economic Behavior & Organization 117 (2015) 121–134***Table 7**

Characteristics related to social identification.

	Social identification
Self-rated knowledge	0.023 [0.031]
University	0.103 <sup>**</sup> [0.041]
Risk preferences	-0.023 [0.016]
Gender (female)	0.337 <sup>***</sup> [0.044]
Age	-0.006 <sup>**</sup> [0.002]
Low wealth	0.058 <sup>**</sup> [0.026]
High wealth	-0.059 <sup>**</sup> [0.026]
Low income	0.074 <sup>*</sup> [0.042]
High income	-0.097 [0.082]
Constant	5.978 <sup>***</sup> [0.153]
Adjusted R <sup>2</sup>	0.035
n obs.	2766

The table shows an OLS regression of social identification on investor characteristics. The variables are defined in [Table 1](#).

\* 10% significance level.

\*\* 5% significance level.

\*\*\* 1% significance level.

Robust standard errors in parentheses.

**Table A.1****Table A1 – Correlations between the main variables**

	Social Identification	Lower Expected Returns SRI	Higher Expected Returns SRI	Not Know Return Expect	Lower Perceived Risk SRI	Higher Perceived Risk SRI	Not Know Risk Perceptions	Percentage at the Bank	Amount Invested at the Bank (log)	No of Conventional Investment (non-SRI)
Social Identification	1									
Lower Expected Returns SRI	-0.1293	1								
Higher Expected Returns SRI	<b>0.1976</b>	-0.5422	1							
Not Know Returns Expected	-0.0107	-0.1148	-0.1473	1						
Lower Perceived Risk SRI	<b>0.2026</b>	0.0041	0.1666	-0.1211	1					
Higher Perceived Risk SRI	-0.0363	0.0807	0.0281	-0.0539	-0.3891	1				
Not Know Risk Perceptions	-0.0520	-0.0791	-0.1254	0.7099	-0.2122	-0.0509	1			
Percentage at the Bank	0.2120	-0.0637	0.0529	-0.0272	0.0542	0.0202	-0.0005	1		
Amount Invested at the Bank (log)	0.3262	-0.0998	0.0858	-0.0017	0.0974	-0.0320	-0.0233	0.5382	1	
No of Conventional Investment (non-SRI)	-0.1724	0.0281	-0.0201	-0.0483	0.0248	-0.044	-0.0472	-0.1687	-0.1666	1

**Table A.3****Table A3 – Social signaling and investments at socially responsible banks**

This table reports OLS regressions for four different investment decisions defined in Table 1. The regressions on the number of investment and savings accounts held at competitors comprise the data of both banks, and the two other specifications are only for bank one, because the data are not available for bank two.

	(1)	(2)	(3)	(4)
	Percentage at the Bank	Amount Invested at the Bank (log)	No. of Conventional Investments Accounts (non-SRI)	No. of Savings Accounts
<b>Social Identification</b>	4.4704*** [0.8792]	0.6150*** [0.0683]	-0.1300*** [0.0177]	-0.1785*** [0.0241]
<b>Talk about SRI</b>	0.4826 [0.5353]	0.0288 [0.0416]	0.0024 [0.0115]	-0.0026 [0.0157]
<b>Lower Expected Returns SRI</b>	-3.0053 [2.0281]	-0.4270*** [0.1541]	0.0042 [0.0459]	0.0782 [0.0625]
<b>Higher Expected Returns SRI</b>	0.0166 [1.9103]	-0.0310 [0.1470]	-0.0394 [0.0416]	-0.1348** [0.0567]
<b>Not Know Returns Expected</b>	-9.5595* [5.4538]	-0.0945 [0.4853]	0.0086 [0.1195]	0.0752 [0.1627]
<b>Lower Perceived Risk SRI</b>	3.3031* [1.7425]	0.0821 [0.1357]	0.0469 [0.0377]	-0.0191 [0.0514]
<b>Higher Perceived Risk SRI</b>	1.7953 [2.9791]	0.1545 [0.2255]	0.0198 [0.0672]	0.0278 [0.0915]
<b>Not Know Risk Perceptions</b>	7.8516 [5.7993]	-0.4079 [0.5065]	-0.0546 [0.1279]	-0.1016 [0.1741]
<b>Self-rated Knowledge</b>	-2.0266* [1.1175]	-0.0708 [0.0909]	0.1753*** [0.0237]	0.2133*** [0.0323]
<b>University</b>	-0.4572 [1.5191]	0.2233* [0.1178]	-0.0085 [0.0338]	-0.1137** [0.0461]
<b>Risk Preferences</b>	-2.5107*** [0.5752]	-0.0990** [0.0454]	0.1262*** [0.0125]	-0.0197 [0.0170]
<b>Gender [Female]</b>	2.6801 [1.7073]	0.2291* [0.1375]	-0.0158 [0.0375]	-0.0946* [0.0510]
<b>Age</b>	-0.1347** [0.0662]	0.0022 [0.0054]	-0.0018 [0.0015]	-0.0116*** [0.0020]
<b>Low Wealth</b>	3.6636*** [0.9898]	-0.8327*** [0.1620]	-0.2426*** [0.0222]	-0.4434*** [0.0302]
<b>High Wealth</b>	-3.6855*** [0.9905]	1.1912*** [0.1300]	0.2416*** [0.0222]	0.4486*** [0.0302]
<b>Low Income</b>	-0.6771 [1.6386]	0.3496*** [0.1300]	0.0118 [0.0354]	-0.0742 [0.0481]
<b>High Income</b>	2.4094 [2.8229]	-0.2157 [0.2069]	0.0482 [0.0678]	-0.0520 [0.0923]
<b>Constant</b>	29.3748*** [7.3944]	4.5705*** [0.5880]	1.6488*** [0.1530]	4.1185*** [0.2083]
<b>n obs.</b>	1,157	895	2,763	2,763
<b>Adjusted R<sup>2</sup></b>	0.0950	0.2719	0.1747	0.1688

## Sustainable Finance Literacy and the Determinants of Sustainable Investing

Table 3, page 6.

**Table 3**  
 Summary statistics open ended question knowledge.

Topic	Topic share [%]
Environment	57.70
Social	26.22
Governance	5.85
ESG	2.16
Ethical	10.20
Innovation	5.95
Exclude dangerous products	6.86
Impact	7.13
Long-term	7.81
Financially sustainable	8.47
Less return	2.68
Green-washing	8.73
Certified	9.84
Do not know	10.95
Do not know (revealed)	4.18
No answer	3.37

*Note:* This table presents the topic shares obtained from the open-ended text answers, where respondents were asked to explain the difference between sustainable and traditional financial products. Individual answers can contain multiple topics.

**Table 4, page 8.**

**Table 4**  
**Determinants of literacy and awareness scores - marginal effects Poisson regression.**

	(1) Financial lit. Poisson	(2) Sustainability lit. Poisson	(3) SFL Poisson	(4) SFA Probit
Age	0.001 (0.003)	-0.001 (0.003)	-0.022*** (0.003)	0.001 (0.001)
Female	-0.161** (0.078)	-0.432*** (0.069)	-0.409*** (0.075)	0.056** (0.023)
University educ	0.123 (0.077)	0.277*** (0.068)	0.416*** (0.073)	0.074*** (0.023)
Pensioner	-0.017 (0.129)	-0.062 (0.115)	0.152 (0.136)	0.010 (0.038)
Married	-0.018 (0.088)	-0.003 (0.078)	0.014 (0.084)	-0.021 (0.026)
HH-size	0.019 (0.034)	0.016 (0.030)	-0.009 (0.033)	0.006 (0.010)
Log income	0.220** (0.103)	0.216** (0.093)	0.364*** (0.100)	0.084*** (0.030)
Log wealth	0.031 (0.037)	0.040 (0.033)	0.089** (0.035)	0.004 (0.011)
Risk preference	0.005 (0.017)	0.023 (0.015)	0.138*** (0.016)	0.008* (0.005)
Donation	0.050 (0.094)	0.124 (0.083)	0.236*** (0.086)	0.093*** (0.028)
Time preference	0.028 (0.021)	0.042** (0.019)	0.043** (0.020)	0.012** (0.006)
Altruism	-0.009 (0.019)	0.001 (0.017)	0.019 (0.018)	0.012** (0.006)
Trust	0.000 (0.014)	-0.001 (0.013)	-0.036*** (0.014)	0.008** (0.004)
Climate awareness	0.011 (0.017)	0.009 (0.015)	-0.002 (0.016)	0.020*** (0.005)
Num.Obs.	2104	2104	2104	2104
Pseudo R2 Nagelkerke	0.017	0.07	0.18	0.10
Overdispersion p-val	1	1	0.54	

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01.

Note: Each column presents a separate regression model where the outcome is the respective literacy score. We estimated a Poisson regression model for the three literacy scores and a Probit model for SFA; the coefficients are the average marginal effects. The Over-dispersion test is performed according to Cameron and Trivedi (1990), where the null hypothesis is under equidispersion.

**Table 5, page 9.**

**Table 5**  
 Determinants of sustainable investments - marginal effects  
 probit regression.

	(1)	(2)	(3)
Sust Fin Literacy		0.029*** (0.006)	0.028*** (0.006)
SFA			0.050*** (0.019)
Sustainability literacy	0.001 (0.008)	-0.003 (0.008)	-0.004 (0.008)
Financial literacy	0.022 (0.017)	0.014 (0.017)	0.012 (0.017)
Age	-0.001 (0.001)	0.000 (0.001)	-0.001 (0.001)
Female	0.018 (0.021)	0.026 (0.021)	0.021 (0.021)
University educ	0.067*** (0.020)	0.057*** (0.020)	0.054*** (0.020)
Pensioner	0.031 (0.034)	0.026 (0.034)	0.026 (0.034)
Married	0.002 (0.023)	0.002 (0.023)	0.003 (0.023)
HH-size	-0.002 (0.009)	-0.002 (0.009)	-0.002 (0.009)
Log income	0.010 (0.027)	0.001 (0.027)	-0.002 (0.027)
Log wealth	0.059*** (0.009)	0.057*** (0.009)	0.057*** (0.009)
Donation	0.066*** (0.024)	0.061** (0.024)	0.058** (0.024)
Risk preference	0.029*** (0.004)	0.026*** (0.004)	0.025*** (0.004)
Time preference	0.008 (0.006)	0.007 (0.006)	0.007 (0.006)
Altruism	0.010** (0.005)	0.010** (0.005)	0.009* (0.005)
Trust	0.003 (0.004)	0.004 (0.004)	0.004 (0.004)
Importance climate	0.023*** (0.005)	0.023*** (0.005)	0.021*** (0.005)
Num.Obs.	2104	2104	2104
Pseudo R2 Nagelkerke	0.169	0.183	0.187

\*p<0.1; \*\*p<0.05; \*\*\*p<0.01.

*Note:* Each column shows the average marginal effects of a probit regression, where the dependent variable is a dummy that takes the value of 1 if the survey respondent answered “Yes” to holding sustainable investment products and 0 if the respondent answered “No,” or “I do not know.”

## Why Do Investors Hold Socially Responsible Mutual Funds?

Table 3, page 2523.

**Table III  
Why Do Investors Hold Socially Responsible Equity Funds?**

Specification (1) presents marginal effects of a probit regression. The dependent variable is *SRI equity*, which takes the value of one if an investor holds an SRI equity fund in the month investors participated in the experiment and survey and zero otherwise. Specification (2) presents coefficients of an OLS regression. The dependent variable is *% in SRI equity* funds, which is equal to the investor's holdings in SRI equity funds as a share of his or her total investments in equity. In specification (2) only investors who hold at least one SRI equity fund are considered. *Social preferences*: ratio of money that second movers in the trust game send back; *Signaling*: the extent to which an investor agrees with the statement "I often talk about investment with others"; *Sharpe ratio*: the Sharpe ratio of the investor's portfolio performance; *Lower expected returns on SRI*: dummy variable equal to one if the investor believes that the returns on SRI equity funds are a bit or much lower than on conventional equity funds; *Higher expected returns on SRI*: dummy variable equal to one if the investor believes that the returns on SRI equity funds are a bit or much higher than on conventional equity funds; *Lower perceived risk on SRI*: dummy variable equal to one if the investor disagrees with the statement that the risk of SRI equity funds is higher than the risk of conventional equity funds; *Higher perceived risk on SRI*: dummy variable equal to one if the investor agrees with the statement that the risk of SRI equity funds is higher than the risk of conventional equity funds; *Average holding period*: average number of months the investor has held a mutual fund in the five years before the survey and experiment; *Log total portfolio value*: logarithm of the investor's average euro amount invested at the provider; *Log number of transactions*: logarithm of the number of transactions the investor made in the year before the survey and experiment; *Investment knowledge*: the extent to which the investor agrees with the statement "My investment knowledge is good"; *University degree*: dummy variable equal to one if the investor reports having a university degree; *Risk preferences*: experimental measure of investor's risk tolerance; *Female*: dummy variable equal to one if investor reports being a woman; *Age*: the investor's age; *Low Income*: dummy variable equal to one if the investor's reported annual gross family income is below 60,000 euro; *High Income*: dummy variable equal to one if the investor's reported annual gross family income is above 100,000 euro; *Untold income*: dummy variable equal to one if the investor does not disclose income. For definitions of the variables, see also Table A.3. Robust standard errors are reported in parentheses. \*, \*\*, and \*\*\* indicate significance at the 10%, 5%, and 1% level, respectively.

	Probit Has SRI Equity (1)	OLS % in SRI Equity (2)
<i>Social motives</i>		
Social preferences	0.0694*** (0.0233)	-0.0204 (0.0479)
Signaling	0.0228** (0.0108)	-0.0181 (0.0169)
<i>Financial motives</i>		
Sharpe ratio	0.0025 (0.0205)	0.0580 (0.0537)
Lower expected returns on SRI	-0.0581* (0.0322)	-0.0730 (0.0492)
Higher expected returns on SRI	-0.0433 (0.0368)	-0.0358 (0.0677)
Lower perceived risk on SRI	-0.0422 (0.0302)	-0.0141 (0.0503)
Higher perceived risk on SRI	0.0065 (0.0441)	0.0639 (0.0720)

(Continued)

**Table 3 - continued, page 2524.**

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*The Journal of Finance®***Table III—Continued**

	Probit Has SRI Equity (1)	OLS % in SRI Equity (2)
<i>Portfolio characteristics</i>		
Average holding period	0.0023** (0.0010)	-0.0015 (0.0019)
Log total portfolio value	0.0390*** (0.0126)	-0.0572*** (0.0197)
Log number of transactions	0.0252** (0.0114)	0.0162 (0.0266)
<i>Individual characteristics</i>		
Investment knowledge	0.0022 (0.0119)	-0.0315* (0.0188)
University degree	0.0553* (0.0314)	0.0505 (0.0547)
Risk preferences	-0.0001 (0.0004)	0.0015** (0.0006)
Female	0.0074 (0.0424)	-0.0241 (0.0584)
Age	-0.0025* (0.0014)	0.0009 (0.0022)
Low income	0.0243 (0.0387)	0.0196 (0.0608)
High income	-0.0255 (0.0383)	0.0176 (0.0645)
Untold income	-0.0062 (0.0417)	-0.0121 (0.0666)
Constant		0.8089*** (0.2892)
Observations	625	121
<i>R</i> <sup>2</sup>		0.1820

**Table 4, page 2526.**

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*The Journal of Finance®***Table IV****The Effect of Strong and Weak Social Preferences and Signaling**

Specifications (1) and (3) present marginal effects of probit regressions. The dependent variable is *SRI equity*, which takes the value of one if an investor holds an SRI equity fund in the month investors participated in the experiment and survey and zero otherwise. Specifications (2) and (4) present coefficients of OLS regressions. The dependent variable is *% in SRI equity* funds, which is equal to the investor's holdings in SRI equity funds as a share of his or her total investments in equity. In specifications (2) and (4) only investors who hold at least one SRI equity fund are considered. *Strong social preferences*: dummy variable equal to one if the investor's average return ratio in the trust game is such that it gives the other player at least half of the money in the experiment; *Strong signaling*: dummy variable equal to one if the investor's signaling strength is greater than or equal to the median level of signaling; *Weak social preferences & strong signaling*: dummy variable equal to one if both the investor's average return ratio in the trust game is such that it gives the other player less than half of the money in the experiment and the investor exhibits strong signaling. For definitions of the other variables, see Table III and Table A.3. Robust standard errors are reported in parentheses. \*, \*\*, and \*\*\* indicate significance at the 10%, 5%, and 1% level, respectively.

	Probit Has SRI Equity (1)	OLS % in SRI Equity (2)	Probit Has SRI Equity (3)	OLS % in SRI Equity (4)
<i>Social motives</i>				
Strong social preferences	0.0644** (0.0313)	-0.0138 (0.0485)	0.1084** (0.0441)	-0.1155 (0.0812)
Strong signaling	0.0386 (0.0317)	-0.0684 (0.0511)		
Weak social preferences & strong signaling			0.0686 (0.0435)	-0.1604** (0.0780)
<i>Financial motives</i>				
Sharpe ratio	0.0037 (0.0211)	0.0510 (0.0519)	0.0041 (0.0212)	0.0494 (0.0552)
Lower expected returns on SRI	-0.0561* (0.0325)	-0.0700 (0.0475)	-0.0557* (0.0324)	-0.0702 (0.0459)
Higher expected returns on SRI	-0.0441 (0.0372)	-0.0369 (0.0670)	-0.0432 (0.0371)	-0.0369 (0.0651)
Lower perceived risk on SRI	-0.0375 (0.0303)	-0.0194 (0.0514)	-0.0371 (0.0303)	-0.0218 (0.0499)
Higher perceived risk on SRI	0.0028 (0.0441)	0.0606 (0.0696)	0.0042 (0.0443)	0.0586 (0.0654)
<i>Portfolio characteristics</i>				
Average holding period	0.0022** (0.0010)	-0.0016 (0.0019)	0.0023** (0.0010)	-0.0021 (0.0019)
Log total portfolio value	0.0375*** (0.0127)	-0.0590*** (0.0199)	0.0371*** (0.0127)	-0.0566*** (0.0191)
Log number of transactions	0.0255** (0.0113)	0.0150 (0.0257)	0.0256** (0.0112)	0.0088 (0.0250)
<i>Individual characteristics</i>				
Investment knowledge	0.0068 (0.0117)	-0.0339* (0.0186)	0.0063 (0.0114)	-0.0340* (0.0181)
University degree	0.0503 (0.0316)	0.0576 (0.0544)	0.0504 (0.0316)	0.0456 (0.0539)

(Continued)

**Table 4 - continued, page 2527.***Why Do Investors Hold Socially Responsible Mutual Funds? 2527***Table IV—Continued**

	Probit Has SRI Equity (1)	OLS % in SRI Equity (2)	Probit Has SRI Equity (3)	OLS % in SRI Equity (4)
Risk preferences	-0.0001 (0.0004)	0.0015** (0.0006)	-0.0001 (0.0004)	0.0013** (0.0006)
Female	0.0024 (0.0419)	-0.0234 (0.0587)	-0.0014 (0.0410)	-0.0261 (0.0538)
Age	-0.0026* (0.0014)	0.0009 (0.0023)	-0.0027* (0.0014)	0.0008 (0.0023)
Low income	0.0230 (0.0390)	0.0177 (0.0609)	0.0224 (0.0389)	0.0125 (0.0599)
High income	-0.0275 (0.0385)	0.0278 (0.0655)	-0.0285 (0.0382)	0.0239 (0.0642)
Untold income	-0.0090 (0.0416)	-0.0075 (0.0678)	-0.0088 (0.0413)	-0.0040 (0.0632)
Constant		0.8047*** (0.2549)		0.9032*** (0.2599)
Observations	625	121	625	121
<i>R</i> <sup>2</sup>		0.1887		0.2211

**Table 5, page 2529.**

*Why Do Investors Hold Socially Responsible Mutual Funds?* 2529

**Table V**  
**Perceived Social Impact of SRI**

Specifications (1) and (3) present marginal effects of probit regressions. The dependent variable is *SRI equity*, which takes the value of one if an investor holds an SRI equity fund in the month investors participated in the experiment and survey and zero otherwise. Specifications (2) and (4) present coefficients of OLS regressions. The dependent variable is *% in SRI equity funds*, which is equal to the investor's holdings in SRI equity funds as a share of the total investments in equity. In specifications (2) and (4) only investors who hold at least one SRI equity fund are considered. *Perceived social impact*: dummy variable equal to one if the investor's agreement with the statement "Socially responsible investment funds have a positive influence on society" is greater than or equal to the median level of agreement. For definitions of the other variables, see Tables III, IV, and A.3. Robust standard errors are reported in parentheses. \*, \*\*, and \*\*\* indicate significance at the 10%, 5%, and 1% level, respectively.

	Probit Has SRI Equity (1)	OLS % in SRI Equity (2)	Probit Has SRI Equity (3)	OLS % in SRI Equity (4)
<i>Social motives</i>				
Perceived social impact	0.0470** (0.0194)	-0.0005 (0.0275)	0.0755** (0.0330)	0.0191 (0.0497)
Strong social preferences			0.1033** (0.0437)	-0.1167 (0.0810)
Weak social preferences & strong signaling			0.0688 (0.0434)	-0.1620** (0.0781)
<i>Financial motives</i>				
Sharpe Ratio	-0.0018 (0.0079)	0.0142 (0.0189)	0.0033 (0.0221)	0.0493 (0.0547)
Lower expected returns on SRI	-0.0701*** (0.0202)	-0.0598* (0.0324)	-0.0534* (0.0320)	-0.0682 (0.0457)
Higher expected returns on SRI	-0.0096 (0.0259)	-0.0473 (0.0396)	-0.0486 (0.0362)	-0.0380 (0.0650)
Lower perceived risk on SRI	-0.0199 (0.0187)	-0.0355 (0.0265)	-0.0542* (0.0306)	-0.0264 (0.0534)
Higher perceived risk on SRI	0.0019 (0.0246)	0.0120 (0.0397)	-0.0066 (0.0421)	0.0526 (0.0707)
<i>Portfolio characteristics</i>				
Average holding period	0.0006 (0.0007)	-0.0026** (0.0012)	0.0022** (0.0010)	-0.0020 (0.0019)
Log total portfolio value	0.0276*** (0.0074)	-0.0542*** (0.0124)	0.0373*** (0.0128)	-0.0564*** (0.0190)
Log number of transactions	0.0048 (0.0069)	-0.0146 (0.0121)	0.0265** (0.0111)	0.0093 (0.0249)
<i>Individual characteristics</i>				
Investment knowledge	0.0114* (0.0063)	-0.0489*** (0.0122)	0.0058 (0.0113)	-0.0340* (0.0183)
University degree	0.0311* (0.0182)	0.0540** (0.0262)	0.0535* (0.0315)	0.0460 (0.0540)
Risk preferences	-0.0001 (0.0002)	0.0004 (0.0003)	-0.0000 (0.0004)	0.0014** (0.0006)
Female	-0.0057 (0.0229)	0.0261 (0.0358)	-0.0130 (0.0399)	-0.0273 (0.0544)

(Continued)

**Table 5 - continued, page 2530.**

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*The Journal of Finance®***Table V—Continued**

	Probit	OLS	Probit	OLS
	Has SRI Equity	% in SRI Equity	Has SRI Equity	% in SRI Equity
	(1)	(2)	(3)	(4)
Age	-0.0037*** (0.0009)	-0.0019 (0.0013)	-0.0029** (0.0014)	0.0006 (0.0024)
Low income	0.0231 (0.0228)	0.0107 (0.0353)	0.0280 (0.0390)	0.0157 (0.0638)
High income	-0.0090 (0.0234)	0.0230 (0.0339)	-0.0226 (0.0387)	0.0276 (0.0675)
Untold income	-0.0201 (0.0253)	-0.0354 (0.0325)	0.0037 (0.0430)	0.0019 (0.0687)
Constant		1.1609*** (0.1849)		0.8796*** (0.2705)
Observations	1,803	346	625	121
R <sup>2</sup>		0.2186		0.2223

**Table 7, page 2532.**

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*The Journal of Finance®***Table VII**  
**Relation between Socially Responsible Investments**  
**and Charitable Giving**

The table presents an OLS regression in which the dependent variable *Log donations* is the logarithm of the self-reported average yearly donation by the investor. For definitions of the variables, see Tables III and A.3. Robust standard errors are reported in parentheses. \*, \*\*, and \*\*\* indicate significance at the 10%, 5%, and 1% level, respectively.

	Log Donations
SRI equity	0.4100** (0.1765)
<i>Portfolio characteristics</i>	
Average holding period	-0.0006 (0.0046)
Log total portfolio value	0.0604 (0.0473)
Log number of transactions	-0.0148 (0.0498)
<i>Individual characteristics</i>	
Investment knowledge	0.0271 (0.0502)
University degree	0.0692 (0.1354)
Risk preferences	-0.0016 (0.0017)
Female	0.0757 (0.1748)
Age	0.0305*** (0.0068)
Low income	-0.2878* (0.1602)
High income	0.1670 (0.1675)
Untold income	-0.3072 (0.2454)
Constant	3.6367*** (0.6045)
Observations	519
R <sup>2</sup>	0.0809