

## SUBJECT TECHNICAL SHEET

Course details	
Créditos ECTS	3 ects. Mandatory. (T2)
TITLE	Master in Finance / Master Universitario en Finanzas por la Universidad Pontificia de Comillas
Professor	Consuelo Benito Olalla
Name	Ética, Sostenibilidad y Sociedad/ Ethics, Sustainability and Society
Mail	c.benito@advantere.org

## OBJETIVES AND CONTENT

### OBJECTIVES

#### General Competencies

**CG1: Project-based learning: Ability to develop and execute collective financial projects in their different phases based on real situations, proposing real solutions and making all interactions with the team, clients and any other participants.**

RA1: Ability to commit to the development of experimental collective projects based on the real world, managing and aligning the client's needs with the available resources, optimally distributing the work, communicating and projecting their different phases, proposing real solutions and making efficient interactions with the team, clients and other stakeholders.

**CG2: Critical thinking: Use critical thinking for decision making and problem solving in financial management processes**

RA2: Interpret, analyze, synthesize and evaluate ideas, and do so from a critical point of view

**CG 5: Ethical commitment: Ethical commitment in the application of universal moral values and the organization in the face of ethical dilemmas and corporate social responsibility, with special sensitivity to international diversity.**

RA1: Ability to make decisions and guide the actions of others around the common good, instill values, organize resources and address ethical dilemmas from different perspectives and implementing sustainable solutions.

**CG6: Capacity for global and local orientation: Analyze current financial problems, in a local and global environment, taking into consideration complex economic aspects, cultural, social and ethical factors**

RA1: Ability to analyze current problems, in a local and global environment, taking into consideration complex economic aspects, cultural, social and ethical factors.

**CG.7 Autonomous learning: Autonomous learning capacity to train, develop cognitive skills, and acquire knowledge relevant professionals.**

RA1 - Address in an autonomous and agile manner the need to train, develop, and adapt to different environments, overcoming the difficulties that arise. they can find, and finding mechanisms to achieve optimal and rapid acclimatization.

## Specific Competencies

**CE1: Recognize, identify and analyze in detail the challenges that the teams and management of the company must face, being especially sensitive to its impact on the entities that interact with it directly and/or indirectly, as well as with the whole of society.**

-RA1: Understand and know how the challenges of digitalization, globalization, talent management and competitiveness impact the company and its stakeholders, as well as the opportunities they generate for the development of society.

-RA2: Direct, manage and develop teams from an ethical and sustainable commitment.

## CONTENT

- 1. The ESG Market and Governance Factors.**
  - a. History of ESG investing.
  - b. Size and Scope of ESG.
  - c. Key Market drivers and Integration of ESG factors.
  - d. Evolution of corporate governance frameworks.
  - e. Key characteristics of effective corporate governance.
  - f. Main models of corporate governance.
  - g. Role of auditors in relation to corporate governance
- 2. Environmental and Social Factors.**
  - a. Climate change and other environmental issues.
  - b. relationships between business activities and environmental issues.
  - c. Megatrends influence environmental factors.
  - d. Material impacts of environmental issues on potential investment opportunities.
  - e. Systemic relationships and activities between business activities and social issues.
  - f. Key social concepts.
  - g. Material impacts of social issues on potential investment opportunities
  - h. Identification of approaches to social analysis at country, sector, and company levels
- 3. Engagement and Stewardship. ESG Analysis, Valuation and Integration.**
  - a. Purpose of investor engagement and stewardship.
  - b. Main principles and requirements of stewardship.
  - c. Engagement in practice.
  - d. Methods to establish an engagement approach.
  - e. Aims and objectives of integrating ESG into the investment process.
  - f. Approaches of integrating ESG analysis into the investment process.
  - g. Qualitative & Quantitative approaches to ESG analysis across a range of asset classes. Tangible and intangible material ESG-related factors.
  - h. Scorecards construction.
  - i. How ESG factors affect security valuation across a range of asset classes
- 4. Integrated Portfolio Construction and Management.**
  - a. The impact of ESG factors on strategic asset allocation.
  - b. Integrating ESG into the portfolio management process.
  - c. Approaches on how internal and external ESG research and analysis is used by portfolio managers to make investment decisions.
  - d. Main indexes and benchmarking approaches applicable to sustainable and ESG investing.
  - e. ESG screening of individual companies and collective investment funds.
  - f. ESG integration impact on the risk–return dynamic of portfolio optimization.
- 5. Global Challenges, International covenants and SDGs**
  - a. 2030 Agenda and SDGs
  - b. Role of public sector

- c. **Inequality crisis (COVID 19, Food systems)**
- d. **Climate crisis**
- e. **Gender rights**
- f. **Facing the challenges**
- 6. **New business models as an opportunity**
  - a. **Shared Value theory (Michael Porter)**
  - b. **Circular economy**
  - c. **Fair trade**
  - d. **Social Enterprise**
  - e. **Impact investment**
- 7. **Sustainable investment: Will ESG stop climate change and reduce inequality?**
  - a. **Case studies**
  - b. **Role of global food giants**
  - c. **Sustainable investments**
  - d. **Who finances climate change adaptation?**
  - e. **EU plans and taxonomy**
  - f. **Non financial information and materiality analysis**
- 8. **Business Ethics**
  - a. **The business case for sustainability and positive social impact**
  - b. **The moral case for sustainability**
  - c. **What is CSR? Trends and dilemmas**
  - d. **Tools for managing ethics and suitability**
  - e. **Ethical decision making**

### FORMATIVE ACTIVITIES

Formative activities	Workload (%)	Attendance (%)
Teacher's Lecture	6	100
Student Presentations, Debates, and Group Dynamics	10	100
Exercises and Problem-Solving, Applied Work Preparation	40	25
Study and Documentation	26	0
Tutorial Sessions	2	50
Development of Real Projects for Organizations	10	50

### TEACHING METHODOLOGY

#### Aspectos metodológicos generales de la asignatura

Cooperative work of students who, in groups, receive a task, case or assumption that requires sharing information and resources among members with a view to achieving the common objective. Based on the case method, studied by each student and discussed by each group before the individual interventions of each general session.

The case method stimulates inductive learning. From the analysis of specific examples, the different analysis tools are built and general rules of application to all types of companies and

sectors are induced. Therefore, prior study of the cases and active participation in the discussions of the general sessions is essential. Expository lessons. The presentations must be evaluated and criticized by the rest of the classmates or by the teacher in order to delve deeper into the topic.

Group work dedicated to carrying out a Project with a company. The company will formulate a challenge for the students. The challenge is the objective of the project and is a real problem for the company. The topic of the project is directly related to the subject syllabus. Students work as a team under the direction of the teacher to solve the challenge and propose their solution to company managers.

Individual study. Individual reading of different types of texts (cases, books, magazines, articles, press, Internet publications, reports on practical experiences, etc.) related to the study subjects.

Cooperative work of students who, in groups, receive a task that requires sharing information and resources among members with a view to achieving the common objective.

### ASSESSMENT CRITERIA

ASSESSMENT ACTIVITY	Weight (%)
Individual assessment	35%
Group assessment	50%
Participation	15%

### EVALUATION CRITERIA

The evaluation criteria of the subject are governed by the following regulations:

1. All students must have 100% attendance on the days set for this subject. Any absence must be justified. If it is not justified, there will be a penalty that will vary depending on the days of unjustified absence.
2. The final grade corresponds to the sum of the evaluation activities, evaluation criteria and weight described in the Evaluation and Qualification Criteria section. All elements of the subject evaluation must be approved
3. Work must be delivered, individually and in groups, in the time and manner planned by the subject teacher.
4. A final grade below 5 implies taking an extraordinary test. The final grade in this exam may not be higher than the median of those passed in the ordinary call.

### Evaluation criteria to apply for the second registration

The student enrolled in the subject for the second year must comply with the individual and group tasks set by the subject teacher. The same evaluation criteria expressed in the Evaluation and Qualification Criteria section will be maintained.

For those circumstances not provided for in this Teaching Guide, the Regulations of Advantere School of Management and the general Regulations of Comillas will apply.

## BIBLIOGRAPHY

- CRANE, A., MATTEN, D., GLOZER, S., & SPENCE, L. (2019). Business ethics: Managing corporate citizenship and Sustainability in the age of globalization (5th Edition). Oxford University Press. New York, 2019.
- [Friedman, 1970 The Social Responsibility of Business is to Increase its Profits](#)
- [Carroll, A. B. \(1991\). The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders. Business Horizons.](#)
- [Freeman \(2001\). A Stakeholder Theory of a Modern Corporation.](#)
- [Porter, M. E., & Kramer, M. \(2011\). Creating shared value: redefining capitalism and the role of the corporation in society. Harvard Business Review, 89\(1/2\), 62-77.](#)
- [https://youtu.be/AGqE4OO0\\_7g](https://youtu.be/AGqE4OO0_7g) (GRI Sustainability Reporting Standards
- Edelman Trust Barometer 2022 <https://www.edelman.com/trust/2022-trust-barometer>
- <https://www.spglobal.com/esg/csa/csa-resources/industry-leaders>
- [Ojeda, Santiago \(2019\) Taking Business Ethics Seriously. Beyond "How Much Would you Sell your Mother For?"](#)
- Business Roundtable new definition of the purpose of a corporation (Aug, 2019): <https://www.businessroundtable.org/business-roundtable-redefines-the-purpose-of-a-corporation-to-promote-an-economy-that-serves-all-americans>
- Pistor, Katharina (Aug, 2019) "Why America CEO's have turned against shareholders", *Project Syndicate*: <https://www.project-syndicate.org/commentary/american-ceos-turn-against-shareholder-primacy-by-katharina-pistor-2019-08>