CHAPTER 15

Why Self-Commitment Is Not Enough: On a Regulated Minimum Standard for Ecologically and Socially Responsible Financial Products and Services

Andreas Oehler, Matthias Horn, and Stefan Wendt

15.1 Introduction

Ecologically and socially responsible financial products and services are receiving considerable attention in the context of investment management and also in the public debate. While many financial service providers claim to offer ecologically and/or socially responsible financial products and services, their actual dissemination among consumers, however, appears to be rather low (see, e.g., the report by USSIF (2014) stating that the market of SRI investments is dominated by professional institutional investors with a market share of more than 85 percent). One of the main obstacles for consumers when dealing with ecologically and socially responsible financial

A. Oehler (✉)
Chair of Finance, Bamberg University, Bamberg, Germany

M. Horn
Department of Finance, Bamberg University, Bamberg, Germany

S. Wendt
School of Business, Reykjavik University, Reykjavik, Iceland

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products and services is the lack of an unambiguous understanding of what ecological and social responsibility actually means and which information they actually need to decide which products to buy or sell and which services to use (see, e.g., Bassen and Senkl 2011; Dheeriya 2017; Sheehy 2015). In this chapter, we discuss the consequences of the lack of such unambiguous understanding and provide a suggestion how to overcome this obstacle. We address this question from the point of view of individuals as consumers in the market for financial products and services. Compared to institutional market participants, consumers as, for example, retail investors or users of a broad variety of financial services are assumed to face larger difficulties in assessing financial products and services and making appropriate financial decisions (see, e.g., Oehler 2011, 2013, 2017; Oehler and Reisch 2008; Oehler and Wendt 2017; Oehler et al. 2009). When using the term *ecologically and socially responsible* we are aware of the fact that some scientific publications and the public debate also refer to *environmentally responsible* with a meaning that we assign to the term *ecologically responsible*. As, however, the terms *ecosystem* and *environment* are often used interchangeably, this difference in terminology does not limit the implications of this chapter although some nuances in theoretic definition might exist.

Decisions to buy or sell financial products, such as shares in companies or mutual funds and bonds, or to use financial services, such as banking and insurance services, require the assessment of the alternatives available. When focusing on ecologically and socially responsible financial products and services, consumers do not only need to assess the risk and return characteristics, but also the ecological and social characteristics (see, e.g., Renneboog et al. 2008 for a discussion on the nonfinancial characteristics of investment decisions, such as social or ethical objectives, and a possible aversion of consumers to unethical corporate behavior). This requires that they do not only separately assess social, ecological, and financial characteristics; instead they need to assess all characteristics at the same time and their interdependencies in the sense of a conflation of social, environmental, and financial performance (Aras and Crowther 2010). In this context, consumers face two main challenges. First, due to limited cognitive capacity and time constraints (see, e.g., Kahneman and Tversky 1979; Selten 1990), they will not be able to gather and process all information related to all alternatives, they will not be able to double-check if all information they are provided with is actually correct, and they will not be able to monitor all financial products closely over time (see, e.g., the literature on choice overload by Baron 2000; Malhotra 1984; Miller 1956; Plous 1993).

Second, ecological and social responsibility is an ambiguously defined concept. Industry-wide, countrywide, or even international standards of how to implement the idea of ecological and social responsibility based on specific and detailed criteria barely exist. Instead, every financial service provider can define and implement these criteria according to own policy. The latter policies allow financial service providers to label mutual funds as ecologically and socially responsible although these funds hold up to, for example, 18 percent nuclear power companies, 35 percent oil and gas companies, and 13 percent military industries in their portfolio as identified by Bettzieche 2012.

We examine both challenges in detail and discuss how to address them in order to provide consumers with the opportunity to make appropriate financial decisions in the context of ecologically and socially responsible financial products and services. We provide a concept for a regulated minimum standard for ecologically and socially responsible financial products and services which tackles the main shortcomings that hamper their dissemination. When it comes to the definition of social responsibility, investors and standard setters might refer to social norms in specific countries or regions. In this chapter, however, we focus on the conceptual approach of a minimum standard of ecological and social responsibility which can be implemented on both a global and a local level. As addressed later on in this chapter, generally accepted criteria of ecological and social responsibility that need to be fulfilled to meet the minimum standard still need further discussion and clarification. Given the internationally intertwined nature of financial markets, the criteria to be embedded in a minimum standard for ecologically and socially responsible financial products and services need to be applicable in an international context. This, however, does not restrain local standard setters from implementing even stricter requirements. Given the current state of legal requirements regarding social and ecological aspects around the world, it is not sufficient that financial products and services simply fulfill these legal requirements. Instead, they need to be based on socially and ecologically responsible activity beyond complying with legal requirements (Green Paper EU 2001). Although ecological and social responsibility is typically discussed in the context of a certain spectrum of investment instruments such as mutual funds, the underlying idea should be applied to a much broader range of financial products and services, including savings accounts, loans, mortgages, and insurance contracts (e.g., Weber 2010).

Not only are the implications of requesting a regulated minimum standard for ecologically and socially responsible financial products and services important for consumers, but they are also relevant for regulators, supervisors, and financial service providers. This relates to defining and implementing the minimum standard at the regulatory level and in the policies of financial service providers as well as to subsequent supervision and monitoring and design of information documents for ecologically and socially responsible financial products and services.

We first address individuals' financial decision-making based on findings in behavioral economics and finance, and we will explain how information about financial services should be presented to individuals to facilitate their decision-making (Sect. 15.2). Subsequently, we discuss the concept of ecological and social responsibility and address why determining this concept for financial products and services and informing consumers in corresponding product information need to be based on a minimum standard (Sect. 15.3). Building on these ideas, we discuss how the minimum standard can be achieved (Sect. 15.4) and we will present final remarks and conclusions (Sect. 15.5).

15.2 Individual Decision-Making and the Role and Design of Product Information

Consumers will not act fully rationally when making financial decisions (here and in the following see, e.g., Oehler 2011, 2013, 2017; Oehler and Reisch 2008; Oehler and Wendt 2017; Oehler et al. 2009). Full rationality would require that consumers identify and gather all relevant information, process and interpret the information correctly, and incorporate the information in their decision-making in a way that maximizes their utility—an idea that is inherent in neoclassical financial models and that is often used as guiding principle in regulation (see, e.g., Micklitz 2003, 2004, 2013). Actual decision-making, however, is influenced by consumers' limited cognitive capacity and by emotional and motivational factors (e.g., Kahneman and Tversky 1979; Selten 1990). Moreover, individuals are not able to determine their utility in the same way as implied by neoclassical utility models.

Individuals use heuristics instead of using all relevant information about all alternatives (see, e.g., Tversky and Kahneman 1974). This means that they will use information that is available most easily or presented most

prominently, and, when comparing products, they focus on salient features (e.g., Bordalo et al. 2013). Overall, consumers will not be able to use full information when making decisions, even if it were available. When consumers are less experienced in the decision context and when information is hardly understandable, this behavior is even stronger (Kahneman 2003). This situation creates incentives for financial service providers to present benefits and expected return of financial products and services in a more prominent way than risks associated with these products.

To allow consumers to reasonably compare financial products and services, high-quality information that emphasizes the essential characteristics of a financial product and/or service is needed (see, e.g., Oehler et al. 2014). Essential characteristics generally include substantial risks, liquidity/flexibility, net return, all costs and charges, and portfolio effects. High-quality information needs to fulfill necessary and sufficient conditions. Necessary conditions focus on criteria that allow individuals to receive and understand information and to incorporate it in the decision-making process. This means that information that fulfills the necessary conditions allows consumers to make use of this information. Sufficient conditions need to be fulfilled to allow consumers not only to use the information but to make adequate decisions (here and in the following: Oehler 2017; Oehler and Wendt 2017).

Necessary conditions that information needs to fulfill include transparency, comprehensibleness, and comparability. In this sense, *transparency* means that all relevant information about essential product characteristics is available and accessible for individuals. Due to bounded rationality consumers might eventually not use all relevant information; however, if relevant information is missing, they would not even get the chance to use it and they might therefore miss important characteristics. *Comprehensibleness* requires that information be given in plain language to allow consumers to understand the information without having expert knowledge in finance. *Comparability* means that information for similar or closely related financial products and services is presented along the same information categories and allows consumers to compare relevant alternatives.

Sufficient conditions relate to a minimum quality level that information needs to reach in order to allow consumers to make adequate financial decisions. In this sense, sufficient conditions include clarity, fit to personal needs, and verifiability. *Clarity* requires that information about the essential product characteristics allow for unambiguous interpretation and inference of the consequences of decisions to buy or sell the product or service and should not lead to confusion. As consumers often misinterpret information

that is given as financial ratios or percentages, potential monetary consequences should be explained in amounts of money in the relevant currency (e.g., Bateman et al. 2014). *Fit to personal needs* means that information is provided about the financial need that the product is addressing and/or adequate for, such as basic financial needs (safety first, low risk), additional financial needs (income protection, retirement provisions), or for speculation purposes after both basic and additional financial needs have been taken care of. *Verifiability* means that particular third parties, such as judicial authorities, supervisors, and consumer organizations, need to be able to verify the information before a consumer's decision to enter into the financial contract and also afterwards, this means during the contract period and as long as legally defined periods of limitation have not expired. The focus on third parties when it comes to verifiability originates from consumers' bounded rationality which typically does not allow them to verify all details themselves.

15.3 Ecological and Social Responsibility and the Need for a Minimum Standard

Applying the idea of ecological and social responsibility to financial products and services means that the essential product characteristics substantial risks, liquidity/flexibility, net return, all costs and charges, and portfolio effects are complemented by the fulfillment of ecological and social criteria. It also means that the information that consumers receive about these financial products and services needs to address whether or not ecological and social criteria are fulfilled. However, there are at least two main challenges to this idea. First of all, generally accepted criteria for ecological and social responsibility do not exist. This means that relevant characteristics cannot be determined and that information will not fulfill the necessary conditions' transparency, comprehensibleness, and comparability as explained above. Given the internationally intertwined nature of financial markets, the criteria to be embedded in a minimum standard for ecologically and socially responsible financial products and services need to be applicable in an international context. This, however, does not restrain local standard setters from implementing even stricter criteria that are based on socially and ecologically responsible activity beyond complying with legal requirements (Green Paper EU 2001) and incorporate social norms of specific countries or regions. Second, the sufficient conditions cannot be fulfilled as result of

the lack of meeting the necessary conditions. Specifically, inference and interpretation of the consequences of decisions to use financial products or services and the determination of the fit to personal needs are ambiguous. Moreover, verifiability of the essential characteristics is hampered. We will elaborate on these challenges in the following.

15.3.1 Inexistence of Generally Accepted Criteria of Ecological and Social Responsibility

There is an ongoing debate about how to define ecological and social responsibility in different—partially overlapping—strands of literature, for example, literature on corporate social responsibility (CSR) (see, e.g., Sheehy 2015); on environmental, social, and corporate governance (ESG) criteria (see, e.g., Bassen and Senkl 2011); and on socially responsible investments (SRI) (see, e.g., Dheeriya 2017). Beyond this, the concept of sustainability is widely used as a conflation of social, environmental, and financial performance (Aras and Crowther 2010). However, there is no unambiguous and generally accepted definition of *ecological and social responsibility* in the context of financial products and services.

Several initiatives have established guidelines or principles related to these areas, such as UNPRI (https://www.unpri.org/about/the-six-principles) and USSIF (http://www.ussif.org/sribasics) on ESG criteria and the European Commission on a CSR framework (European Commission 2001). These guidelines and principles appear to be very broad, but they do not provide specific criteria that would break down the concept of ecological and social responsibility to a sufficient degree that would accommodate individuals' informational needs. Instead, information provided by the initiatives can serve as starting point for interested consumers. They receive, for example, very basic information about potential investment instruments (including market overviews) and further sources that investors would need to investigate by themselves to gather more specific information, such as information provided by agencies that rate mutual funds regarding their performance on ESG issues. Basically, consumers, again, face the challenge to collect detailed information about the essential characteristics on their own. Depending on the financial products and services, this relates to characteristics of, for example, the underlying investment object such as a firm or a project (shares of stock, bonds) or a portfolio of firms (mutual funds), but also to characteristics of financial service providers.

However, reporting standards for firms' social and environmental performance are wooly, enabling firms to easily engender the impression that they act responsibly or sustainably (Norman and MacDonald 2004). The most popular example for firms' social and environmental performance reporting is *triple bottom line reporting* (see, e.g., Elkington 1994, 1998). It is based on the idea that performance can be split up into three aspects: economic, social, and environmental performance. While the focus of firms' reporting obviously always covers the economic aspects—as based on generally accepted reporting standards as required by law—the inclusion of social and environmental aspects has not yet reached a uniform standard. Instead, most firms use vague rhetoric to generate the impression that they ensure responsible or sustainable development. A closer look, however, reveals that the "concept of a Triple Bottom Line in fact turns out to be a 'Good old-fashioned Single Bottom Line plus Vague Commitments to Social and Environmental Concerns'" (Norman and MacDonald 2004, 255).

With academic literature not yet reaching consensus about a generally accepted detailed criteria of ecological and social responsibility and policymakers deferring to establish mandatory reporting standards, the quality of information that is easily accessible for retail investors is low. Retail investors, therefore, might be tempted to rely on financial and information intermediaries to receive high-quality information about ecological and social responsibility of financial products and services.

In a situation of large information asymmetries as described above, financial service providers can largely follow their own definitions and design their own approaches to assess and construct supposedly ecologically and socially responsible financial services and products. These approaches commonly comprise positive and/or negative screenings studded with some tolerance thresholds (see, e.g., Schäfer et al. 2006; Oehler 2013). Tolerance thresholds relate to, for example, a maximum of 5 percent of activities based on nuclear power in a green energy fund or a maximum of 3 percent of production based on child labor in an allegedly socially responsible fund. Screenings commonly focus on the inclusion (positive screening) or exclusion (negative screening) of certain business segments and/or practices. Negative screening is widely used to exclude so-called sin stocks, this means stocks of the alcohol, gambling, tobacco industry, and so on; and firms with unethical business policy from the list of investible assets. In contrast, positive screening is used to include assets of companies with high ecological or social performance—based on, for example, contribution

to the renewable energy sector, engagement in social projects, or commitment to ethical initiatives—in the pool of investible assets.

As most of the criteria that are used in the screenings can be fulfilled to different degrees, financial service providers or information intermediaries typically apply scoring or ranking approaches to assess the ecological and social responsibility. Scoring or ranking might appear to allow for a more differentiated evaluation of financial products and services. Although it is—at the first glance—a favorable idea to establish supposedly more nuanced assessments of ecological and social responsibility, it is doubtful that consumers require such complex evaluation approaches and that these approaches really follow the idea of identifying ecological and social responsibility. Instead, most consumers planning to engage in ecologically and socially responsible financial products and services would need to know whether they support ethical issues or not. Therefore, it is important for them to know that a financial product or service is not in contact with unethical issues (see, e.g., Renneboog et al. 2008 for consumers' aversion to unethical corporate behavior). The complex scoring and ranking approaches, however, partially sidestep this simple requirement because they allow counterbalancing unethical behavior in regard to one criterion with ethical engagement in regard to other criteria when all criteria are accumulated to a total score and transferred into a ranking. Combining this problem with the inclusion of thresholds for unethical behavior means that scoring and ranking does not sufficiently reflect breaches of the idea of socially and ecologically responsible financial products and services. This means that any information provided by scores or ranks is neither transparent nor comprehensible for many consumers.

Consequently, consumers might decide to use financial products and services that they do not intend to use in the first place and that they are unable to intuitively understand. Consider, for example, the repercussions of different screening processes when selecting ecologically and socially responsible investments. If a fund is based solely on positive screening, fund management might include all major oil companies because they all established foundations that engage in social projects. This, however, would ignore the negative impact on global climate and pollution due to, for example, carbon dioxide emissions. In the same vein, tolerance thresholds and the aggregation of criteria to one score or rank might lead to investments in companies with unethical labor conditions, for example, if up to 2 or 5 percent of the company's products are allowed to be manufactured under bad labor conditions while the company simultaneously engages in

environmental initiatives. Analyzing the portfolios of allegedly ecologically and socially responsible mutual funds for German retail investors, Bettzieche (2012) showed that these funds hold up to 18 percent nuclear power companies, 35 percent oil and gas companies, and 13 percent military industries in their portfolio. These stock holdings were possible due to the tolerance thresholds that allowed the companies to earn (in most cases) 5 percent of their returns in the nuclear power, oil and gas, military, and genetic engineering market. Consequently, companies could earn up to 20 percent of their sales in these industries and are still labeled as ecologically and socially responsible.

The previous example further shows that comparing ecologically and socially responsible financial products with each other can be difficult because retail investors hardly can assess whether a financial service provider exhausts the tolerance thresholds or not. Besides the problem of unintended use of unethical financial products and services due to the shortcomings of scoring and rating approaches, the heterogeneity of investment approaches leads to intransparent and incomparable products when trying to compare either with other ecologically and socially responsible financial products or with "traditional" products. Specifically, consumers will hardly be able to assess and compare the outcomes of an investment fund using positive screening and a tolerance threshold of 3 percent for child labor with a second investment fund that uses negative screening and a tolerance threshold of 10 percent of fossil energy sources in the production process. Comparing products and services gets even more difficult when they are constructed with a mixture of positive and negative screening procedures.

Although some financial service providers might be willing to commit themselves to transparent and comprehensible selection processes for ecologically and socially responsible products and services, this self-commitment will not be sufficient, because consumers will not be able to unambiguously distinguish between these financial service providers and others due to informational asymmetries and bounded rationality. In addition, competition in the market for ecologically and socially responsible financial products and services is hampered in a situation where consumers are not able to fully understand and compare the information that they are given. Specifically, large financial companies with established distribution networks will be able to define some sort of mainstream industry standard, whereas newly founded financial service providers can hardly communicate to consumers how they differentiate themselves from large financial companies.

15.3.2 Inference and Interpretation of Consequences

Due to a missing definition of specific criteria for socially and ecologically responsible financial products and services, it is practically impossible to measure their fulfillment. Analyzing any performance impact is highly difficult and leaves room for interpretation. This can be considered as one of the main reasons why investors still underlie the myth that investing in ecologically and socially responsible financial products and services results in financial underperformance. Expected financial underperformance is typically attributed to allegedly higher costs associated with, for example, fair labor conditions compared to unethical labor conditions. The idea of (financial) underperformance due to ecologically and socially responsible behavior, however, can neither be upheld from a theoretical point of view nor based on actual empirical evidence on performance. Instead, potentially higher costs for good labor conditions or for fulfilling ecological production standards can be compensated by a higher productivity due to employees' higher job satisfaction and higher sales prices that are achievable due to enhanced product quality and consumers' willingness to pay more for products that fulfill ecological and social standards. Furthermore, ecological and social responsibility can decrease firms' systematic risk and consequently enhance their value (Albuquerque et al. 2013). Empirical studies analyzing the performance of mutual funds claiming to be socially responsible could not detect a statistically significant difference between the performance of these funds and regular mutual funds (Hamilton et al. 1993; Humphrey and Tan 2014).

As ecological and social responsibility cannot be associated with a coercive impact on financial performance, consumers still need all information about the essential characteristics including substantial risks, liquidity/flexibility, net return, all costs and charges, and portfolio effects. In addition they need meaningful information about the ecological and social characteristics. If and only if all this information is available, consumers will be able to assess the impact of responsibility on their portfolio return and risk and to engage in potentially necessary risk management activities. Even if ecologically and socially responsible financial products and services performed worse than traditional products and services—which does not find sufficient support in empirical research, quite the contrary (see, e.g., Friede et al. 2015)—and consumers yet accepted worse performance to act responsibly (see, e.g., Renneboog et al. 2008), consumers would be unable to determine the percentage of their portfolio that they want to employ for responsible

products and services if they do not have sufficient information about all characteristics.

Without clear definition of specific ecological and social criteria that must be fulfilled in order to categorize financial products and services as being responsible and without information about the performance impact, individuals are not enabled to determine the fit of ecologically and socially responsible investments to their personal needs. This also means that individuals are unable to influence the market for ecologically and socially responsible investments by their financial decision-making, that is, to buy products that fit their expectations and needs best while avoiding the remaining products. Therefore financial service providers hardly face pressure from the demand side to design products that fulfill the requirements of really ecologically and socially responsible financial products and services and high-quality information.

The lack of a standard of specific criteria for ecologically and socially responsible financial products and services also impedes third parties from verifying the quality of financial products and services that are offered as being ecologically and socially responsible. This becomes obvious in the context of, for example, financial planning when financial planners wish to provide individuals with guidance in their personal finances, but also in the context of litigation related to breach of criteria of responsibility.

To address this situation a regulated minimum standard for ecologically and socially responsible financial products and services appears the most promising solution. Such a minimum standard also helps to tackle the supremacy of large established financial companies and their distribution networks. Smaller competitors would get the chance to act on a level playing field at least when it comes to fulfilling ecological and social criteria and when it comes to requirements for high-quality information about the characteristics of financial products and service.

15.4 How to Achieve the Minimum Standard

To tackle the aforementioned shortcomings a regulated minimum standard in the first place has to *comprehensibly* define the underlying concept of ecologically and socially responsible financial products and services including unambiguous and specific ecological and social criteria that need to be fulfilled (here and in the following: Oehler 2013). These criteria need to go beyond complying with legal requirements because all financial products and services need to comply with legal requirements anyway. Therefore,

consumers need transparent and comprehensible information how the minimum standard goes beyond legal requirements. For this purpose, the minimum standard needs to introduce ecological and social knockout criteria that necessarily need to be fulfilled (Boolean values: yes/no) instead of screening approaches with tolerance thresholds that can lead to, for example, greenwashed unecological investment products (see, e.g., Bettzieche 2012; Schäfer et al. 2006; Oehler 2013). In the case of nonfulfillment of one of the knockout criteria, a financial product or service can under no circumstances be labeled as being ecologically and socially responsible. To ensure *transparency*, *comprehensibleness*, and *comparability*, the knockout criteria have to be measured without tolerance thresholds. Furthermore, it is necessary that knockout criteria cannot be bypassed through scoring, ranking, or rating approaches that allow offsetting the nonfulfillment of one criterion with the fulfillment of other criteria (or by overachieving another criterion).

Since retail investors hardly have the possibility to know the entire value chain that a firm (as potential investment object) or the financial service provider is embedded in, including all suppliers, customers, and subsidiaries—not to mention the possibility to evaluate the ecological and social policies along the entire value chain—the minimum standard has to ensure that the entire value chain fulfills the criteria for ecological and social responsibility. Addressing the entire value chain is a necessary step to prevent greenwashing; this means to prevent that the parent company uses subsidiaries to produce in countries with, for example, low worker protection while the parent company only sells the products under its greenwashed label.

Although some consumers might primarily think about acting ecologically and socially beneficially when they use responsible financial products and services, they still engage in, for example, risky investments. Therefore, information that is provided about responsible financial products and services also needs to fulfill necessary and sufficient conditions that apply to traditional financial products and services (*transparency*, *comprehensibility*, *comparability*, *clarity*, *fit to personal needs*, and *verifiability*). This is not only important for consumers but also for the financial intermediaries that—when following these conditions—are enabled to provide standardized and easier comparable information in their advisory process. Specifically, consumers should in a clear manner be informed about fees and costs of the financial product or service (in absolute values, not percentages), essential risks, forecasted outcome, and fulfillment of ecological and social criteria to

assess the fit of a financial product or service to the consumers' personal needs and to assess whether the consumer is capable to take the risks.

The introduction of a minimum standard as a level playing field goes hand in hand with the necessity to supervise this field. To ensure verifiability and enable consumers to evaluate the trustworthiness of a minimum standard, they need to know the issuer and the supervisor of the standard (see Oehler 2014). Furthermore, the criteria should be publicly available to ensure transparency. To obviate or at least to reveal potential agency conflicts, relationships between the issuer and supervisor of the minimum standard on the one side and financial service providers on the other side need to be made public. The minimization of agency conflicts may furthermore be beneficial for enhancing competition in the market for ecologically and socially responsible financial products and services by preventing large established financial service providers from utilizing their influence to simultaneously engage as standard setter, supervisor, and supplier while building barriers for competitors to enter the market.

15.5 Conclusions

The inexistence of generally accepted criteria to define ecologically and socially responsible financial products and services undermines suitable consumer information in this market and hampers the distribution of the products and services among consumers.

A minimum standard for ecologically and socially responsible financial products and services can help to overcome these problems. Therefore, the standard has to go beyond what is already implemented as legal requirements for firms, financial service providers, and consumer information. The minimum standard needs to define the underlying concept of ecologically and socially responsible financial products and services and use knockout criteria measured as Boolean variables while avoiding scoring or rating approaches and tolerance thresholds. Furthermore, the criteria need to apply to the entire value chain to avoid greenwashing.

The presentation of the minimum standards' underlying principles and functioning as well as the key features of the financial products and services has to follow necessary (*transparency*, *comprehensibleness*, and *comparability*) and sufficient (*clarity*, *fit to personal needs*, and *verifiability*) conditions of high-quality consumer information.

Such a minimum standard for ecologically and socially responsible financial products and services would allow consumers to understand and

compare financial products and services, and it would also provide a level playing field for intermediaries and strengthen competition in the market for financial products and services.

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