

Supplementary materials

For all Tables: Note: *, **, and *** denote significance at 10%, 5%, and 1%.

1. Results on Ammonia Nitrogen Emission and the Net Total Profit

Table S1: Emission and profits by industry

	Heavy		Moderate		Light	
VARIABLES	NH3	T-Profit	NH3	T-Profit	NH3	T-Profit
RCS	-0.1163***	0.0377***	0.0463	0.0238***	-0.0711*	0.0213*
	(-4.801)	(5.497)	(1.483)	(2.914)	(-1.895)	(1.897)
Control	YES	YES	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Observations	67,660	102,972	54,163	73,448	27,641	43,010
R-squared	0.846	0.781	0.791	0.806	0.803	0.810

Table S2: Emission and profits by region

[illegible]

Observations	106,488	143,921	10,734	16,977	22,996	39,698	16,288	29,355
R-squared	0.820	0.803	0.842	0.771	0.847	0.785	0.807	0.774

Table S3: Emission and profits by enterprise ownership

VARIABLES	State-owned		Private		Foreign	
	NH3	T-Profit	NH3	T-Profit	NH3	T-Profit
RCS	-0.0138	0.0671***	-0.0251*	-0.0016	-0.1650***	0.0535***
	(-0.271)	(3.235)	(-1.181)	(-0.398)	(-5.360)	(4.529)
Control	YES	YES	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Observations	21,337	31,978	88,698	138,355	37,395	47,097
R-squared	0.843	0.819	0.838	0.793	0.800	0.781

Table S4: Emission and profits by location

VARIABLES	Interior		Boundary	
	NH3	T-Profit	NH3	T-Profit
RCS	-0.1052***	0.0227***	0.0542*	0.0336***
	(-5.560)	(4.506)	(1.721)	(3.188)

Control	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES
Year FE	YES	YES	YES	YES
Observations	120,560	174,494	34,942	54,010
R-squared	0.827	0.798	0.824	0.786

2 Cluster by Industry and Year

Table S5: Emission and profits by industry

VARIABLES	Heavy		Moderate		Light	
	Emission	Profit	Emission	Profit	Emission	Profit
RCS	-0.0637** (-2.262)	0.0554*** (4.436)	-0.0044 (-0.151)	0.0251** (2.151)	-0.0287 (-0.888)	0.0148 (0.789)
Control	YES	YES	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Observations	103,216	102,956	73,677	73,432	43,064	43,004
R-square	0.941	0.773	0.928	0.828	0.938	0.743
Cluster	industry-year	industry-year	industry-year	industry-year	industry-year	industry-year

Table S6: Emission and profits by region

[illegible]

Table S7: Emission and profits by enterprise ownership

VARIABLES	State-owned		Private		Foreign	
	Emission	Profit	Emission	Profit	Emission	Profit
RCS	0.0048 (0.122)	0.1171*** (2.864)	-0.0445* (-1.820)	0.0052 (1.081)	-0.0681*** (-2.825)	0.0410** (2.411)
Control	YES	YES	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES	YES	YES
Year FE	YES	YES	YES	YES	YES	YES
Observations	32,084	31,976	138,687	138,326	47,186	47,091
R-square	0.939	0.817	0.938	0.780	0.941	0.729
Clustered	industry-year	industry-year	industry-year	industry-year	industry-year	industry-year

Table S8: Emission and profits by location

VARIABLES	Interior		Boundary	
	Emission	Profit	Emission	Profit
RCS	-0.0564***	0.0260***	0.0212	0.0471***
	(-2.783)	(3.098)	(0.696)	(2.662)
Control	YES	YES	YES	YES
Firm FE	YES	YES	YES	YES
Year FE	YES	YES	YES	YES
Observations	174,963	174,462	54,105	54,004
R-squared	0.936	0.779	0.937	0.802
Cluster	industry-year	industry-year	industry-year	industry-year