KPMG’s True Value Methodology in short

1. Assess the company’s ‘true’ earnings
   by identifying and quantifying its material externalities

2. Understand future earnings at risk
   by analyzing exposure to the forces of internalization

3. Create corporate and societal value
   by developing business cases that capture value, create opportunities and reduce risk.

Drivers of internalization
- Regulations & standards
- Stakeholder action
- Market dynamics

Externalities
- Economic
  +
- Economic
  -
- Social
  +
- Social
  -
- Environmental
  +
- Environmental
  -

Corporate value
- Cash flow/earnings
- Risk
- Revenue
- Cost
- Investment

Strategic response
- Develop business cases to build corporate and societal value

© 2017 KPMG Advisory N.V., a Dutch limited liability company, is a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (‘KPMG International’), a Swiss entity. All rights reserved.
Our experience

- Growth
- Decisions
- Relationships
Reporting 3.0?

TCFD
Focus on climate related financial impacts

Audience: financial capital providers

Traditional reporting:
Financial impacts in financial filings

Future reporting:
Broader (financial and societal) impacts in different reporting formats

True Value
Focus on broader societal impacts of the organization

Audience: various including investors, employees, business partners, customers and non-profit organizations

© 2017 KPMG Advisory N.V., a Dutch limited liability company, is a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (‘KPMG International’), a Swiss entity. All rights reserved.
Thank you

Arjan de Draaijer
Global Lead KPMG True Value
Partner, Amstelveen
KPMG Sustainability

Mob: +31 6 82009036
dedraaijer.Arjan@kpmg.nl