

Supplementary Material

Supplementary Table

Table S1. Exogenous validation of instrumental variables

VARIABLES	(1) CE	(2) CE	(3) CE	(4) CI	(5) CI	(6) CI
att	-0.027** (-2.14)	-0.029** (-2.21)	-0.027** (-2.13)	-0.037*** (-2.95)	-0.041*** (-3.25)	-0.037*** (-2.92)
Internet	-0.000 (-0.37)		-0.000 (-0.32)	-0.000 (-1.15)		-0.000 (-1.08)
ER		0.106 (1.34)	0.105 (1.33)		0.118 (1.38)	0.116 (1.36)
Control	YES	YES	YES	YES	YES	YES
City FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Observations	2,077	2,087	2,071	1,849	1,859	1,843
R-squared	0.641	0.641	0.641	0.375	0.373	0.374

Notes: None of the instrumental variables were significant, indicating to some extent that the exogeneity of the instrumental variables holds. t-values are in parentheses. Significance levels: ***p < 0.01, **p < 0.05, *p < 0.1.

Table S2. Balance Test of The Nearest Neighbor Matching (1:4).

		Unmatched	Mean		Bias (%)	Reduce bias (%)	T-test	
Variables		Matched	Treated	Control			T	P>T
CE	lnFDI	U	-6.179	-6.5914	28.9		6.71	0.000
		M	-6.187	-6.1878	0.1	99.8	0.01	0.988
	lnsci	U	12.482	12.089	43.9		10.12	0.000
		M	12.468	12.467	0.1	99.8	0.03	0.978
CI	lnFDI	U	-6.179	-6.5914	28.9		6.71	0.000
		M	-6.187	-6.1878	0.1	99.8	0.01	0.988
	lnsci	U	12.482	12.089	43.9		10.12	0.000
		M	12.468	12.467	0.1	99.8	0.03	0.978

Notes: In the first column, U refers to the sample before employing the PSM, while M denotes the matched sample after applying the PSM.

Table S3. Balance Test of Caliper Matching.

		Unmatched	Mean		Bias (%)	Reduce bias (%)	T-test	
Variables		Matched	Treated	Control			T	P>T
CE	lnFDI	U	-6.179	-6.5914	28.9		6.71	0.000
		M	-6.187	-6.171	-1.1	96.1	-0.30	0.768
	lnsci	U	12.482	12.089	43.9		10.12	0.000
		M	12.468	12.463	0.6	98.7	0.15	0.883
CI	lnFDI	U	-6.1555	-6.5487	28.3		6.19	0.000
		M	-6.1637	-6.1508	-0.9	96.7	-0.23	0.820
	lnsci	U	12.472	12.089	43.2		9.41	0.000
		M	12.46	12.455	0.5	98.9	0.11	0.910

Notes: In the first column, U refers to the sample before employing the PSM, while M denotes the matched sample after applying the PSM.

Table S4. Balance Test of Kernel Matching.

		Unmatched	Mean		Bias (%)	Reduce bias (%)	T-test	
Variables		Matched	Treated	Control			T	P>T
CE	lnFDI	U	-6.179	-6.5914	28.9		6.71	0.000
		M	-6.187	-6.171	-1.1	96.1	-0.30	0.768
	lnsci	U	12.482	12.089	43.9		10.12	0.000
		M	12.468	12.463	0.6	98.7	0.15	0.883
CI	lnFDI	U	-6.1555	-6.5487	28.3		6.19	0.000
		M	-6.1621	-6.1636	0.1	99.6	0.03	0.979
	lnsci	U	12.472	12.089	43.2		9.41	0.000
		M	12.461	12.439	2.5	94.1	0.64	0.524

Notes: In the first column, U refers to the sample before employing the PSM, while M denotes the matched sample after applying the PSM.

Table S5. Estimation results of control variables lagged one period for CI.

VARIABLES	(1) CI
att	-0.036** (-2.46)
L1.lnindus	-0.633 (-0.61)
L1.lnFDI	-0.190 (-0.88)
L1.lnpeople	-0.001 (-0.01)
L1.lnFis	0.177* (1.93)
L1.lnsci	-0.033 (-0.89)
L1.lnGDP	0.216 (1.49)
L1.lnbus	0.076 (1.40)
L1.lnFin	0.193** (2.07)
City FE	YES
Year FE	YES
Observations	1,645
R-squared	0.399

Notes: t-values are in parentheses.

Significance levels: ***p < 0.01, **p < 0.05, *p < 0.1.

Table S6. Estimation results of adding control variables.

VARIABLES	(1) CE	(2) CI
att	-0.034** (-2.44)	-0.045*** (-3.27)
lnEnvExp	0.014 (1.30)	0.005 (0.41)
Control	YES	YES
City FE	YES	YES
Year FE	YES	YES
Observations	1,737	1,551
R-squared	0.690	0.419

Notes: t-values are in parentheses. Significance levels:

***p < 0.01, **p < 0.05, *p < 0.1. The coefficients and significance of the core explanatory variables didn't change significantly after the adding of lnEnvExp.

Table S7. Nonlinear Analysis.

VARIABLES	CE	CI
Extreme point	4.615594	3.362124
t-value	3.29	1.58
P> t	0.00057	0.0575
99% Fieller interval for extreme point	[1.8401016; 6.0642975]	[-9.102111; 5.4421382]

Notes: The interval of att is [0; 14.03644] and contains the extreme point.