SUSTAINABLE FINANCE AND ITS IMPLICATION FOR INVESTMENT DECISION MAKING

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By

Bir Bahadur Saud

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Shanker Dev Campus

Putalishadak, Kathmandu

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CERTIFICATION OF AUTHORSHIP

I hereby corroborate that I have researched and submitted the final draft of dissertation entitled "**SUSTAINABLE FINANCE AND ITS IMPLICATION FOR INVESTMENT DECISION MAKING**". The work of this dissertation has not been submitted previously for the purpose of conferral of any degrees nor it has been proposed and presented as part of requirements for any other academic purposes.

The assistance and cooperation that I have received during this research work has been acknowledged. In addition, I declare that all information sources and literature used are cited in the reference section of the dissertation.

Bir Bahadur Saud
Date:

REPORT OF RESEARCH COMMITTEE

Mr. Bir Bahadur Saud has defended research proposal entitled " **SUSTAINABLE FINANCE AND ITS IMPLICATION FOR INVESTMENT DECISION MAKING** " successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Pitri Raj Adhikar, PhD and submit the thesis for evaluation and viva voce examination.

Pitri Raj Adhikar, PhD
Position: Dissertation Supervisor
Signature: …….

Dissertation Proposal Defended Date:

Dissertation Submitted Date:

Asso. Prof. Sajeeb Kumar Shrestha, PhD
Position: Chairperson, Research Committee
Signature: …….

Dissertation Viva Voce Date:

APPROVAL SHEET

We have examined the dissertation entitled " **SUSTAINABLE FINANCE AND ITS IMPLICATION FOR INVESTMENT DECISION MAKING "** presented by Mr. Bir Bahadur Saud for the degree of Master of Business Studies. We hereby certify that the dissertation is acceptable for the award of degree.

……

Pitri Raj Adhikar, PhD

Dissertation Supervisor

……

Internal Examiner

……

External Examiner

……

Asso. Prof. Sajeeb Kumar Shrestha, PhD

Chairperson, Research Committee

……

Asso. Prof. Krishna Prasad Acharya, PhD

Campus Chief

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ABBREVIATIONS

AHP	:	Analytical Hierarchy Process
AI	:	Artificial Intelligence
ANOVA	:	Analysis of Variances
CAPM	:	Capital Asset Pricing Model
CSR	:	Corporate Social Responsibility
EFA	:	Exploratory Factor Analysis
ESG	:	Environmental, Social, and Governance
IDM	:	Investment Decision Making
N	:	Number of Responses
PAT	:	Personal Attitude
PBC	:	Perceived Behavioral Control
S.D.	:	Standard Deviation
SAT	:	Subjective Attitude
SEM	:	Structural Equation Modeling
SFI	:	Sustainable Finance and Investment
TRU	:	Trust
VIF	:	Variance Inflation Factor

ABSTRACT

This study explores the impact of sustainable finance on investment decision-making processes in Chandragiri municipality, Nepal. Addressing the lack of empirical research in this area, the study aims to analyze investors' perceptions, investigate the relationship between sustainable finance and investment decisions, and assess the overall impact of sustainable finance practices.

The research design combines descriptive and causal-comparative methodologies, focusing on a sample of 385 investors selected through convenience sampling. Data collection involves a structured questionnaire survey method, adapted to the Nepalese context, using a Likert scale to gauge attitudes and perceptions towards sustainable finance.

Statistical tools such as Microsoft Excel and SPSS are utilized for data analysis, employing descriptive statistics, correlation analysis, and multivariate regression models. The research framework incorporates independent variables including Personal Attitude, Subjective Attitude, and Perceived Behavioral Control, influencing sustainable financing, while Trust and investment decision-making serve as dependent variables.

The findings indicate a significant positive correlation between sustainable finance variables and investment decision-making. Personal Attitude demonstrates a weaker impact compared to Subjective Attitude, Perceived Behavioral Control, and Trust, all of which show statistically significant effects on investment decision making. Thus, sustainable finance variables collectively serve as main determinants of investment decisions.

Practical implications suggest promoting awareness and education in sustainable finance, integrating sustainability considerations into investment strategies, and enhancing transparency and reporting standards. Theoretical implications underscore the importance of integrating behavioral theories into the study of sustainable finance. Recommendations include developing targeted educational initiatives and fostering collaborative efforts between stakeholders.

Keywords: *Sustainable finance, Investment decision-making, Attitudes, Perceptions, Trust*

CHAPTER I
INTRODUCTION

1.1 Background of the Study

Sustainable finance encompasses a holistic approach to investment decision-making within the financial sector, integrating environmental, social, and governance (ESG) considerations (Cunha et al., 2021). This entails evaluating the long-term impacts of investments on sustainability by taking into account factors such as climate change mitigation and adaptation, biodiversity preservation, pollution prevention, and the circular economy. Environmental considerations extend beyond mere compliance with regulations, emphasizing proactive measures to address pressing environmental challenges and promote sustainable practices. By prioritizing sustainability, financial institutions can contribute to the transition towards a more environmentally conscious economy, fostering resilience and minimizing negative environmental impacts (Fatemi & Fooladi, 2013).

Moreover, sustainable finance also entails addressing social and governance dimensions alongside environmental concerns. Social considerations encompass issues of equity, inclusivity, labor relations, human rights, and community well-being. Investments in human capital, skills development, and community development projects contribute to fostering social cohesion and reducing inequalities. Furthermore, governance structures within both public and private institutions play a crucial role in ensuring accountability, transparency, and ethical conduct. By promoting robust governance practices, sustainable finance seeks to embed ESG criteria into decision-making processes, thus aligning financial goals with broader societal and environmental objectives. Ultimately, sustainable finance represents a paradigm shift towards more responsible and ethical investment practices that prioritize long-term sustainability and societal well-being (Ziolo et al., 2021).

The emergence of sustainable finance as a pivotal driver of change reflects the growing recognition of pressing global challenges such as climate change, social inequality, and corporate governance issues. In response, financial strategies are evolving to transcend traditional notions of profitability, incorporating environmental, social, and governance (ESG) factors into investment decision-making processes. Sustainable finance instruments aim to strike a balance between economic growth, environmental preservation, and societal well-being by offering innovative investment opportunities and holding corporations

accountable for their impact. As awareness grows among investors, institutions, and companies regarding the long-term implications of their decisions, there is a concerted effort to align financial goals with sustainability objectives, thereby safeguarding future generations' quality of life (Yucel et al., 2023).

Recent research, exemplified by studies conducted by Filippini et al. (2021), Bethlendi et al. (2022), Strauß et al. (2023), and Degryse et al. (2023), delves into the concept of sustainable finance literacy and its implications for sustainable investment attitudes. These studies highlight the positive associations between sustainable finance literacy, knowledge of environmental issues, and individuals' propensity to engage in sustainable investments. While most of this research has been conducted in developed nations, there is a growing need to explore similar dynamics in developing country contexts. By examining the relationships between sustainable finance literacy, environmental awareness, and investment attitudes in Ankara, Türkiye.

Drawing on Bandura's self-efficacy theory and Vroom's expectancy theory, this study aims to investigate whether sustainable finance literacy and perceptions of the environmental impact of sustainable finance instruments influence sustainable investment attitudes among investors in Ankara, Türkiye. By building upon existing research and theoretical frameworks, the study endeavors to shed light on the mechanisms through which sustainable finance can promote sustainable investment attitudes in developing country settings (Filippini et al., 2021). Ultimately, the findings of this study are expected to provide valuable insights and recommendations for policymakers, financial institutions, and investors seeking to foster sustainable finance practices and attitudes in Ankara, Türkiye, and similar contexts worldwide (Anderson & Robinson, 2022).

The study of sustainable finance and investments is motivated by the potential benefits associated with integrating ESG factors into investment decisions. Research indicates that such integration can lead to improved financial performance, risk mitigation, and enhanced long-term value creation (Derwall et al., 2011; Eccles et al., 2014). Additionally, sustainable finance practices align financial objectives with sustainability goals, facilitating the allocation of capital towards environmentally beneficial projects and socially responsible companies.

Theoretical frameworks, including the Triple Bottom Line, Capital Asset Pricing Model (CAPM), and Theory of Stakeholder Engagement, provide a conceptual basis for

understanding the economic, environmental, and social dimensions of sustainable finance and investments (Bennett et al., 2021). These frameworks enable researchers and practitioners to analyze and evaluate the impacts of sustainable finance practices.

In the realm of sustainable finance and investments, various tools and instruments are employed to align financial objectives with sustainability goals. Examples include green bonds and sustainable indices, which facilitate investments in environmentally beneficial projects and track companies' performance based on their ESG performance (Bennett et al., 2021; Scholtens & Sievänen, 2020). Understanding the factors influencing the development of sustainable finance and investments is crucial for promoting sustainable finance practices and overcoming barriers to implementation.

Evaluation of sustainable financing and investments necessitates the application of principles and methodologies that consider both financial performance and environmental/social impacts. Transparency, accountability, and standardized reporting frameworks are key principles in assessing sustainable finance practices (Giese et al., 2019). Methodologies that integrate financial and non-financial indicators, employ impact measurement frameworks, and involve stakeholder engagement provide a comprehensive assessment of sustainable outcomes (Fichtner et al., 2019; Scholtens & Sievänen, 2017).

Overall, sustainable finance and investments represent evolving areas of research and practice aimed at integrating ESG factors into financial decision-making processes. Theoretical foundations, methodological approaches, and tools contribute to understanding, evaluating, and implementing sustainable finance and investment practices. Continued research in this field is essential for exploring new concepts, evaluating best practices, and addressing challenges in promoting sustainability within financial markets.

This study focuses the intricate dynamics of sustainable finance, with a particular emphasis on the nuanced interplay between personal attitude, subjective attitude, perceived behavioral control, and trust as pivotal factors shaping investment decision-making processes. By scrutinizing these factors within the context of sustainable finance, the research endeavors to unearth the underlying mechanisms driving investors' attitudes, perceptions, and behaviors towards sustainable investment options. Through meticulous analysis and empirical investigation, the study aims to shed light on how these variables influence investment decisions, offering valuable insights into the intricate relationship

between individual beliefs, subjective evaluations, perceived control, and trust in the realm of sustainable finance.

1.2 Problem Statement

Sustainable finance present multifaceted challenges in contemporary financial landscapes. One critical issue revolves around the lack of standardized frameworks and methodologies for integrating sustainability factors into investment decisions. As highlighted by Singhania et al. (2024), the absence of universally accepted criteria for evaluating environmental, social, and governance (ESG) considerations complicates the decision-making process. This problem not only hinders investors' ability to compare and assess sustainable investment opportunities effectively but also creates uncertainty regarding the long-term performance and impact of such investments (Rotaru, 2019).

Another pressing concern in the realm of sustainable finance is the dynamic and evolving nature of sustainability challenges and regulations. Ye and Dela (2023) emphasize that the rapid changes in environmental policies, social dynamics, and governance standards pose significant challenges for investors seeking to align their investment strategies with sustainability goals. The lack of clarity and predictability in regulatory frameworks and market dynamics makes it challenging for investors to develop robust and adaptable investment strategies that can withstand evolving sustainability requirements (Ryszawska, 2016).

Additionally, the complexity of sustainable finance and its implications for investment decision-making is compounded by information asymmetry and opacity in the market (Simon, 2024). Li et al. (2023) noted that the absence of transparent and standardized metrics for assessing sustainable investment options leads to informational inefficiencies and ambiguity for investors. This lack of clarity and transparency not only increases the perceived risks associated with sustainable investments but also undermines investor confidence and trust in the sustainability of financial products and instruments. Following research questions has been asked for this study.

1. What is the investors perception towards sustainable finance in investment decision making?
2. Is there a relationship between sustainable finance and investment decision making?
3. What impact does sustainable finance have on investment decision making?

1.3 Objectives of the Study

The central objective of this study is to delve into the impact of sustainable finance on investment decision making. Through rigorous analysis and exploration, the research seeks to uncover the intricate relationship between sustainable financial practices and the decisions made by investors. By elucidating this connection, the study aims to contribute valuable insights to the field of finance, shedding light on the role of sustainability considerations in shaping investment strategies and outcomes. The objective set for this study is as follows.

1. To assess the investors perception towards sustainable finance in investment decision making.
2. To examine the relationship between sustainable finance and investment decision making.
3. To analyze the impact of sustainable finance on investment decision making.

1.4 Rationale of the Study

This study holds significant implications across various stakeholders, including investors, governments, policymakers, academicians, researchers, and students. Firstly, for investors, particularly those increasingly prioritizing sustainable investments, this research provides valuable insights into the impact of sustainable finance on investment decision-making processes. It offers evidence-based guidance on integrating environmental, social, and governance (ESG) factors into investment strategies, thereby potentially enhancing portfolio performance while aligning with sustainability objectives. Secondly, governments and policymakers can benefit from this study by gaining a deeper understanding of the mechanisms through which sustainable finance influences investment decisions. Such insights can inform the development of regulatory frameworks and incentives to promote sustainable investing and foster financial stability. Thirdly, academicians and researchers stand to gain from the study's contribution to the academic literature on sustainable finance. By addressing gaps in existing research and advancing theoretical frameworks, this research enriches scholarly discourse and facilitates further exploration in the field. Additionally, the study provides a valuable educational resource for students pursuing studies in finance, economics, sustainability, or related disciplines. It offers a real-world context for understanding the interplay between finance and sustainability, equipping future professionals with the knowledge and skills needed to navigate evolving financial

landscapes responsibly. Overall, the multifaceted significance of this study extends beyond individual stakeholders to encompass broader societal and environmental objectives, promoting sustainable development and responsible financial practices.

1.5 Limitations of the Study

This study has following limitations.

- This study focuses solely on Chandragiri Municipality, potentially limiting the generalizability of findings to other geographic locations and contexts.
- Due to resource limitations, the study may have a relatively small sample size, impacting the representativeness and statistical power of the findings.
- There may be a scarcity of comprehensive literature specifically addressing the intersection of sustainable finance and investment decision-making, potentially constraining the depth of theoretical frameworks and prior research available for analysis.
- The study may encounter challenges related to the measurement and operationalization of variables such as investor perception, sustainable finance practices, and investment decision outcomes, leading to potential limitations in data analysis and interpretation.
- Relying solely on primary data collection methods may introduce biases or limitations in data quality, potentially affecting the robustness and reliability of study findings compared to studies leveraging multiple data sources or secondary data analysis.

CHAPTER II
LITERATURE REVIEW

In conducting the literature review for this study, a comprehensive approach was undertaken to explore existing research in the field of sustainable finance and investment decision-making. The literature was categorized into four main sections: conceptual review, theoretical review, and empirical review and research gap. The conceptual review focused on defining key concepts and frameworks related to sustainable finance, such as environmental, social, and governance (ESG) factors, green financing mechanisms, and sustainable investment strategies. The theoretical review examined various theoretical models and frameworks used to analyze the relationship between sustainable finance and investment decision-making, including theories of behavioral finance, agency theory, and stakeholder theory. The empirical review delved into empirical studies and research findings that investigated the impact of sustainable finance on investment decisions, exploring factors influencing investor behavior, market trends, and performance outcomes. Through this comprehensive review, significant research gaps were identified, particularly concerning the need for more empirical research to understand the practical implications of sustainable finance on investment decision-making processes.

2.1 Theoretical Review

In this section, the priority theory of sustainable finance, the life span theory of sustainable finance, the system disruption theory of sustainable finance, the positive signaling theory have been reviewed.

2.1.1 Priority Theory of Sustainable Finance

The priority theory of sustainable finance posits that the extent to which economic agents in a country or region strive to achieve sustainable finance goals reflects the priority accorded to the sustainable finance agenda in that context (Wilson, 2010). This priority can be gauged through three dimensions: the collective efforts of economic agents towards sustainable finance goals, the speed at which consensus is reached, and the pace of actions taken towards achieving these goals.

Economic agents typically have diverse priorities, which can range from least to most important. The ranking of sustainable finance goals among these priorities indicates the significance attributed to them by economic agents. However, these priorities may evolve

over time in response to changing circumstances. If sustainable finance goals rank high among economic agents' priorities, it signifies a serious commitment and concerted effort towards their attainment (Kuhn, 2020). Conversely, if these goals are not prioritized, economic agents are less likely to dedicate significant efforts towards them during that period (Krauss, Krüger, and Meyer, 2016). For example, financial institutions can demonstrate the priority given to sustainable finance goals by integrating sustainable financing principles into their core business models, thereby making sustainability a guiding principle in their operations (Setyowati, 2020; Cunha, Meira, and Orsato, 2021).

However, prioritizing sustainable finance goals entails trade-offs, as it may require sacrificing other important goals until these goals are achieved. This trade-off can be costly, leading to reluctance in prioritizing sustainable finance goals over other pressing needs, particularly in developing countries where economic development priorities, such as increasing GDP per capita, may take precedence (Wilson, 2010). Thus, the priority theory acknowledges that the prioritization of sustainable finance goals is contingent upon the prioritization of other important goals at any given time.

While the priority theory recognizes economic agents' multiple priorities and provides a platform for articulating the importance of sustainable finance goals, it also has drawbacks. Prioritizing these goals does not guarantee their achievement, and sustainable finance goals can be realized even without explicitly making them a priority (Wilson, 2010). For instance, private sector agents may contribute to achieving sustainable finance goals without it being a national policy priority.

2.1.2 Peer Emulation Theory

The peer emulation theory of sustainable finance posits that economic entities tend to mimic the actions or strategies of their peers when pursuing sustainability objectives. In the absence of standardized guidelines for sustainable financing, entities often replicate the initiatives of their admired or emulated counterparts. This indicates that they may adopt specific sustainable finance goals because their peers have already done so. This tendency is particularly pronounced when multiple entities share similar societal, political, and economic values and aspirations. For instance, nations with aligned perspectives on climate change are likely to adopt analogous sustainable finance policies (Ozili, 2023).

This theory offers several advantages. Firstly, it facilitates the alignment of economic entities with shared societal, economic, and political sustainability ideals. Secondly, it

streamlines the adoption process by leveraging existing sustainable finance initiatives, thereby reducing the need for extensive modifications. Thirdly, it is cost-effective, as emulating peers minimizes the resources required to develop entirely new strategies. Fourthly, it allows for continuous enhancement of sustainable finance policies through the iterative improvement of existing practices, making them more appealing for subsequent adopters (Ozili, 2023). Lastly, it fosters a cooperative rather than competitive relationship among economic entities.

However, the peer emulation theory also has drawbacks. Firstly, it may stifle creativity by encouraging entities to replicate strategies without exploring innovative alternatives. Secondly, adopting identical or similar policies as peers may not yield desired outcomes due to variations in financial markets, regulations, governance structures, and political priorities across different contexts.

2.1.3 The Life Span Theory of Sustainable Finance

The life span theory of sustainable finance, drawing from Vernon's product cycle hypothesis, asserts that interest in sustainable finance is influenced by the life cycle of sustainable finance products, such as services, instruments, policies, or activities. According to this theory, economic agents understand that sustainable finance products undergo a life cycle, beginning with their introduction as a novel concept, followed by growth, maturity, and eventual decline. This knowledge enables economic agents to predict the lifespan of specific sustainable finance products, thereby influencing their decision-making regarding short-term, long-term, or no commitment to sustainable finance (Vernon, 1979).

Under this theory, economic agents may reduce their support for sustainable finance or opt for short-term commitments if they anticipate a short lifespan for a particular sustainable finance product, or if they believe the sustainable finance agenda will fade away like previous development schemes. Conversely, they may increase their support or make long-term commitments if they expect a sustainable finance product to endure or if they foresee sustainable finance becoming the new mainstream financing model. The theory offers two main merits. Firstly, it explains variations in demand or support for specific sustainable financing instruments, such as green bonds, based on perceptions of their longevity(Vernon, 1979). Secondly, it acknowledges the role of expectations regarding the lifespan of sustainable finance products in shaping economic agents' behavior.

However, the theory also has two drawbacks. Firstly, expectations about the lifespan stages of sustainable finance products may be subjective and biased. Secondly, predictions about the lifespan of specific sustainable finance products may be inaccurate, leading to flawed decision-making.

2.1.4 System Disruption Theory of Sustainable Finance

The system disruption theory of sustainable finance posits that the pursuit of sustainable finance goals could potentially disrupt the established structure of the mainstream financial system, impacting businesses heavily reliant on traditional financing. This transition to sustainable finance may encounter resistance from affected economic agents who weigh the perceived benefits against potential disruptions to their businesses or income. According to this theory, economic agents must decide whether to support the transition based on the balance between benefits and disruptions. Full disclosure of information regarding the transition process is essential for economic agents to make informed decisions. While acknowledging the potential for disruption, the theory underscores the importance of transparency to mitigate resistance. However, it may overlook the possibility of sustainable finance coexisting alongside traditional systems rather than necessitating a complete overhaul (Ozili, 2021).

2.1.5 Positive Signaling Theory

The positive signaling theory suggests that economic agents are motivated to reveal positive details regarding their commitment to sustainable finance objectives to convey favorable news to external stakeholders who can aid their goals. This disclosure of positive information can occur through public announcements in the media or by providing additional voluntary financial and non-financial data in published reports. For instance, firms may disclose information about their latest sustainable finance initiatives or green bonds to attract investors interested in sustainability-oriented ventures. Similarly, governments might announce the issuance of a national sustainable finance policy, enhancing the country's sustainability reputation and attracting foreign investment for green projects. While the theory can mitigate information asymmetry between investors and firms, it has drawbacks. First, disclosure does not guarantee action, and second, firms may strategically disclose positive sustainable finance information to divert attention from negative aspects, such as losses in fossil fuel-related investments (Yasar et al., 2020).

2.2 Conceptual Review

In the conceptual review, the concept of sustainable investment financing and its relationship with investment decision-making was thoroughly examined. This involved elucidating the principles and practices underlying sustainable investment financing, including the incorporation of environmental, social, and governance (ESG) criteria into investment strategies. Additionally, the review delved into the theoretical foundations of investment decision-making, exploring how factors such as risk assessment, return expectations, and ethical considerations intersect with sustainable finance principles. By analyzing existing literature and conceptual frameworks, the review aimed to provide a comprehensive understanding of the theoretical underpinnings of sustainable investment financing and its implications for investment decision-making processes.

2.2.1 Sustainable Investing

Sustainable Finance encompasses a diverse array of products, strategies, and participants striving to integrate non-financial concerns, predominantly ESG factors, into the traditionally financially-driven processes of capital markets. Sustainable Investing (SI) within this framework is characterized by an investment approach focused on the long-term, incorporating ESG factors into the research, analysis, and selection of securities within investment portfolios. The definition aims to encapsulate the various practices and terminologies through which sustainable investing is manifested, often influenced by geographical and historical contexts. The Global Sustainable Investing Alliance (GSIA) identifies seven common sustainable investing practices, including ESG integration, Corporate Engagement, Norm-based and Screening, among others. These strategies differ in their degrees of ESG integration and their financial and non-financial objectives. For instance, while ESG integration involves incorporating ESG factors into risk assessment akin to traditional financial analysis, Impact Investing explicitly seeks positive social and environmental outcomes alongside financial returns (Sandberg et al., 2009).

The diversity of SI strategies reflects a historical evolution ranging from religious communities in North America avoiding "sin-stocks" for ethical reasons to the emergence of Corporate Social Responsibility concepts in the late 1960s. Academic interest in the financial implications of ESG management in companies grew over time, particularly following the Global Financial Crisis of 2008. This period prompted increased scrutiny of financial markets' impact on global issues and the development of principles and coalitions

advocating for a more responsible approach to finance, such as the Principles for Responsible Investment in 2006 and the Global Impact Investing Network in 2009. The ascent of sustainable finance sparked robust debates within academic and financial circles regarding the role of sustainability in financial matters (Trelstad, 2016).

While the discourse on "doing well while doing good" remains ongoing, there is now widespread acknowledgment and integration of ESG considerations in financial markets. This is evidenced by significant metrics such as the assets under management in sustainable investing and the inflow of capital into sustainable asset classes (Knoll, 2002). Despite ongoing discussions, the growing acceptance and implementation of sustainable finance principles underscore a fundamental shift towards incorporating environmental, social, and governance factors into financial decision-making processes on a global scale (Sandberg et al., 2009).

2.2.2 Factors of Sustainable Investment

Sustainable investment, as highlighted by Aich et al. (2021), entails taking into account a range of environmental, social, and governance (ESG) factors when making investment decisions. The overarching goal is to align financial gains with positive societal and environmental outcomes. This approach reflects a shift in investor mindset towards integrating non-financial considerations into their investment strategies, recognizing the importance of sustainability in the long-term viability of investments. As emphasized by Gomes (2020) and Townsend (2020), the growing popularity of sustainable investments can be attributed to investors' desire to manage risk effectively, achieve competitive financial returns, and contribute to positive societal and environmental impacts.

The components of sustainable investment can be categorized into three distinct groupings: environmental, social, and governance factors. Lingnau et al. (2022) delve into these components in their scholarly work, shedding light on the multifaceted nature of sustainable investment. Environmental factors encompass considerations related to ecological sustainability, such as climate change mitigation, resource conservation, and pollution prevention. Social factors address issues concerning human well-being and societal equity, including labor rights, diversity and inclusion, and community engagement. Governance factors pertain to the management structures and practices of companies, focusing on aspects like transparency, accountability, and ethical conduct.

Incorporating ESG factors into investment decision-making enables investors to not only generate financial returns but also contribute to broader societal and environmental goals. By considering the environmental impact, social implications, and governance practices of potential investments, investors can make more informed decisions that align with their values and long-term objectives. This approach to investing promotes sustainability across various sectors and industries, driving positive change towards a more equitable, resilient, and environmentally sustainable future (Townsend, 2020).

Source: Lingnau et al. (2022)

Figure 1. Factors of Sustainable Finance

2.2.2.1 Environmental Factors

Environmental factors encompass a wide range of considerations related to the ecological impact of investments. These factors include the utilization of natural resources, the potential effects of projects on climate change, the integration of sustainable energy sources, and the implications of projects on biodiversity, as discussed by Lingnau et al. (2022). Investors take into account various environmental factors when making investment decisions to minimize the environmental footprint of their investments.

ESG criteria play a crucial role in incorporating environmental factors into investment decisions, enabling the identification of investments that are financially viable and have positive environmental outcomes. Gärling and Jansson (2021) emphasize that potential investment opportunities may involve advancing renewable energy, mitigating pollution and waste, or promoting sustainable development. Environmental considerations are significant because they can significantly impact a company's long-term financial performance and the overall health of the global economy.

Environmental factors can be categorized into two main types: physical and regulatory. Physical factors, such as climate change, natural disasters, resource availability, and water scarcity, directly affect a company's financial performance by increasing costs, reducing revenue, and disrupting supply chains (Khalid et al., 2022). Regulatory environmental factors encompass policies and regulations established by governments and institutions to regulate bank operations, such as carbon emission reductions and support for sustainable development (Moya-Clemente et al., 2020).

Investors utilize various tools, including environmental ratings and sustainability indices, to assess the environmental impact of potential investments. These tools help identify investments with favorable environmental impacts or those exposed to environmental risks. Lingnau et al. (2022) suggests that using these tools can assist investors in identifying investment opportunities with potential positive financial returns, such as renewable energy initiatives with lower carbon emissions and promising long-term financial prospects.

In summary, environmental factors play a critical role in sustainable investment decisions. Investors consider these factors to identify investments with positive environmental impacts and manage assets with beneficial environmental consequences. Environmental ratings and sustainability indices serve as valuable tools for evaluating potential investments and identifying opportunities for favorable financial returns while considering environmental considerations.

2.2.2.2 Social Factors

Social factors in sustainable investment encompass the societal impacts of investment activities, focusing on how projects affect nearby communities, workers, and society at large (Gomes, 2020; Townsend, 2020). Investors carefully consider these factors to ensure that investments contribute positively to local communities, foster growth, and promote prosperity. The recognition of the significance of social factors in sustainable investment

has grown substantially in recent years (Ahmed & Scott, 2020). These factors include considerations such as human rights, labor standards, and environmental impacts, all crucial for ensuring investments generate positive outcomes and do not contribute to societal degradation.

Human rights represent a fundamental aspect of social factors in sustainable investment, emphasizing the importance of ensuring that investments do not support or perpetrate human rights violations. This involves avoiding investments that could bolster oppressive regimes or facilitate practices like forced labor and child labor, among other forms of labor abuses (Gomes, 2020). Similarly, labor standards play a significant role, requiring banks and projects to adhere to basic labor norms, provide fair treatment to workers, and maintain safe working conditions (Townsend, 2020). This includes guaranteeing workers' rights to a livable wage, access to essential benefits such as healthcare and paid leave, and protection against discrimination.

The consideration of social factors in sustainable investment has expanded significantly, reflecting a growing emphasis on promoting social justice and ensuring investments benefit both local communities and workers (Ahmed & Scott, 2020). By integrating social considerations into investment decisions, investors can contribute to sustainable development, advance social equity, and facilitate positive outcomes for society as a whole.

2.2.2.3 Governance Factors

Governance factors within sustainable investment encompass the management structure, transparency, and accountability of investment endeavors (Gomes, 2020; Townsend, 2020). Investors carefully consider these factors to ensure that their investments are managed in a transparent and accountable manner, reflecting a growing trend towards responsible and ethical investment practices (Aich et al., 2021).

Effective governance in sustainable investment plays a crucial role in establishing accountability for organizational decisions and promoting responsible utilization of investments. Governance can be categorized into internal and external dimensions. Internal governance involves implementing systematic protocols within an organization to ensure ethical conduct, including the adoption of corporate policies, codes of ethics, and internal control systems (Dahle & Lütz, 2020). External governance, on the other hand, involves oversight by outside stakeholders such as shareholders, regulators, and civil society organizations.

The importance of good governance in sustainable investment lies in its ability to ensure that organizations address environmental, social, and governance (ESG) issues related to their investments effectively (Dahle & Lütz, 2020). By establishing appropriate governance frameworks and systems, businesses can align their investments with sustainability objectives and uphold ethical standards. Good governance enables organizations to proactively address ESG risks and social, environmental, and human rights concerns, contributing to positive outcomes for society while generating financial returns (Aich et al., 2021).

Overall, governance factors are integral to sustainable investment practices as they promote transparency, accountability, and responsible investing. By adhering to principles of good governance, organizations can ensure that their investment decisions align with sustainability objectives and ethical standards, fostering positive social, environmental, and economic impacts.

2.2.3 Why Investors Invest?

Various studies have delved into the motivations behind investors' decisions to invest, both in general and specifically in sustainable investing. At a broad level, Statman (2004) proposes three main reasons why investors invest: utilitarian, expressive, and emotional. Beyond seeking utilitarian benefits like low risk and high returns, investors also aim for expressive benefits, which allow them to align their investments with their values and convey those values to themselves and others, adding significance to their investment decisions.

In the realm of sustainable investing, scholars have identified a mix of financial and non-financial motives influencing investors' decisions. Beal et al. (2015) highlight a combination of financial returns, psychological benefits, and the desire to contribute to social change as drivers for engaging in sustainable investing. Similarly, Beal et al. (2015) emphasizes the role of cognitive, psychological, and emotional factors in shaping decisions to hold sustainable assets. These overarching tendencies are further explored in focused studies such as that of, which reveals the significant impact of psychological, demographic, and sociological attributes on investment strategies among Chinese individual investors. Additionally, social pressure, regulatory impact, and client demand are identified as drivers of sustainable investing.

In summary, scholars have identified multiple and diverse factors related to investor behavior in sustainable investing, including motivational, social, psychological, and cognitive aspects. Analyzing sustainable investing through the lens of behavioral finance allows for the consideration of these factors and helps explain empirical evidence, challenging the traditional view of sustainable investing as an "irrational" strategy. While behavioral finance accommodates non-traditional financial factors in sustainable investing, research has yet to provide conclusive evidence on the characteristics of such factors, their interaction with traditional financial characteristics, and their relationship with realized sustainable investing strategies (Statman, 2004).

Examining sustainable investing from a behavioral perspective involves two levels of analysis: first, understanding how investors interact with information through cognitive models of decision-making; second, exploring the various tendencies and motives that lead investors to engage in sustainable investing, such as expressive, social, and emotional factors. Therefore, a comprehensive analysis of sustainable investing drivers should consider both levels to fully understand the financial and non-financial factors driving the phenomenon. This analysis aims to contribute to the ongoing debate by conducting exploratory research to identify potential drivers of sustainable investing at both specific and general levels.

2.3 Empirical Review

Singhania et al. (2024) conducted a scient metric review and research agenda focused on sustainable investments (SI), aiming to provide a comprehensive understanding of emerging themes and future research directions in this field. Employing a quali-quantitative approach, the authors utilized bibliometric methods coupled with content analysis to review 1,022 articles obtained from the Web of Science (WoS) database spanning from 1991 to 2023. The findings of the study identified leading authors, impactful journals, and key articles in sustainable investment literature. Additionally, seven major themes of SI were identified, including financial performance, fiduciary duty, corporate social responsibility (CSR), construction of ESG-based portfolios, sustainability assessment tools, investor behavior, and impact investing. Furthermore, content analysis of literature from 2020 to 2023 revealed emerging research issues such as SDG financing via green bonds and social impact bonds, investor impact creation through shareholder engagement and field building strategies, and governance-related determinants of firm-level sustainable investments. The study also highlighted research gaps across these themes and proposed future research

questions, contributing to the advancement of knowledge in sustainable finance and investments.

Ye and Dela (2023) conducted a quantitative study aiming to investigate the effect of green investment and green financing on the sustainable business performance of foreign chemical industries operating in Indonesia, with a focus on the mediating role of corporate social responsibility (CSR). Utilizing primary and secondary data from 238 sampled international chemical companies in Indonesia, the researchers employed a standardized questionnaire to gather data. They utilized Smart-PLS and structural equation modeling (SEM) to analyze the data and examine the relationships between green investment, green financing, CSR, and sustainable business performance. The study revealed that green investments and financing significantly and positively affected CSR and sustainable performance. Furthermore, CSR was found to significantly mediate the relationship between green investment, green financing, and sustainable business performance. The findings contribute to the existing literature by highlighting the importance of each construct and underscore the need for highly polluting chemical businesses to incorporate green financing, investment, and CSR practices to enhance sustainable economic performance.

Simon (2023) provided an introductory chapter on sustainable finance and investing, serving as part of a larger work focusing on the investment implications of sustainability. The chapter begins by defining finance and its various applications in personal, corporate, and government contexts. It highlights the role of finance in providing access to resources that may otherwise be unattainable through cash alone. Simon then delves into the history of sustainable finance, outlining different sustainable investment strategies and addressing challenges within the field, such as the lack of standardized terminology and the risk of "greenwashing." The chapter concludes with a discussion on investor profiles and the relationship between sustainable investment strategies, risk, return, and impacts. Through a comprehensive overview, Simon aimed to provide clarity on sustainable finance concepts and strategies, laying the foundation for further exploration of the topic within the context of health investment and financing.

Li et al. (2023) conducted a study assessing environmental, social, and governance (ESG) factors and policies for green finance investment decisions in China, with a focus on sustainable development. Employing fuzzy analytical hierarchy process (AHP) and fuzzy decision-making trial and evaluation laboratory (DEMATEL) techniques, the research

aimed to identify significant ESG factors and prioritize policy options for advancing sustainable development and green finance investment decisions in China. The fuzzy AHP method highlighted environmental factors as the most significant for green finance investment decisions, followed by governance and social factors. Additionally, the fuzzy DEMATEL method prioritized supporting green finance innovation and development as the highest priority policy option, followed by encouraging social responsibility and community engagement and developing and enforcing environmental regulations. These findings provide valuable insights for investors and decision-makers seeking to promote sustainable development and green financing in China, emphasizing the importance of focusing resources and efforts on key ESG factors and policies to enhance sustainability and resilience in the country.

Mishra and Aithal (2022) conducted a descriptive and exploratory literature review focusing on the imperative of green financing in the context of Nepal. The main objective of the study was to analyze the future prospects of global financing with reference to Nepal and to assess the role of green financing in achieving economic stability and sustainable growth. The research design involved a literature-based review dominated by conceptual research, supplemented by personal consultations with key informants and professionals. The researchers utilized grounded theory steps to document professionals' opinions on the advantages, disadvantages, status, and required actions related to green financing. Additionally, focus group discussions were conducted among professionals to validate the research findings. The study also included a case analysis of ecotourism to illustrate the relevance of green financing across various industries. The findings revealed that globalization's negative impact on the environment has made green growth imperative for industries worldwide. Green financing emerged as a crucial strategy for achieving climate-resilient futures while promoting economic growth. Despite being a niche concept, the study found green financing to be highly beneficial across sectors, emphasizing its importance in driving sustainable development efforts.

Tobisova et al. (2022) conducted a study focusing on finance and investment planning, particularly addressing financial decision-making processes using advanced software tools. The research holds significant relevance amidst the challenges faced by enterprises in Slovakia, including the global pandemic COVID-19 and other crises. The objective of the study was to propose a methodology to streamline companies' investment activities, combining traditional and modern economic methods to enhance sustainability and

competitiveness. Three variants of investment decisions were simulated using both deterministic modeling through traditional software tools and stochastic modeling employing the Monte Carlo method for simulating financial risks. The study's findings culminated in the development of a graphical management model in the form of an algorithm, providing insights into effective investment and financial policy for enterprises. Through this methodology, the researchers aimed to contribute to the optimization of investment activities and bolster the resilience of enterprises facing uncertain economic environments.

Al-Sartawi et al. (2022) conducted a literature review to explore the role of artificial intelligence (AI) in sustainable finance. The main objective was to examine how AI can assist creditors, investors, and business managers in making optimal decisions for long-term financial sustainability. The researchers discussed the challenges and opportunities presented by AI in addressing sustainability issues and highlighted the importance of AI applications and models in sustainable investments. They utilized a qualitative approach to synthesize insights from the literature and provide new perspectives on the value of AI beyond its conventional role as a problem-solving tool. The findings underscored the significance of integrating AI into decision-making processes to enhance sustainability practices in finance.

Filippini et al. (2022) investigated the concept of sustainable finance literacy and its influence on sustainable investing determinants in Swiss households. Conducted through Swiss Finance Institute Research Paper No. 22-02, the study aimed to assess retail investors' knowledge of regulations, norms, and standards related to financial products with sustainable characteristics. Utilizing both traditional multiple-choice questions and a novel approach based on open-ended questions, the researchers surveyed a large sample of Swiss households. Despite Switzerland's high level of financial literacy by international standards, the study revealed a low level of sustainable finance literacy among Swiss households. Interestingly, while multiple-choice questions revealed a gender gap with women performing worse than men, this difference disappeared when open-ended questions were used. Additionally, the study found that sustainable finance literacy significantly influenced the ownership of sustainable financial products. Consequently, the results underscored the urgent need for transparent regulatory standards and enhanced information campaigns regarding sustainable financial products.

Kumar et al. (2022) conducted a large-scale review aimed at providing a comprehensive overview of the past, present, and future of sustainable finance using big data analytics through machine learning of scholarly research. The study aimed to address the gap in existing reviews, which often offer limited insights by analyzing only a subset of sustainable finance literature. By employing machine learning techniques, the researchers identified influential articles, top contributing authors, journals, institutions, and countries in the field of sustainable finance. The study also uncovered seven major themes of sustainable finance research, including socially responsible investing, climate financing, green financing, impact investing, carbon financing, energy financing, and governance of sustainable financing and investing. Furthermore, the study proposed several suggestions for future research in sustainable finance, such as developing innovative financing instruments, enhancing the profitability of sustainable financing, improving the sustainability of sustainable finance practices, devising unified policies and frameworks, addressing greenwashing, integrating behavioral finance principles, and leveraging emerging technologies like artificial intelligence and blockchain. This research contributes to advancing the understanding of sustainable finance and provides valuable insights for shaping future research directions in the field.

Gutsche et al. (2021) conducted an empirical study aiming to investigate the determinants of individual sustainable investment behavior among decision-makers in Japanese households. Utilizing data from a representative online survey, the researchers analyzed three key perspectives: individual awareness of sustainable investments, the current share of sustainable investments in individual investors' portfolios, and the intention of individual investors to invest sustainably in the future. The findings revealed significant information deficits among Japanese individual investors, indicating a nascent stage of sustainable investment in Japan. Factors such as financial literacy, social signaling or word-of-mouth learning, perceived financial performance, and risk preferences were identified as the most influential determinants of current individual sustainable investments. Interestingly, non-financial factors such as personal attitudes and values appeared to be less significant compared to Western countries. However, the intention to invest sustainably in the future was found to be influenced by individual environmental values and ecological political identification. These findings shed light on the factors shaping individual sustainable investment behavior in Japan and underscore the importance of addressing

information deficits and promoting environmental values to encourage further adoption of sustainable investment practices.

Cunha et al. (2021) conducted a systematic literature review to investigate the field of Sustainable Finance and Investment (SFI) and provide insights into its key elements and future research directions. Their research aimed to address the fragmentation in the SFI literature by defining the field and delineating its boundaries compared to traditional finance and investment. Analyzing 166 articles, they identified the main players in the SFI domain, their profiles, strategies, and outcomes. The study culminated in the development of a comprehensive framework for understanding SFI and proposing a research agenda. Through this agenda, they organized the primary research questions in the SFI field and suggested appropriate methodologies to tackle them. The authors concluded that while SFI players are actively collaborating to promote positive social and environmental impacts through their financial activities, challenges such as the under-theorization of SFI, the short-term nature of financial logic, and the lack of evidence on SFI impacts on society and the environment remain significant hurdles.

Alshater et al. (2021) conducted a bibliometric analysis of the Journal of Sustainable Finance and Investment (JSFI) from 2011 to 2020. The study aimed to provide an overview of JSFI's publication and citation trends, as well as its thematic structure. Using the Scopus database, the researchers analyzed 263 documents using RStudio, VOSviewer, and Microsoft Excel. The analysis included bibliometric indicators, bibliographic coupling, keyword analysis, and content analysis. The findings revealed that JSFI exhibited stable publication performance until 2019, with a decline in citations in the last four years. The popularity of topics such as 'Sustainable finance' and 'ESG' increased, while that of 'Corporate governance' and 'Socially responsible investment' declined. The bibliographic coupling analysis identified four main thematic clusters: 'Corporate social responsibility and sustainable development,' 'Sustainable finance and green bonds,' 'Corporate governance and ESG,' and 'Responsible investment and pension funds.' This study provides valuable insights into the evolution of JSFI's publication landscape and thematic focus over the past decade.

Azmat et al. (2021) conducted a conceptual study aimed at strengthening impact integrity in investment decision-making for sustainable development. The researchers adopted a two-step approach for their analysis. Firstly, they reviewed existing responsible investment strategies and products, highlighting their shortcomings in optimizing sustainable

development outcomes, including the achievement of the sustainable development goals (SDGs). Secondly, drawing from the minimal standards theory, they explored how emerging impact management practices could enhance impact integrity in investment decision-making and address the deficiencies in current responsible investment approaches. The findings revealed that current responsible investment approaches often fail to maximize sustainable development outcomes and may inadvertently enable "impact washing." The researchers proposed a theoretically grounded framework for standardizing impact management practices, emphasizing a bounded flexibility approach adaptable to different contexts and supported by shared language, conventions, and appropriate accountability mechanisms. They also suggested incorporating stakeholders, including rightsholders, in decisions impacting them and implementing effective grievance and reparation mechanisms. The authors argue that such an approach would strengthen impact integrity and enhance the capacity of investments to contribute effectively to sustainable development outcomes.

Popescu et al. (2021) conducted a critical review aiming to evaluate current sustainability measurement methods for investment funds, both from academia and industry, amidst the increasing demand for non-financial performance assessment in investment portfolios. Using a seven-criteria matrix developed based on gaps identified in seminal academic works and reports from international organizations, the researchers assessed 12 implementation tools from academia and 25 from industry. They found that commonly used methods such as carbon footprints, exposure metrics, and environmental, social, and governance (ESG) ratings have limitations in capturing the real-world sustainability impact of investments. The study suggests prioritizing open-source, science-based, and sustainability-driven assessment methods and incorporating positive impact creation measurement and a life cycle perspective into existing methods. Additionally, they emphasize the importance of anchoring sustainability assessments in reality by aligning investment products with science-based targets for sustainable development. The researchers also highlight the scarcity of methods with a forward-looking perspective and assessment of investor's additionality, advocating for their prioritization in future research efforts. This critical review provides valuable insights for the development of more reliable and comprehensive sustainability assessment methods in sustainable finance.

Tran et al. (2020) conducted a study aimed at identifying and measuring the factors affecting green investment for sustainable development in Vietnam. Using the Exploratory

Factor Analysis (EFA) methodology, they analyzed data from 208 businesses across different industries in 2018. The study revealed several significant factors influencing green investment, including infrastructure for green investment, difficulties in accessing funding for green activities, incentives for accessing capital, understanding of green investment by enterprises, government support in accessing funds, available capital for green investment, active plans for green investment projects, and special incentives for green investment. Notably, factors related to awareness of green investment, access to green capital, the government's role, and green capital mobilization tools had substantial impacts on green investment implementation by Vietnamese businesses. Based on these findings, the study proposed recommendations focusing on the central role of the government, improvements to the legal framework, diversification of green financing, and enhancement of green capital mobilization tools. The study emphasized the importance of raising awareness among businesses about accessing and utilizing capital-raising tools and promoting communication about green investment to drive sustainable development initiatives.

Liang and Renneboog (2020) conducted a comprehensive literature review on Corporate Social Responsibility (CSR) and Sustainable Finance. The researchers examined the integration of Environmental, Social, and Governance (ESG) considerations into corporate management, financial decision-making, and investors' portfolio decisions. They highlighted the expectation for socially responsible firms to internalize externalities and be accountable to shareholders and various stakeholders. The study discussed the development of firm-level measures of ESG performance by rating agencies and identified inconsistencies across these ratings due to differences in preferences, weighting of factors, and rating methodologies. Additionally, the paper explored topics such as the return implications of investing in socially responsible firms, the performance of Socially Responsible Investing (SRI) funds, and the emergence of green financing through instruments like green bonds. The research also delved into the trade-offs between financial returns and ethical considerations in investment decisions, as well as the impact of climate change on financial markets and investor behavior. Through a thorough analysis, the authors provided insights into the current state and future directions of CSR and sustainable finance research.

Tripathy et al. (2020) conducted an analysis of sustainable finance taxonomy development, specifically focusing on defining climate-aligned investment. Drawing on their experiences as practitioners and researchers involved in developing the Climate Bonds Standard and

the European Union's Sustainable Finance Taxonomy, the authors examined the methodological considerations crucial to both taxonomy systems. Their study positions the role of standards development within the context of the green bond market and analyzes the factors influencing the criteria development process for the Climate Bonds Standard. The paper concludes by providing key takeaways and suggestions for future research on climate-aligned standards development.

Mahat et al. (2019) conducted a comprehensive literature review focusing on the vulnerability of Nepal to climate change and the financing patterns required for adaptation and mitigation strategies. The researchers analyzed existing financing situations, discussed future scenarios, and suggested policy recommendations to develop long-term adaptation and impact mitigation strategies. Utilizing available data and information, the study emphasized the need for diversifying the funding base for climate change actions and integrating them within national development plans. The main objective of the study was to propose a set of long-term adaptation and impact mitigation strategies, particularly focusing on environmental changes. The research design involved a thorough analysis of existing policies, frameworks, and institutional mechanisms, as well as an examination of international financing patterns. Major findings indicated significant progress made by Nepal in policy development and implementation, with support from donor countries, UN agencies, and multilateral organizations. The study highlighted the importance of public-private partnerships in driving a full-fledged green economy, with a focus on renewable energy, transport, agriculture, forestry, water management, water-induced disasters, and tourism. Overall, the research provided insights into the challenges and opportunities for Nepal in addressing climate change and emphasized the importance of sustainable financing strategies for long-term resilience and development.

Lagoarde-Segot (2019) conducted a study aimed at addressing the epistemological challenges posed to traditional finance inquiry methods by the emergence of sustainable finance. The primary objective was to explore the qualitative changes brought about in the finance function by the imperatives of sustainable finance and to analyze these changes through the lens of critical realism. The researcher identified a contradiction arising from a misconceived social ontology in academic finance and proposed methodological avenues to overcome these challenges. The study emphasized the need for a more realist and pluralist approach to finance research in the 21st century, highlighting the importance of integrating sustainability considerations into financial inquiry methods.

Rotaru and Ferrua (2019) addressed the challenges and opportunities surrounding sustainable finance in their study published in the Journal of Contemporary Issues in Business & Government. Their objective was to examine how companies integrate Environmental, Social, and Governance (ESG) factors into their strategies to achieve long-term financial returns while positively impacting society. The researchers highlighted the limited disclosure of ESG issues in the current business landscape and the emphasis on short-term performance, which impedes capital reallocation toward sustainability goals. They emphasized the role of boards of directors in developing and implementing long-term business visions that prioritize ESG factors and align current performance with sustainable finance objectives. By doing so, management can better execute against sustainability goals, and analysts and investors can more accurately assess the financial impact of ESG considerations.

Ferri and Acosta (2019) conducted a comprehensive exploration of how ethical and sustainable finance is crucial for achieving sustainable development goals, particularly in addressing environmental risks through green finance and examining the empirical relationship between finance and inequality. The paper offers theoretical insights into analyzing markets, intermediaries, and instruments through a sustainable lens, emphasizing the benefits they bring to sustainable development. It discusses various intermediaries, highlighting the advantages of cooperative banks, especially their close relationship with customers and their role in providing resilience to Small and Medium Enterprises (SMEs) during challenging times. Furthermore, the paper delves into different investment strategies, tracing the evolution of Sustainable and Responsible Investing (SRI) funds and exploring Environmental, Social, and Governance (ESG) analysis as criteria for investment allocation. Additionally, it discusses the significance of microfinance in reaching marginalized populations and promoting financial inclusion, as well as the role of Islamic finance and Fintech in sustainable finance. The paper also examines various financial instruments used by different investors to address social and environmental challenges. Finally, it presents five policy recommendations to strengthen and support sustainable development, with a focus on promoting sustainable footprint certification as a crucial initiative. Overall, this paper provides valuable insights into the role of sustainable finance in fostering sustainable development and offers practical recommendations for policymakers and practitioners in the field.

Aryal et al. (2019) conducted a study focusing on assessing the potential of payment for ecosystem services (PES) as a sustainable financing mechanism for watershed services in Nepal. The main objective was to analyze existing financing mechanisms for watershed services at the national level and examine pilot PES programs implemented in four different sites in Nepal. The research utilized various participatory and qualitative research methods to analyze institutional arrangements, operational procedures, and implementation practices in the study sites. The findings indicated that the pilot PES programs demonstrated satisfactory outcomes in watershed management. Based on these findings, the study argued that the PES mechanism could be a promising approach for financing sustainable watershed management in Nepal. However, it emphasized the need for flexibility and contextual adaptation in the institutional arrangement of PES mechanisms, along with the establishment of strong linkages between service providers and users through regulatory mechanisms. The study also highlighted the crucial intermediary role of local government in institutionalizing the PES mechanism as a sustainable financing approach for ensuring watershed services in Nepal.

Dziawgo (2019) conducted a study focusing on legal regulations and guidelines pertaining to sustainable finance, aiming to identify the need for reshaping the process of managing financial assets. The research utilized various methods, including literature analysis, examination of legal acts, desk research, observations, and descriptive and comparative analysis. The main conclusion drawn from the study is that the current optional inclusion of Environmental, Social, and Governance (ESG) criteria in investment decisions is transitioning into obligatory requirements within legal frameworks. This shift indicates a significant acceleration in the integration of ESG considerations into financial markets. The study anticipates that assets considering non-financial preferences will dominate financial markets in the future, marking a substantial revolution in investment practices.

Volz (2018) conducted a study aimed at fostering green finance for sustainable development in Asia. The main objective was to analyze the need for transitioning Asian economies towards sustainable development by shifting investments away from environmentally intensive industries towards more resource-efficient technologies and business models. Utilizing a review approach, the researcher discussed the role of the financial sector in facilitating this green transformation and emphasized the importance of financial governance. The study examined the current state of green lending and investment in Asia, while also providing an overview of green financial governance initiatives in the

region. Furthermore, it identified market innovations to promote green finance, highlighted barriers to green investments, and outlined financial policies to prioritize for policymakers. The findings underscored the critical role of the financial sector in driving sustainable development in Asia and outlined key areas for policy intervention to promote green finance initiatives.

Tseng et al. (2018) aimed to address the theoretical and managerial gaps in the integration of sustainable development principles with supply chain finance. They utilized the fuzzy Technique for Order of Preference by Similarity to Ideal Solution (fuzzy TOPSIS) to develop a decision-making model for sustainable supply chain finance under uncertainties. Expert assessments were conducted to identify the existing problems and deficiencies in financing patterns. The findings revealed that economic factors significantly influenced other aspects, and delivery management policies emerged as the most effective tools for reinforcing sustainable supply chain finance practices. This study provides a theoretical foundation to enhance the understanding of sustainable supply chain finance and offers managerial implications for firms to improve their performance.

Aggarwal and Elembilassery (2018) presented a case report titled "Sustainable Finance in Emerging Markets: A Venture Capital Investment Decision Dilemma," which illuminates the predicament faced by two senior executives at Softbank Asia Infrastructure Fund (SAIF) Partners. The case delves into their deliberations concerning an impact investment opportunity, considering the uncertainties stemming from regulatory provisions set forth by the Indian government. It underscores the challenge posed by the lack of standardized tools for measuring the returns on impact investments, hindering commercial funds' ability to accurately assess the implications of such investments. Sustainable finance, aimed at integrating environmental, social, and governance (ESG) criteria into business practices or investment decisions, is highlighted as a means to benefit both clients and society. The case revolves around SAIF Partners' evaluation of an opportunity to invest in an Indian MSME (Micro, Small, and Medium Enterprises) lending enterprise, raising the question of whether commercial funds like SAIF Partners can find commensurate return opportunities in impact investments. Ultimately, the case encourages readers to scrutinize the nature of social impact investments and the intricacies of aligning them with the objectives of commercial investments.

Beerbaum and Puaschunder (2018) conducted a study aimed at developing a sustainable finance architecture through a behavioral economics approach. The researchers addressed

the aftermath of the 2008/09 global financial crisis and sought to understand the lessons learned, improvements made, and areas requiring further attention to prevent future crises. They emphasized the importance of integrating non-financial factors such as inequality, governance, and environmental sustainability into financial markets to achieve sustainability. Drawing on insights from the EU-led High-Level Expert Group on Sustainability, the study focused on developing a sustainability taxonomy for investor decision-making, considering environmental, social, and governance (ESG) factors. The researchers highlighted the need for a consensus on climate-friendly investments and the importance of disclosure regulations to ensure institutional investors incorporate ESG factors into their decision-making processes. Additionally, they proposed leveraging transparency technology like Extensible Reporting Mark-up Language (XBRL) to enhance the transparency and decision-usefulness of sustainability-related information for investors. By bridging environmental concerns with financial services, the study aimed to contribute to the development of a sustainable finance architecture.

Ryszawska (2016) conducted a study aimed at emphasizing the crucial role of sustainable finance in the process of sustainability transition. The main objective was to highlight how finance is evolving from a traditional perspective rooted in neoclassical economic theory, which prioritizes profit maximization and shareholder wealth, towards one that supports sustainable development, green economy, and the mitigation of climate change. The study utilized the multilevel perspective framework developed by F.W. Geels to analyze sustainability transition. The findings indicate that the traditional regime of finance is destabilizing, and while there is evidence of slow responsiveness to the demands of a sustainable economy, finance is gradually aligning itself with these new requirements. This study contributes to the understanding of the changing role of finance in fostering sustainability and provides insights into the challenges and opportunities associated with the transition towards a more sustainable financial system.

Hafenstein and Bassen (2016) conducted a study to investigate the influences on non-professional investors' utilization of sustainability information in their investment decision-making processes. Drawing upon behavioral finance and information overload literature, the researchers aimed to determine the factors shaping non-professional investors' decisions to invest in sustainable companies. Utilizing an online survey conducted in Germany and employing a structural equation model, they found that personal orientation toward sustainability issues emerged as the primary influencer for utilizing a company's

sustainability information. Additionally, factors such as the induced identification with sustainability, willingness to accept lower returns for sustainability, exposure to sustainability information, investor's age, and information overload were identified as significant determinants in the decision to invest in sustainable companies. Interestingly, the study revealed that non-professional investors did not differentiate between various aspects of sustainability, such as environmental, social, and governance factors. This research contributes to the understanding of non-professional investors' decision-making processes, particularly in their perception and utilization of sustainability information, shedding light on the factors influencing their investment decisions.

Ferreira et al. (2016) conducted a systematic review of literature focusing on the relationship between finance and sustainability. Their objective was to gather and systematize existing knowledge on financial management and its connection to sustainable development. Adapting methods from previous studies, the researchers analyzed articles published between 2011 and 2015 in the Journal of Sustainable Finance & Investment. Through their analysis, they identified gaps in the literature, such as a lack of focus on developing countries and a scarcity of empiric studies employing a quantitative approach. The study provided valuable insights into the current state of research in the field, highlighting areas for future investigation and potential avenues for enhancing understanding of the relationship between finance and sustainability.

Paetzold and Busch (2014) conducted a theory-building study aimed at understanding the decision-making process of wealthy private investors towards sustainable investing. Drawing on the theory of planned behavior, the researchers explored the reasons behind the apparent disengagement of private investors from sustainable investing, a topic that had received limited scholarly attention. While findings from existing literature provided some insights, they were insufficient in offering a comprehensive understanding of why private investors hesitate to engage in sustainable investing. Through interviews with wealthy private investors, the study identified a high interest in sustainable investing among this demographic, yet uncovered dominant barriers preventing actual engagement. These barriers included the perception of high volatility within sustainable investments, combined with a short investment time horizon and recent financial losses. Additionally, the study found that investment advisors often withheld necessary information from their clients. Based on these findings, the researchers proposed a decision-making framework to better

understand private investors' engagement in sustainable investing and outlined avenues for future research and implications for practitioners.

Basnyat and Baral (2014) conducted a study focusing on exploring sustainable financing practices for biodiversity conservation in Nepal. The main objective of the research was to examine sustainable financing mechanisms aimed at generating funds over the long term to finance biodiversity conservation projects and programs. The research design involved a descriptive analysis of international and national practices related to sustainable financing in the context of natural resource management. The study highlighted the importance of comprehensive legislation for generating and mobilizing funds, emphasizing the need for clear operating guidelines or directives to facilitate revenue collection and mobilization for forestry sector development. Various sustainable financing mechanisms were identified, including revenue sharing, royalty and cost sharing, conservation fees, community concessions, compensation payments, carbon finance, and support from multilateral agencies. The findings indicated that while these practices are in evolutionary stages, clear operational guidelines consistent with existing legislation are essential for their institutionalization. The study also suggested the need for detailed feasibility studies and appropriate legislative frameworks to introduce new financing practices with long-term potential for generating funds for biodiversity conservation in Nepal.

Table 1
Meta Table of Empirical Review

S.N.	Author(s)	Variables	Methodology	Findings
1	Singhania et al. (2024)	Financial performance, Fiduciary duty, corporate social responsibility (CSR), construction of ESG-based portfolios, sustainability assessment tools, investor behavior	Scientometric review and research agenda	Identified leading authors, impactful journals, and key articles in sustainable investment literature about the sustainability of investment decision making

2	Ye and Dela (2023)	Green investment, green financing, corporate social responsibility (CSR), sustainable business performance	Quantitative study with primary and secondary data analysis	Green investments and financing significantly and positively affected CSR and sustainable performance. CSR mediated the relationship between green investment, green financing, and sustainable business performance
3	Simon (2023)	Sustainable finance concepts, strategies, risk, return, impacts	Descriptive overview	Defined finance, discussed sustainable investment strategies, addressed challenges within the field, and discussed the relationship between sustainable investment strategies, risk, return, and impacts
4	Li et al. (2023)	Environmental, social, and governance (ESG) factors, green finance investment decisions, policy options	Fuzzy analytical hierarchy process (AHP) and fuzzy decision-making trial and evaluation laboratory (DEMATEL) techniques	Environmental factors were the most significant for green finance investment decisions. Supporting green finance innovation and development was prioritized as the highest policy option
5	Mishra and Aithal (2022)	Green financing, economic stability, sustainable growth	Descriptive and exploratory literature review	Globalization's negative impact on the environment has made green growth imperative for industries worldwide. Green financing emerged as a crucial strategy for achieving climate-resilient futures while promoting economic growth
6	Tobisova et al. (2022)	Investment activities, sustainability, competitiveness	Simulation of investment decisions	Developed a graphical management model providing insights into effective investment and financial policy for enterprises
7	Al-Sartawi et al. (2022)	Artificial intelligence (AI), decision-making, financial sustainability	Literature review	Highlighted the significance of integrating AI into decision-making processes to enhance sustainability practices in finance
8	Filippini et al. (2022)	Sustainable finance literacy, financial products, Swiss households	Survey	Found a low level of sustainable finance literacy among Swiss households. Sustainable finance literacy significantly influenced the ownership of sustainable financial products

9	Kumar et al. (2022)	Socially responsible investing, climate financing, green financing, impact investing, carbon financing, energy financing, governance	Literature review and machine learning	Identified influential articles, top contributing authors, journals, institutions, and countries in sustainable finance. Uncovered major themes and proposed future research suggestions
10	Gutsche et al. (2021)	Individual sustainable investment behavior, financial literacy, personal attitudes	Empirical study with online survey	Financial literacy, social signaling, perceived financial performance, risk preferences, personal attitudes, values, environmental values, ecological political identification
11	Cunha et al. (2021)	Sustainable finance and investment, traditional finance, research agenda	Systematic literature review	Developed a comprehensive framework for understanding SFI and proposed a research agenda. Identified challenges and opportunities in the SFI field
12	Alshater et al. (2021)	Journal of Sustainable Finance and Investment (JSFI), publication trends, thematic structure	Bibliometric analysis	Identified stable publication performance, thematic focus, and clusters in JSFI's publication landscape
13	Azmat et al. (2021)	Impact integrity, investment decision-making, sustainable development	Conceptual analysis	Proposed a framework for standardizing impact management practices to strengthen impact integrity in investment decision-making
14	Popescu et al. (2021)	Sustainability measurement methods, investment funds, science-based targets	Critical review with assessment matrix	Found limitations in commonly used methods for capturing real-world sustainability impact of investments. Suggested prioritizing open-source, science-based, and forward-looking methods
15	Tran et al. (2020)	Infrastructure for green investment, difficulties in accessing funding, incentives for accessing capital, understanding of green investment by enterprises, government support, available capital, active plans for green investment, special incentives	Exploratory Factor Analysis (EFA)	Identified several significant factors influencing green investment, proposed recommendations for improving green investment implementation

16	Liang and Renneboog (2020)	Environmental, Social, and Governance (ESG) considerations, corporate management, financial decision-making, investor portfolios	Literature review	Identified inconsistencies in ESG performance measures, discussed return implications of investing in socially responsible firms, explored topics such as SRI funds and green financing
17	Tripathy et al. (2020)	Climate-aligned investment, taxonomy development, standards	Analysis of taxonomy development	Examined factors influencing criteria development for climate-aligned investment standards, provided key takeaways and suggestions for future research
18	Mahat et al. (2019)	Climate change vulnerability, financing patterns, adaptation strategies	Comprehensive literature review	Proposed long-term adaptation and impact mitigation strategies, emphasized diversifying funding base, integrating climate actions in national development plans
19	Lagoarde-Segot (2019)	Sustainable finance, epistemological challenges, critical realism	Theoretical analysis	Proposed methodological avenues to overcome challenges, emphasized realist and pluralist approach to finance research
20	Rotaru and Ferrua (2019)	Environmental, Social, and Governance (ESG) factors, corporate strategies, financial returns	Analysis of corporate strategies	Highlighted limited ESG disclosure, emphasized role of boards in aligning performance with sustainable finance objectives
21	Ferri and Acosta (2019)	Ethical finance, sustainable development goals, intermediaries, investment strategies	Theoretical analysis	Discussed various intermediaries, investment strategies, and financial instruments for sustainable development, presented policy recommendations
22	Aryal et al. (2019)	Payment for ecosystem services (PES), watershed services, Nepal	Participatory and qualitative research methods	Found satisfactory outcomes of pilot PES programs in watershed management, emphasized need for flexible institutional arrangements
23	Dziawgo (2019)	Legal regulations, sustainable finance, ESG criteria, financial asset manageme	Literature analysis, examination of legal acts, descriptive and comparative analysis	Anticipated obligatory integration of ESG criteria into investment decisions, expected dominance of assets considering non-financial preferences in financial markets
24	Volz (2018)	Green finance, sustainable development, financial governance	Review approach	Emphasized critical role of financial sector, outlined key areas for policy intervention in promoting green finance

25	Tseng et al. (2018)	Sustainable supply chain finance, decision-making model, uncertainties	Fuzzy Technique for Order of Preference by Similarity to Ideal Solution (fuzzy TOPSIS), expert assessments	Economic factors significantly influenced other aspects, delivery management policies emerged as most effective tools
26	Aggarwal and Elembilassery (2018)	Sustainable finance, impact investment, commercial funds, ESG criteria	Case study	Highlighted challenges in measuring returns on impact investments, emphasized the role of sustainable finance in benefiting society
27	Beerbaum and Puaschunder (2018)	Sustainable finance architecture, behavioral economics, ESG factors	Behavioral economics approach	Proposed strategies to integrate ESG factors into financial decision-making processes, emphasized transparency and disclosure regulations
28	Ryszawska (2016)	Sustainable finance, sustainability transition, climate change	Multilevel perspective framework	Traditional finance regime destabilizing, finance gradually aligning with sustainable economy requirements
29	Hafenstein and Bassen (2016)	Non-professional investors, sustainability information, investment decisions	Online survey, structural equation model	Personal orientation toward sustainability emerged as primary influencer, various factors identified as determinants
30	Ferreira et al. (2016)	Finance, sustainability, systematic review	Systematic review	Identified gaps in literature, highlighted need for more empirical studies in developing countries
31	Paetzold and Busch (2014)	Wealthy private investors, sustainable investing, decision-making process	Theory of planned behavior, interviews with investors	Identified barriers to engagement in sustainable investing, proposed decision-making framework
32	Basnyat and Baral (2014)	Sustainable financing, biodiversity conservation,	Descriptive analysis	Emphasized importance of comprehensive legislation, identified various sustainable financing mechanisms

2.4 Research Gap

Based on the compilation of various research studies (Singhania et al.; 2024); (Ye & Dela; 2023); (Simon; 2023); (Li et al.; 2023); (Mishra & Aithal; 2022); (Tobisova et al.; 2022); (Al-Sartawi et al.; 2022); (Filippini et al.; 2022); (Kumar et al.; 2022); (Gutsche et al.; 2021); (Cunha et al.; 2021); (Alshater et al.; 2021); (Azmat et al.; 2021); (Popescu et al.;

2021); (Tran et al.; 2020); (Liang & Renneboog; 2020); (Tripathy et al.; 2020); (Mahat et al.; 2019); (Lagoarde-Segot; 2019); (Rotaru & Ferrua; 2019); (Ferri & Acosta; 2019); (Aryal et al.; 2019); (Dziawgo; 2019); (Volz; 2018); (Tseng et al.; 2018); (Aggarwal & Elembilassery; 2018); (Beerbaum & Puaschunder; 2018); (Ryszawska; 2016); (Hafenstein & Bassen; 2016); (Ferreira et al.; 2016); (Paetzold & Busch; 2014); (Basnyat & Baral, 2014), a significant research gap emerges concerning sustainable finance and its implications on investment decision-making

Despite the extensive research on sustainable finance and investment decision-making, there exists a notable time gap in the literature, with many studies focusing on data from previous years. The absence of studies utilizing the latest data, such as that from the year 2024, creates a gap in understanding how recent developments and trends may have influenced the relationship between sustainable finance and investment decision-making. Addressing this time gap is crucial for gaining insights into the current dynamics and implications of sustainable finance on investment decisions in the contemporary context.

Another significant research gap pertains to the contextualization of sustainable finance and its implications on investment decision-making. While numerous studies have explored various aspects of sustainable finance, there is a lack of comprehensive research specifically focusing on its application and impact within different socio-economic contexts. This context gap hinders our understanding of how factors such as cultural norms, regulatory frameworks, and economic conditions influence the relationship between sustainable finance initiatives and investment decisions. Bridging this gap is essential for developing contextually relevant strategies and policies to promote sustainable investment practices worldwide.

In the realm of sustainable finance and investment decision-making, there exists a noticeable variable gap in the literature. While many studies have examined factors influencing investment decisions, such as risk tolerance and financial literacy, there is a lack of research specifically addressing variables like Personal Attitude, Subjective Attitude, Perceived Behavioral Control, and Trust in the context of sustainable finance. These variables play crucial roles in shaping investors' perceptions, attitudes, and behaviors towards sustainable investment options. Filling this variable gap is essential for gaining a comprehensive understanding of the determinants of investment decision-making in the context of sustainable finance and for developing targeted interventions to promote sustainable investment practices.

CHAPTER III
RESEARCH METHODOLOGY

The research methodology chapter provides a comprehensive overview of the study's approach and key components, including research design, population and sample selection, sampling design, data nature and sources, data collection instruments, analysis methods, research framework, and variable definitions. Each element is vital for ensuring the validity and reliability of the study's findings. The research design outlines the overall approach, while population and sample selection define the target demographic and subset chosen for analysis. Sampling design explains the methodology for participant or data point selection. Data nature and sources clarify the types and origins of data used, and data collection instruments describe the tools employed for data gathering. Analysis methods detail techniques for interpreting collected data, and the research framework provides a conceptual guide. Lastly, variable definitions establish clear definitions and operationalizations of key concepts under investigation, forming a robust foundation for the study's execution and interpretation.

3.1 Research Design

The research design employed in this study encompasses both descriptive and causal-comparative research design. Descriptive statistics have been utilized to provide an overview and assess the current status of investment decision-making processes. This involves summarizing and analyzing data to identify patterns, trends, and key characteristics related to investment decisions. Additionally, a causal-comparative research design has been employed to investigate the impact of sustainable finance on investment decision-making. This design allows for the comparison of different groups or conditions to assess causal relationships, specifically examining how sustainable finance practices influence investment decisions compared to conventional approaches. By integrating these two research methodologies, the study aims to offer a comprehensive understanding of the relationship between sustainable finance and investment decision-making processes, providing valuable insights for practitioners and policymakers in the financial industry.

3.2 Population and Sample, and Sampling Design

This study is centered on Chandragiri municipality, thus the total population under scrutiny comprises all investors residing within its jurisdiction, totaling 136,860 individuals (CBS,

2024). From this population, a sample size of 385 respondents has been selected for the study. The selection of the sample size was facilitated by employing a convenience sampling method. This method was chosen to streamline the data collection process in accordance with the study's needs. By utilizing convenience sampling, the researchers aimed to efficiently gather data from readily accessible participants within the specified geographical area, ensuring practicality and expediency in data collection.

3.3 Nature and Sources of Data and the Instrument of Data Collection

This study was based on a quantitative nature of data. The data collected for this study was first-hand data, also known as primary sources of data. In collecting the data, the structured questionnaire survey method was used. The questionnaire was crafted based on special attention taken from Chan et al. (2022), which was modified to make it relevant to the Nepalese context with the assistance of supervisors, seniors, etc. A five-point Likert scale was utilized, ranging from "strongly disagree" to "strongly agree," with each point scored from 1 to 5: strongly disagree as 1, disagree as 2, neutral as 3, agree as 4, and strongly agree as 5.

3.4 Method of Analysis

Following the completion of data collection, the dataset underwent thorough analysis using statistical software like Microsoft Excel and SPSS. Employing a range of statistical techniques including descriptive statistics, correlation analysis, and multivariate regression models, the collected data was scrutinized to extract meaningful insights and patterns. This rigorous analysis process enabled the researchers to draw robust conclusions regarding the relationship between sustainable finance and investment decision-making in the context of Chandragiri municipality.

3.4.1 Descriptive Statistics

Descriptive statistics, as defined by Howell (2012), involves the use of numerical and graphical techniques to summarize and describe the features of a dataset. It provides a concise summary of the main characteristics of the data, including measures of central tendency (such as mean, median, and mode) and measures of variability (such as standard deviation and range). In the context of this study, descriptive statistics were utilized to analyze investor perceptions towards sustainable financing in investment decision-making. Specifically, the researchers aimed to assess whether investors were inclined towards or satisfied with sustainable financing practices and whether they were encouraged to

incorporate sustainability criteria into their investment decisions. Mean and standard deviation were employed as descriptive statistical tools to quantify and analyze the perceptions of investors.

3.4.2 Correlation Analysis

Correlation analysis, is a statistical technique used to measure the strength and direction of the relationship between two or more variables (Hair et al., 2017). It quantifies the degree to which changes in one variable are associated with changes in another variable, providing insights into the nature and extent of their relationship. In the context of this study, correlation analysis was employed to examine the relationship between sustainable finance and investment decision-making. By calculating correlation coefficients, researchers could determine the extent to which sustainable finance practices influenced investment decisions, providing valuable insights into the interplay between these two constructs. The correlation coefficient between two variables is also calculated by using the following formula:

$$\text{Correlation Coefficient(r)} = \frac{n\sum XY - \sum X \sum Y}{\sqrt{n\sum X^2 - (\sum X)^2}\sqrt{n\sum Y^2 - (\sum Y)^2}}$$

Where,

n = Number of responses

X = Value of independent variable

Y= Value of dependent variable

3.4.3 Regression Analysis

Regression analysis is a statistical method used to examine the relationship between one dependent variable and one or more independent variables (Gujarati & Porter, 2009). It aims to predict the value of the dependent variable based on the values of the independent variables. In the context of this study, multivariate regression analysis was employed to assess the impact of sustainable finance on investment decision-making. Two regression models were utilized to analyze this relationship. The regression models used in this study are as follows:

$Y_{TRU} = \alpha + \beta_1 PAT + \beta_2 SAT + \beta_3 PBC + E$ …….…. Eq (1)

$Y_{IDM} = \alpha + \beta_1 PAT + \beta_2 SAT + \beta_3 PBC + \beta_4 TRU + E$ ……..…… Eq (2)

Where,

PAT = Personal Attitude

SAT = Subjective Attitude

PBC = Perceived Behavioral Control

TRU = Trust

IDM = Investment Decision Making

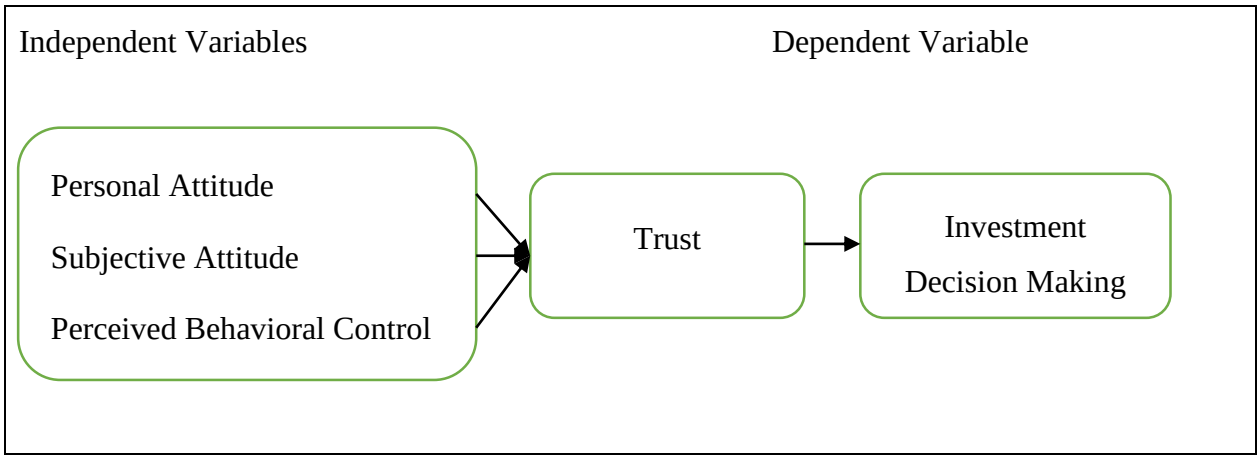
α = Intercept term

e = Error Term

β_1, β_2, β_3, β_4= Coefficients

3.5 Research Framework and Definition of Variables

The research framework outlines the conceptual structure guiding the study's investigation. It provides a theoretical foundation and framework for understanding the relationships between variables. According to Heyvaert et al. (2013), a research framework serves as a roadmap for researchers to systematically explore and analyze the phenomena under investigation, guiding the formulation of research questions, hypotheses, and data analysis strategies. In this study, the research framework has been developed based on the theory proposed by Chan et al. (2022), which incorporates Personal Attitude, Subjective Attitude, and Perceived Behavioral Control as independent variables influencing sustainable financing. Trust and investment decision-making are considered as dependent variables.



Source: Chan et al. (2022)

Figure 2. Research Framework of the Study

3.5.2 Operational Definition of Variables

Personal Attitude

Personal attitude refers to an individual's overall evaluation or inclination towards a specific concept, behavior, or decision. It encompasses one's beliefs, feelings, and preferences regarding the subject matter. In the context of sustainable finance, personal attitude may involve an investor's personal values, ethical beliefs, and environmental concerns influencing their perception of sustainable investment options. According to Ajzen (1991), personal attitude plays a crucial role in shaping individuals' intentions and behaviors. This concept is widely discussed in the literature on consumer behavior and decision-making (Ajzen, 1991).

Subjective Attitude

Subjective attitude refers to an individual's subjective assessment or perception of a particular concept or behavior. It reflects one's personal evaluation of the desirability or favorability of the subject matter. In the context of sustainable finance, subjective attitude may involve investors' subjective opinions or judgments about the attractiveness, benefits, or risks associated with sustainable investment options. The concept of subjective attitude is central to theories of reasoned action and planned behavior, where it is considered a key determinant of behavioral intentions (Ajzen & Fishbein, 1980).

Perceived Behavioral Control

Perceived behavioral control refers to an individual's perception of the ease or difficulty of performing a specific behavior and their confidence in their ability to execute it. It encompasses beliefs about the presence of facilitating or hindering factors that may influence behavior. In the context of sustainable finance, perceived behavioral control may involve investors' perceptions of their ability to engage in sustainable investment practices, overcome obstacles, and achieve desired outcomes. According to Ajzen (2002), perceived behavioral control influences individuals' behavioral intentions and directly affects their behavior, particularly when they perceive a high level of control over the behavior in question.

Trust

Trust is a fundamental concept in interpersonal relationships and transactions, representing a belief in the reliability, integrity, and competence of another party. In the context of

finance and investment, trust refers to investors' confidence in financial institutions, investment products, and market mechanisms. It encompasses perceptions of credibility, transparency, and accountability in financial transactions. Trust plays a crucial role in shaping investors' decisions to engage in sustainable finance initiatives and their willingness to allocate capital to sustainable investment opportunities. The literature on finance and investment highlights the importance of trust in fostering investor confidence and facilitating market participation (Bhattacharya et al., 1998).

Investment Decision Making

Investment decision making refers to the process by which individuals or organizations evaluate investment opportunities, make choices, and allocate resources among different assets or projects. It involves assessing various factors such as risk, return, liquidity, and diversification to optimize investment outcomes. In the context of sustainable finance, investment decision making encompasses considerations of environmental, social, and governance (ESG) criteria alongside traditional financial metrics. It reflects investors' preferences, goals, and strategies in integrating sustainability considerations into their investment decisions. The literature on investment decision-making discusses various models, theories, and approaches to understanding how investors evaluate and select investment options (Barberis & Thaler, 2003).

CHAPTER IV
RESULTS AND DISCUSSION

In this chapter, the results of the study are meticulously presented and analyzed, providing insights into the intricate relationship between sustainable finance and investment decision-making. The findings are then critically discussed, drawing comparisons and contrasts with conclusions from previous research. This comprehensive approach not only highlights the significance of the study's outcomes but also enriches our understanding of the broader implications within the field of sustainable finance.

4.1 Results

This section presents the results of a descriptive study, correlation analysis, and regression analysis, all encapsulated in tabular form for clarity and accessibility. The findings are rigorously analyzed, providing valuable insights into the relationships between variables and shedding light on the nuances of sustainable finance and its implications for investment decision-making. Through careful examination and interpretation, this analysis enhances our understanding of the complex interplay between various factors and offers valuable contributions to the existing body of knowledge in the field.

4.1.1 Demographic Profile of Respondents

This section delves into the demographic profile of the respondents, exploring key factors such as gender, marital status, age in years, education level, and monthly salary. By examining these demographic characteristics, the study gains valuable insights into the diverse backgrounds and perspectives of the participants. Understanding the demographic composition of the sample population is crucial for contextualizing the findings and discerning potential patterns or correlations within the data. Through a comprehensive analysis of demographic variables, this section enriches the overall understanding of the research context and lays a solid foundation for subsequent analyses and interpretations.

Table 2
Demographic Profile of Respondents

Variables		Frequency	Percent
Gender	Male	215	55.84
	Female	170	44.16
Marital Status	Single	187	48.57
	Married	198	51.43
Age in Years	21 to 30	155	40.26
	31 to 40	119	30.91
	41 to 50	79	20.52
	51 and above	32	8.31
Education Level	SLC/SEE	22	5.71
	10+2	37	9.61
	Bachelors	200	51.95
	Masters or above	126	32.73
Salary (Monthly)	Below Rs. 20,000	28	7.27
	Rs. 20,001 – Rs. 50,000	103	26.75
	Rs. 50,001 – Rs. 80,000	160	41.56
	Above Rs. 80,001	94	24.42

Source: Appendix II

Table 2 presents the demographic profile of respondents participating in the study. The table illustrates the distribution of respondents across various variables, including gender, marital status, age in years, education level, and monthly salary. In terms of gender, 215 respondents (55.84%) identified as male, while 170 respondents (44.16%) identified as female. Regarding marital status, 187 respondents (48.57%) reported being single, whereas 198 respondents (51.43%) indicated being married. Age distribution shows that 155 respondents (40.26%) were aged between 21 to 30 years, followed by 119 respondents (30.91%) aged between 31 to 40 years, 79 respondents (20.52%) aged between 41 to 50 years, and 32 respondents (8.31%) aged 51 years and above. Regarding education level, 22 respondents (5.71%) had completed SLC/SEE, 37 respondents (9.61%) had completed 10+2, 200 respondents (51.95%) held a bachelor's degree, and 126 respondents (32.73%) had a master's degree or above. In terms of monthly salary, 28 respondents (7.27%) reported earnings below Rs. 20,000, 103 respondents (26.75%) earned between Rs. 20,001 to Rs. 50,000, 160 respondents (41.56%) earned between Rs. 50,001 to Rs. 80,000, and 94 respondents (24.42%) reported earnings above Rs. 80,001.

4.1.2 Reliability Test

In order to assure the reliability of both the data and the findings, this research utilized SPSS software. Through SPSS, the consistency of the data was evaluated using the Cronbach's Alpha Test of Reliability. This assessment gauges the consistency of results and yields a score ranging from 0 to 1. A score below 0.60 indicates low reliability, while a range of 0.90 to 0.99 signifies exceptional reliability. Generally, a score surpassing 0.7 is considered acceptable (Nunnally, 1978).

Table 3
Reliability Test

Code	Variables	Cronbach's Alpha	No of Items
PAT	Personal Attitude	0.824	7
SAT	Subjective Attitude	0.894	7
PBC	Perceived Behavioral Control	0.896	7
TRU	Trust	0.886	7
IDM	Investment Decision Making	0.895	7

Source: Appendix III

Table 3 presents the reliability test results for the data collected in this study. The Cronbach's Alpha coefficient is used to assess the internal consistency or reliability of the variables. For Personal Attitude (PAT), the Cronbach's Alpha coefficient is 0.824, indicating a high level of internal consistency among the items measuring personal attitude. Similarly, Subjective Attitude (SAT) exhibits a Cronbach's Alpha of 0.894, Perceived Behavioral Control (PBC) has a Cronbach's Alpha of 0.896, Trust (TRU) has a Cronbach's Alpha of 0.886, and Investment Decision Making (IDM) has a Cronbach's Alpha of 0.895. All of these Cronbach's Alpha coefficients exceed the commonly accepted threshold of 0.70, suggesting that the data for each variable is reliable. Therefore, based on the Cronbach's Alpha values, it can be concluded that the data collected for this study is reliable.

4.1.3 Descriptive Statistics

Descriptive statistics refers to the numerical summaries used to describe the basic features of a dataset. These statistics provide simple summaries about the sample and the observations contained within it. In this study, descriptive statistics are employed to analyze and summarize the characteristics of investor perceptions towards sustainable finance in investment decision making. This includes measures such as mean and standard deviation,

which help in understanding the central tendency and variability of the data. Specifically, the mean provides an average value of the responses, while the standard deviation indicates the extent to which individual responses deviate from the mean. By utilizing descriptive statistics, this study aims to provide a clear overview of investor perceptions and their variability in relation to sustainable finance.

Table 4

Summary of Descriptive Statistics

Code	Variables	N	Mean	S.D.
PAT	Personal Attitude	385	3.697	0.703
SAT	Subjective Attitude	385	3.875	0.717
PBC	Perceived Behavioral Control	385	3.935	0.668
TRU	Trust	385	3.867	0.701
IDM	Investment Decision Making	385	3.958	0.651

Source: Appendix IV

Table 4 presents a summary of descriptive statistics concerning investor perception towards sustainable finance and investment decision making. The mean score for Personal Attitude (PAT) was found to be 3.697, with a standard deviation of 0.703. This suggests that, on average, investors held a moderately positive attitude towards sustainable finance. This indicates that respondents generally viewed selecting stocks of green companies as favorable or beneficial, albeit with some variability in their attitudes.

Subjective Attitude (SAT) yielded a mean score of 3.875 and a standard deviation of 0.717. This indicates a slightly higher level of subjective attitude towards sustainable finance compared to Personal Attitude. It suggests that respondents perceived the endorsement of important individuals and peers towards investing in companies with green practices.

Perceived Behavioral Control (PBC) received a mean score of 3.935 with a standard deviation of 0.668. This suggests that respondents generally felt confident and in control of their investment decisions related to sustainable finance. It reflects their belief in their ability to select companies with green practices and invest accordingly.

Trust (TRU) demonstrated a mean score of 3.867 with a standard deviation of 0.701. This indicates a moderate level of trust in companies practicing sustainable finance. Respondents perceived these companies as reliable partners for investment, showing confidence in their integrity, transparency, and commitment to sustainable development.

Investment Decision Making (IDM) showed the highest mean score of 3.958 and a standard deviation of 0.651. This implies that investors perceived sustainable finance positively in terms of its impact on investment decisions. They considered environmental factors, prioritized investments in companies with strong sustainability practices, and believed that sustainable investment decisions contribute to long-term financial success.

4.1.4 Correlation Analysis

In this study, correlation analysis serves as a pivotal tool for exploring the relationship between sustainable finance and investment decision-making. By employing correlation analysis, researchers can assess the strength and direction of the association between variables related to sustainable finance practices and investment decisions.

Table 5

Correlation Matrix

Variables		PAT	SAT	PBC	TRU	IDM
PAT	Pearson Correlation	1				
	Sig. (2-tailed)					
SAT	Pearson Correlation	.691**	1			
	Sig. (2-tailed)	0.000				
PBC	Pearson Correlation	.514**	.603**	1		
	Sig. (2-tailed)	0.000	0.000			
TRU	Pearson Correlation	.487**	.669**	.798**	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
IDM	Pearson Correlation	.492**	.580**	.630**	.637**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

Source: Appendix V

Table 5 presents the correlation between the independent variables Personal Attitude (PAT), Subjective Attitude (SAT), Perceived Behavioral Control (PBC), Trust (TRU), and the dependent variable Investment Decision Making (IDM). The correlation coefficient between IDM and PAT is 0.492, indicating a moderate positive correlation. This correlation is statistically significant at the 5 percent level ($p < 0.05$), suggesting that there is a significant positive relationship between PAT and IDM.

The correlation coefficient between IDM and SAT is 0.580, indicating a strong positive correlation. This correlation is statistically significant at the 5 percent level ($p < 0.05$), indicating a significant positive relationship between SAT and IDM.

The correlation coefficient between IDM and PBC is 0.630, indicating a strong positive correlation. This correlation is statistically significant at the 5 percent level ($p < 0.05$), suggesting a significant positive relationship between PBC and IDM.

The correlation coefficient between IDM and TRU is 0.637, indicating a strong positive correlation. This correlation is statistically significant at the 5 percent level ($p < 0.05$), suggesting a significant positive relationship between TRU and IDM.

Overall, these correlations indicate that all independent variables (PAT, SAT, PBC, TRU) have a positive and statistically significant relationship with the dependent variable IDM, indicating their importance in predicting investment decision making in the context of sustainable finance.

4.1.5 Regression Analysis

In this study, regression analysis plays a crucial role in examining the relationship between sustainable finance and investment decision-making. By utilizing regression analysis, researchers can identify the extent to which sustainable finance practices impact investment decisions and outcomes. Regression models allow for the exploration of complex relationships between multiple variables, providing insights into the predictive power of sustainable finance factors on investment behavior. Through regression analysis, the study aims to quantify the influence of various sustainability metrics, such as environmental, social, and governance (ESG) criteria, on investment decisions, portfolio performance, and financial returns. By conducting regression analysis, researchers can uncover patterns, trends, and potential causal relationships between sustainable finance practices and investment decision-making, offering valuable guidance for investors, financial institutions, and policymakers seeking to promote sustainable investment strategies.

4.1.5.1 Regression Model I

In this Regression Model I, the study explores the impact of Personal Attitude (PAT), Subjective Attitude (SAT), and Perceived Behavioral Control (PBC) on Trust (TRU) to analyze the trust buildup resulting from sustainable finance towards investment decision making. By investigating how these factors influence trust in companies practicing sustainable finance, the study aims to uncover the mechanisms through which investor perceptions are shaped and how these perceptions ultimately impact their investment decisions. Through regression analysis, the study seeks to provide insights into the

dynamics of trust formation in the context of sustainable finance and its implications for investment decision making.

Table 6

Model Summary of Regression Model I

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.833	0.694	0.692	0.388921

Source: Appendix VI

Table 6 presents the model summary of Regression Model I. The analysis indicates a significant relationship between the predictors, including Perceived Behavioral Control (PBC), Personal Attitude (PAT), and Subjective Attitude (SAT), and the dependent variable Trust (TRU). The coefficient of determination (R Square) suggests that approximately 69.4% of the variance in trust can be explained by the predictors included in the model. The adjusted R Square, which accounts for the number of predictors in the model, remains relatively stable at 69.2%. The standard error of the estimate indicates the accuracy of the regression model in predicting the values of the dependent variable. Overall, the results suggest a strong predictive ability of the regression model in explaining the variations in trust based on the selected predictors.

Table 7

ANOVA Table of Regression Model I

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	130.908	3	43.636	288.485	0.00
	Residual	57.630	381	0.151		
	Total	188.538	384			

Source: Appendix VI

table 7 displays the ANOVA results for Regression Model I. The analysis reveals a significant F-statistic of 288.485 with a corresponding p-value of 0.00, indicating that the regression model is a good fit for the data. The significance level being less than 0.05 suggests that at least one of the predictors significantly contributes to explaining the variance in the dependent variable, Investment Decision Making (IDM). Therefore, the model is deemed appropriate for further analysis, as it demonstrates a strong relationship between the predictors (Trust, Personal Attitude, Subjective Attitude, and Perceived Behavioral Control) and investment decision making.

Table 8

Beta Coefficient of Regression Model I

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.247	0.131		1.887	0.030		
	PAT	-0.069	0.040	-0.070	-1.753	0.010	0.508	1.969
	SAT	0.330	0.042	0.337	7.885	0.000	0.439	2.278
	PBC	0.661	0.038	0.630	17.492	0.000	0.618	1.618

Source: Appendix VI

Table 8 displays the beta coefficients of the independent variables in Regression Model I. For the predictor Personal Attitude (PAT), the unstandardized coefficient is -0.069, indicating a negative relationship with the dependent variable Trust (TRU). However, the standardized coefficient (Beta) is -0.070, suggesting a weak negative impact. The p-value of 0.010 is less than the significance level of 0.05, indicating that PAT is statistically significant in predicting TRU. The variance inflation factor (VIF) of 1.969 is below the threshold of 10, indicating no issue of multicollinearity.

Regarding the predictor Subjective Attitude (SAT), the unstandardized coefficient is 0.330, indicating a positive relationship with TRU. The standardized coefficient (Beta) of 0.337 suggests a moderate positive impact. The p-value of 0.000 is less than 0.05, indicating that SAT is statistically significant in predicting TRU. The VIF of 2.278 is below 10, indicating no multicollinearity issue.

For the predictor Perceived Behavioral Control (PBC), the unstandardized coefficient is 0.661, indicating a positive relationship with TRU. The standardized coefficient (Beta) of 0.630 suggests a strong positive impact. The p-value of 0.000 is less than 0.05, indicating that PBC is statistically significant in predicting TRU. The VIF of 1.618 is below 10, indicating no multicollinearity issue. Overall, the results suggest that SAT and PBC have significant positive effects on TRU, while PAT does not have a significant impact

4.1.5.2 Regression Model II

In this Regression Model II, the study investigates the impact of Personal Attitude (PAT), Subjective Attitude (SAT), Perceived Behavioral Control (PBC), and Trust (TRU) on Investment Decision Making (IBA) to analyze the influence of sustainable finance on

investment decision making. By examining how these variables collectively affect investment behavior, the study aims to shed light on the role of sustainable finance in shaping investor decisions. Through regression analysis, the study seeks to uncover the extent to which investor attitudes, perceptions of control, trust in sustainable practices, and overall investment decision making are interconnected, providing valuable insights into the implications of sustainable finance for investment strategies and outcomes.

Table 9

Model Summary of Regression Model II

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
2	0.696	0.485	0.479	0.469424

Source: Appendix VII

Table 9 presents the model summary of Regression Model II. The analysis indicates a significant relationship between the predictors, including Trust (TRU), Personal Attitude (PAT), Subjective Attitude (SAT), and Perceived Behavioral Control (PBC), and the dependent variable Investment Decision Making (IDM). The coefficient of determination (R Square) suggests that approximately 48.5% of the variance in investment decision making can be explained by the predictors included in the model. The adjusted R Square, which accounts for the number of predictors in the model, remains relatively stable at 47.9%. The standard error of the estimate indicates the accuracy of the regression model in predicting the values of the dependent variable. Overall, the results suggest a moderate predictive ability of the regression model in explaining the variations in investment decision making based on the selected predictors.

Table 10

ANOVA Table of Regression Model II

Model		Sum of Squares	Df	Mean Square	F	Sig.
2	Regression	78.829	4	19.707	89.432	0.00
	Residual	83.737	380	0.220		
	Total	162.565	384			

Source: Appendix VII

Table 10 presents the ANOVA results for Regression Model II. The analysis indicates a significant F-statistic of 89.432 with a corresponding p-value of 0.00, suggesting that the regression model is a good fit for the data. Since the significance level is less than 0.05, it

indicates that at least one of the predictors (Trust, Personal Attitude, Subjective Attitude, and Perceived Behavioral Control) significantly contributes to explaining the variance in the dependent variable, Investment Decision Making (IDM). Therefore, the model is considered appropriate for further analysis, demonstrating a strong relationship between the predictors and investment decision making.

Table 11

Beta Coefficient of Regression Model II

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2	(Constant)	1.035	0.159		6.517	0.000		
	PAT	0.105	0.048	0.113	2.182	0.030	0.504	1.985
	SAT	0.155	0.054	0.171	2.856	0.005	0.377	2.650
	PBC	0.258	0.061	0.265	4.214	0.000	0.343	2.917
	TRU	0.237	0.062	0.256	3.839	0.000	0.306	3.272

Source: Appendix VII

Table 11 displays the beta coefficients of the independent variables in Regression Model II. For the predictor Personal Attitude (PAT), the unstandardized coefficient is 0.105, indicating a positive relationship with the dependent variable Investment Decision Making (IDM). The standardized coefficient (Beta) is 0.113, suggesting a weak positive impact. The p-value of 0.03 is less than the significance level of 0.05, indicating that PAT is statistically significant in predicting IDM. The variance inflation factor (VIF) of 1.985 is below the threshold of 10, indicating no issue of multicollinearity.

Regarding the predictor Subjective Attitude (SAT), the unstandardized coefficient is 0.155, indicating a positive relationship with IDM. The standardized coefficient (Beta) of 0.171 suggests a moderate positive impact. The p-value of 0.005 is less than 0.05, indicating that SAT is statistically significant in predicting IDM. The VIF of 2.65 is below 10, indicating no multicollinearity issue.

For the predictor Perceived Behavioral Control (PBC), the unstandardized coefficient is 0.258, indicating a positive relationship with IDM. The standardized coefficient (Beta) of 0.265 suggests a moderate positive impact. The p-value of 0 is less than 0.05, indicating that PBC is statistically significant in predicting IDM. The VIF of 2.917 is below 10, indicating no multicollinearity issue.

For the predictor Trust (TRU), the unstandardized coefficient is 0.237, indicating a positive relationship with IDM. The standardized coefficient (Beta) of 0.256 suggests a moderate positive impact. The p-value of 0 is less than 0.05, indicating that TRU is statistically significant in predicting IDM. The VIF of 3.272 is below 10, indicating no multicollinearity issue. Overall, the results suggest that PAT, SAT, PBC, and TRU all have significant positive effects on IDM.

4.1.5 Major Findings

- The majority of respondents were male, comprising 215 individuals, accounting for 55.84% of the sample.
- In terms of marital status, the study found that nearly half of the respondents were married, with 198 individuals representing 51.43% of the sample.
- Regarding age distribution, the largest proportion of respondents fell into the 21 to 30 years category, constituting 40.26% of the sample, followed by those aged between 31 to 40 years, making up 30.91% of the respondents.
- Educational attainment varied among the respondents, with bachelor's degree holders being the most prevalent group, comprising 51.95% of the sample, followed by those with a master's degree or above, accounting for 32.73% of respondents.
- In terms of monthly salary, the study found that a significant portion of respondents earned between Rs. 50,001 to Rs. 80,000, with 160 individuals representing 41.56% of the sample, followed by those earning above Rs. 80,001, constituting 24.42% of respondents.
- The mean score for Personal Attitude (PAT) towards sustainable finance was 3.697, indicating a moderately positive attitude among investors.
- Subjective Attitude (SAT) received a slightly higher mean score of 3.875, suggesting a favorable perception of endorsement from important individuals and peers.
- Perceived Behavioral Control (PBC) demonstrated a mean score of 3.935, reflecting investors' confidence and control over their investment decisions related to sustainable finance.
- Trust (TRU) exhibited a mean score of 3.867, indicating a moderate level of trust in companies practicing sustainable finance, with investors perceiving them as reliable partners.

- Investment Decision Making (IDM) showed the highest mean score of 3.958, implying a positive perception of sustainable finance's impact on investment decisions, with investors considering environmental factors and prioritizing investments in sustainable companies.
- Personal Attitude (PAT) shows a moderate positive correlation with Investment Decision Making (IDM) at 0.492, indicating a significant relationship.
- Subjective Attitude (SAT) exhibits a strong positive correlation with IDM at 0.580, signifying a significant relationship.
- Perceived Behavioral Control (PBC) demonstrates a strong positive correlation with IDM at 0.630, indicating a significant relationship.
- Trust (TRU) displays a strong positive correlation with IDM at 0.637, suggesting a significant relationship.
- Overall, these correlations indicate that all independent variables (PAT, SAT, PBC, TRU) have a positive and statistically significant relationship with the dependent variable IDM, highlighting their importance in predicting investment decision making in sustainable finance.
- The coefficient of determination (R Square) indicates that approximately 69.4% of the variance in trust can be explained by the predictors in the model.
- The adjusted R Square, which considers the number of predictors, remains stable at 69.2%, suggesting a robust model fit.
- The unstandardized coefficient for Personal Attitude (PAT) is -0.069, indicating a negative relationship with Trust (TRU).
- However, the standardized coefficient (Beta) of -0.070 suggests a weak negative impact of PAT on TRU.
- PAT is not statistically significant in predicting TRU, as indicated by a p-value of 0.080, which exceeds the significance level of 0.05.
- The variance inflation factor (VIF) of 1.969 for PAT is below the threshold of 10, suggesting no multicollinearity issue.
- Subjective Attitude (SAT) shows a positive relationship with TRU, with an unstandardized coefficient of 0.330 and a standardized coefficient (Beta) of 0.337.
- SAT is statistically significant in predicting TRU, with a p-value of 0.000, indicating a moderate positive impact.

- Perceived Behavioral Control (PBC) exhibits a positive relationship with TRU, supported by an unstandardized coefficient of 0.661 and a standardized coefficient (Beta) of 0.630.
- PBC is statistically significant in predicting TRU, with a p-value of 0.000, suggesting a strong positive impact.
- The VIF values for SAT (2.278) and PBC (1.618) are below 10, indicating no multicollinearity issue.
- Overall, the results indicate that SAT and PBC have significant positive effects on TRU, while PAT significantly impact TRU.
- Regression Model II shows a significant relationship between Trust (TRU), Personal Attitude (PAT), Subjective Attitude (SAT), and Perceived Behavioral Control (PBC), and Investment Decision Making (IDM).
- The coefficient of determination (R Square) indicates that approximately 48.5% of the variance in investment decision making can be explained by the predictors included in the model.
- The adjusted R Square, considering the number of predictors, remains relatively stable at 47.9%.
- Personal Attitude (PAT) shows a weak positive impact on Investment Decision Making (IDM), with a standardized coefficient (Beta) of 0.113.
- Subjective Attitude (SAT) demonstrates a moderate positive impact on IDM, with a standardized coefficient (Beta) of 0.171.
- Perceived Behavioral Control (PBC) exhibits a moderate positive impact on IDM, with a standardized coefficient (Beta) of 0.265.
- Trust (TRU) also displays a moderate positive impact on IDM, with a standardized coefficient (Beta) of 0.256.
- All predictors - PAT, SAT, PBC, and TRU - are statistically significant in predicting IDM, as their p-values are less than 0.05.
- The variance inflation factors (VIF) for all predictors are below 10, indicating no multicollinearity issues in the model.
- Overall, the results suggest that PAT, SAT, PBC, and TRU have significant positive effects on Investment Decision Making.

4.2 Discussion

The analysis of the first objective through descriptive statistics revealed that investors generally hold a moderately positive attitude towards sustainable finance in investment decision making. Key insights from mean scores indicate favorability towards selecting stocks of green companies and a positive perception of sustainable finance's impact on investment decisions. Singhania et al. (2024), Ye and Dela (2023), and Li et al. (2023) align with the this study conclusion. However, Filippini et al. (2022) and Gutsche et al. (2021) present findings that contrast with the positive perception observed in this research.

The correlation analysis indicated a strong and significant positive relationship between sustainable finance variables and investment decision making (IDM). Personal Attitude (PAT) demonstrates a moderate positive correlation with IDM, suggesting that investors' personal attitudes towards sustainable finance positively influence their investment decisions. Subjective Attitude (SAT) exhibits a strong positive correlation with IDM, implying that endorsements from influential individuals and peers play a significant role in shaping investors' decisions. Perceived Behavioral Control (PBC) shows a strong positive correlation with IDM, indicating that investors' confidence and perceived control over their investment decisions regarding sustainable finance contribute to their actual investment behavior. Trust (TRU) displays a strong positive correlation with IDM, suggesting that investors' trust in companies practicing sustainable finance influences their investment decisions. Ye and Dela (2023) and Li et al. (2023) align with the findings of this study regarding the positive impact of sustainable finance on investment decision making. However, Filippini et al. (2022) and Gutsche et al. (2021) present findings that contrast with the positive perception observed in this research.

The regression analysis conducted in this study revealed that all predictors—Personal Attitude (PAT), Subjective Attitude (SAT), Perceived Behavioral Control (PBC), and Trust (TRU)—positively impact Investment Decision Making (IDM). PAT exhibited a weak positive impact, while SAT, PBC, and TRU showed moderate positive impacts on IDM. This result matched with Singhania et al. (2024) and Li et al. (2023), who also found positive associations between sustainable finance and investment decision making. However, it doesn't match with Filippini et al. (2022) and Gutsche et al. (2021), whose findings contrast with the positive relationship observed in this study.

CHAPTER V
SUMMARY AND CONCLUSION

In summary, this chapter encapsulates the findings, conclusions, and implications derived from the study on sustainable finance and its implications for investment decision-making. Through rigorous analysis, the study revealed significant relationships between various factors such as personal attitude, subjective attitude, perceived behavioral control, trust, and investment decision-making. These findings underscore the importance of considering sustainable finance practices in investment decisions, as they can positively influence investor attitudes and behaviors. The implications of this study extend to financial practitioners, policymakers, and researchers, highlighting the potential for integrating sustainable finance principles into investment strategies to promote both financial and environmental sustainability. Ultimately, this research contributes to the growing body of knowledge in sustainable finance and offers valuable insights for shaping future investment practices towards more sustainable outcomes.

5.1 Summary

This study delves into the multifaceted realm of sustainable finance, which encompasses integrating environmental, social, and governance (ESG) considerations into investment decision-making processes. With the backdrop of pressing global challenges like climate change and social inequality, the study addresses critical issues such as the lack of standardized frameworks, evolving sustainability regulations, and information opacity in the market. These challenges hinder effective evaluation and implementation of sustainable investment strategies, necessitating rigorous exploration. The primary objective of this study is to analyze the impact of sustainable finance on investment decision-making, assessing investors' perceptions, exploring the relationship between sustainable finance and investment decisions, and analyzing the overall impact of sustainable finance practices

The literature review for this study adopts a comprehensive approach, organized into four main sections: conceptual review, theoretical review, empirical review, and research gap analysis. The conceptual review delineates key concepts and frameworks in sustainable finance, including environmental, social, and governance (ESG) factors, green financing mechanisms, and sustainable investment strategies. The theoretical review examines diverse theoretical models and frameworks, such as behavioral finance theories, agency

theory, and stakeholder theory, to analyze the relationship between sustainable finance and investment decision-making. In the empirical review, existing empirical studies and research findings are scrutinized to explore the impact of sustainable finance on investment decisions, investigating factors influencing investor behavior, market trends, and performance outcomes. Through this comprehensive review, notable research gaps are identified, particularly highlighting the need for more empirical research to elucidate the practical implications of sustainable finance on investment decision-making processes.

The research design for this study combines descriptive and causal-comparative methodologies to comprehensively explore the relationship between sustainable finance and investment decision-making processes. Descriptive statistics are employed to analyze the current status of investment decision-making, identifying patterns and trends within the data. Concurrently, a causal-comparative research design is utilized to investigate the impact of sustainable finance on investment decisions by comparing different groups or conditions. The study focuses on the population of investors residing within Chandragiri municipality, with a sample size of 385 respondents selected using convenience sampling for practical data collection. Data collection involves the use of a structured questionnaire survey method, adapted from previous research and tailored to the Nepalese context, employing a five-point Likert scale to gauge respondents' attitudes and perceptions towards sustainable finance and investment decision-making.

The data collected for this study underwent thorough analysis using statistical tools such as Microsoft Excel and SPSS. Various statistical techniques, including descriptive statistics, correlation analysis, and multivariate regression models, were employed to scrutinize the dataset and extract meaningful insights regarding the relationship between sustainable finance and investment decision-making in Chandragiri municipality. Additionally, the research framework delineates the conceptual structure of the study. It incorporates Personal Attitude, Subjective Attitude, and Perceived Behavioral Control as independent variables influencing sustainable financing, while Trust and investment decision-making serve as dependent variables. This framework provides a theoretical foundation for systematically exploring and analyzing the phenomena under investigation, guiding the formulation of research questions, hypotheses, and data analysis strategies.

The findings from both the correlation analysis and regression analysis provide strong evidence supporting the notion that sustainable finance variables significantly influence investment decision making (IDM). Personal Attitude (PAT), Subjective Attitude (SAT),

Perceived Behavioral Control (PBC), and Trust (TRU) all demonstrate positive correlations with IDM, indicating that investors' attitudes, perceptions, confidence levels, and trust in sustainable finance play essential roles in shaping their investment decisions. While PAT exhibits a weaker impact compared to SAT, PBC, and TRU, all variables show statistically significant effects on IDM. Therefore, it can be concluded that sustainable finance variables, collectively, serve as main determinants of investment decision making, emphasizing the importance of considering these factors in understanding and predicting investors' behavior in the context of sustainable finance.

The practical implications of this study suggest that fostering positive attitudes, perceptions, confidence, and trust in sustainable finance can significantly influence investment decision making. Financial institutions and policymakers should focus on promoting awareness and education regarding sustainable finance practices to empower investors to make informed decisions aligned with sustainability goals. Additionally, incorporating sustainable finance considerations into investment strategies and decision-making processes can enhance long-term value creation and contribute to a more sustainable future. Theoretical implications highlight the importance of integrating behavioral theories and frameworks into the study of sustainable finance to better understand the underlying mechanisms driving investors' attitudes and behaviors. Recommendations include developing targeted educational initiatives, enhancing transparency and reporting standards in sustainable finance, and fostering collaborative efforts between stakeholders to advance sustainable investment practices globally.

5.2 Conclusion

The first objective of this study has been analyzed with the help of descriptive statistics which revealed several key insights regarding investors' perception towards sustainable finance in investment decision making. Overall, investors exhibit a moderately positive attitude towards sustainable finance, as indicated by the mean scores for Personal Attitude (PAT), Subjective Attitude (SAT), Perceived Behavioral Control (PBC), Trust (TRU), and Investment Decision Making (IDM). This suggests that investors generally view selecting stocks of green companies favorably and perceive sustainable finance positively in terms of its impact on investment decisions. However, there is variability in attitudes, as reflected by the standard deviations for each variable. While respondents demonstrate confidence and trust in companies practicing sustainable finance, the extent of their positive perception varies. Therefore, while the overall trend is encouraging, it is essential for stakeholders to

address this variability and further enhance investors' understanding and confidence in sustainable finance practices to ensure broader adoption and impact.

The correlation analysis indicated a strong and significant positive relationship between sustainable finance variables and investment decision making (IDM). Personal Attitude (PAT) demonstrates a moderate positive correlation with IDM, suggesting that investors' personal attitudes towards sustainable finance positively influence their investment decisions. Subjective Attitude (SAT) exhibits a strong positive correlation with IDM, implying that endorsements from influential individuals and peers play a significant role in shaping investors' decisions. Perceived Behavioral Control (PBC) shows a strong positive correlation with IDM, indicating that investors' confidence and perceived control over their investment decisions regarding sustainable finance contribute to their actual investment behavior. Trust (TRU) displays a strong positive correlation with IDM, suggesting that investors' trust in companies practicing sustainable finance influences their investment decisions. Overall, these findings underscore the importance of considering attitudes, perceptions, and confidence levels in sustainable finance when understanding their impact on investment decision making.

The regression analysis confirmed that all predictors—Personal Attitude (PAT), Subjective Attitude (SAT), Perceived Behavioral Control (PBC), and Trust (TRU)—have a significant positive impact on Investment Decision Making (IDM). PAT exhibits a weak positive impact, suggesting that investors' personal attitudes towards sustainable finance influence their investment decisions to a limited extent. SAT shows a moderate positive impact, indicating that endorsements and perceptions from influential individuals and peers have a more substantial effect on investors' decisions. PBC demonstrates a moderate positive impact, implying that investors' confidence and perceived control over sustainable finance decisions contribute moderately to their investment behavior. TRU displays a moderate positive impact, suggesting that investors' trust in companies practicing sustainable finance moderately influences their investment decisions. Overall, these findings underscore the significant and positive impact of sustainable finance variables on investment decision making, highlighting the importance of attitudes, perceptions, confidence levels, and trust in shaping investors' decisions in the context of sustainable finance.

5.3 Implications

5.3.1 Theoretical Implications

Theoretical implications of this study are profound, particularly in enriching existing behavioral finance theories with insights from sustainable finance contexts. By delving into the intricate relationship between attitudes, perceptions, confidence, and trust in sustainable finance, this research contributes to the evolution of theoretical frameworks. It offers valuable insights into the psychological drivers behind investor decision-making, shedding light on how individual beliefs interact with external factors to shape investment behavior. Integrating these insights into behavioral finance models enhances their explanatory power, providing a deeper understanding of sustainable finance dynamics within the broader financial landscape.

5.3.2 Practical Implications

Practical implications of this study underscore the significance of fostering positive attitudes, perceptions, confidence, and trust in sustainable finance among investors. Financial institutions, regulatory bodies, and policymakers can leverage these insights to develop targeted interventions aimed at promoting sustainable finance literacy and awareness. Initiatives such as educational programs, workshops, and awareness campaigns can empower investors with the knowledge and tools needed to evaluate sustainability considerations in their investment decisions effectively. By integrating sustainable finance criteria into investment strategies, stakeholders can not only enhance financial performance but also contribute to broader sustainability goals, fostering a more resilient and responsible financial ecosystem.

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APPENDICES

Appendix I Questionnaire

Dear Sir/Mam,

We kindly request your participation in a study examining the intricate dynamics of sustainable finance and its implications for investment decision-making. Your insights are invaluable in shedding light on the evolving landscape of investment practices and their alignment with sustainability goals. By sharing your perspectives, you contribute to advancing our understanding of how financial decisions impact environmental and social outcomes. Your participation is greatly appreciated, and we assure you that all responses will be handled confidentially. Thank you for your time and valuable contribution to this research endeavor.

Bir Bahadur Saud
Shanker Dev Campus

Part I: Profile of Respondents

Please put a tick mark (✓) in the box in an appropriate option for each of the following.

1. Gender
a. Male
b. Female
2. Marital Status
a. Single
b. Married
3. Age
a. 21 to 30
b. 31 to 40
c. 41 to 50
d. 51 and above
4. Education Level
a. SLC/SEE
b. 10+2
c. Bachelors
d. Masters or Above
5. Your salary range (monthly)
a. Below Rs. 20,000
b. Rs. 20,001 – Rs. 50,000
c. Rs. 50,001 – Rs. 80,000

d. Above Rs. 80,001

Part II: Core Questions of Investment Decision Making [(Source: Chan et al. (2022)]

Please put a tick mark (✓) in the box in an appropriate option for each of the following.

S.N.	Personal Attitude (PAT)	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	Selecting stock of green companies is good.					
2	Selecting stock of green companies is beneficial.					
3	Selecting stock of green companies is satisfactory.					
4	Selecting stock of green companies is valuable.					
5	Selecting stock of green companies is a wise move.					
6	Investing in environmentally responsible companies aligns with my personal values.					
7	Supporting green initiatives through investment reflects positively on my ethical stance.					
S.N.	**Subjective Attitude (SAT)**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	People who are important to me think that I should invest in companies with green practices.					
2	People who are important to me would allow me to invest in companies with green practices.					
3	People who are important to me want me to invest in companies with green practices.					
4	I feel a sense of obligation to invest in companies with green practices based on the expectations of those close to me.					
5	The influence of my peers significantly impacts my					

	decision to invest in companies with green practices.					
6	Considering the opinions of my peers, I am more inclined to invest in companies with green initiatives.					
7	I value the input and recommendations of my social circle when it comes to investing in environmentally responsible companies.					
S.N.	**Perceived Behavioral Control (PBC)**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	I have full control in the stock selection.					
2	I believe that I have the ability to select companies with green practices.					
3	I definitely could invest in companies with green practices.					
4	Given the opportunity, I have the confidence to invest in companies with green practices.					
5	I possess the necessary knowledge to make informed investment decisions in environmentally responsible companies.					
6	I am equipped with the skills required to identify and invest in companies with strong sustainability practices.					
7	I feel empowered to make investment choices that align with my values and beliefs regarding environmental sustainability.					
S.N.	**Trust (TRU)**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**

1	I trust companies with green practices to deliver on their promises.					
2	I have confidence in the integrity and transparency of companies with green practices.					
3	I believe that companies with green practices are committed to sustainable development.					
4	I perceive companies with green practices as trustworthy partners for investment.					
5	I am confident that companies with green practices will provide long-term value for investors.					
6	Companies demonstrating a commitment to environmental sustainability earn my trust as an investor.					
7	I trust that companies prioritizing green initiatives will uphold ethical standards and deliver favorable outcomes for investors.					
S.N.	**Investment Decision Making (IDM)**	**Strongly Disagree**	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	I consider environmental factors when making investment decisions.					
2	I prioritize investments in companies with strong sustainability practices.					
3	I believe that sustainable investment decisions contribute to long-term financial success.					
4	I actively seek information about a company's environmental performance before investing.					
5	I am willing to accept lower financial returns in					

	exchange for higher environmental impact.					
6	Aligning my investments with environmentally responsible companies enhances my financial strategy.					
7	Environmental considerations play a significant role in shaping my investment portfolio for long-term growth.					

Appendix II Frequency Table

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	215	55.8	55.8	55.8
	Female	170	44.2	44.2	100.0
	Total	385	100.0	100.0	

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	187	48.6	48.6	48.6
	Married	198	51.4	51.4	100.0
	Total	385	100.0	100.0	

Age in Years

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21 to 30	155	40.3	40.3	40.3
	31 to 40	119	30.9	30.9	71.2
	41 to 50	79	20.5	20.5	91.7
	51 and above	32	8.3	8.3	100.0
	Total	385	100.0	100.0	

Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	SLC/SEE	22	5.7	5.7	5.7
	10+2	37	9.6	9.6	15.3
	Bachelors	200	51.9	51.9	67.3
	Masters or Above	126	32.7	32.7	100.0

	Total	385	100.0	100.0	

Salary (Monthly)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below Rs. 20,000	28	7.3	7.3	7.3
	Rs. 20,001 – Rs. 50,000	103	26.8	26.8	34.0
	Rs. 50,001 – Rs. 80,000	160	41.6	41.6	75.6
	Above Rs. 80,001	94	24.4	24.4	100.0
	Total	385	100.0	100.0	

Appendix III Reliability Test

Personal Attitude

Reliability Statistics

Cronbach's Alpha	N of Items
0.824	7

Subjective Attitude

Reliability Statistics

Cronbach's Alpha	N of Items
0.894	7

Perceived Behavioral Control

Reliability Statistics

Cronbach's Alpha	N of Items
0.896	7

Trust

Reliability Statistics

Cronbach's Alpha	N of Items
0.886	7

Investment Decision Making

Reliability Statistics

Cronbach's Alpha	N of Items
0.895	7

Appendix IV Descriptive Statistics

Descriptive Statistics

	N	Mean	Std. Deviation
Selecting stock of green companies is good.	385	3.51	1.123
Selecting stock of green companies is beneficial.	385	3.59	1.055
Selecting stock of green companies is satisfactory.	385	3.65	1.023
Selecting stock of green companies is valuable.	385	3.79	0.966
Selecting stock of green companies is a wise move.	385	3.70	1.019
Investing in environmentally responsible companies aligns with my personal values.	385	3.80	0.927
Supporting green initiatives through investment reflects positively on my ethical stance.	385	3.85	0.928
People who are important to me think that I should invest in companies with green practices.	385	3.90	0.940
People who are important to me would allow me to invest in companies with green practices.	385	3.85	0.938
People who are important to me want me to invest in companies with green practices.	385	3.90	0.895
I feel a sense of obligation to invest in companies with green practices based on the expectations of those close to me.	385	3.88	0.954
The influence of my peers significantly impacts my decision to invest in companies with green practices.	385	3.94	0.871
Considering the opinions of my peers, I am more inclined to invest in companies with green initiatives.	385	3.85	0.890
I value the input and recommendations of my social circle when it comes to investing in environmentally responsible companies.	385	3.80	0.928
I have full control in the stock selection.	385	3.82	0.950
I believe that I have the ability to select companies with green practices.	385	3.86	0.840
I definitely could invest in companies with green practices.	385	3.95	0.837
Given the opportunity, I have the confidence to invest in companies with green practices.	385	4.01	0.851
I possess the necessary knowledge to make informed investment decisions in environmentally responsible companies.	385	3.96	0.842
I am equipped with the skills required to identify and invest in companies with strong sustainability practices.	385	3.98	0.821

I feel empowered to make investment choices that align with my values and beliefs regarding environmental sustainability.	385	3.96	0.812
I trust companies with green practices to deliver on their promises.	385	3.83	0.963
I have confidence in the integrity and transparency of companies with green practices.	385	3.85	0.963
I believe that companies with green practices are committed to sustainable development.	385	3.89	0.857
I perceive companies with green practices as trustworthy partners for investment.	385	3.84	0.921
I am confident that companies with green practices will provide long-term value for investors.	385	3.95	0.857
Companies demonstrating a commitment to environmental sustainability earn my trust as an investor.	385	3.95	0.832
I trust that companies prioritizing green initiatives will uphold ethical standards and deliver favorable outcomes for investors.	385	3.77	0.955
I consider environmental factors when making investment decisions.	385	3.82	0.874
I prioritize investments in companies with strong sustainability practices.	385	4.01	0.767
I believe that sustainable investment decisions contribute to long-term financial success.	385	3.91	0.854
I actively seek information about a company's environmental performance before investing.	385	3.95	0.857
I am willing to accept lower financial returns in exchange for higher environmental impact.	385	4.00	0.821
Aligning my investments with environmentally responsible companies enhances my financial strategy.	385	4.04	0.831
Environmental considerations play a significant role in shaping my investment portfolio for long-term growth.	385	3.98	0.808
PAT	385	3.69686	0.703449
SAT	385	3.87478	0.716870
PBC	385	3.93512	0.668268
TRU	385	3.86748	0.700702
IDM	385	3.95753	0.650651
Valid N (listwise)	385		

Appendix V Correlation Analysis

Correlations[b]

		PAT	SAT	PBC	TRU	IDM
PAT	Pearson Correlation	1	.691**	.514**	.487**	.492**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000
SAT	Pearson Correlation	.691**	1	.603**	.669**	.580**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000
PBC	Pearson Correlation	.514**	.603**	1	.798**	.630**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000
TRU	Pearson Correlation	.487**	.669**	.798**	1	.637**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000
IDM	Pearson Correlation	.492**	.580**	.630**	.637**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

**. Correlation is significant at the 0.01 level (2-tailed).

b. Listwise N=385

Appendix VI Regression Analysis Model I

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.833[a]	0.694	0.692	0.388921

a. Predictors: (Constant), PBC, PAT, SAT

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	130.908	3	43.636	288.485	.000[b]
	Residual	57.630	381	0.151		
	Total	188.538	384			

a. Dependent Variable: TRU

b. Predictors: (Constant), PBC, PAT, SAT

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.247	0.131		1.887	0.030		
	PAT	-0.069	0.040	-0.070	-1.753	0.010	0.508	1.969
	SAT	0.330	0.042	0.337	7.885	0.000	0.439	2.278
	PBC	0.661	0.038	0.630	17.492	0.000	0.618	1.618

a. Dependent Variable: TRU

Appendix VII Regression Analysis Model II

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
2	.696[a]	0.485	0.479	0.469424

a. Predictors: (Constant), TRU, PAT, SAT, PBC

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	78.829	4	19.707	89.432	.000[b]
	Residual	83.737	380	0.220		
	Total	162.565	384			

a. Dependent Variable: IDM

b. Predictors: (Constant), TRU, PAT, SAT, PBC

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
2	(Constant)	1.035	0.159		6.517	0.000		
	PAT	0.105	0.048	0.113	2.182	0.030	0.504	1.985
	SAT	0.155	0.054	0.171	2.856	0.005	0.377	2.650
	PBC	0.258	0.061	0.265	4.214	0.000	0.343	2.917
	TRU	0.237	0.062	0.256	3.839	0.000	0.306	3.272

a. Dependent Variable: IDM

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