

Table of Contents

Preface.....	1
Abstract.....	5
CHAPTER I.....	6
Introduction	6
1.1. Research Background	6
1.2. Problem Formulation.....	7
1.3. Research Objectives.....	8
CHAPTER II.....	10
Literature Review	10
2.1. Theoretical Framework	10
2.2. Literature Review	11
2.2.1. Asset Pricing Model	12
2.2.2. ESG Ratings	13
2.2.3. ESG Ratings and Expected Returns	14
2.2.4. ESG Momentum and Expected Returns.....	15
2.3. Hypothesis Construction.....	17
CHAPTER III	19
Research Methodology	19
3.1. Data and Sample Selection.....	19
3.2. Methodology	21
3.3. Right-Hand Side Portfolio.....	23
3.3.1. The Market Return Factor	23
3.3.2. The Size Factor.....	23
3.3.3. The Value Factor	25
3.3.4. The ESG Factor	27
3.3.5. The ESG Momentum Factor	27

3.4. Left-Hand Side Portfolios	29
3.4.1. ESG Momentum Portfolios	29
3.4.2. ESG Portfolios	31
3.4.3. Double-sorted size and B/M ratio portfolios	32
CHAPTER IV.....	34
Results and Discussions	34
4.1. Summary Statistics of Portfolio Returns	34
4.2. Asset Pricing Model Results.....	40
4.3. Robustness Tests	56
CHAPTER V	60
Conclusion.....	60
5.1. Conclusion	60
5.2. Contribution to literature	61
5.3. Limitations and Future Research.....	62
BIBLIOGRAPHY	64
APPENDIX	67