Investor Valuation for Socially Responsible Assets: A Willingness to Pay Experiment*

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Abstract

We present an experimental study of investors' willingness to pay for socially responsible assets. We design an initial public offering experiment in which various assets may be issued with an identical financial risk-return profile but with different intensity and timing of societal benefits. The societal benefits are represented in the experiment by a donation to a charity that materializes only if the asset is issued. In the experiment, subjects attribute a positive value to societal benefits for large but not for low levels of expected donation. Moreover, when the societal benefit occurs along with bad financial performance, assets suffer from a price discount compared to cases in which it occurs with good performance. This implies that

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utility functions appear to be non-separable in wealth and societal benefit. We offer implications for the design of corporate social responsibility policies and for the pricing of responsible assets.

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1 Introduction

According to Bénabou and Tirole (2010), Corporate social responsibility (CSR) refers to actions that go beyond legal obligations in the pursuit of social interest. Some CSR actions, referred to as strategic CSR by Baron (2001), are beneficial for profits: in such win-win situations, both shareholders and society as a whole benefit. Other CSR actions reduce profits to benefit stakeholders via societal benefits (Kitzmueller and Shimshack (2012), refer to these actions as not-for-profit CSR; Bénabou and Tirole (2010), refer to them as delegated philanthropy). In both cases, the question that arises is whether shareholders value the societal benefits generated by CSR.

This question is of particular relevance given the significant development of Socially Responsible Investing (SRI) in today's financial markets. SRI enables investors to incorporate non-financial values in their investment decisions. In 2020, SRI represents roughly $17.1 trillion or more than one third of US assets under management, up by 42% since 2018 (US SIF, 2020). Whether investors choose SRI for non-financial considerations related to CSR or because they expect to improve their portfolios' risk-return tradeoff is however not clear. On the one hand, Riedl and Smeets (2017) and Bauer et al. (2021) show that social preferences are a primary determinant of the decisions to invest in responsible mutual funds and have more sustainable pension savings. Similarly, Barber et al. (2021) provide evidence that institutional investors invest in impact funds despite the fact that these funds earn lower returns than traditional venture capital funds. On the other hand, Døskeland and Pedersen (2016) find that individual investors are primarily motivated by financial considerations to invest in responsible funds. In addition, it seems that individual and institutional investors expect to earn higher returns and reduce portfolio risk by incorporating climate risk and investing more responsibly (Hartzmark and Sussman, 2019; Krüger et al., 2020). Corroborating this evidence, the signatories of the United Nations Principles of Responsible Investment, who are institutional investors representing $103.4tn of global assets under management, commit to incorporating environmental, social and governance (ESG) issues in their investment process because they "believe that ESG issues can affect the performance of investment portfolios" (UNPRI, 2021b,a).

This paper proposes a willingness to pay experiment to study whether investors value societal benefits, keeping constant financial performance. Our experiment features initial public offerings of several assets which have identical financial payoffs. The assets' payoffs are presented as lotteries with two states, one good state, with a high financial payoff, and one bad state, with a low financial payoff. Both states are equally likely. Responsible assets additionally trigger a societal benefit. We introduce this societal benefit in our experiment via a donation to a charity (Baron, 2007; Bénabou and Tirole, 2010). We select three well-known charities, Greenpeace, the Red Cross and Transparency International to cover environmental, social and governance issues, respectively. In the basic setup

of our experiment, the donation of the responsible asset is similar in the good and bad state. To test whether the correlation with future economic conditions has an influence on preferences for social responsibility, we compare subjects' willingness to pay if the donation only takes place in the bad state or in the good state, while keeping the expected donation constant. To measure whether subjects display increasing marginal utility from doing good, we introduce a highly responsible asset that displays an expected donation that is twice as large as the baseline donation. We can thus test how individuals evaluate large compared to small levels of expected societal benefits.

To infer investor willingness to pay for the various types of societal responsibility, assets are auctioned off using a Becker et al. (1964) mechanism that induces truth-telling under some conditions. Because our experimental design ensures identical risk-return expectations for all assets, pecuniary motives cannot explain potential differences in asset prices. Moreover, by construction, subjects' choices matter for their compensation. Stating an inflated or deflated willingness to pay for an asset results in a lower expected compensation. Experimental instructions indicate that the donation is actually handed over to the respective charity if and only if the related assets are issued. Thus, subjects know their decisions have an impact.

After the experiment, we present subjects with a questionnaire to measure their personality traits and gain a better understanding of the psychological drivers that motivate people to invest responsibly. Specifically, we test how altruism (Brodback et al., 2019; Schwartz, 1992), long-term orientation (Bearden et al., 2006; Flammer and Bansal, 2017; Slawinski et al., 2017), religious values (Kumar et al., 2011; Peifer, 2010), political engagement (Bolsen et al., 2014; Dawes et al., 2011; Fowler, 2006), and the perceived effectiveness of doing good (Brodback et al., 2019; Nilsson, 2008, 2009) relate to individuals' willingness to pay for social responsibility.

Using the experimental methodology allows us to circumvent two major difficulties faced by empirical studies on CSR and SRI. First, it allows us to control expectations on assets' financial payoffs and thereby identify the willingness to pay for their impact on society. Second, it enables us to exogenously vary the level, type and timing of the societal benefits.

Our results show that there is generally a higher willingness to pay for socially responsible assets than for conventional assets, which increases steeply in an asset's societal benefit. For an asset with a donation of €20 in each state, which represents 40% of the expected financial payoff of €50, the premium compared to the conventional asset is small and not statistically significantly different from zero. For an asset with a donation of €40 in each state, which represents 80% of the expected financial payoff, the premium

increases to a statistically significant €4.62.[1] This indicates that subjects' marginal utility from doing good increases. Overall, however, although subjects are willing to pay more for the responsible asset than for the conventional one, the magnitude of the premium is substantially smaller than the expected amount of the donation. This indicates that subjects do not internalize the entire level of the societal benefit generated by the asset.[2]

In addition, we find that subjects' willingness to pay for societal benefit strongly depends on the correlation between this benefit and the financial payoff. Subjects are willing to pay significantly more for assets which donate only in the good state than for assets that donate only in the bad state. For assets that have an expected donation of €20, the asset that donates only in the good state shows a significantly positive premium of €1.61 compared to the conventional asset. In contrast, the asset that donates only in the bad state shows a significantly negative premium of €-3.71. Thus, although both assets have the same expected donation of €20, their price difference is €5.32. The lower price we document for the asset which donates only in the bad state suggests that subjects do not perceive a donation as a hedge against their own bad financial outcome. On the contrary, it seems that subjects display reluctance for social responsibility that delivers societal impact in bad financial times. This finding is in line with ex-post inequity aversion as modelled by Fehr and Schmidt (1999) and Bolton and Ockenfels (2000). Subjects' preference for an asset which only donates in a good state corresponds to correlation seeking behavior (Richard, 1975; Epstein and Tanny, 1980; Eeckhoudt et al., 2007). Overall, our result implies that subjects' utility function is non-separable in wealth and societal benefits.

Our results at an individual level show that premia for social responsibility increase in a subject's level of altruism, measured by a psychometric questionnaire. This is in line with previous literature: see Brodback et al. (2019), Riedl and Smeets (2017) and Nilsson (2009). We further show that the preference for positive correlation between financial payoffs and societal benefits does not depend on altruism. We also show that subjects with high altruism have linear preferences for donation: for them, marginal utility from doing good is constant.

Finally, we find that our subjects perceive social issues to be the most important, as they are willing to pay the highest premia for assets which donate to a social cause. The positive premia of responsible over conventional assets are lower for environmental and the least for governance issues. However, these results might stem from the different brand images or perceived trustworthiness of the various charities we selected for our

[1] The magnitude of the societal benefit we chose in the experiment is in line with the estimates offered by Allcott et al. (2023): as shown in their Figure 7 displaying corporate social impact per dollar of revenue for twelve industries in the US, profits can be of the same order of magnitude as environmental externalities.

[2] This result can be interpreted as putting a number on the parameter of internalization, denoted α_I, in Dewatripont and Tirole (2023)'s model: this parameter reflects the willingness of investors to accept a reduction in their return in proportion α_I of the amount of the societal benefit, denoted W. Our experiment suggests that this parameter α_I is around 10%.

experiment.

Our experiment design can be interpreted literally: our set up enables one to better understand how investors value corporate donations (see, for example, the papers by Morgan and Tumlinson (2019); Navarro (1988); Brammer and Millington (2005, 2008) on the topic). However, we favor two alternative interpretations in which donations are viewed as an analogy for the externalities generated by CSR policies or as an analogy for CSR expenditures.[3]

In the first interpretation, the donation is viewed as representing an externality that is directly impacting society.[4] In this externality interpretation, the proceeds from issuing assets are invested in a project (not described in the experiment) that generates both a financial cash flow and a societal externality. The project could for example be the construction of a renewable power plant that would avoid the use of fossil fuels to generate power. If financed thanks to the issuance of financial assets, this project would generate cash flows and would also avoid carbon emissions, hence generating a positive environmental externality.[5] This situation would entail a positive correlation between financial cash flows and societal externalities: when the renewable power plant is called to produce energy, it both creates financial cash flows and avoids carbon emissions.[6]

In this externality interpretation, our main finding, that a responsible asset generating an extra-financial benefit in bad times suffers from a valuation discount, has implications for the design of CSR policies and the pricing of responsible assets. First, it suggests that it would be beneficial for firms to design socially responsible projects such that they generate extra-financial benefits that have a positive correlation with the return of the market portfolio. For example, in the context of corporate climate action, this would be the case of a carbon capture project that would generate more societal benefits when the firm is producing more and hopefully makes a larger profit, i.e., in good economic conditions. Second, it suggests that, to empirically study the link between asset prices and corporate social responsibility, it is important to control for the correlation between the extra-financial benefits produced by firms and their investors' financial returns.

In the second interpretation, the donation represents an investment in CSR that will

[3] In our setting, CSR externalities or CSR expenditures are fixed for a given asset, viewed as being issued to finance a given firm. We thus perform a cross-sectional analysis comparing the valuation of assets with different levels and timing of societal benefits. It would be very interesting to study the endogenous decision to implement CSR policies. We leave this for future research.

[4] This interpretation is adopted for example by a contemporaneous study by Bonnefon et al. (2019) who use a framework similar in spirit to ours and use the term externality to refer to the donation.

[5] In future research, it could be interesting to set up an experiment that explicitly includes a project that generates an externality, for example, that depends on the size of the project. Behavior might be different when the link between the firm's project and its externalities is more explicit.

[6] An example of a negative correlation between financial cash flows and societal benefits is offered by a given company's project to set up a team of consultants. When consultants are busy working for the company's clients, they generate cash flows for the company. When they are idle, if allowed by the company, they can work to help other organizations or citizens, thereby generating a positive social externality.

produce societal impacts at a later date, i.e., when the donation actually translates into benefits for society thanks to the action of the recipient NGOs. Here, the donation/CSR investment is viewed as coming from a reduction in the asset's financial cash flows paid by the firm to investors. Along this interpretation, our main experimental finding has implications for the design of CSR policies. It suggests that investors evaluate more positively CSR investments that are planned to occur in good rather than in bad financial times, other things being equal. This provides an avenue for an empirical analysis of the timing of CSR expenditures that could be interesting to develop in future research.

Two features of our experimental design call for a more extensive discussion: the use of the BDM mechanism and the independence between societal benefits and future financial performance. On the one hand, the BDM mechanism is known to be difficult for subjects to understand, especially when no feedback is provided (see, e.g., Cason and Plott (2014)). Subjects' misunderstanding of the mechanism may explain some of the result we observe in our experiment. We therefore checked and found that our main conclusions are not affected if we focus on subjects that do not submit unreasonably extreme bids and on subjects who do not bid more than the expected value of the asset when there is no societal benefit. However, in future experiments, it could be interesting to check the validity of these findings. For example, one could measure participants' cognitive ability, that has been showed to positively associate with trading performance (Corgnet et al., 2018), and test whether our results hold for participants with high cognitive ability.

On the other hand, despite the fact that instructions explicitly stated that each replication of the experiment was independent from previous replications, some subjects might have wrongly believed that there was a link between the societal benefit generated by an asset and its financial payoffs in future replications. Even if it is always difficult to control that subjects perfectly understand the instructions, in future experiments, one could test whether participants understand that, in our design, the societal performance at a given round of the experiment is independent from future financial performance. Moreover, one could also design a novel experiment in which, instead of being independent, current societal benefits could be used as a signal of future financial payoffs. Varying the level of correlation between these two variables would enable the study of investors' ability to use CSR as a signal for future financial performance. Such an experiment could be interesting and relevant for practice but it is left for future research.

The rest of the paper proceeds as follows. Section 2 offers a literature review and explains our contributions. We present the experimental setup in Section 3. Section 4 formulates theoretical predictions and main hypotheses. Section 5 presents the experimental assets and the study implementation. We report descriptive statistics and results in Section 6 and 7. Section 8 assesses the robustness of our findings. We discuss practical implications and conclude in Section 9.

2 Literature review and contributions

Our work is related to experimental and survey studies on socially responsible investing that analyze who invests responsibly (Brodback et al., 2019; Dorfleitner and Utz, 2014; Gutsche and Ziegler, 2019; Nilsson, 2009), why people invest responsibly (Brodback et al., 2019; Glac, 2009; Gutsche and Ziegler, 2019; Riedl and Smeets, 2017), how differential information affects responsible investing (Barreda-Tarrazona et al., 2011; Døskeland and Pedersen, 2016; Lewis and Mackenzie, 2000; Pasewark and Riley, 2010; Webley et al., 2001; Martin and Moser, 2016; Crifo et al., 2015) and willingness-to-pay for hypothetical socially responsible funds (Gutsche and Ziegler, 2019).[7]

We contribute to this literature in two ways. First, we present a novel and incentivized experimental design that elicits an individual's willingness to pay for responsible assets. By assuring that conventional and responsible assets have identical risk-return trade-offs, we learn how much an individual is willing to pay for social responsibility, independently of its potential impact on financial performance. With otherwise identical assets, we therefore circumvent any effects that pecuniary motives would have on the valuation of assets. Such endeavor is extremely difficult to pursue with naturally-occurring data. Our paper thus allows to advance our understanding of whether non-financial values affect investment decisions and asset prices. Doing so, we offer empirical evidence on the existence of an investor taste for ESG, a factor included in various influential theoretical papers studying the pricing of responsible assets (see, e.g., Fama and French (2007); Pástor et al. (2021); Pedersen et al. (2021)).

Second, by varying the timing of occurrence of an asset's social responsibility, we learn about whether the state of the economy has an impact on how much an individual is willing to pay for a responsible asset. At the same time, it allows us to elicit individual's multivariate risk attitudes for wealth and "doing good". To the best of our knowledge, our paper is the first to empirically investigate preferences for correlation between risks on wealth and on pro-social benefits such as donations. Such preferences for correlation have been theoretically studied in three seminal papers by Richard (1975), Epstein and Tanny (1980) and Eeckhoudt et al. (2007). There is a growing theoretical literature dealing with higher order risk preferences within the domain of health and wealth (Rey and Rochet, 2004; Lee, 2005; Kakolyris, 2017; Crainich et al., 2017; Attema et al., 2019), inter-temporal consumption and savings decisions (Leland, 1978; Bommier, 2005; Andersen et al., 2018), inequality (Atkinson and Bourguignon, 1982), labor (Eaton and Rosen, 1980; Tressler and Menezes, 1980), energy policy (Keeney, 1977) and international relations (O'Neill, 2001). Our experimental results are useful to better calibrate these theoretical models. Another domain of application is related to climate change. In his study on the ecological discount

[7] Our study is also related to experimental studies on IPOs and different auction mechanisms (Goswami et al., 1996; Zhang, 2009; Bonini and Voloshyna, 2013; Füllbrunn et al., 2020; Almeida and Leal, 2015). But these studies do not focus on socially responsible assets.

rate, Gollier (2010) shows that preferences for correlation govern the willingness to invest in the environment: this willingness is decreasing in the rate of economic growth if and only if the representative agent is correlation-averse. Our paper suggests that agents are correlation-seeking and this has implications for the ecological discount rate.

In concurrent and complementary work, Bonnefon et al. (2019) propose an experiment to study how subjects bid for risk-free assets that generate positive or negative externalities. They find that subjects' bids reflect a sizeable portion of the externalities generated by the assets, both for the positive and the negative cases, even when subjects' choices have no consequences. The result that actual impact does not affect willingness to pay is in line with the findings of Heeb et al. (2023).[8] Using a field experiment approach, this paper shows that the size of environmental externalities does not affect the fees that people are willing to pay to invest in sustainable funds. We complement the work of Bonnefon et al. (2019) and Heeb et al. (2023) by explicitly modelling risky assets and by investigating whether the correlation between cash flows and externalities affects asset valuation.

Our study also speaks to the link between the level of the societal benefit generated by an asset and the responsibility premium. This is important because our study thus complements the contemporary empirical evidence offered by Bonnefon et al. (2019) and Heeb et al. (2023). Bonnefon et al. (2019) show that subjects accept lower returns for investing in responsible assets, even if their action is not directly pivotal. Heeb et al. (2023) show that above a given level, the responsibility premium does not vary with the level of societal benefit. Our results indicate that, when the societal benefit is too small, it has little effect on asset valuation. This questions the results obtained in Bonnefon et al. (2019) and Heeb et al. (2023) and thus calls for more experiments on this issue.

In another related study, Humphrey et al. (2020) design an experiment to understand how externalities influence individuals' capital allocation between a risky asset and cash. This study features two treatments in which a sum which equals the payoff earned by the subject on the risky asset is donated to, or deducted from, an amount of money offered to a non-profit organization. Results show that negative externalities, but not positive externalities, matter for capital allocations. We complement this work by focusing on asset valuation and by studying whether the size and the timing of externality affects valuation.

Our paper is also related to the experimental literature on giving and risk. Brock et al. (2013) set up an experiment on the dictator game to study whether risk influences pro-social behavior. Their design includes six tasks. The last one is closest to our set up. It features a dictator that is asked to donate x tokens out of 100 to a recipient. The potential final allocations are either x/2 or 100-x/2 with the same probability, for the dictator, and either 50-x/2 or 50+x/2 with the same probability, for the recipient, the

[8] See also Crumpler and Grossman (2008).

two lotteries being independent. The choice of the dictator clearly influences the risk faced by the recipient. This is similar to our set up. However, the game of Brock et al. (2013) does not feature financial assets per se or their pricing. Moreover, the recipient is another player in the experiment. We thus believe that our set up that studies the willingness-to-pay for risky assets with consequences for ESG issues is better suited to study socially responsible investments. Finally, Brock et al. (2013) does not study what happens when the level of correlation between the lotteries of the dictator and of the recipient changes. Cettolin et al. (2017) study whether risk preferences influence giving propensity when the giver is facing risk or not. Cappelen et al. (2013) study the fairness of allocations affected by risk. Exley (2016) investigates individual preferences for risk on money for themselves and on donations to a charity. She finds that subjects decide to invest less of their own money to generate donations for a charity that are risky than to generate payoffs for themselves with the same level of risk. Fahle and Sautua (2021) study the interplay between giving behavior and loss aversion. These papers do not vary the type and timing of the donation which are the main focuses of our study.

3 Experimental Setup

In our experiment, subjects are presented with five different assets A_k where $k \in \{1, ..., 5\}$. We set up assets as lotteries whose returns depend on the future state of the economy (Gneezy and Potters, 1997; Plott and Sunder, 1982). The state can be good, denoted by h, in which case the asset payoff is high; or the state can be bad, denoted by l, in which case the asset payoff is low. Figure 1 shows the assets we use in our baseline experiment. The conventional asset A_1, which contains no responsibility component, offers a financial payoff of 100 experimental currency units in state h and zero in state l. Both states occur with the same probability, 0.5. This simple structure for our setup ensures that participants can easily form expectations. It is straightforward to compute that the expected financial payoff amounts to 50.

[Figure 1 about here.]

To incorporate responsibility in our experimental setting, we follow Bénabou and Tirole (2010). They define corporate social responsibility as the fact that firms act in the interest of their stakeholders and society on a voluntary basis and beyond their legal obligations. Within CSR, they define delegated philanthropy as "a channel for the expression of citizen values" (Bénabou and Tirole, 2010, p. 10). The firm engages in CSR on behalf of stakeholders (investors, customers...) to do good for society. In our experiment, we set up a firm's societal externality as a donation to a charity. The donation reflects Bénabou and Tirole (2010)'s idea of delegated philanthropy. If participants purchase the asset, a donation will be made on their behalf. For the donation, we select

well-known charities that reflect the environmental, social, and governance dimensions that are common in responsible investing (UNPRI, 2018).

We present the participants with four different responsible assets A_k, where $k \in \{2, ..., 5\}$. The distribution of financial payoffs for all responsible assets $A_2, ..., A_5$ is identical to the one for the conventional asset A_1. We thus ensure that pure financial considerations do not affect differently participants' willingness to pay for the conventional and responsible assets. Responsible assets can trigger a donation in the good state and/or in the bad state. We define the donation of asset A_k in the good state h as g_{h,A_k}. The donation in the bad state l is g_{l,A_k}. For asset A_2, we have $g_{h,A_2} = g_{l,A_2} = 20$. For asset A_3, we have $g_{h,A_3} = 0$ and $g_{l,A_3} = 40$. For asset A_4, we have $g_{h,A_4} = 40$ and $g_{l,A_4} = 0$. And for asset A_5, we have $g_{h,A_5} = g_{l,A_5} = 40$. We chose these particular values for the donations because, as shown in the next section, they allow us to draw inferences about subjects' preferences for donations. Remark that the expected level of donation is the same for assets A_2, A_3, and A_4, and that it is twice as large for asset A_5. Figure 1 shows the structure of the responsible assets' financial payoffs and donations.

We request participants to state their willingness to pay for each experimental asset. To try and induce truthful revelation of the maximum amount a subject is ready to pay to buy a given asset, we use Becker, DeGroot, and Marschak (BDM) mechanism (Becker et al., 1964). For a given purchase decision of a given asset A_k, participants are endowed with 100 experimental currency units, which they can use to make a bid denoted b_{A_k}. The benchmark price p_{A_k}, at which a transaction may occur, is randomly determined using a uniform distribution between the lowest and highest potential financial payoffs. Each integer in this interval is equally likely. A transaction occurs, and thus the given asset is issued, at the benchmark price p_{A_k} if and only if a participant's bid b_{A_k} is larger than or equal to the benchmark price p_{A_k}. Individuals' choices thus matter and a donation is made only if the participant is willing to pay a sufficiently high price. We consider Becker et al. (1964)'s mechanism as a metaphor for an initial public offering mechanism.

4 Hypotheses

Several strands of literature suggest that human behavior displays other-regarding preferences. A large body of work shows that people – depending on their personality characteristics – donate time and money to improve the lives of others (Andreoni and Vesterlund, 2001; Andreoni et al., 2003, 2017; Carpenter and Myers, 2010; DellaVigna et al., 2012; Eckel and Grossman, 1996, 1998, 2003; DellaVigna et al., 2013; Smeets et al., 2015). Similarly, the marketing literature suggests that consumers are willing to pay price premia for products that are associated with a pro-social component. These products can be more environmentally friendly, such as organic products, or related to better labor working conditions, such as fair trade products (Casadesus-Masanell et al.,

2009; Elfenbein and McManus, 2010; Gneezy et al., 2010; Loureiro and Lotade, 2005; Tully and Winer, 2014). Therefore, we hypothesize that:

H1: Individuals are willing to pay more for an asset with which they do good than for a conventional asset.

This first hypothesis is equivalent to $b_{A_k} > b_{A_1}$, where $k \in \{2, ..., 5\}$.

Despite having important asset pricing consequences, research on investors' preferences for societal externalities that accrue in different future economic times is scarce.[9] To formulate hypothesis 2, we rely on research in management and social psychology. A recent article by Morewedge et al. (2016) investigates "emotional hedging", the fact of betting against a desirable outcome. Sports fans and supporters of US presidential candidates were offered a payment should their favored team or candidate lose. If a financial payment could be a substitute for the desirable outcome, a participant should hedge against the bad outcome. In contrast to this prediction, Morewedge et al. (2016) find that participants were reluctant to hedge as they felt it was disloyal to bet against their team or candidate.

Another stream of research suggests that individuals' generosity increases with their well-being (Cunningham, 1979). A related phenomenon is the "warm-glow of success" according to which people who have succeeded at a task are more generous; see Isen (1970), Isen et al. (1973), Isen and Levin (1972) and Harada (1983). Studies that investigate longitudinal panel data confirm this effect and suggest that happy individuals are more inclined to volunteer (Thoits and Hewitt, 2001) or donate to a charity (Boenigk and Mayr, 2016; Wang et al., 2008). One caveat in the application of these insights to our framework is that the warm-glow of success refers to ex-post donations, i.e., donations after the state of happiness is realized, while, in our experiment, participants assess outcomes ex-ante.

In line with the above reasoning, we propose the following hypothesis:

H2: Individuals are willing to pay more for a responsible asset where the societal benefit occurs in the good state than for a responsible asset where the societal benefit occurs in the bad state.

Hypothesis $H2$ is equivalent to $b_{A_4} > b_{A_3}$. It speaks to multivariate risk preferences, a concept originally introduced by Richard (1975) and studied by Epstein and Tanny (1980) and Eeckhoudt et al. (2007). Hypothesis $H2$ would hold if individuals display correlation seeking preferences. To the best of our knowledge, no other work in the experimental literature studies correlation risk preferences within the domain of charity, donations or

[9] The literature that deals with socially responsible investing and corporate social responsibility during crisis focuses on the relation between corporate social responsibility and financial performance (see Lins et al. (2017), Muller and Kräussl (2011) and Nofsinger and Varma (2014), for the great financial crisis, and Albuquerque et al. (2020) for the Covid-19 crisis).

responsible investing.

The literature suggests a positive correlation over time between donations: people who give more to one good cause tend to give more to another cause; see, e.g., Benz and Meier (2008), de Oliveira et al. (2011) and Vesterlund (2006). This suggests an underlying motivation to give that can manifest in an incremental way – people who already gave are willing to give even more. Other research has documented increasing marginal utility, as in the case of collectables (Simões et al. (2014)) or small increases (up to 1 year) in life-expectancy (Kvamme et al. (2010)). We therefore formulate the following hypothesis:

H3: Individuals are willing to pay increasingly more for more responsible assets.

Hypothesis $H3$ is equivalent to $b_{A_5} - b_{A_2} > b_{A_2} - b_{A_1}$. In Appendix A, we show how our hypotheses are related to various preference characteristics in an expected utility framework.

5 Experimental Design

5.1 Implementation

Our experiment is computer-based. To avoid order effects, assets are presented in random order. To represent assets' societal externalities, we select Greenpeace, the Red Cross, and Transparency International as charities that receive the donations. These charities cover the three domains of responsible investing, namely environmental, social and governance factors, respectively. When they face the responsible assets, participants read a brief mission statement taken from each charity's website. Further, a logo of the respective charity signals to which cause an asset donates. We do so to ensure that individuals understand the good cause that is associated with an asset. We only expect a positive premium for the responsible asset if participants understand and care about the good cause and, in addition, trust the selected charities (Bennett, 2003). We thus use well-known and well-respected charities.

Each responsible asset A_k, with $k \in \{2, 3, 4, 5\}$, is implemented with each charity, in random order. Moreover, each asset A_k, with $k \in \{1, 2, 3, 4, 5\}$, is faced twice by each participant. This enables us to filter out some noise. In total, every participant makes 26 decisions: for the conventional asset A_1, 2 replications; for the responsible assets A_k, with $k \in \{2, 3, 4, 5\}$, 4 types of asset for 3 charities with 2 replications each.

In Figures 2 to 4, we display examples of screenshots from the experiment with responsible asset A_2. After observing this screen, participants were asked for the maximum price they would be willing to pay for the asset, i.e., their bid.

[Figure 2 about here.]

[Figure 3 about here.]

[Figure 4 about here.]

We recruited participants from the university's experimental subject pool that allows students of all disciplines to sign up. We have a relatively diverse sample structure with only 54% of business and economics students. The experiment lasted on average 35 minutes per session. Instructions were read aloud by the experimenter before the start of the experiment. Each participant had a written copy of the instructions available. After 7 sessions, we obtained an initial data set of 143 participants on November 26-29, 2018. Unexpectedly, we observed that 14.68% of the 143 participants reported an average willingness to pay (hereafter, WTP) of 100 or 0 for the conventional asset. We interpreted these bids as irrational. This suggested to us that some participants did not fully understand the instructions. As a consequence, the instructions were slightly revised and we moreover included a pen and paper quiz to be taken by every participant before the start of the experiment. Participants received immediate feedback on their quizzes by the experimenter. In particular, the new instructions emphasize more clearly how compensation relates to the participant's willingness to pay for an asset. To do so, we presented two exemplary persons and discussed their variable payment in three scenarios, in which the randomly determined price varies. With the pen and paper quiz, we tried to make sure that participants understood how their bids and the randomly determined prices of assets determine their potential compensation. We conducted 7 additional sessions with 159 subjects who faced the new instructions on December 11, 2018 and January 16, 2019. With the new instructions, the fraction of subjects with average WTP of 100 or 0 for the conventional asset is reduced to 7.55%. In regression analysis, we control for the use of new instructions. Both versions of the instructions as well as the pen and paper quiz are displayed in Appendices C.1 to C.4.

We run additional sessions to assess the robustness of our results. To assess if there is a particular role played by the zero payout in the bad state and if inequity aversion drives our results, we introduce two additional types of experimental assets with the same expected payoffs and donations, but different payoffs in the good and bad states. In each robustness experiment, we first repeat our baseline experimental assets A_1 to A_5, as depicted in Figure 1.

To account for the fact that the zero payout in the bad state may affect subjects' choices, we introduce a new type of assets that pay out 90 and 10 in the good and in the bad state, respectively, as shown in Figure 5. We denote these assets as A_{11}, A_{12}, ..., A_{15}. This enables the avoidance of the zero payout, achieving the same average payoff, and maintaining a roughly similar level of volatility.

[Figure 5 about here.]

The second new type of experimental assets is depicted in Figure 6. It enables us to study whether our results are affected by subjects' dislike for inequitable outcome between themselves and the charity in the bad state. While keeping the expected payoffs and donation constant, the payoff in the good and bad state now amounts to 60 and 40, respectively. We denote these assets as A_{21}, A_{22}, ..., A_{25}.

[Figure 6 about here.]

We conduct 30 rounds of bidding (for each of the 3 types, $A_{.}$, $A_{1.}$, and $A_{2.}$, there are 5 assets and 2 turns). For these additional sessions, to keep the experiment's duration reasonable, we exclusively use donations to the Red Cross: we were concerned that participants might lose attention if we present them with more than 30 rounds of bidding. We run these additional experiments with a new sample of 151 participants on December 2-3, 2019 and January 8-9, 2020.

Our main empirical analyses are performed on the entire sample of 453 participants. Additional analyses are performed on various subsamples.

5.2 Incentive Compatibility

All participants received a fixed payment of €10 as a show-up fee, which is the typical hourly wage for a student job in Germany. The incentive compatible variable payment relies on the BDM mechanism which we introduced in section 3. In order to elicit willingness to pay, we pay out only 10% of participants with a variable payment on top of the fixed payment.[10] We randomly select these 10% of participants to be paid out according to one randomly determined investment decision. For their payout, we exchange 1 experimental currency unit for 1€. That is, every participant received a fixed payment for participation in addition to a $\frac{1}{10}$ chance to receive the attractive variable payment that is substantially higher. The monthly available net income (after payment of fixed costs) of a typical German student amounts to €215 (Statista, 2017). With an overall (i.e., fixed + variable) payment that can sum up to be more than €200, our incentive compensation may represent a substantial amount for student subjects. These higher amounts make incentives more salient while keeping the expected payout for the experimenter at a reasonable level.

Participants who were randomly selected to receive the variable payment rolled dice to determine which decision and state of the world matter for their payment. Winning participants earned an average variable compensation of €119.62. The overall (i.e., fixed plus variable) average payout per participant amounts to €19.51. Note that by design, the variable payout can be zero at the least and doesn't result in a loss.

[10] See Charness et al. (2016); Dohmen et al. (2011); Laury (2005); Vrecko and Langer (2013) for recent evidence on the feasibility of this procedure.

5.3 Measurement of Variables

The dependent variables for our analyses are derived from the participants' bids $b_{A,1}$ to $b_{A,5}$ (we average bids over the two decisions that subjects make for a given asset). These bids are obtained by asking participants to state their willingness to pay for the respective assets. We then compare the stated willingnesses to pay for responsible assets and for the conventional asset. If this difference is positive, corresponding to a premium, we learn that individuals are indeed willing to pay more for an asset with which they do good. Participants further report a self-assessed portrait of psychological and demographic characteristics via a questionnaire following the experiment. This questionnaire is displayed in Appendix D.

Previous research based on surveys and holding data suggests that social preferences are an important determinant of the decision to invest responsibly.[11] We follow Brodback et al. (2019) and utilize items from the Schwartz (1992) value inventory to measure participants' altruistic and egoistic values. These items are very commonly used in value research (Lindeman and Verkasalo, 2005; Parks-Leduc et al., 2015). As recommended by Schwartz (1992, p. 17), participants rate on an 8-point Likert scale ranging from "Not important at all" to "Of supreme importance" to what extent the respective items represent "a guiding principle in their life." We select 9 of the overall 56 items in the Schwartz (1992) value inventory; see Appendix D, items 1.1 – 1.9, taken from Brodback et al. (2019). To measure egoism, we select 5 of these 9 items: authority, social power, wealth, ambition, and success. To measure altruism, we select the remaining 4 items: equality, social justice, protecting the environment, and unity with nature. Brodback et al. (2019) show that the egoism and altruism scales measure different variables and are internally consistent.

With items 2.1 – 2.5 we elicit investment knowledge as well as risk and return expectations of socially responsible investments (hereafter, SRI).[12] We ask our participants to assess their investment knowledge on a 5-point scale ranging from "Very poor" to "Very good." Participants next report how long they have been investing with options ranging from "Not at all" to "More than 10 years." Participants then indicate whether they have heard about SRI before this experiment.[13] Items 2.4 and 2.5 inquire about an assessment of the risk and performance of SRI in comparison to conventional investments.

[11] See Brodback et al. (2019); Gutsche et al. (2016); Nilsson (2009); Wiesel et al. (2016); Riedl and Smeets (2017). There is no clear consensus in the literature on how to assess social preferences and the aforementioned articles have, e.g., relied on self-reported donations or reciprocal behavior in experimental games to proxy for social preferences.

[12] See van Rooij et al. (2011); Riedl and Smeets (2017); Dorfleitner and Utz (2014); Nilsson (2008).

[13] To understand the intuition behind responsible investments, a brief definition is provided at the beginning of the second part of the questionnaire. The definition is obtained from the 2017 annual report of Forum Nachhaltige Geldanlagen, "an association promoting sustainable investment in Germany, Austria and Switzerland", similar to the US SIF. The report is available online at `https://www.forum-ng.org/images/stories/Publikationen/fng_marktbericht_2017_online.pdf`.

Participants indicate their perceptions of the risk of SRI on a 5-point Likert scale ranging from "A lot less risky" to "A lot more risky". Additionally, they rate their return perceptions of SRI compared to conventional investments on a 5-point Likert scale ranging from "Much higher" to "Much lower".

Next, participants have to assess the effectiveness of doing good.[14] In Appendix D, items 2.6 – 2.9, we utilize a scale for perceived effectiveness of doing good based on Nilsson (2008, 2009)'s perceived consumer effectiveness. To adapt the scale to our context, we additionally word items to fit charitable contributions instead of investments in SRI. Our scales are thus similar to the perceived social impact scale in Riedl and Smeets (2017), yet cover a broader impact of doing good. Participants indicate their agreement on a 7-point Likert scale to statements such as "By contributing to a charity (investing in SRI) every individual can have a positive effect on the environment", "Every person has the power to influence social problems by contributing to a charity (investing in SRI)", "It does not matter if I donate to a good cause (invest in SRI) since one person acting alone cannot make a difference", and "It is useless for the individual to contribute to charities doing anything about pollution (to the reduction of pollution with investments in SRI)."

Previous research finds that long-term orientation is generally linked to a higher ability to account for negative consequences in later times (D'Alessio et al., 2003; Keough et al., 1999) and has been linked to better stakeholder relations and increased shareholder value (Flammer and Bansal, 2017; Wang and Bansal, 2012). In order to elicit an individual's long-term orientation, we use the Bearden et al. (2006) scale. This scale has been shown to be reliable across different cultures. Participants rate their agreement on 7-point Likert scales to eight items such as "I plan for the long term", "I value a strong link to my past", or "Traditional values are important to me" (Appendix D, items 3.1 – 3.8).

Further, we gather standard demographic items as control variables.[15] The first control variable is gender (item 4.1). Item 4.2 is age. Next, participants self-report their marital status among "single, married, divorced, and widowed" and further report whether they have children and if so, how many (items 4.3 – 4.4). Item 4.5 asks for the participants' education. With items 4.6 – 4.8 we inquire about income and differentiate between participants' self-reported monthly net income and their family's monthly net income. Additionally, we ask participants whether they are recipients of BAföG.[16]

SRI may be related to religiousness (Statman, 2005; Williams, 2007).[17] It is thus

[14] This assessment follows the rationale that an individual is more likely to engage in pro-social behavior if she thinks this is effective and will ultimately make a difference (Brodback et al., 2019; Nilsson, 2008; Stern et al., 1999).

[15] See Dorfleitner and Utz (2014); Junkus and Berry (2010); Schueth (2003); McLachlan and Gardner (2004); Nilsson (2008); Williams (2007).

[16] BAföG is a German government-funded student loan with eligibility dependent on parent income.

[17] Religion affects socially responsible investments (Kumar et al., 2011; Peifer, 2010) as well as charitable contributions (Bekkers and Wiepking, 2011; Brooks and Lewis, 2001; Eckel and Grossman, 2003; Low et al., 2007).

important to control for religiousness, which we assess by asking for a self-rated assessment of religiousness (on a 7-point scale) and the frequency of church-attendance in a typical year (items 4.11 and 4.13).

SRI has evolved into a multifaceted class of investments - nowadays, labor standards and political orientation are also relevant for investors.[18] It is thus necessary to control for political engagement, which we assess via self-reported items. Participants indicate whether they are members of a political party, participated in the last vote, and assess their political interest on a 1-7 scale (Appendix D, items 4.12, 4.14 and 4.15).

We finally ask subjects for a self-assessment of their risk-aversion on a 7-point Likert scale[19], which is presented in Appendix D, item 4.16.

5.4 Participant Characteristics

[Table 1 about here.]

Table 1 shows descriptive statistics of the 453 participants' characteristics (the interested reader is referred to Appendix E, where we show the full set of participant characteristics). In our sample, 47.7% of participants are female and 52.3% are male. Unsurprisingly, the average age is relatively low at 23.4 years. The majority of participants are between 21 and 23 years old (42.8%).[20] Regarding educational achievements, 56.9% obtained the "Abitur" (the German matriculation examination) and 29.8% report to have a Bachelor's degree. These educational achievements reflect the fact that we have recruited participants from a student subject pool. An assessment of self-reported monthly net income reveals that the majority of participants (participants' parents) have more than 500€ (3500€) available. This is also reflected in the low rate of subjects who receive the German government-funded student grant Bafög with 13.9%.

6 Results

6.1 Hypothesis Testing

[Table 2 about here.]

We depict participants' average willingness to pay for all of our experimental assets in Table 2. To filter out noise, we average the stated WTP across replications and charities. Participants' WTP for all assets ranges from €50 to €59.

[18] See Edmans (2011); Edmans et al. (2023); Hong and Kostovetsky (2012). Previous literature further shows that political engagement relates to overall pro-social behavior (Bolsen et al., 2014; Dawes et al., 2011; Fowler, 2006).

[19] See Charness et al. (2013),Dohmen et al. (2011), Lönnqvist et al. (2015), Vrecko and Langer (2013)

[20] As there is evidence that young individuals have a higher WTP for environmental issues than older individuals (Achtnicht (2012); Jones et al. (2009)), we might find a higher WTP for the asset that donates to Greenpeace than one would find in a sample of older subjects.

[Figure 7 about here.]

These data are displayed in Figure 7. In the top panel, we show the average WTP for asset A_1 to A_5. In the bottom panel of Figure 7, we plot the average premia of the responsible assets over the conventional asset A_1 which we compute as: $b_{A_k} - b_{A_1}$, where $k = 2, .., 5$. We observe a premium for asset A_2 over the conventional asset A_1 that is close to zero. The remaining assets suggest an interesting pattern. The average premium for asset A_3 appears negative, while for assets A_4 and A_5, it is positive.

For the remainder of the paper, we focus on average premia of responsible assets over the conventional asset. We assess the statistical significance of average absolute Euro premia with t-tests. This is adequate because we use a within-subject design.

[Table 3 about here.]

Results are in Table 3. We assess the statistical significance of premia for assets A_k, $k \in \{2, ..., 5\}$, over A_1.

For asset A_2, we find a small insignificant premium of -€0.22 over A_1. For asset A_3, we find a highly significant negative premium of -€3.71. This premium suggests a strong dislike for an asset which only donates in the bad state of the world.[21] When the donation only occurs in the good state, however, we find a marginally significant premium at €1.61 for asset A_4 over the conventional asset. The "high-responsibility" asset A_5 yields a highly significant premium of roughly €4.78. We also assess the average premium for all responsible assets, which we refer to as "Premium $A_{2,...,5}$". This premium is once again positive, at €0.62, but is insignificant. We conjecture that the highly negative premium for asset A_3 counteracts the positive premia for assets A_2, A_4, and A_5. Therefore, we consider the average premium for assets A_2, A_4, and A_5, which we refer to as "Premium $A_{2,4,5}$". As expected, we find that this premium is positive and statistically significant at €2.06. Overall, we uncover some nuanced evidence related to Hypothesis $H1$: it appears that a responsible asset tends to be more valued than a conventional asset, except when the responsible asset's donation occurs in the bad state of the world from the investor's financial point of view. This result shows that it is important to study the correlation between societal benefits and financial payoffs and not only the expected societal benefits. This is what we turn to now.

We use a t-test to evaluate Hypothesis $H2$ according to which subjects prefer assets in which donation and financial payoff are positively correlated. To do so, we study "Premium $A_4 - A_3$" that is calculated as the average difference in WTP between assets A_4 and A_3. Table 3 reveals a highly significant positive premium of €5.33. This suggests that our subjects are willing to pay significantly more for an asset which donates only in the good state of the world compared to an asset with a donation only in the bad state

[21] This result may be in line with inequity aversion as modelled by Fehr and Schmidt (1999) and Bolton and Ockenfels (2000). We study this issue in more details later.

of the world, other things being equal. This indicates that individuals exhibit correlation seeking preferences for wealth and donation.

Finally, we focus on "Premium $H3$", which is calculated as the difference between $(b_{A_5} - b_{A_2})$ and $(b_{A_2} - b_{A_1})$. This premium is positive at €5.22 and it is highly significant. This shows that individuals' willingness to pay increases at an increasing rate in the amount an asset donates to a good cause, which is supportive of Hypothesis $H3$.[22]

6.2 Determinants of Premia for Responsible Assets

In addition to testing our hypotheses, we use regression analyses to study the impact of psychological traits and social characteristics on the willingness to pay for responsible assets, as it compares to the conventional asset. This enables us to check that the premia we observe are related to individual characteristics, such as altruism, that have been identified in the literature as important drivers of prosocial behavior. Appendix E displays the correlation matrix between these characteristics.

For the four responsible assets A_2 to A_5, the dependent variable is the average Premium A_k (where $k \in \{2, ..., 5\}$), computed as the difference in willingness to pay between a responsible asset A_k and the conventional asset A_1. This measures the premium in Euro that a participant is willing to pay for a responsible asset A_k over the conventional asset A_1. We estimate the following equation using ordinary least squares:

$$PremiumA_{ki} = \alpha + \beta Altruism_i + \lambda X_i + \epsilon_i, \tag{1}$$

where $Altruism_i$ is participant i's score on the altruism scale. The vector X_i includes our various controls (long-term orientation, religiousness, political engagement, perceived effectiveness of doing good, risk and return perceptions of SRI relative to conventional investments, risk aversion, etc.) and a dummy variable indicating whether the participant faced the new instructions. We highlight $Altruism$ because it is our main explanatory variable of interest.

Estimation results for various specifications of Equation 1 are presented in Table 4 and Table 5. Note that we standardize all independent variables. The regression constants thus correspond to the unconditional averages indicated in Table 3.

[Table 4 about here.]

[Table 5 about here.]

Table 4 shows that altruism positively and significantly affects premia for all responsible assets, from A_2 to A_5. At the individual level, altruism thus appears as a strong

[22] In future research, it could be interesting to study whether this result hold when the level of expected donation reaches higher levels.

driver of the premium for responsible assets. This is in line with previous literature, see Brodback et al. (2019); Riedl and Smeets (2017); Nilsson (2009). We add to this literature the fact that this result holds with the introduction of risk in societal benefits and with different correlations between financial returns and societal benefits.

Our results also point to an economically large impact of altruism. A one-standard deviation increase in the level of altruism translates into an increase of more than €3, to be compared to an average premium of €0.57 and €2.00 (see columns (1) and (2) in Table 5). In column (4) of Table 5, altruism appears to have a negative impact on the difference between $b_5 - b_2$ and $b_2 - b_1$. A one-standard deviation increase in altruism leads to a decrease of €3.48 in this difference. Given that the unconditional difference is €5.05, this suggests that, for individuals, one standard deviation above average in terms of altruism, utility is linear in the level of donation. This is also a novel result regarding the impact of altruism on responsible investments.

Finally, Table 5 shows that the preference for correlation between financial payoffs and societal benefits does not depend on altruism: column (3) indicates that the coefficient on altruism is not statistically different from zero. Table D5 and Table D6 in Appendix E provide the coefficient estimates for all the control variables we include in our regressions.[23]

7 Additional Analyses

7.1 Effects of Wealth

Even though we find a positive average premium for assets with a large level of responsibility, one might wonder whether this positive premium would exist at equilibrium given that, in a market, wealthy but selfish investors could absorb (part) of it by speculating against the premium.[24] We shed light on this question by examining the impact of wealth on the willingness to pay for responsible assets compared to the conventional asset.

We run our individual level regressions on four subsamples created based on wealth quartiles. Table 6 and Table 7 show the intercepts of these regressions. A positive premium for A_5 exists at all family income levels (panel B), and is significant at all personal income levels (panel A): the wealthiest subjects also care about societal benefits and are willing to pay more for highly responsible assets than for conventional ones. These findings suggest that a positive premium for responsible assets may arise at equilibrium

[23] In Tables not reported in the paper but available upon request, we show that our results are similar if we use the first component of the related variables as a proxy for religiosity, for political engagement and for perceived effectiveness of donations and socially responsible investments.

[24] Arbitrage by selfish and deep-pocketed investors would be limited if these investors are risk averse. At market equilibrium, arbitrage would thus diminish but not eliminate the responsibility premium, as shown for example in Pástor et al. (2021).

in financial markets because individuals' willingness to tradeoff some financial returns for social benefits appears to be shared at all levels of wealth.

Our main result that subjects have a preference for positive correlation between financial payoff and societal benefit also holds for all income levels, significantly so in three out of four income levels. This result makes it likely that such preference for positive correlation survives at market equilibrium. The positive relationship between altruism and willingness to pay for responsible assets is also robust across wealth levels.

[Table 6 about here.]

[Table 7 about here.]

7.2 Additional Treatments

[Table 8 about here.]

[Table 9 about here.]

We now investigate the impact of aversion to zero payoff and inequity aversion on individuals' WTP. We focus on the additional experimental sessions that included 151 participants. The average willingness to pay and premia for all the 15 assets are shown in Table 8 and Table 9. The willingness to pay for assets with 60/40 payoff in good/bad state (bottom panel) are larger than the ones for assets with 90/10 payoff (middle panel) which are larger than the ones for assets with 0/100 payoff in good/bad state (upper panel). This pattern suggests that the decrease in payoff volatility is associated with an increase in the willingness to pay. The premium on asset A_{13} is significantly negative. Thus, it seems unlikely that our findings are due to a type of "zero payout aversion". The premium on asset A_{23} is also negative, but it is not statistically significant and the magnitude is smaller compared to our earlier results.

[Table 10 about here.]

[Table 11 about here.]

[Table 12 about here.]

[Table 13 about here.]

Table 11 display our main regression analyses restricted to data with the additional treatments. This table reinforces the robustness of our findings: subjects prefer when the societal benefit is positively correlated with their financial payoff, see column (3), and subjects display an increasing marginal benefit from societal benefits, see column (4). Table 12 shows that our results are not driven by the zero payoff: the constant that represents the average difference between the treatments with payoffs of 90 and 10 versus 100 and 0 is small and never statistically significant.

Likewise, Table 13 shows that our result on the preference for a positive correlation between financial and societal payoffs is not driven by inequity aversion: the constant that represents the average difference between the treatments with payoffs 60-40 and the ones with 100-0 is small and not statistically significant for the two regressions of interest represented in columns (3) and (4). However, inequity aversion might play a role in our experiment since subjects seem willing to pay more for lottery A2 in the 60-40 treatment than in the 100-0 one: the constant is positive and marginally statistically significant in column (2).

8 Robustness

We conduct several tests to check the robustness of our main findings. In this section, we provide an overview of these robustness analyses. The detailed description of these analyses is presented in Appendix B.1 - B.6.

As discussed above, we have revised the instructions of the experiment for approximately half of the subjects. To test whether our results are due to subjects facing old instructions, we run our analyses on the subset of participants who faced the new instructions, see Appendix B.1. The results suggest that the Euro premia are of similar magnitude and statistical significance compared to the full sample. We thus confirm that our results are not driven by the fact that some subjects faced different instructions.

To test whether our findings depend on the way we measure premia between responsible and conventional assets' valuation, we repeat our main analyses using percentage premia as dependent variable, see Appendix B.2. We similarly conclude that our evidence is generally in favor of Hypotheses $H1$, $H2$, and $H3$.

As we outline above, we selected well-known charities, each reflecting one dimension of SRI, namely the environmental, social, and governance dimensions. So far, we were interested in whether individuals generally value social responsibility in their investment decisions. In Appendix B.3 we investigate how preferences for particular causes impact socially responsible behavior. Our results hold for each of the three charities but appear the strongest for the Red Cross and the weakest for Transparency International,

Greenpeace being in the middle position.[25]

We next test whether the order of experimental assets affected participants' willingness to pay, see Appendix B.4. In the experiment, we randomize whether participants first see the conventional asset (51%), or a responsible asset (49%). We find no significant differences in WTP or premia depending on whether a participant first faces a conventional or a responsible asset, i.e., the premia for social responsibility are statistically significant and meaningful regardless of the order of experimental assets.

In Appendix B.5, we investigate whether the fact that participants face every asset twice results in learning effects that could ultimately influence individual's willingness to pay. We do not find any learning effect: our results are similar when we focus on the first and the second time subjects face each lottery.

Finally, in Appendix B.6, we examine the potential impact of participants' misunderstanding on their WTP by running regressions without participants bidding €0 or €100 for the conventional asset: for asset A1, there are 7 participants having WTP of 0 euros and 26 participants having WTP of 100 euros. After excluding these 33 participants, we find that all our main results hold and are more statistically significant, see Tables B17 and B18. This suggests that noise in behavior induced by the BDM mechanism is not driving our results.

In Appendix B.6, we use another, more explorative, way of controlling for noise in decision making. We find that 45% of our subjects bid on average more than 50 for the conventional asset A1. As a comparison, the proportion of risk-loving subjects in Holt and Laury (2002) appears to be less than 10%. We thus conjecture that a lot of the overbidding might be due to subjects' difficulty to understand the BDM mechanism. We thus rerun our analysis on the subsample of 249 subjects who bid on average 50 or less for asset A1. The responsible assets are now all valued at a premium compared to A1 and subjects still appear to prefer a positive correlation between financial payoffs and societal benefits. Hypothesis H3 is however rejected in this subsample so that the utility for donations appears linear in the level of donation, as found by Bonnefon et al. (2019).

9 Conclusion

This paper studies whether investors value the societal performance of assets in which they invest. This issue is important because it is at the core of the socially responsible investing industry that has witnessed a strong development in the recent past. It is also important for firms to better understand how their Corporate Social Responsibility policies affect their cost of capital.

We propose a laboratory experiment that enables us to identify the willingness to

[25] The differences in WTP observed across assets associated with different charities could be due to a difference in participants' intrinsic values or to a difference in trustworthiness of the charities.

pay for risky assets with different levels, types and timing of social responsibility. In the experiment, assets, if they are issued, generate a financial cash flow, received by subjects, and also a donation, sent to a well-established charity. This donation is meant to enable participants in the experiment, in their capacity of investors, to have a societal impact. We vary the amount of expected donation, it can be null, low or high. This enables us to study whether marginal utility is increasing or not. We also vary the timing of the donation: it can occur when the financial payoff is high or when it is low. This enables us to measure subjects' preferences for correlation between financial payoff and societal impact. Finally, we study assets that generate donations to different types of charities related to Environmental, Social and Governance issues. Truthful revelation of the willingness to pay is incentivized via a Becker-DeGroot-Marschak mechanism. At the individual level, we relate the willingness to pay to various psychological and social characteristics measured via questionnaires.

Our main findings are threefold. First, societal impact is valued when it is large but not when it is small. Second, subjects prefer when financial cash flows and societal impacts are positively correlated. Third, altruism induces higher willingness to pay and is not associated with the preference for positive correlation.

Our experiment could be extended in various dimensions. For example, it could be interesting to study investments with risky negative societal impacts and to study how investors react to changes in the variance of the societal impacts. This is left for future research.

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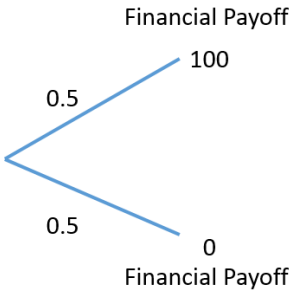
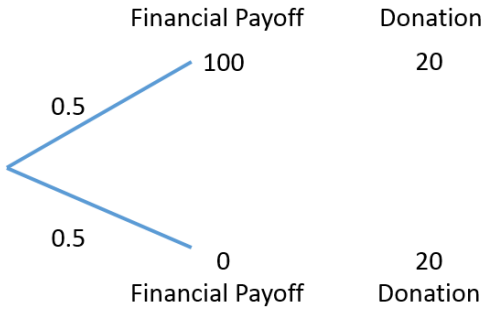
Figure 1: Payoff Profiles and Donations of Assets $A_{1,..,5}$

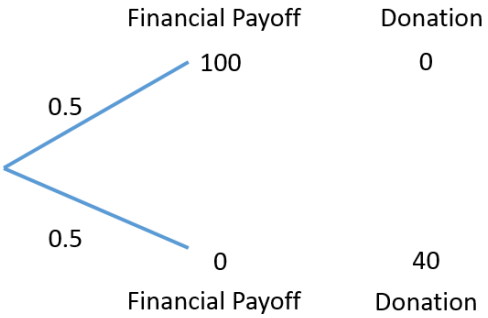
(a) Conventional Asset A_1



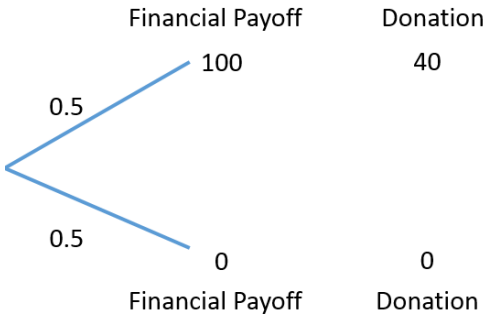
(b) Responsible Asset A_2



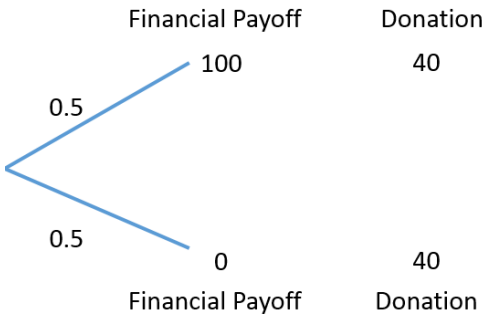
(c) Responsible Asset A_3



(d) Responsible Asset A_4

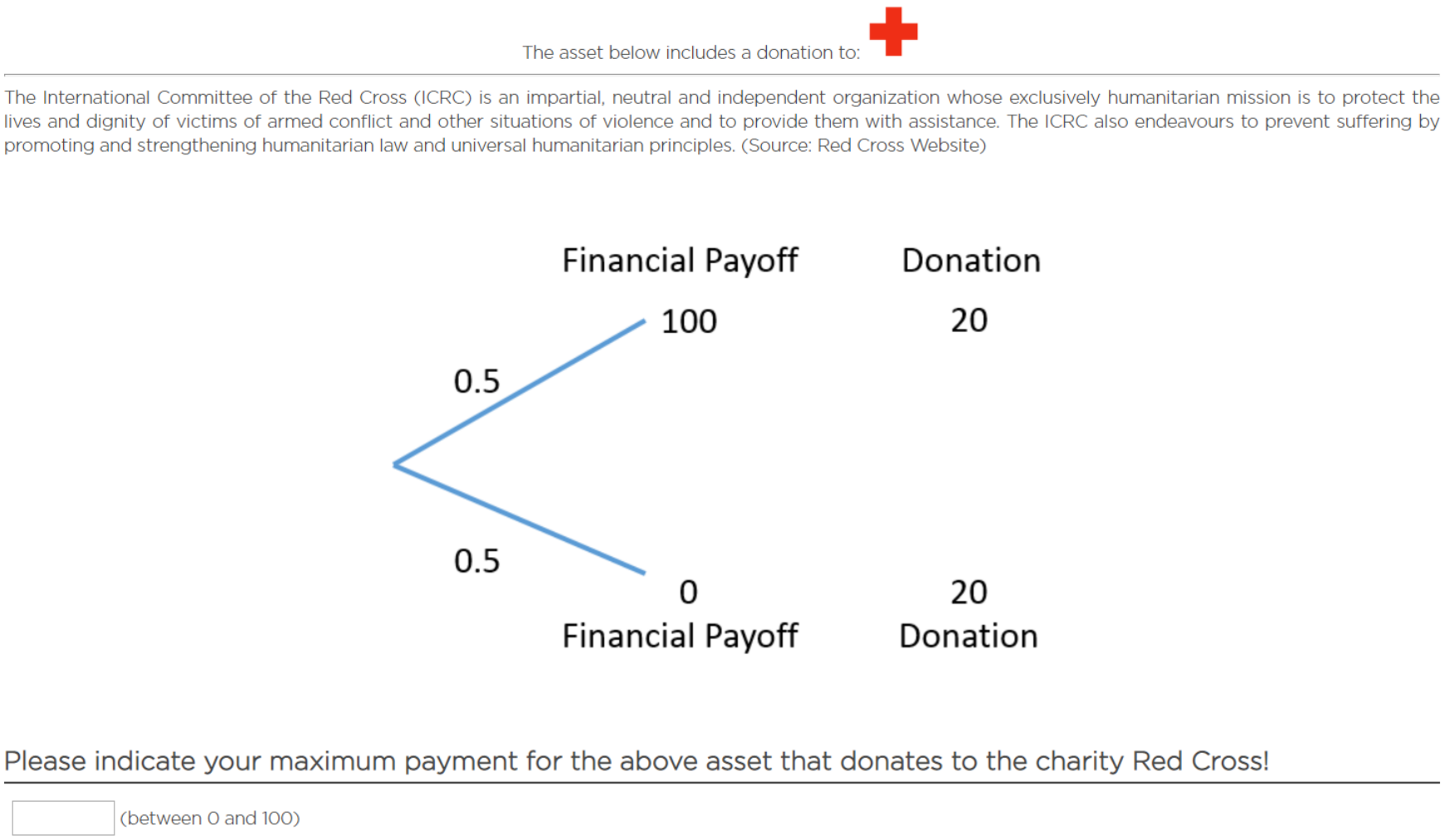


(e) Responsible Asset A_5



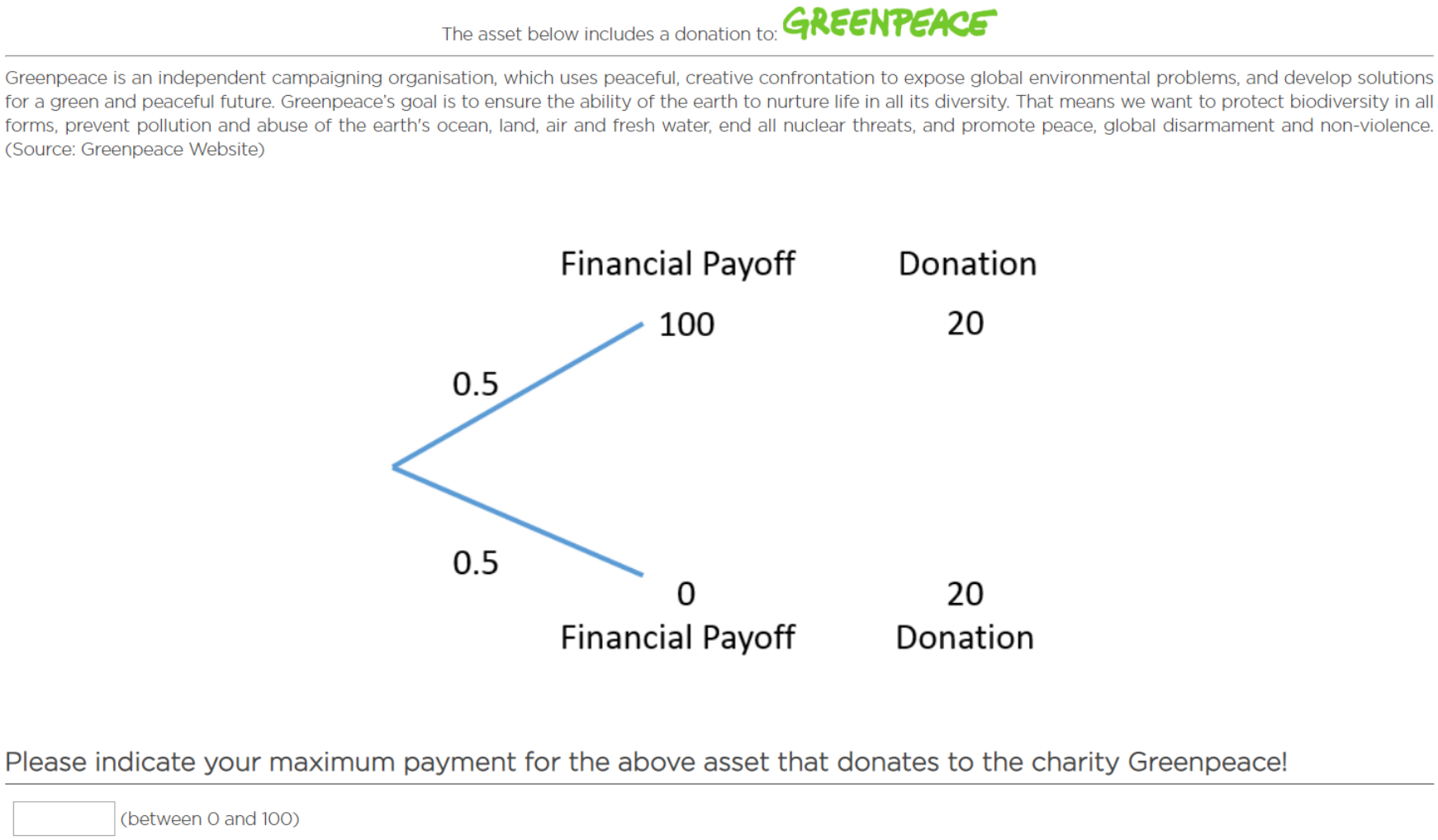
Note: This figure shows payoff profiles and donations of the assets $A_{1,..,5}$. There are two states that can occur with equal probabilities 0.5, respectively. The financial payoff in the good state is 100 experimental currency units and the financial payoff in the bad state is zero experimental currency units. To model social responsibility, a donation of g_{h,A_k} in the good state and g_{l,A_k} in the bad state is made to a charity.

Figure 2: Screenshot of Experimental Asset Implementation



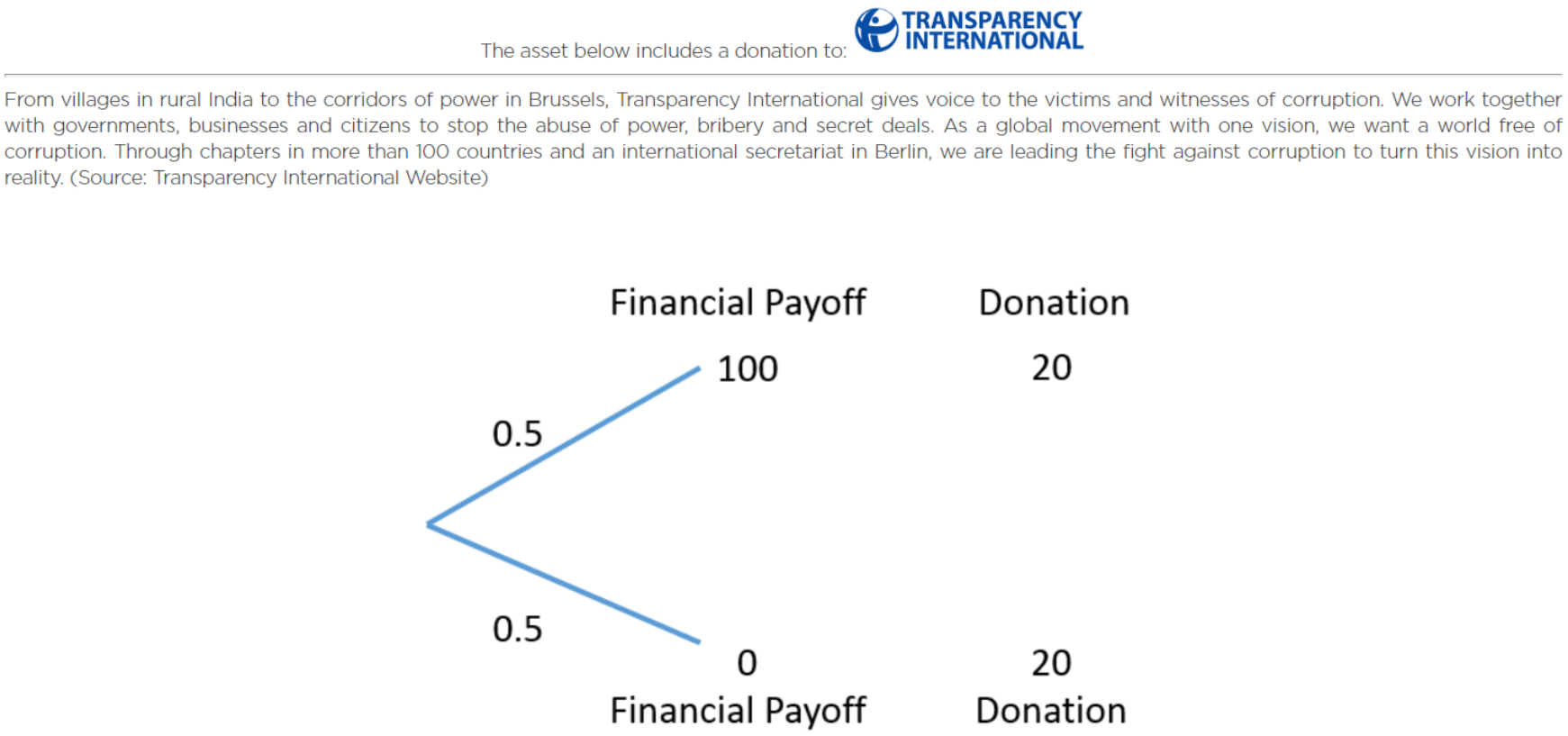
Note: This figure exemplarily shows the responsible asset A_2 which offers a donation of 20 in both states of the economy to the Red Cross in our experimental environment.

Figure 3: Screenshot of Experimental Asset Implementation



Note: This figure exemplarily shows the responsible asset A_2 which offers a donation of 20 in both states of the economy to Greenpeace in our experimental environment.

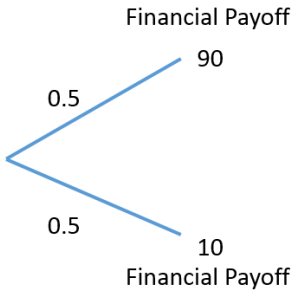
Figure 4: Screenshot of Experimental Asset Implementation



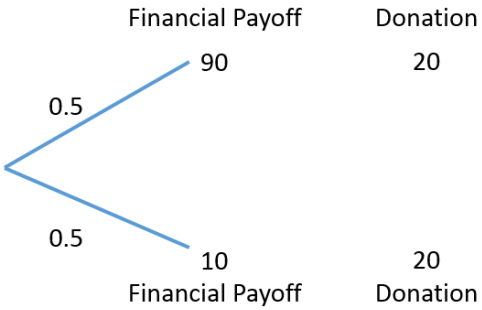
Note: This figure exemplarily shows the responsible asset A_2 which offers a donation of 20 in both states of the economy to Transparency International in our experimental environment.

Figure 5: Robustness Test: Aversion to Zero; Donation: Red Cross

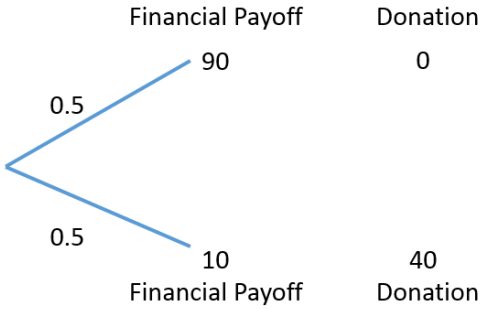
(a) Conventional Asset A_{11}



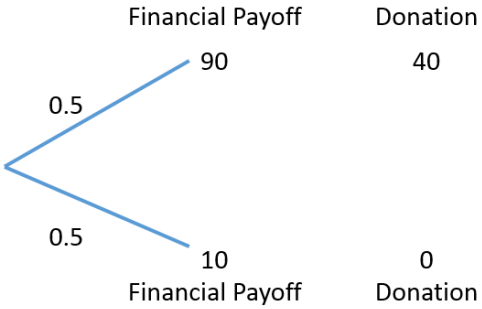
(b) Responsible Asset A_{12}



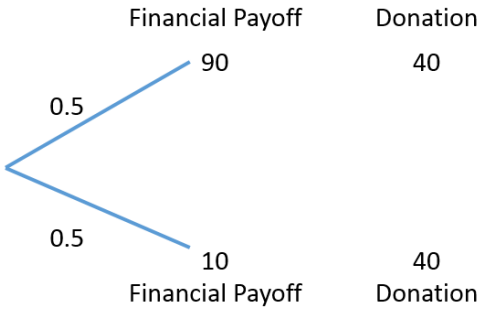
(c) Responsible Asset A_{13}



(d) Responsible Asset A_{14}



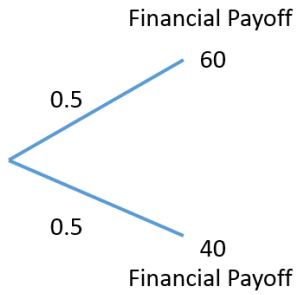
(e) Responsible Asset A_{15}



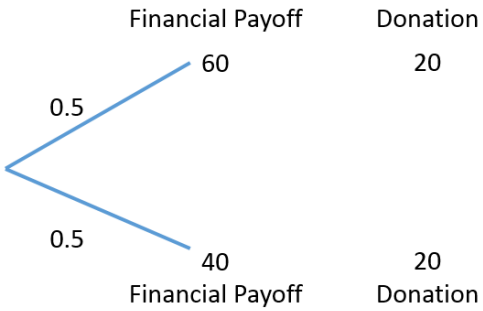
Note: Payoffs of assets A_{11} to A_{15} under the first alternative treatment.

Figure 6: Robustness Test: Inequity / Inequality Aversion; Donation: Red Cross

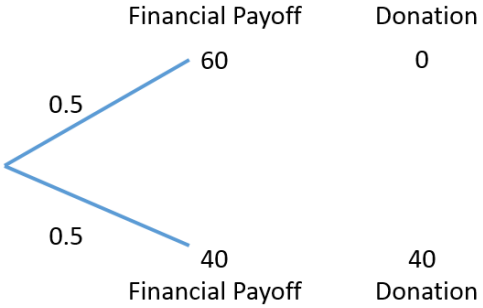
(a) Conventional Asset A_{21}



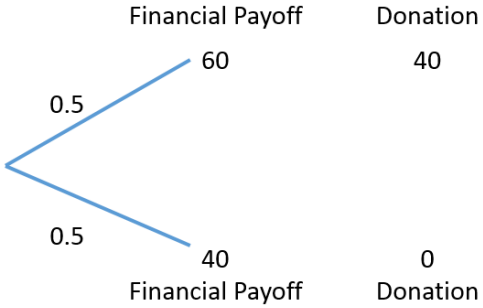
(b) Responsible Asset A_{22}



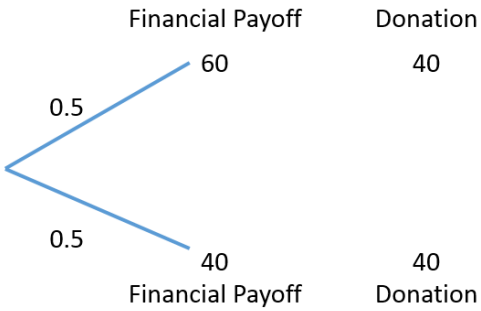
(c) Responsible Asset A_{23}



(d) Responsible Asset A_{24}

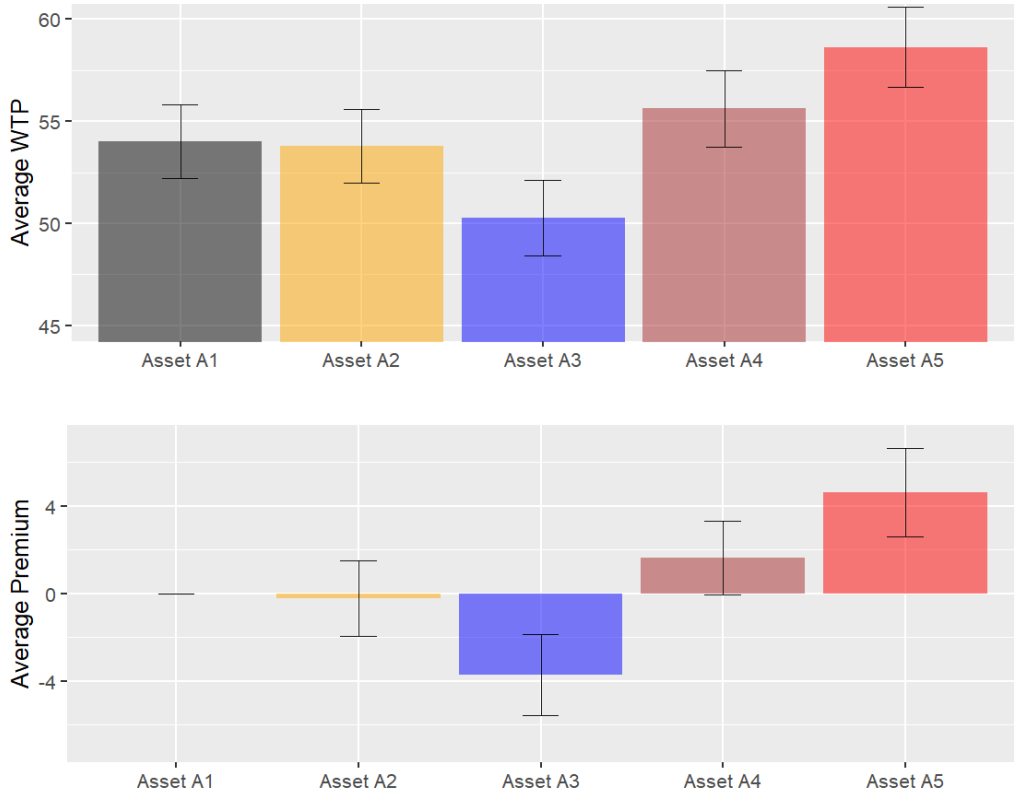


(e) Responsible Asset A_{25}



Note: Payoffs of assets A_{21} to A_{25} under the second alternative treatment.

Figure 7: Average WTP and Premium per Asset



Note: Average willingness to pay in Euro for assets A_1 to A_5 (upper panel) and premia of responsible assets A_2 to A_5 over the conventional asset A_1 (lower panel). The error bar shows 95% confidence interval.

Table 1: Participant Characteristics

Measure	Value	#	%
Gender	Female	216	47.7
	Male	237	52.3
Age	<21	72	15.9
	21-23	194	42.8
	24-26	124	27.4
	>26	63	13.9
Education	Apprenticeship	13	2.8
	Abitur	258	56.9
	Bachelor	135	29.8
	Master	16	3.5
	Other	31	6.8
Income	<349	109	24.1
	350-499	91	20.1
	500-649	91	20.1
	>650	162	35.7
Family Income	<1499	30	6.6
	1500-3499	114	25.1
	3500-6000	202	44.6
	>6000	107	23.6
Bafög	Yes	63	13.9
	No	390	86.1

Note: This table shows demographic characteristics of the 453 participants. # refers to the absolute number of participants in a category. % is the amount of participants in this category relative to the total sample.
"Abitur" is the German matriculation examination required to enroll at a university. "Bafög" is a German government-funded student loan with eligibility dependent on parent income.

Table 2: Summary Statistics for Assets A_1 to A_5

	mean	sd
Average WTP A_1	54.007	19.618
Average WTP A_2	53.789	19.543
Average WTP A_3	50.292	20.016
Average WTP A_4	55.620	20.221
Average WTP A_5	58.623	21.243

Note: This table shows summary statistics for the willingness to pay (WTP) of asset A_1 to A_5, averaged across turns and charities, respectively.

Table 3: Mean Asset Premia to assess Hypotheses 1-3

	mean	t-statistic
Premium A_2	-0.2182	-0.2479
Premium A_3	-3.7145	-3.9286
Premium A_4	1.6129	1.8843
Premium A_5	4.7814	4.6375
Premium $A_{2,\ldots,5}$	0.6154	0.7427
Premium $A_{2,4,5}$	2.0587	2.4297
Premium $A_4 - A_3$	5.3274	6.0754
Premium $H3$	5.2178	4.8978

Note: This table shows premia of responsible assets in absolute terms in column (1). "Premium A_2" to "Premium A_5" are the average Euro premia of responsible assets A_2 to A_5 over the conventional asset A_1, respectively. "Premium $A_{2,\ldots,5}$" is the average premium of all responsible assets over the conventional asset. "Premium $A_{2,4,5}$" is the average premium of assets A_2, A_4, and A_5 over the conventional asset A_1. "Premium $A_4 - A_3$" is the difference in WTP between A_4 and A_3 that is required to assess Hypothesis $H2$. "Premium $H3$" is defined as $(b_{A_5} - b_{A_2}) - (b_{A_2} - b_{A_1})$ and allows to assess Hypothesis $H3$, as outlined in section A.3. In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero.

Table 4: Willingness to Pay for Social Responsibility and Personality Traits

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-0.218	-3.714***	1.613*	4.616***
	(0.864)	(0.945)	(0.842)	(0.991)
Altruism	3.688***	2.707**	2.632**	3.899***
	(1.058)	(1.157)	(1.031)	(1.213)
Adjusted R^2	0.036	0.001	0.032	0.056
Observations	453	453	453	453

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: The dependent variable is the average premium of the respective responsible asset over the conventional asset. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 5: Willingness to Pay for Social Responsibility and Personality Traits II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	0.574	2.004**	5.327***	5.052***
	(0.813)	(0.826)	(0.878)	(1.039)
Altruism	3.232***	3.407***	-0.075	-3.477***
	(0.995)	(1.011)	(1.075)	(1.271)
Adjusted R^2	0.037	0.047	-0.003	0.025
Observations	453	453	453	453

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 6: Willingness to Pay for Social Responsibility and Personality Traits - Effects of Wealth

panel A: income <349				
	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-1.991	-6.850***	1.979	3.725*
	(1.666)	(1.827)	(1.760)	(1.923)
Altruism	3.767*	3.779	2.531	2.653
	(2.085)	(2.287)	(2.202)	(2.407)
Adjusted R^2	0.06	0.028	-0.018	0.056
Observations	109	109	109	109
	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	-0.784	1.238	8.829***	7.706***
	(1.585)	(1.643)	(1.789)	(2.100)
Altruism	3.183	2.984	-1.248	-4.880*
	(1.983)	(2.056)	(2.239)	(2.628)
Adjusted R^2	0.029	0.017	0.053	0.069
Observations	109	109	109	109
panel B: income 350-499				
	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	2.601	-2.167	3.993**	8.714***
	(1.832)	(2.242)	(1.933)	(1.975)
Altruism	1.057	-0.580	-0.066	1.907
	(2.673)	(3.272)	(2.821)	(2.882)
Adjusted R^2	0.087	-0.054	0.084	0.246
Observations	91	91	91	91
	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	3.285*	5.103***	6.159***	3.513
	(1.747)	(1.744)	(2.186)	(2.259)
Altruism	0.580	0.966	0.514	-0.206
	(2.549)	(2.545)	(3.189)	(3.296)
Adjusted R^2	0.116	0.167	-0.095	-0.033
Observations	91	91	91	91

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimated intercepts and standard errors of OLS regression 1 with varying premium as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 7: Willingness to Pay for Social Responsibility and Personality Traits - Effects of Wealth II

panel C: income 500-649				
	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-0.059	-2.068	1.181	4.245**
	(1.773)	(1.903)	(2.100)	(1.994)
Altruism	7.831***	8.724***	3.158	9.036***
	(2.313)	(2.483)	(2.740)	(2.602)
Adjusted R^2	0.106	0.122	-0.007	0.141
Observations	91	91	91	91
	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	0.825	1.789	3.249	4.363**
	(1.697)	(1.771)	(2.240)	(2.086)
Altruism	7.187***	6.675***	-5.567*	-6.625**
	(2.215)	(2.311)	(2.923)	(2.721)
Adjusted R^2	0.111	0.087	-0.023	0.069
Observations	91	91	91	91
panel D: income >650				
	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-0.699	-3.399**	0.273	3.121*
	(1.575)	(1.649)	(1.259)	(1.762)
Altruism	4.382**	2.694	4.537***	6.077**
	(2.151)	(2.252)	(1.718)	(2.405)
Adjusted R^2	-0.015	-0.040	0.063	0.046
Observations	162	162	162	162
	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	-0.176	0.898	3.672***	4.519**
	(1.433)	(1.430)	(1.239)	(1.906)
Altruism	4.423**	4.999**	1.844	-2.687
	(1.957)	(1.952)	(1.691)	(2.602)
Adjusted R^2	0.011	0.033	-0.013	-0.041
Observations	162	162	162	162

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimated intercepts and standard errors of OLS regression 1 with varying premium as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 8: Summary Statistics for Assets A_1 to A_{25}

	mean	sd
Average WTP A_1	49.1060	23.3066
Average WTP A_2	46.9139	23.4766
Average WTP A_3	45.4205	22.9336
Average WTP A_4	47.5099	24.6749
Average WTP A_5	50.7053	25.4148
Average WTP A_{11}	50.9636	21.1715
Average WTP A_{12}	49.7384	21.5577
Average WTP A_{13}	47.4570	19.9883
Average WTP A_{14}	50.2914	23.4022
Average WTP A_{15}	53.6589	23.5341
Average WTP A_{21}	52.3079	13.5708
Average WTP A_{22}	53.5629	18.2714
Average WTP A_{23}	50.4338	19.0200
Average WTP A_{24}	51.6821	18.1021
Average WTP A_{25}	56.5497	22.8628

Note: This table shows summary statistics for the willingness to pay (WTP) of asset A_1 to A_{25}, averaged across turns, respectively. Assets A_1 to A_5 have a payoff of 100 in the good state and of 0 in the bad state. Assets A_{11} to A_{15} have a payoff of 90 in the good state and of 10 in the bad state. Assets A_{21} to A_{25} have a payoff of 60 in the good state and of 40 in the bad state.

Table 9: Mean Asset Premia

	mean	t-statistic
Premium A_2	-2.1921	-1.3106
Premium A_3	-3.6854	-2.0762
Premium A_4	-1.5960	-0.9598
Premium A_5	1.5993	0.8101
Premium $A_{2,\ldots,5}$	-1.4685	-0.9303
Premium $A_{2,4,5}$	-0.7296	-0.4526
Premium $A_4 - A_3$	2.0894	1.4096
Premium $H3_{100/0}$	5.9834	2.7350
Premium A_{12}	-1.2252	-0.8464
Premium A_{13}	-3.5066	-2.1227
Premium A_{14}	-0.6722	-0.4820
Premium A_{15}	2.6954	1.4981
Premium $A_{12,\ldots,15}$	-0.6772	-0.4936
Premium $A_{12,14,15}$	0.2660	0.1909
Premium $A_{14} - A_{13}$	2.8344	1.8112
Premium $H3_{90/10}$	5.1457	2.7331
Premium A_{22}	1.2549	1.0256
Premium A_{23}	-1.8742	-1.3242
Premium A_{24}	-0.6258	-0.5017
Premium A_{25}	4.2417	2.5282
Premium $A_{22,\ldots,25}$	0.7492	0.5946
Premium $A_{22,24,25}$	1.6236	1.2836
Premium $A_{24} - A_{23}$	1.2483	1.1725
Premium $H3_{60/40}$	1.7318	1.1870

Note: This table shows premia of responsible assets in absolute terms in column (1). In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero.

Table 10: Willingness to Pay for Social Responsibility and Personality Traits - Additional Treatments

	(1) Avr. Premium A_2, A_{12}, A_{22}	(2) Avr. Premium A_3, A_{13}, A_{23}	(3) Avr. Premium A_4, A_{14}, A_{24}	(4) Avr. Premium A_5, A_{15}, A_{25}
Constant	-0.721	-3.022**	-0.965	3.342**
	(1.024)	(1.276)	(1.043)	(1.519)
Altruism	2.356*	1.562	2.964**	2.208
	(1.308)	(1.629)	(1.332)	(1.940)
Adjusted R^2	0.077	-0.024	0.052	0.072
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: The dependent variable is the average premium of the respective responsible asset under 3 treatments over the conventional asset A_1, A_{11}, or A_{21}. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 11: Willingness to Pay for Social Responsibility and Personality Traits - Additional Treatments II

	(1) Avr. Premium $A_{2,\dots,5}$, $A_{12,\dots,15}, A_{22,\dots,25}$	(2) Avr. Premium $A_{2,4,5}$, $A_{12,14,15}, A_{22,24,25}$	(3) Avr. Premium $A_4 - A_3$, $A_{14} - A_{13}, A_{24} - A_{23}$	(4) Avr. Premium $H3_{100/0}$, $H3_{90/10}, H3_{60/40}$
Constant	-0.341	0.552	2.057*	4.784***
	(1.075)	(1.087)	(1.140)	(1.268)
Altruism	2.272	2.509*	1.402	-2.505
	(1.372)	(1.388)	(1.456)	(1.618)
Adjusted R^2	0.060	0.077	-0.074	0.083
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 12: Willingness to Pay for Social Responsibility and Personality Traits - Effect of Zero Payoff

	(1) Premium $A_{12,\ldots,15}$ -Premium $A_{2,\ldots,5}$	(2) Premium $A_{12,14,15}$ -Premium $A_{2,4,5}$	(3) Premium $A_{14} - A_{13}$ -Premium $A_4 - A_3$	(4) Premium $H3_{90/10}$ -Premium $H3_{100/0}$
Constant	0.791	0.996	0.745	-0.838
	(1.693)	(1.730)	(1.588)	(2.676)
Altruism	-3.389	-3.103	3.135	5.702*
	(2.162)	(2.208)	(2.027)	(3.416)
Adjusted R^2	0.005	0.004	0.009	-0.047
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table 13: Willingness to Pay for Social Responsibility and Personality Traits - Effect of Inequity Aversion

	(1) Premium $A_{22,\ldots,25}$ -Premium $A_{2,\ldots,5}$	(2) Premium $A_{22,24,25}$ -Premium $A_{2,4,5}$	(3) Premium $A_{24} - A_{23}$ -Premium $A_4 - A_3$	(4) Premium $H3_{60/40}$ -Premium $H3_{100/0}$
Constant	2.590	2.850*	-0.841	-2.762
	(1.577)	(1.601)	(1.467)	(3.004)
Altruism	-2.412	-2.384	2.286	4.190
	(2.014)	(2.045)	(1.873)	(3.835)
Adjusted R^2	0.022	0.020	-0.016	-0.052
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Appendix

A Theoretical Predictions

To interpret our experimental data, we set up a theoretical model based on expected utility theory. We consider a framework in which the utility from wealth and from doing good are potentially non-separable. We denote an individual's utility function by $U(w, g)$, with w her level of wealth and g the level of social benefit. We assume that an agent's utility increases with wealth, i.e., $\frac{\partial U}{\partial w} > 0$. A participant maximizes her expected utility with respect to her bid b_{A_k}. The maximization problem is given by

$$\begin{aligned}\max_{b_{A_k}} \mathbb{E}\left[U\left(w, g\right)\right] = \int_0^{100} \frac{1}{100}\Bigg(&\mathbb{1}_{b_{A_k} \geq p_{A_k}} \left[\frac{1}{2} U\left(200 - p_{A_k}, g_{h,A_k}\right) + \frac{1}{2} U\left(100 - p_{A_k}, g_{l,A_k}\right)\right] \\ &+ \mathbb{1}_{b_{A_k} < p_{A_k}} U\left(100, 0\right)\Bigg) \mathrm{d}p_{A_k}.\end{aligned} \tag{2}$$

If the bid b_{A_k} exceeds the randomly determined price p_{A_k} of an experimental asset A_k, that is $b_{A_k} \geq p_{A_k}$, a transaction occurs. With probability $\frac{1}{2}$ the economy is either in the good or the bad state. In the good state h the subject's utility depends on the initial endowment plus the financial payoff of the lottery minus the randomly determined price p_{A_k} of the asset $(200 - p_{A_k})$, and on the donation in the good state (g_{h,A_k}). In the bad state l, the financial payoff of the lottery is zero, hence the price p_{A_k} of the asset is subtracted from the initial endowment $(100 - p_{A_k})$, and the subject's utility further depends on the donation in the bad state (g_{l,A_k}). If the participant's bid b_{A_k} is lower than the randomly determined price p_{A_k} of the asset, that is $b_{A_k} < p_{A_k}$, there is no transaction. In this case, the participant's utility depends solely on her initial endowment of 100. Indeed, when there is no transaction, the asset is not issued and, thus, there is neither a financial payoff nor a social benefit.

Rearranging Equation (2) leads to

$$\begin{aligned}\max_{b_{A_k}} \mathbb{E}\left[U\left(w, g\right)\right] = &\int_0^{b_{A_k}} \frac{1}{100} \left[\frac{1}{2} U\left(200 - p_{A_k}, g_{h,A_k}\right) + \frac{1}{2} U\left(100 - p_{A_k}, g_{l,A_k}\right)\right] \mathrm{d}p_{A_k} \\ &+ \int_{b_{A_k}}^{100} \frac{1}{100}\, U\left(100, 0\right) \mathrm{d}p_{A_k}.\end{aligned} \tag{3}$$

The first-order condition for a participant maximizing her utility with respect to her bid b_{A_k} is

$$\frac{1}{100} \left[\frac{1}{2} U\left(200 - b_{A_k}, g_{h,A_k}\right) + \frac{1}{2} U\left(100 - b_{A_k}, g_{l,A_k}\right)\right] - \frac{1}{100} U\left(100, 0\right) = 0. \tag{4}$$

The second-order condition follows from taking the derivative of Equation (4) and

reads as:

$$\frac{1}{100}\left[-\frac{1}{2}U'\left(200-b_{A_k},g_{h,A_k}\right)-\frac{1}{2}U'\left(100-b_{A_k},g_{l,A_k}\right)\right]<0, \tag{5}$$

which confirms that we observe a maximum.

A.1 Hypothesis 1

H1: Individuals are willing to pay more for an asset with which they do good than for a conventional asset.

To make the link between this hypothesis and preferences in our expected utility framework, we study the optimal willingness to pay for the conventional asset A_1 and for the responsible asset A_2. The first-order condition shown in Equation (4) indicates that the willingness to pay for asset A_1 is such that:

$$U(100,0)=\frac{1}{2}U(200-b^*_{A_1},0)+\frac{1}{2}U(100-b^*_{A_1},0), \tag{6}$$

Likewise, for asset A_2, we have:

$$U(100,0)=\frac{1}{2}U(200-b^*_{A_2},20)+\frac{1}{2}U(100-b^*_{A_2},20). \tag{7}$$

Under the assumption that $\frac{\partial U}{\partial w}>0$, our hypothesis $H1$, that is $b^*_{A_2}>b^*_{A_1}$, is thus equivalent to:

$$U(200-b,20)+U(100-b,20)>U(200-b,0)+U(100-b,0), \tag{8}$$

which we rearrange as

$$U(200-b,20)-U(200-b,0)>U(100-b,0)-U(100-b,20), \tag{9}$$

and then rewrite using integrals to yield

$$\int_0^{20}\left[\frac{\partial U}{\partial g}\left(200-b,g\right)+\frac{\partial U}{\partial g}\left(100-b,g\right)\right]\mathrm{d}g>0. \tag{10}$$

We thus have that: $b^*_{A_2}>b^*_{A_1} \iff \mathbb{E}(\frac{\partial U}{\partial g})>0$. Hypothesis $H1$ is thus equivalent to saying that utility increases with donations, on average. In Appendix A.4, we derive the same result using the other responsible assets A_k, with $k\in\{3,4,5\}$.

A.2 Hypothesis 2

H2: Individuals are willing to pay more for a responsible asset where the societal benefit occurs in the good state than for a responsible asset where the societal benefit occurs in

the bad state.

To make the link between this hypothesis and preferences in our expected utility framework, we study the optimal willingness to pay for the responsible assets A_3 and A_4. The first-order condition shown in Equation (4) indicates that the willingness to pay for asset A_3 is such that:

$$U(100,0) = \frac{1}{2}U(200 - b^*_{A_3}, 0) + \frac{1}{2}U(100 - b^*_{A_3}, 40). \tag{11}$$

For A_4, we have:

$$U(100,0) = \frac{1}{2}U(200 - b^*_{A_4}, 40) + \frac{1}{2}U(100 - b^*_{A_4}, 0). \tag{12}$$

Under the assumption that $\frac{\partial U}{\partial w} > 0$, our hypothesis $H2$, that is $b^*_{A_3} < b^*_{A_4}$, is thus equivalent to:

$$U(200 - b, 0) + U(100 - b, 40) < U(200 - b, 40) + U(100 - b, 0). \tag{13}$$

Rearranging and building the integral leads to the following equivalent form:

$$\begin{aligned} &U(200 - b, 0) - U(200 - b, 40) < U(100 - b, 0) - U(100 - b, 40) \\ \Leftrightarrow &\int_{40}^{0} \left[\frac{\partial U}{\partial g}(200 - b, g) - \frac{\partial U}{\partial g}(100 - b, g) \right] \mathrm{d}g < 0. \end{aligned} \tag{14}$$

Integrating on the financial payoffs w yields:

$$\begin{aligned} &\int_{40}^{0} \int_{100-b}^{200-b} \frac{\partial^2 U}{\partial w \partial g}(w, g)\, \mathrm{d}w \mathrm{d}g < 0 \\ \Leftrightarrow &- \int_{0}^{40} \int_{100-b}^{200-b} \frac{\partial^2 U}{\partial w \partial g}(w, g)\, \mathrm{d}w \mathrm{d}g < 0. \end{aligned} \tag{15}$$

We thus have that: $b^*_{A_3} < b^*_{A_4} \iff \mathbb{E}(\frac{\partial^2 U}{\partial w \partial g}) > 0$. This result is a reminiscence of the insights offered by Richard (1975), Epstein and Tanny (1980) and Eeckhoudt et al. (2007). Hypothesis $H2$ is thus equivalent to saying that the cross-derivative of utility is on average positive. Remark that we could reject $H2$ if subjects were correlation neutral (as when utility is separable in wealth and donations) or correlation averse.

A.3 Hypothesis 3

H3: Individuals are willing to pay increasingly more for more responsible assets.

Hypothesis $H3$ is equivalent to $(b^*_{A_5} - b^*_{A_2}) > (b^*_{A_2} - b^*_{A_1})$. To make the link between

this hypothesis and preferences for donations, we construct the first-order condition for asset A_5 following Equation (4):

$$U(100,0) = \frac{1}{2}U(200 - b^*_{A_5}, 40) + \frac{1}{2}U(100 - b^*_{A_5}, 40). \tag{16}$$

Under the assumption that $\frac{\partial U}{\partial w} > 0$, our hypothesis $H3$ is equivalent to:

$$\begin{aligned} &U(200-b,40) + U(100-b,40) - (U(200-b,20) + U(100-b,20)) > \\ &U(200-b,20) + U(100-b,20) - (U(200-b,0) + U(100-b,0)), \end{aligned} \tag{17}$$

which we can rewrite as

$$\begin{aligned} &U(200-b,40) - U(200-b,20) + U(100-b,40) - U(100-b,20) > \\ &U(200-b,20) - U(200-b,0) + U(100-b,20) - U(100-b,0). \end{aligned} \tag{18}$$

This is equivalent to:

$$\begin{aligned} &\int_0^{20} \frac{\partial U}{\partial g}(200-b, g+20)\,\mathrm{d}g \; + \int_0^{20} \frac{\partial U}{\partial g}(100-b, g+20)\,\mathrm{d}g > \\ &\int_0^{20} \frac{\partial U}{\partial g}(200-b, g)\,\mathrm{d}g \; + \int_0^{20} \frac{\partial U}{\partial g}(100-b, g)\,\mathrm{d}g. \end{aligned} \tag{19}$$

Rearranging, we get:

$$\begin{aligned} &\int_0^{20} \left[\frac{\partial U}{\partial g}(200-b, g+20) - \frac{\partial U}{\partial g}(200-b, g) + \frac{\partial U}{\partial g}(100-b, g+20) - \frac{\partial U}{\partial g}(100-b, g) \right] \mathrm{d}g > 0 \\ \Leftrightarrow &\int_0^{20} \left[\int_0^{20} \frac{\partial^2 U}{\partial g^2}(200-b, g)\,\mathrm{d}g + \int_0^{20} \frac{\partial^2 U}{\partial g^2}(100-b, g)\,\mathrm{d}g \right] \mathrm{d}g > 0. \end{aligned} \tag{20}$$

This reasoning shows that: $(b^*_{A_5} - b^*_{A_2}) > (b^*_{A_2} - b^*_{A_1}) \iff \mathbb{E}(\frac{\partial^2 U}{\partial g^2}) > 0$. Hypothesis $H3$ is thus equivalent to saying that the second-derivative of utility with respect to donations is on average positive.

A.4 Additional Tests for Hypothesis 1

Consider our experimental setup in which a participant submits a continuous bid b_{A_k} for asset A_k, and $\frac{\partial U}{\partial w} > 0$.

A participant's expected utility function is given by: $\max_{b_{A_k}} \mathbb{E}[U(w,g)]$, where w is the financial payoff and g reflects the donation. Further assume that g_{h,A_k} is the donation in

the good state and g_{l,A_k} is the donation in the bad state.

$$\begin{aligned}\max_{b_{A_k}} \mathbb{E}\left[U\left(w,g\right)\right] = & \int_0^{100} \frac{1}{100}\Big(\mathbb{1}_{b_{A_k}\geq p_{A_k}}\left[\frac{1}{2}U\left(200-p_{A_k},g_{h,A_k}\right)+\frac{1}{2}U\left(100-p_{A_k},g_{l,A_k}\right)\right] \\ & + \mathbb{1}_{b_{A_k}<p_{A_k}}U\left(100,0\right)\Big)\mathrm{d}p_{A_k} \\ = & \int_0^{b_{A_k}} \frac{1}{100}\left[\frac{1}{2}U\left(200-p_{A_k},g_{h,A_k}\right)+\frac{1}{2}U\left(100-p_{A_k},g_{l,A_k}\right)\right]\mathrm{d}p_{A_k} \\ & + \int_{b_{A_k}}^{100} \frac{1}{100}\,U\left(100,0\right)\mathrm{d}p_{A_k}\end{aligned}$$

First-order condition:

$$\frac{1}{100}\left[\frac{1}{2}U\left(200-b_{A_k},g_{h,A_k}\right)+\frac{1}{2}U\left(100-b_{A_k},g_{l,A_k}\right)\right]-\frac{1}{100}U\left(100,0\right)=0$$

Second-order condition:

$$\frac{1}{100}\left[-\frac{1}{2}U'\left(200-b_{A_k},g_{h,A_k}\right)-\frac{1}{2}U'\left(100-b_{A_k},g_{l,A_k}\right)\right]<0$$

Now consider the different assets we model:

- Asset $A1$: no donation, $g_{h,A_1}=g_{l,A_1}=0$
- Asset $A2$: $g_{h,A_2}=g_{l,A_2}=20$
- Asset $A3$: $g_{h,A_3}=0$ $g_{l,A_3}=40$
- Asset $A4$: $g_{h,A_4}=40$ $g_{l,A_4}=0$
- Asset $A5$: $g_{h,A_5}=g_{l,A_5}=40$

The optimal bids $b^*_{A_k}$ are:

- $b^*_{A_1}$ is such that: $U(100,0)=\frac{1}{2}U(200-b^*_{A_1},0)+\frac{1}{2}U(100-b^*_{A_1},0)$
- $b^*_{A_2}$ is such that: $U(100,0)=\frac{1}{2}U(200-b^*_{A_2},20)+\frac{1}{2}U(100-b^*_{A_2},20)$
- $b^*_{A_3}$ is such that: $U(100,0)=\frac{1}{2}U(200-b^*_{A_3},0)+\frac{1}{2}U(100-b^*_{A_3},40)$
- $b^*_{A_4}$ is such that: $U(100,0)=\frac{1}{2}U(200-b^*_{A_4},40)+\frac{1}{2}U(100-b^*_{A_4},0)$
- $b^*_{A_5}$ is such that: $U(100,0)=\frac{1}{2}U(200-b^*_{A_5},40)+\frac{1}{2}U(100-b^*_{A_5},40)$

In Section A.1, we use a comparison of participants' bids for A_2 and A_1 to test whether they derive utility from doing good. Following the same logic, we can use any of the responsible assets to show that, for any $k>1$, $\mathbb{E}(\frac{\partial U}{\partial g})>0$ if and only if $b^*_{A_k}>b^*_{A_1}$.

B Appendix to Section 8

B.1 Analysis of Subsamples

To account for the fact that our findings might be driven by the fraction of participants who faced the old instructions, we investigate whether they hold for the subset of participants who faced the new instructions. Summary statistics of the average WTP

Table B1: Summary Statistics for Assets A_1 to A_5 – New Instructions Subsample

	mean	sd
Average WTP A_1	50.7699	18.0504
Average WTP A_2	50.4258	17.9746
Average WTP A_3	46.5919	19.0470
Average WTP A_4	52.1629	19.2675
Average WTP A_5	55.4634	20.4433

Note: This table shows summary statistics for the willingness to pay of assets A_1 to A_5 for the subsample of participants, who faced the revised instructions. The WTP is averaged across turns and charities, respectively.

for assets A_1 to A_5 are reported in Table B1. In comparison to the average WTP for the full sample in Table 2, it becomes evident that the revised instructions had a substantial influence on lowering the overall WTP. Just as for the full sample, the absolute Euro premium of A_2 over A_1 seems negligible upon visual inspection, while the average WTP for asset A_3 is substantially lower compared to WTP for the other assets. We proceed analogously and conduct unconditional tests on the means of the premia of assets A_2 to A_5 over the conventional asset A_1 in Table B2, the results suggest that our results are qualitatively similar.

As shown in Table B3, the Euro premia are of similar magnitude and statistical significance compared to the full sample, except premium A_4 which is no longer significant. The results reported in Table B4 confirm that Hypotheses $H2$ and $H3$ are not rejected for this smaller subsample. With respect to the effect of altruism, the results of the average premia for all responsible assets or the average of the responsible assets A_2, A_4, and A_5 confirm that the premia generally increase in altruism.

B.2 Percentage Premia

We repeat our main analyses with percentage premia as dependent variable. That is, for every Euro premium investigated in Tables 4 and 5, we calculate the respective percentages relative to the participant's bid for the conventional asset b_{A_1} as $\frac{Premium\ A_k}{b_{A_1}}$, where $k = 2, ..., 5$. Note that the number of observations slightly reduces to 446, because

Table B2: Mean Asset Premia to assess Hypotheses 1-3 – New Instructions Subsample

	mean	t-statistic
Premium A_2	-0.3441	-0.3211
Premium A_3	-4.1779	-3.5564
Premium A_4	1.3930	1.3281
Premium A_5	4.6935	3.7398
Premium $A_{2,\ldots,5}$	0.3911	0.3823
Premium $A_{2,4,5}$	1.9141	1.8410
Premium $A_4 - A_3$	5.5710	5.1278
Premium $H3$	5.3817	4.4216

Note: This table shows premia of responsible assets in absolute terms for a subset of participants, who faced the new instructions in column (1). "Premium A_2" to "Premium A_5" are the average Euro premia of responsible assets A_2 to A_5 over the conventional asset A_1, respectively. "Premium $A_{2,\ldots,5}$" is the average premium of all responsible assets over the conventional asset. "Premium $A_{2,4,5}$" is the average premium of assets A_2, A_4, and A_5 over the conventional asset A_1. "Premium $A_4 - A_3$" is the difference in WTP between A_4 and A_3 that is required to assess Hypothesis $H2$. "Premium $H3$" is defined as $(b_{A_5} - b_{A_2}) - (b_{A_2} - b_{A_1})$ and allows to assess Hypothesis $H3$, as outlined in section A.3. In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero.

7 participants stated a WTP of zero for the conventional asset. There are two possible explanations why these 7 participants could show this behavior. Either, they are infinitely risk-averse, or they did not understand the experimental setup. We argue that the latter explanation is more likely, because the 7 participants' self-reported risk-aversion is not particularly high. One way to address the issue that these participants did not understand the setup is to replace their zero WTP with a low value such as 0.01 or 1 experimental currency units. This choice would result in extremely high positive percentage premia which would work in our favor. In order not to inflate our results, we hence decided to eliminate these 7 participants with zero WTP for the conventional asset A_1. Therefore, the percentage premia have to be interpreted cautiously and represent a conservative estimate. [26]

In Table B5, we report means of the average percentage premia. As before, we first use t-tests to assess the unconditional significance of each percentage premium. The findings are qualitatively very similar to the Euro premia discussed earlier. With the exception of the premium of asset A_3 over asset A_1, all of the premia are positive and moreover statistically significant. While the percentage premium of asset A_3 over A_1 is still negative and meaningful with a discount of almost 2%, this premium loses statistical significance.

[26] We confirm our findings for the absolute (Euro) premia also for the 446 participants who did not state a zero WTP for asset A_1. These findings are not reported here for the sake of brevity and are available from the authors upon request. We further investigate the percentage premia in Appendix F, in which we show that high percentage premia are very unlikely. Additionally, we confirm all of our findings when we winsorize or truncate the most extreme bids of the distribution in unreported results.

Table B3: Willingness to Pay for Social Responsibility and Personality Traits – Subsample Analysis

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-0.344	-4.178***	1.393	4.694***
	(1.052)	(1.184)	(1.043)	(1.233)
Altruism	4.751***	3.505**	3.323**	5.095***
	(1.337)	(1.506)	(1.327)	(1.568)
Egoism	0.791	1.610	0.412	0.393
	(1.309)	(1.474)	(1.299)	(1.534)
LTO	-2.563*	-1.429	-1.665	-0.282
	(1.309)	(1.473)	(1.298)	(1.534)
Religiousness	-0.529	-0.926	0.572	-1.962
	(1.506)	(1.696)	(1.494)	(1.765)
Church Attendance	1.704	0.215	0.853	0.794
	(1.354)	(1.525)	(1.344)	(1.587)
Church Visits (p.a.)	-1.118	-0.420	-0.064	-0.271
	(1.241)	(1.397)	(1.231)	(1.454)
Interest Politics	0.976	-0.225	1.016	2.211
	(1.232)	(1.387)	(1.222)	(1.444)
Election Participation	0.083	0.295	-0.181	-0.034
	(0.314)	(0.354)	(0.312)	(0.368)
Political Party	2.345	4.251	-1.861	2.548
	(3.858)	(4.344)	(3.828)	(4.522)
PE Donations	0.065	0.184	0.030	1.091
	(1.552)	(1.748)	(1.540)	(1.819)
PSE	-1.538	-0.852	-0.592	-1.196
	(1.534)	(1.728)	(1.522)	(1.798)
Gender	1.284	0.997	0.661	0.758
	(1.207)	(1.359)	(1.198)	(1.415)
Age	1.038	-0.129	0.153	-0.261
	(1.180)	(1.328)	(1.171)	(1.383)
Marital Status	-2.123*	-2.154*	-2.156*	-3.239**
	(1.115)	(1.256)	(1.106)	(1.307)
Income	-0.095	1.211	-1.348	-0.612
	(1.148)	(1.292)	(1.139)	(1.345)
Family Income	0.541	1.026	-0.058	0.284
	(1.238)	(1.394)	(1.229)	(1.451)
Bafoeg	-0.278	-0.818	0.354	0.462
	(3.106)	(3.497)	(3.082)	(3.640)
Risk Aversion	-0.884	-0.942	-2.119*	-1.018
	(1.120)	(1.261)	(1.111)	(1.312)
SRI Return Perception	-1.504	-0.992	-2.170*	-2.377*
	(1.126)	(1.268)	(1.117)	(1.320)
SRI Risk Perception	-0.604	-1.006	-0.446	-1.297
	(1.118)	(1.258)	(1.109)	(1.310)
SRI Awareness	-0.423	-0.056	0.440	-0.180
	(1.131)	(1.274)	(1.122)	(1.326)
Inv Time	-0.156	0.489	0.998	-0.488
	(1.287)	(1.449)	(1.277)	(1.508)
InvKH	0.541	-0.423	-0.188	0.431
	(1.387)	(1.562)	(1.377)	(1.626)
Adjusted R^2	0.037	-0.016	0.01	0.036
Observations	310	310	310	310

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 for a subset of subjects, who received the new instructions. The dependent variable is the premium of the respective responsible asset over the conventional asset A_1. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 3, suggesting no multicollinearity to be present.

Table B4: Willingness to Pay for Social Responsibility and Personality Traits – Subsample Analysis II

	(1) Premium $A_{2,\ldots,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium $H3$
Constant	0.391	1.914*	5.571***	5.382***
	(1.013)	(1.023)	(1.097)	(1.191)
Altruism	4.169***	4.390***	-0.183	-4.407***
	(1.288)	(1.301)	(1.395)	(1.515)
Egoism	0.801	0.532	-1.198	-1.190
	(1.260)	(1.273)	(1.366)	(1.483)
LTO	-1.485	-1.503	-0.236	4.844***
	(1.260)	(1.273)	(1.365)	(1.482)
Religiousness	-0.711	-0.640	1.498	-0.903
	(1.450)	(1.465)	(1.571)	(1.706)
Church Attendance	0.891	1.117	0.639	-2.613*
	(1.304)	(1.317)	(1.413)	(1.534)
Church Visits (p.a.)	-0.468	-0.484	0.356	1.966
	(1.195)	(1.207)	(1.294)	(1.405)
Interest Politics	0.994	1.401	1.241	0.259
	(1.186)	(1.198)	(1.285)	(1.395)
Election Participation	0.041	-0.044	-0.476	-0.199
	(0.302)	(0.306)	(0.328)	(0.356)
Political Party	1.821	1.011	-6.112	-2.141
	(3.715)	(3.753)	(4.025)	(4.370)
PE Donations	0.343	0.396	-0.154	0.960
	(1.495)	(1.510)	(1.620)	(1.758)
PSE	-1.044	-1.109	0.260	1.880
	(1.477)	(1.492)	(1.601)	(1.738)
Gender	0.925	0.901	-0.337	-1.810
	(1.162)	(1.174)	(1.259)	(1.367)
Age	0.200	0.310	0.282	-2.337*
	(1.136)	(1.148)	(1.231)	(1.336)
Marital Status	-2.418**	-2.506**	-0.001	1.006
	(1.074)	(1.085)	(1.163)	(1.263)
Income	-0.211	-0.685	-2.559**	-0.422
	(1.105)	(1.116)	(1.197)	(1.300)
Family Income	0.448	0.256	-1.084	-0.797
	(1.192)	(1.204)	(1.292)	(1.402)
Bafoeg	-0.070	0.179	1.172	1.019
	(2.991)	(3.021)	(3.241)	(3.518)
Risk Aversion	-1.241	-1.341	-1.177	0.751
	(1.078)	(1.089)	(1.168)	(1.268)
SRI Return Perception	-1.760	-2.017*	-1.178	0.630
	(1.085)	(1.095)	(1.175)	(1.276)
SRI Risk Perception	-0.838	-0.782	0.561	-0.088
	(1.076)	(1.087)	(1.166)	(1.266)
SRI Awareness	-0.054	-0.054	0.496	0.666
	(1.089)	(1.100)	(1.180)	(1.281)
Inv Time	0.211	0.118	0.509	-0.177
	(1.239)	(1.252)	(1.343)	(1.458)
InvKH	0.090	0.261	0.235	-0.650
	(1.336)	(1.350)	(1.448)	(1.572)
Adjusted R^2	0.020	0.032	-0.020	0.042
Observations	310	310	310	310

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 for a subset of subjects, who received the new instructions with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 3, suggesting no multicollinearity to be present.

Table B5: Mean Percentage Premia to assess Hypotheses 1-3

	mean	t-statistic
Premium A_2	0.0364	2.1295
Premium A_3	-0.0198	-1.0082
Premium A_4	0.0678	3.9361
Premium A_5	0.1499	6.5199
Premium $A_{2,\ldots,5}$	0.0586	3.4032
Premium $A_{2,4,5}$	0.0847	4.8299
Premium $A_4 - A_3$	0.0876	4.6705
Premium $H3$	0.0772	3.9777

Note: This table shows percentage premia of responsible assets over the conventional asset A_1 in column (1). "Premium A_2" to "Premium A_5" are the average percentage premia of responsible assets A_2 to A_5 over the conventional asset A_1, respectively. "Premium $A_{2,\ldots,5}$" is the average percentage premium of all responsible assets over the conventional asset. "Premium $A_{2,4,5}$" is the average percentage premium of assets A_2, A_4, and A_5 over the conventional asset A_1. "Premium $A_4 - A_3$" is the difference in WTP between A_4 and A_3 that is required to assess Hypothesis $H2$. "Premium $H3$" is defined as $(b_{A_5} - b_{A_2}) - (b_{A_2} - b_{A_1})$ and allows to assess Hypothesis $H3$, as outlined in section A.3. In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero.

The average premium for responsible assets is 5.8%, as indicated by the mean value of "Premium $A_{2,\ldots,5}$". Focusing only on the assets A_2, A_4, and A_5, the average premium is 8.5%. With the exception of asset A_3, the results of these unconditional tests support Hypothesis $H1$. The premium of asset A_4 over asset A_3 is again positive and highly statistically significant, suggesting that we do not reject Hypothesis $H2$. Lastly, also Hypothesis $H3$ is not rejected in the unconditional tests of the percentage premium.

Results from regression analyses are shown in Table B6. Independent variables are again standardized, allowing to assess the conditional significance of the percentage premia via the regression constants. The results reported in Table B6 confirm the univariate tests: Our subjects are willing to pay more for a socially responsible asset than for a conventional asset. This finding is stable and in line with Hypothesis $H1$, unless the social responsibility of the asset is associated with bad economic conditions. For two alternative specifications of percentage premia, we confirm that our subjects are indeed willing to pay more for a socially responsible asset than for a conventional asset. In columns (1) and (2) of Table B7, we test whether there is a significant percentage premium for the average of all responsible assets, and only assets A_2, A_4, and A_5, respectively. Compared to the Euro premia discussed above, the average percentage premium of all responsible assets "Premium $A_{2,\ldots,5}$" is now positive and significant at the 1% level. This result likely stems from the fact that the coefficient for asset A_3 is no longer significantly negative and moreover the coefficient of the percentage premium for asset A_2 over the conventional asset is now statistically significant.

In order to test Hypothesis $H2$, consider column (3) of Table B7. We find corroborative

Table B6: Percentage Premia and Personality Traits

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	0.036**	-0.019	0.068***	0.150***
	(0.017)	(0.020)	(0.017)	(0.022)
Altruism	0.053***	0.041*	0.030	0.064**
	(0.021)	(0.024)	(0.021)	(0.027)
Egoism	-0.034*	-0.014	-0.037*	-0.049*
	(0.020)	(0.023)	(0.020)	(0.026)
LTO	-0.025	-0.019	0.000	-0.001
	(0.019)	(0.022)	(0.019)	(0.025)
Religiousness	-0.006	-0.005	0.013	-0.021
	(0.022)	(0.026)	(0.023)	(0.030)
Church Attendance	0.013	-0.012	-0.003	-0.008
	(0.021)	(0.024)	(0.021)	(0.028)
Church Visits (p.a.)	-0.024	-0.012	-0.010	-0.010
	(0.020)	(0.023)	(0.020)	(0.026)
Interest Politics	0.019	0.010	0.013	0.043*
	(0.019)	(0.022)	(0.019)	(0.025)
Election Participation	0.002	0.005	-0.003	0.001
	(0.005)	(0.006)	(0.005)	(0.006)
Political Party	0.018	0.050	0.021	0.017
	(0.065)	(0.075)	(0.066)	(0.086)
PE Donations	0.036	0.045	0.027	0.061*
	(0.024)	(0.028)	(0.024)	(0.031)
PSE	-0.029	-0.004	-0.012	-0.012
	(0.023)	(0.027)	(0.024)	(0.031)
Gender	0.022	0.021	-0.007	0.010
	(0.019)	(0.022)	(0.019)	(0.026)
Age	0.010	-0.008	-0.005	-0.026
	(0.018)	(0.021)	(0.019)	(0.025)
Marital Status	-0.015	-0.015	-0.014	-0.030
	(0.017)	(0.019)	(0.017)	(0.022)
Income	-0.019	0.001	-0.035*	-0.036
	(0.018)	(0.021)	(0.018)	(0.024)
Family Income	0.013	0.016	0.002	0.020
	(0.020)	(0.023)	(0.020)	(0.026)
Bafoeg	0.008	0.033	0.003	0.049
	(0.047)	(0.055)	(0.048)	(0.063)
Risk Aversion	-0.017	-0.019	-0.046**	-0.034
	(0.018)	(0.021)	(0.018)	(0.023)
SRI Return Perception	-0.018	-0.022	-0.028	-0.045*
	(0.018)	(0.021)	(0.018)	(0.024)
SRI Risk Perception	-0.003	0.003	-0.010	-0.003
	(0.018)	(0.021)	(0.018)	(0.024)
SRI Awareness	0.005	0.015	0.020	0.022
	(0.019)	(0.022)	(0.019)	(0.025)
Inv Time	-0.026	-0.018	0.002	-0.022
	(0.020)	(0.023)	(0.020)	(0.027)
InvKH	0.027	0.016	0.005	0.024
	(0.022)	(0.025)	(0.022)	(0.029)
New Instructions	-0.006	-0.016	-0.014	-0.004
	(0.012)	(0.014)	(0.012)	(0.016)
Adjusted R^2	0.028	0.005	0.018	0.052
Observations	446	446	446	446

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1. The dependent variable is the premium of the respective responsible asset over the conventional asset A_1, relative to the willingness-to-pay for A_1. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table B7: Percentage Premia and Personality Traits II

	(1) Premium $A_{2,\ldots,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium $H3$
Constant	0.059***	0.085***	0.087***	0.078***
	(0.017)	(0.017)	(0.019)	(0.019)
Altruism	0.047**	0.049**	-0.012	-0.042*
	(0.021)	(0.021)	(0.023)	(0.023)
Egoism	-0.034*	-0.040**	-0.022	0.019
	(0.020)	(0.020)	(0.022)	(0.023)
LTO	-0.011	-0.009	0.018	0.049**
	(0.019)	(0.019)	(0.021)	(0.022)
Religiousness	-0.005	-0.005	0.018	-0.008
	(0.022)	(0.023)	(0.025)	(0.025)
Church Attendance	-0.003	0.001	0.008	-0.033
	(0.021)	(0.021)	(0.024)	(0.024)
Church Visits (p.a.)	-0.014	-0.015	0.003	0.039*
	(0.020)	(0.020)	(0.022)	(0.023)
Interest Politics	0.021	0.025	0.003	0.006
	(0.019)	(0.020)	(0.021)	(0.022)
Election Participation	0.001	0.000	-0.007	-0.003
	(0.005)	(0.005)	(0.005)	(0.006)
Political Party	0.027	0.019	-0.029	-0.019
	(0.065)	(0.066)	(0.073)	(0.074)
PE Donations	0.042*	0.041*	-0.018	-0.010
	(0.024)	(0.024)	(0.027)	(0.027)
PSE	-0.014	-0.018	-0.007	0.045*
	(0.024)	(0.024)	(0.026)	(0.027)
Gender	0.012	0.009	-0.028	-0.035
	(0.019)	(0.020)	(0.022)	(0.022)
Age	-0.008	-0.007	0.003	-0.045**
	(0.019)	(0.019)	(0.021)	(0.021)
Marital Status	-0.018	-0.020	0.000	0.001
	(0.017)	(0.017)	(0.019)	(0.019)
Income	-0.022	-0.030	-0.036*	0.002
	(0.018)	(0.019)	(0.020)	(0.021)
Family Income	0.013	0.012	-0.013	-0.007
	(0.020)	(0.020)	(0.022)	(0.022)
Bafoeg	0.023	0.020	-0.030	0.033
	(0.047)	(0.048)	(0.053)	(0.054)
Risk Aversion	-0.029	-0.032*	-0.027	0.001
	(0.018)	(0.018)	(0.020)	(0.020)
SRI Return Perception	-0.028	-0.030*	-0.006	-0.009
	(0.018)	(0.018)	(0.020)	(0.020)
SRI Risk Perception	-0.003	-0.005	-0.013	0.004
	(0.018)	(0.018)	(0.020)	(0.020)
SRI Awareness	0.015	0.015	0.005	0.012
	(0.019)	(0.019)	(0.021)	(0.021)
Inv Time	-0.016	-0.015	0.019	0.029
	(0.020)	(0.021)	(0.023)	(0.023)
InvKH	0.018	0.018	-0.010	-0.030
	(0.022)	(0.022)	(0.025)	(0.025)
New Instructions	-0.010	-0.008	0.002	0.009
	(0.012)	(0.012)	(0.014)	(0.014)
Adjusted R^2	0.032	0.038	-0.014	0.013
Observations	446	446	446	446

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 with varying percentage premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

evidence that individuals are willing to pay more for social responsibility when it occurs in good times than in bad times. The premium amounts to an economically meaningful 8.7% and is significant at the 1% level. In column (4), we test and do not reject Hypothesis $H3$ also when the premium is computed in relative rather than absolute terms.

The aforementioned results moreover show that the percentage premia increase in an individual's level of altruism. While the altruism coefficient for the percentage premium for A_4 (column (3) of Table B6) loses statistical significance, this effect is confirmed for the responsible assets A_2, A_3, A_5 individually, and also for the averages of percentage premia (Premium $A_{2,\ldots,5}$, and Premium $A_{2,4,5}$).

As for the remaining control variables, the coefficient for egoism is negative and marginally significant for the relative premia of assets A_2, A_4, A_5, and for Premium $A_{2,\ldots,5}$ and $A_{2,4,5}$.

Table B8: Mean Percentage Premia to assess Hypotheses 1-3 – New Instructions Subsample

	mean	t-statistic
Premium A_2	0.0246	1.2490
Premium A_3	-0.0420	-1.9146
Premium A_4	0.0544	2.7480
Premium A_5	0.1423	5.6162
Premium $A_{2,\ldots,5}$	0.0448	2.3330
Premium $A_{2,4,5}$	0.0738	3.7344
Premium $A_4 - A_3$	0.0965	4.3130
Premium $H3$	0.0931	4.1575

Note: This table shows percentage premia of responsible assets over the conventional asset A_1 for a subset of participants, who faced the new instructions in column (1). "Premium A_2" to "Premium A_5" are the average percentage premia of responsible assets A_2 to A_5 over the conventional asset A_1, respectively. "Premium $A_{2,\ldots,5}$" is the average percentage premium of all responsible assets over the conventional asset. "Premium $A_{2,4,5}$" is the average percentage premium of assets A_2, A_4, and A_5 over the conventional asset A_1. "Premium $A_4 - A_3$" is the difference in WTP between A_4 and A_3 that is required to assess Hypothesis $H2$. "Premium $H3$" is defined as $(b_{A_5} - b_{A_2}) - (b_{A_2} - b_{A_1})$ and allows to assess Hypothesis $H3$, as outlined in section A.3. In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero.

Further results investigating percentage premia for the subsample of participants, who received new instructions are reported in Tables B8, B9, and B10. [27] The conditional tests of the percentage premia with regression analysis, reported in Tables B9 and B10, again

[27] Again, the number of observations reduces slightly from 310 to 304 because some participants stated a zero WTP for the conventional asset A_1. Therefore, the same cautious interpretation of results as before applies. Our results again represent a conservative estimate because we do not intend to inflate them and consequently remove participants with zero WTP for A_1. We repeat all analyses with this reduced sample also for the absolute (Euro) premia and find qualitatively similar, yet slightly less significant results. The results are once again generally in favor of Hypothesis $H1$ and supportive of Hypotheses $H2$ and $H3$. These findings are not reported here for the sake of brevity and are available from the authors upon request.

Table B9: Percentage Premia and Personality Traits – New Instructions Subsample

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	0.025	-0.042*	0.055***	0.142***
	(0.019)	(0.022)	(0.020)	(0.025)
Altruism	0.067***	0.049*	0.033	0.073**
	(0.024)	(0.028)	(0.025)	(0.032)
Egoism	0.006	0.021	-0.001	-0.009
	(0.024)	(0.027)	(0.025)	(0.031)
LTO	-0.073***	-0.037	-0.050**	-0.027
	(0.024)	(0.027)	(0.025)	(0.031)
Religiousness	-0.007	-0.024	0.022	-0.036
	(0.028)	(0.032)	(0.028)	(0.036)
Church Attendance	0.033	0.009	0.009	0.012
	(0.025)	(0.028)	(0.025)	(0.032)
Church Visits (p.a.)	-0.015	-0.002	-0.004	-0.002
	(0.023)	(0.026)	(0.023)	(0.029)
Interest Politics	0.017	-0.003	0.015	0.043
	(0.022)	(0.026)	(0.023)	(0.029)
Election Participation	0.005	0.009	-0.002	0.004
	(0.006)	(0.007)	(0.006)	(0.007)
Political Party	0.015	0.045	0.004	0.043
	(0.073)	(0.084)	(0.075)	(0.094)
PE Donations	0.005	0.004	0.001	0.024
	(0.028)	(0.032)	(0.029)	(0.037)
PSE	-0.028	0.001	-0.006	-0.017
	(0.028)	(0.032)	(0.029)	(0.036)
Gender	0.018	0.011	0.002	0.005
	(0.022)	(0.025)	(0.023)	(0.029)
Age	0.016	-0.012	0.003	-0.013
	(0.021)	(0.025)	(0.022)	(0.028)
Marital Status	-0.041**	-0.035	-0.026	-0.062**
	(0.020)	(0.023)	(0.021)	(0.026)
Income	-0.012	0.021	-0.038*	-0.020
	(0.021)	(0.024)	(0.022)	(0.027)
Family Income	0.008	0.019	-0.001	0.007
	(0.022)	(0.026)	(0.023)	(0.029)
Bafoeg	-0.034	-0.028	-0.013	-0.036
	(0.056)	(0.065)	(0.058)	(0.073)
Risk Aversion	0.004	0.002	-0.027	0.003
	(0.020)	(0.024)	(0.021)	(0.027)
SRI Return Perception	-0.006	-0.009	-0.021	-0.028
	(0.020)	(0.024)	(0.021)	(0.027)
SRI Risk Perception	-0.030	-0.033	-0.026	-0.048*
	(0.021)	(0.024)	(0.021)	(0.027)
SRI Awareness	-0.012	-0.010	0.007	-0.009
	(0.021)	(0.024)	(0.021)	(0.027)
Inv Time	-0.012	0.002	0.002	-0.021
	(0.023)	(0.027)	(0.024)	(0.030)
InvKH	-0.010	-0.023	-0.009	0
	(0.025)	(0.029)	(0.026)	(0.033)
Adjusted R^2	0.053	-0.012	-0.007	0.033
Observations	304	304	304	304

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 for a subset of participants, who faced the new instructions. The dependent variable is the premium of the respective responsible asset over the conventional asset A_1, relative to the willingness to pay for A_1. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.6, suggesting no multicollinearity to be present.

Table B10: Percentage Premia and Personality Traits – New Instructions Subsample II

	(1) Premium $A_{2,\ldots,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium $H3$
Constant	0.045**	0.074***	0.097***	0.093***
	(0.019)	(0.019)	(0.023)	(0.022)
Altruism	0.055**	0.058**	-0.015	-0.061**
	(0.024)	(0.025)	(0.029)	(0.027)
Egoism	0.004	-0.001	-0.022	-0.021
	(0.023)	(0.024)	(0.028)	(0.027)
LTO	-0.047**	-0.050**	-0.012	0.119***
	(0.024)	(0.024)	(0.028)	(0.027)
Religiousness	-0.011	-0.007	0.046	-0.023
	(0.027)	(0.028)	(0.032)	(0.031)
Church Attendance	0.016	0.018	0.000	-0.053*
	(0.024)	(0.025)	(0.029)	(0.028)
Church Visits (p.a.)	-0.006	-0.007	-0.001	0.028
	(0.022)	(0.023)	(0.027)	(0.026)
Interest Politics	0.018	0.025	0.018	0.010
	(0.022)	(0.023)	(0.026)	(0.025)
Election Participation	0.004	0.002	-0.011	-0.006
	(0.006)	(0.006)	(0.007)	(0.006)
Political Party	0.027	0.021	-0.040	0.012
	(0.072)	(0.074)	(0.086)	(0.082)
PE Donations	0.009	0.010	-0.002	0.013
	(0.028)	(0.029)	(0.033)	(0.032)
PSE	-0.012	-0.017	-0.007	0.040
	(0.028)	(0.028)	(0.033)	(0.031)
Gender	0.009	0.008	-0.009	-0.032
	(0.022)	(0.022)	(0.026)	(0.025)
Age	-0.001	0.002	0.015	-0.045*
	(0.021)	(0.022)	(0.025)	(0.024)
Marital Status	-0.041**	-0.043**	0.010	0.021
	(0.020)	(0.021)	(0.024)	(0.023)
Income	-0.012	-0.023	-0.059**	0.003
	(0.021)	(0.021)	(0.025)	(0.024)
Family Income	0.008	0.005	-0.020	-0.009
	(0.022)	(0.023)	(0.027)	(0.025)
Bafoeg	-0.028	-0.028	0.015	0.033
	(0.056)	(0.057)	(0.066)	(0.063)
Risk Aversion	-0.005	-0.007	-0.029	-0.005
	(0.020)	(0.021)	(0.024)	(0.023)
SRI Return Perception	-0.016	-0.018	-0.012	-0.016
	(0.020)	(0.021)	(0.024)	(0.023)
SRI Risk Perception	-0.035*	-0.035*	0.007	0.012
	(0.020)	(0.021)	(0.024)	(0.023)
SRI Awareness	-0.006	-0.005	0.017	0.016
	(0.020)	(0.021)	(0.024)	(0.023)
Inv Time	-0.008	-0.011	0.000	0.003
	(0.023)	(0.024)	(0.028)	(0.026)
InvKH	-0.011	-0.006	0.013	0.019
	(0.025)	(0.026)	(0.030)	(0.029)
Adjusted R^2	0.020	0.029	-0.022	0.066
Observations	304	304	304	304

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

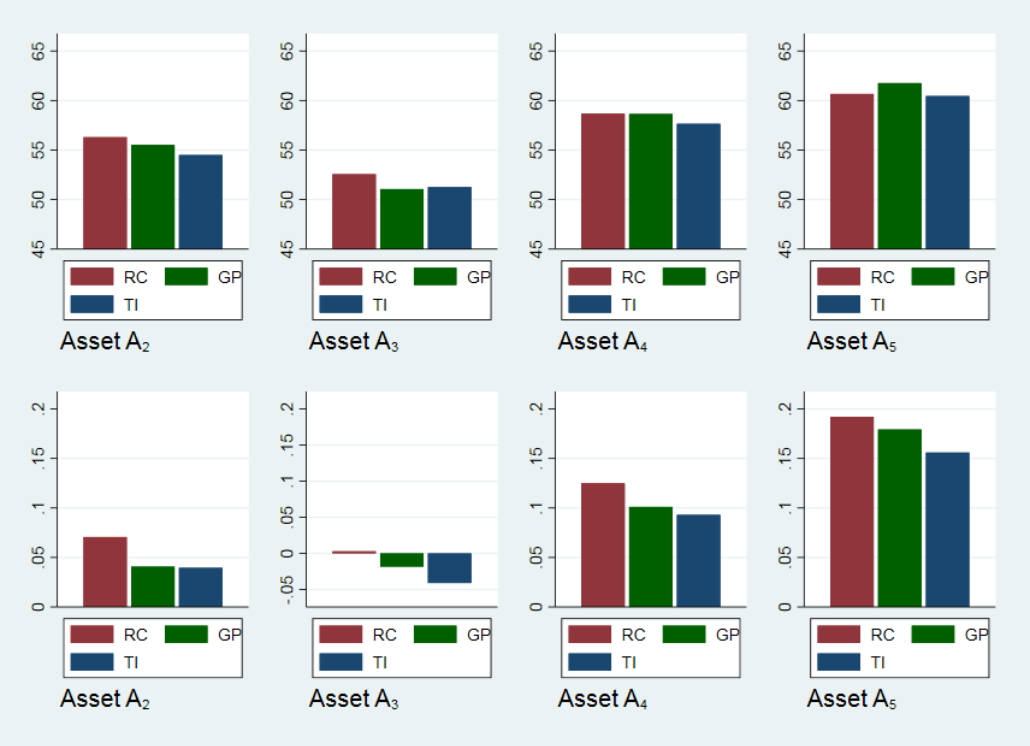
Note: This table contains estimation results of OLS regression specifications according to Equation 1 with varying percentage premia as dependent variables for a subset of participants, who faced the new instructions. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.6, suggesting no multicollinearity to be present.

confirm our earlier results. We thus conclude that our evidence is generally in favor of Hypotheses $H1$, $H2$, and $H3$ also for the smaller subsample. For those participants that faced new instructions, we find some evidence that a long-term orientation is associated with lower percentage premia. As this evidence is not consistent across Euro and percentage premia, we cautiously interpret the relation between long-term orientation and WTP as inconclusive.

B.3 Preferences for Environmental, Social, or Governance Causes

We now investigate how preferences for particular causes impact socially responsible behavior. By disentangling whether the premium differs depending on the cause of the donation, we learn about the financial consequences (in terms of willingness to pay) of delegated philanthropy (Bénabou and Tirole (2010); Bennett (2003)). In our three rounds

Figure B1: Willingness to Pay and Percentage Premia per Charity



Note: Average willingness to pay in Euro (upper panel) and percentage premium (lower panel) for responsible assets A_2 to A_5 per charity.

of experiments, the 3rd round only has the Red Cross as charity, so for this analysis we focus on the 1st and 2nd round with 302 participants in total. Figure B1 shows the average willingness to pay per asset in the upper panel. Visual inspection of the average willingness to pay for assets A_2 to A_5 suggests that subjects generally seem to prefer social causes followed by donations to environmental and governance causes. The lower

panel of Figure B1 contains percentage premia for the responsible assets A_2 to A_5 and confirms this pattern. We use t-tests to examine if there are differences in the percentage premia for the respective responsible assets A_2 to A_5, depending on whether the recipient of the donation is an environmental, social, or governance charity. First, we consider the complete sample. We find convincing evidence for the fact that social causes elicit higher percentage premia than governance causes. The difference is 0.0311 for asset A_2 (t-stat. 2.1379, p-value 0.0334), 0.0284 for asset A_3 (t-stat. 2.2027, p-value 0.0284), 0.0320 for asset A_4 (t-stat. 1.9557, p-value 0.0514), and amounts to 0.0362 for asset A_5 (t-stat. 2.0843, p-value 0.0380). Further, for asset A_2, our subjects pay a 0.0299 percentage points higher premium for social over environmental causes (t-stat. 2.0235, p-value 0.0439). Disentangling the preferences for the environmental, social, and governance dimensions in socially responsible investment products suggests that social causes are most material.

For the 52% of participants who faced the new instructions, we only find significant differences between both social and environmental causes relative to governance causes for the responsible asset A_5. These differences in percentage premia amount to 0.0504 for social versus governance (t-stat. 2.2021, p-value 0.0292), and 0.0371 for environmental versus governance (t-stat. 1.7429, p-value 0.0834). Furthermore, a comparison of absolute premia for the full sample and subsample of participants who faced the new instructions confirms these patterns, yet the differences are less significant. We therefore advise to cautiously interpret these results. Our result that individuals have a preference for the social dimension is in line with evidence from consumer decisions. In an extensive meta-analysis, Tully and Winer (2014) find that the WTP for socially responsible products is highest for the social dimension.

B.4 Pro-Social Framing

First facing a responsible asset in the WTP elicitation could potentially have an impact on the stated willingness to pay and overall premia, respectively. In the upper panel of Table B11, we report participants' WTP for assets A_1 to A_5 while differentiating whether a subject first saw the conventional asset (column (2)), or a responsible asset (column (3)) in the experiment. The lower panel reports participants' absolute premia for assets A_2 to A_5 over the conventional asset A_1, again for participants who face a conventional or responsible asset first, individually. We find no significant differences in WTP or premia depending on whether a participant first faces a conventional or a responsible asset. This unconditional evidence suggests that the order of experimental assets has no influence for participants' evaluations.

We proceed by repeating our main analyses for two additional subsamples. First, we report in Tables B12 and B13 regression results of the responsible asset's Euro premia only for those subjects, who first saw the conventional asset. The results show that the

Table B11: Does the Order of Assets Impact the Willingness to Pay?

	A_1 first	$A_{2,\ldots,5}$ first	Difference	t-statistic
Average WTP A_1	53.5236	54.5189	-0.9953	-0.5380
Average WTP A_2	54.3655	53.1780	1.1875	0.6453
Average WTP A_3	49.7689	50.8469	-1.0780	-0.5715
Average WTP A_4	55.6974	55.5379	0.1595	0.0838
Average WTP A_5	59.1266	58.0894	1.0372	0.5186
Premium A_2	0.8419	-1.3409	2.1828	1.2413
Premium A_3	-3.7546	-3.6719	-0.0827	-0.0437
Premium A_4	2.1738	1.0189	1.1549	0.6740
Premium A_5	5.6030	3.5704	2.0326	0.9964

Note: This table shows WTP for assets A_1 to A_5 in the upper panel. We differentiate whether a subject faces the conventional asset A_1 (A_1 first, column (2)) or a responsible asset first ($A_{2,\ldots,5}$ first, (column (3)), respectively. Moreover, we show absolute (Euro) premia of responsible assets in the lower panel. We report t-statistics to assess whether the order of the assets have an impact on WTP and premia, respectively.

Euro premia are of similar magnitude and significance compared to the full sample. We consequently do not reject Hypotheses $H1$, $H2$, and $H3$ also for those participants, who first saw the conventional asset. While similar in economic magnitude, the coefficient for altruism loses significance for the premium of asset A_3 over the conventional asset. From columns (1) and (2) of Table B13 we conclude that average premia for all responsible assets (Premium $A_{2,\ldots,5}$) or for the average of A_2, A_4, and A_5 (Premium $A_{2,4,5}$) relate positively and significantly to altruism.

Second, we report in Tables B14 and B15 regression results of a subset of participants who first saw a responsible asset. Again, the average Euro premia are of similar magnitude and significance as in the full sample. The premium for A_2 is now negative, yet this result is insignificant. The results allow us to generally not reject Hypotheses $H1$, $H2$, and $H3$. Further, the premia are consistently positively related to altruism. For assets A_2, the average of all responsible assets, and the average of A_2, A_4, and A_5, the coefficient is significant at the 1% level, and at the 5% level for A_3 and A_5. Our findings suggest that – regardless of whether participants first saw the conventional or a responsible asset in the experiment – the premia for social responsibility are statistically significant and meaningful.

B.5 Learning

We investigate whether the repeated nature of facing every asset twice results in learning effects that could ultimately influence individual's willingness to pay. In the upper panel of Table B16, we report our subjects' WTP for assets A_1 to A_5 for each turn individually for the full sample. Additionally, the lower panel shows Euro premia of the responsible

Table B12: Willingness to Pay for Social Responsibility and Personality Traits – Conventional Asset First

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	0.842	-3.755***	2.174*	5.603***
	(1.225)	(1.365)	(1.161)	(1.418)
Altruism	3.026*	2.216	3.853***	3.945**
	(1.561)	(1.739)	(1.480)	(1.807)
Egoism	-1.580	-0.156	-1.232	-0.985
	(1.452)	(1.618)	(1.377)	(1.681)
LTO	-2.527*	-1.218	-2.227*	-1.452
	(1.397)	(1.556)	(1.324)	(1.616)
Religiousness	0.386	-1.110	0.988	-0.893
	(1.638)	(1.825)	(1.553)	(1.896)
Church Attendance	1.341	0.971	0.229	0.816
	(1.474)	(1.642)	(1.397)	(1.705)
Church Visits (p.a.)	1.125	2.910*	0.678	1.132
	(1.493)	(1.663)	(1.415)	(1.728)
Interest Politics	-0.318	-0.279	-0.355	-0.090
	(1.447)	(1.612)	(1.372)	(1.675)
Election Participation	0.180	0.209	-0.237	0.231
	(0.414)	(0.461)	(0.392)	(0.479)
Political Party	6.568	5.889	1.912	7.597
	(4.970)	(5.537)	(4.711)	(5.752)
PE Donations	1.398	1.718	2.047	2.763
	(1.853)	(2.064)	(1.756)	(2.144)
PSE	-2.526	-0.713	-3.198*	-1.831
	(1.840)	(2.050)	(1.744)	(2.130)
Gender	0.605	0.137	0.679	0.524
	(1.396)	(1.556)	(1.323)	(1.616)
Age	2.204	2.291	1.071	0.193
	(1.488)	(1.658)	(1.410)	(1.722)
Marital Status	-1.822	-3.276**	-2.187*	-3.271**
	(1.327)	(1.478)	(1.258)	(1.536)
Income	-0.341	-0.802	-0.492	-2.276
	(1.402)	(1.563)	(1.329)	(1.623)
Family Income	2.389	2.682	2.723*	2.736
	(1.513)	(1.685)	(1.434)	(1.751)
Bafoeg	2.825	3.237	4.561	5.766
	(3.805)	(4.239)	(3.607)	(4.404)
Risk Aversion	-1.817	-0.530	-3.971***	-2.249
	(1.332)	(1.484)	(1.263)	(1.542)
SRI Return Perception	-0.903	0.509	-1.750	-1.799
	(1.349)	(1.503)	(1.279)	(1.562)
SRI Risk Perception	-0.526	-0.302	0.720	0.085
	(1.402)	(1.562)	(1.329)	(1.622)
SRI Awareness	0.032	-0.019	0.621	0.877
	(1.359)	(1.514)	(1.288)	(1.573)
Inv Time	-1.121	0.049	-0.235	-1.137
	(1.490)	(1.660)	(1.412)	(1.724)
InvKH	0.557	0.517	-0.066	-0.491
	(1.601)	(1.784)	(1.518)	(1.853)
New Instructions	-0.856	-1.291	-0.151	-0.357
	(0.846)	(0.943)	(0.802)	(0.980)
Adjusted R^2	0.020	-0.018	0.062	0.037
Observations	233	233	233	233

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 for a subset of participants, who first faced a conventional asset. The dependent variable is the premium of the respective responsible asset over the conventional asset A_1. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.6, suggesting no multicollinearity to be present.

Table B13: Willingness to Pay for Social Responsibility and Personality Traits – Conventional Asset First II

	(1) Premium $A_{2,\ldots,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium $H3$
Constant	1.216	2.873**	5.928***	3.919***
	(1.165)	(1.179)	(1.211)	(1.421)
Altruism	3.260**	3.608**	1.637	-2.108
	(1.485)	(1.502)	(1.543)	(1.811)
Egoism	-0.988	-1.266	-1.076	2.176
	(1.382)	(1.397)	(1.435)	(1.685)
LTO	-1.856	-2.069	-1.010	3.602**
	(1.329)	(1.344)	(1.380)	(1.621)
Religiousness	-0.157	0.160	2.099	-1.665
	(1.558)	(1.576)	(1.619)	(1.901)
Church Attendance	0.839	0.795	-0.741	-1.866
	(1.402)	(1.418)	(1.456)	(1.710)
Church Visits (p.a.)	1.461	0.978	-2.232	-1.118
	(1.420)	(1.436)	(1.475)	(1.732)
Interest Politics	-0.260	-0.254	-0.076	0.545
	(1.377)	(1.392)	(1.430)	(1.679)
Election Participation	0.096	0.058	-0.446	-0.128
	(0.393)	(0.398)	(0.409)	(0.480)
Political Party	5.492	5.359	-3.977	-5.540
	(4.728)	(4.781)	(4.911)	(5.767)
PE Donations	1.982	2.069	0.329	-0.032
	(1.762)	(1.782)	(1.831)	(2.150)
PSE	-2.067	-2.519	-2.485	3.221
	(1.750)	(1.770)	(1.818)	(2.135)
Gender	0.486	0.603	0.542	-0.685
	(1.328)	(1.343)	(1.380)	(1.620)
Age	1.440	1.156	-1.220	-4.215**
	(1.415)	(1.431)	(1.470)	(1.726)
Marital Status	-2.639**	-2.427*	1.089	0.373
	(1.262)	(1.277)	(1.311)	(1.540)
Income	-0.978	-1.037	0.309	-1.593
	(1.334)	(1.349)	(1.386)	(1.627)
Family Income	2.633*	2.616*	0.040	-2.042
	(1.439)	(1.455)	(1.495)	(1.755)
Bafoeg	4.097	4.384	1.323	0.117
	(3.620)	(3.661)	(3.760)	(4.415)
Risk Aversion	-2.142*	-2.679**	-3.441***	1.386
	(1.267)	(1.282)	(1.317)	(1.546)
SRI Return Perception	-0.986	-1.484	-2.259*	0.007
	(1.284)	(1.298)	(1.333)	(1.566)
SRI Risk Perception	-0.006	0.093	1.022	1.136
	(1.333)	(1.348)	(1.385)	(1.626)
SRI Awareness	0.378	0.510	0.640	0.814
	(1.293)	(1.307)	(1.343)	(1.577)
Inv Time	-0.611	-0.831	-0.284	1.106
	(1.417)	(1.433)	(1.472)	(1.729)
InvKH	0.129	0	-0.583	-1.605
	(1.523)	(1.540)	(1.582)	(1.858)
New Instructions	-0.664	-0.455	1.140	1.355
	(0.805)	(0.814)	(0.836)	(0.982)
Adjusted R^2	0.025	0.041	0.000	0.045
Observations	233	233	233	233

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 with varying premia as dependent variables for a subset of participants, who first faced a conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.6, suggesting no multicollinearity to be present.

Table B14: Willingness to Pay for Social Responsibility and Personality Traits – Responsible Asset First

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-1.341	-3.672***	1.019	3.570**
	(1.204)	(1.293)	(1.217)	(1.384)
Altruism	5.133***	3.381**	2.736*	4.522**
	(1.533)	(1.647)	(1.549)	(1.762)
Egoism	-0.295	0.599	-1.457	-2.245
	(1.468)	(1.578)	(1.484)	(1.688)
LTO	0.586	-0.600	2.508*	1.962
	(1.458)	(1.566)	(1.474)	(1.676)
Religiousness	-0.178	0.651	0.106	-0.594
	(1.676)	(1.800)	(1.694)	(1.926)
Church Attendance	-1.927	-3.415*	-0.898	-2.590
	(1.649)	(1.771)	(1.666)	(1.895)
Church Visits (p.a.)	-1.749	-1.650	-0.604	-0.467
	(1.493)	(1.604)	(1.509)	(1.716)
Interest Politics	1.823	0.848	1.767	3.332**
	(1.389)	(1.492)	(1.404)	(1.597)
Election Participation	0.090	0.227	-0.093	-0.187
	(0.303)	(0.326)	(0.307)	(0.349)
Political Party	-1.730	1.960	-2.674	-3.610
	(4.475)	(4.809)	(4.524)	(5.145)
PE Donations	0.828	1.406	-0.179	1.891
	(1.670)	(1.794)	(1.688)	(1.919)
PSE	0.109	0.075	1.346	0.477
	(1.647)	(1.769)	(1.665)	(1.893)
Gender	3.137**	3.065*	0.435	1.300
	(1.449)	(1.556)	(1.464)	(1.665)
Age	-1.064	-1.623	-2.142	-2.566*
	(1.305)	(1.402)	(1.319)	(1.500)
Marital Status	0.017	0.584	-1.016	-0.072
	(1.147)	(1.233)	(1.160)	(1.319)
Income	0.137	2.017	-0.451	1.140
	(1.306)	(1.404)	(1.321)	(1.502)
Family Income	-1.002	-0.203	-2.838*	-1.030
	(1.431)	(1.538)	(1.446)	(1.645)
Bafoeg	-0.367	0.117	-3.524	-1.473
	(3.253)	(3.495)	(3.288)	(3.739)
Risk Aversion	-0.752	-1.460	-0.593	-0.590
	(1.312)	(1.410)	(1.327)	(1.509)
SRI Return Perception	-1.556	-1.853	-2.193*	-2.316
	(1.305)	(1.402)	(1.319)	(1.500)
SRI Risk Perception	0.158	0.260	-1.373	-1.222
	(1.287)	(1.383)	(1.301)	(1.480)
SRI Awareness	-0.284	0.632	0.156	0.076
	(1.406)	(1.510)	(1.421)	(1.616)
Inv Time	-1.899	-1.876	1.125	-0.553
	(1.484)	(1.594)	(1.500)	(1.705)
InvKH	3.015*	1.277	0.290	2.250
	(1.588)	(1.706)	(1.605)	(1.826)
New Instructions	0.881	0.623	-0.524	0.509
	(0.997)	(1.072)	(1.008)	(1.146)
Adjusted R^2	0.072	0.042	0.012	0.077
Observations	220	220	220	220

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 for a subset of participants, who first faced a responsible asset. The dependent variable is the premium of the respective responsible asset over the conventional asset A_1. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.2, suggesting no multicollinearity to be present.

Table B15: Willingness to Pay for Social Responsibility and Personality Traits – Responsible Asset First II

	(1) Premium $A_{2,\ldots,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium $H3$
Constant	-0.106	1.083	4.691***	6.252***
	(1.127)	(1.151)	(1.244)	(1.491)
Altruism	3.943***	4.131***	-0.645	-5.744***
	(1.436)	(1.465)	(1.584)	(1.898)
Egoism	-0.850	-1.332	-2.056	-1.656
	(1.375)	(1.404)	(1.517)	(1.818)
LTO	1.114	1.685	3.108**	0.791
	(1.365)	(1.394)	(1.506)	(1.805)
Religiousness	-0.004	-0.222	-0.544	-0.238
	(1.569)	(1.602)	(1.731)	(2.075)
Church Attendance	-2.207	-1.805	2.518	1.264
	(1.544)	(1.576)	(1.703)	(2.042)
Church Visits (p.a.)	-1.118	-0.940	1.046	3.030
	(1.398)	(1.427)	(1.542)	(1.849)
Interest Politics	1.942	2.307*	0.919	-0.314
	(1.301)	(1.328)	(1.435)	(1.720)
Election Participation	0.009	-0.063	-0.320	-0.368
	(0.284)	(0.290)	(0.313)	(0.376)
Political Party	-1.514	-2.672	-4.634	-0.149
	(4.191)	(4.278)	(4.624)	(5.542)
PE Donations	0.987	0.847	-1.585	0.234
	(1.563)	(1.596)	(1.725)	(2.068)
PSE	0.502	0.644	1.271	0.259
	(1.542)	(1.574)	(1.701)	(2.039)
Gender	1.984	1.624	-2.630*	-4.974***
	(1.356)	(1.385)	(1.497)	(1.794)
Age	-1.849	-1.924	-0.519	-0.439
	(1.222)	(1.247)	(1.348)	(1.616)
Marital Status	-0.122	-0.357	-1.601	-0.107
	(1.074)	(1.097)	(1.185)	(1.421)
Income	0.711	0.275	-2.468*	0.867
	(1.223)	(1.249)	(1.350)	(1.618)
Family Income	-1.268	-1.623	-2.636*	0.973
	(1.340)	(1.368)	(1.478)	(1.772)
Bafoeg	-1.312	-1.788	-3.641	-0.740
	(3.046)	(3.109)	(3.361)	(4.028)
Risk Aversion	-0.849	-0.645	0.867	0.914
	(1.229)	(1.255)	(1.356)	(1.625)
SRI Return Perception	-1.980	-2.022	-0.340	0.796
	(1.222)	(1.248)	(1.348)	(1.616)
SRI Risk Perception	-0.544	-0.812	-1.633	-1.538
	(1.205)	(1.231)	(1.330)	(1.594)
SRI Awareness	0.145	-0.017	-0.476	0.644
	(1.316)	(1.344)	(1.452)	(1.741)
Inv Time	-0.801	-0.442	3.001*	3.244*
	(1.389)	(1.418)	(1.533)	(1.837)
InvKH	1.708	1.852	-0.988	-3.780*
	(1.487)	(1.518)	(1.641)	(1.967)
New Instructions	0.372	0.288	-1.148	-1.253
	(0.934)	(0.953)	(1.030)	(1.235)
Adjusted R^2	0.057	0.062	0.045	0.041
Observations	220	220	220	220

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications according to Equation 1 with varying premia as dependent variables for a subset of participants, who first faced a responsible asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status, Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. New Instructions is a dummy equal to one if the individual faced the revised set of instructions. All independent variables are standardized to allow for a conditional assessment of the premium via the constant. Variance inflation factors (unreported) for all covariates are below 2.6, suggesting no multicollinearity to be present.

Table B16: Do Repeated Evaluations of Assets Impact the Willingness to Pay?

	Turn 1	Turn 2	Difference	t-statistic
Average WTP A_1	54.2023	53.8116	0.3907	0.2775
Average WTP A_2	54.1317	53.4459	0.6858	0.5054
Average WTP A_3	50.6939	49.8911	0.8028	0.5688
Average WTP A_4	55.6711	55.5688	0.1023	0.0723
Average WTP A_5	58.7057	58.5401	0.1656	0.1123
Premium A_2	-0.0706	-0.3657	0.2951	0.2141
Premium A_3	-3.5085	-3.9205	0.4120	0.2755
Premium A_4	1.4687	1.7572	-0.2885	-0.2064
Premium A_5	4.5033	4.7285	-0.2252	-0.1418

Note: This table shows WTP for assets A_1 to A_5 in the first and second turn, respectively, in the upper panel. Moreover, we show absolute (Euro) premia of responsible assets in the lower panel. We report t-statistics to assess whether the repeated evaluations of the assets have an impact on WTP and premia, respectively.

assets A_2 to A_5 relative to the conventional asset A_1, again for turn 1 and 2 individually. Results of paired sample t-tests reveal no significant differences in WTP across turns. We therefore conclude that our design choice to present every asset-charity combination twice to subjects does not significantly affect their WTP. Consistent with this finding, there are no significant differences across turns also for the subset of participants facing the revised instructions.

B.6 Participants' Misunderstanding

Extreme WTP of 0 or 100 for the responsible asset A1 appear very unlikely. There are 7 participants having WTP of €0 and 26 participants having WTP of €100, we exclude these participants from our sample, and see if our results are still the same. As shown in Table B17 and Table B18, we find an increase in premium for all responsible assets, clearly in favor of hypothesis H1. Moreover, our main result that subjects have a preference for positive correlation between financial payoffs and societal benefits also holds in this subsample. Hypothesis H3 seems also supported in this subsample.

The fact that 45% of subjects in our experiment bid more than €50 for the conventional asset A1, see Table 2, could be considered to be a signal of individuals misunderstanding the BDM mechanism. These subjects could be classified as risk-lovers but the proportion of risk-lovers seem to be around 10%, see Holt and Laury (2002). The high proportion of subjects willing to pay more than 50 for asset A1 might thus be a sign of misunderstanding of the BDM mechanism. In order to focus on subjects who are more likely to have understood the BDM mechanism, we focus on the subsample of subjects who bid on average 50 or less for asset A1. As shown in table B19, premium for asset A_2 and A_3 turns from negative to significantly positive, comparing to table 4, moreover, magnitude of

Table B17: Willingness to Pay for Social Responsibility and Personality Traits - Participants' Misunderstanding

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	0.649	-2.581***	2.396***	5.566***
	(0.763)	(0.876)	(0.786)	(0.938)
Altruism	2.564***	1.705	1.740*	3.064***
	(0.916)	(1.052)	(0.944)	(1.126)
Egoism	-1.462	-0.486	-1.463	-1.885*
	(0.888)	(1.020)	(0.915)	(1.091)
LTO	-1.730**	-1.400	-0.190	-0.247
	(0.853)	(0.980)	(0.880)	(1.049)
Religiousness	1.027	0.813	1.492	-0.110
	(0.991)	(1.139)	(1.022)	(1.219)
Church Attendance	0.029	-1.521	-0.900	-0.982
	(0.930)	(1.069)	(0.959)	(1.144)
Church Visits (p.a.)	-1.448	-1.016	-0.089	-0.374
	(0.887)	(1.019)	(0.915)	(1.091)
Interest Politics	0.309	-0.510	0.192	1.399
	(0.870)	(0.999)	(0.897)	(1.069)
Election Participation	0.104	0.242	-0.132	-0.008
	(0.226)	(0.259)	(0.233)	(0.277)
Political Party	2.854	5.959*	3.718	3.147
	(3.030)	(3.480)	(3.124)	(3.724)
PE Donations	2.949***	3.233***	1.987*	4.056***
	(1.079)	(1.239)	(1.112)	(1.326)
PSE	-1.721	-0.588	-0.550	-1.105
	(1.070)	(1.229)	(1.103)	(1.315)
Gender	1.724**	1.535	0.075	0.957
	(0.862)	(0.991)	(0.889)	(1.060)
Age	0.147	-0.731	-1.027	-1.593
	(0.854)	(0.981)	(0.881)	(1.050)
Marital Status	-1.038	-1.435*	-1.144	-1.722*
	(0.756)	(0.868)	(0.779)	(0.929)
Income	-0.056	1.102	-0.996	-0.493
	(0.817)	(0.939)	(0.843)	(1.005)
Family Income	0.421	0.096	-0.504	0.261
	(0.903)	(1.038)	(0.931)	(1.110)
Bafoeg	-0.519	-1.614	-1.437	0.800
	(2.169)	(2.492)	(2.237)	(2.667)
Risk Aversion	-0.701	-0.495	-2.398***	-1.318
	(0.797)	(0.915)	(0.822)	(0.980)
SRI Return Perception	-0.797	-0.756	-1.198	-1.550
	(0.808)	(0.928)	(0.833)	(0.993)
SRI Risk Perception	-0.722	-0.602	-1.077	-1
	(0.805)	(0.925)	(0.830)	(0.990)
SRI Awareness	-0.130	0.506	0.633	0.735
	(0.836)	(0.960)	(0.862)	(1.027)
Inv Time	-0.675	-0.381	0.288	-0.691
	(0.907)	(1.042)	(0.935)	(1.115)
InvKH	1.229	0.546	0.226	0.495
	(0.995)	(1.143)	(1.026)	(1.223)
New Instructions	-0.336	-0.796	-0.636	-0.333
	(0.522)	(0.600)	(0.538)	(0.642)
Adjusted R^2	0.057	0.037	0.043	0.075
Observations	420	420	420	420

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals not having WTP of 0 or €100 for the conventional asset. The dependent variable is the average premium of the respective responsible asset over the conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table B18: Willingness to Pay for Social Responsibility and Personality Traits - Participants' Misunderstanding II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	1.508**	2.870***	4.977***	4.268***
	(0.730)	(0.747)	(0.907)	(0.940)
Altruism	2.268***	2.456***	0.035	-2.063*
	(0.876)	(0.897)	(1.089)	(1.129)
Egoism	-1.324	-1.603*	-0.977	1.039
	(0.850)	(0.870)	(1.056)	(1.095)
LTO	-0.892	-0.722	1.211	3.213***
	(0.817)	(0.836)	(1.015)	(1.052)
Religiousness	0.805	0.803	0.678	-2.164*
	(0.948)	(0.971)	(1.179)	(1.222)
Church Attendance	-0.844	-0.618	0.621	-1.039
	(0.890)	(0.911)	(1.107)	(1.147)
Church Visits (p.a.)	-0.732	-0.637	0.927	2.522**
	(0.849)	(0.869)	(1.055)	(1.094)
Interest Politics	0.347	0.633	0.703	0.782
	(0.832)	(0.852)	(1.035)	(1.072)
Election Participation	0.052	-0.012	-0.375	-0.215
	(0.216)	(0.221)	(0.268)	(0.278)
Political Party	3.919	3.240	-2.241	-2.562
	(2.899)	(2.968)	(3.604)	(3.735)
PE Donations	3.056***	2.997***	-1.245	-1.842
	(1.032)	(1.057)	(1.283)	(1.330)
PSE	-0.991	-1.125	0.038	2.338*
	(1.024)	(1.048)	(1.273)	(1.319)
Gender	1.073	0.919	-1.461	-2.492**
	(0.825)	(0.845)	(1.026)	(1.063)
Age	-0.801	-0.824	-0.296	-1.886*
	(0.817)	(0.837)	(1.016)	(1.053)
Marital Status	-1.335*	-1.301*	0.291	0.354
	(0.723)	(0.740)	(0.899)	(0.932)
Income	-0.111	-0.515	-2.098**	-0.380
	(0.782)	(0.801)	(0.972)	(1.008)
Family Income	0.069	0.059	-0.600	-0.581
	(0.864)	(0.885)	(1.074)	(1.113)
Bafoeg	-0.692	-0.385	0.177	1.838
	(2.076)	(2.125)	(2.581)	(2.674)
Risk Aversion	-1.228	-1.472*	-1.902**	0.083
	(0.762)	(0.781)	(0.948)	(0.982)
SRI Return Perception	-1.075	-1.181	-0.442	0.043
	(0.773)	(0.792)	(0.961)	(0.996)
SRI Risk Perception	-0.850	-0.933	-0.475	0.444
	(0.770)	(0.789)	(0.958)	(0.992)
SRI Awareness	0.436	0.413	0.127	0.994
	(0.800)	(0.819)	(0.994)	(1.030)
Inv Time	-0.365	-0.359	0.669	0.660
	(0.868)	(0.888)	(1.079)	(1.118)
InvKH	0.624	0.650	-0.320	-1.963
	(0.952)	(0.975)	(1.184)	(1.227)
New Instructions	-0.525	-0.435	0.160	0.338
	(0.499)	(0.511)	(0.621)	(0.644)
Adjusted R^2	0.065	0.067	0.003	0.043
Observations	420	420	420	420

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals not having WTP of 0 or €100 for the conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

the positive premium for both asset A_4 and A_5 increases. Therefore unsurprisingly, we see a significantly positive premium $A_{2,\ldots,5}$ and $A_{2,4,5}$ in table B20 column (1) and (2), which offers strong support for hypothesis $H1$. In column (3), a significantly positive premium $A_4 - A_3$ is in favor of hypothesis $H2$, suggesting that preference for positive correlation between financial payoffs and societal benefits is strong. However, it seems that, in this subsample, utility is linear in donations, consistent with the findings of Bonnefon et al. (2019).

Table B19: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid No More than 50 for A1

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	5.874***	3.140***	6.412***	11.509***
	(1.021)	(1.084)	(1.021)	(1.205)
Altruism	2.139	1.014	1.937	2.294
	(1.309)	(1.391)	(1.309)	(1.545)
Adjusted R^2	0.003	-0.010	0.064	0.071
Observations	249	249	249	249

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression in the subsample of individuals having a WTP of lower than or equal to 50 for the conventional asset. The dependent variable is the average premium of the respective responsible asset over the conventional asset. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

When looking at the subsample of subjects who bid more than 50 on average for asset A1 (Table B21 and Table B22), we find a negative premium for all responsible assets. However, there is still a strong preference for positive correlation between financial payoffs and societal benefits.

Table B20: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid No More than 50 for A1 II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	6.734***	7.932***	3.272***	-0.239
	(0.937)	(0.973)	(1.189)	(1.246)
Altruism	1.846	2.123*	0.923	-1.984
	(1.202)	(1.248)	(1.525)	(1.598)
Adjusted R^2	0.040	0.050	-0.003	-0.019
Observations	249	249	249	249

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of lower than or equal to 50 for the conventional asset with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table B21: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid More than 50 for A1

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-7.654***	-12.081***	-4.244***	-3.798**
	(1.349)	(1.456)	(1.293)	(1.478)
Altruism	3.198*	1.872	2.360	3.002
	(1.689)	(1.823)	(1.618)	(1.851)
Adjusted R^2	-0.026	-0.030	-0.010	-0.001
Observations	204	204	204	204

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of higher than 50 for the conventional asset. The dependent variable is the average premium of the respective responsible asset over the conventional asset. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table B22: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid More than 50 for A1 II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	-6.944***	-5.232***	7.837***	11.511***
	(1.250)	(1.269)	(1.258)	(1.705)
Altruism	2.608*	2.853*	0.488	-3.393
	(1.564)	(1.589)	(1.574)	(2.134)
Adjusted R^2	-0.027	-0.015	0.039	-0.028
Observations	204	204	204	204

Robust standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of higher than 50 for the conventional asset with varying premia as dependent variables. A set of control variables are included while only Altruism is shown in the table. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table B23: Mean Asset Premia to assess Hypotheses 1-3 - Participants' Misunderstanding

panel A: WTP for $A_1 <= 50$		
	mean	t-statistic
Premium A_2	5.8741	5.7463
Premium A_3	3.1398	2.9107
Premium A_4	6.4116	6.0757
Premium A_5	11.5093	9.2043
Premium $A_{2,...,5}$	6.7337	7.0403
Premium $A_{2,4,5}$	7.9317	7.9458
Premium $A_4 - A_3$	3.2717	2.7567
Premium $H3$	-0.2389	-0.1936
panel B: WTP for $A_1 > 50$		
	mean	t-statistic
Premium A_2	-7.6544	-5.7461
Premium A_3	-12.0808	-8.4218
Premium A_4	-4.2442	-3.2994
Premium A_5	-3.7982	-2.5708
Premium $A_{2,...,5}$	-6.9444	-5.6323
Premium $A_{2,4,5}$	-5.2322	-4.1529
Premium $A_4 - A_3$	7.8366	6.1097
Premium $H3$	11.5106	6.8458

Note: This table shows premia of responsible assets in absolute terms in column (1). "Premium A_2" to "Premium A_5" are the average Euro premia of responsible assets A_2 to A_5 over the conventional asset A_1, respectively. "Premium $A_{2,...,5}$" is the average premium of all responsible assets over the conventional asset. "Premium $A_{2,4,5}$" is the average premium of assets A_2, A_4, and A_5 over the conventional asset A_1. "Premium $A_4 - A_3$" is the difference in WTP between A_4 and A_3 that is required to assess Hypothesis $H2$. "Premium $H3$" is defined as $(b_{A_5} - b_{A_2}) - (b_{A_2} - b_{A_1})$ and allows to assess Hypothesis $H3$, as outlined in section A.3. In column (2), we report t-statistics of two-sided one-sample t-tests that test whether the mean of the respective premium is equal to zero. In panel A, 249 subjects bidding no more than 50 for A_1 are included, while panel B includes 204 subjects bidding more than 50 for A_1.

C Instructions

C.1 Initial Instructions

Dear Student,

Welcome to our experiment. We would like to thank you in advance for your participation.

Our experiment is fully computer-based and divided into **three sections**. In **section 1**, you will receive an introduction and explanations of our experimental environment. It is strictly required that you carefully read and comprehend all instructions. We will provide examples in section 1 to help you understand the setup of our experiment. Please raise your hand if you have any questions or if you encounter any problems during the experiment – the experimenter will immediately come and assist you.
In **section 2**, you will take part in the actual experiment, wherein you are presented with investment decisions over 26 rounds. In each of the 26 rounds, you will have to state your willingness-to-pay (WTP) for several investment products. An investment is risky and will yield one out of two possible outcomes with equal probability (50% probability of occurrence of either the good or the bad state). Of course you do not know in advance which outcome will be realized. You will receive an endowment of 100 units out of which you can state your WTP for the respective assets in each round. Decisions that you have made in previous rounds will not affect later rounds. That is, in every investment decision of section 2, you will have 100 units available. It is crucial that you pay attention to the WTP because it has a direct influence on your potential variable compensation.
Section 3 is a concluding questionnaire. Please answer all questions carefully. Your answers will be treated anonymously and they will be used for research-purposes only. No third party will obtain access to your answers at any time whatsoever!

You will receive a fixed payment of 10 € for participating in the experiment. In addition to that, every participant has a 10% chance of being compensated depending on the choices they make in the experiment in section 2.

Specifically, this variable remuneration will be based on your stated willingness-to-pay for **one randomly selected** decision in the experiment. Therefore, it is in your best interest to think thoroughly about all answers that you give in this experiment and carefully state your willingness-to-pay for each asset. We will randomly determine which of your answers counts for the variable remuneration. A more detailed explanation of the exact payment rules will be given shortly.

Please note that you are not allowed to talk to fellow students during the experiment or to look at other peoples' screens. A violation of these rules will cause an immediate exclusion **without pay** from the experiment. During the experiment, the use of the internet or personal devices (cellphones, pocket calculators, etc.) is not allowed.

Please raise your hand if you have any questions during the experiment. The experimenter will immediately come and assist you. Do you have any questions at this time?

Experimental setup and variable remuneration

In addition to the 10 € show-up fee, each participant has a 10% chance to receive a variable remuneration upon completing this experiment. The variable remuneration is based on one of your answers (randomly determined) in the experiment. In 26 rounds, we will present different assets that might be similar. When you start the experiment, you will find an example to familiarize yourself with the setup. The assets have the following outcome profile. With equal probability (i.e., 50%), an asset will either be in the good state or the bad state of the world. The asset payoff in the good state of the world will always be 100 units and 0 units in the bad state.
There are assets that include a donation to a good cause. For these assets, a donation will be made to a charity. Further details on the amount of the donation and its recipient will be available to you. **For you as an investor**, **all assets have identical financial payoffs and only differ with respect to the donation.** The assets and charities are randomized across participants, yet every participant faces all of the assets. You are asked to enter the maximum amount you are willing to pay for each asset. We will then randomly determine a price for each asset. A transaction (i.e., an investment) will only take place at the randomly determined price if the willingness-to-pay you stated is equal to or larger than the randomly determined price.
We will determine randomly whether you are among the 10% that will receive the variable remuneration and which of your choices counts for the variable remuneration. In this case, you will receive the payoff of the selected decision in units with a 1:1 conversion in Euro. It is therefore in your best interest to state your **maximum willingness-to-pay (WTP) for each asset** because otherwise, there might be no transaction and you cannot benefit from the outcomes.

The following table gives an overview of the investment situation for various examples:

Determined Price	Your stated WTP	You pay
10	**45**	10
20	**45**	20
30	**45**	30
40	**45**	40
50	**45**	No transaction
60	**45**	No transaction
70	**45**	No transaction
80	**45**	No transaction
90	**45**	No transaction
100	**45**	No transaction
62	10	No transaction
62	20	No transaction
62	30	No transaction
62	40	No transaction
62	50	No transaction
62	60	No transaction
62	70	62
62	80	62
62	90	62
62	100	62

If the transaction takes place at the respective determined price (i.e. your stated WTP is equal to or larger than the determined price), this will be directly reflected in your payoff. The determined price will be deducted from your endowment to reflect the investment in the asset. With equal probability, we either observe the good or bad state of the world. Then, we determine your payoff accordingly, taking into account your WTP and the outcome of the asset. **We will actually donate the specified amount to the charity when the asset includes a donation and publish contribution receipts in our showcase.**

C.2 Revised Instructions

Dear Students,

Welcome to our experiment. We would like to thank you in advance for your participation.

Our experiment is divided into **three sections**. In **section 1**, you will receive an introduction into the experimental environment and get acquainted with the setup. Please raise your hand if you have any questions or if you encounter any problems during the experiment. In **section 2**, you will take part in the actual experiment, wherein you indicate your willingness-to-pay for several assets. **Section 3** is a concluding questionnaire. Please answer all questions carefully. Your answers will be treated anonymously and they will be used for research-purposes only. No third party will obtain access to your answers at any time whatsoever!

You will receive a fixed payment of 10 € for participating in the experiment. Please note that you are not allowed to talk to fellow students during the experiment or to look at other peoples' screens. A violation of these rules will cause an immediate exclusion without pay from the experiment. During the experiment, the use of the internet or personal devices (cellphones, pocket calculators, etc.) is not allowed.

Experimental setup and variable remuneration

When you start the experiment, you will find an exemplary asset to familiarize yourself with the setup. Over 26 rounds, we will then present different assets that might be similar.

In each round, you have 100 units available, your financial "endowment". Decisions that you have made in previous rounds will not affect your endowment for later rounds. That is, for every decision, you will have an endowment of 100 units available.

The assets have a 50% chance of paying out 100 units and a 50% chance of paying out 0 units. That is, the payout of an asset is with equal probability, just like in a coin-toss, either 100 or 0. The expected payout of all assets therefore amounts to 50 units. Some assets include a donation to a charity next to their regular payout. Further details on the amount of the donation and its recipient will be available to you. For you as participant, all assets have identical financial payouts and only differ with respect to the donation. The assets and charities are randomized across participants, yet every participant faces all of the assets. You are required to enter the maximum amount you are willing to pay for each asset, your "maximum payment".

For 10% of the participants, we pay an additional variable remuneration with a 1:1 conversion in Euro for one randomly determined asset. For this asset, a price between 0 and 100 will be randomly determined. If your maximum payment is greater than or equal to this "randomly determined price", you buy the asset. If your maximum payment is less than the randomly determined price, you do not buy the asset.

Should the randomly selected asset for your variable remuneration include a donation, we will actually donate the amount to the charity and publish contribution receipts in our showcase.

In a nutshell, there are two possibilities for your variable remuneration:

1. Your maximum payment is **greater than or equal to** the randomly determined price: You buy the asset

   Your variable remuneration = Endowment – randomly determined price + asset payout

2. Your maximum payment is **less than** the randomly determined price: You do not buy the asset

   Your variable remuneration = Endowment

The following table gives an overview of the variable remuneration in two examples:

	Endowment	**Your maximum Payment**	**Randomly determined Price**	**Buy?**	**Variable Remuneration**	
Person 1	100	30	30	Yes	70	+ 50% chance of 100
			55	No	100	-
			70	No	100	-
Person 2	100	60	30	Yes	70	+ 50% chance of 100
			55	Yes	45	+ 50% chance of 100
			70	No	100	-

This table depicts variable remuneration for two exemplary persons that each have an endowment of 100 units.

- Person 1 always has a maximum payment of 30 units for the asset. If the randomly determined price of the asset is 30, Person 1 buys the asset. As variable remuneration, Person 1 therefore receives 70 units (100 Endowment – 30 randomly determined price) and has a 50% chance to receive the asset payout of 100 units. A randomly determined price of 55 is greater than the maximum payment of Person 1. As a consequence, Person 1 does not buy the asset and only receives the endowment of 100 as variable remuneration. For a randomly determined price of 70, Person 1 will also not buy the asset and the variable remuneration is again 100.
- Person 2 always has a maximum payment of 60 units for the asset. If the randomly determined price of the asset is 30, Person 2 buys the asset. As variable remuneration, Person 2 therefore receives 70 units (100 Endowment – 30 randomly determined price) and has a 50% chance to receive the asset payout of 100 units. If the randomly determined price is 55, Person 2 therefore receives 45 units (100 endowment – 55 randomly determined price) and has a 50% chance to receive the asset payout of 100 units. A randomly determined price of 70 is greater than the maximum payment of Person 2. As a consequence, Person 2 does not buy the asset and only receives the endowment of 100 as variable remuneration.

C.3 Revised Instructions (in German)

Liebe Studierende,

willkommen zu unserem Experiment. Wir danken Ihnen im Voraus für Ihre Teilnahme.

Dieses Experiment wird in **drei Abschnitten** durchgeführt. In **Abschnitt 1** erhalten Sie eine Einführung in die experimentelle Umgebung und lernen den experimentellen Aufbau kennen. Bitte heben Sie Ihre Hand, wenn Sie Fragen haben oder bei der Teilnahme am Experiment auf Probleme stoßen. In **Abschnitt 2** wird das eigentliche Experiment durchgeführt in welchem Sie angeben, wie viel Sie bereit sind für verschiedene Anlagen oder Anlagegüter zu bezahlen. **Abschnitt 3** umfasst einen abschließenden Fragebogen, den Sie bitte sorgfältig beantworten. Ihre Antworten werden ausschließlich anonym und für wissenschaftliche Zwecke ausgewertet. Kein Dritter wird zu irgendeinem Zeitpunkt Zugriff auf Ihre Daten haben!

Sie erhalten eine Aufwandsentschädigung in Höhe von 10 € für Ihre Teilnahme am Experiment. Bitte beachten Sie, dass jeglicher Kontakt zu anderen Studierenden oder das „Abgucken" von anderen Bildschirmen nicht erlaubt sind. Ein Verstoß gegen diese Regeln führt zum sofortigen Ausschluss vom Experiment ohne jegliche Vergütung. Während des Experiments sind der Gebrauch des Internets oder persönlicher Geräte (Mobiltelefone, Taschenrechner, etc.) nicht gestattet.

Experimenteller Aufbau und variable Vergütung

Zu Beginn des Experiments sehen Sie ein exemplarisches Anlagegut, um mit dem Aufbau vertraut zu werden. Danach präsentieren wir Ihnen in 30 Runden verschiedene Anlagegüter, die sich ähnlich sein können.

In jeder Runde haben Sie 100 Geldeinheiten zur Verfügung, Ihre finanzielle „Ausstattung". Frühere Entscheidungen beeinflussen nicht Ihre Ausstattung in späteren Runden. Das bedeutet, dass Ihnen für jede Anlageentscheidung 100 Geldeinheiten zur Verfügung stehen.

Die Anlagegüter haben mit 50-prozentiger Wahrscheinlichkeit eine hohe Auszahlung und mit 50-prozentiger Wahrscheinlichkeit eine niedrige Auszahlung. Das heißt, die Auszahlung der Anlagegüter ist mit gleicher Wahrscheinlichkeit, wie bei einem Münzwurf, entweder hoch oder niedrig. Im Verlaufe des Experiments variieren die hohen und niedrigen Auszahlungen. Die erwartete Auszahlung aller Anlagegüter beträgt allerdings stets 50 Geldeinheiten. Einige Anlagegüter beinhalten neben Ihrer regulären Auszahlung eine Spende an eine Wohltätigkeitsorganisation. Weitere Details bezüglich Höhe und Empfänger der Spende sind jeweils angegeben. Für Sie als Teilnehmer bieten alle Anlagegüter eine identische erwartete Auszahlung und unterscheiden sich lediglich bezüglich der Spende. Die Anlagegüter und Wohltätigkeitsorganisationen sind für alle Teilnehmer identisch, werden Ihnen jedoch in zufällig bestimmter Reihenfolge gezeigt. Für jedes Anlagegut müssen Sie angeben, wie viel Sie dafür maximal zahlen würden. Dies ist dann Ihre „maximale Zahlung".

Wir zahlen 10% der Teilnehmer eine zusätzliche variable Vergütung in Euro zum Wechselkurs 1:1 für ein zufällig ermitteltes Anlagegut aus. Für dieses Anlagegut wird per Zufallsprinzip ein Preis zwischen 0 und 100 ermittelt. Ist die von Ihnen angebotene maximale Zahlung größer oder gleich diesem „zufällig ermittelten Preis", kaufen Sie das Anlagegut. Ist die von Ihnen angebotene maximale Zahlung kleiner als der zufällig ermittelte Preis, findet kein Kauf statt.

Sollte das bei Ihrer variablen Vergütung zufällig ausgewählte Anlagegut eine Spende beinhalten, wird der angegebene Betrag der Wohltätigkeitsorganisation gespendet, wenn Sie das Anlagegut kaufen. In diesem Fall veröffentlichen wir eine Spendenquittung in unserem Schaukasten.

Zusammengefasst gibt es für Ihre variable Vergütung zwei Möglichkeiten:

1. Ihre angebotene maximale Zahlung ist **größer oder gleich** dem zufällig ermittelten Preis: Sie kaufen das Anlagegut

   Ihre Vergütung = Ausstattung – Zufällig ermittelter Preis + Auszahlung des Anlageguts

2. Ihre angebotene maximale Zahlung ist **kleiner** als der zufällig ermittelte Preis: Sie kaufen das Anlagegut nicht

   Ihre Vergütung = Ausstattung

Die nachfolgende Tabelle veranschaulicht die variable Vergütung in zwei Beispielen:

	Ausstattung	**Ihre maximale Zahlung**	**Zufällig ermittelter Preis**	**Kauf?**	**Variable Vergütung**	
Person 1	100	30	30	Ja	70	+ 50% Chance auf hohe oder niedrige Auszahlung
			55	Nein	100	-
			70	Nein	100	-
Person 2	100	60	30	Ja	70	+ 50% Chance auf hohe oder niedrige Auszahlung
			55	Ja	45	+ 50% Chance auf hohe oder niedrige Auszahlung
			70	Nein	100	-

In der Tabelle sehen Sie zwei Beispielpersonen, die jeweils eine Ausstattung von 100 Geldeinheiten haben.

- Person 1 bietet immer 30 Geldeinheiten als maximale Zahlung für das Anlagegut. Bei einem zufällig ermittelten Preis des Anlageguts von 30 kauft Person 1 das Anlagegut. Als Vergütung erhält Person 1 daher 70 Geldeinheiten (100 Ausstattung – 30 zufällig ermittelter Preis) und hat eine 50-prozentige Wahrscheinlichkeit entweder die hohe oder niedrige Auszahlung des Anlageguts zu erhalten. Bei einem zufällig ermittelten Preis von 55 übersteigt dieser die angebotene maximale Zahlung von Person 1. Daher kauft Person 1 in diesem Fall das Anlagegut nicht und erhält lediglich die Ausstattung von 100 als Vergütung. Für einen zufällig ermittelten Preis von 70 findet ebenfalls kein Kauf statt und die Vergütung beträgt wiederum 100.
- Person 2 bietet immer 60 Geldeinheiten als maximale Zahlung für das Anlagegut. Bei einem zufällig ermittelten Preis des Anlageguts von 30 kauft Person 2 das Anlagegut. Als Vergütung erhält Person 2 daher 70 Geldeinheiten (100 Ausstattung – 30 zufällig ermittelter Preis) und hat eine 50-prozentige Wahrscheinlichkeit entweder die hohe oder niedrige Auszahlung des Anlageguts zu erhalten. Bei einem zufällig ermittelten Preis von 55 erhält Person 2 daher 45 Geldeinheiten (100 Ausstattung – 55 zufällig ermittelter Preis) und hat eine 50-prozentige Wahrscheinlichkeit entweder die hohe oder niedrige Auszahlung des Anlageguts zu erhalten. Bei einem zufällig ermittelten Preis von 70 übersteigt dieser die angebotene maximale Zahlung von Person 2. Daher kauft Person 2 in diesem Fall das Anlagegut nicht und erhält lediglich die Ausstattung von 100 als Vergütung.

C.4 Quiz

Note: Answers (marked in gray) not visible to subjects

Quiz

Below, you find three scenarios that put you in a similar situation as in the experiment. For each scenario, you have to indicate what variable payment you would receive as participant.

Just as in the experiment, you have an endowment of 100 units for each decision. You only buy an asset if your maximum payment is greater than or equal to the randomly determined price of the asset.

If your maximum payment is greater than or equal to the randomly determined price of the asset, you buy the asset and receive

- Variable Payment = Endowment – Randomly determined Price + Asset Payout

If your maximum payment is less than the randomly determined price of the asset, you do not buy the asset and receive

- Variable Payment = Endowment

Scenario 1

Imagine an asset has a randomly determined price of 60 and a payout of 100. Your endowment is 100.

How much do you receive as variable payment if your maximum payment for this asset is:

a) 30? _____ (100 Endowment = 100, No buy)
b) 50? _____ (100 Endowment = 100, No buy)
c) 70? _____ (100 Endowment – 60 Price + 100 Payout = 140)
d) 100? _____ (100 Endowment – 60 Price + 100 Payout = 140)

Scenario 2

Imagine your maximum payment for an asset is 60 and you have an endowment of 100. How much do you receive as variable payment if the asset has a payout of 0 and a randomly determined price of:

a) 30? _____ (100 Endowment – 30 Price + 0 Payout = 70)
b) 50? _____ (100 Endowment – 50 Price + 0 Payout = 50)
c) 70? _____ (100 Endowment = 100, No buy)
d) 100? _____ (100 Endowment = 100, No buy)

Scenario 3

Imagine an asset has a randomly determined price of 100 and a payout of 0. Your endowment is 100. What is your variable payment if your maximum payment is:

a) 30? _____ (100 Endowment = 100, No buy)
b) 50? _____ (100 Endowment = 100, No buy)
c) 70? _____ (100 Endowment = 100, No buy)
d) 100? _____ (100 Endowment – 100 Price + 0 Payout = 0)

We will now go over the results together to assure you have understood the variable payment.

D Survey

1. Values

How important are the following values to you as a **guiding principle in life**?

1	*Authority (the right to lead or command)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
2	*Social power (control over others, dominance)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
3	*Wealth (material possessions, money)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
4	*Ambition (hard working, aspiring)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
5	*Success (achieving goals)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
6	*Equality (equal opportunity for all)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
7	*Social justice (correcting injustice, care for the weak)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
8	*Protecting the environment (preserving nature)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance
9	*Unity with nature (fitting into nature)*									
	Not important at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	❒ 8	Of supreme importance

2. Investment knowledge and beliefs about socially responsible investments (SRI)

"Socially responsible investment is the general term for sustainable, responsible, ethical, social, and environmental investment and all other investment processes, that take the influence of ESG (Environment, Social and Governance) criteria into account in their financial analysis." (Forum Nachhaltige Geldanlagen)

1 *How would you rate your investment knowledge ?*

Very poor ❒ | Poor ❒ | Average ❒ | Good ❒ | Very good ❒

2 *How long have you been investing?*

❒ not at all ❒ 1 to 3 years ❒ 5 to 10 years
❒ up to 1 year ❒ 3 to 5 years ❒ more than 10 years

3 *Have you heard of socially responsible investments (e.g, socially responsible mutual funds) before this experiment?*

No ❒ | Yes ❒

4 *How do you assess the **risk** of socially responsible investments in comparison to conventional ones?*

A lot less risky ❒ | Less risky ❒ | About the same ❒ | More risky ❒ | A lot more risky ❒

5 *How do you assess the **performance** of socially responsible investments in comparison to conventional ones?*

Much lower ❒ | Lower ❒ | About the same ❒ | Higher ❒ | Much higher ❒

Please indicate below your level of agreement with the following statements.

6 *By contributing to a charity (investing in SRI) every individual can have a positive effect on the environment.*

Strongly disagree ❒ 1 ❒ 2 ❒ 3 ❒ 4 ❒ 5 ❒ 6 ❒ 7 Strongly agree

7 *Every person has the power to influence social problems by contributing to a charity (investing in SRI).*

Strongly disagree ❒ 1 ❒ 2 ❒ 3 ❒ 4 ❒ 5 ❒ 6 ❒ 7 Strongly agree

8 *It does not matter if I donate to a good cause (invest in SRI) since one person acting alone cannot make a difference.*

Strongly disagree ❒ 1 ❒ 2 ❒ 3 ❒ 4 ❒ 5 ❒ 6 ❒ 7 Strongly agree

9 *It is useless for the individual to contribute to charities doing anything about pollution (to the reduction of pollution with investments in SRI).*

Strongly disagree ❒ 1 ❒ 2 ❒ 3 ❒ 4 ❒ 5 ❒ 6 ❒ 7 Strongly agree

3. Time Perspective

Read each item and, as honestly as you can, answer the question: 'How characteristic or true is this of me?' Check the appropriate answer according to the scale below.

1	*Respect for tradition is important to me.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
2	*I plan for the long term.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
3	*Family heritage is important to me.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
4	*I value a strong link to my past.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
5	*I work hard for success in the future.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
6	*I don't mind giving up today's fun for success in the future*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
7	*Traditional values are important to me.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree
8	*Persistence is important to me.*								
	Strongly disagree	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	Strongly agree

4. Demographics

1 *Gender*

❒ male ❒ female

2 *Age*

_____ years old

3 *Marital Status*

❒ single ❒ divorced
❒ married ❒ widowed

4 *Do you have children (if yes, how many)?*

❒ no
❒ yes _____ children (please enter number)

5 *What is your highest degree of education?*

❒ CSE (Hauptschulabschluss) ❒ University-entrance diploma (Abitur)
❒ GCSE (Mittlere Reife / Realschulabschluss) ❒ Graduate Degree
❒ Vocational Diploma (Fachabitur) ❒ Other: _____
❒ Apprenticeship

6 *What is your monthly net income?*

❒ up to 349€ ❒ 500€ to 649€
❒ 350€ to 499€ ❒ more than 650€

7 *What is your family's monthly net income?*

❒ up to 1.499€ ❒ 3.500€ to 6.000€
❒ 1.500€ to 3.499€ ❒ more than 6.000€

8 *Do you receive BAföG?*

❒ no
❒ yes

9 *At which faculty are you enrolled?*

_____

10 *Do you belong to a church or religious community? If yes, please specify.*

❒ Yes, catholic ❒ Yes, orthodox
❒ Yes, protestant ❒ Yes, other:_____
❒ Yes, muslim ❒ No, undenominational

Please indicate below your level of agreement with the following statements.

11 *I am a religious person.*

Not at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	To a great extent

12 *I am interested in politics.*

Not at all	❒ 1	❒ 2	❒ 3	❒ 4	❒ 5	❒ 6	❒ 7	To a great extent

13	*Do you attend church? (If yes, how often in a typical year?)*
	❒ no ❒ yes _____ times per year
14	*Did you participate in the most recent election?*
	❒ no ❒ yes
15	*Are you member of a political party?*
	❒ no ❒ yes
16	*To what degree would you consider yourself risk averse?*
	Not risk averse ❒ 1 ❒ 2 ❒ 3 ❒ 4 ❒ 5 ❒ 6 ❒ 7 Very risk averse

E Supplementary Tables

Table D1: Participant Characteristics

Measure	Value	#	%
Gender	Female	216	47.7
	Male	237	52.3
Age	<21	72	15.9
	21-23	194	42.8
	24-26	124	27.4
	>26	63	13.9
Education	Apprenticeship	13	2.8
	Abitur	258	56.9
	Bachelor	135	29.8
	Master	16	3.5
	Other	31	6.8
Income	<349	109	24.1
	350-499	91	20.1
	500-649	91	20.1
	>650	162	35.7
Family Income	<1499	30	6.6
	1500-3499	114	25.1
	3500-6000	202	44.6
	>6000	107	23.6
Bafög	Yes	63	13.9
	No	390	86.1
Marital Status	Single	207	45.7
	Married	238	52.5
	Others	8	1.8
Investment know-how	Very Poor	65	14.3
	Poor	142	31.3
	Average	166	36.6
	Good	73	16.1
	Very Good	7	1.5

Table D1 – continued from previous page

Measure	Value	#	%
Investment Time	None	338	74.6
	<1 year	39	8.6
	1-3 years	32	7.1
	3-5 years	26	5.7
	5-10 years	13	2.9
	>10 years	5	1.1
SRI Awareness	No	224	49.4
	Yes	229	50.6
SRI Risk Perception	A lot less	12	2.6
	Less	169	37.3
	About the same	173	38.2
	More	99	21.8
	A lot more	0	0.0
SRI Return Perception	A lot less	26	5.7
	Less	262	57.8
	About the same	98	21.6
	More	67	14.8
	A lot more	0	0.0
Church Visits (p.a.)	0	226	49.9
	1-5	170	37.5
	6-10	28	6.2
	>10	29	6.4
Election Participation	No	31	6.8
	Yes	422	93.2
Political Party	No	419	92.5
	Yes	34	7.5

Note: This table shows individual characteristics of the 453 participants. # refers to the absolute number of participants in a category. % is the amount of participants in this category relative to the total sample. "Abitur" is the German matriculation examination required to enroll at a university. "Bafög" is a German government-funded student loan with eligibility dependent on parent income.

Table D2: Summary Statistics

	mean	25^{th}	median	75^{th}	std. dev.	min	max
Altruism	6.20	5.50	6.50	7.25	1.32	1.00	8.00
Egoism	5.03	4.20	5.00	6.00	1.17	1.40	8.00
PE Donations	5.25	4.50	5.50	6.00	1.11	1.00	7.00
PSE	5.38	4.75	5.50	6.00	1.00	1.00	7.00
LTO	4.23	3.50	4.25	5.00	1.09	1.25	7.00
Religiousness	2.83	1.00	2.00	4.00	1.80	1.00	7.00
Political Interest	5.27	5.00	5.00	6.00	1.37	1.00	7.00
Risk Aversion	4.08	3.00	4.00	5.00	1.30	1.00	7.00

Note: This table complements Table D1 and reports summary statistics for several control variables. Altruism and Egoism assess an individual's values on Likert scales ranging from 1 to 8. PE Donations (PSE) is the perceived effectiveness of donations (SRI) and measures whether an individual believes her engagement in donations (SRI) to be feasible, on a Likert scale ranging from 1 to 7. LTO measures an individual's long-term orientation on a scale (1-7). Religiousness and Political Interest are the individual's self-reported levels of Religiousness and Political Interest, respectively, on scales ranging from 1-7. Risk Aversion is the individual's self-assessment on a scale ranging from "Not risk averse at all" (1) to "Very risk averse" (7).

Table D3: Correlation between Individual Characteristics

	Altruism	Egoism	LTO	Religiousness	Church Attendance	Church Visits(p.a.)	Interest Politics	Election Participation	Political Party	PE Donations	PSE
Altruism	1.00										
Egoism	-0.29	1.00									
LTO	0.02	0.23	1.00								
Religiousness	-0.00	0.13	0.24	1.00							
Church Attendance	-0.04	0.05	0.07	0.53	1.00						
Church Visits (p.a.)	-0.15	0.00	0.14	0.43	0.32	1.00					
Interest Politics	0.05	0.05	-0.03	0.02	-0.01	0.07	1.00				
Election Participation	0.01	-0.13	-0.05	-0.06	0.04	-0.06	0.17	1.00			
Political Party	-0.11	0.06	0.03	0.06	0.12	0.13	0.26	0.08	1.00		
PE Donations	0.38	-0.12	0.01	0.06	0.04	-0.04	0.01	-0.03	-0.12	1.00	
PSE	0.36	-0.10	-0.05	-0.01	0.02	-0.08	0.09	0.02	-0.06	0.66	1.00
Gender	-0.29	0.08	-0.06	-0.13	-0.02	0.05	0.23	0.07	0.19	-0.15	-0.13
Age	0.05	-0.15	-0.02	-0.06	-0.17	0.06	0.03	0.05	0.05	-0.05	0.03
Marital Status	0.10	0.02	-0.06	-0.02	-0.02	-0.06	0.07	0.09	0.02	0.04	0.08
Income	-0.03	0.00	-0.02	-0.04	-0.09	-0.02	0.17	0.10	0.13	-0.02	0.05
Family Income	-0.08	0.22	0.05	0.04	0.15	-0.06	0.12	0.06	0.04	-0.02	-0.01
Bafoeg	0.10	-0.07	0.01	-0.04	-0.14	-0.05	-0.05	0.01	-0.04	0.08	0.06
Risk Aversion	-0.11	0.11	0.03	0.05	0.01	0.04	0.11	0.01	0.01	0.02	-0.05
SRI Return Perception	0.03	0.02	0.03	0.09	0.07	-0.00	-0.13	-0.16	-0.05	0.04	0.04
SRI Risk Perception	-0.10	-0.01	0.04	0.00	0.02	0.07	-0.06	0.02	0.01	-0.04	-0.08
SRI Awareness	-0.07	0.03	-0.07	-0.12	-0.02	0.01	0.26	0.06	0.10	-0.00	0.06
Inv Time	-0.11	0.13	0.01	0.01	0.02	-0.04	0.18	0.11	0.14	0.04	0.02
InvKH	-0.20	0.29	0.10	-0.01	0.02	-0.05	0.15	0.00	0.15	-0.05	-0.06

Note: This table shows correlation between individual characteristics, all variables are standardized.

Table D4: Correlation between Individual Characteristics (continued)

	Gender	Age	Marital Status	Income	Family Income	Bafoeg	Risk Aversion	SRI Return Perception	SRI Risk Perception	SRI Awareness	Inv Time	InvKH
Gender	1.00											
Age	0.09	1.00										
Marital Status	-0.05	0.07	1.00									
Income	0.09	0.20	0.14	1.00								
Family Income	0.04	-0.17	0.03	0.07	1.00							
Bafoeg	-0.09	-0.00	-0.00	0.07	-0.39	1.00						
Risk Aversion	0.10	-0.01	-0.07	0.04	-0.02	0.03	1.00					
SRI Return Perception	-0.17	-0.05	-0.01	-0.05	-0.04	0.07	0.04	1.00				
SRI Risk Perception	-0.01	-0.04	-0.02	-0.04	-0.04	-0.05	-0.04	0.17	1.00			
SRI Awareness	0.29	0.07	0.05	0.09	0.09	-0.07	0.09	-0.02	0.01	1.00		
Inv Time	0.24	0.14	0.04	0.20	0.14	-0.06	0.10	-0.01	-0.02	0.22	1.00	
InvKH	0.35	-0.01	-0.04	0.12	0.12	0.06	0.21	0.01	0.02	0.27	0.47	1.00

Note: This table shows correlation between individual characteristics, all variables are standardized.

Table D5: Willingness to Pay for Social Responsibility and Personality Traits - Complete Table

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-0.218	-3.714***	1.613*	4.616***
	(0.864)	(0.945)	(0.842)	(0.991)
Altruism	3.688***	2.707**	2.632**	3.899***
	(1.058)	(1.157)	(1.031)	(1.213)
Egoism	-1.209	-0.014	-1.453	-1.741
	(1.011)	(1.106)	(0.985)	(1.160)
LTO	-0.877	-0.908	-0.013	0.272
	(0.965)	(1.056)	(0.941)	(1.107)
Religiousness	0.195	0.064	0.972	-0.496
	(1.138)	(1.245)	(1.110)	(1.306)
Church Attendance	0.559	-0.659	-0.089	-0.201
	(1.080)	(1.182)	(1.053)	(1.240)
Church Visits (p.a.)	-1.532	-0.751	-0.475	-0.590
	(1.019)	(1.114)	(0.993)	(1.169)
Interest Politics	0.697	-0.078	0.822	1.596
	(0.987)	(1.079)	(0.962)	(1.132)
Election Participation	0.016	0.136	-0.206	-0.068
	(0.249)	(0.272)	(0.243)	(0.286)
Political Party	2.453	5.117	-0.061	2.177
	(3.258)	(3.564)	(3.176)	(3.738)
PE Donations	1.180	1.577	0.922	2.308
	(1.221)	(1.336)	(1.191)	(1.401)
PSE	-1.535	-0.896	-0.763	-0.902
	(1.204)	(1.317)	(1.173)	(1.381)
Gender	1.675*	1.409	0.431	0.793
	(0.985)	(1.077)	(0.960)	(1.130)
Age	0.481	-0.068	-0.614	-1.274
	(0.952)	(1.041)	(0.928)	(1.092)
Marital Status	-0.933	-1.373	-1.440*	-1.826*
	(0.849)	(0.929)	(0.828)	(0.975)
Income	-0.106	0.860	-0.802	-0.715
	(0.931)	(1.018)	(0.907)	(1.068)
Family Income	0.716	0.854	-0.087	0.723
	(1.012)	(1.107)	(0.986)	(1.161)
Bafoeg	0.596	0.457	0.276	1.516
	(2.432)	(2.660)	(2.370)	(2.790)
Risk Aversion	-1.484	-1.211	-2.700***	-1.992*
	(0.906)	(0.991)	(0.883)	(1.039)
SRI Return Perception	-1.509	-1.049	-1.890**	-2.369**
	(0.916)	(1.002)	(0.893)	(1.051)
SRI Risk Perception	0.218	0.038	-0.254	-0.395
	(0.904)	(0.989)	(0.881)	(1.037)
SRI Awareness	0.324	0.765	0.911	0.915
	(0.951)	(1.041)	(0.927)	(1.091)
Inv Time	-1.272	-0.593	0.521	-0.801
	(1.035)	(1.133)	(1.009)	(1.188)
InvKH	1.725	0.774	0.141	1.029
	(1.115)	(1.220)	(1.087)	(1.279)
New Instructions	0.019	-0.338	-0.276	0.094
	(0.626)	(0.685)	(0.610)	(0.718)
Adjusted R^2	0.036	0.001	0.032	0.056
Observations	453	453	453	453

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: The dependent variable is the average premium of the respective responsible asset over the conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D6: Willingness to Pay for Social Responsibility and Personality Traits - Complete Table II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	0.574	2.004**	5.327***	5.052***
	(0.813)	(0.826)	(0.878)	(1.039)
Altruism	3.232***	3.407***	-0.075	-3.477***
	(0.995)	(1.011)	(1.075)	(1.271)
Egoism	-1.104	-1.468	-1.439	0.678
	(0.951)	(0.966)	(1.027)	(1.215)
LTO	-0.381	-0.206	0.895	2.026*
	(0.908)	(0.923)	(0.981)	(1.160)
Religiousness	0.183	0.223	0.908	-0.885
	(1.071)	(1.089)	(1.157)	(1.369)
Church Attendance	-0.097	0.090	0.570	-1.319
	(1.016)	(1.033)	(1.098)	(1.299)
Church Visits (p.a.)	-0.837	-0.866	0.276	2.475**
	(0.958)	(0.974)	(1.036)	(1.225)
Interest Politics	0.759	1.038	0.899	0.201
	(0.928)	(0.943)	(1.003)	(1.186)
Election Participation	-0.031	-0.086	-0.342	-0.100
	(0.234)	(0.238)	(0.253)	(0.299)
Political Party	2.421	1.523	-5.179	-2.728
	(3.065)	(3.115)	(3.312)	(3.917)
PE Donations	1.497	1.470	-0.654	-0.052
	(1.149)	(1.168)	(1.242)	(1.468)
PSE	-1.024	-1.067	0.133	2.168
	(1.132)	(1.151)	(1.224)	(1.447)
Gender	1.077	0.967	-0.978	-2.557**
	(0.926)	(0.941)	(1.001)	(1.184)
Age	-0.369	-0.469	-0.546	-2.236*
	(0.895)	(0.910)	(0.968)	(1.144)
Marital Status	-1.393*	-1.400*	-0.068	0.040
	(0.799)	(0.812)	(0.863)	(1.021)
Income	-0.191	-0.541	-1.661*	-0.502
	(0.876)	(0.890)	(0.946)	(1.119)
Family Income	0.552	0.451	-0.941	-0.708
	(0.952)	(0.968)	(1.029)	(1.217)
Bafoeg	0.711	0.796	-0.180	0.324
	(2.287)	(2.325)	(2.472)	(2.924)
Risk Aversion	-1.847**	-2.059**	-1.489	0.976
	(0.852)	(0.866)	(0.921)	(1.089)
SRI Return Perception	-1.704**	-1.923**	-0.841	0.649
	(0.862)	(0.876)	(0.931)	(1.102)
SRI Risk Perception	-0.098	-0.143	-0.292	-0.831
	(0.850)	(0.864)	(0.919)	(1.087)
SRI Awareness	0.729	0.717	0.146	0.266
	(0.895)	(0.910)	(0.967)	(1.144)
Inv Time	-0.536	-0.517	1.114	1.742
	(0.974)	(0.990)	(1.053)	(1.245)
InvKH	0.917	0.965	-0.633	-2.420*
	(1.049)	(1.066)	(1.133)	(1.341)
New Instructions	-0.125	-0.054	0.062	0.056
	(0.589)	(0.598)	(0.636)	(0.752)
Adjusted R^2	0.037	0.047	-0.003	0.025
Observations	453	453	453	453

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D7: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid No More than 50 for A1 (Complete)

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	5.874***	3.140***	6.412***	11.509***
	(1.021)	(1.084)	(1.021)	(1.205)
Altruism	2.139	1.014	1.937	2.294
	(1.309)	(1.391)	(1.309)	(1.545)
Egoism	-2.175*	-2.229*	-1.685	-3.436**
	(1.261)	(1.340)	(1.262)	(1.489)
LTO	-0.767	-0.681	0.755	0.541
	(1.167)	(1.240)	(1.167)	(1.377)
Religiousness	-0.515	0.106	0.766	-1.207
	(1.437)	(1.527)	(1.437)	(1.696)
Church Attendance	1.684	-0.215	2.017	0.777
	(1.453)	(1.544)	(1.453)	(1.716)
Church Visits (p.a.)	-0.848	0.048	-0.362	-0.852
	(1.341)	(1.424)	(1.341)	(1.583)
Interest Politics	1.824	0.872	0.726	2.522*
	(1.193)	(1.267)	(1.193)	(1.408)
Election Participation	-0.129	0.172	-0.254	-0.046
	(0.253)	(0.269)	(0.253)	(0.299)
Political Party	3.432	2.240	3.204	3.685
	(3.678)	(3.907)	(3.678)	(4.342)
PE Donations	2.609*	3.436**	0.753	3.729**
	(1.536)	(1.632)	(1.536)	(1.813)
PSE	-2.114	-0.672	-0.196	-1.036
	(1.492)	(1.585)	(1.492)	(1.761)
Gender	0.548	0.650	-1.054	-0.824
	(1.083)	(1.150)	(1.083)	(1.278)
Age	0.237	-0.127	1.113	-1.608
	(1.249)	(1.327)	(1.249)	(1.474)
Marital Status	-0.454	-0.420	-0.873	-1.535
	(1.071)	(1.137)	(1.071)	(1.264)
Income	-0.929	-0.546	-2.465**	-2.199*
	(1.092)	(1.160)	(1.092)	(1.289)
Family Income	0.525	0.636	1.654	1.494
	(1.213)	(1.288)	(1.213)	(1.432)
Bafoeg	1.385	-0.059	5.481*	2.880
	(3.050)	(3.240)	(3.050)	(3.600)
Risk Aversion	-0.834	-0.275	-3.152***	-1.198
	(1.081)	(1.148)	(1.081)	(1.276)
SRI Return Perception	-1.002	-1.046	-1.215	-2.552**
	(1.096)	(1.165)	(1.096)	(1.294)
SRI Risk Perception	0.331	0.488	0.030	0.082
	(1.096)	(1.164)	(1.096)	(1.294)
SRI Awareness	-0.793	-0.685	0.542	-0.250
	(1.104)	(1.173)	(1.104)	(1.303)
Inv Time	-0.019	0.754	1.785	1.877
	(1.291)	(1.371)	(1.291)	(1.524)
InvKH	1.276	0.416	-0.486	0.189
	(1.399)	(1.486)	(1.399)	(1.651)
New Instructions	-0.190	-0.399	-1.126*	-0.189
	(0.675)	(0.717)	(0.675)	(0.797)
Adjusted R^2	0.003	-0.010	0.064	0.071
Observations	249	249	249	249

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression in the subsample of individuals having a WTP of lower than or equal to 50 for the conventional asset. The dependent variable is the average premium of the respective responsible asset over the conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D8: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid No More than 50 for A1 II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	6.734***	7.932***	3.272***	-0.239
	(0.937)	(0.973)	(1.189)	(1.246)
Altruism	1.846	2.123*	0.923	-1.984
	(1.202)	(1.248)	(1.525)	(1.598)
Egoism	-2.381**	-2.432**	0.544	0.914
	(1.158)	(1.202)	(1.469)	(1.539)
LTO	-0.038	0.177	1.436	2.074
	(1.071)	(1.112)	(1.359)	(1.424)
Religiousness	-0.213	-0.319	0.660	-0.177
	(1.319)	(1.370)	(1.674)	(1.754)
Church Attendance	1.066	1.493	2.231	-2.591
	(1.334)	(1.385)	(1.693)	(1.774)
Church Visits (p.a.)	-0.503	-0.687	-0.410	0.843
	(1.230)	(1.278)	(1.561)	(1.636)
Interest Politics	1.486	1.691	-0.147	-1.126
	(1.095)	(1.137)	(1.389)	(1.455)
Election Participation	-0.064	-0.143	-0.426	0.213
	(0.233)	(0.242)	(0.295)	(0.309)
Political Party	3.140	3.440	0.964	-3.178
	(3.376)	(3.505)	(4.283)	(4.488)
PE Donations	2.632*	2.364	-2.683	-1.488
	(1.410)	(1.464)	(1.789)	(1.875)
PSE	-1.004	-1.115	0.476	3.191*
	(1.369)	(1.422)	(1.738)	(1.821)
Gender	-0.170	-0.444	-1.704	-1.919
	(0.994)	(1.032)	(1.261)	(1.321)
Age	-0.096	-0.086	1.240	-2.081
	(1.146)	(1.190)	(1.455)	(1.524)
Marital Status	-0.820	-0.954	-0.453	-0.626
	(0.983)	(1.021)	(1.247)	(1.307)
Income	-1.535	-1.864*	-1.919	-0.342
	(1.002)	(1.040)	(1.271)	(1.332)
Family Income	1.077	1.224	1.018	0.444
	(1.113)	(1.156)	(1.413)	(1.480)
Bafoeg	2.422	3.248	5.539	0.110
	(2.799)	(2.907)	(3.552)	(3.722)
Risk Aversion	-1.365	-1.728*	-2.877**	0.469
	(0.992)	(1.030)	(1.259)	(1.319)
SRI Return Perception	-1.454	-1.590	-0.169	-0.547
	(1.006)	(1.045)	(1.277)	(1.338)
SRI Risk Perception	0.233	0.148	-0.458	-0.580
	(1.006)	(1.045)	(1.277)	(1.338)
SRI Awareness	-0.297	-0.167	1.227	1.336
	(1.013)	(1.052)	(1.286)	(1.347)
Inv Time	1.099	1.215	1.031	1.915
	(1.185)	(1.230)	(1.504)	(1.576)
InvKH	0.349	0.326	-0.901	-2.364
	(1.284)	(1.333)	(1.629)	(1.707)
New Instructions	-0.476	-0.502	-0.728	0.192
	(0.620)	(0.644)	(0.786)	(0.824)
Adjusted R^2	0.040	0.050	-0.003	-0.019
Observations	249	249	249	249

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of lower than or equal to 50 for the conventional asset with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D9: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid More than 50 for A1 (Complete)

	(1) Premium A_2	(2) Premium A_3	(3) Premium A_4	(4) Premium A_5
Constant	-7.654***	-12.081***	-4.244***	-3.798**
	(1.349)	(1.456)	(1.293)	(1.478)
Altruism	3.198*	1.872	2.360	3.002
	(1.689)	(1.823)	(1.618)	(1.851)
Egoism	0.917	3.845**	0.934	1.798
	(1.610)	(1.738)	(1.543)	(1.764)
LTO	-0.378	-0.294	-0.817	0.599
	(1.607)	(1.735)	(1.540)	(1.762)
Religiousness	0.117	-1.038	0.345	0.210
	(1.818)	(1.962)	(1.742)	(1.992)
Church Attendance	0.948	0.048	0.034	0.187
	(1.559)	(1.682)	(1.494)	(1.708)
Church Visits (p.a.)	-1.744	-0.725	-0.172	-0.460
	(1.640)	(1.771)	(1.572)	(1.798)
Interest Politics	-1.268	-1.004	0.361	0.180
	(1.574)	(1.699)	(1.508)	(1.725)
Election Participation	-0.005	-0.287	-0.122	-0.164
	(0.474)	(0.512)	(0.454)	(0.520)
Political Party	-5.479	5.366	-9.268	-5.916
	(5.952)	(6.424)	(5.703)	(6.523)
PE Donations	0.231	0.223	1.668	1.902
	(1.883)	(2.032)	(1.804)	(2.064)
PSE	1.135	0.610	-0.123	1.134
	(1.911)	(2.063)	(1.831)	(2.094)
Gender	3.113*	1.636	2.467	2.347
	(1.817)	(1.961)	(1.741)	(1.991)
Age	1.820	0.755	-0.826	-0.112
	(1.497)	(1.616)	(1.434)	(1.641)
Marital Status	-1.585	-2.669*	-2.812**	-2.489*
	(1.312)	(1.417)	(1.258)	(1.438)
Income	0.366	1.682	0.974	0.890
	(1.527)	(1.648)	(1.463)	(1.673)
Family Income	0.360	0.643	-1.953	-1.111
	(1.663)	(1.795)	(1.594)	(1.823)
Bafoeg	0.801	3.090	-3.992	2.143
	(3.739)	(4.036)	(3.583)	(4.098)
Risk Aversion	-1.573	-1.163	-1.921	-2.353
	(1.489)	(1.608)	(1.427)	(1.632)
SRI Return Perception	-1.709	-0.497	-2.068	-1.627
	(1.488)	(1.606)	(1.426)	(1.631)
SRI Risk Perception	-0.478	-0.344	-0.176	-1.113
	(1.468)	(1.585)	(1.407)	(1.609)
SRI Awareness	1.635	2.500	0.597	2.174
	(1.588)	(1.714)	(1.521)	(1.740)
Inv Time	-1.403	-1.049	-0.121	-2.540
	(1.632)	(1.762)	(1.564)	(1.789)
InvKH	-0.740	-1.767	-2.214	-1.290
	(1.740)	(1.878)	(1.667)	(1.907)
New Instructions	-0.713	-1.386	0.289	-0.731
	(1.135)	(1.226)	(1.088)	(1.244)
Adjusted R^2	-0.026	-0.030	-0.010	-0.001
Observations	204	204	204	204

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of higher than 50 for the conventional asset. The dependent variable is the average premium of the respective responsible asset over the conventional asset. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D10: Willingness to Pay for Social Responsibility and Personality Traits - Individuals Who Bid More than 50 for A1 (Complete) II

	(1) Premium $A_{2,3,4,5}$	(2) Premium $A_{2,4,5}$	(3) Premium $A_4 - A_3$	(4) Premium H3
Constant	-6.944***	-5.232***	7.837***	11.511***
	(1.250)	(1.269)	(1.258)	(1.705)
Altruism	2.608*	2.853*	0.488	-3.393
	(1.564)	(1.589)	(1.574)	(2.134)
Egoism	1.873	1.216	-2.910*	-0.035
	(1.492)	(1.515)	(1.501)	(2.034)
LTO	-0.223	-0.199	-0.523	1.356
	(1.489)	(1.512)	(1.498)	(2.031)
Religiousness	-0.091	0.224	1.382	-0.025
	(1.684)	(1.710)	(1.695)	(2.297)
Church Attendance	0.304	0.390	-0.014	-1.710
	(1.444)	(1.466)	(1.453)	(1.969)
Church Visits (p.a.)	-0.775	-0.792	0.553	3.029
	(1.520)	(1.543)	(1.529)	(2.073)
Interest Politics	-0.433	-0.242	1.365	2.715
	(1.458)	(1.481)	(1.467)	(1.989)
Election Participation	-0.144	-0.097	0.165	-0.154
	(0.439)	(0.446)	(0.442)	(0.599)
Political Party	-3.824	-6.888	-14.633***	5.042
	(5.514)	(5.599)	(5.549)	(7.521)
PE Donations	1.006	1.267	1.446	1.441
	(1.744)	(1.771)	(1.755)	(2.379)
PSE	0.689	0.715	-0.733	-1.136
	(1.770)	(1.798)	(1.781)	(2.415)
Gender	2.391	2.642	0.831	-3.880*
	(1.683)	(1.709)	(1.694)	(2.296)
Age	0.409	0.294	-1.581	-3.752**
	(1.387)	(1.408)	(1.396)	(1.892)
Marital Status	-2.389*	-2.296*	-0.143	0.681
	(1.216)	(1.235)	(1.223)	(1.658)
Income	0.978	0.743	-0.708	0.157
	(1.415)	(1.436)	(1.424)	(1.929)
Family Income	-0.515	-0.901	-2.596*	-1.830
	(1.541)	(1.565)	(1.551)	(2.102)
Bafoeg	0.511	-0.349	-7.082**	0.540
	(3.464)	(3.518)	(3.486)	(4.725)
Risk Aversion	-1.752	-1.949	-0.758	0.792
	(1.380)	(1.401)	(1.389)	(1.882)
SRI Return Perception	-1.475	-1.801	-1.571	1.791
	(1.378)	(1.400)	(1.387)	(1.880)
SRI Risk Perception	-0.528	-0.589	0.168	-0.157
	(1.360)	(1.381)	(1.369)	(1.855)
SRI Awareness	1.726	1.469	-1.903	-1.097
	(1.471)	(1.494)	(1.480)	(2.006)
Inv Time	-1.278	-1.355	0.929	0.266
	(1.512)	(1.536)	(1.522)	(2.063)
InvKH	-1.503	-1.415	-0.447	0.191
	(1.612)	(1.637)	(1.622)	(2.199)
New Instructions	-0.635	-0.385	1.675	0.695
	(1.052)	(1.068)	(1.059)	(1.435)
Adjusted R^2	-0.027	-0.015	0.039	-0.028
Observations	204	204	204	204

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regressions in the subsample of individuals having a WTP of higher than 50 for the conventional asset with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D11: Willingness to Pay for Social Responsibility and Personality Traits - Additional Treatments (Complete)

	(1) Avr. Premium A_2, A_{12}, A_{22}	(2) Avr. Premium A_3, A_{13}, A_{23}	(3) Avr. Premium A_4, A_{14}, A_{24}	(4) Avr. Premium A_5, A_{15}, A_{25}
Constant	-0.721	-3.022**	-0.965	3.342**
	(1.024)	(1.276)	(1.043)	(1.519)
Altruism	2.356*	1.562	2.964**	2.208
	(1.308)	(1.629)	(1.332)	(1.940)
Egoism	0.674	0.631	1.715	2.215
	(1.367)	(1.703)	(1.392)	(2.028)
LTO	-2.549*	-1.028	-2.184	-1.274
	(1.355)	(1.687)	(1.379)	(2.009)
Religiousness	-2.027	-3.415*	-2.023	-5.236**
	(1.485)	(1.849)	(1.511)	(2.202)
Church Attendance	1.593	-0.312	0.935	0.048
	(1.331)	(1.658)	(1.355)	(1.974)
Church Visits (p.a.)	0.806	1.304	1.150	2.740
	(1.309)	(1.630)	(1.332)	(1.941)
Interest Politics	0.931	1.265	-0.010	3.695**
	(1.253)	(1.560)	(1.275)	(1.858)
Election Participation	0.023	0.097	-0.019	-0.358
	(0.328)	(0.409)	(0.334)	(0.487)
Political Party	-0.316	0.707	2.254	-3.043
	(4.934)	(6.146)	(5.023)	(7.318)
PE Donations	1.725	1.724	-0.903	2.639
	(1.453)	(1.810)	(1.479)	(2.155)
PSE	-0.415	-1.071	1.229	-1.491
	(1.464)	(1.824)	(1.491)	(2.172)
Gender	-1.025	-2.386	-1.666	-2.461
	(1.398)	(1.741)	(1.423)	(2.073)
Age	0.948	-1.365	-0.131	-1.688
	(1.232)	(1.534)	(1.254)	(1.827)
Marital Status	-2.370**	-1.787	-1.768	-1.768
	(1.196)	(1.489)	(1.217)	(1.773)
Income	-1.310	-1.166	-1.344	-2.922*
	(1.098)	(1.368)	(1.118)	(1.629)
Family Income	-0.766	-0.902	-1.377	-3.592*
	(1.281)	(1.595)	(1.304)	(1.900)
Bafoeg	-4.286	-3.824	-4.153	-3.693
	(3.709)	(4.620)	(3.776)	(5.501)
Risk Aversion	0.441	-0.058	0.182	-0.126
	(1.129)	(1.406)	(1.149)	(1.674)
SRI Return Perception	-0.433	-0.766	-0.359	-0.599
	(1.158)	(1.442)	(1.179)	(1.717)
SRI Risk Perception	-0.798	-0.956	-1.195	-2.689
	(1.131)	(1.409)	(1.152)	(1.678)
SRI Awareness	-1.337	-0.684	-1.652	-2.052
	(1.201)	(1.497)	(1.223)	(1.782)
Inv Time	2.194	2.768*	3.486**	4.640**
	(1.335)	(1.663)	(1.359)	(1.980)
InvKH	0.893	1.386	-0.145	1.202
	(1.447)	(1.803)	(1.474)	(2.147)
Adjusted R^2	0.077	-0.024	0.052	0.072
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: The dependent variable is the average premium of the respective responsible asset under 3 treatments over the conventional asset A_1, A_{11}, or A_{21}. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D12: Willingness to Pay for Social Responsibility and Personality Traits - Additional Treatments (Complete) II

	(1) Avr. Premium $A_{2,\dots,5}$, $A_{12,\dots,15}, A_{22,\dots,25}$	(2) Avr. Premium $A_{2,4,5}$, $A_{12,14,15}, A_{22,24,25}$	(3) Avr. Premium $A_4 - A_3$, $A_{14} - A_{13}, A_{24} - A_{23}$	(4) Avr. Premium $H3_{100/0}$, $H3_{90/10}, H3_{60/40}$
Constant	-0.341	0.552	2.057*	4.784***
	(1.075)	(1.087)	(1.140)	(1.268)
Altruism	2.272	2.509*	1.402	-2.505
	(1.372)	(1.388)	(1.456)	(1.618)
Egoism	1.309	1.535	1.084	0.868
	(1.434)	(1.450)	(1.522)	(1.692)
LTO	-1.759	-2.002	-1.156	3.824**
	(1.421)	(1.437)	(1.508)	(1.676)
Religiousness	-3.175**	-3.096*	1.392	-1.182
	(1.557)	(1.575)	(1.652)	(1.837)
Church Attendance	0.566	0.858	1.246	-3.138*
	(1.396)	(1.412)	(1.481)	(1.647)
Church Visits (p.a.)	1.500	1.565	-0.154	1.129
	(1.373)	(1.388)	(1.457)	(1.619)
Interest Politics	1.470	1.539	-1.274	1.833
	(1.314)	(1.329)	(1.394)	(1.550)
Election Participation	-0.064	-0.118	-0.116	-0.404
	(0.344)	(0.348)	(0.365)	(0.406)
Political Party	-0.100	-0.368	1.547	-2.411
	(5.176)	(5.234)	(5.492)	(6.105)
PE Donations	1.296	1.154	-2.627	-0.811
	(1.524)	(1.541)	(1.617)	(1.798)
PSE	-0.437	-0.226	2.300	-0.660
	(1.536)	(1.553)	(1.630)	(1.812)
Gender	-1.884	-1.717	0.720	-0.412
	(1.467)	(1.483)	(1.556)	(1.730)
Age	-0.559	-0.291	1.234	-3.583**
	(1.292)	(1.307)	(1.371)	(1.524)
Marital Status	-1.923	-1.969	0.019	2.971**
	(1.254)	(1.268)	(1.331)	(1.479)
Income	-1.686	-1.859	-0.177	-0.302
	(1.152)	(1.165)	(1.223)	(1.359)
Family Income	-1.659	-1.912	-0.475	-2.059
	(1.344)	(1.359)	(1.426)	(1.585)
Bafoeg	-3.989	-4.044	-0.329	4.880
	(3.892)	(3.935)	(4.129)	(4.590)
Risk Aversion	0.110	0.166	0.241	-1.007
	(1.184)	(1.197)	(1.256)	(1.397)
SRI Return Perception	-0.539	-0.463	0.407	0.266
	(1.215)	(1.228)	(1.289)	(1.433)
SRI Risk Perception	-1.409	-1.560	-0.239	-1.093
	(1.187)	(1.200)	(1.259)	(1.400)
SRI Awareness	-1.431	-1.680	-0.968	0.623
	(1.260)	(1.275)	(1.337)	(1.487)
Inv Time	3.272**	3.440**	0.719	0.253
	(1.400)	(1.416)	(1.486)	(1.652)
InvKH	0.834	0.650	-1.530	-0.584
	(1.518)	(1.535)	(1.611)	(1.791)
Adjusted R^2	0.060	0.077	-0.074	0.083
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D13: Willingness to Pay for Social Responsibility and Personality Traits - Effect of Zero Payoff (Complete)

	(1) Premium $A_{12,\ldots,15}$ -Premium $A_{2,\ldots,5}$	(2) Premium $A_{12,14,15}$ -Premium $A_{2,4,5}$	(3) Premium $A_{14}-A_{13}$ -Premium A_4-A_3	(4) Premium $H3_{90/10}$ -Premium $H3_{100/0}$
Constant	0.791	0.996	0.745	-0.838
	(1.693)	(1.730)	(1.588)	(2.676)
Altruism	-3.389	-3.103	3.135	5.702*
	(2.162)	(2.208)	(2.027)	(3.416)
Egoism	-2.136	-1.959	3.298	-0.443
	(2.260)	(2.309)	(2.119)	(3.571)
LTO	-2.337	-2.541	-0.759	2.160
	(2.239)	(2.287)	(2.099)	(3.538)
Religiousness	2.381	2.723	2.069	1.878
	(2.454)	(2.507)	(2.301)	(3.878)
Church Attendance	-3.482	-3.337	1.488	1.255
	(2.200)	(2.247)	(2.062)	(3.476)
Church Visits (p.a.)	2.921	3.170	-1.029	-3.599
	(2.163)	(2.209)	(2.028)	(3.418)
Interest Politics	1.972	1.954	0.500	-3.719
	(2.071)	(2.115)	(1.942)	(3.272)
Election Participation	0.649	0.530	-1.257**	0.271
	(0.543)	(0.554)	(0.509)	(0.857)
Political Party	-6.323	-6.247	-2.731	9.946
	(8.155)	(8.331)	(7.647)	(12.887)
PE Donations	3.082	3.349	0.889	-1.884
	(2.402)	(2.453)	(2.252)	(3.795)
PSE	-0.540	-0.490	0.967	-0.718
	(2.421)	(2.473)	(2.269)	(3.825)
Gender	1.206	0.766	-0.141	-0.764
	(2.311)	(2.360)	(2.167)	(3.652)
Age	-0.959	-0.532	1.516	-2.117
	(2.036)	(2.079)	(1.909)	(3.217)
Marital Status	1.097	1.023	-2.087	-1.375
	(1.976)	(2.019)	(1.853)	(3.123)
Income	2.826	3.041	1.948	-2.808
	(1.816)	(1.855)	(1.702)	(2.869)
Family Income	1.034	1.054	-0.177	-2.723
	(2.117)	(2.163)	(1.985)	(3.346)
Bafoeg	-0.444	-1.332	2.970	-9.558
	(6.131)	(6.263)	(5.749)	(9.689)
Risk Aversion	-0.409	-0.436	-1.493	-0.407
	(1.866)	(1.906)	(1.749)	(2.948)
SRI Return Perception	3.027	2.567	-2.488	-5.898*
	(1.914)	(1.955)	(1.795)	(3.025)
SRI Risk Perception	2.407	2.439	-0.762	-1.763
	(1.870)	(1.910)	(1.753)	(2.955)
SRI Awareness	1.219	1.628	1.753	0.936
	(1.986)	(2.029)	(1.862)	(3.138)
Inv Time	-5.494**	-5.644**	0.122	5.514
	(2.206)	(2.254)	(2.069)	(3.486)
InvKH	3.721	4.236*	0.652	-2.664
	(2.392)	(2.444)	(2.243)	(3.781)
Adjusted R^2	0.005	0.004	0.009	-0.047
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

Table D14: Willingness to Pay for Social Responsibility and Personality Traits - Effect of Inequity Aversion (Complete)

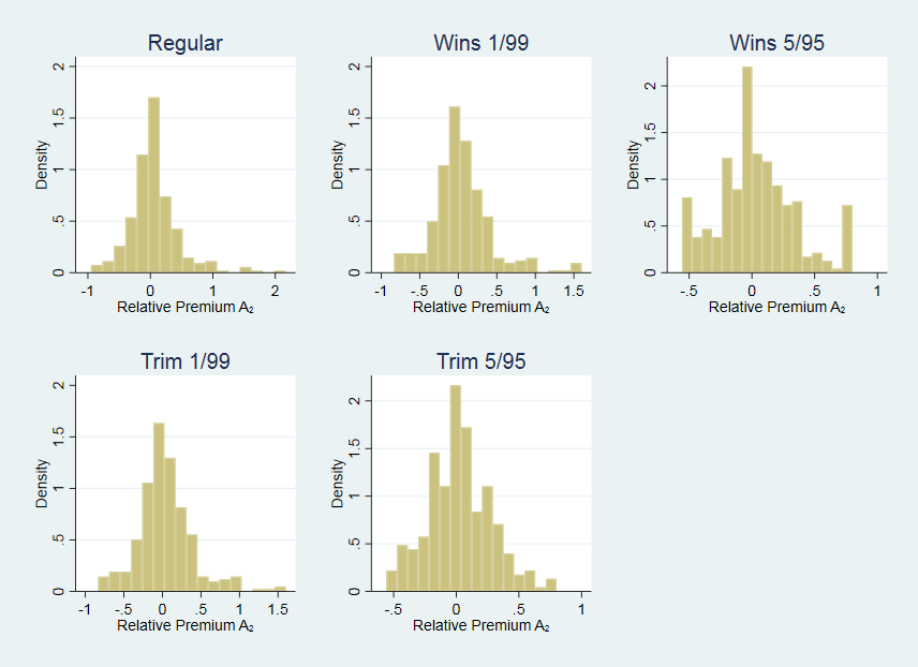
	(1) Premium $A_{22,\ldots,25}$ -Premium $A_{2,\ldots,5}$	(2) Premium $A_{22,24,25}$ -Premium $A_{2,4,5}$	(3) Premium $A_{24}-A_{23}$ -Premium A_4-A_3	(4) Premium $H3_{60/40}$ -Premium $H3_{100/0}$
Constant	2.590	2.850*	-0.841	-2.762
	(1.577)	(1.601)	(1.467)	(3.004)
Altruism	-2.412	-2.384	2.286	4.190
	(2.014)	(2.045)	(1.873)	(3.835)
Egoism	1.465	1.665	2.236	1.545
	(2.105)	(2.137)	(1.958)	(4.009)
LTO	-2.417	-2.320	1.356	3.973
	(2.085)	(2.118)	(1.940)	(3.972)
Religiousness	-0.099	-0.261	0.403	3.462
	(2.285)	(2.321)	(2.125)	(4.353)
Church Attendance	-0.814	-0.728	1.895	-1.302
	(2.049)	(2.080)	(1.905)	(3.902)
Church Visits (p.a.)	-0.724	-0.517	-0.664	-4.675
	(2.014)	(2.046)	(1.873)	(3.837)
Interest Politics	1.538	0.956	-3.412*	-0.202
	(1.929)	(1.958)	(1.794)	(3.673)
Election Participation	0.524	0.480	-0.477	0.410
	(0.505)	(0.513)	(0.470)	(0.963)
Political Party	-2.040	-1.281	2.420	-2.809
	(7.595)	(7.713)	(7.064)	(14.467)
PE Donations	4.913**	4.748**	-0.872	-4.744
	(2.237)	(2.271)	(2.080)	(4.260)
PSE	-3.303	-3.197	1.741	1.166
	(2.254)	(2.289)	(2.097)	(4.294)
Gender	1.504	0.738	-1.493	-0.526
	(2.152)	(2.185)	(2.002)	(4.099)
Age	-3.641*	-3.686*	0.401	1.343
	(1.896)	(1.925)	(1.763)	(3.611)
Marital Status	4.578**	4.407**	-1.818	-2.459
	(1.841)	(1.869)	(1.712)	(3.506)
Income	0.590	0.724	2.548	-4.531
	(1.691)	(1.717)	(1.573)	(3.221)
Family Income	-2.328	-2.480	0.609	-5.578
	(1.972)	(2.002)	(1.834)	(3.756)
Bafoeg	-0.457	-1.280	-0.478	-15.129
	(5.710)	(5.799)	(5.311)	(10.876)
Risk Aversion	0.392	0.348	-0.518	-2.371
	(1.738)	(1.764)	(1.616)	(3.310)
SRI Return Perception	1.667	1.619	-0.088	-4.745
	(1.783)	(1.810)	(1.658)	(3.395)
SRI Risk Perception	0.140	0.269	0.671	-1.788
	(1.741)	(1.768)	(1.620)	(3.317)
SRI Awareness	1.777	2.616	3.352*	-0.117
	(1.850)	(1.878)	(1.720)	(3.523)
Inv Time	-0.788	-0.704	0.184	4.242
	(2.055)	(2.087)	(1.911)	(3.914)
InvKH	0.033	0.252	-0.830	-1.829
	(2.228)	(2.263)	(2.072)	(4.244)
Adjusted R^2	0.022	0.020	-0.016	-0.052
Observations	151	151	151	151

Robust standard errors in parentheses
* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Note: This table contains estimation results of OLS regression specifications with varying premia as dependent variables. Altruism and Egoism assess an individual's values. LTO measures an individual's long-term orientation. Religiousness, Church Attendance and Church visits (p.a.) are the individual's self-reported level of Religiousness, whether one attends church (dummy variable), and how often (absolute value) in a typical year. Interest Politics, Election Participation and Political Party are the self-reported interest in politics, whether the individual took part in the most recent election, and is a member of a political party, respectively. PE Donations (PSE) measures the individual's perception of the effectiveness of donations (SRI). Gender is a dummy variable equal to one when the individual is female. Age is measured in years. Marital Status is a dummy variable equal to one for married individuals. Income, and Family Income are measured via self-reported scales. Bafoeg is a dummy variable taking a value of one if the individual is a recipient of this German government-funded student loan. Risk Aversion is assessed via a self-reported scale. SRI Return (Risk) Perception is the individual's return (risk) perception of SRI relative to conventional investments. SRI Awareness is a dummy variable equal to one if an individual has heard of SRI before. Inv Time and InvKH assess are the individual's self-reported investment time and investment know-how. All independent variables are standardized to allow for a conditional assessment of the premium via the constant.

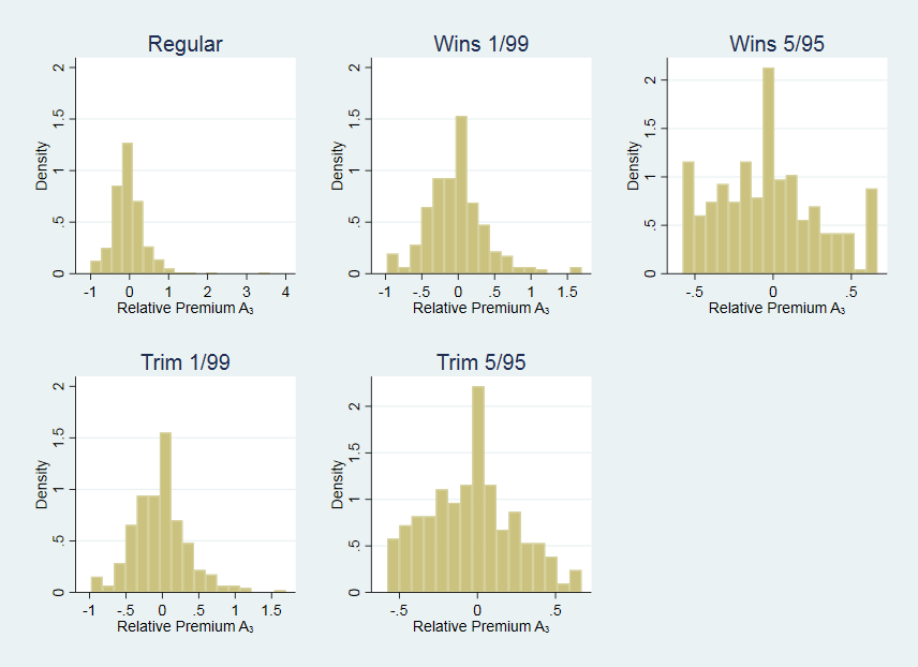
F Supplementary Figures

Figure E1: Distribution of Percentage Premia for A_2



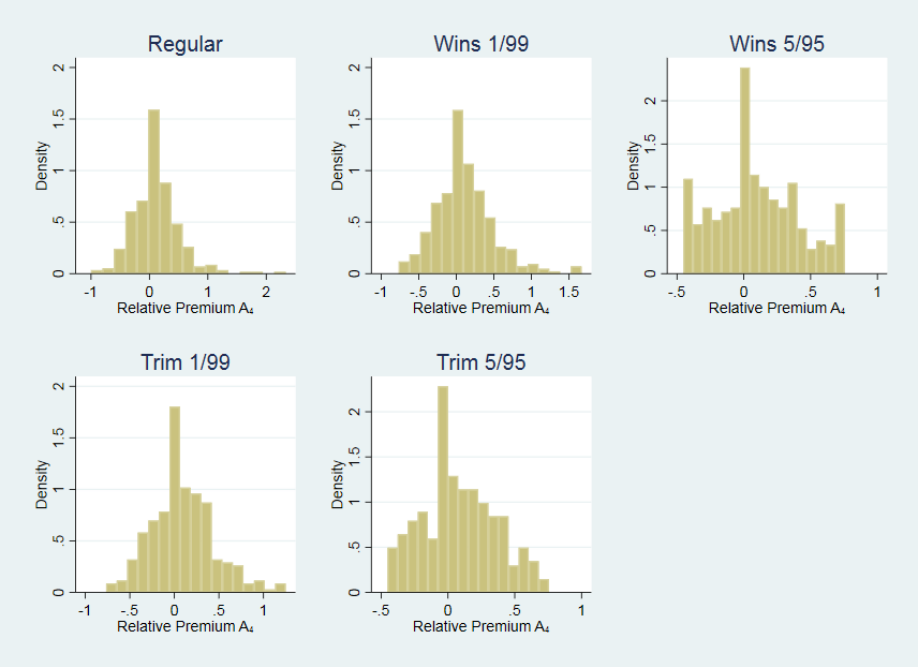
Note: This figure shows the distribution of percentage premia for A_2 (premia *relative* to the bid for the conventional asset A_1). The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E2: Distribution of Percentage Premia for A_3



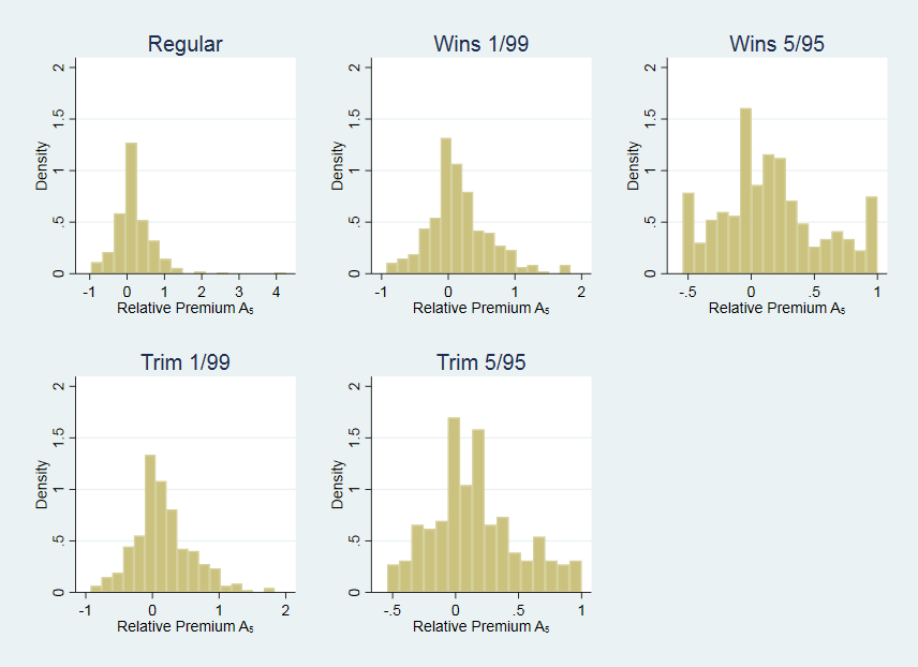
Note: This figure shows the distribution of percentage premia for A_3 (premia *relative* to the bid for the conventional asset A_1). The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E3: Distribution of Percentage Premia for A_4



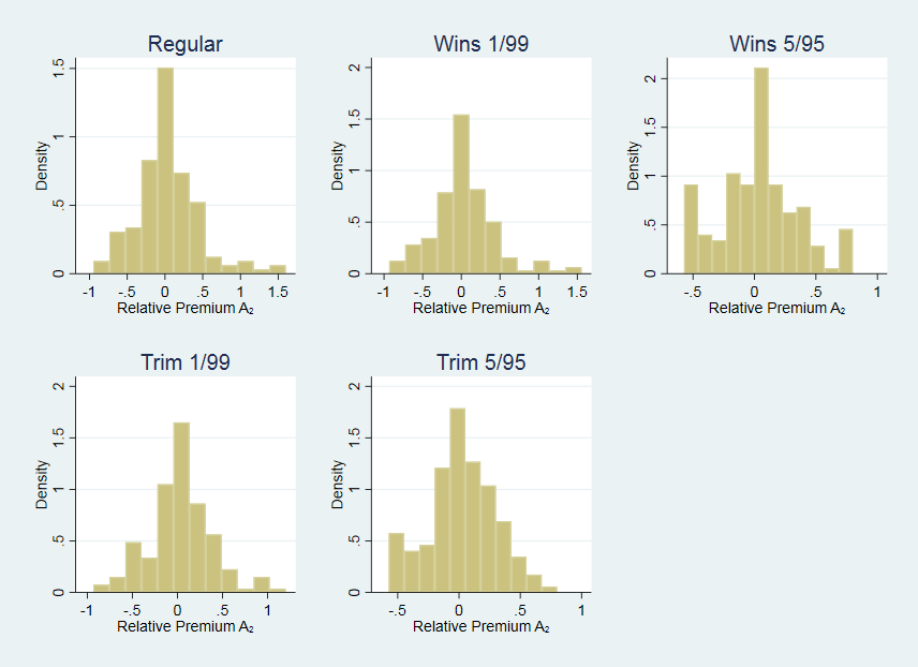
Note: This figure shows the distribution of percentage premia for A_4 (premia *relative* to the bid for the conventional asset A_1). The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E4: Distribution of Percentage Premia for A_5



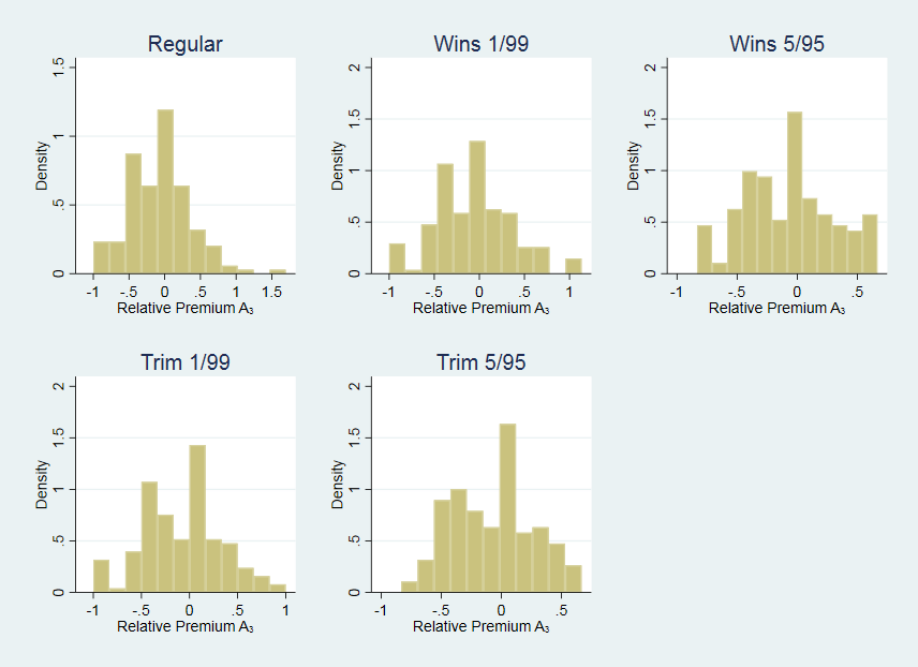
Note: This figure shows the distribution of percentage premia for A_5 (premia *relative* to the bid for the conventional asset A_1). The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E5: Distribution of Percentage Premia for A_2 - New Instructions Subsample



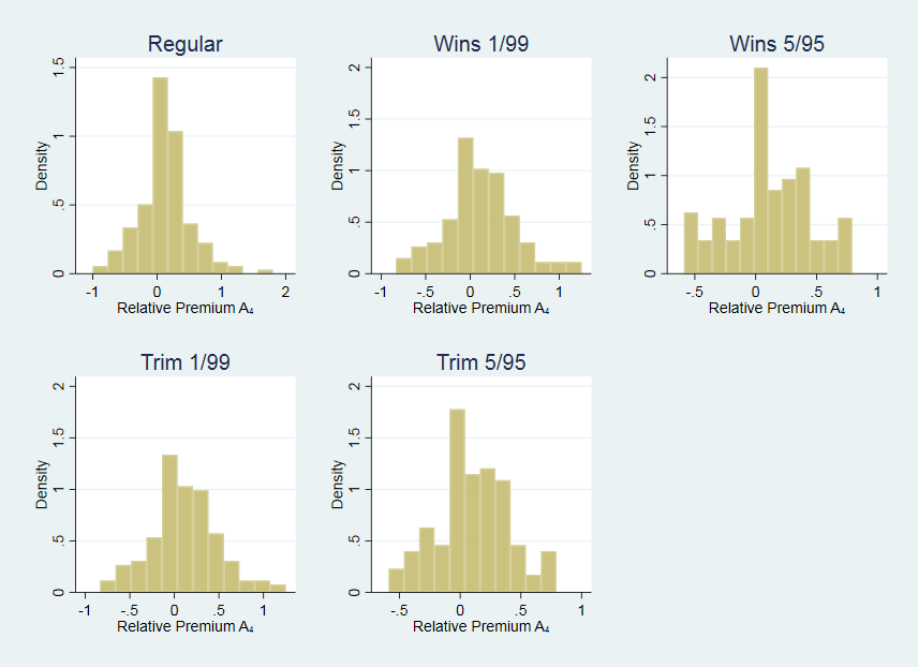
Note: This figure shows the distribution of percentage premia for A_2 (premia *relative* to the bid for the conventional asset A_1) in the subsample, who faced the new instructions. The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E6: Distribution of Percentage Premia for A_3 - New Instructions Subsample



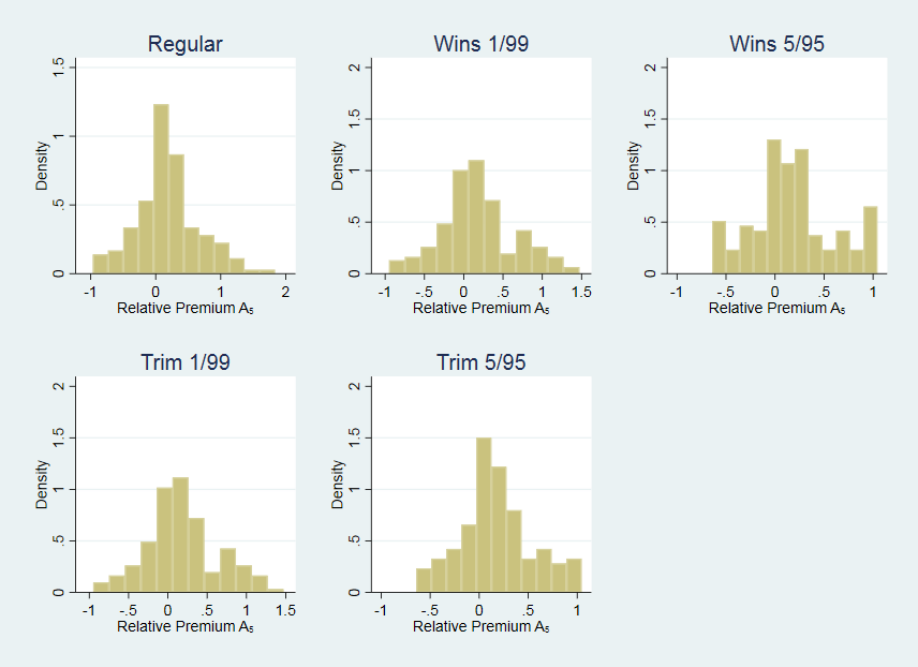
Note: This figure shows the distribution of percentage premia for A_3 (premia *relative* to the bid for the conventional asset A_1) in the subsample, who faced the new instructions. The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E7: Distribution of Percentage Premia for A_4 - New Instructions Subsample



Note: This figure shows the distribution of percentage premia for A_4 (premia *relative* to the bid for the conventional asset A_1) in the subsample, who faced the new instructions. The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.

Figure E8: Distribution of Percentage Premia for A_5 - New Instructions Subsample



Note: This figure shows the distribution of percentage premia for A_5 (premia *relative* to the bid for the conventional asset A_1) in the subsample, who faced the new instructions. The panel "Regular" shows the distribution of percentage premia in the full data. The panels "Wins 1/99 (5/95)" indicate the distribution when the percentage premia are winsorized at the 1/99 (5/95) percentile, respectively. The panels "Trim 1/99 (5/95)" indicate the distribution when the percentage premia are trimmed at the 1/99 (5/95) percentile, respectively. Overall, extreme percentage premia occur very seldomly.