



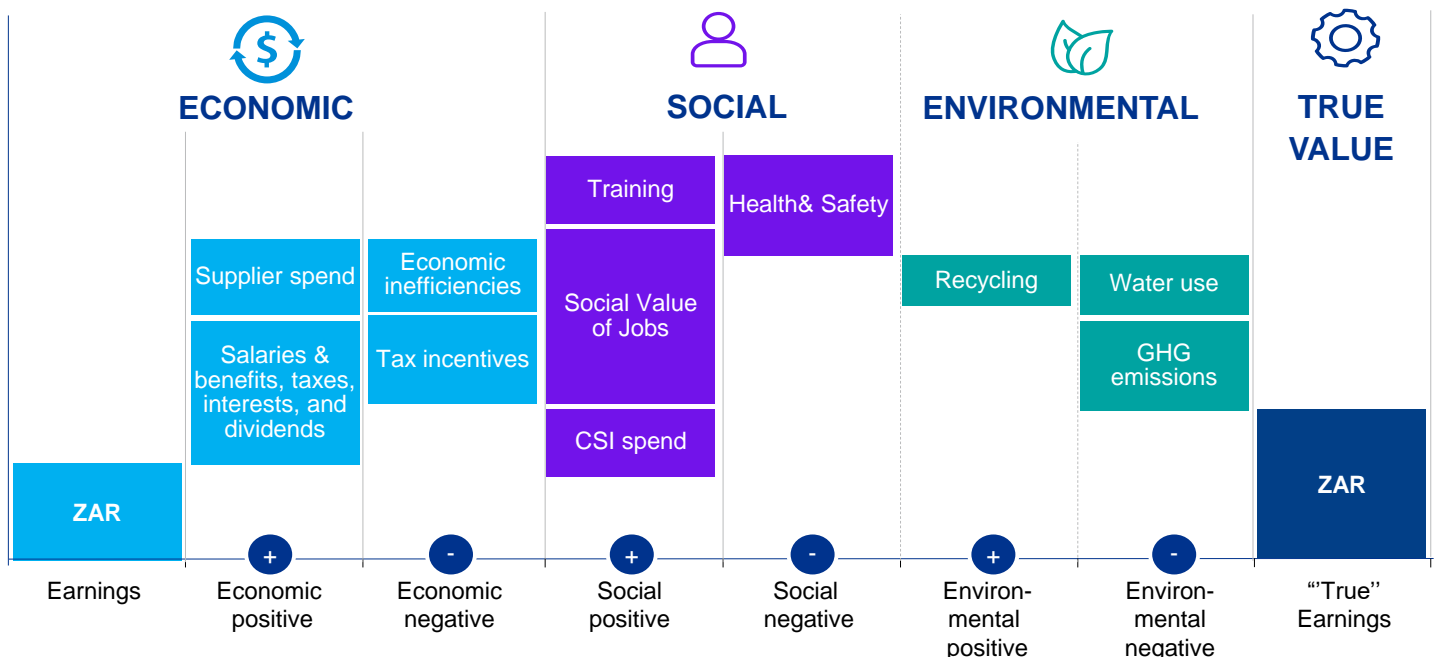
True Value: ESG Impact Assessment

Shared Value Challenge

Companies are under increasing pressure to show they make a positive contribution to society as well as generating profits for shareholders. In many sectors and markets today, an organization’s positive impact on society can make the difference between winning or losing a contract. Measuring and managing those impacts makes good business sense.

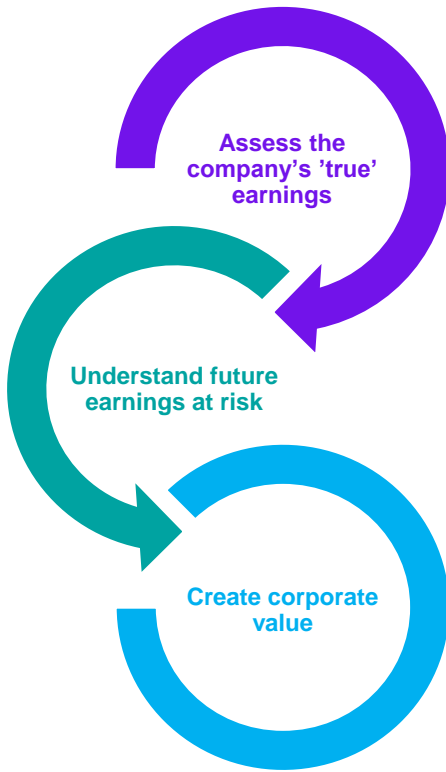
Our Solution

KPMG True Value is KPMG’s ESG impact measurement and valuation methodology. It helps companies to identify, measure and – if appropriate – to value, in financial terms, their economic, social and environmental impacts on society. KPMG analysts carry out a detailed assessment of your organization’s most significant economic, social and environmental impacts, both positive and negative. The assessment is scalable – it can be applied to a single product or service, to a company’s global operations or to the entire value chain including suppliers and the downstream operations of the business. The KPMG True Value bridge depicted below visualizes the economic, social and environmental impacts (both positive and negative). Adding all these additions and subtractions provide a company’s True Value.



The “True Value bridge” can be used externally, to report to stakeholders the True earnings to profit ratio (e.g. Shared value is 12x profit) or be used internally, to develop strategic planning, risk and decision-making on material impacts (positive and negative) for the future of the business operations.

How does the KPMG True Value methodology work to add value to business



Improve on decision making

When it comes to selecting which projects and activities to progress, KPMG True Value helps corporate decision-makers to look further than financial return-on-investment. By providing data-driven insight into impacts on people and the environment, KPMG True Value helps business leaders factor these considerations into investment decisions, alongside conventional financial data. This can help companies reduce risks and enhance drivers of growth.

Build the case for innovation

KPMG True Value helps innovators measure the impacts of products and services on people and the environment. With pressure growing on businesses to demonstrate a (net) positive contribution to society, KPMG True Value can play an important role in the innovation process. It can help companies maximize the positive impacts of their products and services, thereby creating a point-of-difference in the marketplace and potential competitive advantage.

Enhance reporting and strengthen critical relationships

KPMG True Value can provide a far richer view of a company's contribution to society than conventional financial or sustainability reporting alone. That's why many companies use KPMG True Value to enhance their corporate reporting. Transparency around social and environmental impacts can help to strengthen corporate relationships with critical stakeholders like investors, governments, customers and NGOs. It may also help to improve performance in corporate sustainability ratings

KPMG can:

- **Assess a company's 'True' value** by carrying out a detailed assessment of a company's most significant economic, social and environmental impacts, both positive and negative.
- **Develop business cases** that build and protect future value for shareholders by increasing the value created for society.

Contact us

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