

EEE Faculty Candidate Seminar

Date: January 29, 2024, at 10:30 AM

Location: POTR 234 (Fu Room)

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Strategies for Reducing Sustainable Investment Barriers and the Efficacy of Environmental Activism

Abstract

The 2023 Intergovernmental Panel on Climate Change (IPCC) Synthesis Report states that mitigation and adaptation policies face financing challenges and lack private sector support. The IPCC also highlighted the need for “substantive financing beyond sectoral approaches”. The United Nations Environment Program Finance Initiative as well as the National Academies of Science, Engineering, and Medicine have also acknowledged the need for financial innovations to facilitate the transition to a sustainable society. These challenges stem in part from a lack of clarity in the financial materiality of environmental risks, the greenwashing of sustainability metrics, and opaque financial contracts. Additionally, increased public awareness on the urgency of climate change and environmental degradation — along with the catastrophic consequences of inaction — is raising societal expectations for companies. Consequently, companies are increasingly facing not only physical risks but also regulatory and reputational risks. Yet, they often fail to recognize and address these risks, leading to a rise in environmental activism. Addressing the financial challenges and corporate inaction, as well as understanding effective approaches of environmental activism, is needed to move towards a sustainable society. This presentation will focus on three areas of research and practice: 1) Pricing environmental risks to promote sustainable practices; 2) Integrating blockchain technology to enhance trust and transparency in financing mechanisms for green infrastructure; and 3) Examining the efficacy of environmental activism in shaping private sector actions.

Bio

Kenneth Chung is a Postdoctoral Research Associate at the University of Pennsylvania’s ESG Initiative. He explores how shareholder activism influences corporate actions in addressing climate change, and the association of these actions with reductions in greenhouse gas emissions. More broadly, he is passionate about bringing together environmental data with financial data to derive insights for better environmental stewardship and using new technologies to reduce investment barriers for sustainable solutions. Kenneth holds a PhD in Environmental Engineering from the University of Michigan – Ann Arbor.