

Internet Appendix: Do Financial Advisors Charge Sustainable Investors a Premium?

Marten Laudi*

Paul Smeets[†]

Utz Weitzel^{‡§}

*Corresponding author. University of Bremen, Faculty of Business Studies and Economics. laudi@uni-bremen.de

[†]University of Amsterdam, Faculty of Economics and Business

[‡]Vrije Universiteit Amsterdam and Tinbergen Institute

[§]Radboud University

This Internet Appendix provides supplementary materials that support the analyses and results presented in the manuscript *Do Financial Advisors Charge Sustainable Investors a Premium?* It includes detailed descriptions of the sustainability ratings used in both experiments (Section B.1), the full design and implementation of the US experiment (Section B.2), and the complete instructions shown to participants across all surveys (Sections B.3–B.8). Sections B.9 and B.10 provide occupational definitions for included and excluded advisor roles, based on the ESCO taxonomy, respectively. Section B.11 contains supplementary tables.

Contents

B.1 Sustainability ratings in the experiments

B.1.1 Number of sustainability leaves (European experiment)

B.1.2 Overall ESG rating (US experiment)

B.2 Design US experiment

B.2.1 Advisor stage

B.2.1.1. Client profiles

B.2.1.2. Stock information and selection

B.2.1.3. Fee and payment relevance

B.2.2 Client stage

B.2.3 Payment

B.2.4 External consequences of decisions

B.2.5 Implementation

B.3 Instructions advisors European experiment

B.4 Instructions advisors US Experiment

B.5 Instructions clients European Experiment

B.6 Instructions clients US Experiment

B.7 Instructions selection survey

B.8 Instructions perception survey

B.9 Descriptions included job roles

B.10 Descriptions excluded job roles

B.11 Supplementary tables

Table B.1: Information ranked to be most important by participants

Table B.2: Advisors select more socially responsible funds for SRI clients

Table B.3: Advisor time and clicks by sustainability score

Table B.4: SRI clients select more socially responsible funds for themselves

Table B.5: Advisor perceptions about clients (US experiment)

Table B.6: What characteristics do advisors have who charge an SRI premium?

Table B.7: Advisors consider less stocks for SRI clients

Table B.8: Summary statistics clients

Table B.9: Fees charged by job exclusions

Table B.10: SRI clients are not more likely to reject advice

B.1 Sustainability ratings in the experiments

B.1.1 Number of sustainability leaves (European experiment)

In the European experiment, a fund was awarded one leaf if between 0% and 20% of companies in the fund participated in the United Nations Global Compact (GC).¹ Two, three, four, and five leaves were awarded if more than 20%, 40%, 60%, and 80% of companies in the fund participated in the United Nations GC, respectively. We provided advisors with an explanation of how this ESG rating was calculated in a pop-up window. For analyses, we treated the leaf rating as a numerical variable that was bounded between one and five.

B.1.2 Overall ESG rating (US experiment)

One of the ESG ratings was a firm’s MSCI ESG score, a commonly used rating in both academic publications² and practice. The MSCI ESG score is a letter rating ranging from AAA to CCC. In line with the classification on the MSCI ESG website, we color-coded and named the letter classifications as follows: CCC and B were shown in gray (labeled “laggard”), BB, BBB, and A were shown in yellow (labeled “average”), and AA and AAA were shown in green (labeled “leader”).

Additionally, we included a binary indicator to denote whether a firm participated in the United Nations GC. We color-coded United Nations GC participating companies with a green letter “Y” (for yes) or a black letter “N” (for no). For analyses, we calculated a numerical variable that was bounded between zero and 100. Specifically, we aggregated an overall ESG rating from all indicators that were shown:

$$\text{Overall ESG Rating}_i = \frac{\text{United Nations GC}_i + \text{MSCI ESG (Letter Coded)}_i}{2} \quad (1)$$

United Nations GC of client i , is defined as:

$$\text{United Nations GC}_i = \sum (\text{Weight of stock } k \text{ (in \%)} * \text{United Nations GC}_k), \quad (2)$$

where $\text{United Nations GC}_k \in \{0; 1\}$ is equal to 1 if firm k participated in the United Nations GC and 0 otherwise. Thus, the maximum value that this variable could take for a client was 100, which means that 100% of the portfolio value is invested in companies that participate in the United Nations GC. The minimum value that this variable could take for a client was 0.

MSCI ESG (Letter Coded) _{i} of client i , is defined as:

$$\text{MSCI ESG (Letter Coded)}_i = \sum (\text{Weight of stock } k \text{ (in \%)} * \text{MSCI_ESG_Letter}_k), \quad (3)$$

where $\text{MSCI_ESG_Letter}_k \in \{0; \frac{1}{6}; \frac{1}{3}; \frac{1}{2}; \frac{2}{3}; \frac{5}{6}; 1\}$. This variable represents the quantified MSCI ESG letter rating of stock k , which corresponds to CCC, B, BB, BBB, A, AA, and AAA, respectively.

¹Companies that become members of the United Nations Global Compact commit to adopting sustainable and socially responsible practices, as well as regularly reporting on their progress. They also pledge to conduct their operations responsibly, in alignment with the UN’s sustainability principles related to human rights, labor, environmental protection, and anti-corruption.

²See for example Aragon, Jiang, Joenväärä, and Tiu (2025); Avramov, Cheng, Lioui, and Tarelli (2022); Berg, Koelbel, and Rigobon (2022); Pástor, Stambaugh, and Taylor (2022); Pedersen, Fitzgibbons, and Pomorski (2021)

B.2 Design US experiment

B.2.1 Advisor stage

In this stage, the advisors saw client profiles and allocated equity portfolios on behalf of that client with a USD 1,000 investment budget. They also had to determine a fee for their service. Complete instructions for advisors can be found in the Internet Appendix.

B.2.1.1 Client profiles

For each client, advisors received information on gender, income, age, risk preferences, and investment mandate. Figure B.1 shows an example of the information we provided for each client. The primary treatment variable was the investment mandate, which could be either conventional or socially responsible. We included a pop-up window with further explanation for each investment mandate. Each advisor saw the profile of one socially responsible female client, one socially responsible male client, one conventional female client, and one conventional male client. The order in which we showed the client profiles was randomized and balanced across advisors. For each client profile, the age was shown to be either between 35 and 44 years old or between 45 and 54 years old. Gross income was randomized for each client profile, ranging from USD 40,000 to USD 59,999 or USD 60,000 to USD 79,999 per year. To ensure that the advisors could allocate all funds to equity and that the advisors' assumptions about clients' risk preferences did not drive the results, we recruited only clients who stated that they were willing to invest 100% of their experimental investment budget in stocks, which we referred to as the aggressive risk profile in our experiment.

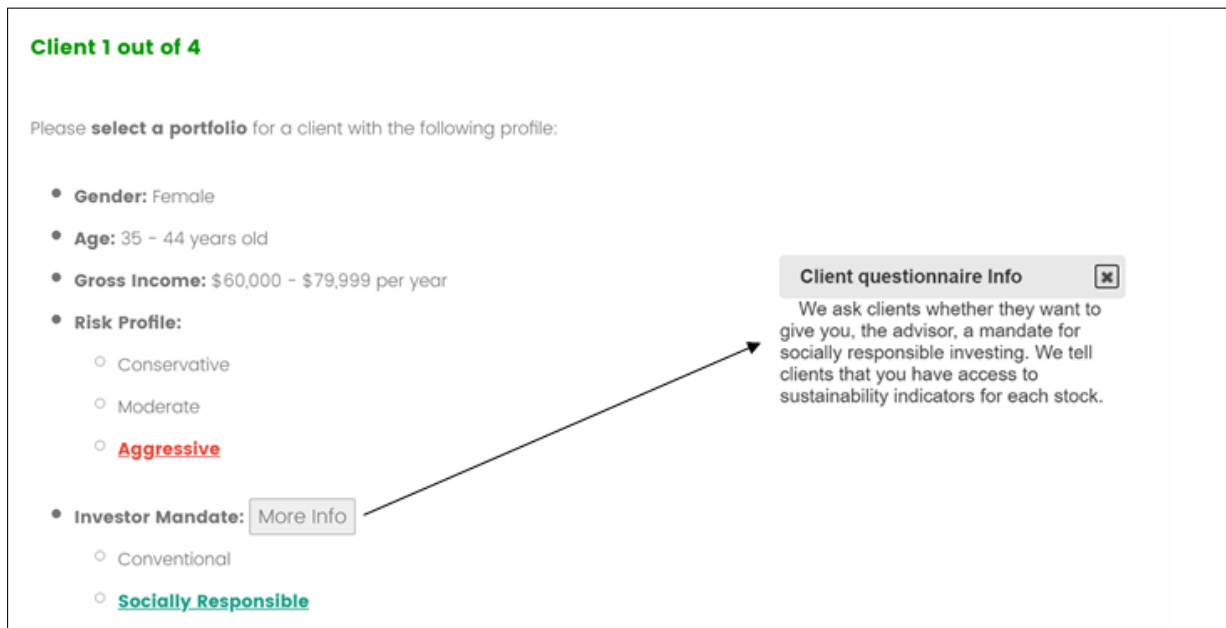


Figure B.1: Client profile screenshot (Advisor stage)

B.2.1.2 Stock information and selection


Below the client profile information, on the same screen, we asked advisors to select a portfolio for the client by assigning weights ranging from 0% to 100% to the 30 stocks in the Dow Jones Industrial Average. We provided advisors with two ESG ratings (see Section B.1.2) for each stock, accompanied by detailed explanations through pop-up windows.

Select stocks for your client:

- Please select your client's portfolio by weighting the 30 stocks of the Dow Jones below **(To increase the weight on one stock, first reduce the weight of another stock)**.
- The maximum weight per stock is 25%, so the portfolio must include at least 4 stocks.
- Per default, the weights are set as in the Dow Jones Industrial Average.
- Click on a stock's name for more financial information.
- Next to each company name, you see two indicators of social responsibility:
 - MSCI ESG Score (● means laggard; ● means average; ● means leader) More Info
 - Whether the company pledged to follow the principles of the UN Global Compact (Y if yes, N if no)

More Info →

United Nations Global Compact ✕



United Nations Global Compact

Participation in the UN Global Compact requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

More Info ↓

MSCI ESG Score ✕

MSCI ESG rate companies on a 'AAA to CCC' scale according to their exposure to Environmental, Social, and Governance risks and how well they manage those risks relative to peers.

Figure B.2: Portfolio screenshot 1 (Advisor stage)

We also provided key financial information for each stock. To create a representative decision environment and, at the same time, prevent information overflow, we ran a pre-test to determine what financial information to show. In this pre-test, we asked financial professionals who were not part of the main experiment what information they primarily used in their decision-making processes.³ On the decision screen, we displayed the six most important financial indicators. As an example, Figure B.3 shows the pop-up window with the financial information that appeared when clicking on *Verizon*.

Based on this information, the advisors weighted all 30 stocks in the Dow Jones Industrial Average for the client. The order in which the 30 stocks were listed was randomized across advisors. By default, the weight per stock was set as in the Dow Jones Industrial Average, which the advisors were able to adjust with a slider (or by entering the weight directly). At the bottom of the table, we displayed the total for all weights. The advisors were able to proceed only if that total was exactly 100. The example in Figure B.3 shows the weighting of 11 stocks at the bottom of the list of 30.

³Specifically, we asked 20 respondents to rank 22 distinct indicators that are most commonly and prominently displayed on platforms such as *Morningstar*, *Yahoo! Finance*, *Fidelity*, and *CNN Money* according to their importance in selecting portfolios of stocks. See Internet Appendix for full instructions and the importance ranking of indicators according to the financial professionals in our sample.

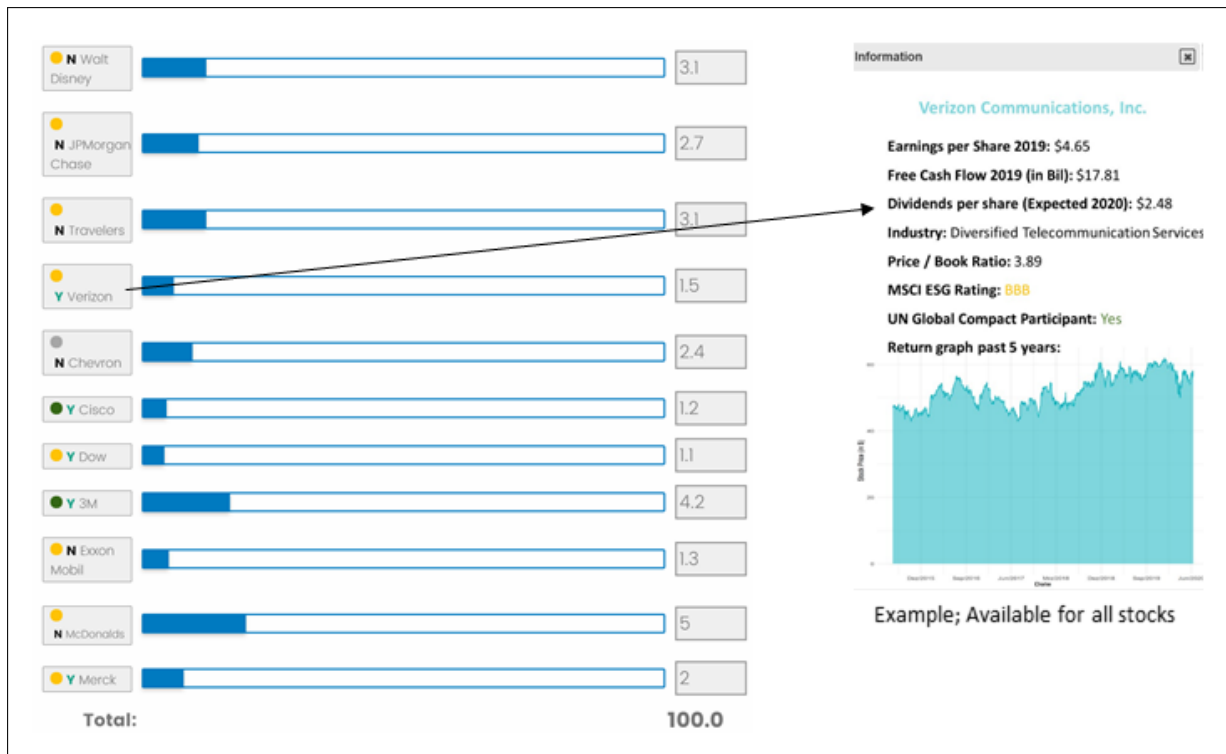


Figure B.3: Portfolio screenshot 2 (Advisor stage)

B.2.1.3 Fee and payment relevance

After selecting stocks for a specific client profile, we asked advisors to set a fee for this service. They set the fee using a slider without an anchor (see Figure B.4). They could set the fee to any percentage between 0% and 4% for each of the four client profiles. At the end of this stage, we randomly selected one of the four client profiles that was relevant for the advisor payment. The portfolio allocation and fee for this client profile were shown to a real client in the second experimental stage.

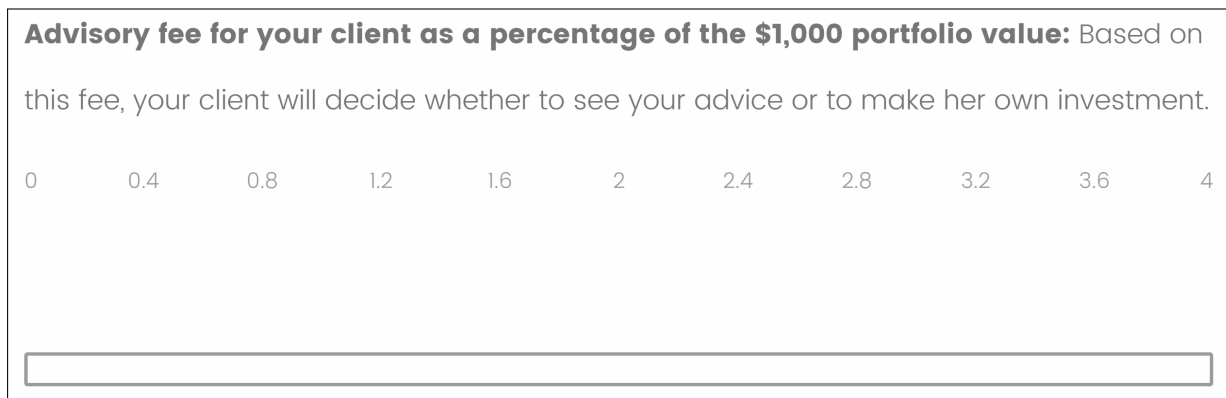


Figure B.4: Fee setting screenshot (Advisor stage)

B.2.2 Client stage

Following the completion of the advisor stage, we proceeded to sample clients who matched the randomly selected client profiles from the advisor stage. To ensure appropriate matching, we administered screening questions regarding age, gender, income, risk tolerance, and investor mandate (please refer to Section B.2.5 for further details). We informed participants that they

would receive an experimental budget of USD 1,000 to invest in the stock market and that a financial advisor had already selected a portfolio of stocks on their behalf. The clients saw the instructions that were given to the advisors, along with an example portfolio selection screen from the advisor stage. Subsequently, we assessed the clients' comprehension of the advisor stage through comprehension questions.

Next, the clients saw the fee that their respective advisor had set for selecting the portfolio (see Figure B.5) and decided to either pay the fee and take the advice or not to pay the fee and select their own portfolio of stocks. In the latter case, the clients went through the same stock selection process as the advisors. The advisors' compensation was determined based on the decision made by their matched client.

Investment Decision

A financial professional put together a portfolio for a client with your profile. He or she set the following advisory fee for creating this stock portfolio.

Advisory Fee: 1.4%

Would you like to invest in the stock portfolio that your advisor constructed on your behalf?

Yes, I will take the advice

No, I will select stocks myself

Figure B.5: Investment decision screenshot (Client stage)

B.2.3 Payment

All participants received a show-up fee plus a variable payment that was contingent on their decisions in the experiment.⁴ For the advisors, the additional payment depended on whether the client took the advice. Advisor j received the following:

$$\Pi_j = \begin{cases} \rho + Fee_i, & \text{if client } i \text{ selects the advisor portfolio} \\ \rho, & \text{otherwise,} \end{cases} \quad (4)$$

where Π_j refers to the payoff to advisor j , and ρ refers to the show-up fee. The fee was set as a percentage of the clients' USD 1,000 investment budgets; thus, so a fee of 1.4% corresponded to a payment of USD 14. The advisor payment was sufficiently large to ensure that the advisors took the task seriously. Disregarding outliers, participants spent around 14 minutes, on average, to complete the experiment and received an average payment of USD 12.57, which means that the average hourly payoff was USD 53.87. Participants reported a gross annual income of USD

⁴The show-up fee of USD 2 was equal for advisors and clients and was offered on top of an undisclosed show-up fee that the market research company pays to all its clients for completed surveys.

110,637, which allows us to estimate participants’ hourly net wage at USD 31.39.⁵ This means that the experimental payoff was around 1.7 times professionals’ average net income per hour.

For clients, the variable payment depended on the performance of the selected investment. Every 10th client (randomly selected) received a variable payment. Clients who were not randomly selected received the show-up fee ρ . If randomly selected, client i received the following:

$$\Pi_i = \begin{cases} \rho + USD150 - Fee_i + r_j, & \text{if client } i \text{ selects the advisor portfolio} \\ \rho + USD150 + r_i, & \text{otherwise.} \end{cases} \quad (5)$$

The variable payment included a base payment of USD 150. If the clients chose to accept the advice, the fee was deducted from this payment. Additionally, we recorded the return of their chosen investment over the coming year. If a client took the advice, their payment depended on the performance of the advisor portfolio r_j . If a client did not take the advice, their payment depended on the performance of the portfolio they selected themselves, r_i . Although the overall earnings could not be lower than 0, the clients participated in gains as well as losses of selected stock portfolios due to the USD 150 base payment.

B.2.4 External consequences of decisions

We took measures to ensure that the experiment carried real consequences for participants. Previous experimental studies have highlighted the differences in behavior between real and hypothetical situations (List & Gallet, 2001). This is especially relevant in our setting, where socially responsible investors care about the societal impact of purchasing stocks. To achieve this, we made actual stock purchases in the market based on participants’ choices. For 1 in 10 participants, we purchased and held stocks according to the participant’s selection until the end of the investment horizon, which lasted for one year. Participants were fully informed about this process and were assured that they would receive documentation of all stock transactions made to implement their portfolios. We aggregated and anonymized all participant data to make it impossible to trace back any decisions made in the experiment.

B.2.5 Implementation

The data collection took place in the second half of 2020, with the implementation of the stock portfolios on December 11, 2020. All experimental stages were administered online with Qualtrics. We collected the data in collaboration with the market research agency Dynata.⁶

As advisors, we recruited financial professionals in the US, whom we selected based on the two screenings, as outlined in the manuscript. As clients, we recruited a sample of individuals from the US who were not financial professionals. To match clients to the profiles that we presented to the advisors, we screened out clients whose annual household income was below USD 40,000 or above USD 79,999 or whose age was below 35 or above 54. In addition, we asked the clients about their risk preferences in investing and selected only those who were willing to invest their entire experimental investment budget in stocks.⁷ Finally, we asked the clients about their investor mandate to create a match with the respective profile shown to the advisor. Specifically, we asked clients: “Do you want to give your advisor a mandate for socially responsible investing?”

The sample included 345 professional financial advisors from 45 different states in the US. As every advisor created a portfolio and set a fee on behalf of four different clients, we observed

⁵In line with Kirchler, Lindner, and Weitzel (2018), we assume an income tax of 40% and that advisors work 45 hours per week and 47 weeks per year.

⁶Dynata has access to more than 62 million consumers and business professionals and is specialized in B2B surveys, with over 40 years of experience in this area.

⁷Clients did not know what characteristics we were screening on. Therefore, clients could not game the survey to increase their chances of being able to participate.

a total of 1,380 client—advisor relationships. An overview of the characteristics of the sample is provided in the paper.

B.3 Instructions advisors European experiment

Start of Block: Welcome

Welcome

- Thank you for participating in the survey, which will take less than 15 minutes.
- You can earn up to €40, depending on the decisions that you and other survey participants make.
- You can get exclusive early access to the results of this study and what it was about.
- We will depersonalize all data and will only use them for scientific purposes.

This study adheres to the principles of economic experiments: participants are not deceived and earnings are paid out for real.

- [ANONYMIZED]
- [ANONYMIZED]
- [ANONYMIZED]

*** Please click below to start. ***

End of Block: Welcome

Start of Block: Informed Consent

Informed Consent

- Before you decide whether or not take part in the study, we will give you some information. Please take time to read the information carefully.
- What does my participation involve? Participation involves you filling out the following survey, which will take less than 15 Minutes. Participation is voluntary. You can decide to quit the survey at any moment.
- What happens to the data collected in this survey? We will depersonalize all data and will only use them for scientific purposes. The anonymized research

data is accessible to other scientists for a period of at least 10 years. The data cannot be traced back to you.

- How do I receive my payment and early access to the results? At the end of the survey you can *optionally* provide us with your IBAN for payment transfer and *optionally* with your email for receiving the results. Your IBAN and email will both be permanently deleted from the data once we completed the payments and sent you the results.
- Ethical assessment This research study has been approved by the Maastricht University Ethical Review Committee Inner City Faculties (ERCIC).
- More information? Should you want more information on this research study, please contact [ANONYMIZED]

I agree

I do not agree

End of Block: Informed Consent

Start of Block: Instructions 1

Instructions (1/3)

- Please read the following instructions carefully. We will ask you to answer two questions about them afterwards.

Your role:

- In the following, you take on the role of a financial advisor to a client.
- You will select a portfolio of stocks on behalf of this client.
- The client is a real person, who is not a financial professional.
- The portfolio has a starting value of €1,000.
- For selecting the stock portfolio on behalf of your client, you can determine an advisory fee.

Your decisions are consequential

- For every 10th client (randomly drawn), the selected portfolio of €1,000 will be bought in real life (and the returns paid out).
- Proof of stock transactions and earnings calculations will be communicated by the research team to you and the client (using depersonalized data). This is to ensure that all information above is transparent and credible.

Do you want to see an example of the portfolio selection task? (Will be shown below)

Yes

No

Display This Question:

If Do you want to see an example of the portfolio selection task? (Will be shown below) = Yes

Example, not the actual selection screen:

- Please select one of the portfolios below.
- All stocks in the portfolios are among the largest 200 stocks in the MSCI World, by market capitalization.
- The portfolios have numbers as identifiers. These identifiers are random and should not play a role in your selection.
- Click on a portfolio's name for more financial information.
- Next to each portfolio name, you see an indicator of social responsibility [More Info](#)

United Nations Global Compact

% of Portfolio invested in Companies that participate in the UN Global Compact	Descriptive Rank	Rating Icon
80 – 100%	High	
60 – 80%	Above Average	
40 – 60%	Average	
20 – 40%	Below Average	
0 – 20%	Low	

We classify a portfolio's social responsibility according to the proportion of companies in the portfolio participating in the UN Global Compact. Participation requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

- Portfolio 13 (Click for more Info)
- Portfolio 22 (Click for more Info)
- Portfolio 36 (Click for more Info)
- Portfolio 4 (Click for more Info)
- Portfolio 23 (Click for more Info)
- Portfolio 32 (Click for more Info)

Information

Portfolio 22

Portfolio Beta: 1.00

Forward Dividend Yield: 2.31%

Price / Book Value: 11.66

Sustainability Score: 100 / 100

Investment Style:

Value	Core	Growth
27%	47%	27%

Return graph past 5 years:



End of Block: Instructions 1

Start of Block: Instructions 2

Instructions (2/3)

- Once you finish this survey, the fee that you set for your client will be shown to this client.

Your client has two options:

- Take your advice: Your client will pay the advisory fee to you. Your client's investment budget will be invested in the stock portfolio that you selected.
- Not to take your advice: Your client will not pay the advisory fee to you and will not see the stock portfolio that you selected. The client will then select a stock portfolio for him-/herself.

End of Block: Instructions 2

Start of Block: Instructions 3

Instructions (3/3)

Payment to your client:

- Every 10th client is randomly selected to be eligible for payment.
- These clients receive a base payment of €150.
- The return of a client's chosen portfolio (with a starting value of €1,000) is added to (if positive) or deducted from (if negative) this base payment.
- If they choose your portfolio, your fee will be deducted from this payment/return.
- If they choose to select their own portfolio, the fee will not be deducted from this payment/return.
- Your client will be paid out 12 months after the survey is completed.

Payment to you:

- If your client decides to take your advice, you receive the advisory fee that you set.
- If your client decides not to take your advice (and to select his/her own portfolio), you receive no payment.
- You will be paid within twelve weeks after the study is completed.
- Example 1: You set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\%$. Your client invests in your portfolio. You will be paid $\text{€}1,000 * \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\% = \text{€} \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1) * 10\}$.
- Example 2: You set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\%$. Your client decides to select his or her own portfolio. You will be paid €0.

End of Block: Instructions 3

Start of Block: Comprehension Questions

Comprehension Quiz

What is not a possible investment for your client?

- The stock portfolio that you select on their behalf
 - A stock portfolio that they select themselves
 - A money market investment
-

Consider the following scenario. After selecting a stock portfolio, you set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\}\%$. Your client decides to take your portfolio advice. How much will you be paid?

- €0
- € $e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\}$
- € $e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1) * 10\}$

End of Block: Comprehension Questions

Start of Block: Message wrong answers

Wrong Answer (Only shown if there was a mistake in the comprehension questions)

At least one of your answers was not correct. Do you want to see the instructions again or would you like to retry answering?

- See the instructions
- Answer again

End of Block: Message wrong answers

Start of Block: Message wrong answers 2

Wrong Answer (Only shown if there was a mistake in the comprehension questions twice)

At least one of your answers was not correct. Please see below for the correct answers and proceed with the survey.

What is not a possible investment for your clients?

Correct answer: A money market investment

Consider the following scenario. After selecting a stock portfolio, you set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\}\%$. Your client decides to take your portfolio advice. How much will you be paid?

Correct answer: $\text{€}\$e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\} * 10\}$

End of Block: Message wrong answers 2

Start of Block: Start Portfolio Selection

Start of the Portfolio Selection

- On the following 6 screens, you will select 6 different portfolios for 6 clients.
- You will be able to set a fee for each of these 6 clients.
- At the end of this survey, 1 out of your 6 clients will be randomly selected. The fee for this client will then be relevant for your payment.
- *All clients have an aggressive risk profile, which indicates that they want 100% of their experimental budget to be invested in stocks.*
- Click below to start.

End of Block: Start Portfolio Selection

Start of Block: Client Allocations

[Advisors allocated stock portfolios and set fees on behalf of six different clients. Here, one example is shown]

Client 1 out of 6

Please **select a portfolio of stocks** for client 1, who has the following profile:

- **Gender:** Male
- **Age:** 45 - 54 years old
- **Gross Income:** €40,000 - €59,999 per year
- **Risk Profile:** Aggressive
- **Financial Sophistication:** [More Info](#)
 - Low
 - High
 - Not Available**
- **Investor Mandate:** [More Info](#)
 - Conventional
 - Socially Responsible**

Client questionnaire Info ✕

Financial sophistication is the ability to understand and make use of a variety of financial skills, including personal financial management, budgeting, and investing. It also means comprehending certain financial principles and concepts, such as time value of money, compound interest, managing debt, and financial planning. Clients complete a validated questionnaire that has been designed to measure financial sophistication and that is frequently used in academia and also by practitioners. We report the relative performance of this client below. We report "Not Available", if the questionnaire has not been filled out.

Client questionnaire Info ✕

We ask clients whether they want to give you, the advisor, a mandate for socially responsible investing. We tell clients that you have access to social responsibility scores.

Select a portfolio of stocks for your client:

- Please select one of the portfolios below for this client.
- All stocks in the portfolios are among the largest 200 stocks in the MSCI World, by market capitalization.
- The portfolios are given numbers as identifiers, these are random and should not play a role in your selection.
- Click on a portfolio's name for more financial information.
- Next to each portfolio name, you see an indicator of social responsibility More Info

Portfolio 16 (Click for more Info)

Portfolio 27 (Click for more Info)

Portfolio 34 (Click for more Info)

Portfolio 19 (Click for more Info)

Portfolio 33 (Click for more Info)

Portfolio 5 (Click for more Info)

United Nations Global Com...

% of Portfolio invested in Companies that participate in the UN Global Compact	Descriptive Rank	Rating Icon
80 – 100%	High	
60 – 80%	Above Average	
40 – 60%	Average	
20 – 40%	Below Average	
0 – 20%	Low	

We classify a portfolio's social responsibility according to the proportion of companies in the portfolio participating in the UN Global Compact. Participation requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

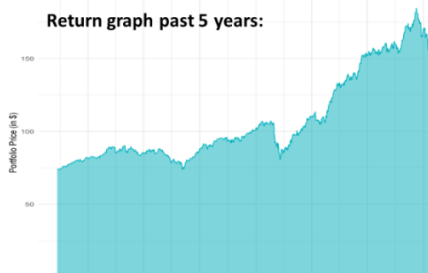
Information

Portfolio 27

Portfolio Beta: 0.90
Forward Dividend Yield: 3.44%
Price / Book Value: 9.62
Sustainability Score: 100 / 100
Investment Style:

Value	Core	Growth
47%	27%	27%

Return graph past 5 years:



Advisory fee for your client as a percentage of the €1,000 portfolio value: Based on this fee, your client will decide whether to take your advice.

0 0.4 0.8 1.2 1.6 2 2.4 2.8 3.2 3.6 4

End of Block: Client Allocations

Start of Block: Exit Survey

Finally, last screen with questions:

Gender What is your gender?

- Male
 - Female
 - Other
-

Age What is your age?

▼ 18 - 24 years old ... 65 and older

Education What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree ... Professional degree (JD, MD)

Which industry sector are you working in?

- Agriculture, forestry & fishing
 - Automotive/Aerospace
 - Business & other services
 - Communications (e.g. Telecommunications and Postal services)
 - Construction
 - Distribution (wholesale & retail trade)
 - Education
 - Financial services (e.g. Banks and Insurance companies)
 - Health and Social work
 - Hotels & Catering
 - IT services
 - Manufacture of chemical products
 - Manufacture of food products
 - Manufacturing (other)
 - Mining & Utilities (e.g. Energy companies)
 - Public administration
 - Transport
-

Which of the following best describes your current job?

- account manager
- accounting/controlling
- analysis/research/valuation
- area manager
- asset liability mgmt
- compliance
- consulting in management
- consulting in processes
- corporate finance
- acquisitions
- client advisor
- customer support
- fund management
- fund placement
- general mgmt/admin
- investment advisor
- investment banking
- IT-support/mgmt
- planning, financial

- portfolio management
- private equity/banking
- product manager
- project developer
- regulation, financial
- relationship manager
- risk management
- sales
- supervision, financial
- trading/brokerage
- treasury
- wealth management
- other:

--

Please provide a brief description of the main tasks in your job.

Are you an independent financial advisor?

Yes

No

What was your gross annual household income last year?

▼ under €20,000 ... 200,000 or more

Display This Question:

If Which industry sector are you working in? = Financial services (e.g. Banks and Insurance companies)

At which type of financial institution are you currently employed? (multiple answers possible)

- Bank
- Insurance
- Investments
- Pension fund
- Financial holding
- Credit and loan
- Mortgage
- Leasing
- Hedge fund
- other (please specify below)

--

In which country do you currently reside?

▼ Albania ... Zimbabwe

In general, how would you describe your own political viewpoint?

▼ Very conservative ... Not sure

Display This Question:

If Does your job involve socially responsible investing? = Yes

How many years of experience do you have with socially responsible investing in your work?

▼ Less than 1 ... More than 20

End of Block: Exit Survey

Start of Block: PLEASE VISIT URL

Q289 In about 3 weeks, you will be able to see proof of all stock transactions that we undertook to implement the portfolios. All data will be aggregated and anonymized, so that it is impossible to trace back any decision taken in the survey. The information will be posted on this web page:

<https://feedback002.wordpress.com/>

Please copy and save the address of the web page if you want to visit it in 3 weeks.

IMPORTANT FOR PAYMENT:

If you want to be eligible for payment, please enter your IBAN below (optional).

Entering your IBAN is completely voluntarily and the information will only be used for

payment. Your IBAN will be deleted from the raw data once we completed the payments. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your IBAN or an incorrect IBAN we assume that you do not want to be eligible for any payment.

IMPORTANT FOR EARLY ACCESS TO RESULTS:

If you want to receive the results of this study, please enter your email below (optional).

Entering your email is completely voluntarily and the information will only be used for sending you the results. Your email will be deleted from the raw data once we sent you the results. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your email or an incorrect email we assume that you do not want to receive any results.

Thank you very much for participating.

*** Please click below to complete the survey ***

End of Block: PLEASE VISIT URL

B.4 Instructions advisors US experiment

Start of Block: Welcome

Welcome

- Thank you for participating in the survey. Participation will take less than 15 minutes.
- Upon full completion of the survey, you will receive a completion fee of \$2.
- In addition, depending on the decisions that you and other survey participants make, you can earn up to \$45.
- All earnings will be paid out in points that correspond to the dollar value indicated in this study.
- We will depersonalize all data and will only use them for scientific purposes.

This study adheres to the principles of economic experiments: participants are not deceived and earnings are paid out for real.

- [ANONYMIZED]
- [ANONYMIZED]
- [ANONYMIZED]

*** Please click below to start. ***

End of Block: Welcome

Start of Block: Informed Consent

Informed Consent

- Before you decide whether or not take part in the study, we will give you some information. Please take time to read the information carefully.
- What does my participation involve? Participation involves you filling out the following survey, which will take around 15 Minutes. Participation is voluntary. You can decide to quit the survey at any moment.
- What happens to the data collected in this survey? We will depersonalize all data and will only use them for scientific purposes. The anonymized research

data is accessible to other scientists for a period of at least 10 years. The data cannot be traced back to you.

- Ethical assessment This research study has been approved by the Maastricht University Ethical Review Committee Inner City Faculties (ERCIC).
- More information? Should you want more information on this research study, please contact [ANONYMIZED]

I agree

I do not agree

End of Block: Informed Consent

Start of Block: Screener Finance

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

End of Block: Screener Finance

Start of Block: Screener Invest

Which of the following best describes your current job? (Please select a maximum of 2)

- account manager
- accounting/controlling
- analysis/research/valuation
- area manager
- asset liability mgmt
- compliance
- consulting in management
- consulting in processes
- corporate finance
- acquisitions
- client advisor
- customer support
- fund management
- fund placement
- general mgmt/admin
- investment advisor
- investment banking
- IT-support/mgmt

- planning, financial
- portfolio management
- private equity/banking
- product manager
- project developer
- regulation, financial
- relationship manager
- risk management
- sales
- supervision, financial
- trading/brokerage
- treasury
- wealth management
- other:

End of Block: Screener Invest

Start of Block: Job Function Description

Please provide a brief description of the main tasks in your job.

End of Block: Job Function Description

Start of Block: Instructions 1

Instructions (1/3)

- Please read the following instructions carefully. We will ask you to answer two questions about them afterwards.
- You have two chances to answer the comprehension questions correctly.
- If you fail to do so, you will not be able to complete the survey and you will not receive the completion fee of \$2.

- In the following, you will select a portfolio of stocks on behalf of a client.

- This client is a real person, a US citizen, who is not a financial professional.
- The portfolio has a starting value of \$1,000.
- For selecting stocks on behalf of your client, you can determine an advisory fee.

Your client has two options:

- Take your advice: Your client will pay the advisory fee to you and will see the stock portfolio that you selected in return.
- Not to take your advice: Your client will not pay the advisory fee to you and will not see the portfolio that you selected. The client will then select a portfolio of stocks for him-/herself.

End of Block: Instructions 1

Start of Block: Instructions 2

Instructions (2/3)

Payment to your client:

- Your client's payment is based on the return of the portfolio over the coming 12 months.
- If they choose your portfolio, the fee you receive will be deducted from this payment.
- Your client will be paid out 12 months after the survey is completed.
- Every 10th client (randomly drawn) will be paid.

Payment to you:

- If your client decides to see the portfolio you created, you receive the advisory fee that you set.
- If your client decides not to see the portfolio you created, you receive no additional payment.
- You will be paid within two weeks after the survey is completed.
- Example 1: You set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\%$. Your client invests in your portfolio. You will be paid $\$1,000 * e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\% = \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1) * 10\}$.
- Example 2: You set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee},1)\}\%$. Your client does not invest in your portfolio. You will be paid \$0.

End of Block: Instructions 2

Start of Block: Instructions 3

Instructions (3/3)

- In total, you will create 4 different portfolios for 4 clients.
- You will set a fee for each of these 4 clients.
- 1 out of your 4 clients (randomly selected) will be able to invest in the portfolio that you created for them.
- The fee of this selected portfolio will then be relevant for your payment.
- The selected portfolio will be bought in real life for every 10th client.
- Proof of stock transactions and earnings calculations will be communicated by the research team to you and the client (using depersonalized data). This is to ensure that all information above is transparent and credible.

End of Block: Instructions 3

Start of Block: Comprehension Questions

Comprehension Quiz

You have two chances to answer both comprehension questions correctly.

If you fail to do so, you will not be able to complete the survey and you will not receive the completion fee of \$2.

What is not a possible investment for your clients?

- A stock portfolio that they select themselves
 - The stock portfolio that you select on their behalf
 - A money market investment
-

Consider the following scenario. You set an advisory fee of $\$e{\text{ round}(e://Field/Quiz_Fee , 1) }%$. Your client decides to take your portfolio advice. How much will you be paid?

- \$0
- $\$e{\text{ round}(e://Field/Quiz_Fee , 1) }$
- $\$e{\text{ round}(e://Field/Quiz_Fee , 1) * 10 }$

End of Block: Comprehension Questions

Start of Block: Message wrong answers

Wrong Answer (Only shown if there was a mistake in the comprehension questions)

At least one of your answers was not correct. Do you want to see the instructions again or would you like to retry answering?

- See the instructions
- Answer again

End of Block: Message wrong answers

Start of Block: Message wrong answers 2

Wrong Answer (Only shown if there was a mistake in the comprehension questions twice → End of Survey)

At least one of the answers you gave was not correct.

End of Block: Message wrong answers 2

Start of Block: Client Allocations

[Advisors allocated stock portfolios and set fees on behalf of four different clients. Here, one example is shown]

Client 1 out of 4

Please **select a portfolio** for a client with the following profile:

- **Gender:** Female
- **Age:** 35 - 44 years old
- **Gross Income:** \$60,000 - \$79,999 per year
- **Risk Profile:**
 - Conservative
 - Moderate
 - Aggressive**
- **Investor Mandate:** [More Info](#)
 - Conventional
 - Socially Responsible**

Client questionnaire Info

We ask clients whether they want to give you, the advisor, a mandate for socially responsible investing. We tell clients that you have access to sustainability indicators for each stock.

Select stocks for your client:

- Please select your client's portfolio by weighting the 30 stocks of the Dow Jones below (*To increase the weight on one stock, first reduce the weight of another stock*).
- The maximum weight per stock is 25%, so the portfolio must include at least 4 stocks.
- Per default, the weights are set as in the Dow Jones Industrial Average.
- Click on a stock's name for more financial information.
- Next to each company name, you see two indicators of social responsibility:
 - MSCI ESG Score (● means laggard; ● means average; ● means leader) [More Info](#)
 - Whether the company pledged to follow the principles of the UN Global Compact (**Y if yes, N if no**)

MSCI ESG Score

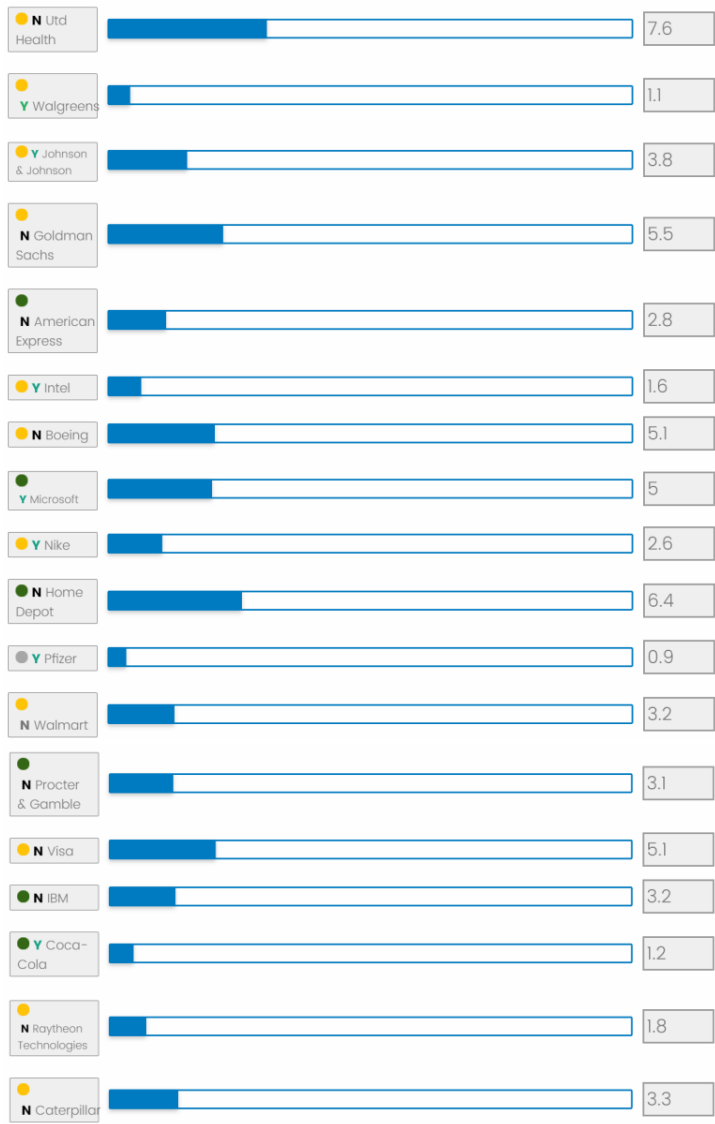
MSCI ESG rate companies on a 'AAA to CCC' scale according to their exposure to Environmental, Social, and Governance risks and how well they manage those risks relative to peers.

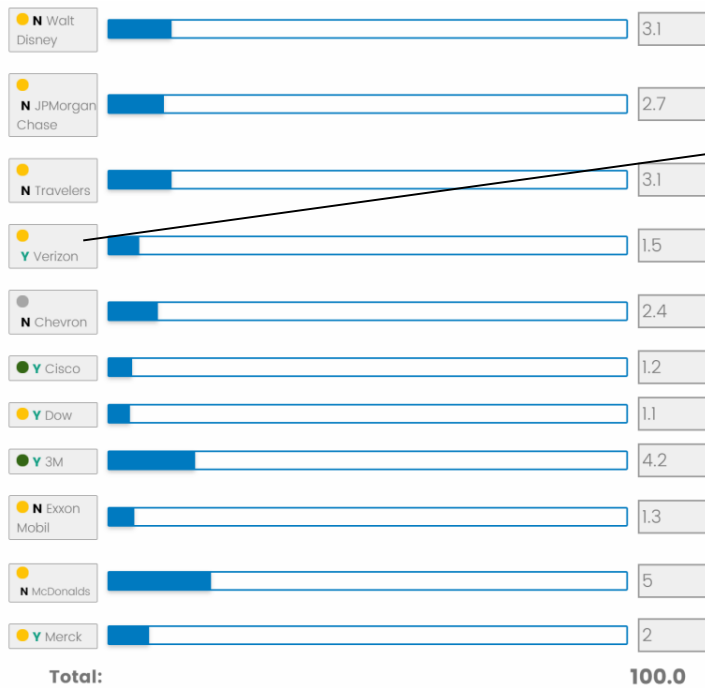
United Nations Global Compact



United Nations
Global Compact

Participation in the UN Global Compact requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

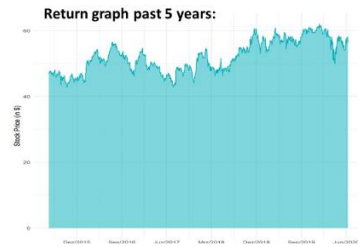




Information

Verizon Communications, Inc.

Earnings per Share 2019: \$4.65
Free Cash Flow 2019 (in Bil): \$17.81
Dividends per share (Expected 2020): \$2.48
Industry: Diversified Telecommunication Services
Price / Book Ratio: 3.89
MSCI ESG Rating: **BBB**
UN Global Compact Participant: Yes



Example; Available for all stocks

Client 1 out of 4

Please **select a portfolio** for a client with the following profile:

- **Gender:** Female
- **Age:** 35 - 44 years old
- **Gross Income:** \$60,000 - \$79,999 per year
- **Risk Profile:**
 - Conservative
 - Moderate
 - Aggressive**
- **Investor Mandate:**
 - Conventional
 - Socially Responsible**

Advisory fee for your client as a percentage of the \$1,000 portfolio value: Based on this fee, your client will decide whether to see your advice or to make her own investment.

0 0.4 0.8 1.2 1.6 2 2.4 2.8 3.2 3.6 4

End of Block: Client Allocations

Start of Block: Instructions client perceptions

About Your Clients

- In the following, please answer a few questions about the four different clients.
- We also ask these questions to the clients.
- We will randomly select one of the questions that you answered about one client.
- If your answer matches the answer given by the client, you get an additional \$5.

End of Block: Instructions client perceptions

Start of Block: Client Perceptions

Client 1 out of 4

Please **select a portfolio** for a client with the following profile:

- **Gender:** Female
- **Age:** 35 - 44 years old
- **Gross Income:** \$60,000 - \$79,999 per year
- **Risk Profile:**
 - Conservative
 - Moderate
 - Aggressive**
- **Investor Mandate:**
 - Conventional
 - Socially Responsible**

What yearly gross return does your client expect to make on the selected portfolio? (In %)

▼ Less than -15 ... More than 15

End of Block: Client Perceptions

Start of Block: Exit Survey

Finally, last screen with questions:

What is your gender?

- Male
 - Female
 - Other
-

What is your age?

▼ 18 - 24 years old ... 65 and older

What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree ... Professional degree (JD, MD)

Which industry sector are you working in?

- Agriculture, forestry & fishing
- Automotive/Aerospace
- Business & other services
- Communications (e.g. Telecommunications and Postal services)
- Construction
- Distribution (wholesale & retail trade)
- Education
- Financial services (e.g. Banks and Insurance companies)
- Health and Social work
- Hotels & Catering
- IT services
- Manufacture of chemical products
- Manufacture of food products
- Manufacturing (other)
- Mining & Utilities (e.g. Energy companies)
- Public administration
- Transport

Which of the following best describes your current job?

▼ account manager ... other:

What was your gross annual household income last year?

▼ under \$20,000 ... 200,000 or more

Display This Question:

If Which industry sector are you working in? = Financial services (e.g. Banks and Insurance companies)

At which type of financial institution are you currently employed? (multiple answers possible)

- Bank
 - Insurance
 - Investments
 - Pension fund
 - Financial holding
 - Credit and loan
 - Mortgage
 - Leasing
 - Hedge fund
 - other (please specify below)
-
-

In which state do you currently reside?

▼ Alabama ... I do not reside in the United States

In general, how would you describe your own political viewpoint?

▼ Very conservative ... Not sure

How willing are you to give to good causes without expecting anything in return?

	1	2	3	4	5	6	7	8	9	10	11	
Not at all	C	C	C	C	C	C	C	C	C	C	C	Very willing

How many years of experience do you have in the financial sector?

▼ Less than 1 ... More than 20

How would you rate your willingness to take risks...

	1: Not at all willing to take risks	2	3	4	5	6	7: Very willing to take risks
... generally in life:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
... in financial matters:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

End of Block: Exit Survey

Start of Block: PLEASE VISIT URL

In about 3 weeks, you will be able to see proof of all stock transactions that we undertook to implement the portfolios. All data will be aggregated and anonymized, so that it is impossible to trace back any decision taken in the survey.

The information will be posted on this web page:

<https://feedback001.wordpress.com/>

Please write down the address of the web page if you want to visit it in 3 weeks.

Thank you very much for participating.

*** Please click below to complete the survey ***

End of Block: PLEASE VISIT URL

B.5 Instructions clients European experiment

Start of Block: Welcome

Welcome

- Thank you for participating in the survey. Participation will take less than 10 minutes.
- Upon full completion of the survey, you will receive a completion fee of €2 (~£1.70).
- In addition, you can earn up to €150 (~£127.50) and more, depending on your decisions in the survey and a random draw.
- All earnings will be paid out in points that correspond to the dollar value indicated in this study.
- We will depersonalize all data and will only use them for scientific purposes.

This study adheres to the principles of economic experiments: participants are not deceived and earnings are paid out for real.

- [ANONYMIZED]
- [ANONYMIZED]
- [ANONYMIZED]

*** Please click below to start. ***

End of Block: Welcome

Start of Block: Informed Consent

Informed Consent

- Before you decide whether or not to take part in the study, we will give you some information. Please take time to read the information carefully.
- What does my participation involve? Participation involves you filling out the following survey, which will take around 10 minutes. Participation is voluntary. You can decide to quit the survey at any moment.
- What happens to the data collected in this survey? We will depersonalize all data and will only use them for scientific purposes. The anonymized research

data is accessible to other scientists for a period of at least 10 years. The data cannot be traced back to you.

- Ethical assessment This research study has been approved by the Maastricht University Ethical Review Committee Inner City Faculties (ERCIC).
- More information? Should you want more information on this research study, please contact [ANONYMIZED]

I agree

I do not agree

End of Block: Informed Consent

Start of Block: Screener

What is your gender?

Male

Female

Other

What is your age?

▼ 18 - 24 years old ... 65 and older

What was your gross combined, annual household income last year?

▼ under €20,000 (~£17,000) ... €200,000 or more (-£170,000)

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

Suppose you had £100 in a savings account and the interest rate was 2% per year. After 5 years, how much do you think you would have in the account if you left the money to grow?

- More than £102
 - Exactly £102
 - Less than £102
-

Imagine that the interest rate on your savings account was 1% per year and inflation was 2% per year. After 1 year, with the money in this account, would you be able to buy...

- More than today
 - Exactly the same as today
 - Less than today
-

Do you think the following statement is true or false?

Buying a single company stock usually provides a safer return than a stock mutual fund.

True

False

End of Block: Screener

Start of Block: Instructions 1

Instructions (1/3): Your task

- In this survey, you can choose a portfolio of stocks. You can select this portfolio yourself or let a financial professional do this for you.
 - For one out of ten participants in this survey, randomly selected, the selected stocks will be purchased in real life.
 - We, the researchers conducting this study, will invest €1,000 (~£850) on behalf of each randomly selected participant.
 - All randomly selected participants will be paid in one year, according to the return of the selected stock portfolio.
 - On the following screen, we will explain how earnings are calculated for each randomly selected participant.
 - To make the instructions simpler, we will only give € values from here on out. After the experiment, we will use the current exchange rate to convert your earnings to £ values.
 - Proof of stock transactions and earnings calculations will be communicated by the research team to the participants (using depersonalized data) after the stocks are bought and sold. This is to ensure that all information above is transparent and credible.
-

Do you want to see a preview of the portfolio selection screen? Depending on your decision later in the survey, either you or a financial professional (for you) will use such a screen to select a portfolio of stocks.

- Yes
- No

United Nations Global Compact		
% of Portfolio invested in Companies that participate in the UN Global Compact	Descriptive Rank	Rating Icon
80 – 100%	High	
60 – 80%	Above Average	
40 – 60%	Average	
20 – 40%	Below Average	
0 – 20%	Low	

Display This Question:
If Do you want to see a preview of the portfolio selection screen? I decision later... = Yes

We classify a portfolio's social responsibility according to the proportion of companies in the portfolio participating in the UN Global Compact. Participation requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

Example, not the actual selection screen:

- Please select one of the portfolios below.
- All stocks in the portfolios are among the largest 200 stocks in the MSCI World, by market capitalization.
- The portfolios have numbers as identifiers. These identifiers are random and should not play a role in your selection.
- Click on a portfolio's name for more financial information.
- Next to each portfolio name, you see an indicator of social responsibility More Info

- Portfolio 13 (Click for more Info)
- Portfolio 22 (Click for more Info)
- Portfolio 36 (Click for more Info)
- Portfolio 4 (Click for more Info)
- Portfolio 23 (Click for more Info)
- Portfolio 32 (Click for more Info)

Information ✕

Portfolio 22

Portfolio Beta: 1.00

Forward Dividend Yield: 2.31%

Price / Book Value: 11.66

Sustainability Score: 100 / 100

Investment Style:

Value	Core	Growth
27%	47%	27%

Return graph past 5 years:

Instructions (2/3): Financial advisor

- You can either select stocks yourself, or you can take professional advice.
- If you decide for professional advice, we assign a financial advisor to you, who selects the stock portfolio for you.
- The stock selection of the advisor will be based on your profile (age, income, gender, etc.) and on your investment preferences, which you can specify later.
- For constructing this stock portfolio, your financial advisor has set an advisory fee.

Payment to you (if randomly selected):

- You receive a base payment of €150
- Over the next year we will record the return of your stock portfolio (with a starting value of €1000).
- This return will be added to (if positive) or deducted from (if negative) your base payment.
- If you choose to take the advice of the financial advisor, an advisory fee will be deducted from your payment.
- If you choose to select the stocks yourself, no advisory fee will be deducted from your payment.
- You never owe us any money. If a negative stock return and the advisory fee exceed your base payment of €150, you simply do not receive any money from us (Except for the survey completion fee).
- If you are randomly selected, you will be paid out one year after the survey is completed.
- Maastricht University and VU Amsterdam guarantee that all earnings will be paid out.

Payment to your advisor:

- If you take the advice, your advisor receives the advisory fee three weeks after this survey is completed.
- If you choose to select the stock portfolio yourself, you will not receive any advice and your advisor receives no fee.

Instructions (3/3): Examples

Example 1: You invest according to your advisor's suggestion. Your advisor has set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%$. After one year, the portfolio has generated a return of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)\}\%$. If you are randomly selected, the following will be relevant for your payment:

- Your base payment of €150.
- The advisory fee: $\text{€}1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%) = \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\}$
- The return of the portfolio: $\text{€}1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)\}\%) = \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1) * 10\}$.
- Hence, your total payout will be $\text{€}150 - \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\} + \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1) * 10\} = \text{€}\$e\{(15 - \text{round}(e://\text{Field}/\text{Instr_Fee}, 1) + \text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)) * 10\}$

Example 2: You invest according to your advisor's suggestion. Your advisor has set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%$. After one year, the portfolio has generated a return of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)\}\%$. If you are randomly selected, the following will be relevant for your payment:

- Your base payment of €150.
- The advisory fee: $\text{€}1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%) = \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\}$
- The return of the portfolio: $\text{€}1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)\}\%) = \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1) * 10\}$
- Hence, your total payout will be $\text{€}150 - \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\} + \text{€}\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1) * 10\} = \text{€}\$e\{(15 - \text{round}(e://\text{Field}/\text{Instr_Fee}, 1) + \text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)) * 10\}$

End of Block: Instructions 3

Start of Block: Comprehension Questions

Comprehension Quiz

- Please answer the questions below about the instructions on the previous screens.
 - You have two chances to answer both comprehension questions correctly.
 - If you fail to do so, you will not be able to complete the survey and you will not receive the completion fee of €2.
-

What is not a possible investment for you?

- A stock portfolio that your advisor selects on your behalf
 - A stock portfolio that you select yourself
 - A savings account
-

Consider the following scenario. Your advisor set a fee of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\}$ %. You decide to take the portfolio advice. The selected portfolio has a return of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Ret}, 1)\}$ %. How much will you be paid? Remember: Your base payment is €150.

- €0
- € $e\{(15 - \text{round}(e://\text{Field}/\text{Quiz_Fee}, 1) + \text{round}(e://\text{Field}/\text{Quiz_Ret}, 1))\}$
- € $e\{(15 - \text{round}(e://\text{Field}/\text{Quiz_Fee}, 1) + \text{round}(e://\text{Field}/\text{Quiz_Ret}, 1)) * 10\}$

End of Block: Comprehension Questions

Start of Block: Wrong Answer 1

Wrong Answer (Only shown if there was a mistake in the comprehension questions)

At least one of your answers was not correct. Do you want to see the instructions again or would you like to retry answering?

- See the instructions
- Answer again

End of Block: Wrong Answer 1

Start of Block: Wrong Answer 2

Wrong Answer (Only shown if there was a mistake in the comprehension questions twice → End of Survey)

At least one of the answers you gave was not correct.

End of Block: Wrong Answer 2

Start of Block: Advisor Mandate

Advisor mandate

- Before you choose whether you like to receive advice, we have two questions.
 - These questions will be used to match you to the right financial advisor.
-

Do you want to give your advisor a mandate for socially responsible investing? For all selectable stocks, your advisor will receive an indicator of social responsibility [Clickable button for more info]. We classify a portfolio's social responsibility according to the proportion of companies in the portfolio participating in the UN Global Compact. Participation requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

Yes

No

How would you like your investment budget to be allocated between a savings account (0% interest rate) and a stock portfolio? Note: You will only be able to continue with the survey if you agree to have your experimental budget invested in stocks (Aggressive risk profile).

Aggressive (100% in stocks)

Moderate (50% in the savings account, 50% in stocks)

Conservative (100% in the savings account)

End of Block: Advisor Mandate

Start of Block: Allocation Decision

Investment Decision

A financial professional selected a portfolio for a client with your profile. He or she set the following advisory fee for creating this stock portfolio.

Advisory Fee: $\$e://\text{Field}/\text{Fee}\%$

Would you like to invest in the stock portfolio that your advisor selected on your behalf?

- Yes, I will take the advice
 - No, I will select stocks myself
-

[Depending on their answer, participants are then either directly sent to the exit survey, or have to allocate their own fund]

End of Block: Allocation Decision

Start of Block: Exit Survey (Demographics)

Finally, last screen, please answer the following questions:

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

How knowledgeable are you in financial matters?

- Not knowledgeable
 - More or less knowledgeable
 - Knowledgeable
 - Very knowledgeable
-

What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree ... Professional degree (JD, MD)

In which country do you currently reside?

▼ Albania ... Zimbabwe

Have you invested before, or are you planning to invest in the future (e.g., into stocks, bonds, investment funds, real estate)?

- Yes
 - No
-

How much investment experience do you have?

	1	2	3	4	5	6	7	
None	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	A lot

What yearly gross return do you expect to make on your selected stock portfolio? (In %)

▼ Less than -15 ... More than 15

End of Block: Exit Survey (Demographics)

Start of Block: PLEASE VISIT URL

In about 3 weeks, you will be able to see proof of all stock transactions that we undertook to implement the portfolios. All data will be aggregated and anonymized, so that it is impossible to trace back any decision taken in the survey.

The information will be posted on this web page:

<https://feedback002.wordpress.com/>

Please write down the address of the web page if you want to visit it in 3 weeks.

Thank you very much for participating.

*** Please click below to complete the survey ***

B.6 Instructions clients US experiment

Start of Block: Welcome

Welcome

- Thank you for participating in the survey. Participation will take less than 10 minutes.
- Upon full completion of the survey, you will receive a completion fee of \$2.
- In addition, you can earn up to \$150 and more, depending on your decisions in the survey and a random draw.
- All earnings will be paid out in points that correspond to the dollar value indicated in this study.
- We will depersonalize all data and will only use them for scientific purposes.

This study adheres to the principles of economic experiments: participants are not deceived and earnings are paid out for real.

- [ANONYMIZED]
- [ANONYMIZED]
- [ANONYMIZED]

*** Please click below to start. ***

End of Block: Welcome

Start of Block: Informed Consent

Informed Consent

- Before you decide whether or not to take part in the study, we will give you some information. Please take time to read the information carefully.
- What does my participation involve? Participation involves you filling out the following survey, which will take around 10 minutes. Participation is voluntary. You can decide to quit the survey at any moment.
- What happens to the data collected in this survey? We will depersonalize all data and will only use them for scientific purposes. The anonymized research data is accessible to other scientists for a period of at least 10 years. The data cannot be traced back to you.
- Ethical assessment This research study has been approved by the Maastricht University Ethical Review Committee Inner City Faculties (ERCIC).
- More information? Should you want more information on this research study, please contact [ANONYMIZED]

I agree

I do not agree

End of Block: Informed Consent

Start of Block: Screener

What is your gender?

Male

Female

Other

What is your age?

▼ 18 - 24 years old ... 65 and older

What was your gross combined, annual household income last year?

▼ under \$20,000 ... 200,000 or more

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

End of Block: Screener

Start of Block: Instructions 1

Instructions (1/3): Your task

- In this survey, you can choose a portfolio of stocks.
- You can select the stocks yourself or let a financial professional do this for you.
- For one out of ten participants in this survey, randomly selected, the selected stocks will be purchased in real life.
- We, the researchers conducting this study, will invest \$1,000 on behalf of each randomly selected participant.
- All randomly selected participants will be paid in one year, according to the return of the selected stock portfolio.
- On the following screen, we will explain how earnings are calculated for each randomly selected participant.
- Proof of stock transactions and earnings calculations will be communicated by the research team to the participants (using depersonalized data) after the stocks

are bought and sold. This is to ensure that all information above is transparent and credible.

Do you want to see a preview of the stock selection screen? Depending on your decision later in the survey, either you or a financial professional (for you) will use such a screen to select a portfolio of stocks.

Yes

No

Display This Question:

If Do you want to see a preview of the stock selection screen? Depending on your decision later in t... = Yes

Stock selection (Illustration, not the actual decision screen)

- Please select your portfolio by weighting the 30 stocks of the Dow Jones below (**To increase the weight on one stock, first reduce the weight of another stock**).
- The maximum weight per stock is 25%, so the portfolio must include at least 4 stocks.
- Per default, the weights are set as in the Dow Jones Industrial Average.
- Click on a stock's name for more financial information.
- Next to each company name, you see two indicators of social responsibility:
 - MSCI ESG Score (● means laggard; ● means average; ● means leader) [More Info](#)
 - Whether the company pledged to follow the principles of the UN Global Compact (**Y if yes, N if no**) [More Info](#)

MSCI ESG Score

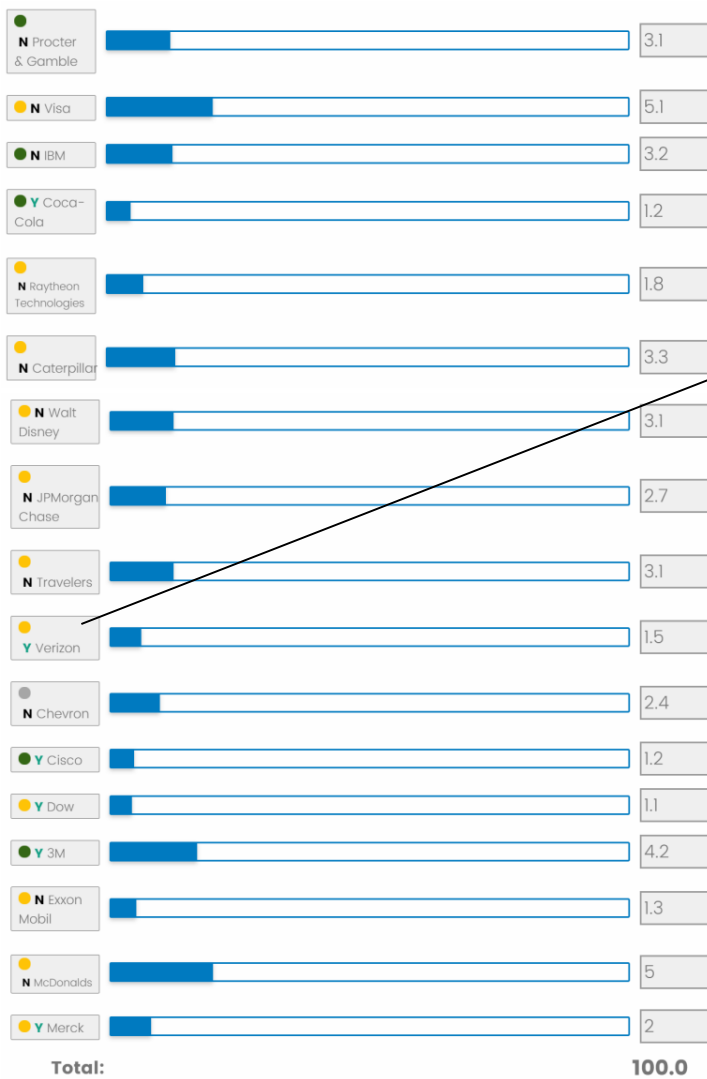
MSCI ESG rate companies on a 'AAA to CCC' scale according to their exposure to Environmental, Social, and Governance risks and how well they manage those risks relative to peers.

Company	UN Global Compact	MSCI ESG Score
Utd Health	N	7.6
Walgreens	Y	1.1
Johnson & Johnson	Y	3.8
Goldman Sachs	N	5.5
American Express	N	2.8
Intel	Y	1.6
Boeing	N	5.1
Microsoft	Y	5
Nike	Y	2.6
Home Depot	N	6.4
Pfizer	Y	0.9
Walmart	N	3.2

United Nations Global Compact



Participation in the UN Global Compact requires a commitment from a company's chief executive with support from the Board. This commits an organization to meet fundamental responsibilities in four areas: human rights, labour, environment and anti-corruption. All participants are required to produce an annual communication on progress that outlines a company's efforts to operate responsibly and support society.

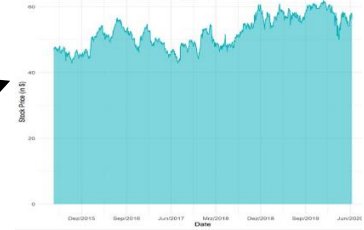


Information ✕

Verizon Communications, Inc.

Earnings per Share 2019: \$4.65
Free Cash Flow 2019 (in Bil): \$17.81
Dividends per share (Expected 2020): \$2.48
Industry: Diversified Telecommunication Services
Price / Book Ratio: 3.89
MSCI ESG Rating: BBB
UN Global Compact Participant: Yes

Return graph past 5 years:



Example; Available for all stocks

End of Block: Instructions 1

Start of Block: Instructions 2

Instructions (2/3): Financial Advisor

- You can either select stocks yourself, or you can take professional advice.
- If you decide for professional advice, we assign a financial advisor to you, who selects the stocks for you.
- The stock selection of the advisor will be based on your profile (age, income, gender) and on your investment preferences, which you can specify later.
- For constructing this stock portfolio, your financial advisor has set an advisory fee.

Payment to you (if randomly selected):

- You receive a base payment of \$150.
- Over the next year we will record the return of your stock portfolio (with a starting value of \$1000).
- This return will be added to (if positive) or deducted from (if negative) your base payment.
- If you choose to take the advice of the financial advisor, an advisory fee will be deducted from your payment.
- If you choose to select the stocks yourself, no advisory fee will be deducted from your payment.
- You never owe us any money. If a negative stock return and the advisory fee exceed your base payment of \$150, you simply do not receive any money from us (Except for the survey completion fee).
- If you are randomly selected, you will be paid out one year after the survey is completed. Maastricht University and VU Amsterdam guarantee that all earnings will be paid out.

Payment to your advisor:

- If you take the advice, your advisor receives the advisory fee three weeks after this survey is completed
- If you choose to select the stock portfolio yourself, you will not receive any advice and your advisor receives no fee.

End of Block: Instructions 2

Start of Block: Instructions 3

Instructions (3/3): Examples

Example 1: You invest according to your advisor's suggestion. Your advisor has set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%$. After one year, the portfolio has generated a return of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)\}\%$. If you are randomly selected, the following will be relevant for your payment:

- Your base payment of \$150.
- The advisory fee: $\$1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%) = \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\}$
- The return of the portfolio: $\$1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)\}\%) = \$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1) * 10\}$.
- Hence, your total payout will be $\$150 - \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\} + \$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1) * 10\} = \$e\{(15 - \text{round}(e://\text{Field}/\text{Instr_Fee}, 1) + \text{round}(e://\text{Field}/\text{Instr_Ret_Pos}, 1)) * 10\}$

Example 2: You invest according to your advisor's suggestion. Your advisor has set an advisory fee of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%$. After one year, the portfolio has generated a return of $\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)\}\%$. If you are randomly selected, the following will be relevant for your payment:

- Your base payment of \$150.
- The advisory fee: $\$1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1)\}\%) = \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\}$
- The return of the portfolio: $\$1,000 * (\$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)\}\%) = \$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1) * 10\}$
- Hence, your total payout will be $\$150 - \$e\{\text{round}(e://\text{Field}/\text{Instr_Fee}, 1) * 10\} + \$e\{\text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1) * 10\} = \$e\{(15 - \text{round}(e://\text{Field}/\text{Instr_Fee}, 1) + \text{round}(e://\text{Field}/\text{Instr_Ret_Neg}, 1)) * 10\}$

End of Block: Instructions 3

Start of Block: Comprehension Questions

Comprehension Quiz

- Please answer the questions below about the instructions on the previous screens.
 - You have two chances to answer both comprehension questions correctly.
 - If you fail to do so, you will not be able to complete the survey and you will not receive the completion fee of \$2.
-

What is not a possible investment for you?

- A stock portfolio that your advisor selects on your behalf
 - A stock portfolio that you select yourself
 - A savings account
-

Consider the following scenario. Your advisor set a fee of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Fee}, 1)\}\%$. You decide to take the portfolio advice. The selected portfolio has a return of $\$e\{\text{round}(e://\text{Field}/\text{Quiz_Ret}, 1)\}\%$. How much will you be paid? Remember: Your base payment is \$150.

- \$0
- $\$e\{(15 - \text{round}(e://\text{Field}/\text{Quiz_Fee}, 1) + \text{round}(e://\text{Field}/\text{Quiz_Ret}, 1))\}$
- $\$e\{(15 - \text{round}(e://\text{Field}/\text{Quiz_Fee}, 1) + \text{round}(e://\text{Field}/\text{Quiz_Ret}, 1)) * 10\}$

End of Block: Comprehension Questions

Start of Block: Wrong Answer 1

Wrong Answer (Only shown if there was a mistake in the comprehension questions)

At least one of your answers was not correct. Do you want to see the instructions again or would you like to retry answering?

See the instructions

Answer again

End of Block: Wrong Answer 1

Start of Block: Wrong Answer 2

Wrong Answer (Only shown if there was a mistake in the comprehension questions twice → End of Survey)

At least one of the answers you gave was not correct.

End of Block: Wrong Answer 2

Start of Block: Advisor Mandate

Advisor mandate

- Before you choose whether you like to receive advice, we have two questions.
- These questions will be used to match you to the right financial advisor.

Do you want to give your advisor a mandate for socially responsible investing? For all selectable stocks, your advisor will receive two indicators on the firm's social responsibility: MSCI ESG [Clickable button for more info] and the UN

Global Compact [Clickable button for more info]. Should your advisor take these into account when selecting your stock portfolio?

- Yes
 - No
-

How would you like your investment budget to be allocated between a savings account (0% interest rate) and a stock portfolio?

- Aggressive (100% in stocks)
- Moderate (50% in the savings account, 50% in stocks)
- Conservative (100% in the savings account)

End of Block: Advisor Mandate

Start of Block: Allocation Decision

Investment Decision

A financial professional put together a portfolio for a client with your profile. He or she set the following advisory fee for creating this stock portfolio.

Advisory Fee: $\$e://Field/Fee\%$

Would you like to invest in the stock portfolio that your advisor constructed on your behalf?

- Yes, I will take the advice
- No, I will select stocks myself

[Depending on their answer, participants are then either directly sent to the exit survey, or have to allocate their own stock portfolio]

End of Block: Allocation Decision

Start of Block: Exit Survey (Demographics)

Finally, last screen, please answer the following questions:

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

How knowledgeable are you in financial matters?

- Not knowledgeable
 - More or less knowledgeable
 - Knowledgeable
 - Very knowledgeable
-

What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree ... Professional degree (JD, MD)

In which state do you currently reside?

▼ Alabama ... I do not reside in the United States

Have you invested before, or are you planning to invest in the future (e.g., into stocks, bonds, investment funds, real estate)?

- Yes
 - No
-

How much investment experience do you have?

	1	2	3	4	5	6	7	
None	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	A lot

What yearly gross return do you expect to make on your selected stock portfolio? (In %)

▼ Less than -15 ... More than 15

End of Block: Exit Survey (Demographics)

Start of Block: PLEASE VISIT URL

In about 3 weeks, you will be able to see proof of all stock transactions that we undertook to implement the portfolios. All data will be aggregated and anonymized, so that it is impossible to trace back any decision taken in the survey.

The information will be posted on this web page:

<https://feedback001.wordpress.com/>

Please write down the address of the web page if you want to visit it in 3 weeks.

Thank you very much for participating.

*** Please click below to complete the survey ***

B.7 Instructions selection survey

Start of Block: Welcome Screen

Welcome

Thank you for participating in the survey. Participation will take less than 10 minutes. Upon full completion of the survey you will receive a participation fee of \$10. You will receive your participation fee in points. All data will be depersonalized and will exclusively be used for the purpose of academic research.

*** Please click below to start. Note that you will not be able to go back to previous pages throughout the whole study. ***

End of Block: Welcome Screen

Start of Block: SCREENER INDUSTRY

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

End of Block: SCREENER INDUSTRY

Start of Block: SCREENER INVEST

Which of the following best describes your current job?

End of Block: SCREENER INVEST

Start of Block: Performance Indicators

Imagine that you are considering purchasing stocks today, which you would like to sell twelve months from now. Please indicate how important each of the following information is for you when deciding on particular companies to invest in.

Please rank the following pieces of information, depending on how important they are in your decision process to invest in a particular stock. Drag the most important indicators to the top of the list and the least important indicators to the bottom.

- _____ Price range (last year)
- _____ Price chart (last 5 years)
- _____ Average price (expected by analysts next year)
- _____ Average price (last year)
- _____ Volatility (last year)
- _____ Dividends (last year)
- _____ Dividends (expected next year)
- _____ Industry
- _____ Previous day's trading volume
- _____ Previous year's trading volume
- _____ Market Capitalization
- _____ Price / Earnings Ratio (last year's earnings)
- _____ Earnings per share (last year)
- _____ Earnings per share (expected next year)
- _____ Price / Book Ratio
- _____ Annual Revenue (last year)
- _____ Revenue Growth (last 3 years)
- _____ Annual Profit (last year)
- _____ Free Cash Flow (last year)
- _____ Beta (last year)
- _____ Trade volume
- _____ Risk/return ratio, e.g., Sharpe ratio (last year)

Please specify any other indicators that we may have missed and that you consider to be part of the five most important pieces of information for your decision process to invest in a particular stock.

End of Block: Sustainability Indicators

Start of Block: Exit Survey non-demographics

Please answer the following questions:

How would you rate your willingness to take risks ...

	1: Not at all willing to take risks	2	3	4	5	6	7: Very willing to take risks
... generally in life:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
... in financial matters:	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

How important is it for you to be the best at what you do?

	1	2	3	4	5	6	7	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

Social status is primarily defined by financial success.

	1	2	3	4	5	6	7	
Fully agree	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Completely disagree

How important is it for you what others think about you?

	1	2	3	4	5	6	7	
Not important	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

How willing are you to give to good causes without expecting anything in return?

	1	2	3	4	5	6	7	
Not at all	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Very important

In general, how would you describe your own political viewpoint?

▼ Very conservative ... Not sure

What is your present religion, if any?

▼ Protestant ... Other

How important is religion in your life?

▼ Very important ... Not at all important

In our society there are groups which tend to be towards the top and groups which tend to be towards the bottom of the income scale.

If 1 equaled the bottom of the scale and 100 equaled the top of the scale, where would you put yourself now on this scale?

And where would you put the household you grew up in on the same scale?

What has been the main source of your household's wealth?

- Inheritance or family assets
- Salary
- Income from own business
- Property
- Lottery
- Other (please specify)

End of Block: Exit Survey non-demographics

Start of Block: Exit survey demographics

Finally, last screen, please answer the following questions:

What is your gender?

- Male
- Female
- Other

What is your age?

▼ 18 - 24 years old... 65 and older

What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree... Professional degree (JD, MD)

At which type of financial institution are you currently employed? (multiple answers possible)

What is the total amount your household donated to charitable causes last year (in \$)? If you are unsure, please make an estimate.

What was your gross combined, annual household income last year?

▼ under \$20,000 ... 200,000 or more

How important are concerns for sustainability in your work?

▼ Not at all important ... Very important

Does your current work contract include a bonus clause?

Yes

No

Display This Question:

If Does your current work contract include a bonus clause? = Yes

Did you receive a bonus in the last three years?

Yes

No

Display This Question:

If Does your current work contract include a bonus clause? = Yes

In relation to your fixed income, how large was the bonus payment? (If you received several bonuses, please state the average annual bonus payment.)

▼ less than 10% of fixed income... more than 500% of fixed income

End of Block: Exit survey demographics

Start of Block: Thank you

Thank you very much for participating.

*** Please click below to complete the survey ***

End of Block: Thank you

B.8 Instructions perception survey

Start of Block: Welcome

Welcome

- Thank you for participating. Participation will take less than 10 minutes.
- By completing this survey, you can get exclusive early access to the results of this study and what it was about.
- Further, every 10th participant who fully completes the survey will receive €100.
- We will depersonalize all data and will only use them for scientific purposes.

This study adheres to the principles of economic experiments: Participants are not deceived and earnings are paid out for real.

- [ANONYMIZED]
- [ANONYMIZED]
- [ANONYMIZED]

*** Please click below to start. ***

End of Block: Welcome

Start of Block: Informed Consent

Informed Consent

- Before you decide whether or not to take part in the study, we will give you some information. Please take time to read the information carefully.
- What does my participation involve? Participation involves you filling out the following survey, which will take less than 10 Minutes. Participation is voluntary. You can decide to quit the survey at any moment.
- What happens to the data collected in this survey? We will depersonalize all data and will only use them for scientific purposes. The anonymized research

data is accessible to other scientists for a period of at least 10 years. The data cannot be traced back to you.

- Ethical assessment This research study has been approved by the Maastricht University Ethical Review Committee Inner City Faculties (ERCIC).
- More information? Should you want more information on this research study, please contact [ANONYMIZED]

I agree

I do not agree

End of Block: Informed Consent

Start of Block: Screener Finance

Which industry sector are you working in?

▼ Agriculture, forestry & fishing ... Transport

Which of the following best describes your current job? (Please select a maximum of 2)

- account manager
- accounting/controlling
- analysis/research/valuation
- area manager
- asset liability mgmt
- compliance
- consulting in management
- consulting in processes
- corporate finance
- acquisitions
- client advisor
- customer support
- fund management
- fund placement
- general mgmt/admin
- investment advisor

- investment banking
- IT-support/mgmt
- planning, financial
- portfolio management
- private equity/banking
- product manager
- project developer
- regulation, financial
- relationship manager
- risk management
- sales
- supervision, financial
- trading/brokerage
- treasury
- wealth management
- other:

--

In which country do you currently reside?

- Austria
- Germany
- France
- Spain
- The Netherlands
- Poland
- Other

End of Block: Screener Finance

Start of Block: Instructions

Instructions

- We recently conducted a study with a representative sample of $\{e://Field/Nationality\}$ retail investors.
- We asked these retail investors various questions about their investment behavior and preferences.
- In the following, we will show you three sets of questions that were answered by investors in our sample.
- We will ask you to predict the responses given by different groups of investors who took part in the study.
- These groups include male retail investors, female retail investors, sustainable retail investors (Those who take into account the sustainability of their investments) and conventional retail investors (Those who do not take into account the sustainability of their investments).
- Please click below to continue.

End of Block: Instructions

Start of Block: Fin Lit

Set 1/3: Financial sophistication questions

- Below is a validated questionnaire that has been designed to measure financial sophistication and that is frequently used in academia and also by practitioners.
 - Financial sophistication is the ability to understand and make use of a variety of concepts relevant to financial decisions.
 - Please take some time to read and answer the questions.
 - Afterwards, we will provide you with feedback on how many questions you answered correctly.
-

Imagine that someone puts €100 into a savings account with a guaranteed interest rate of 2% per year. They don't make any further payments into this account and they don't withdraw any money. How much would be in the account at the end of five years?

- More than €102
 - Exactly €102
 - Less than €102
 - Do not know
-

Imagine that the interest rate on your savings account is 1% per year and inflation is 2% per year. Please give your estimate of how much you could buy with the money in the savings account after one year.

- More than today
 - Exactly the same
 - Less than today
 - Do not know
-

Please give your assessment of whether the following statement is true or false: “Buying a single stock usually has a safer return than a stock mutual fund.”

- True
 - False
 - Do not know
-

End of Block: Fin Lit

Start of Block: Fin Lit Elicitation

Set 1/3: Financial sophistication questions

- You answered $\{e://Field/Lit\}$ of the 3 financial sophistication questions correctly.
- Below, please predict the average number of correctly answered questions by different groups of $\{e://Field/Nationality\}$ retail investors who took part in our study.

[Predictions are made in random order]

What is the average number of correct financial sophistication questions answered by female retail investors? [Slider ranging from 0 to 3]

What is the average number of correct financial sophistication questions answered by male retail investors? [Slider ranging from 0 to 3]

What is the average number of correct financial sophistication questions answered by sustainable retail investors? (Those who take into account the sustainability of their investments) [Slider ranging from 0 to 3]

What is the average number of correct financial sophistication questions answered by conventional retail investors? (Those who do not take into account the sustainability of their investments) [Slider ranging from 0 to 3]

End of Block: Fin Lit Elicitation

Start of Block: Fee Literacy

Set 2/3: Fee literacy question

- Below is a question that has been designed to measure whether investors can correctly assess the impact of fees on their investment wealth.
 - Please take some time to read and answer the question. Afterwards, we will provide you with feedback on whether you answered the question correctly.
-

Please indicate the amount to be deducted from the value of your investment if you pay 2.3% fees on an investment of €1,000.

- €0.23
- €2.30
- €23.00
- €230.00
- Do not know

End of Block: Fee Literacy

Start of Block: Fee Lit Elicitation

Set 2/3: Fee literacy question

- The answer you gave was $\$ \{e://Field/Fee_Lit\}$.
- Below, please predict the share (in %) of different groups of $\$ \{e://Field/Nationality\}$ retail investors who answered the question correctly.

[Predictions are made in random order]

What is the share of female retail investors, who answered the question correctly?
[Slider ranging from 0 to 100]

What is the share of male retail investors who answered the question correctly? [Slider
ranging from 0 to 100]

What is the share of sustainable retail investors? (Those who take into account the
sustainability of their investments), who answered the question correctly? [Slider
ranging from 0 to 100]

What is the share of conventional retail investors? (Those who do not take into
account the sustainability of their investments) who answered the question correctly?
[Slider ranging from 0 to 100]

End of Block: Fee Lit Elicitation

Start of Block: Soc_Pref

Set 3/3: Social preferences question

- Below is a question that has been designed to measure individual's pro-social preferences.
 - Please take some time to read and answer the question.
-

How willing are you to give to good causes without expecting anything in return?

- Completely unwilling (0)
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- Completely willing (10)
- Do not know / no indication

End of Block: Soc_Pref

Start of Block: Soc_Pref_Elic

Set 3/3: Social preferences question

- You indicated a social preferences score of $\{e://Field/Social_Pref\}$.
- Below, please predict the average social preferences score ranging from 0 (Completely unwilling) to 10 (Completely willing) indicated by

different groups of $\{e://Field/Nationality\}$ retail investors who took part in our study.

What is the average social preferences score indicated by female retail investors? [Slider ranging from 0 to 10]

What is the average social preferences score indicated by male retail investors? [Slider ranging from 0 to 10]

What is the average social preferences score indicated by sustainable retail investors? (Those who take into account the sustainability of their investments) [Slider ranging from 0 to 10]

What is the average social preferences score indicated by conventional retail investors? (Those who do not take into account the sustainability of their investments) [Slider ranging from 0 to 10]

End of Block: Soc_Pref_Elic

Start of Block: Exit Survey

Finally, last screen with questions:

What is your gender?

- Male
- Female
- Other
-

What is your age?

▼ 18 - 24 years old ... 65 and older

What is the highest level of school you have completed or the highest degree you have received?

▼ Less than high school degree ... Professional degree (JD, MD)

Which industry sector are you working in?

- Agriculture, forestry & fishing
 - Automotive/Aerospace
 - Business & other services
 - Communications (e.g. Telecommunications and Postal services)
 - Construction
 - Distribution (wholesale & retail trade)
 - Education
 - Financial services (e.g. Banks and Insurance companies)
 - Health and Social work
 - Hotels & Catering
 - IT services
 - Manufacture of chemical products
 - Manufacture of food products
 - Manufacturing (other)
 - Mining & Utilities (e.g. Energy companies)
 - Public administration
 - Transport
-

Which of the following best describes your current job?

▼ account manager ... other

Does your current work / function involve the topic of socially responsible investing?

Yes

No

At which type of financial institution are you currently employed? (multiple answers possible)

- Bank
- Insurance
- Investments
- Pension fund
- Financial holding
- Credit and loan
- Mortgage
- Leasing
- Hedge fund
- other (please specify below)

--

How many years of experience do you have in the financial sector?

▼ Less than 1 ... More than 20

IMPORTANT FOR EARLY ACCESS TO RESULTS:

If you want to receive the results of this study, please enter your email below (optional).

Entering your email is completely voluntarily and the information will only be used for sending you the results. Your email will be deleted from the raw data once we sent you the results. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your email or an incorrect email we assume that you do not want to receive any results.

IMPORTANT FOR PAYMENT:

If you want to be eligible for payment, please enter your IBAN below (optional).

Entering your IBAN is completely voluntarily and the information will only be used for payment. Your IBAN will be deleted from the raw data once we completed the payments. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your IBAN or an incorrect IBAN we assume that you do not want to be eligible for any payment.

If you want to be eligible for payment, please enter your name below (optional).

Entering your name is completely voluntarily and the information will only be used for payment. Your name will be deleted from the raw data once we completed the

payments. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your name we assume that you do not want to be eligible for any payment.

If you want to be eligible for payment, please enter your address, including street name, number, and zip code below (optional).

Entering your address is completely voluntarily and the information will only be used for payment. Your address will be deleted from the raw data once we completed the payments. After this, all data will be completely de-personalized and cannot be traced back to individuals. All data will be used for academic research purposes only. If you do not enter your address or an incorrect address, we assume that you do not want to be eligible for any payment.

End of Block: Exit Survey

B.9 Descriptions included job roles

1. Account manager

ESCO Code: 1420.3 (Sales account manager)

Description: Sales account managers serve as intermediators between clients and the organisation, managing both sales and long term relations with the client. They have knowledge about products and services and develop contracts with customers.

2. Client advisor / Investment advisor

ESCO Code: 2412.6 (Investment adviser)

Description: Investment advisers are professionals who offer transparent advice by recommending suitable solutions on financial matters to their clients. They advise on investing pension or free funds in securities such as stocks, bonds, mutual funds and exchange-traded funds to customers. Investment advisers serve individuals, households, families and owners of small companies.

3. Fund management / Portfolio management

ESCO Code: 2412.7 (Investment fund manager)

Description: Investment fund managers implement and monitor the investment strategy of a fund. They manage the fund's portfolio trading activities and supervise the financial, securities, and investment analysts in charge to perform research on the investments and then make buying and selling recommendations. They make decisions on when to buy or sell the assets included in a portfolio. Investment fund managers works in a variety of settings such as banks, investment vehicles and stockbroking companies, working closely with the investment analyst. This occupation manages strategy and does not always work with relations between shareholders or investors.

4. Fund placement

ESCO Code: 3311.2.3 (Mutual fund broker)

Description: Mutual fund brokers handle and raise cash from shareholders in order to invest them in stocks, bonds and money-market securities. They engage with investors by making inquiries about the client's mutual funds account status and transaction procedures. Mutual fund brokers make use of their expertise in investment theory, market experience, and research to pick the most appropriate investments for their fund portfolio. They ensure that the mutual fund's operations are in compliance with legal requirements.

5. Investment banking

ESCO Code: 2412.6.1 (Corporate investment banker)

Description: Corporate investment bankers offer strategic advice on financial services to companies and other institutions. They ensure that legal regulations are being followed by their clients in their efforts of raising any capital. They provide technical expertise and information on mergers and acquisitions, bonds and shares, privatisations and reorganisation, raising capital and security underwriting, including equity and debt markets.

6. Private equity / banking

ESCO Code: 2412.4.1 (Relationship banking manager)

Description: Relationship banking managers retain and expand existing and prospective customer relationships. They use cross-selling techniques to advise and sell various

banking and financial products and services to customers. They also manage the total relationship with customers and are responsible for optimising business results and customer satisfaction.

7. **Product manager**

ESCO Code: 1223.1 (Product manager)

Description: Product managers are responsible for managing the lifecycle of a product. They research and develop new products in addition to managing existing ones through market research and strategic planning. Product managers perform marketing and planning activities to increase profits.

8. **Relationship manager**

ESCO Code: 2412.4.1 (Relationship banking manager)

Description: Relationship banking managers retain and expand existing and prospective customer relationships. They use cross-selling techniques to advise and sell various banking and financial products and services to customers. They also manage the total relationship with customers and are responsible for optimising business results and customer satisfaction.

9. **Wealth management**

ESCO Code: 3311.1 (Asset manager)

Description: Asset managers invest the money of a client into financial assets, through vehicles such as investment funds or management of individual clients' portfolios. This includes the management of the financial assets, within a given investment policy and risk framework, the provision of information, and the assessment and monitoring of risks.

B.10 Descriptions excluded job roles

1. **Accounting/controlling**

ESCO Code: 2411.1.8 (Financial controller)

Description: Financial controllers handle all tasks related to the budgeting and accounting aspects of a company or organisation. They implement and ensure compliance with internal financial and accounting procedures, and prepare documentation for external audits. They collect information related to financial statements such as assets, liabilities, equity, and cash flow in order to assess the company's financial position to prepare annual budgets and forecasts.

2. **Acquisitions**

ESCO Code: 2413.1.3 (Mergers and acquisitions analyst)

Description: Mergers and acquisitions analysts oversee the execution of transactions for the purchase, sale, merger or takeover of companies. They negotiate and complete the deal on the client's behalf, by working closely with lawyers and accountants. Mergers and acquisitions analysts conduct operational and legal risk assessments of a company, assess comparable companies in the market and help with the post-merger integration.

3. **Analysis/research/valuation**

ESCO Code: 2412.1 (Business valuer)

Description: Business valuers provide valuation assessments of business entities, stock and other securities and intangible assets, in order to assist their clients in strategic decision-making procedures such as mergers and acquisitions, litigation cases, bankruptcy, taxation compliance and general restructuring of the companies.

4. **Area manager**

ESCO Code: 1346.1 (Bank manager)

Description: Bank managers oversee the management of one or several bank activities. They set policies which promote safe banking operations, ensure the economic, social and commercial targets are met and that all the bank departments, activities and commercial policies are in compliance with legal requirements. They also manage employees and maintain an effective working relationship among the staff.

5. **Asset liability mgmt.**

ESCO Code: 1211.1 (Financial manager)

Description: Financial managers handle all the matters in reference to the finance and investments of a company. They manage financial operations of companies such as the assets, liabilities, equity and cash flow aiming to maintain the financial health of the company and operative viability. Financial managers evaluate the strategic plans of the company in financial terms, maintain transparent financial operations for taxation and auditing bodies, and create the financial statements of the company at the end of the fiscal year.

6. **Compliance**

ESCO Code: 3352.1 (Tax compliance officer)

Description: Tax compliance officers collect fees, debt, and taxes on behalf of government institutions in cities, municipalities and other jurisdictions. They perform administrative duties and communicate with other officials and institutions to ensure operations are correct and compliant with policies.

7. **Consulting in management**

ESCO Code: 2421 (Management and organisation analysts)

Description: Management and organization analysts assist organizations to achieve greater efficiency and solve organizational problems. They study organizational structures, methods, systems and procedures. Tasks include (a) assisting and encouraging the development of objectives, strategies and plans aimed at achieving customer satisfaction and the efficient use of organizations' resources; (b) analysing and evaluating current systems and structures; (c) discussing current systems with staff and observing systems at all levels of organization; (d) directing clients towards more efficient organization and developing solutions to organizational problems; (e) undertaking and reviewing work studies by analysing existing and proposed methods and procedures such as administrative and clerical procedures; (f) recording and analysing organizations' workflow charts, records, reports, manuals and job descriptions; (g) preparing and recommending proposals to revise methods and procedures, alter work flows, redefine job functions and resolve organizational problems; (h) assisting in implementing approved recommendations, issuing revised instructions and procedure manuals and drafting other documentation; (i) reviewing operating procedures and advising of departures from procedures and standards. Examples of the occupations classified here: Business consultant, Management consultant, Organization and methods analyst.

8. **Consulting in processes**

ESCO Code: 2421.2 (Business consultant)

Description: Business consultants analyse the position, structure and processes of businesses and companies and offer services or advice to improve them. They research and identify business processes such as financial inefficiencies or employee management and devise strategical plans to overcome these difficulties. They work in external consulting firms where they provide an objective view on a business and or company's structure and methodological processes.

9. **Corporate finance**

ESCO Code: 1211.1 (Financial manager)

Description: Financial managers handle all the matters in reference to the finance and investments of a company. They manage financial operations of companies such as the assets, liabilities, equity and cash flow aiming to maintain the financial health of the company and operative viability. Financial managers evaluate the strategic plans of the company in financial terms, maintain transparent financial operations for taxation and auditing bodies, and create the financial statements of the company at the end of the fiscal year.

10. **General management / administration**

ESCO Code: 3341.7 (Office manager)

Description: Office managers oversee the administrative work that clerical workers are commissioned to perform in various types of organisations or associations. They perform micromanagement and maintain a close view of administrative processes such as such as controlling correspondence, designing filing systems, reviewing and approving supply requisitions, assigning and monitoring clerical functions. They report to managers within the same department or to general managers in companies, depending on their size.

11. **IT-support / management**

ESCO Code: 1330.5 (ICT operations manager)

Description: ICT operations managers coordinate ICT services and infrastructure ensuring that the organisation has the required infrastructural resources. They also plan and monitor stages of either a business process or a computer process, negotiate contracts and take mitigation action in case of non-fulfilment of agreements. They oversee the day-to-day tasks involving infrastructure components, ICT systems and software.

12. **Planning, financial**

ESCO Code: 2412.4 (Financial planner)

Description: Financial planners assist people dealing with various personal financial issues. They are specialised in financial planning, such as retirement planning, investment planning, risk management and insurance planning, and tax planning. They advise a strategy tailored to the client's needs. They ensure the accuracy of bank and other financial records while maintaining a customer-orientated approach and following ethical standards.

13. **Project developer**

ESCO Code: 1219.6 (Project manager)

Description: Project managers oversee the project on a daily basis and are responsible

for delivering high-quality results within the identified objectives and constraints, ensuring the effective use of the allocated resources. They are responsible for risk and issue management, project communication and stakeholder management. Project managers perform the activities of planning, organising, securing, monitoring and managing the resources and work necessary to deliver specific project goals and objectives in an effective and efficient way.

14. **Regulation, financial**

ESCO Code: 2411.1.7 (Financial auditor)

Description: Financial auditors collect and examine financial data for clients, organisations and companies. They ensure the financial data is properly maintained and free of material misstatements due to error or fraud, that it adds up, and functions legally and effectively. They review lending and credit policies or numbers in databases and documents, evaluate, consult and assist the source of the transaction if necessary. They use their review of the client's financial governance as assurance to give testimony to the shareholders, stakeholders and board of directors of the organisation or company that all is up to par.

15. **Risk management**

ESCO Code: 2412.5 (Financial risk manager)

Description: Financial risk managers identify and assess potential risk areas threatening the assets or capital of organisations and give advice on how to deal with them. They specialise in either credit, market, operational or regulatory risk analysis. They use statistical analysis to evaluate risk, make recommendations to reduce and control financial risk and review documentation for legal compliance.

16. **Supervision, financial**

ESCO Code: 2411.1.7 (Financial auditor)

Description: Financial auditors collect and examine financial data for clients, organisations and companies. They ensure the financial data is properly maintained and free of material misstatements due to error or fraud, that it adds up, and functions legally and effectively. They review lending and credit policies or numbers in databases and documents, evaluate, consult and assist the source of the transaction if necessary. They use their review of the client's financial governance as assurance to give testimony to the shareholders, stakeholders and board of directors of the organisation or company that all is up to par.

17. **Treasury**

ESCO Code: 1211.1.4 (Corporate treasurer)

Description: Corporate treasurers determine and oversee the financial strategic policies of a company or organisation. They use cash management techniques like account organisation, cash flow monitoring, liquidity planning and control, risk management including currency and commodity risks and maintain close connection with banks and rating agencies.

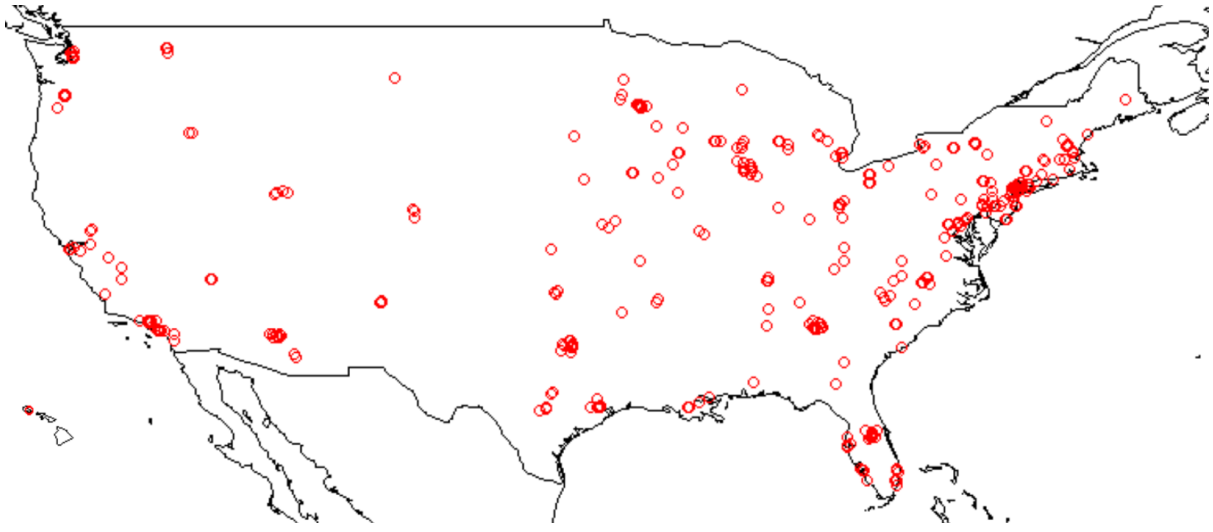


Figure B.6: Location of advisors (US experiment)

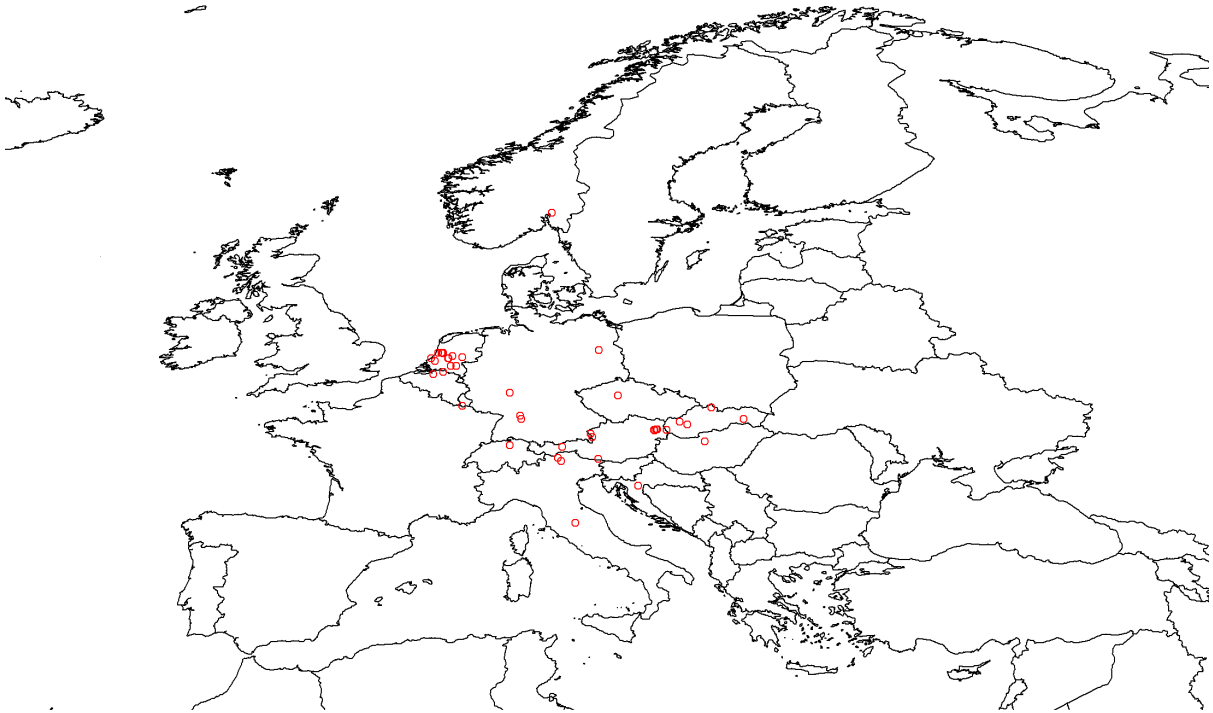


Figure B.7: Location of advisors (European experiment)

B.11 Supplementary tables

Table B.1: Information ranked to be most important by participants

Information	Average Rating (1-22)	Importance Ranking
Earnings per share (last year)	9.38	1
Price chart (last 5 years)	9.71	2
Free cash flow (last year)	9.71	2
Dividends (expected next year)	9.86	4
Industry	10.10	5
Price / book ratio	10.10	5
Price / Earnings Ratio (last year's earnings)	10.19	5
Volatility (last year)	10.48	6
Dividends (last year)	10.67	7
Annual Profit (last year)	10.95	8
Revenue Growth (last 3 years)	11.33	9
Earnings per share (expected next year)	11.38	10
Market Capitalization	11.57	11
Risk/return ratio, e.g., Sharpe ratio (last year)	11.76	12
Annual Revenue (last year)	12.14	13
Trade volume	12.48	14
Average price (last year)	12.52	15
Average price (expected by analysts next year)	12.71	16
Price range (last year)	13.24	17
Previous day's trading volume	13.71	18
Previous year's trading volume	14.05	19
Beta (last year)	14.95	20

Table B.2: Advisors select more socially responsible funds for SRI clients

Dependent Variable:	(1) Number of Sustainability Leaves Europe	(2) Overall ESG Rating US
SRI Mandate	2.587*** (0.254)	2.807*** (0.498)
High Financial Literacy	-0.021 (0.229)	
Low Financial Literacy	-0.032 (0.225)	
SRI Mandate x High Financial Literacy	-0.223 (0.360)	
SRI Mandate x Low Financial Literacy	-0.425 (0.364)	
Constant	2.693*** (0.563)	42.546*** (0.360)
Advisor FE	Yes	Yes
Round FE	No	Yes
Observations	420	1,380
Uncensored Observations	257	
Log Likelihood	-528.05	
Adjusted R^2		0.62

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors, clustered at the advisor level, in brackets. Column 1 shows coefficient estimates from a Tobit regression with the number of sustainability leaves of the fund that was selected for a client profile as the dependent variable. Column 2 shows coefficient estimates from an OLS regression with the overall ESG rating of the portfolio that was allocated on behalf of a client profile as the dependent variable. See Internet Appendix B.1 for more detail on how the ratings were calculated. SRI Mandate is equal to 1 for client profiles that specify an SRI mandate and 0 for client profiles that specify a conventional mandate. High Financial Literacy and Low Financial Literacy are defined in Table 5. Observations refers to the number of advisor-client pairs.*

Table B.3: Advisor time and clicks by sustainability score

Dependent Variable:	(1) Log(Time) Europe	(2) Log(Clicks) Europe	(3) Log(Time) US	(4) Log(Clicks+1) US
Sustainability Score	-0.102** (0.045)	-0.119*** (0.040)	0.017*** (0.005)	0.021*** (0.005)
High Financial Literacy	-0.543*** (0.185)	-0.230 (0.205)		
Low Financial Literacy	-0.815*** (0.187)	-0.444** (0.190)		
Sustainability Score x High Financial Literacy	-0.010 (0.048)	-0.011 (0.051)		
Sustainability Score x Low Financial Literacy	0.031 (0.051)	-0.002 (0.051)		
Female	0.025 (0.051)	-0.022 (0.060)	0.068 (0.046)	0.038 (0.037)
High Age	-0.072 (0.056)	-0.079 (0.066)	0.036 (0.053)	-0.035 (0.041)
High Income	0.003 (0.064)	-0.023 (0.060)	0.068 (0.053)	-0.003 (0.044)
Constant	4.450*** (0.182)	3.167*** (0.170)	1.453*** (0.222)	0.417*** (0.230)
Advisor FE	Yes	Yes	Yes	Yes
Round FE	No	No	Yes	Yes
Observations	420	420	1,380	1,380
Adjusted R^2	0.62	0.57	0.78	0.85

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors, clustered at the advisor level, in brackets. All columns show the coefficient estimates of OLS regressions. The dependent variable in Columns 1 and 3 is the logarithm of time in seconds that advisors take to create a portfolio for a client (obtained from metadata). The dependent variable in Columns 2 and 4 is the logarithm of the number of clicks that advisors take to create a portfolio for a client (obtained from metadata). Sustainability Score in Columns 1 and 2 is the number of sustainability leaves of the fund that was selected for a client profile. Sustainability Score in Columns 3 and 4 is the overall ESG rating of the portfolio that was allocated on behalf of a client profile. High Financial Literacy and Low Financial Literacy are defined in Table 5. Female, High Age, and High Income are defined in Table 3. Observations refers to the number of advisor-client pairs.*

Table B.4: SRI clients select more socially responsible funds for themselves

Dependent Variable:	(1) Number of Sustainability Leaves Europe	(2) Overall ESG Rating US
SRI Mandate	1.429* (0.829)	3.820** (1.688)
Constant	4.097*** (0.420)	44.777*** (1.160)
Observations	47	72
Uncensored Observations	26	
Log Likelihood	-73.57	
Adjusted R^2		0.05

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors, clustered at the advisor level, in brackets. Column 1 shows coefficient estimates from a Tobit regression with the number of sustainability leaves of the fund that was selected by a client as the dependent variable. Column 2 shows coefficient estimates from an OLS regression with the overall ESG rating of the portfolio that a client selected as the dependent variable. See Internet Appendix B.1 for more detail on how the ratings were calculated. SRI Mandate is equal to 1 for clients who communicate an SRI Mandate and 0 for clients who communicate a conventional mandate. Observations refers to the number of clients.*

Table B.5: Advisor perceptions about clients (US experiment)

	(1) Advisor Perception	(2) Actual Share
Panel A: Financial Literacy		
SRI Mandate	4.896	2.343
Conventional Mandate	4.900	2.303
Difference	-0.004	0.041
Females	4.842	2.180
Males	4.954	2.485
Difference	-0.112	-0.304***
Panel B: Investment Experience		
SRI Mandate	4.784	3.475
Conventional Mandate	4.833	3.505
Difference	-0.049	-0.029
Females	4.780	3.216
Males	4.838	3.804
Difference	-0.057	-0.588**
Panel C: Social Preferences		
SRI Mandate	7.236	7.788
Conventional Mandate	5.957	7.413
Difference	1.280***	0.375
Females	7.674	8.802
Males	7.519	8.351
Difference	0.155	0.451

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Column 1 presents advisors' average predictions about clients. Column 2 presents actual average responses given by clients. Panel A reports advisors' predicted average response (ranging from 1 to 7) to the question "How knowledgeable do you think your client is in financial matters?" and the actual average response (ranging from 1 to 4) to the question "How knowledgeable are you in financial matters?". Panel B reports advisors' predicted average response (ranging from 1 to 7) to the question "How much investment experience does your client have?" and the actual average response (ranging from 1 to 7) to the question "How much investment experience do you have?" Panel C reports advisors' predicted average response (ranging from 0 to 10) to the question "How willing is your client to give to good causes without expecting anything in return?" and the actual average response (ranging from 0 to 10) to the question "How willing are you to give to good causes without expecting anything in return?" SRI Mandate and Conventional Mandate refer to the subgroups of clients who give a socially responsible- and a conventional mandate, respectively. Females and Males refer to the subgroups of clients who report identifying as female and male, respectively. Difference reports the differences between advisors' average perceptions for and between the actual shares of sustainable versus conventional investors and for male versus female investors. Significance stars indicate the results of a t-test, with the null hypothesis that the difference is equal to 0. As advisor perceptions and actual shares are provided on varying scales, the difference between the two is not provided.*

Table B.6: What characteristics do advisors have who charge an SRI premium?

Dependent Variable:	(1) SRI Premium Charged Europe	(2) SRI Premium Charged US
Age	0.003 (0.008)	-0.003 (-0.002)
Female	0.529*** (0.197)	0.008 (0.042)
Experience	-0.013 (0.013)	0.000 (0.004)
SRI Experience	-0.031 (0.096)	
Annual Income	-0.000 (0.000)	-0.000** (0.004)
Social Preferences	-0.003 (0.096)	0.007 (0.008)
Conservative	-0.113 (0.020)	0.035 (0.021)
Constant	0.205*** (0.041)	0.224** (0.111)
Observations	70	345
Adjusted R^2	0.11	0.02

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors in brackets. Both columns show the coefficient estimates of OLS regressions with the difference in the fee charged for client profiles that specify an SRI mandate and client profiles that specify a conventional mandate. Age was given in brackets (18–24, 25–34, 35–44, 45–54, 55–64, 65 and older), which we converted to rounded midpoints per bracket (21, 29.5, 39.5, 49.5, 59.5, 65, respectively). Female is a categorical variable (1 = female, else 0) for the gender of participants. Experience was given in years, where “Less than 1 year” was re-coded to 1 and “More than 20 Years” was re-coded to 20. SRI Experience is a categorical variable that indicates the response to the question: “Does your job involve socially responsible investing?” (1 = “Yes”, else 0). Annual Income (Gross in EUR / Gross in USD in the US experiment) was given in brackets (under 20,000, 20,000–29,999, 30,000–39,999, 40,000–49,999, 50,000–59,999, 60,000–69,999, 70,000–79,999, 80,000–89,999, 90,000–99,999, 100,000–109,999, 110,000–119,999, 120,000–129,999, 130,000–139,999, 140,000–149,999, 150,000–199,999, 200,000 or higher), which we converted to rounded midpoints per bracket (20,000; 24,999.5; 34,999.5; 44,999.5; 54,999.5; 64,999.5; 74,999.5; 84,999.5; 94,999.5; 104,999.5; 114,999.5; 124,999.5; 134,999.5; 144,999.5; 174,999.5; 200,000; respectively). Social Preferences is the response (ranging from 0 to 10) to the question “How willing is your client to give to good causes without expecting anything in return?”. Conservative is a categorical that is equal to 1 if the political viewpoint was set to “Conservative” or “Very conservative”, else 0. Observations refers to the number of advisors.*

Table B.7: Advisors consider less stocks for SRI clients

Dependent Variable:	(1)	(2)
	Number of Stocks Considered	
SRI Mandate	-0.741*** (0.191)	-0.738*** (0.189)
Female		0.052 (0.156)
High Age		0.008 (0.189)
High Income		0.263 (0.232)
Constant	30.370*** (0.096)	29.956*** (0.240)
Advisor FE	Yes	Yes
Round FE	No	Yes
Observations	1,380	1,380
Adjusted R^2	0.83	0.83

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors, clustered at the advisor level, in brackets. Both columns show the coefficient estimates of OLS regressions with the number of stocks with a weight > 0 in the portfolio allocated by an advisor for a client as the dependent variable. SRI Mandate, Female, High Age, and High Income are defined in Table 3. Observations refers to the number of advisor-client pairs.*

Table B.8: Summary statistics clients

	Mean	Median	SE
Panel A: European experiment			
SRI Mandate	0.54	1.00	0.04
Female	0.44	0.00	0.04
Age	43.89	39.5	0.40
Annual Income	58,916.70	49,999.50	795.93
Delegation Decision	0.70	1.00	0.04
Financial Literacy	2.60	3.00	0.06
Financial Literacy Question 1 (Interest rates)	0.96	1.00	0.02
Financial Literacy Question 2 (Inflation)	0.83	1.00	0.03
Financial Literacy Question 3 (Risk diversification)	0.80	1.00	0.03
Perceived Financial Literacy	2.19	2.00	0.07
Investor	0.59	1.00	0.04
Investment Experience	3.02	3.00	0.14
Experience with Advice	0.22	0.00	0.03
Social Preferences	7.13	7.00	0.21
Graduate Degree	0.18	0.00	0.03
Conservative	0.14	0.00	0.03
Investment Enjoyment	4.31	4.00	0.13
Return Expectations	4.61	5.00	0.44
Panel B: US experiment			
SRI Mandate	0.48	0.00	0.03
Female	0.53	1.00	0.03
Age	43.68	39.50	0.34
Annual Income	61,153.35	69,999.5	690.41
Delegation Decision	0.67	1.00	0.03
Perceived Financial Literacy	2.32	2.00	0.05
Investor	0.73	1.00	0.03
Investment Experience	3.49	3.00	0.12
Experience with Advice	0.42	0.00	0.03
Social Preferences	7.59	8.00	0.18
Graduate Degree	0.15	0.00	0.02
Conservative	0.28	0.00	0.03
Investment Enjoyment	4.56	5.00	0.11
Return Expectations	4.41	5.00	0.53

Notes: This table reports means, medians, and standard errors for client-level characteristics from the European (Panel A) and US (Panel B) experiments. SRI Mandate is based on the response to “Do you want to give your advisor a mandate for socially responsible investing?” (1 = Yes, 0 = No). Female is a binary indicator for participant gender. Age and Annual Income were collected in brackets and converted to rounded midpoints for reporting. Delegation Decision reflects whether clients chose to invest in the advisor’s portfolio (1 = “Yes, I will take the advice”) or not (0 = “No, I will select stocks myself”). Financial Literacy is the number of correct answers (0–3) on the “Big Three” financial literacy questions from Lusardi and Mitchell (2008). Each individual question is also listed separately as a binary indicator for a correct response. Perceived Financial Literacy is based on “How knowledgeable are you in financial matters?”, coded 1 = “Not knowledgeable” to 4 = “Very knowledgeable”. Investor indicates the response (1 = Yes, 0 = No) to “Have you invested before, or are you planning to invest in the future (e.g., into stocks, bonds, investment funds, real estate)?”. Investment Experience is based on “How much investment experience do you have?” on a scale from 1 (None) to 7 (A lot). Experience with Advice is based on “Have you delegated investment decisions (e.g., purchase of stocks, bonds, investment funds, real estate) to financial advisors at banks or other institutions before?” (1 = Yes, 0 = No). Social Preferences refers to the response (ranging from 0 to 10) to the question: “How willing are you to give to good causes without expecting anything in return?”. Graduate Degree equals 1 for participants who report having completed a Master’s degree or higher, else 0. Conservative equals 1 if the political viewpoint was set to “Conservative” or “Very conservative”, else 0. Investment Enjoyment is based on “How much do you enjoy to take investment decisions?”, ranging from 1 (Not at all) to 7 (A lot). Return Expectations represents the answer to the question “What yearly gross return do you expect to make on your selected stock portfolio? (In %)”.

Table B.9: Fees charged by job exclusions

Dependent Variable: Exclusion:	(1) Portfolio Mgmt	(2) Fund Mgmt	(3) Fee (in %) Portfolio & Fund Mgmt
SRI Mandate	0.103*** (0.034)	0.097*** (0.034)	0.133*** (0.046)
Female	-0.013 (0.040)	-0.073* (0.043)	-0.033 (0.062)
High Age	0.015 (0.035)	-0.067* (0.035)	0.033 (0.052)
High Income	-0.016 (0.039)	0.024 (0.039)	-0.004 (0.053)
Constant	2.097*** (0.099)	2.027*** (0.091)	2.055*** (0.126)
Advisor FE	Yes	Yes	Yes
Round FE	Yes	Yes	Yes
Observations	100	114	74
Uncensored Observations	99	113	73
Log Likelihood	29.5	29.59	12.29

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors, clustered at the advisor level, in brackets. All columns show the coefficient estimates of Tobit regressions with the fee (in percent) charged by an advisor to a client as the dependent variable. The regressions only incorporate fees set for client profiles with unknown financial literacy. SRI Mandate, Female, High Age, and High Income are defined in Table 3. Observations refers to the number of advisor-client pairs.*

Table B.10: SRI clients are not more likely to reject advice

Dependent Variable:	(1)	(2)
	Europe	US
SRI Mandate	0.318*** (0.071)	0.041 (0.067)
Perceived Financial Literacy	0.013 (0.045)	0.027 (0.044)
SRI Mandate x Perceived Financial Literacy	-0.125 (0.279)	-0.032 (0.238)
Fee	-0.024 (0.039)	0.019 (0.034)
Female	0.088 (0.073)	0.043 (0.067)
High Age	0.036 (0.070)	0.033 (0.067)
High Income	-0.101 (0.069)	-0.011 (0.066)
Observations	157	208
Pseudo- R^2	0.19	0.01

*Notes: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$. Standard errors in brackets. Columns 1 and 2 show the marginal effects of probit regressions, where the dependent variable is 1 if a client took the advice and 0 otherwise. SRI Mandate is equal to 1 for clients who communicate an SRI Mandate and 0 for clients who communicate a conventional mandate. The interaction term is not given as a marginal effect. Perceived Financial Literacy represents a client's answer (ranging from 1= "Not knowledgeable" to 4= "Very knowledgeable") to the question "How knowledgeable are you in financial matters?". Fee is the fee (in %) charged by the advisor. Female is equal to 1 if a client is female. High Age is equal to 1 if a client is between 45 and 54 years old. High Income is equal to 1 if a client has a gross annual income between EUR/USD 60,000–79,999. Observations refers to the number of clients.*

References

- Aragon, G. O., Jiang, Y., Joenväärä, J., & Tiu, C. I. (2025). Responsible investing: costs and benefits for university endowment funds. *Journal of Financial Economics*, *172*, 104151.
- Avramov, D., Cheng, S., Lioui, A., & Tarelli, A. (2022). Sustainable investing with ESG rating uncertainty. *Journal of Financial Economics*, *145*(2), 642–664.
- Berg, F., Koelbel, J. F., & Rigobon, R. (2022). Aggregate confusion: The divergence of ESG ratings. *Review of Finance*, *26*(6), 1315–1344.
- Kirchler, M., Lindner, F., & Weitzel, U. (2018). Rankings and risk-taking in the finance industry. *The Journal of Finance*, *73*(5), 2271–2302.
- List, J. A., & Gallet, C. A. (2001). What experimental protocol influence disparities between actual and hypothetical stated values? *Environmental and Resource Economics*, *20*(3), 241–254.
- Lusardi, A., & Mitchell, O. S. (2008). Planning and financial literacy: How do women fare? *American Economic Review*, *98*(2), 413–17.
- Pástor, L., Stambaugh, R. F., & Taylor, L. A. (2022). Dissecting green returns. *Journal of Financial Economics*, *146*(2), 403–424.
- Pedersen, L. H., Fitzgibbons, S., & Pomorski, L. (2021). Responsible investing: The ESG-efficient frontier. *Journal of Financial Economics*, *142*(2), 572–597.