Summary
This course deals with the role of finance in the transition to a sustainable, low-carbon economy. Students learn how to apply asset allocation techniques to build sustainable portfolios, understand the entrepreneurial ecosystem, and discover the emerging asset class of impact investing.

Content
1. Introduction to venture capital and the entrepreneurial ecosystem
2. What is sustainable finance?
3. ESG criteria and asset allocation techniques
4. Impact Investing

Keywords
• Venture capital
• Environmental, Social, and Governance Criteria
• Asset allocation
• Finance of green innovation

Learning Prerequisites
Required courses
None

Recommended courses
None

Learning Outcomes
By the end of the course, the student must be able to:
• Describe all the institutional aspects of the venture capital and impact investment industry
• Give an example of the asymmetric information problem that drives contracting in the venture capital industry
• Apply finance tools and concepts to the world of sustainable finance
• Assess / Evaluate the ESG profile of an investment opportunity
• Justify an ESG compliant investment approach
• Decide how to deal with carbon risk

Transversal skills
• Communicate effectively, being understood, including across different languages and cultures.
• Plan and carry out activities in a way which makes optimal use of available time and other resources.
• Demonstrate the capacity for critical thinking
• Access and evaluate appropriate sources of information.
• Give feedback (critique) in an appropriate fashion.
• Take feedback (critique) and respond in an appropriate manner.

Teaching methods
Lectures, homework, case studies, expert talks, exercises

Expected student activities
• attendance of lectures
• carry out projects
• do exercises
• participate in class discussion

Assessment methods
100% homework / project based (work to be handed in during the semester)

Supervision
Office hours Yes
Assistants Yes
Forum No

Resources
Virtual desktop infrastructure (VDI)
No

Bibliography

Ressources en bibliothèque
• Corporate Finance / Berk

Moodle Link
• https://go.epfl.ch/FIN-429