

Syllabus
FIN3203E Sustainable Finance and Investing
 Dr. Hartmut Graf
 Summer Semester 2023

Level	Bachelor	
Credits	3	
Student Contact Hours	2	
Workload	90 hours	
Prerequisites	The first study section must be completed in full.	
Time	Thursdays, 15:30 – 18:45 (am 16.03, 23.03, 30.03, 20.04, 27.04, 04.05, 25.05)	
Room	See LSF	
Start Date	16.03.2023	
Lecturer	Name	Dr. Hartmut Graf
	Office	W2.4.25 (Sekretariat)
	Virtual Office	-
	Office Hours	-
	Phone	+49 7231 6077 (Sekretariat)
	Email	alexandra.hagdorn@hs-pforzheim.de

Summary

What can investors do against global warming and for gender equality? Sustainable investing was in the past a press subject mostly, but not embedded deeply in the investment industry. More recently, sustainable investing was taking-off. Now a wide zoo of buzz words emerged, i.e. “green investing”, “carbon neutral investing”, “socially responsible investing”. But do they all fit the purpose? Or is it all “greenwashing”?

The course is systematically building the foundation for understanding and assessing sustainable investing. To do so, the investment ecosystem as a whole and the fundamentals of the portfolio management process and theory will be introduced. Active and passive asset management will be explained and compared. Finally, different approaches to sustainability concepts will be categorized and their inclusion in the asset management process discussed.

Outline of the Course

- Introduction: The “buy-side”
- Theory of portfolio management
- Basics of active management
- Basics of passive management: Indices and ETFs
- Sustainability/ ESG investments
- Summary

Course Intended Learning Outcomes and their Contribution to Program Intended Learning Outcomes / Program Goals

Program Intended Learning Outcomes		Course Intended Learning Outcomes	Assessment Methods	
After completion of the program the students will be able...		After completion of the course the students will be able...	Non-Graded Examination	Presentation
			0% (60% minimum of exercises correct to pass)	100%
			Individual	Individual
1 Expert Knowledge				
1.2	...to demonstrate their distinguished and sound competencies in Economics.	... to describe the general landscape, i.e. players, roles, processes in capital markets.	x	
1.4	...to solve business problems based on profound data research skills and by applying quantitative methods.	... to assess various alternatives of sustainable investments and to implement investment solutions based on real data.	x	
1.5	...to demonstrate profound expert knowledge in their field of specialization.	... to describe and to distinguish the alternative approaches to active and passive investing and investment management. They should be capable to outline and apply the key concepts of sustainability in the context of finance.	x	
2 Digital Skills				
2.1	...to know and understand relevant IT software tools used in business and their features and have a solid understanding of digital technologies.	... to solve investment problems in Excel by manipulating data sets.	x	
2.3	...to effectively use digital technologies to interact, to collaborate and to communicate.	... to present effectively key findings of a mini case study to an audience using Power Point or potential similar tools.		x
3 Critical Thinking and Analytical Competence				
3.1	...to implement adequate methods in a competent manner and to apply them to complex problems.	... to leverage their understanding of financial investing in general and on concepts of sustainability in particular for financial investing.		x
3.2	...to critically reflect and interpret findings and to develop comprehensive solutions for complex problems.	... to distinguish the various approaches to sustainability and discuss them critically. In particular, they will be able to address elements of "greenwashing".		x
4 Ethical Awareness				
	...to develop sound strategies in the areas of ethics, sustainable development and social responsibility and are able to apply them to typical economic decision-making problems.	... to describe and discuss all relevant approaches to sustainable finance covering environmental, social and governance dimensions. They will have a sound understanding of the current sustainable frameworks. The students will apply their learnings in practical, real-life exercises to the field of sustainable investing.		x
5 Communication and Collaboration Skills				
5.2	...to demonstrate their oral communication skills in presentations.	... to provide a comprehensive, crisp and convincing overview on sustainable investment solutions and discuss them critically.		x
5.3	...to work successfully in a team by performing practical tasks.	... to work jointly in an "investment team" to allocate (fictitious) investment funds to various alternatives provided based on a well-reasoned discussion.		x
6 Internationalization				
6.3	...to successfully demonstrate awareness of cross-cultural differences.	... to compare global standards in sustainability and discuss applicability and impact of the various approaches.		x

Teaching and Learning Approach

The course is a lecture in which case studies are integrated. By means of guiding questions, overviews, examples and tasks, the material is presented in an application-oriented manner. A theoretical introduction is given to each block of topics. After the basic theoretical considerations, the students deepen the topic by means of case studies. The students can ask individual questions about the content. After the course, the students review the learning content with the help of the specified teaching and learning materials. Active participation and revision are thus an elementary component of the teaching and learning concept and good preparation for the final exam.

Literature and Course Materials

Literature

- Frank K. Reilly, Keith C. Brown; Investment Analysis & Portfolio Management; Thomson
- Charles P. Jones; Investments; Wiley
- Richard C. Grinold, Ronald N. Kahn; Active Portfolio Management; McGraw-Hill
- Jon A. Christopherson, David R. Carino, Wayne E. Ferson; Portfolio Performance Measurement and Benchmarking
- Pedro Matos; ESG and responsible institutional investing around the world; CFA Research Foundation
- Matthew W. Sheerwood, Julia Pollard; Responsible Investing; Routledge

Course Materials

- Script
- Excel data sheets

Assessment

The grading is based on a short pitch presentation at the end of the semester. In order to be allowed in the final presentation the students must pass a minimum of 60% of the provided exercises during the lecture.

Code of Conduct for online Teaching

[Link to the Code of Conduct for online Teaching](#)