

**THE UNIVERSITY OF HONG KONG
HKU BUSINESS SCHOOL**

FINA3319 - Green Finance and Impact Investing

| GENERAL INFORMATION | |
|--|-----------------------|
| <p>Instructor: Dragon Tang (TBC)</p> <p>Email: yjtang@hku.hk Office: KK 1004 Phone: 22194321 Consultation times: by appointments</p> <p>Tutor: TBA Pre-requisites: FINA 1310 (Corporate Finance); FINA 2320 (Investments and Portfolio Analysis); Co-requisites: Mutually exclusive: TBD</p> <p>Course Website: moodle.hku.hk Other important details:</p> | |
| COURSE DESCRIPTION | |
| <p>Global warming and environmental concerns have become urgent issues and financial solutions are being sought after. Green finance is designed to support sustainable, climate friendly growth. Institutional investors, corporate managers and government organizations are actively participating in this area. Many impact funds are being set up every year. This course introduces the recent development in the financial market on green finance such as green bonds. Impact investing such as activism will be analyzed. The rising importance and implementation of environmental, social and governance (ESG) for investment will be studied. Other related topics are accounting, certification, and reporting of green projects.</p> | |
| COURSE OBJECTIVES | |
| <ol style="list-style-type: none"> 1. To help students understand the concepts and principles of green finance and impact investing 2. To provide students with knowledge about the relevant market developments 3. To develop students for the further progress of sustainable economic growth | |
| FACULTY GOALS | |
| <p>Goal 1: Acquisition and internalization of knowledge of the programme discipline</p> <p>Goal 2: Application and integration of knowledge</p> <p>Goal 3: Inculcating professionalism</p> <p>Goal 4: Developing global outlook</p> <p>Goal 5: Mastering communication skills</p> <p>Goal 6: Cultivating leadership</p> | |
| COURSE LEARNING OUTCOMES | |
| Course Learning Outcomes | Aligned Faculty Goals |

| | |
|---|------------------------|
| CLO1 Describe the key concepts and principles of green finance and impact investing | Goals 1, 2, 3, 4, 5, 6 |
| CLO2 Analyze green projects and impact investing | Goals 1, 2, 3, 4, 5, 6 |
| CLO3 Apply the principles of responsible investment and ethics | Goals 1, 2, 3, 4, 5, 6 |
| CLO4 Demonstrate leadership and effective communication skills | Goals 1, 2, 3, 4, 5, 6 |

COURSE TEACHING AND LEARNING ACTIVITIES

| Course Teaching and Learning Activities | Expected contact hour | Study Load (% of study) |
|--|-----------------------|-------------------------|
| T&L1. Lectures | 36 | 30% |
| T&L2. Projects (collaborated with practitioners) | 36 | 30% |
| T&L3. Case-based study and analysis | 48 | 40% |
| Total | 120 hours | 100% |

| Assessment Methods | Brief Description (Optional) | Weight | Aligned Course Learning Outcomes |
|----------------------------------|---|--------|----------------------------------|
| A1. Written assignments | Essays and calculations | 20% | CLO 1, 2, 3, 4 |
| A2. Group projects, presentation | Participation in real green projects | 30% | CLO 1, 2, 3, 4 |
| A3. Mid-term exam | True/False, MC, Short Answers | 20% | CLO 1, 2, 3, 4 |
| A4. Final Report | Extensive report on specific green finance and impact investing | 30% | CLO 1, 2, 3, 4 |
| Total | | 100% | |

STANDARDS FOR ASSESSMENT

Course Grade Descriptors

| | |
|-----------|--|
| A+, A, A- | Student consistently demonstrates a thorough grasp of the subject |
| B+, B, B- | Student frequently demonstrates a substantial grasp of the subject |
| C+, C, C- | Student demonstrates a reasonable grasp of the subject |
| D+, D | Student demonstrates acceptable grasp of the subject |
| F | Student fails to demonstrate a grasp of the subject |

Assessment Rubrics for Each Assessment (Please provide us the details in a separate file if the space here is not enough)

Assessment criteria or rubrics are to be developed and provided to students. Those criteria and rubrics will be transparent and straightforward. Students will understand the course learning objects and achieve their learning goals.

COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

1. Climate change and market efficiency
2. Green finance solutions to environmental issues such as green bonds
3. Principles of responsible investing
4. Definitions and cases for impact investing
5. Socially responsible investing with ESG mandates
6. Shareholder activism
7. Corporate social responsibility (CSR)
8. Environmental, social and governance (ESG)
9. Regulatory changes for ESG report
10. Greentech
11. The economics of philanthropy
12. New products and approaches

REQUIRED/RECOMMENDED READINGS & ONLINE MATERIALS (e.g. journals, textbooks, website addresses etc.)

Required/recommended readings are:

- Chowdhry, Bhagwan, Shaun William Davies, and Brian Waters, 2019, Investing for Impact, *Review of Financial Studies* 32, 864-904.
- Pindyck, 2013, Climate change policy: What do the models tell us? *Journal of Economic Literature* 51, 860-872.

Handouts from course instructor.

Reading materials will be uploaded to moodle.

MEANS/PROCESSES FOR STUDENT FEEDBACK ON COURSE



conducting mid-term survey in additional to SETL around the end of the semester



Online response via Moodle site



Others: ___ reflection essay _____ (please specify)

COURSE POLICY (e.g. plagiarism, academic honesty, attendance, etc.)

HKU policies on plagiarism, academic honesty, and attendance are applied.

ADDITIONAL COURSE INFORMATION (e.g. e-learning platforms & materials, penalty for late assignments, etc.)

This course requires substantial field work, with assistance from Climate Bonds Initiatives (CBI).