COURSE DESCRIPTION CARD - SYLLABUS

Course name
SUSTAINABLE FINANCE AND ESG INVESTING [S5NOZIJ>ZFIESG]

Course

Proposed by Discipline
–

Year/Semester
2/3

Level of study
Doctoral School

Course offered in
English

Form of study
full-time

Requirements
elective

Number of hours

Lecture
8

Laboratory classes
0

Other
0

Tutorials
0

Projects/seminars
0

Number of credit points

2,00

Coordinators

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Lecturers

Prerequisites

Knowledge: Basic knowledge of micro- and macroeconomics Skills: The ability to search and interpret sources of economic information. Social competencies: The competence to solve decision making economical problems with use of knowledge of classical (main stream) economics.

Course objective

Course Objective: Sustainable Finance and ESG Investments The aim of the course is to provide students with a comprehensive understanding of sustainable finance and ESG (Environmental, Social, and Governance) investments. It focuses on the integration of sustainability factors into financial decision-making, investment analysis, and risk management. Students will explore the principles, tools, and regulatory frameworks that support responsible investing and contribute to long-term value creation in line with global sustainability goals. The course also covers the main types of ESG investment strategies, including: 1) Negative/exclusionary screening, where investments in certain industries (e.g., tobacco, fossil fuels, weapons) are excluded; 2) Positive/best-in-class screening, which favors companies with superior ESG performance relative to their peers; 3) ESG integration, where ESG factors are systematically incorporated into traditional financial analysis; 4) Sustainability-themed investing, focused on specific areas such as clean energy, water management, or climate change solutions

Course-related learning outcomes

Knowledge:
A PhD student who graduated from doctoral school knows and understands:
1) [P8S_WG/SzD_W01] to a degree enabling the revision of existing paradigms - the world achievements, including theoretical foundations and general issues and selected specific issues - appropriate for the scientific disciplines in which education is conducted at the doctoral school;
2) [P8S_WK/SzD_W05] fundamental dilemmas of the contemporary civilization,
3) [P8S_WK/SzD_W06] economic, legal, ethical and other vital conditions related to scientific activity.

Skills:
A PhD student who graduated from doctoral school can:
1) [P8S_UW/SzD_U01] conduct critical analysis and evaluation of scientific research results, expert activities, and other creative works and their contribution to knowledge development;
2) [P8S_UW/SzD_U03] transfer the results of scientific activity to the economic and social spheres;
3) [P8S_UW/SzD_U03] disseminate the results of scientific activity, including in popular forms;
4) [P8S_UK/SzD_U06] initiate debates;
5) [P8S_UK/SzD_U07] participate in scientific discourse;

Social competences:
A PhD student who graduated from doctoral school is ready to:
1) [P8S_KK/SzD_K01] critically evaluate their contribution to the development of the scientific discipline;
2) [P8S_KK/SzD_K02] acknowledge the importance of knowledge in solving cognitive and practical problems;
3) [P8S_K0/SzD_K04] fulfill social obligations of researchers and creators.

Methods for verifying learning outcomes and assessment criteria

Learning outcomes presented above are verified as follows:

Method for verification of learning outcome: preparation of an essay on a given subject from the Behavioral Economics and Behavioral Finance; participation in lectures.
Assessment criteria: qualitative assessment of the essay (minimum 70 out of 100 possible points to receive a positive note).

Programme content

1) Introduction to Sustainable Finance and ESG Principles
2) Environmental, Social, and Governance Factors in Financial Analysis
3) ESG Data, Ratings, and Reporting Standards
4) ESG Investment Strategies: Theory and Practice
5) Impact Investing and Measuring Non-Financial Returns
6) Regulation and Policy in Sustainable Finance
7) Climate Finance and Risk Management
8) Shareholder Engagement and Active Ownership.

Course topics

1) Overview of sustainable finance, the evolution of ESG concepts, and the global context of responsible investing.
2) In-depth examination of E, S, and G dimensions and how they influence investment risks, opportunities, and valuation.
3) Overview of ESG data providers, methodologies for ESG ratings, and international reporting frameworks (e.g., GRI, TCFD, SFDR).
4) Exploration of key ESG investment approaches, including exclusionary screening, best-in-class, ESG integration, and sustainability-themed investing.
5) Principles of impact investing, metrics and tools for measuring environmental and social outcomes (e.g., SDGs, IRIS+).
6) Analysis of key global and EU-level policies, regulations, and initiatives driving ESG adoption in financial markets (e.g., EU Taxonomy, CSRD, SFDR).
7) Focus on climate-related financial risks and opportunities, including scenario analysis, carbon pricing, and transition risks.
8) The role of investors in promoting ESG practices through voting, engagement, and stewardship activities.

Teaching methods

1. Problem-based lecture
2. Informative (conventional) lecture.

Bibliography

Obligatory (Required Reading)
1) Schoenmaker, D., & Schramade, W. (2019).Principles of Sustainable Finance.
Oxford University Press.
2) Giese, G., Lee, L. E., Melas, D., Nagy, Z., & Nishikawa, L. (2019).
Foundations of ESG Investing: How ESG Affects Equity Valuation, Risk, and Performance. MSCI Research.
3) Eurosif (2023).
European SRI Study.
[avaliable online: https://www.eurosif.org/].
4) OECD (2020).
ESG Investing: Practices, Progress and Challenges. OECD Publishing.
5) UN PRI (Principles for Responsible Investment).
Investment Policy: Process & Practice.
[Avaliable online: https://www.unpri.org/].

Additional Literature (Supplementary Reading):
1) Hebb, T., Hawley, J. P., Hoepner, A. G. F., Neher, A., & Wood, D. (2015).
The Routledge Handbook of Responsible Investment.
Routledge.
2) Clark, G. L., Feiner, A., & Viehs, M. (2015).
From the Stockholder to the Stakeholder: How Sustainability Can Drive Financial Outperformance.
University of Oxford, Arabesque Partners..
3) Talan, G., & Sharma, G. D. (2019).
Doing Well by Doing Good: A Systematic Review and Research Agenda for Sustainable Investment,
Sustainability, 11(2), 353.
4) Kölbel, J. F., Heeb, F., Paetzold, F., & Busch, T. (2020).
Can Sustainable Investing Save the World? Reviewing the Mechanisms of Investor Impact. Organization & Environment.
5) El Ghoul, S., Guedhami, O., Kwok, C. C. Y., & Mishra, D. R. (2011).
Does Corporate Social Responsibility Affect the Cost of Capital?
Journal of Banking & Finance, 35(9), 2388–2406.

Breakdown of average student's workload

	Hours	ECTS
Total workload	50	2,00
Classes requiring direct contact with the teacher	8	0,00
Doctoral student's own work (literature studies, preparation for laboratory classes/tutorials, preparation for tests/exam, project preparation)	42	2,00