

ESG513 ESG Investing and Sustainable Finance

Level: 5

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JULY

Synopsis:

This course ESG513 ESG Investing and Sustainable Finance examines investing and financing from the perspectives of asset managers, banks, and business enterprises. Students will be introduced to the different ways that environmental, social, and corporate governance issues can be incorporated into investment analysis and decision-making processes for asset managers, leading to the construction of an ESG-integrated portfolio. Students will also learn about climate stress testing to quantify the value at risk for a bank's loan assets and the channels through which climatebased

value destruction can occur. cover the major taxonomies that help to classify activities so that funds can be channelled to the right efforts. Students will also study the features of the different types of sustainable financing instruments and the key principles and standards on which they are based, so that they can recommend suitable sustainable financing instruments to business enterprises to catalyse the transition to green by funding enabling activities.

Topics:

- Key sustainable investment initiatives
- Sustainable asset class universe
- Sustainable investment approaches and ESG integration
- Impact investing
- ESG benchmarking and sustainability-related investment performance
- Taxonomy and greenwashing
- Climate stress-testing and stranded assets
- Types of sustainable financing instruments
- Transition finance
- Principles and standards for sustainable lending instruments
- Green fintech
- Environmental risk management guidelines

Learning Outcome:

- Assess different approaches for integrating sustainability considerations into the portfolio management process
- Evaluate how the risk-return dynamic of portfolio optimisation is impacted by ESG investing
- Compare the different principles and frameworks for evaluating the impact of sustainable financing instruments
- Appraise the extent of potential impact of climate-related risks on banks
- Propose a suitable portfolio for an investor, integrating sustainability factors
- Recommend suitable structures and sustainable targets and metrics to issuers of sustainable financing instruments.

Assessment Strategies - Regular Semester (Evening Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	PARTICIPATION 1	20
	GROUP BASED ASSIGNMENT 1	30
Overall Examinable Components	ECA	50
Total		100

*The information listed is subject to review and change.