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Examining Investor Trust, Value Perceptions, and Portfolio Decisions in ESG-Driven Neobanks

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Abstract: The emergence of digital neo-banking models has transformed the financial landscape through innovative, transparent, and inclusive services. These platforms are increasingly integrating Environmental, Social, and Governance (ESG) principles into investment products, encouraging investors to shift from conventional stock portfolios toward ethical and sustainable investments. This study examines ESG-oriented features such as green portfolios, carbon calculators, and donation-rounding facilities offered by neo-banking platforms, and evaluates their influence on investor trust, perceived value, and portfolio allocation. Despite growing interest in ESG practices, their actual role in shaping financial decision-making through digital banking remains insufficiently explored. Using a mixed-method approach that combines quantitative mediation–moderation analysis with qualitative interview findings, the study reveals strong investor awareness and favourable attitudes toward ESG attributes. However, concerns regarding greenwashing and data reliability continue to persist. The findings indicate that investor trust significantly strengthens the impact of ESG features, enhancing perceived value and encouraging greater allocation toward sustainable investments. Trust and perceived value function as key mediators between ESG disclosures and portfolio rebalancing behaviour, while environmental concern, financial literacy, and risk tolerance act as moderating factors. Digital nudges such as green badges and carbon-footprint indicators effectively promote sustainable investment behaviour, particularly among young and educated investors. Nevertheless, long-term success depends on transparency, usability, ESG certification, and credible disclosure practices. Stronger regulatory oversight and third-party auditing are essential to reduce greenwashing and improve global comparability. The study contributes to behavioural and sustainable finance by clarifying the central role of trust and perceived value in digital ESG investment adoption.
Keywords: Neobanks • ESG Investing • Digital banking • Sustainable investment • Green portfolio

Introduction

The global financial sector has undergone a major transformation with the emergence of neobanks, also known as challenger banks. Unlike traditional banking institutions, neobanks rely heavily on advanced digital technologies such as mobile applications, Artificial Intelligence (AI), machine learning, and open banking APIs to deliver financial services that are efficient, low-cost, and customer-centric. Their emphasis on transparency, accessibility, and personalized user experiences has significantly improved financial inclusion while simultaneously compelling conventional banks to modernize their operations and service models (Sardar 2023; Murinde 2022). Leading global examples such as Revolut, Chime, and Nubank have demonstrated how innovative pricing structures, reduced transaction charges, and user-friendly digital interfaces are reshaping consumer banking practices across the world (Mall 2024). The rapid expansion of neobanking is largely driven by increasing consumer demand for fast, technology-oriented, and convenient banking solutions that align with the evolving expectations of modern society (Ansari 2024; Sardar 2023).

In recent years, sustainable finance and Environmental, Social and Governance (ESG) investing have taken significant momentum in the world. The interest in ESG investments has grown substantially in both developed and emerging economies, fuelled by the growing demand for ethical, environmental, and socially responsible financial products from investors (Nefla 2025). This change is especially noticeable when it comes to younger investors who are showing greater consciousness around sustainability and climate issues (Fu Li 2023). Financial technology also has aided in the pace of ESG integration, with the introduction of new technologies that enhance reporting quality, mitigate information gaps, and provide data-driven investment analysis using AI and big data applications (Zhou 2024). ESG has thus become a strategic edge for the digital native financial institutions.

To meet these shifts, neobanks are starting to add ESG-focused capabilities like green investment portfolios, carbon footprint calculators, sustainability badges, and donation-rounding tools to their online apps. These features serve as digital nudges that help simplify complex financial decisions and make them more aligned with investor values, thereby encouraging responsible investment behaviour (Beshears 2020; Cai 2020; Isler et al 2022). That is why the neobanks are contributing to sustainable finance's agenda by offering easy-to-navigate digital platforms.

Although ESG concepts have gained traction in the world of digital finance, there has been little research that considers the impact of ESG elements on investor trust, perceived value and portfolio allocation in the context of neobanking. Previous research predominantly examines the adoption of and the mechanisms used to build trust in FinTech and/or ESG adoption, rather than the behavioural impacts of the integration of ESG in digital banking platforms (Wang et al 2021; Kim & Park 2023). In order to fill this gap, the current study aims to explore how ESG characteristics affect investors' trust, perceived value, and sustainable investment behaviour in neobanking platforms. The paper builds on the concepts of signalling theory, the Theory of Planned Behaviour and Nudge Theory, and provides an insight into the literature of sustainable finance on the role of digital innovation in the support of transparent and responsible investment practices.

Literature Review

Neobanks and Challenger Banks: The traditional banking industry is undergoing a transformation with the introduction of new digital technologies, including mobile applications, AI and open banking APIs, which have enabled neobanks and challenger banks to disrupt the industry. These technologies help banks provide financial services that are customer-centric, low-cost, efficient, and more transparent and accessible, while simultaneously improving customer experiences. Other notable developments in the world of retail banking are the emergence of some of the leading digital banks, including Revolut, Chime and Nubank, which bring innovative pricing models, lower transaction fees, and digital interfaces. Neobanks are emblematic of this shift in the industry and are a testament to growing demand for more technology-driven and flexible financial services that meet evolving consumer needs and expectations for convenience and digital accessibility (Ansari 2024; Sardar 2023).

ESG Investing in Digital Finance: The popularity of ESG investinon has surged in developed and emerging markets, like India, Brazil, and South Africa (Nefla 2025). Ethical investing, sustainability and social responsibility are becoming a growing concern and are gaining traction amongst investors, who now value these traits more than a bottom-line return on investment. This change is especially noticeable in younger generations, who are more environmentally conscious and have more concerns about sustainability. The adoption of digital financial technologies like big data analytics, AI, and automated reporting systems has significantly speeded up the ESG integration, enhancing disclosure quality, minimizing information asymmetry, and aiding informed investment decisions (Fu & Li 2023; Zhou 2024). In this context, ESG integration has emerged as a key differentiator for digital finance platforms and neobanks aiming to encourage transparency and responsible investing.

Behavioural Nudges and Digital Choice Architecture: Behavioural nudges are important in shaping financial decisions in digital banking contexts. Digital tools like green investment prompts, sustainability badges, carbon footprints calculators and ESG reminders ensure that investors continue to have a choice and are still encouraged to invest in a responsible manner. These nudges make investment decisions easier, less cognitively taxing and enhance users' interaction with sustainable investment products (Beshears 2020; Cai 2020). Yet, the dark patterns and behavioural exploitation issues raise ethical and transparent digital design issues in ESG-powered financial platforms.

Trust by Investors in ESG FinTech Platforms: Investor trust is a critical determinant of financial behaviour in ESG-oriented FinTech platforms. Several factors, such as platform security, transparency of ESG disclosure, ethical commitment, and perceived technological competence, have been found to influence trust (Wang et al 2021; Kim & Park 2023; Li et al 2024). Increased trust promotes investors to diversify their portfolios, embrace sustainable investment products, and confidently navigate digital investment platforms. Existing literature also indicates that relationship between ESG platform features and sustainable investment behaviour is mediated by trust, thereby enhancing financial inclusion and ESG adoption.

Perceived Value of ESG Features: Financial, environmental and reputational aspects are indicators of perceived value of ESG investment platforms. ESG investments are now seen as having the potential to deliver both financial returns and environmental and social benefits, both of which are competitive (Kim & Park 2023). Investors also link ESG participation to a better social image and responsible investment behaviour. Transparent and accessible data around sustainability indicators and real-time carbon impact monitoring support and enhance perceived value and boost investor appetite for sustainable finance products through Digital ESG. Also, investors' attributes, including financial literacy and risk tolerance, shape the impact of ESG characteristics on investment decisions.

Research Gaps

Although interest in ESG-driven digital finance has increased, there has been little empirical research on the role of ESG characteristics in neobanks' impact on investor trust, perceived value, and portfolio allocation behaviour. Current research tends to be on the broad level of FinTech adoption and building trust than on the impact of behavioural change due to integrating ESG in neobanking platforms. In addition, studies on the effect of digital nudges on sustainable investment behaviour are still scarce in the digital banking settings. More research is needed to gain insight into the interaction of these ESG characteristics with investor trust, perceived value and behavioural nudges in the context of neobanking activities and sustainable investment choices.

Conceptual Framework

The conceptual framework combines signalling theory, trust models, perceived

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value theory, and behavioural economics to understand the role of ESG in neobanks' impact on investor decision-making (Fig 1). ESG signals include green investment portfolios, carbon calculators, sustainability badges which decrease information asymmetry and boost investors' confidence (Spence 1973). Greater trust in turn leads to higher perceived value in financial, environmental and reputational terms, and subsequently to higher investment allocation towards ESG investments (Mayer et al 1995; Zeithaml 1988). The framework describes trust and perceived value as concurrent mediators between the ESG features and the portfolio allocation behaviour. The moderating factors of financial literacy, risk tolerance, digital literacy, and environmental concern are also incorporated into the model based on the Theory of Planned Behaviour (Ajzen 1991) and the Prospect Theory (Kahneman & Tversky 1979). Furthermore, investors are also affected by digital nudges such as default ESG allocations, sustainability reminders and social proof messages based on choice architecture theories from Nudge Theory (Thaler & Sunstein 2008). The framework gives theoretical and practical knowledge of sustainable investment behaviour in the context of digital finance.

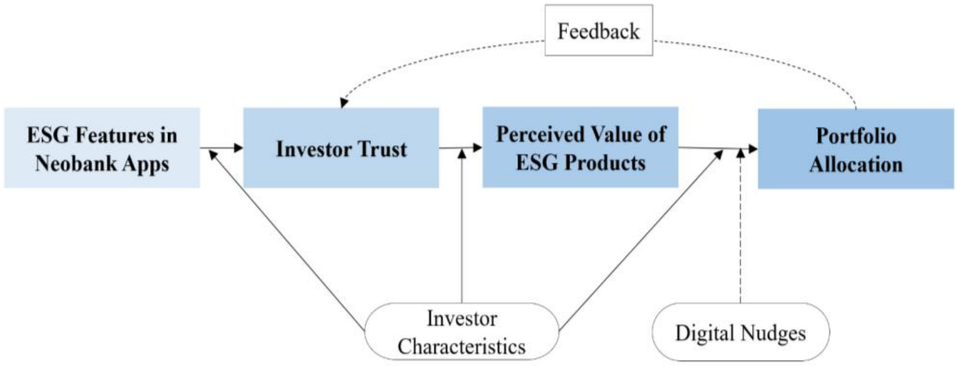

Figure 1
Conceptual Framework of Portfolio Allocation driven by Trust and Value on ESG Features

Methodology

Research Design: This study used a mixed-method approach, included both quantitative survey analysis and qualitative interviews, to explore correlation between ESG features, investor trust, perceived value, and portfolio allocation behaviour in neobanking platforms. The quantitative component was employed to analyze the relationships of variables and to test the proposed mediation and moderation relationships, while the qualitative component was employed to give a better understanding of investor trust, motivations, and barriers of ESG-enabled digital banking. The mixed-method approach to data collection allowed for triangulation and deepened the understanding of investor behavior in the context of sustainable digital finance.

Data Acquisition: The study sample consisted of digitally active investors who either used or were interested in ESG investment products through neobanking platforms. Purposive sampling technique and snowball sampling approach were used in selecting the respondents. Survey responses of 270 and 18 in-depth interview participants were included in the final sample, suitable for statistical analysis and for thematic saturation. Structured online questionnaire was used for quantitative data collection and virtual interviews were held for qualitative data collection, and were transcribed for analysis. The ethical aspects of informed consent, anonymity and confidentiality were adhered to throughout the study.

Measurement and Data Analysis: The measurement instruments were made from validated scales and pre-tested before final data collection. The study included a set of indicators of ESG Feature Perception (awareness, usability, transparency, and credibility); Investor Trust (security, ethical commitment, and data protection); Perceived Value (financial and non-financial value); and Portfolio Allocation Intentions. Furthermore, risk tolerance, financial literacy and environmental concern were evaluated as moderating variables. For quantitative analysis SPSS software was used. Prior to testing mediation and moderation effects, descriptive statistics, reliability analysis and validity checks were conducted. The data were analysed qualitatively using NVIVO software for the purpose of identification of recurring themes in relation to perceptions about ESG, trust of investors in ESG and sustainable investment behaviour. Combining quantitative and qualitative results deepened the research and added strength.

Results

The overall level of awareness and perceptions of ESG features among the neobanking investors was moderate to high. Awareness of most of the ESG tools was relatively high, with green portfolios and carbon calculators showing the highest level of awareness, whereas the awareness of donation-rounding was comparatively low (Table 1). The ease of use and transparency of ESG features were reported as positive, suggesting that, in general, ESG features are accessible and understandable. But doubts lingered about the credibility and reliability of ESG disclosures continued, mirroring a sense of concern about potential greenwashing and authenticity of the data. Platform security, ethical standards and disclosure practices, were relatively high among investors regarding the trustworthiness of ESG enabled neobanks. There were also positive attitudes towards ESG investments, particularly on the environmental and social aspect, with moderate views on financial returns. Early adoption like investment in ESG occurred in the portfolio, but was not reported as a strong intention. Across the responses, there were further indications that financial literacy, environmental concern and risk tolerance are moderating factors in the level of engagement with ESG: younger investors and those who are digitally literate were more likely to be engaged with ESG.

Table 1. *Descriptive Statistics of ESG Awareness, Investor Trust, Perceived Value, and Portfolio Allocation Behaviour among Neobank Investors*

Constructs	Mean	SD
A. Awareness and Perception		
Awareness of ESG features	4.2	0.8
Ease of understanding ESG features	4.1	0.8
Transparency of ESG features	4	0.7
Credibility/trustworthiness of info	2.9	1.1
Influence on investment decisions	3.9	0.7
B. Investor Trust in ESG-Enabled Neobanks		
Belief ESG Neobanks act in best interest	4.2	0.7
Neobank platforms secure/reliable	4.3	0.6
ESG disclosures increase confidence	4	0.7
Trust ESG claims as truthful	4.1	0.7
Data protection confidence	4	0.8
C. Perceived Value of ESG Investments		

Financial returns comparable to traditional	3.5	0.7
Investing aligns with personal values	3.8	0.8
ESG positively contributes environment/social	4	0.7
ESG improves reputation	3.5	0.8
Non-financial benefits importance	3.9	0.7
D. Portfolio Allocation & Behavioural Intentions		
Intent to increase ESG portfolio	3.9	0.7
Current % portfolio in ESG products	32	8.2
Digital nudges increase investment	3.8	0.7
Motivation to maintain/increase ESG	4	0.7
Recommend Neobank ESG options	4.1	0.6

Mediation and Moderation Effect in Financial Decision of Neobank Customers

The scale used demonstrated sufficient internal consistency since the Cronbach's alpha coefficients were higher than 0.7, ensuring high reliability of constructs assessing perception of ESG features, trust in investors, perceived value and behavioural intention (portfolio allocation) towards the constructs (Table 2). Convergent validity of the constructs was established in terms of significant factor loadings and AVEs higher than standard value (>0.5). It was shown that the correlations among the constructs were less than the square-root of AVE, indicating divergent validity. Reliability and validity results gave solid footing for the mediation and moderation analyses. The consistent findings of the variables empirically demonstrate a strong confidence on the mediation path from ESG Features to Trust and Perceived Value to Portfolio allocation and for the moderating effects by investor literacy, risk tolerance, and environmental concern.

Table 2. *Reliability Analysis of Study Constructs Using Cronbach's Alpha Coefficients*

Constructs	N	Cronbach's α (a)	Cronbach's α (b)
ESG Features	270	0.85	0.83
Investor Trust	270	0.9	0.88
Perceived Value	270	0.82	0.8
Portfolio Allocation	270	0.78	0.75

Note. α(a) represents Cronbach's alpha values based on the original item set and α(b) represents Cronbach's alpha values after refining.

As will be noted from Table 3, the relationship between ESG features and portfolio allocation is indirectly influenced by investor trust and perceived value, as suggested by strong evidence in the mediation analysis. Investor trust was significantly positively linked with ESG characteristics ($b = 0.65$, $p < .001$) and perceived value was significantly positively linked with trust ($b = 0.72$, $p < .001$). Perceived value also had a significant positive impact on portfolio allocation ($b = 0.44$, $p < .001$). The direct effect of ESG features on the portfolio allocation was no longer significant after the mediators were included ($b = 0.18$, $p = .103$), however the total effect remained significant, indicating a significant indirect mediating pathway ($b = 0.53$, $p < .001$). The results point to the significance of psychological processes in sustainable financial decision-making. The findings also indicate that an honest and transparent ESG disclosure and communication enhances investor trust and valuation, which consequently fosters increased investment in sustainable investment products in a digital banking platform.

Table 3. *Mediation Analysis Results Using PROCESS Model 4 for the pathway: ESG Features → Investor Trust → Perceived Value → Portfolio Allocation*

Path	Coefficient (b)	SE	*t*	*p*	95% CI (Bootstrap)	Interpretation
ESG Features → Investor Trust (a1)	0.65	0.08	8.13	<.001	[0.50, 0.80]	Positive effect
Investor Trust → Perceived Value (a2)	0.72	0.07	10.29	<.001	[0.58, 0.85]	Positive effect
Perceived Value → Portfolio Allocation (b)	0.44	0.1	4.4	<.001	[0.24, 0.64]	Positive effect
ESG Features → Portfolio Allocation (c')	0.18	0.11	1.64	0.103	[-0.04, 0.40]	Non-significant direct effect
Total Effect (c)	0.53	0.09	5.81	<.001	[0.35, 0.71]	Significant effect

Note. Indirect effect (a1 × a2 × b): 0.21 (95% CI [0.12, 0.33]) - significant mediation effect.

Table 4 shows the results of the moderation analysis which reveals that investor characteristics like risk tolerance, financial literacy, and environmental concern have a significant moderation effect on the relationship between the ESG features and portfolio allocation. Risk tolerance had a positive moderating effect ($b = 0.22$, $p = .007$) suggesting that investors with greater risk tolerance invest more in ESG investments when ESG features are high. The relationship was also positively moderated by financial literacy ($b = 0.30$, $p = .001$), which suggests that the more financially literate the investor, the more they can understand and utilize ESG information in the investment process. The personal sustainability values also had a strong effect on strengthening the relationship ($b = 0.27$, $p < .001$), emphasising the significance of personal sustainability values in determining investment behavior. When taken together, these results highlight the importance of investor heterogeneity in sustainable finance. In practice, digital investment platforms should customize ESG communication and design to the investor, in order to increase engagement and promote sustainable portfolio allocation.

Table 4. *Moderation Analysis Results Using PROCESS Model 1 for Moderator Effect on Relationship Between ESG Features and Portfolio Allocation*

Moderator	Moderator Coefficient	SE	*t*	*p*	95% CI	Interpretation
Risk Tolerance	0.22	0.08	2.75	0.007	0.06, 0.37	Positive moderation; stronger with higher risk tolerance.
Financial Literacy	0.3	0.09	3.33	0.001	0.13, 0.47	Positive moderation; financially literate investors respond better.
Environmental Concern	0.27	0.07	3.86	<0.001	0.13, 0.41	Positive moderation; higher environmental concern strengthens ESG impact.

Thematic Insights into ESG-Driven Digital Investment Behaviour

Perception of ESG Features Offered by Digital Banks

ESG characteristics in digital banking platforms were seen as having value-added properties for investors, which correspond to environmental and social responsibility in relation to financial business. The visibility and measurability of sustainable finance practices are improved by features like green investment portfolios, carbon footprint calculators and sustainability disclosures. But questions about "greenwashing," the lack of uniformity in ESG and the veracity of sustainability claims were still very much on the mind. The participants highlighted that transparency, usability, accessibility and clarity of ESG information have a significant impact on investor trust and the use of ESG enabled financial products.

Trust towards Neobanks Offering ESG Products and Determinants

Platform security, ethical behavior, disclosure transparency of ESG data, and data privacy were the aspects that influenced investor trust in ESG-enabled neobanks. The value of regulatory compliance, third-party verification, and responsible data management in enhancing trust in ESG claims was emphasized. The accessibility of the digital services and the responsiveness of the communication also played a role in developing trust. The results indicate that good transparency and trustworthy ESG communication are indispensable when it comes to building long-term investor relationships at the neobanks.

Value of ESG Investments Vs Conventional Options

The participants increasingly saw ESG investing as having the potential to provide financial as well as non-financial returns. ESG portfolios were not only seen as ethical alternatives but also as measures of environmental responsibility, long-term risk management, and reputational benefits. Financial literacy proved to be an influential factor in investor awareness of the value of ESG metrics and sustainable investments.

Impact of digital nudges or sustainability prompts on investment decisions

Digital nudges like sustainability badges, carbon-impact alerts and sustainable investment recommendations had a positive impact on sustainable investment behaviour. Such tools made the decision-making process easier and enabled investors to align their financial decisions with their values. However, the impact on investing varied between the groups of investors, with environmentally conscious investors showing more positive response to nudges. Participants also highlighted the importance of engaging digitally without manipulation and transparency.

Barriers to ESG Investment Adoption

Typical obstacles are the absence of accessible user-friendly sustainable investment solutions, difficulties to compare ESG products due to differing standards, scepticism with greenwashing and regulatory ambiguities. Other barriers include limited financial literacy on ESG, some investors' unfamiliarity with digital platforms and the higher perceived risk or volatility of ESG portfolios. These barriers can be overcome by more ESG education, standardization and platform design.

Role of Risk Preference, Financial Literacy, and Investment Experience

The results showed that investors with higher financial literacy and risk tolerance had a stronger attitude towards ESG investments. Financial literacy helped investors to understand ESG information and assess sustainability-related trade-offs, and risk-averse investors stayed cautious about the perceived volatility. Investor trust and long-term ESG engagement increased as a result of positive investment experiences, such as clearly visible sustainability outcomes, stable investment returns, as well as transparent investor communications from neobanks. On the other hand, lack of profitability, greenwashing, and data privacy issues dampened investor confidence. In conclusion, the results underscore the need for transparency, education of investors and continual tracking of ESG performance to maintain trust in digital sustainable finance platforms.

Discussion

The current research commits an enormous mumble between behavioral finance, FinTech adoption and sustainable investing unveiling whole new insight into the manner ESG-involved digital banking platforms affect their investors. The study finds that ESG-CN features influence the trust, perceived value and portfolio allocation decision-making in mixed-method design through both quantitative mediation analyses and qualitative interviews. Through the application of ESG-enabled digital banking within the frameworks of signalling theory, the choice architecture, and behavioural finance, the paper constructs a theoretical understanding and practical strategy of regulatory implications.

Theoretical Contribution: The study adds to the research on behavioural finance and sustainable FinTech research by validating the mediating effect between investor trust and perceived value in sustainable investment decisions based on ESG principles. The results indicate that ESG attributes boost investors' confidence, leading to improved perceived value and sustainable portfolio allocation. The study also confirms the efficacy of ESG tools, like sustainability badges and carbon calculators, in lowering information asymmetry and investor confidence. Furthermore, the Theory of Planned Behaviour, Prospect Theory and Nudge Theory shed light on the role of financial literacy, environmental concern, and risk tolerance in influencing investors' reactions to ESG-enabled digital finance platforms.

Practical Contribution: The results have significant implications for neobanks and digital finance providers who want to improve the ESG investor engagement. The transparent, easy-to-use and reliable ESG functionalities, including sustainability dashboards, carbon calculators or verified green investment products, boosts investor confidence and value. The study also illustrates the success of digital nudges at promoting sustainable investment behavior, notably from young and eco-conscious investors. Concerns about greenwashing and varying standards of environmental, social and governance (ESG) reporting, however, highlight the need for harmonised disclosures, third-party verification, investor education and more user-friendly design of digital platforms to encourage long-term sustainable investment uptake and investor interest.

Regulatory Contribution: The results underscore the importance of establishing more comprehensive regulations to improve transparency in ESG reporting and combat greenwashing in digital financial services. Qualitative results show that the reporting standardization, third party verification, and ethical data handling practices foster investors' trust and sustainable investment behavior. Policymakers need to adopt uniform disclosure and verification frameworks for ESG ratings across platforms, including regulatory alignment on cross-border platforms. Regulations that are harmonized can alleviate information asymmetry, enhance comparability and help foster responsible innovation in digital finance with an ESG dimension, and enhance transparency, trust and investor protection.

Integrated Insights and Implications: The study identifies the broader contribution of ESG-powered Neobanking to sustainable finance. The results show that ESG information is not the only factor that affects sustainable investment behaviour, but also psychological and behavioral factors such as trust, perceived value, digital nudges, and investor characteristics. The findings highlight the importance of transparency and userfriendliness of ESG features, reporting standards, and toughen up on greenwashing. Simplified ESG disclosures and digital nudges from a consumer perspective can help to make informed and value aligned investment decisions. Overall, digital banking platforms with ESG can have tremendous transformational power to link financial innovation with environmental and social sustainability.

Limitations and Future Research: The study is also limited in a number of ways. To begin with, the findings are based on self-reported behavioural intentions, not actual transactions in the portfolio. While the intention to invest is useful to understand investor preferences, it may not necessarily be a good indicator of actual investment behaviour. Second, the sample consisted of digitally literate investors from a particular socio-cultural and geographical background, potentially affecting the generalizability of the results to other socio-cultural and geographical backgrounds and age groups. Future studies could use real data on transactions and longitudinal methods to further explore changes in investor trust, perceived value, and the impact of ESG on the evolution of portfolio decisions. International comparative analyses can also help shed light on the challenges and opportunities that cultural and regulatory differences pose to ESG uptake to digital finance environments. Moreover, future research may explore how the various ESG characteristics and digital nudges perform in different investor groups, such as less financially literate and risk-averse investors. This would help in understanding investor behavior and the creation of more comprehensive and successful digital finance platforms with ESG integration.

Conclusion

This paper concludes that the use of ESG-enabled neobanking platforms has a significant impact on investor trust, perceived value and sustainable portfolio allocation behaviours. Clear and easy-to-understand ESG functionality, such as sustainability badges, carbon footprint disclosure, and green investment tools, support responsible investment and enhance investor connection with sustainable finance. The results also show that trust and perceived value are key psychological mechanisms that drive financial behavior with the use of ESG information. Furthermore, digital nudges have a positive impact on sustainable investment decisions without compromising investors' autonomy, especially younger and financially knowledgeable investors. These results underscore the increasing importance of digital-first financial platforms to champion sustainable finance and its integration with environmental and social goals. In total, the study highlights the importance of credible ESG communication, transparency in disclosures and good digital engagement strategies to boost the uptake of sustainable investment. The results offer valuable takeaways for neobanks, regulators, and investors aiming to further responsible and sustainable financial systems.

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