

FINANCE FORUM 6 - 2007

## Measuring Carbon Value-at-Risk and Value-of-Gain: An opportunity for investors, companies and academics

With Dr Geoff Wells, Joint Managing Director, ImperativePlus Pty Ltd

Date and Time: **Wednesday 16 May, 2007, 12.30 - 2.00 pm** (sandwich lunch provided)

Venue: **Finsia offices, Level 12, 330 Collins Street, Melbourne.**

*Large firms need to be able to measure the carbon “cost” of their business in order that they can choose the appropriate risk mitigation techniques e.g. purchasing carbon credits, changing business processes or divesting (or investing in) business units. A portfolio approach can be taken to Carbon Value-at-Risk i.e. diversified businesses may have activities that offset some of their carbon footprint. Carbon Value-of-Gain measures can also be developed, to capture opportunities opening up in the rapidly emerging sustainability sector—for example, through new leverage of existing intellectual capital. Such measures are already proving to be of direct interest to investors of all stripes, not just to ethical investors.*

*There is much scope and likely demand for research into Carbon Value-at-Risk/Value-of-Gain. The creation of stable, reputable and reproducible data series will permit share analysts to incorporate such measures into valuation models. When this occurs, preliminary research has shown that it may cause significant re-rating and de-rating of particular stocks and sectors. Academic research needs to be conducted at an early stage to set a quality benchmark for practitioner applications.*

Melbourne Centre is pleased to announce that Dr Geoff Wells, of ImperativePlus will present to the Centre on techniques for measuring carbon value-at-risk and value-at-gain.

After doctoral work in geographical and environmental science, Dr Wells founded and managed companies in industries such as sustainable agribusiness, molecular biology, telecommunications, and audio electronics, both in USA and Australia. Dr. Wells has researched and taught in a number of universities including appointment as Academic Dean, International University of Management, Iowa, USA. He is currently Adjunct Senior Lecturer, International Graduate School of Business, University of South Australia. ImperativePlus offers environmental and social sustainability technologies and has pioneered the application of valuation techniques to sustainability challenges.

This is the sixth for 2007 in a topical series of "Finance Forums" which the Melbourne Centre arranges with the objective of improving industry-academia contacts, identifying research projects and opportunities for research partnerships. It is expected that those attending will be keen to participate in discussion.

Please note that there is a **limit on the number of attendees** but there is no charge. If you are interested in attending and participating, please indicate by an email to [info@melbournecentre.com.au](mailto:info@melbournecentre.com.au) with the subject header of “*Finance Forum – Geoff Wells*” by **noon on Tuesday 15<sup>th</sup> May**. (If you subsequently discover you are unavailable to attend, please advise us so that we can offer the place to others who are interested).

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The Melbourne Centre for Financial Studies is a partnership between public and private sectors, and between industry and academe. The Centre was launched with seed funding from the Victorian Government. Members of the consortium are Melbourne, Monash and RMIT Universities, and Finsia. They have joined together to enhance Melbourne’s national and international reputation for excellence in financial practice, research and education. The Centre facilitates knowledge transfer between, and builds research synergies between, industry and academe by undertaking finance research, providing consulting services, and organizing research focused conferences, workshops, public lectures and other educational activities.