

Course syllabus

1. Core data

Course code	Credits	Semester
PSBV106NAMB	3	2024/25/2
Course title in Hungarian		
Ethics and Green Finance		
Course title in English		
Ethics and Green Finance		
Course title in other language		
Course leader	Institute	
Németh-Durkó Emília	Institute of Finance	
Language of instruction	Type of final assessment	
English	Seminar grade	
Number of theoretical classes per week (full-time programmes)	Number of practical classes per week (full-time programmes)	
0	4	
Number of theoretical classes per semester (part-time programmes)	Number of practical classes per semester (part-time programmes)	
0	0	
Available for preferential study schedule		
No		

2. Main features

Course objectives
<p>Commitment to social responsibility is a fundamental expectation for companies today. Integrating responsible aspects into corporate strategy is an ethical obligation and an increasingly important business aspect. The aim of the course is to provide students with insight into responsible corporate governance aspects, familiarize themselves with responsible environmental, social, and investment aspects, and discuss the main green financial activities available in capital markets. By expanding analytical tools, students will learn methods that make sustainability measurable in finance. By the end of the course, students will be able to make financial decisions with ethical business practices and to support their financial decisions from a sustainability perspective. During classes, we prefer that students work in groups; we place great emphasis on a practical approach to each topic.</p>
Brief description of the course
<p>The course focuses on two main areas. One is the sustainability aspects of corporate activities, and the other is the ethical considerations in corporate financial decisions. Green financing, responsible corporate governance, carbon management and net zero banking present the issuer side of the new capital market trend and corporate disclosure requirements. Portfolios are analyzed according to sustainability aspects, and carbon footprints are calculated and priced. In the final hour of the course, students present their own research and analysis by reviewing articles on elective topics in areas that are impacted by sustainable finance. In the other half of the course, students will not only learn the basic concepts of business ethics but also develop their ethical skills and improve their integrity by solving real-life cases jointly and in groups. Debates, value statements, and sharing personal experiences are vital to classroom work, helping to understand how culture, religion, and experience may lead to different interpretations and expectations in a given situation. Besides reviewing professional ethical standards like the CFAI Code of Ethics, we will also review fraud models, possible ways of preventing unethical behaviour, and superiors' duty to maintain ethical standards within an organisation.</p>
Relationship with other courses of the programme
<p>The topics covered are closely related to the Investments and Advanced Corporate Finance subjects and build on the acquired knowledge of asset pricing, investment and financing decisions. The subject complements and updates the financial and investment analysis knowledge acquired in the major by adding an extra dimension to investment and investment decision-making. Taking into account sustainability aspects also supports corporate decisions from an ethical, moral, economic, social and environmental sustainability perspective.</p>

3. Learning outcomes

Skill	Knowledge	Attitude	Autonomy and Responsibility
The student is able to apply the knowledge gained about green financial instruments in business practice.	The student gets to know the green financial instruments available on the capital market, with particular regard to green bonds. They Learn about responsible (ESG) aspects and will have knowledge of portfolio carbon footprint calculation methodology.	In financial calculations, students strive for reliable results and ethical business practices and the avoidance of unethical business behavior.	The student assumes responsibility for the reliability and ethics of his financial calculations and analyses.
The student is able to make investment decisions according to ethical business practices.	The student is familiar with the relevant parts of the CFA Code of Ethics and the ethical aspects of financial management decisions.		
The student is able to compile an ESG strategy that meets sustainability criteria, aligned with a given company's goals and relevant legal requirements.	The student knows the principles and steps of developing social responsibility and sustainability strategies.		
The student is able to actively participate in corporate carbon management tasks.	The student is is familiar with the methodology of carbon footprint calculation in corporate finance.		

4. Mandatory readings

Required literature	URL
Roncalli, T. (2023): Handbook of Sustainable Finance, Université Paris-Saclay	