

UGRD_LKCSB_2620_FNCE322_WILLIAM KOO



Singapore Management University

COURSE INFORMATION

Course Code & Title

FNCE322 - Sustainable and Impact Investing

Effective Start Date

11/01/2027

Offering Unit / Department / School

LKCSB

Course Career

Undergraduate

Course Units

CU:

Grading Basis

GRD - Graded

1

Course Description

In today's world, the interest in investments that generate measurable positive impact on society and the environment is growing rapidly. Clients, consumers, regulatory bodies, and even employees are increasingly requiring that Environmental, Social, and Governance (ESG) considerations be integrated into every stage of the investment process, including deal sourcing, due diligence, and portfolio management. More than just a means to mitigate risks, the incorporation of ESG is now seen as essential for enhancing the value of portfolios. Through this course, participants will delve into the intricacies of sustainable and impact investing, exploring its development, its global landscape, methodologies for measuring impact, and reporting frameworks. This course is designed to equip students with the knowledge and skills necessary to engage in investment strategies that generate social and environmental impact alongside financial returns. While there will be some in-class meetings to discuss theoretical concepts, learning will be primarily experiential in nature through class discussion, group

exercises, case studies, guest lectures from industry experts, and a team project with an industry partner. These activities are designed to provide a real-world perspective and hands-on experience in sustainable and impact investing.

Course Learning Outcomes

By the end of this course, students will be able to:

- Appreciate the significance of investing in initiatives that not only provide financial returns but also create positive social and environmental impacts;
- Understand the core principles of sustainable and impact investing and how they differ from traditional venture capital / private equity investment approaches;
- Develop proficiency in evaluating investments using ESG criteria and impact measurement tools;
- Solve a real-world investment challenge faced by the sustainable and impact investment space;
- Understand and conduct research on their given industries and develop insights in the regional and global landscape;
- Ideate on actionable solutions that can address key funding, operational or business model challenges;
- Develop a sustainable and/or impact-driven strategy that can improve the financial and impact performance of the company.

SMU Graduate Learning Outcomes

Disciplinary knowledge, Multidisciplinary knowledge, Interdisciplinary knowledge, Critical thinking & problem solving, Innovation and enterprising skills, Intercultural understanding and sensitivity, Understanding of global and Asian perspectives, Ethics and social responsibility, Understanding of Sustainability Issues, Resilience

Competencies

Behavioural Finance, Environment and Social Governance, Financial Investment Management, Roles and Mechanisms of Financial Markets, Alternative Investments (PE, real estate, hedge funds, etc)

Course Area(s)

AREA - Business Options, AREA - Finance Electives, AREA - Grad Req - Sustainability (Intake 2024 onwards), AREA - Sustainability Management Electives, ENRL - SS Enrolment: 6 ISEP; 1 SUSEP, TRCK - Finance Major: Sustainable Finance Track

Simple Requirements

FNCE101/103/104 - Pre-req

Type

Prerequisite

Complete ANY of the following Courses:

- FNCE101 - Finance
- FNCE103 - Finance For Law
- FNCE104 - Financial Management

CLASS SECTION INFORMATION

Instructor(s)

WILLIAM KOO KOO

(williamkoo@smu.edu.sg)

Course Instructor(s)

William Koo

Instruction Mode

In Person

Consultations

Teaching Assistants

The instructor's office hours in course weeks: by appointment (you can schedule an appointment via your teaching assistant).

Teaching Assistant (TA):

Consultation hours by appointment (students should email the TA in advance).

and

Office Location

LKCSB Level 5 Adjunct Suite

Adjunct Teaching Mentor
(ATM): Consultation hours by
appointment (students should
email the ATM in advance).

Assessment Components (New)

Category*		Weightage*	Assessment/Submission Period*			
Class Participation and Activities		10	Week 1			
Description	Individual Group?*	or	With Component?*	Writing	With Component?*	Oral
Class Participation is a central part of the learning process for you and your classmates. When you contribute, you help others learn. Your participation mark reflects your contribution to your classmates' learning. This includes attendance, full preparation prior to class including reading assigned course documents and cases, and active participation in case discussions and group activities.	Individual		Yes		Yes	

Please note that this course requires substantial preparation before each class, and the willingness to engage in class discussion.

Category*	Weightage*	Assessment/Submission Period*				
Projects/Assignments	30	Week 7				
Description	Individual Group?*	or	With Component?*	Writing	With Component?*	Oral
Individual Assignment	Individual		Yes		Yes	
You will work on one individual take-home assignment during the term. The assignment will be announced in week 3 and will be submitted by the end of week 7. The purpose of the assignment is to help you review what we have learned and think about possible applications. The						

answer to the assignment should be within ten (10) pages.

Category*	Weightage*	Assessment/Submission Period*
Projects/Assignments	10	Week 14

Description	Individual Group?*	or	With Component?*	Writing	With Component?*	Oral
Individual Video Reflection	Individual		No		Yes	
Submit a five-minute video reflecting on the key lessons you have learned throughout the course. Focus on two or three concepts or experiences that most shaped your thinking, explain how they changed your perspective, and describe how you will apply them going forward. You may draw on the individual assignment, group case study, and						

group project, including challenges you faced and what you learned from them. Speak in your own voice, using brief notes rather than a script. Videos exceeding five minutes will not be assessed beyond that limit. Ensure clear audio and visibility, and submit by Week 14.

Category*

Projects/Assignments

Weightage*

40

Assessment/Submission

Period*

Week 15

Description

Group Project
You will work in groups with a Project Sponsor on a problem statement related to sustainable and impact investing. You will be assigned into your groups by the end of Week 2.

Individual

Group?*

Group

or

With

Component?*

Yes

Writing

With

Component?*

Yes

With

Component?*

Yes

Oral

Details of the Group Project can be found in the Appendix. I will discuss these in more details during class. For my evaluation of your group project, I will consider all the information that I can observe in the mid-term and final presentations, as well as the final report (due Week 14 or 15) to come up with an overall evaluation of your performance. I will look at the thoroughness of your analysis, the logic of your assumptions, and the clarity with which you communicate them. I will also look at how you respond to the questions and suggestions from me and the Project Sponsors.

Category*

Projects/Assignments

Weightage*

10

Assessment/Submission**Period***

Week 4

Description

Group Case Study
You will work in groups on a case study and discuss the case in class on Week 4. There will be a few questions about the case assigned to you one week in advance, and you will need to hand in a short report - at least five (5) pages - before the start of the in-class discussion. There are no standard answers to the questions, and the aim is to motivate you to actively think through the cases before class and be more involved in discussing these cases during the class. The evaluation of group

Individual**Group?***

Group

or

With**Component?***

Yes

Writing**With****Component?***

Yes

With**Component?***

Yes

Oral

case study will be based on thoroughness and soundness of your reasoning rather than the length of the report.

Instructional Methods and Expectations

LKCSB Attendance Policy

Students with unexcused absences from class for 4 or more sessions may be given an 'F' for that class. Late class attendance and non-completion of blended learning materials may be counted as an absence from class.

Weekly Lesson Plan

WEEK NO.	SPECIFIC LEARNING OBJECTIVES FOR THE LESSON	CONCEPTS / TOPICS COVERED REQUIRED READING
1	Introduction to Sustainable and Impact Investing	• Course introduction • Overview of the Sustainable Investing Approaches • Key concepts and topics in Sustainable & Impact Investing
2	Fundamentals of Venture Capital (VC) and Private Equity (PE)	• Overview of the VC and PE industry • Fund Lifecycle and Fund Structure • Investment Process, Due Diligence, Valuation • Portfolio Management • Exit strategies and Fund Performance

WEEK NO.	SPECIFIC LEARNING OBJECTIVES FOR THE LESSON	CONCEPTS / TOPICS COVERED REQUIRED READING
3	Integrating ESG into Impact Investing Process	• Impact investing process • Integrating ESG Risks & Opportunities • ESG Materiality Matrix • Developing Impact Thesis & Theory of Change • Project Kick-off with Project Sponsors
4	Impact Measurement and Management (IMM) I	• Overview of Impact Measurement & Management (IMM) • IMM Standards and Frameworks ▪ Operating Principles of Impact Management (OPIM) ▪ Impact Management Project (IMP) • Class Activity: IMP's 5 Dimensions of Impact
5	Impact Measurement and Management (IMM) II	• Impact Measurement Methods • Case Study & Class Discussion
6	Blended Finance	• Key concepts of Blended Finance • Definition, Characteristics, Market Size, Archetypes, Investor Types
7	Mid-Term Project Presentation to Project Sponsors	• Individual Assignment Due • Peer & Self Feedback System Due
8	Mid-term Break	
9	Sector Focus: Environmental Impact	▪ Green, Social, and Sustainability (GSS+) Bonds ▪ Sustainability Reporting Standards and Frameworks

WEEK NO.	SPECIFIC LEARNING OBJECTIVES FOR THE LESSON	CONCEPTS / TOPICS COVERED REQUIRED READING
10	Sector Focus: Social Impact	• Social Enterprise Landscape • Social Impact Bonds ▪ Pay for Success
11	Project Consultation	• Consultations By Teams • Feedback on Individual Assignment and Peer Evaluation
12	Final Project Presentation I	Course feedback
13	Final Project Presentation II	Graduation message
14	Individual Video Reflection Due	
15	Final Report Due	

Recommended Textbooks and Readings

Book (optional):

Spiess-Knafl, W. & Scheck, B. (2023). **Impact Investing: Instruments, Mechanisms and Actors**. Springer International Publishing AG

Case Study:

Double Delta: Pursuing Additionality in Impact Investing (INSEAD case)

Coursepack to be purchased or downloaded directly from the Harvard Business School Publishing website. Instructions on how to purchase will be sent by email and posted on elearn after the first class.

Additional readings will be assigned by the instructor from time to time.

Students are also encouraged to develop library and internet research skills in searching for relevant articles related to various topics.

Other Information

CLASS TIMINGS

This course will be taught in one 3-hour session per week between 7:00pm and 10:15pm (with two short breaks in between). Please contact me (by email or on class) beforehand if you will miss one or more lectures with a demonstrable reason. Failing to do so will result in a reduction of your class participation grade.

UNIVERSITY POLICIES

Academic Integrity

All acts of academic dishonesty (including, but not limited to, plagiarism, cheating, fabrication, facilitation of acts of academic dishonesty by others, unauthorized possession of exam questions, or tampering with the academic work of other students) are serious offences.

All work (whether oral or written) submitted for purposes of assessment must be the student's own work. Penalties for violation of the policy range from zero marks for the component assessment to expulsion, depending on the nature of the offence.

When in doubt, students should consult the instructors of the course. Details on the SMU Code of Academic Integrity may be accessed at <https://smu.sharepoint.com/sites/oasis/SitePages/DOS-WKLSWC/UCSC.aspx>.

Responsible Use of AI

The University recognises the importance of equipping students with the skills to navigate an AI-driven world. While AI tools may support learning, they must be used judiciously and responsibly. Students must not present AI-generated output as their own work.

Each course may set specific guidelines on the use of AI in assessments. Students are required to follow these guidelines carefully and should seek clarification from the instructors if uncertain.

Misuse of AI constitutes a breach of academic integrity and will be subject to the same penalties as other acts of academic dishonesty.

Copyright Notice

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For the full copyright notice, please visit <https://researchguides.smu.edu.sg/copyright>.

Accessibility

SMU strives to make learning experiences accessible for all. Students who anticipate or experience physical or academic barriers due to disability are encouraged to inform the course instructor as soon as possible. Students may also contact the university's disability services team if they have questions or concerns about academic provisions:

accessibility@smu.edu.sg. Please be aware that the accessible tables in our seminar room should remain available for students who require them.

Digital Readiness for Teaching and Learning (DRTL)

As part of emergency preparedness, instructors may conduct lessons online via the Zoom platform during the term, to prepare students for online learning. During an actual emergency, students will be notified to access the Zoom platform for their online lessons. The class schedule will mirror the current face-to-face class timetable unless otherwise stated.