



KAUTILYA SCHOOL OF PUBLIC POLICY

GITAM (Deemed to be University)
Rudraram, Patancheru Mandal
Hyderabad, Telangana 502329

Course Code: PPOL6651	Course Title: Environmental Social and Governance: Reporting, Investing & Governance	
Trimester: 4	Course Type: Elective	Credits: 3
Home Program(s): MPP	Batch/Academic Year: 2022-2024	
Course Lead:	Assigned T/RA:	

Course Description

This course offers insight into evolving ESG principles, methodologies, and applications. While ESG is often spoken of in terms of corporates, multiple stakeholders are involved with interconnected interests. Students will learn the fundamentals of Environment, Social, and Corporate Governance and understand why it is becoming a market and public sector norm. Students will learn the fundamentals of ESG compliance, reporting, investing and the underlying policy and market drivers. This course will help students gain critical insights into ESG, its role in investment analysis, and tools and frameworks for the integration of ESG factors into projects, investments, and entire corporations. The course will also help students draw distinctions between ESG and CSR, ESG investing, and financial market requirements. Particular focus has been accorded to ESG investing in India, its nuances, and its challenges. Students will also learn how the global financial system is slowly (albeit surely) moving towards sustainability, sustainable ESG-compliant investing and sustainable ESG-compliant reporting. Students will understand and evaluate the challenges firms face when it comes to making a business case for ESG-compliant investing in a highly competitive margin-driven business world. The course will also highlight different ESG roles across the public and private sector and career opportunities. By the end of this course, students would be able to understand the importance of ESG reporting, and risks and rewards associated with ESG investing.

Learning Objectives

1. Understand key ESG concepts and drivers, comprehending their interconnectedness and trade-offs within the context of global sustainability goals.
2. Explore how ESG can enhance business resilience by facilitating risk management and value creation.
3. Develop the skills to compare, analyze, and critique ESG practices across various industries.
4. Acquire a comprehensive understanding of ESG investing applications and the prevailing trends within financial markets.
5. Familiarize yourself with ESG-related national and international policy implementation and reporting frameworks.
6. Apply fundamental ESG concepts, explicitly focusing on their relevance to India.

- Gain insight into the ethical and leadership challenges inherent in ESG compliance.

Course Outcomes

Upon successfully completing this course, students will be able to:

- Explain key concepts and principles underlying ESG and their significance for governments and businesses.
- Integrate ESG considerations into various stages of decision-making, from strategic planning to investment analysis.
- Have a working knowledge of ESG metrics, reporting frameworks and scorecards used to measure and communicate ESG performance.
- Be proficient in ESG integration and ESG investing strategies relevant to the Indian market
- Be conversant with the ethical and leadership challenges in ESG.

Course Schedule

Unit I	Sessions: 3	ESG Framework: History and Underlying Rationale
<p>This unit deals with the history of ESG and the underlying rationale of evolving ESG policies</p> <ul style="list-style-type: none"> ESG History and Development SDGs, Stakeholder Capitalism, and other Key Concepts Underlying ESG Progress Evolving International Policy Framework around ESG ESG, Interconnectedness and Trade off's, Key Actors and Firm Signatories ESG Careers Landscape 		
UNIT II	Sessions 4	Government Policy and ESG Regulatory Frameworks
<p>This unit explores the regulatory aspect of ESG from the lens of government policies, investors, and other stakeholders' interests.</p> <ul style="list-style-type: none"> ESG materiality risks and key concerns Legal frameworks (Environment and Social Impact assessments, disclosures), Performance Standards, Industry ESG benchmarks Emerging International ESG Policy Emerging ESG policy in India: SEBI and BRSR India's CSR experience shaping ESG strategies ESG integration versus ESG investing 		
Unit III	Sessions: 4	ESG and Corporations

<p>This unit deals with ESG’s value to corporations and how companies integrate ESG considerations in their operations.</p> <ul style="list-style-type: none"> ● ESG and Firm value: Does ESG Contribute to Firm Value ● Circular Economy: Transition for Future Sustainability ● Just Transition, Transition Risk Modelling ● Net zero strategy and Scenario Planning under SBTi= Science based targets initiative ● Case Studies on ESG linked risks and value creation in corporations 		
Unit IV	Sessions: 4	ESG Reporting, ESG Ratings, Transparency and Valuation
<p>This unit deals with different compliance related requirements pertaining to ESG.</p> <ul style="list-style-type: none"> ● Deep dive on Environment: Emissions Reporting: Scope 1, Scope 2 and Scope 3; Life Cycle Assessment; Nature & Biodiversity ● Deep dive on Social: Labor, Human Rights and Wages, Land Rights, OHS ● Deep Dive on Governance: Board Composition, Transparency, Ethics and Anti-Corruption ● ESG Reporting and Accounting Frameworks – PRI, TCFD, GRI, SASB, TNFD; Emerging Software Services ● ESG Ratings Agencies – MSCI, Sustainalytics, S&P Global, Moody’s 		
Unit V	Session: 5	ESG Investing and Portfolio Management
<p>This unit dives deep into methodology of ESG reporting and how ESG can be incorporated into a company’s investment portfolio management.</p> <ul style="list-style-type: none"> ● Business Models and Business Case that Drive Change ● Sustainability Risk. ● Impact of ESG Investing on Asset Prices and Portfolio Returns ● ESG scores, ratings, data and indices ● Equity Portfolio Optimization with ESG Scores ● Types of ESG investing (Exclusion, Integration, Impact-based, Engagement-based) ● Deep dive-Climate Risk in practice : tools, dashboard and landscape ● Case Study 		
Unit VI	Sessions: 4	ESG Challenges and Further Specialization
<p>The unit explores challenges with due diligence, meeting both financial as well as sustainability goals, and the role of leadership in doing so.</p> <ul style="list-style-type: none"> ● Divergence in ESG ratings and ‘aggregate confusion’ ● ESG vs Impact ● ESG Politics, Backlash and Response ● Identifying Greenwash ● Ethical and leadership challenges inherent in ESG compliance. ● Advancing ESG Leadership Skills 		

