Do Mutual Funds Represent Individual Investors?

Jonathon Zytnick
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ECGI Responsible Capitalism Summit
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Maximizing Shareholder Welfare

Companies are run for the benefit of human beings.

- What can we learn about individual investor preferences from individual investor votes?

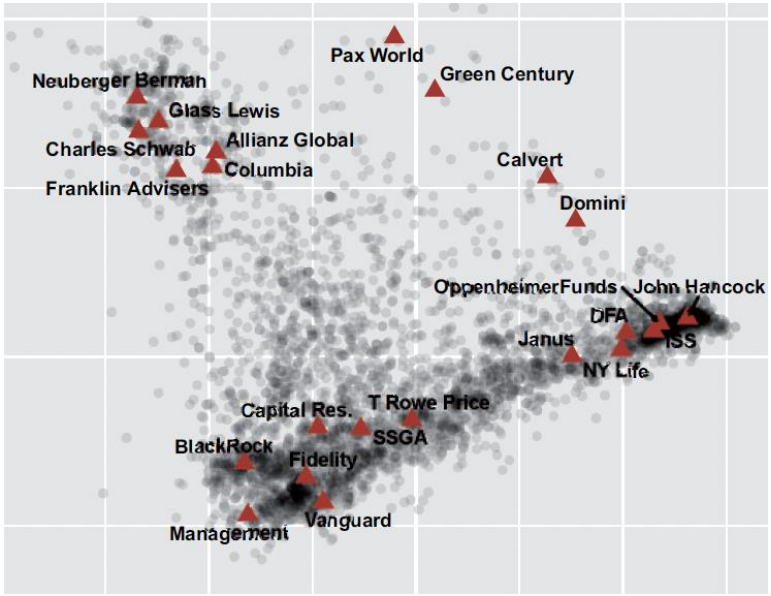
- Do mutual fund votes reflect the preferences of their underlying individual investors?

Background on Mutual Fund Voting

Mutual fund voting sets policy for corporate America.

- Institutional investors of public companies influence corporate policies through their voting.

- Mutual funds vote differently from each other.



Bubb and Catan (2021)

Motivation

"Whether these ideological differences [across institutional investors] reflect the ideology of the institutions' client bases, we cannot say. It is not even clear that clients are aware that the funds they invest in have systematic ideological biases."

- Bolton, Li, Ravina, Rosenthal (2022)

Another Government

"There is another government… consisting of a handful of gigantic institutional asset managers… who own (on behalf of their customers) most of the stocks of most of the public companies, and can, in some loose sense, tell those companies how to behave. They are not chosen democratically, exactly, but they are *representative*; millions of people give their money to those institutions and trust them to make decisions for them."

- Matt Levine, Bloomberg Opinion, June 25, 2020

Outline

- 1) *Sample selection bias*. Can we learn about non-voter preferences from voter preferences?

- 2) *Individual investor ideology*. Do individuals vote consistently?

- 3) *Representativeness*. Do individual investor ideologies correlate with those of the mutual funds they own?

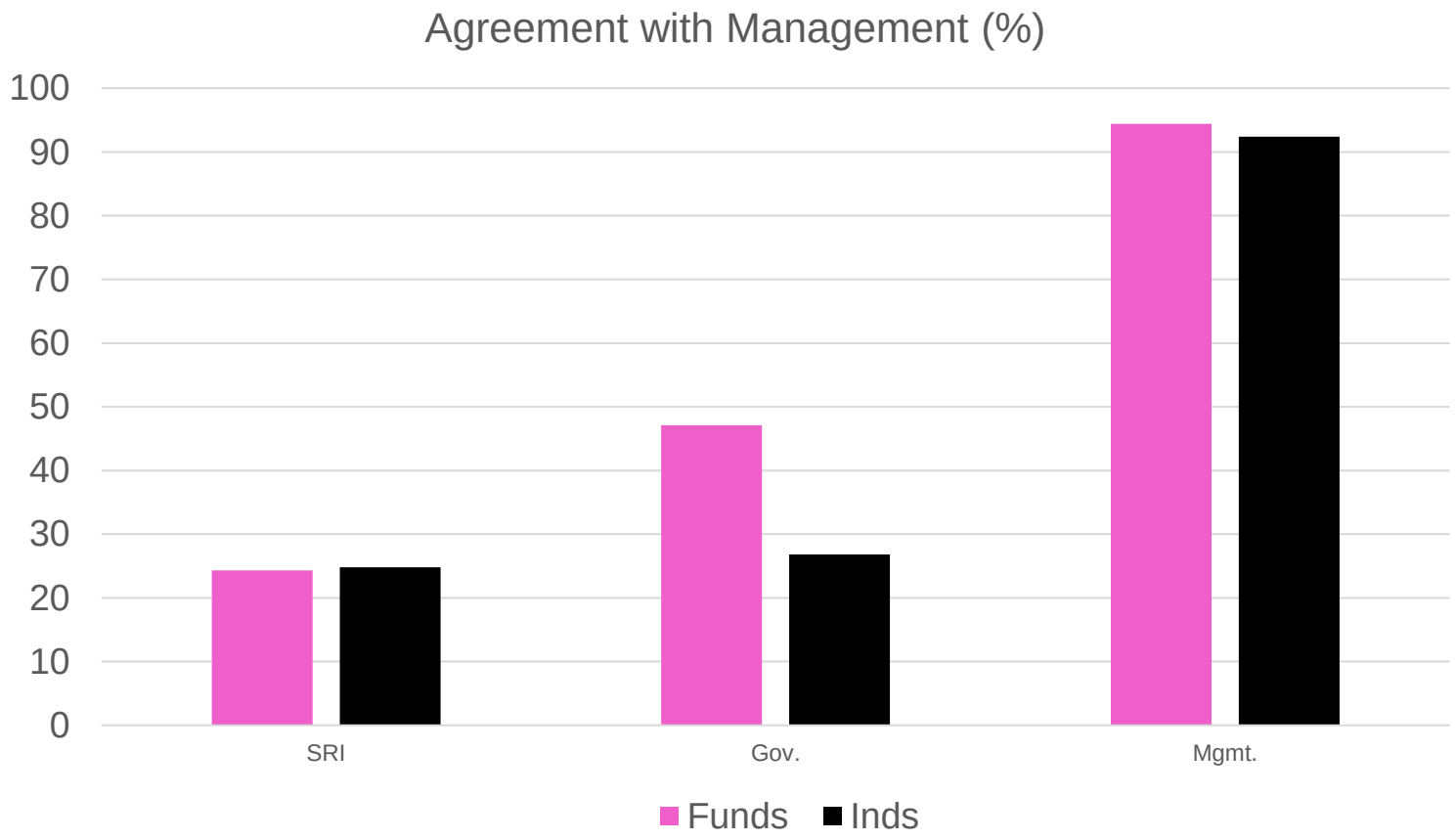
Data

Data on shareholder ownership and votes are provided under a confidentiality agreement with Broadridge.

- First dataset: Include investor shareholder ownership and votes for all public company meetings from 2015 – 2017, excluding proxy contests.
- Second dataset: Same thing but for mutual fund meetings.
- Data include ownership for virtually all public companies and closed-end funds, and ~1/3 of mutual funds.

Summary Stats

In the aggregate, individual and institutional investors do not starkly differ in their voting choices, except on governance.



Full SRI

Sample Selection Bias (Background)

Do preferences of voters proxy for preferences from non-voters?

- Most individual investors don't vote.
- I use multiple approaches to dealing with sample selection bias.
- Here, I use tools similar to those of the identification revolution.

Sample Selection Bias (Theory)

Goal: the population-level individual investor ideology.

- There are two types of sample selection bias: *Selection on observables* and *selection on unobservables*.

- Analogy to linear regressions:

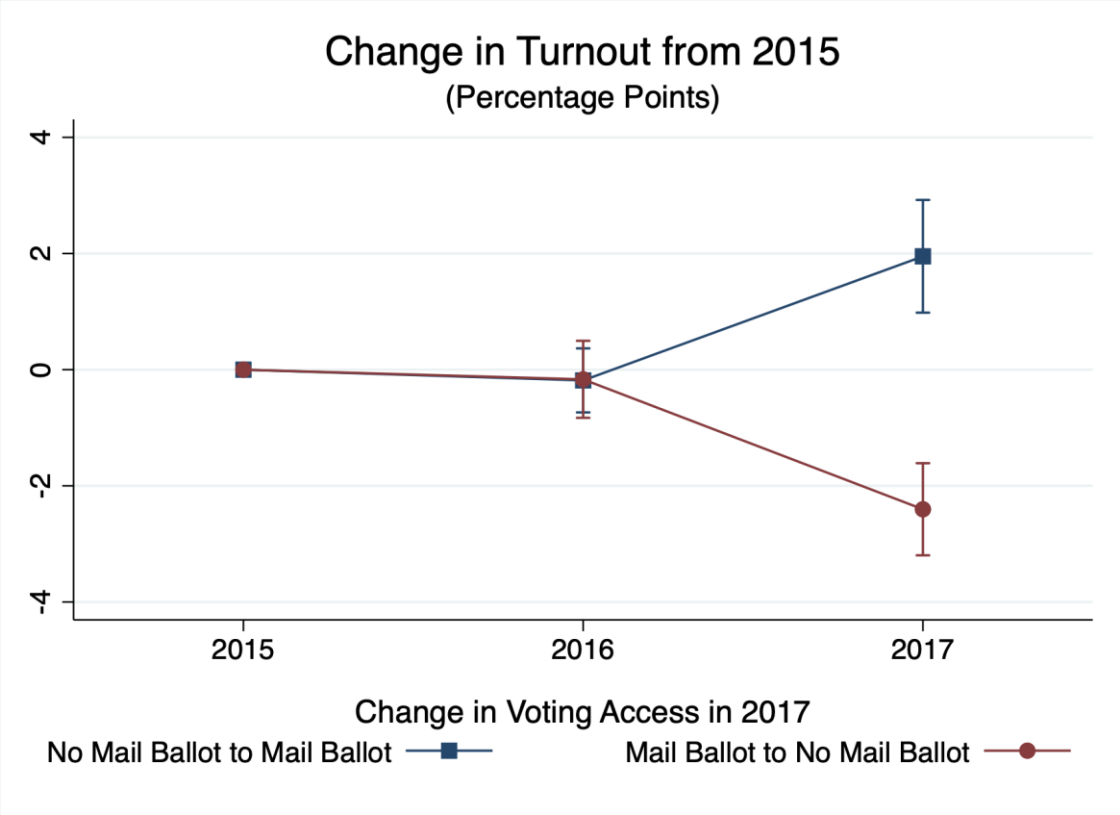
  - Selection on observables can be adjusted for by using the observable variables to create weights.

  - Selection on unobservables requires a variable (an "excluded variable"): something that affects the probability of inclusion in the sample without being connected to the thing you are trying to measure.

Access to Mail Ballot Increases Turnout

Look at turnout among shareholders at firms that switch materials in 2017 to determine the causal impact of materials.

$$y_{ict} = \sum_{\tau=2015}^{2017} \beta_\tau \, 1_{t=\tau} IndividualAffected_{ic0} FirmSwitch_c + \phi_{ic} + \phi_{ct}$$

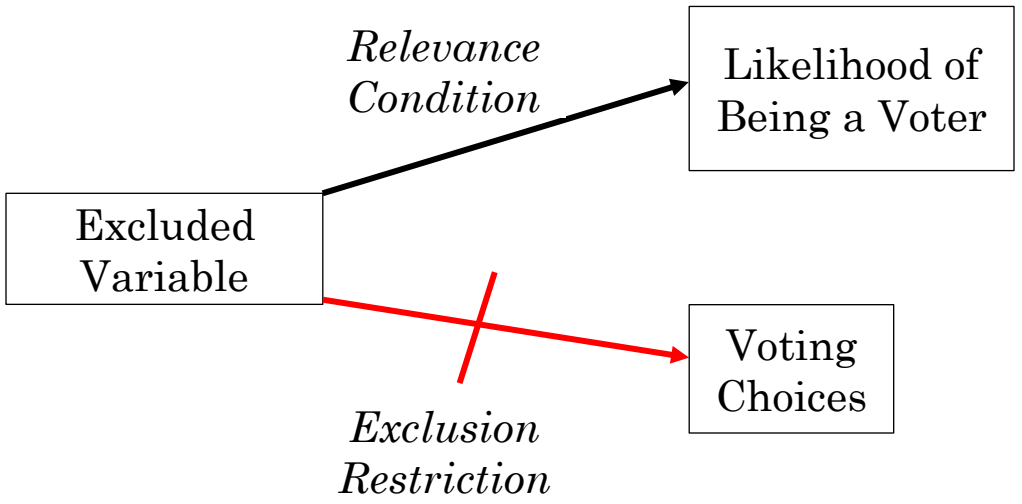


Full regression results

Correcting for Sample Selection on Unobservables

Requires a variable (excluded variable) that exogeneously alters probability of being in the sample.

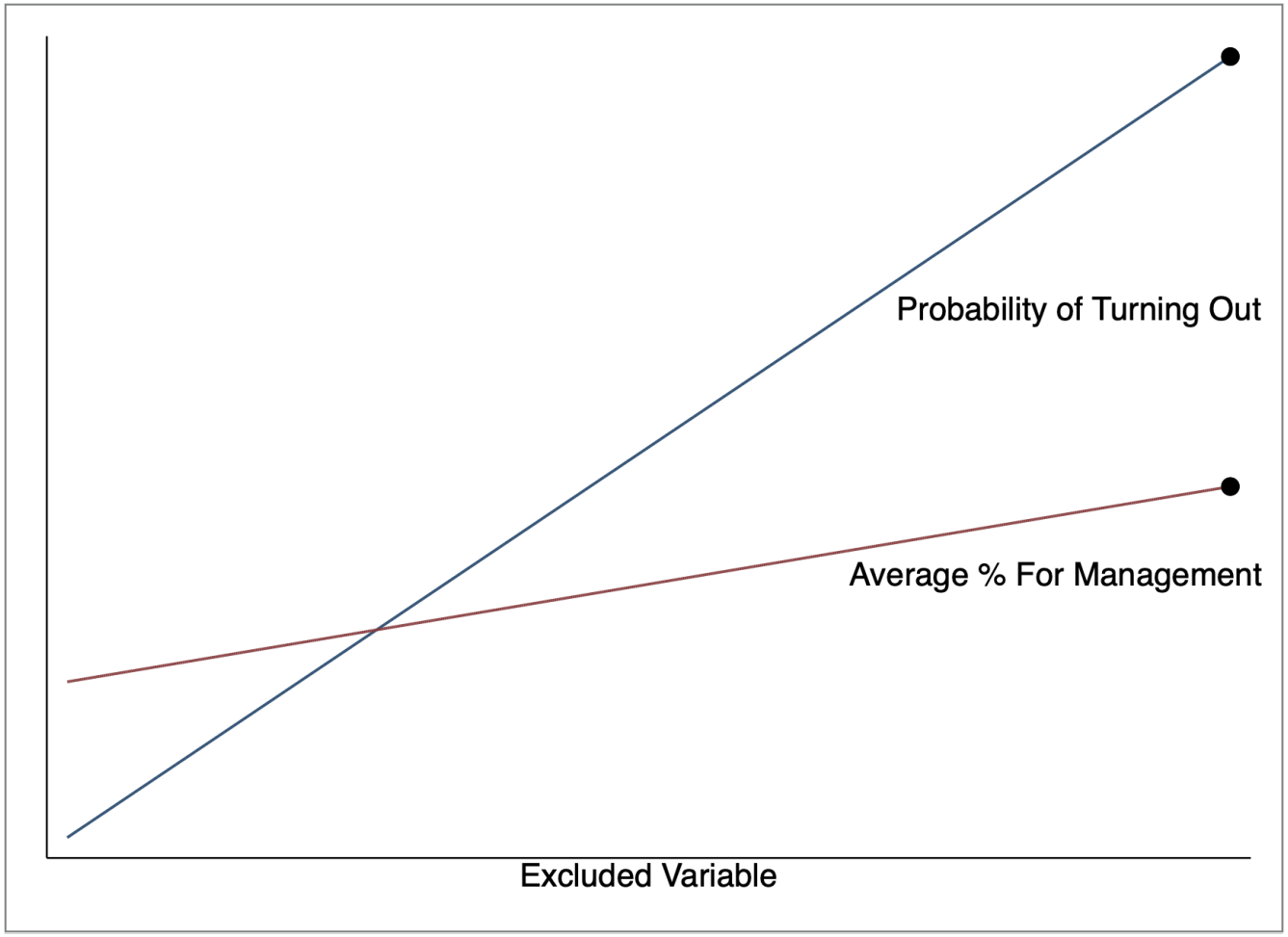
- Two requirements for excluded variable:
  - Relevance condition
  - Exclusion restriction



- The excluded variable shifts the probability of being in the sample without directly affecting ideology, so any resulting variation in ideology must be a consequence of selection.

Intuition on Correcting for Selection Bias on Unobservables (Illustration)

If the exclusion restriction holds, selection bias is the observed correlation between the instrument and voting choices (red line)



Back

Exclusion Restriction

Exclusion restrictions cannot be empirically verified. However, this setting provides avenues to test the exclusion restriction.

- The exclusion restriction in this case: the materials/voting methods your firms send must *not* be related to your voting choices.

- Two threats to the exclusion restriction:
  - *Direct effect*: shareholders might be affected in how they vote by the materials they receive
  - *Selection effect*: firms might choose what materials to send based on expectations about the vote.

Sample Selection Bias (Results)

Correcting for selection on observables and unobservables does not meaningfully change levels of support.

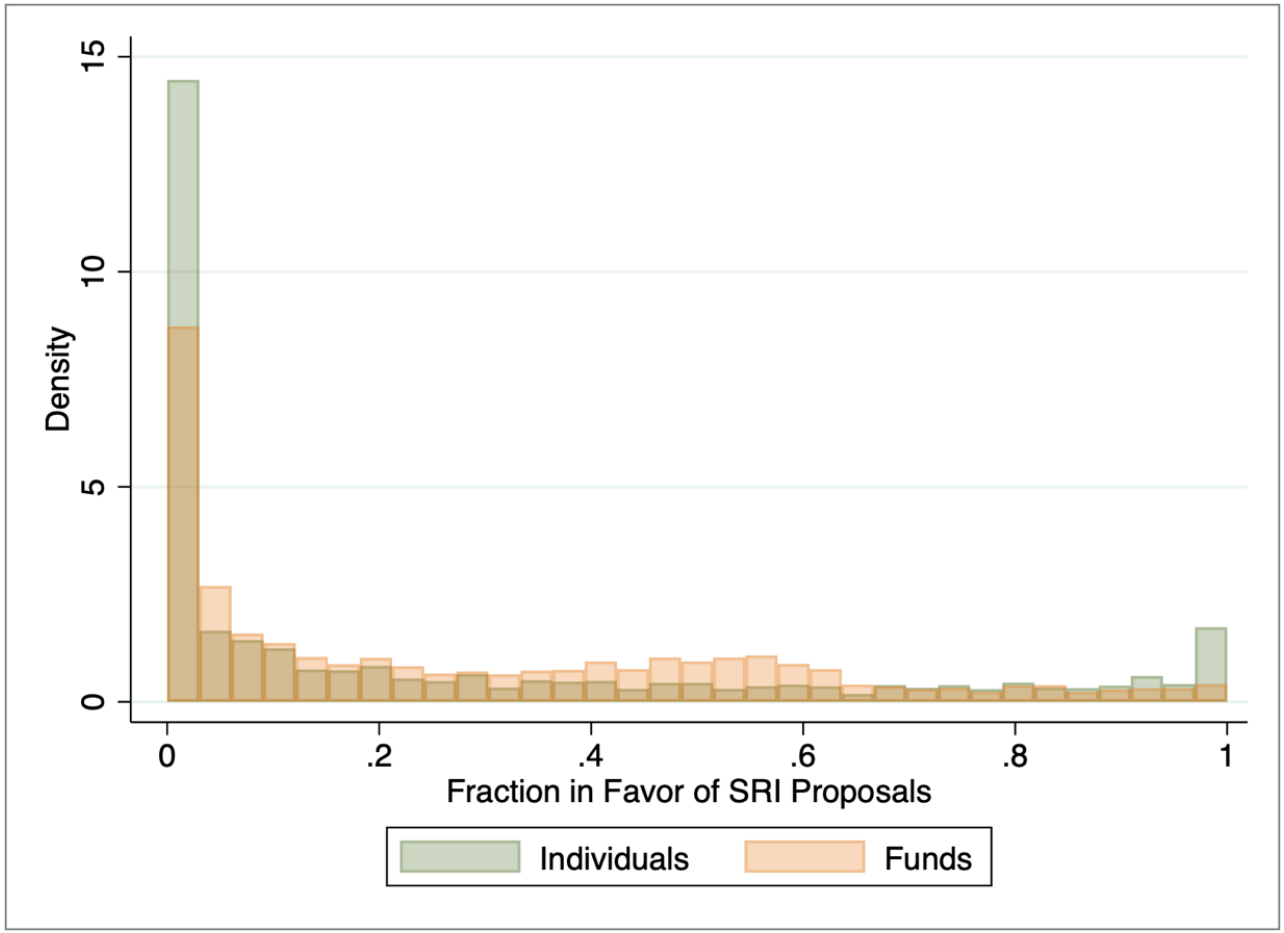
	No Adjustment	Adjustment for Selection on Observables	Adjustment for Selection on Observables and Unobservables
% Agreement with Management	87.99	86.90	86.38
N	1,756,803	1,756,803	12,848,583

Selection on Observables

Full Table

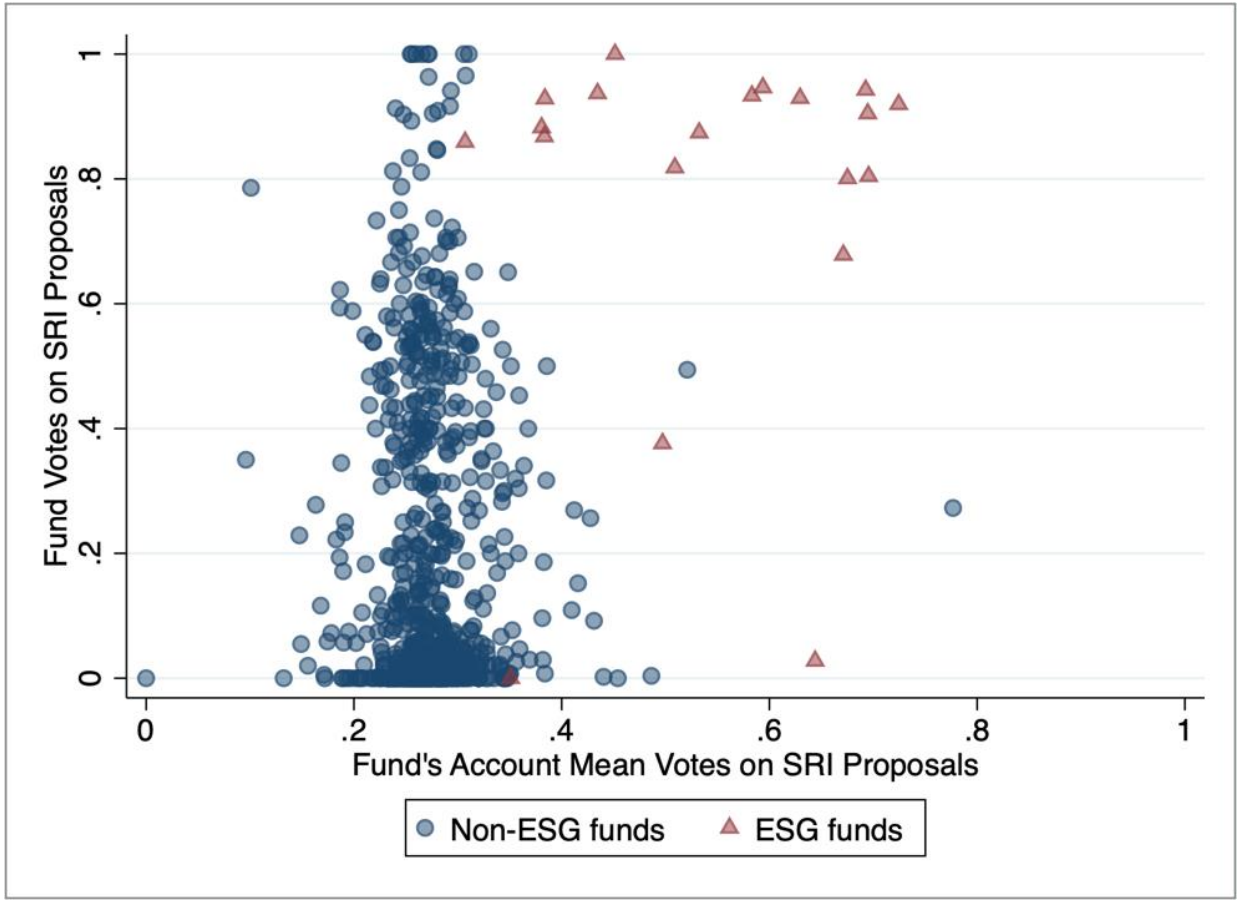
Support for SRI at the Investor Level

Individual investors are more consistent in their voting than institutional investors.



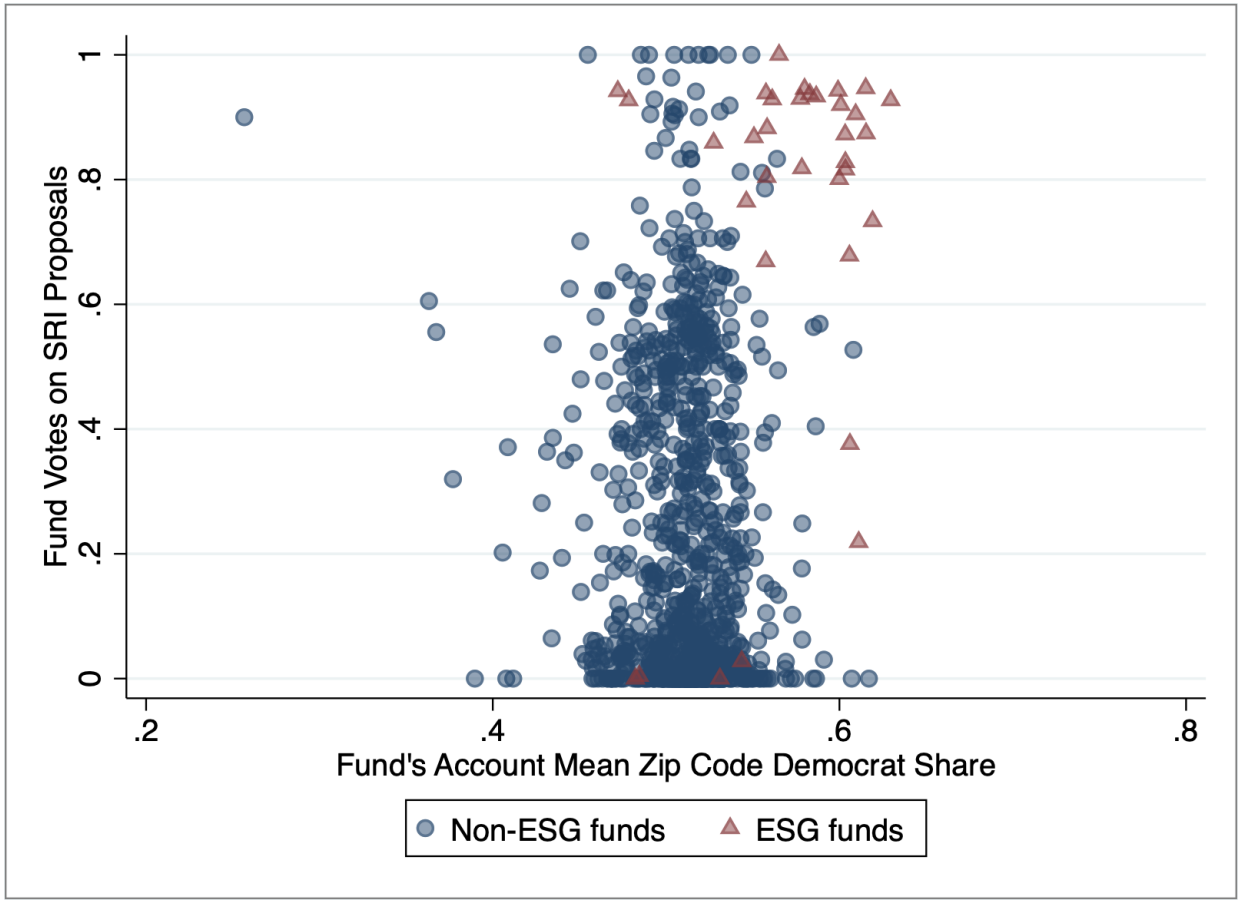
Do Mutual Funds Represent Individual Investors?

Mutual fund ideologies are not reflected in the ideologies of the individual investors that own them—with one major exception.



Robustness Check: Political Ideology

Using zip code-level political ideology, which has no sample selection bias, reveals the same basic pattern



Discussion of Results

- What explains these results?
  - Evidence of limited attention.
    - E.g., pro-SRI shareholders own renewable energy stocks, but their portfolios aren't more pro-environment on more subtle measures.
- Current trends might be changing in the direction of more representation:
  - More explicitly ideological funds.
  - Funds asking for investors' preferences.

Conclusions

- Individual votes are similar to institutional votes on SRI and management proposals.
- Adjusting for sample selection bias does not appear to make a big impact on voting results.
- Mutual fund votes do not correlate with the votes of their individual investors, with the exception of ESG funds.

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Summary Stats on SRI (Full Table)

	Funds	Individual Voters Who Own Funds	All Individual Voters	Management	ISS	Glass Lewis
Percent of Votes in Favor						
Votes weighted equally	24.3	24.8	24.8	0.8	65.3	32.8
Investors weighted equally—minimum 10 votes	25.6	25.0	25.0	--	--	--
Investors weighted equally—all voters	29.3	29.8	29.8	--	--	--
Value-weighted	8.6	12.2	11.7	0.0	50.0	22.5
Num. votes	396,421	36,510,289	37,702,595	669	669	632
Num. investors	5,171	3,534,694	3,650,092	1	1	1

Summary Stats

Effect of Switching on Turnout and Vote Choice

$$y_{ict} = \beta_1 NoSelection_{ic0} full_{c0} switcher_c post_{ct} + \beta_2 NoSelection_{ic0} notice_{c0} switcher_c post_{ct} + \phi_{ic} + \psi_{it} + \theta_{ct}$$

Outcome Variable:	(1) Vote Cast (%)	(2) With Management (%)
$NoSelection_{ic0} notice_{c0} switcher_c post_{ct}$	-2.255***	-0.348
	(0.154)	(0.641)
$NoSelection_{ic0} notice_{c0} switcher_c post_{ct}$	2.736***	-1.003
	(0.225)	(0.939)
Constant	15.002***	89.179***
	(0.013)	(0.042)
Account-Firm FE	Yes	Yes
Account-Year FE	Yes	Yes
Firm-Year FE	Yes	Yes
N	3,472,023	1,424,693
Number of clusters	7,839	7,236
R^2	0.9268	0.8892

Materials on Turnout

Effect of Switching on Turnout and Vote Choice

$$y_{ict} = \beta_1 NoSelection_{ic0} full_{c0} switcher_c post_{ct} + \beta_2 NoSelection_{ic0} notice_{c0} switcher_c post_{ct} + \phi_{ic} + \psi_{it} + \theta_{ct}$$

	(1)	(2)	(3)	(4)	(5)	(6)
		Turnout			Vote with Management	
Outcome Variable:	Hard Copy Materials (%)	Vote Cast (%)	Vote Cast (%)	Hard Copy Materials (%)	With Management (%)	With Management (%)
$NoSelection_{ic0} notice_{c0} switcher_c post_{ct}$	-99.475***	-2.255***		-99.829***	-0.348	
	(0.086)	(0.154)		(0.049)	(0.641)	
$NoSelection_{ic0} notice_{c0} switcher_c post_{ct}$	100.404***	2.736***		100.014***	-1.003	
	(0.058)	(0.225)		(0.009)	(0.939)	
Full Package of Materials			2.373***			0.143
			(0.130)			(0.569)
Constant	59.142***	15.002***		58.049***	89.179***	
	(0.405)	(0.013)		(0.238)	(0.042)	
Account-Firm FE	Yes	Yes	Yes	Yes	Yes	Yes
Account-Year FE	Yes	Yes	Yes	Yes	Yes	Yes
Firm-Year FE	Yes	Yes	Yes	Yes	Yes	Yes
N	3,472,023	3,472,023	3,472,023	1,488,188	1,424,693	1,424,693
Number of clusters	7,839	7,839	7,839	7,691	7,236	7,236
R^2	0.9108	0.9268		0.9635	0.8892	

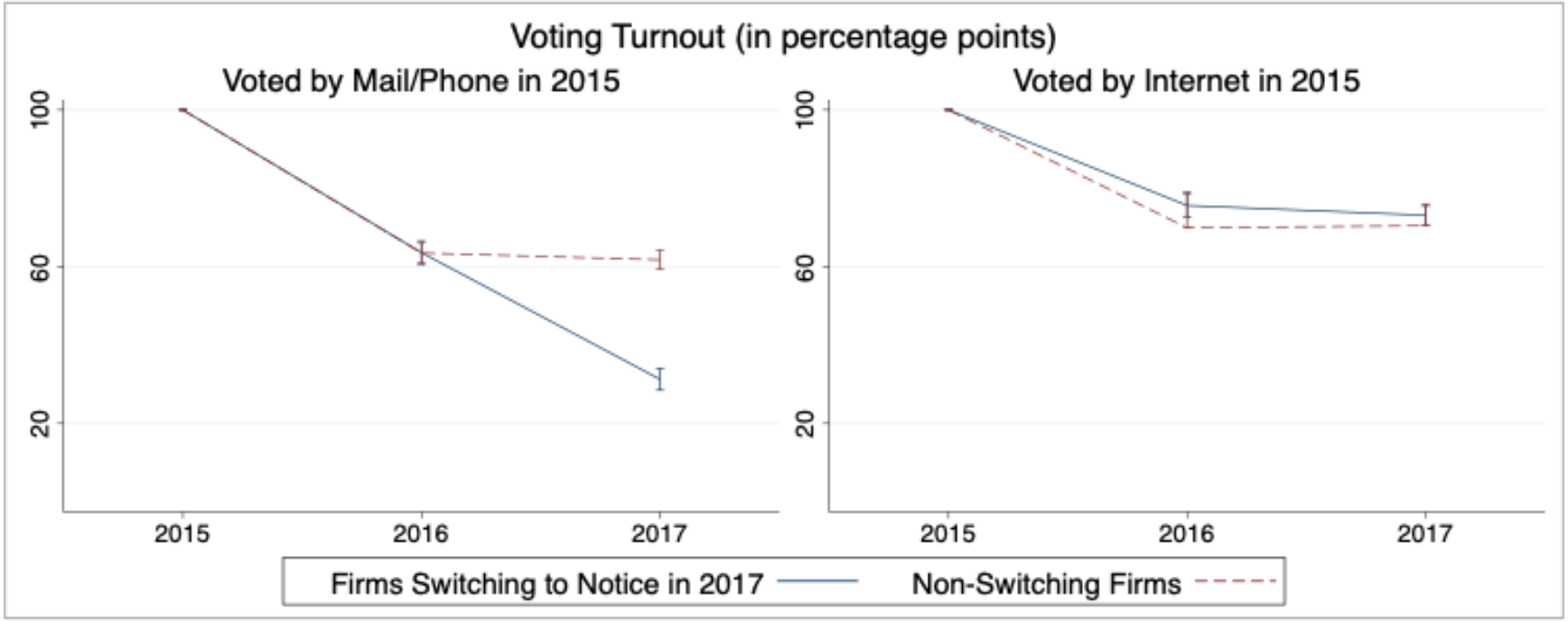
Selection Into Voting

$$P(V_i = 1) = G(\beta X_i + \delta M_i)$$

	(1) Simple	(2) IPW	(3) IPW	(4) IPW	(5) Heckman	(6) Heckman	(7) Heckman
Log Account Value		0.147***	0.160***	0.079***	0.149***	0.159***	0.084***
		(0.000)	(0.000)	(0.006)	(0.000)	(0.000)	(0.006)
Log Number of Firms Owned		0.105***	0.095***	0.112***	0.108***	0.099***	0.116***
		(0.001)	(0.001)	(0.004)	(0.001)	(0.001)	(0.004)
Average Log Market Cap of Firms Owned			-0.091***	0.067***		-0.088***	0.124***
			(0.001)	(0.004)		(0.001)	(0.004)
County 2016 Republican Presidential Share			0.380***	0.821***		0.370***	0.800***
			(0.003)	(0.017)		(0.003)	(0.017)
Zip Code Fraction Over Age 65			0.878***	1.756***		0.867***	1.734***
			(0.006)	(0.025)		(0.006)	(0.025)
Average Log Number of Individual Owners, across Firms Owned			0.036***	-0.035***		0.053***	-0.008***
			(0.001)	(0.001)		(0.001)	(0.001)
Account Mail Rate					0.454***	0.364***	0.363***
					(0.002)	(0.002)	(0.002)
Intercept		-1.175***	-1.187***	-1.197***	-1.281***	-1.270***	-1.279***
		(0.000)	(0.000)	(0.000)	(0.001)	(0.001)	(0.001)
N		12,848,583	12,848,583	12,848,583	12,848,583	12,848,583	12,848,583
Additional Covariates	No	No	No	Yes	No	No	Yes

Attributing The Turnout Effect To Voting Methods

Distinguish a "voting methods" effect from a "what materials you received" effect by separating on your past voting method.



Limited to *non-selecting* shareholders only

Selection on Obervables

I use Inverse Probability Weighting: estimate the probability of an individual being a voter, and weight by the inverse probability

$$Pr(V_i = 1) = G(\beta X_i)$$

	(1)	(2)	(3)
Log Account Value	0.147***	0.160***	0.079***
	(0.000)	(0.000)	(0.006)
Log Number of Firms Owned	0.105***	0.095***	0.112***
	(0.001)	(0.001)	(0.004)
Average Log Market Cap of Firms Owned		-0.091***	0.067***
		(0.001)	(0.004)
Intercept	-1.175***	-1.187***	-1.197***
	(0.000)	(0.000)	(0.000)
N	12,848,583	12,848,583	12,848,583
Additional Covariates	No	Some	Many

Selection Bias Results

Full Sample Selection Bias Results

	(1) Simple	(2) IPW	(3) IPW	(4) IPW	(5) Heckman	(6) Heckman	(7) Heckman
Log Account Value		0.818***	0.700***	-0.795*	1.152***	1.065***	-0.873**
		(0.062)	(0.113)	(0.377)	(0.017)	(0.019)	(0.309)
Log Number of Firms Owned		-0.728***	-0.498***	-1.877***	-0.859***	-0.768***	-2.198***
		(0.076)	(0.133)	(0.217)	(0.022)	(0.021)	(0.142)
Average Log Market Cap of Firms Owned			0.678***	4.122***		1.158***	3.300***
			(0.107)	(0.257)		(0.026)	(0.156)
County 2016 Republican Presidential Share			6.041***	6.949***		5.605***	7.077***
			(0.295)	(0.997)		(0.120)	(0.639)
Zip Code Fraction Over Age 65			10.800***	25.794***		6.865***	27.352***
			(0.696)	(1.340)		(0.231)	(0.891)
Average Log Number of Individual Owners, across Firms Owned			-1.106***	-0.644***		-1.441***	-0.979***
			(0.112)	(0.052)		(0.028)	(0.035)
Intercept	87.988***	87.109***	86.907***	86.941***	86.448***	86.014***	86.476***
	(0.017)	(0.025)	(0.028)	(0.024)	(0.201)	(0.203)	(0.211)
N	1,756,803	1,756,803	1,756,803	1,756,803	12,848,583	12,848,583	12,848,583
Additional Covariates	No	No	No	Yes	No	No	Yes
Sample Bias-Adjusted Average	**87.988*** **	**86.879*** **	**86.673*** **	**86.898*** **	**86.873*** **	**85.689*** **	**86.376*** **
	(0.017)	(0.032)	(0.050)	(0.026)	(0.017)	(0.018)	(0.018)

Selection Bias Results

Consistency in Voting

$$Y_{ipct} = \beta_0 + \beta_1 Y_{i(-c)(t-1)} + \phi_t + \varepsilon_{ipct}$$

Data Universe:	(1) Individuals	(2) Funds	(3) Both
Last year's vote	47.7***	36.2***	37.4***
	(0.1)	(0.7)	(0.8)
Individual			-2.5***
			(0.4)
Last year's vote × Individual			10.3***
			(0.8)
Constant	15.1***	19.4***	17.6***
	(0.0)	(0.4)	(0.4)
Proposal Fixed Effects	Yes	Yes	Yes
R^2	0.25	0.34	0.25
N	7,230,501	264,932	7,495,433
Number of Clusters	500,000	3,792	503,792

Investor and Proposal Fixed Effects

$$Y_{ipct} = \delta_0 + (\delta_1 X_{pct}) + (\phi_p) + (\psi_i) + \phi_t + \varepsilon_{ipct}$$

	(1) Individuals	(2) Funds	(3) Individuals	(4) Funds	(5) Individuals	(6) Funds
Total q	-0.16	0.01				
	(0.14)	(0.11)				
ROA	3.07	6.94				
	(6.02)	(3.74)				
Market to Book Ratio	-0.02	-0.04				
	(0.11)	(0.07)				
ISS in Favor	6.32***	31.34***				
	(1.39)	(1.20)				
Glass Lewis in Favor	0.34	14.89***				
	(1.41)	(1.46)				
Constant	27.71***	27.48***	27.86***	28.63***	27.18***	28.09***
	(0.58)	(0.61)	(0.04)	(0.41)	(0.34)	(0.90)
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Proposal Fixed Effects	No	No	Yes	Yes	No	No
Investor Fixed Effects	No	No	No	No	Yes	Yes
R^2	0.01	0.19	0.03	0.22	0.66	0.42
N	6,425,963	228,962	7,230,501	264,932	7,190,605	264,799
Number of Clusters	397	389	466	458	466	458

Relevance Condition

Voting materials sent by firms correlate strongly with turnout.

- Individual investors in a firm choose what voting methods they are sent. For those that don't choose, the firms chooses what voting methods their shareholders have access to.
  - More voting methods → More voting turnout

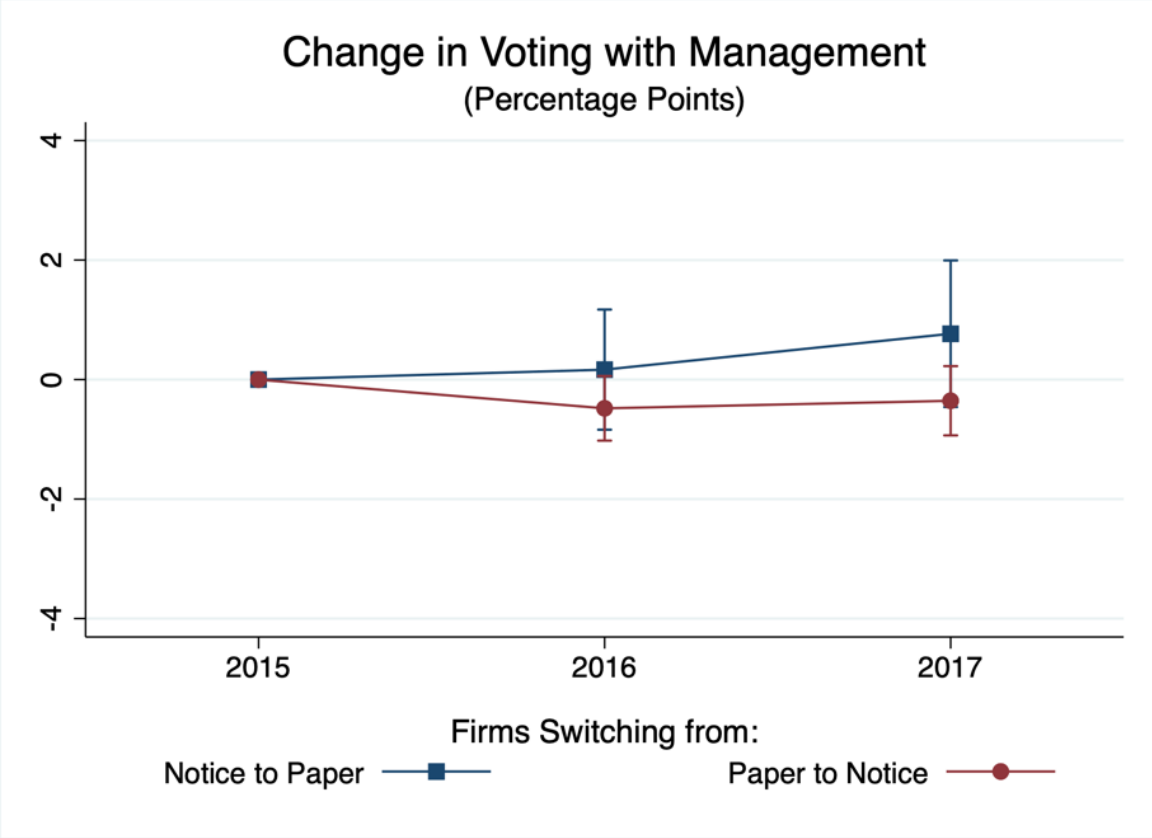
- I construct, for each shareholder, an index of the voting methods chosen by their firms. This is the instrumental variable.

- Regressing being a voter on the instrumental variable yields a t-stat of 150 – 250 (depending on specification).

Testing the Exclusion Restriction—Direct Effect

Look at *voting choice* among (inframarginal) shareholders at firms that switch materials (in 2017).

$$r_{ict} = \sum_{\tau=2015}^{2017} \beta_\tau \, 1_{t=\tau} NoSelection_{ic0} switcher_c \; + \phi_{ic} + \phi_{ct}$$



Testing the Exclusion Restriction—Selection Effect

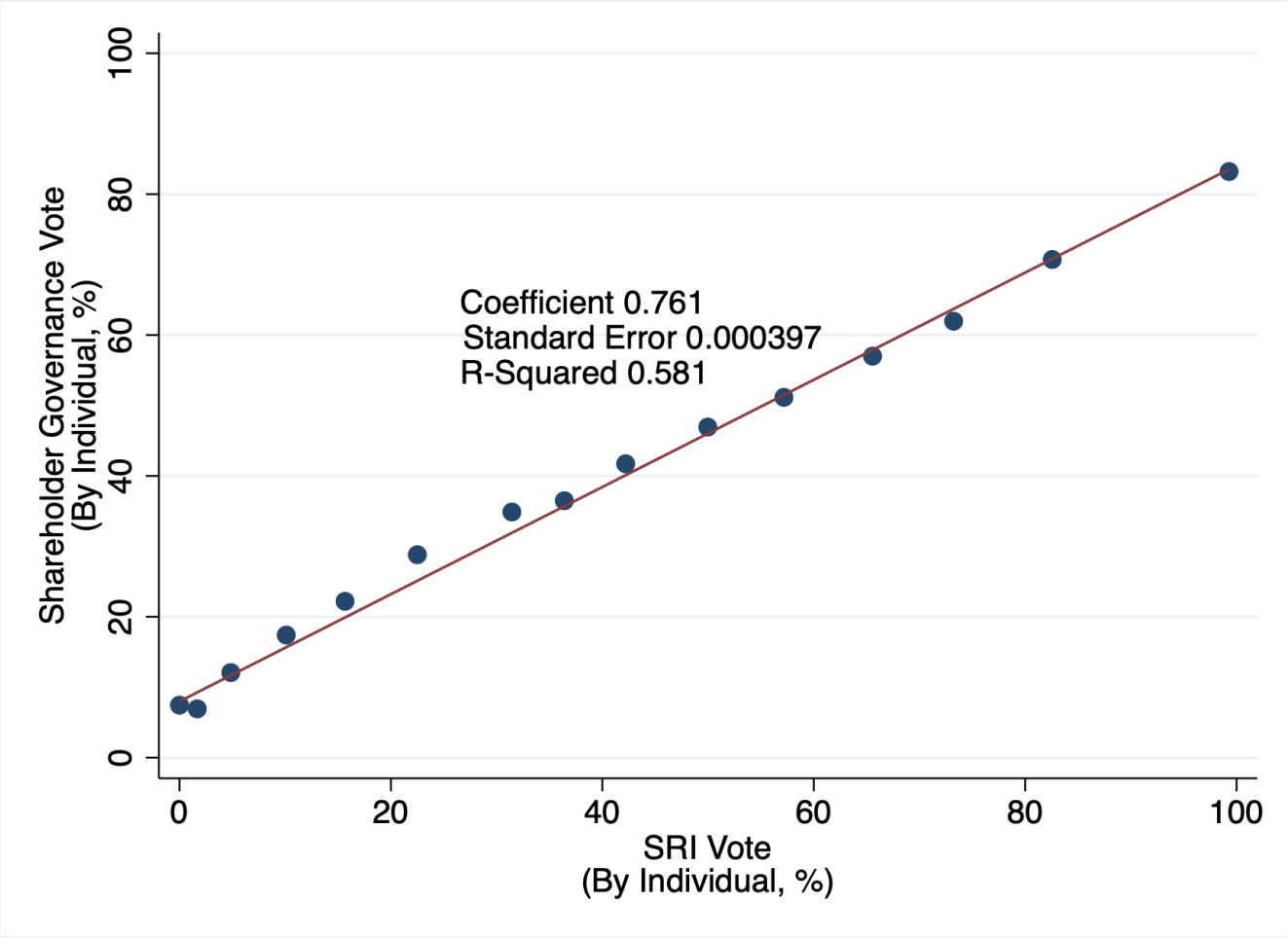
Is the instrumental variable correlated with vote choice among *selecting* shareholders, who will be unaffected by the instrument?

$$r_{ictp} = \alpha_0 + m_{ct} + \varepsilon_{ictp}$$

	Vote For Management		
	(1)	(2)	(3)
Meeting Mail Rate	-0.215	-0.136	0.593
	(0.468)	(0.388)	(0.447)
Constant	89.630***	89.740***	89.927***
	(0.214)	(0.148)	(0.073)
Fixed Effects	None	Investor	Investor-Firm
N	16,195,579	15,711,599	13,006,818
Number of clusters	12,192	12,028	10,197
R^2	0.0000	0.4342	0.6288

Support for SRI and Support for Governance

An individual investor's stance on governance proposals is an extremely strong predictor of her stance on SRI proposals (and vice versa).



Support for SRI at the Investor Level

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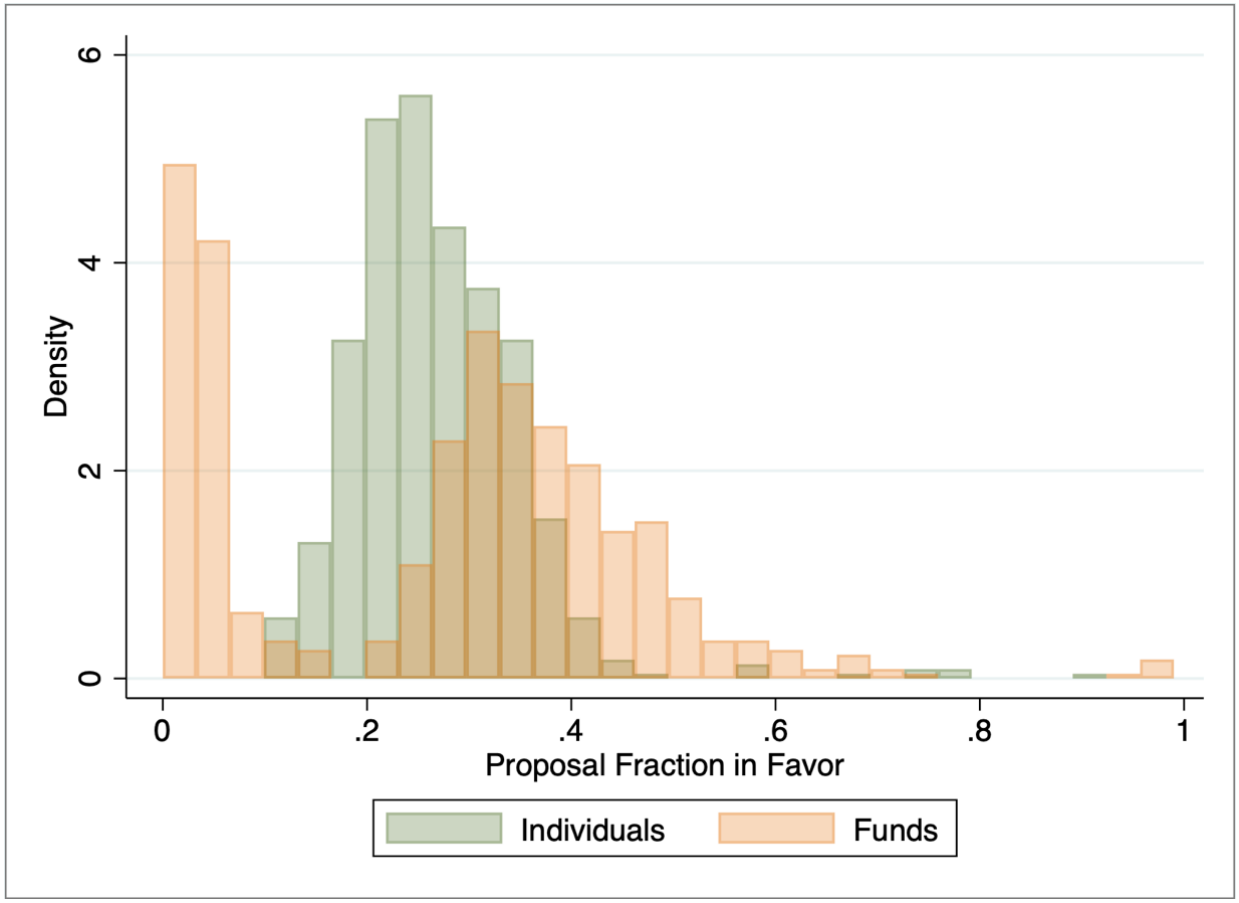
	(0.1)	(0.7)	(0.8)
Individual			-2.5***
			(0.4)
Last year's vote × Individual			10.3***
			(0.8)
Constant	15.1***	19.4***	17.6***
	(0.0)	(0.4)	(0.4)
Proposal Fixed Effects	Yes	Yes	Yes
R^2	0.25	0.34	0.25
N	7,230,501	264,932	7,495,433
Number of Clusters	500,000	3,792	503,792

Support for SRI at the Proposal Level

Individual investors do not distinguish between proposals within a category the way that institutions do.



Relationship Between Fund Votes and Votes of their Individual Investors

Once controlling for ESG funds, there is no relationship between fund SRI vote and average SRI vote of fund's shareholders

	Funds Weighted Equally	
	(1)	(2)
Fraction in Favor of SRI, Fund Mean Owner	0.895***	0.006
	(0.256)	(0.192)
ESG Indicator		0.573***
		(0.092)
Intercept	-0.039	0.195***
	(0.077)	(0.053)
Fund Type FE	No	No
R^2	0.05	0.12
N	800	800
Num Clusters	291	291
Impact of Including *ESG* on Coefficient		0.888**
		(0.273)

Evidence Consistent with Limited Attention

Investors internalize only a small fraction of the benefits of researching how a fund votes.

- I explore one possible reason: lack of information about fund ideology
- Note, however, that this would not technically be "lack of information," since mutual fund votes are publicly disclosed. It is better described as investor "limited attention"
  - Mutual funds publicly disclose their votes on Form N-PX and must also publicly describe their voting policies.
  - Investors, even ideologically motivated ones, have limited incentives to invest in researching mutual fund voting ideologies.

Individual Ideological Fund Selection

Investor ideology is not linked to more subtle features of fund's environmental impact

Dep. Variable: Fund Mean Account SRI	(2)	(4)	(5)
ESG Indicator	0.264***	0.258***	0.258***
	(0.039)	(0.030)	(0.030)
Morningstar Sustainability Rating	-0.003		
	(0.002)		
Fossil Fuels		-0.008	0.003
		(0.010)	(0.010)
		(0.031)	(0.032)
Renewable Energy		0.085	0.087
		(0.063)	(0.064)
Energy Fund Name			-0.025*
			(0.011)
Constant	0.282***	0.277***	0.277***
	(0.007)	(0.003)	(0.003)
R^2	0.42	0.36	0.36
N	745	1,140	1,140
Number of Clusters	203	288	288

Individual Ideological Firm Selection

Investor ideology is not linked to more subtle features of firm's environmental impact

Dep. Variable: SRI Percentage of Holder	(1)	(3)	(5)
Fossil Fuels	-0.99**	-1.10**	-1.30***
	(0.36)	(0.40)	(0.39)
Renewable Energy	7.19***	7.32***	7.37***
	(1.72)	(1.81)	(1.77)
KLD SRI Score		-0.07	
		(0.04)	
KLD Environmental Score			-0.23*
			(0.11)
Constant	28.71***	28.81***	28.98***
	(0.16)	(0.21)	(0.21)
Year Fixed Effects	Yes	Yes	Yes
R^2	0.00	0.00	0.00
N	5,000,000	4,376,471	4,376,471
Number of Clusters	5,591	2,596	2,596

Investment Size

Investments with larger stakes are significantly more ideologically synced between investor and mutual fund

Dependent variable: Ownership*100	(1)
(Fund SRI Fraction - Account SRI Fraction)^2	0.256**
	(0.090)
Account Log Average Investment Value	0.000
	(0.000)
(Fund SRI Fraction - Account SRI Fraction)^2 × Account Log Average Investment Value	-0.024**
	(0.009)
Log Distance in Miles	-0.015***
	(0.004)
Intercept	0.359***
	(0.027)
Account Fixed Effects	Yes
Fund Fixed Effects	Yes
R^2	0.01
N	6,292,362
Num Clusters	300

Investment Size

Weighting by ownership fraction, there *is* a correlation between fund and individual voting choices.

	Accounts Weighted by Ownership Fraction of the Fund	
	(1)	(2)
Fraction in Favor of SRI, Fund Mean Owner	0.912***	0.473**
	(0.164)	(0.152)
ESG Indicator		0.439***
		(0.101)
Intercept	-0.014	0.084
	(0.051)	(0.049)
Fund Type FE	No	No
R^2	0.08	0.13
N	798	798
Num Clusters	290	290

Mutual Fund Representativeness—Main Regression

Strongly significant relationship only without ESG indindicator

	Funds Weighted Equally				Funds Weighted by Number of Accounts			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Fraction in Favor of SRI, Fund Mean Owner	0.895***	0.006	0.158	0.221	0.495	-0.703	0.312	0.210
	(0.256)	(0.192)	(0.176)	(0.189)	(0.649)	(0.528)	(0.405)	(0.283)
ESG Indicator		0.573***	0.534***	0.522***		0.806***	0.646***	0.710***
		(0.092)	(0.085)	(0.088)		(0.085)	(0.058)	(0.050)
Index Indicator			-0.117*	-0.099			-0.127***	-0.105**
			(0.047)	(0.054)			(0.028)	(0.037)
Intercept	-0.039	0.195***	0.181**	0.151*	0.011	0.326*	0.093	0.096
	(0.077)	(0.053)	(0.055)	(0.060)	(0.167)	(0.136)	(0.111)	(0.082)
Fund Type FE	No	No	No	Yes	No	No	No	Yes
R^2	0.05	0.12	0.15	0.22	0.00	0.09	0.15	0.29
N	800	800	800	671	800	800	800	671
Num Clusters	291	291	291	193	291	291	291	193
Impact of Including *ESG* on Coefficient		0.888**	0.829***			1.198**	0.960**	
		(0.273)	(0.243)			(0.393)	(0.366)	
Impact of Including *Index* on Coefficient			-0.092				-0.776*	
			(0.066)				(0.313)	

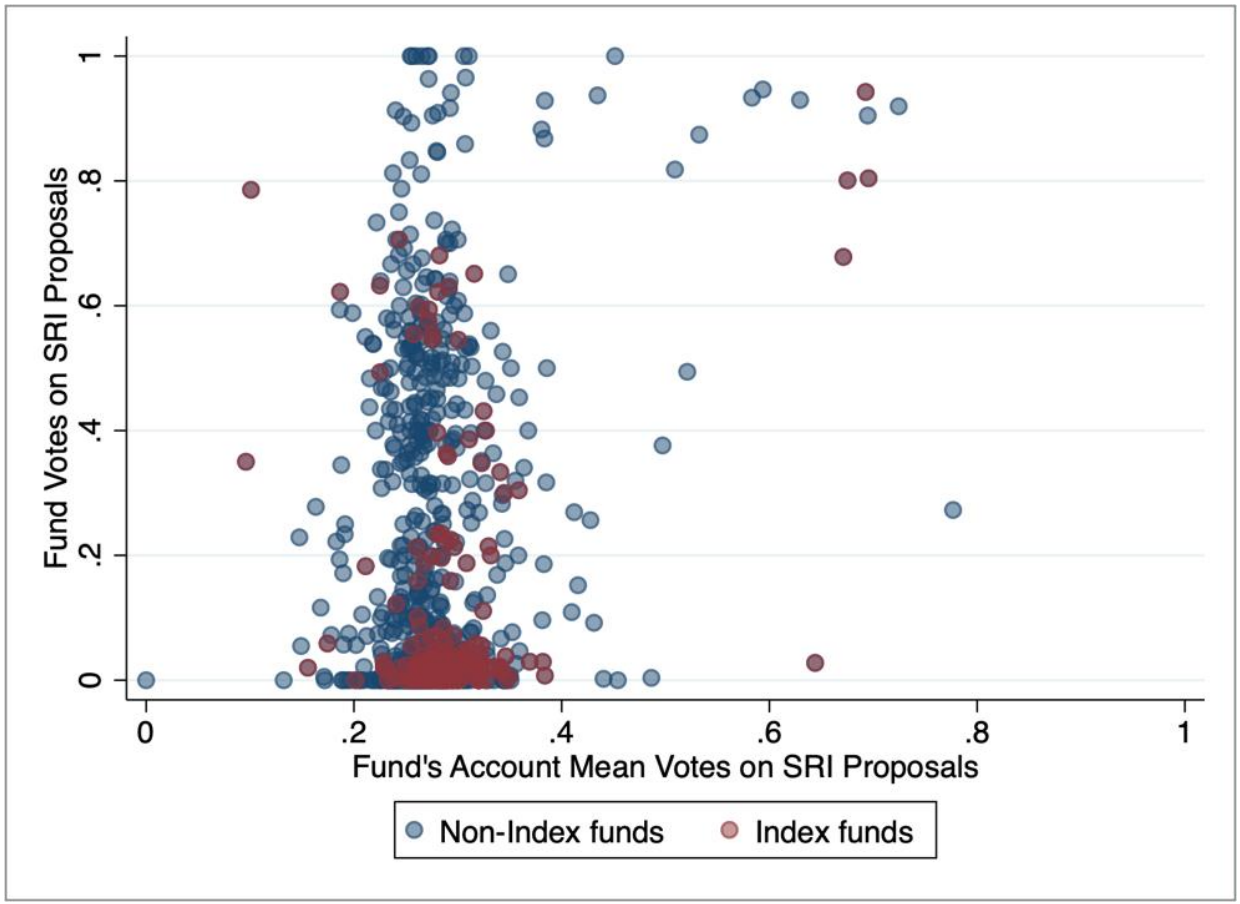
Relationship Between Fund Votes and Votes of their Individual Investors

When size-weighting, there is no relationship between fund SRI vote and average SRI vote of fund's shareholders

	Funds Weighted by Number of Accounts	
	(1)	(2)
Fraction in Favor of SRI, Fund Mean Owner	0.495	-0.703
	(0.649)	(0.528)
ESG Indicator		0.806***
		(0.085)
Intercept	0.011	0.326*
	(0.167)	(0.136)
Fund Type FE	No	No
R^2	0.00	0.09
N	800	800
Num Clusters	291	291
Impact of Including *ESG* on Coefficient		1.198**
		(0.393)

Role of Index Funds

Mutual fund ideologies are not reflected in the ideologies of the individual investors that own them.



Limited Attention in Fund Selection

$$\sum_{a \in \Theta_f} \bar{Y}_a = \delta_0 + \delta_1 X_f + \varepsilon_f$$

Panel A: Individual Selection of Funds

Dep. Variable: Fund Mean Account SRI	(1)	(2)	(3)	(4)	(5)
ESG Indicator		0.264***		0.258***	0.258***
		(0.039)		(0.030)	(0.030)
Morningstar Sustainability Rating	0.006	-0.003			
	(0.005)	(0.002)			
Fossil Fuels			-0.016	-0.008	0.003
			(0.010)	(0.010)	(0.010)
			(0.045)	(0.031)	(0.032)
Renewable Energy			0.356***	0.085	0.087
			(0.054)	(0.063)	(0.064)
Energy Fund Name					-0.025*
					(0.011)
Constant	0.263***	0.282***	0.283***	0.277***	0.277***
	(0.011)	(0.007)	(0.004)	(0.003)	(0.003)
R^2	0.01	0.42	0.03	0.36	0.36
N	745	745	1,140	1,140	1,140
Number of Clusters	203	203	288	288	288

Limited Attention in Firm Selection

$$\bar{Y}_a = \beta_0 + \beta_1 X_c + \phi_t + \varepsilon_{it}$$

Panel B: Individual Selection of Firms

	(1)	(2)	(3)	(4)	(5)
Dep. Variable: SRI Percentage of Holder					
Fossil Fuels	-0.99**		-1.10**		-1.30***
	(0.36)		(0.40)		(0.39)
Renewable Energy	7.19***		7.32***		7.37***
	(1.72)		(1.81)		(1.77)
KLD SRI Score		-0.06	-0.07		
		(0.04)	(0.04)		
KLD Environmental Score				-0.21*	-0.23*
				(0.10)	(0.11)
Constant	28.71***	28.81***	28.81***	28.95***	28.98***
	(0.16)	(0.21)	(0.21)	(0.20)	(0.21)
Year Fixed Effects	Yes	Yes	Yes	Yes	Yes
R^2	0.00	0.00	0.00	0.00	0.00
N	5,000,000	4,376,471	4,376,471	4,376,471	4,376,471
Number of Clusters	5,591	2,596	2,596	2,596	2,596