
Leibniz-Institut für Finanzmarktforschung SAFE e.V.
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I am a financial economist with a deep understanding of climate change and corporate sustainability. My research focuses on how investors' sustainability preferences affect financial markets, corporate behavior, and real-world outcomes.

Current position

Goethe University Frankfurt / Leibniz Institute for Financial Research SAFE
(08/2024 onwards)
Tenure-track Assistant Professor in Sustainable Finance

MIT Sloan School of Management (07/2024 onwards)
Research Affiliate

Education

University of Zurich (2017-2022)
Ph.D. in Finance (Grade 5.4/6, magna cum laude)
Supervisor: Prof. Julian Kölbl; Committee: Prof. Marc Chesney (chair), Prof. Thorsten Hens
Thesis: „*Three Essays on the Impact of Sustainable Investing*”

- Nominated for the SDG Impact Awards at the University of Zurich

University of St.Gallen (HSG) (2014 – 2016)
St.Gallen Management Certificate (CAS) (with distinction)

ETH Zurich (2008 – 2011)
M.Sc. in Environmental Sciences (Grade 5.65/6)

- Thesis published in top environmental science journal

ETH Zurich (2005 – 2010)
B.Sc. in Environmental Sciences (Grade 5.53/6)

Publications

- **Do Investors Care About Impact?** (2021). With Julian Kölbel, Falko Paetzold & Stefan Zeisberger. *The Review of Financial Studies*, 16(5), 1737–178.7
 - Selected as Editor’s Choice and lead article
 - FIR-PRI Finance & Sustainability Award Best Published Article

Abstract: We assess how investors’ willingness-to-pay (WTP) for sustainable investments responds to the social impact of those investments, using a framed field experiment. While investors have a substantial WTP for sustainable investments, they do not pay significantly more for more impact. This also holds for dedicated impact investors. When investors compare several sustainable investments, their WTP responds to relative, but not to absolute, levels of impact. Regardless of investments’ impact, investors experience positive emotions when choosing sustainable investments. Our findings suggest that the WTP for sustainable investments is primarily driven by an emotional, rather than a calculative, valuation of impact.

Contribution: I conceived the project idea, was in the lead in developing the experimental design, implemented all experiments, and analyzed the results. Jointly with Julian Kölbel, I was in the lead in writing the manuscript.

- **Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact** (2020). With Julian Kölbel, Falko Paetzold & Timo Busch. *Organization & Environment*, 33(4), 554-574.
 - Most cited paper (last 3 years) and #2 most read paper (last 6 months) in Organization & Environment (as of November 2023)
 - Cited in the draft of the EU Ecolabel Criteria for Retail Financial Products ([link](#))

Abstract: This article asks how sustainable investing contributes to societal goals, conducting a literature review on investor impact—that is, the change investors trigger in companies’ environmental and social impact. We distinguish three impact mechanisms: shareholder engagement, capital allocation, and indirect impacts, concluding that the impact of shareholder engagement is well supported in the literature, the impact of capital allocation only partially, and indirect impacts lack empirical support. Our results suggest that investors who seek impact should pursue shareholder engagement throughout their portfolio, allocate capital to sustainable companies whose growth is limited by external financing conditions, and screen out companies based on the absence of specific environmental, social, and governance practices that can be adopted at reasonable costs. For rating agencies, we outline steps to develop investor impact metrics. For policy makers, we highlight that sustainable investing helps diffuse good business practices, but is unlikely to drive a deeper transformation without additional policy measures.

Contribution: Jointly with Julian Kölbel, I conducted the expert interviews and the literature review and evaluated the results. We were also jointly in the lead in writing the manuscript.

Working Papers

- **Is Sustainable Finance a Dangerous Placebo?** (2023). With Julian Kölbel, Stefano Ramelli and Anna Vasileva. [Available on SSRN.](#)

Conferences and Seminars (*accepted): *EFA Annual Meeting 2024, AFA Annual Meeting 2024 (poster session), University of Cambridge Finance Seminar, CEPR Conference on Politics, Corporations, and the Common Good (Rotterdam), Sustainability and Finance Conference (KU Leuven), Conference on CSR (UMass Boston), Lichtenstein Workshop on Sustainable Finance (University of Lichtenstein), Sustainable Finance Workshop (University of Zurich).

Abstract: A first-order concern regarding sustainable finance is that it may crowd out individual support for more effective, policy-driven approaches to address societal challenges. We test the validity of this concern in a pre-registered experiment in the context of a real referendum on a climate law with a representative sample of the Swiss population (N=2,051). We find that the opportunity to invest in a climate-conscious fund does not erode individuals' support for climate regulation. While sustainable finance may resemble a placebo in the sense that individuals appear very optimistic about its societal impact, it is not a dangerous placebo that crowds out political engagement.

Contribution: The project idea was conceived jointly. I was in the lead for the experimental design and the evaluation of the results and contributed to writing the manuscript.

- **The Impact of Climate Engagement: A Field Experiment** (2023). With Julian Kölbel. [Available on SSRN.](#)

Conferences and Seminars (*accepted): *Alliance for Research on Corporate Sustainability Conference 2024 (UCLA), Sustainable Finance Workshop (University of Zurich).

Abstract: We report results from a pre-registered field experiment that evaluates the impact of shareholder engagement on corporate climate policy. A randomly chosen treatment group of 300 out of 1227 international companies received a letter from an index provider, asking the company to publicly commit to setting a science-based climate target or face gradual elimination from its climate indices. After one year, we observed a significant treatment effect: 21.0% of companies in the treatment group have committed, vs. 15.7% in the control group. The results show that financial institutions can affect corporate climate policy via engagement, provided they request a feasible outcome combined with a credible threat of exit.

Contribution: I contributed to the experimental design, the evaluation of the results, and writing the manuscript.

- **The Economic Impact of ESG Ratings** (2022). With Florian Berg and Julian Kölbel. [Available on SSRN.](#)

Conferences and Seminars: FMA Annual Meeting 2023 (Chicago), Global Research Alliance for Sustainable Finance and Investment Conference 2023 (Yale University), Alliance for Research on Corporate Sustainability Conference 2023 (University of Virginia), Geneva Finance Research Institute Seminar, Cornell Finance Seminar, MIT Applied Economics/Finance/Accounting seminar, Oxford Smith School Seminar, ESG summit of the European University Institute/Bank of Italy.

Abstract: This study examines the impact of ESG ratings on fund holdings, stock returns, and firm behavior. First, we show that among five major ESG ratings, only MSCI ESG can explain the holdings of US funds with an ESG mandate. We document that downgrades in the MSCI ESG rating substantially reduce firms' ownership by such funds, while upgrades increase it. However, this response in ownership is slow, unfolding gradually over a period of up to two years. This suggests that fund managers use ESG ratings mainly to comply with ESG mandates rather than treating them as updates to firms' fundamentals. Accordingly, we also find a slow and persistent response in stock returns. For a one-year holding period, downgrades lead to an abnormal return of -2.37%. For upgrades, we find a positive but weaker effect. Yet, the extent to which ESG ratings matter for the real economy seems limited. We find no significant effect of up- or downgrades on firms' subsequent capital expenditure. We find that firms adjust their ESG practices following rating changes, but only in the governance dimension.

Contribution: The project idea was conceived jointly. I was in the lead in developing the identification strategy and analyzed the results. I was in the lead in writing the manuscript.

Publications in Environmental Sciences

- **Organic Micropollutants in Rivers Downstream of the Megacity Beijing: Sources and Mass Fluxes in a Large-Scale Wastewater Irrigation System** (2012). With H. Singer, B. Pernet-Coudrier, W. Qi, H. Liu, P. Longrée, B. Müller & M. Berg. *Environmental science & technology*, 46(16), 8680-8688.

Awards

FIR-PRI Finance & Sustainability Award Best Published Article	2023
FIR-PRI Finance & Sustainability Award Research Grant	2018

Refereeing

Management Science, Financial Review, Journal of Industrial Ecology, Journal of Behavioral and Experimental Finance, Journal of Financial and Quantitative Analysis

Teaching Activities

Interactive workshop on Investor Impact within the course *IRI/CSP Impact Investing for the Next Generation* (joint training program for UHNW impact investors offered by the University of Zurich and the Initiative for Responsible Investment at Harvard Kennedy School).

Interactive workshop on Investor Impact within the course *Sustainable Investing in Wealth Management* (part of the CAS in Sustainable Finance at the University of Zurich).

Lecture on Investor Impact within the M.Sc. course *Sustainable Finance* at the EBS University.

Advisor of several M.Sc. and B.Sc. theses in the field of sustainable finance.

Conference presentations

2023: FMA Annual Meeting, Conference on CSR (UMass Boston), Global Research Alliance for Sustainable Finance and Investment Conference, Sustainable Finance Workshop (University of Zurich), Alliance for Research on Corporate Sustainability Conference

2021: Swiss Finance Institute Research Days, Global Research Alliance for Sustainable Finance, and Investment Conference

2020: Global Research Alliance for Sustainable Finance and Investment Conference

2019: Global Research Alliance for Sustainable Finance and Investment Conference

Speeches and Panels

2023: FMA Annual Meeting, Harvard Club of Boston

2022: Boston University, UBS, Jefferies, Corporate Responsibility Interface Center, Eurosif

2021: Toniic EMEA Gathering, Building Bridges Week Geneva, Bundesinitiative Impact Investing, Impact Finance Forum Berne, Federal Office for the Environment Switzerland, Quilvest, Zurich Forum for Sustainable Investment, Credit Suisse Sustainability Week, World Water Week, AZEK, Roche, Sustainable Finance Initiative Hong Kong

2020: Vontobel, SOCAP, TEDxHSG, Cape Capital, Vontobel, Asian Venture Philanthropy Network, ETH Zurich Sustainability Week, Alliance of Swiss Wealth Managers

2019: Toniic EMEA Gathering, University of Zurich Science Slam

Fundraising

EIT Climate KIC “Innovation Facility for Financing the Energy Transition“ (238 kEUR) 2019

EIT Climate KIC “Nudging Financial Markets Towards a 2°-World“ (37 kEUR) 2018

EIT Climate KIC “Climate Smart Agriculture Booster“ (2+ million EUR) 2014

Other Publications

[A-B-E-G-L-N: how adding six letters to SFDR can make it ‘work’](#) (2022). With Harald Walkate. *illuminem*.

[What fake sudee and the future of impact investment have to do with one another](#) (2022). With Harald Walkate. *illuminem*.

[MiFID Misses Mark: ESG Motivations Matter](#) (2022). With Harald Walkate. *illuminem*.

[Machen nachhaltige Anlagen die Welt besser?](#) (2021) With Julian Kölbel and Falko Paetzold. *Die Volkswirtschaft*.

[Does impact need to be measurable to count as impact?](#) (2021). LinkedIn Blog.

[The Investors Guide to Impact](#) (2020). With Julian Kölbel.

[ESG ist nicht gleich Impact](#) (2020). With Timo Busch, Sarah Carroux, Julian Kölbel und Falko Paetzold. *Absolut Impact*.

[Sustainable Investing Is Booming - But Where Is the Impact?](#) (2020) *Milken Institute Review*.

Podcasts

[Is sustainable investing a fairy tale?](#) (2021) Episode in the podcast *Lasting Values* by Credit Suisse. Spotify and Apple Podcasts.

[3 Powerful Tactics Impact Investing shall better use to Save the World](#) (2020) Episode in the podcast (*don't*) *Waste Water*. Spotify.

Professional Experience

MIT Sloan School of Management (09/2022 – 07/2024)

Postdoctoral Associate

- Aggregate Confusion Project

University of Zurich - Department of Banking and Finance (08/2017 – 09/2022)

Research Associate

- Ph.D. researcher at the Center for Sustainable Finance and Private Wealth (CSP)

Cape Capital, Zurich (07/2021 – 11/2022)

Member of the ESG Advisory Committee

- Multi-Family Office, with André Hoffmann as key client

South Pole, Zurich (02/2017 – 06/2017)

Chief Operating Officer

- In a co-role, took responsibility for South Pole's operational management
- Developed and launched a commercial planning and monitoring tool for all business units
- Designed and initiated the implementation of South Pole's structural growth plan for 2020

South Pole, Zurich (01/2015 – 01/2017)

Director Consultancy & Services

- Served as a member of the South Pole's management and strategy committee
- Led South Pole's consultancy business with a focus on climate finance, climate risks of investments, and sustainable supply chains (40+ sustainability experts in 10 countries)
- Managed an increase in gross margin of 90% over two years, while transforming South Pole's consultancy activities into a profitable business unit

South Pole, Zurich (10/2013 - 12/2014)

Head of Swiss Offset Projects

- Built up and led a team of 4 project developers in Switzerland

- Sourced and developed a portfolio of domestic carbon offset projects in Switzerland, covering smart heating, wastewater treatment and methane reduced beef production
- Acquired a five-year Climate-KIC flagship project focusing on climate smart agriculture

Foundation myclimate, Zurich (11/2011 -10/2013)

Project Manager Carbon Management Services

- Consulted customers in different sectors on greenhouse gas accounting
- Led the development of myclimate's environmental management software solution
- Supported the foundation of the Cleantech Agentur Schweiz (act)

Eawag, Swiss Federal Institute of Aquatic Science and Technology, Zurich (10/2011)

Research Assistant

- Published master thesis in a renowned peer-reviewed journal

Foundation myclimate, Zurich (03/2010 - 12/2010)

Project Assistant Carbon Management Services

- Created LCAs and carbon footprints of various product groups

Pro Natura - Friends of the Earth Switzerland, Basel (04/2009 - 07/2009)

Intern

- Created management briefings concerning international climate politics

Eawag, Swiss Federal Institute of Aquatic Science and Technology, Trivandrum IN (09/2008 - 03/2009)

Intern

- Evaluated small scale biogas technologies for municipal solid waste in South India

Seecon GmbH, Lucerne (03/2007 - 09/2008)

Project Assistant

- Built up the water quality monitoring at a tropical greenhouse

Voluntary activities

Member of the audit committee: Baugenossenschaft Rotach, Zurich (2021 – 2022)

Member of the board: Ortoloco (community-supported agriculture cooperative, 2017 – 2022)

Member of the board: Environmental sciences student organization at ETH Zurich (2006 – 2011)

IT Skills

Statistics	Stata, R
LCA	EMIS, AvenyLCA
Design	Photoshop, Illustrator

Languages

German	Native
English	Fluent
French	Basic

Interests

Dancing (swing & blues), gardening, cooking & cross-country skiing