

**City University of Hong Kong
Course Syllabus**

**offered by Department of Economics and Finance
with effect from Semester A 2024/25**

Part I Course Overview

Course Title:	Sustainable Finance
Course Code:	EF5044
Course Duration:	1 semester
Credit Units:	3
Level:	P5
Medium of Instruction:	English
Medium of Assessment:	English
Prerequisites: <i>(Course Code and Title)</i>	Nil
Precursors: <i>(Course Code and Title)</i>	EF5042 Corporate Finance and EF5052 Investments
Equivalent Courses: <i>(Course Code and Title)</i>	Nil
Exclusive Courses: <i>(Course Code and Title)</i>	Nil

Part II Course Details

1. Abstract

Businesses and investors are increasingly dealing with the risks and opportunities of environmental, social, and governance (ESG) issues. This course aims to enlighten students with established and emerging theories on how finance can be used to address sustainability challenges. It covers diverse aspects, including ESG measurement, socially responsible investment, ESG integrated reporting, ESG and product market competition, and ESG issues along the supply chain. The course provides students with sophisticated and rigorous training at the nexus of sustainability and financial management. By the end of this course, students will gain a foundation in the understanding of how regulations and market forces steer corporates' and investors' sustainable investment behaviours.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs	Weighting (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Explain the theories and the importance of ESG financing and investment (shareholder primacy theory vs. stakeholder theory).		√	√	
2.	Describe sustainability opportunities and risks (ESG rating and integrated reporting).		√	√	√
3.	Apply ESG investment and financing decisions in a framework of corporate finance decision-making.		√	√	√
4.	Apply cutting-edge theory on sustainable finance and investment to real-world managerial and investment decisions.			√	√
		100%			

A1: *Attitude*

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: *Ability*

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: *Accomplishments*

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Learning and Teaching Activities (LTAs)

(LTAs designed to facilitate students' achievement of the CILOs.)

LTA	Brief Description	CILO No.				Hours/week (if applicable)
		1	2	3	4	
Seminars and in-class discussions	Students will engage in seminars and in-class discussions to think critically and logically in responding to questions and discussing issues of real-world examples.	√	√	√	√	3-hour seminar per week

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.				Weighting	Remarks
	1	2	3	4		
Continuous Assessment: 50%						
Participation Students' general performance throughout the semester, for instance, in discussions in class or on Canvas.	√	√	√	√	10%	
Written assignment For example, case assignments, problem sets, etc.	√	√	√	√	20 %	
Project One group final project and the presentations of the project	√	√	√	√	20 %	
Examination: 50% (duration: 2 hours)						
					100%	

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Applicable to students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
1. Written assignment	Ability to demonstrate critical understanding of the course material	Outstanding	High	Moderate	Basic	Not reaching marginal level
2. Project	Ability to demonstrate critical understanding of the course material	Outstanding	High	Moderate	Basic	Not reaching marginal level
3. Final examination	1. Ability to present material in a logical manner 2. Ability to apply theories introduced in class 3. Ability to understand financial reports	Outstanding	High	Moderate	Basic	Not reaching marginal level

Applicable to students admitted from Semester A 2022/23 to Summer Term 2024

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B)	Marginal (B-, C+, C)	Failure (F)
1. Written Assignment	Ability to demonstrate critical understanding of the course material	Outstanding	High	Basic	Not reaching marginal level
2. Project	Ability to demonstrate critical understanding of the course material	Outstanding	High	Basic	Not reaching marginal level
3. Final examination	<ol style="list-style-type: none"> 1. Ability to present material in a logical manner 2. Ability to apply theories introduced in class 3. Ability to understand financial reports 	Outstanding	High	Basic	Not reaching marginal level

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

(An indication of the key topics of the course.)

- ESG
- ESG rating
- Socially responsible investment and Impact Investment
- ESG-integrated reporting and ESG disclosure
- Green bonds
- Financing and social inclusion
- Sustainable supply chain
- Greenwashing

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	Lecture notes, newspaper clippings, and academic articles.
2.	Cases from Harvard Business School.
3.	Cases from Singapore Management University's center for management practice.
4.	Cases from China Management case-sharing center.

2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

1.	Alex Edmans, <i>Grow the Pie: How Great Companies Deliver Both Purpose and Profit</i> , ISBN-10-1108494854.
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