Our service offerings:

**Sustainability**
We support companies in their sustainability journey by building robust systems and controls to manage and integrate it into their overall operations. We also help companies report on non-financial performance. Our True Value methodology helps calculate ‘True’ earnings, understand future earnings at risk, and create corporate & societal value.

**Responsible Investment**
We help investors define parameters when integrating environmental, social and governance factors (ESG) into their investment cycle by understanding the implications for businesses. Furthermore, ESG factors assist during negotiations concerning impact on the value and viability of a transaction.

**Environment, Health, Safety & Security (EHSS)**
We help companies identify the financial, legal and commercial implications of EHSS risks and opportunities. We help design sustainable procurement strategies and supplier monitoring frameworks highlighting risks related to child labor, human rights and minimum wage.

**Corporate Social Responsibility (CSR)**
We help our clients articulate their social investment vision and effectively translate that into a robust and sustainable CSR strategy. Our CARE (CSR project administration and reporting enablement) tool is a CSR management, monitoring and reporting solution.

**Climate Change**
We treat climate change as a core business issue to help businesses work towards low carbon growth and to embed it within their strategy and align with UAE Vision 2021, Dubai Plan 2021, Abu Dhabi Vision 2030. We also help with climate regulation finance, green economy framework and Green bonds.
1. Sustainability

**Sustainability strategy advisory**
- Formulate and implement sustainability strategy for long and short term
- Prioritize and engage stakeholder expectations and help translate into strategic priorities
- Implement information management systems to measure progress
- Assist in international non-financial reporting frameworks like Global Reporting Initiative guidelines and standards, Sustainable Development Goals, Dow Jones Sustainability Index, UN Global Compact, etc.

**Sustainability assurance**
- Provide third-party independent assurance on non-financial reporting frameworks using ISAE 3000 and AA1000 standard

**True Value**
- Calculate ‘True’ Profit & Loss to assess the True Value of business by quantifying environmental and social externalities
- Understand future earnings at risk
- Develop roadmaps to manage non-financial performance
- Create corporate and societal value

**Our value proposition**
- KPMG’s materiality toolkit helps capture and monitor material issues
- KPMG is a GOLD community stakeholder of the Global Reporting Initiative (GRI) and is a member of the G4 standards committee which developed the GRI G4 framework for sustainability reporting
- KPMG is on the Accountability standards committee for the AA1000 assurance standard
- KPMG in the UAE is a GRI certified training partner and has trained over 2000 participants in 10 countries on G4 guidelines for sustainability reporting
- KPMG works closely with International Integrated Reporting Committee (IIRC) on integrated reporting

**Selected credentials**

**Sustainability strategy – True Value**
Using KPMG’s True Value methodology, we developed a model to quantify environmental and social externalities and evaluated the impact of externalities on the company’s EBITA over the following ten years. As a result, our client has identified projects that will benefit society and boost future profitability. Our client applied the methodology at other subsidiaries and at corporate level.

**Sustainability reporting**
We helped in preparing the first sustainability report for one of the largest government entities in the UAE. The requirement was to make the report as per GRI G4 guidelines in eight weeks. Our team interacted with 13 departments to fast-track the reporting requirements. We sought a GRI check on the sustainability report for Materiality Disclosures and Content Index in an incredibly short turn-around time. We also conducted awareness workshops and prepared a guideline for the client to independently work towards publishing their sustainability report.
2. Environment, Health, Safety & Security (EHSS)

EHSS advisory
- Analyze gaps in EHSS management systems
- Map business, entities with their supply chain
- EHSS management system implementation
- Build capacity through training programs

EHSS audits
- Develop corporate EHSS protocols
- Assess and review onsite EHSS systems including fire, electrical, machine safety, food and structural safety and occupational health

Management systems for EHS and social standards
- Establish and develop EHS management systems based on ISO 14001, OHSAS 18001 and social standards such as SA 8000

Supply chain monitoring and EHSS implementation
- Monitor risks related to child labor, human rights, minimum wage, health and safety and other related aspects.
- Monitor supply chains by evaluating, reviewing, assessing and auditing suppliers

Supplier sustainability frameworks
- Design supplier monitoring frameworks
- Design sustainable procurement strategies
- Develop and deliver supplier improvement programs, including training and capacity development workshops

Our value proposition
- KPMG brings an experienced team of ISO 14001 and OHSAS 18001 lead auditors
- KPMG’s toolkit helps benchmark performance against global companies and sectors
- KPMG brings an in-depth understanding of compliance reviews associated with supply chain

Selected credentials

Global home textile and furnishing retailer
KPMG has worked with the client for over a decade, assisting with monitoring key environmental and social risks in its supply chain in UAE, India, Bangladesh and Pakistan, through:
- Unannounced third-party supplier audits, which involved a site inspection, interviews with key management and a random sample of employees, as well as a review of relevant documentation
- Over 4000 compliance reviews of small and micro suppliers to help the client monitor key environmental and social risks in its supply chain
- Research studies, including the sumangali, migrant worker and living wage schemes
- Extensive reviews of emergency preparedness and structural stability

Multi-format retailer
As an internal EHS auditor, our risk-based approach identifies risks in the client’s stores and supply chain. A comprehensive audit protocol aligned with leading practice review that captures regulatory risks and gaps has benefitted the client:
- Identifying non-compliance issues related to food safety standards and legislative requirements
- Anticipating legislation recommendations, which over time have become legal requirements
- Build internal EHSS capabilities and implement a robust EHSS management governance system
3. Corporate Social Responsibility (CSR)

Strategy
- Develop a CSR strategy
- Design high-impact CSR projects compliant with regulations
- Develop CSR monitoring and evaluation framework
- Develop an association strategy
- Recommend suitable implementation structures
- Design tax approaches and efficiencies
- Assist with grant processes

Implementation
- Develop project and annual work plans
- Develop technical and financial monitoring formats
- Arrange monitoring visits and report quarterly
- Update and manage risk log
- Provide specialized technical support on tax queries, compliance with CSR regulations, program delivery and CSR customized training services

CSR Reporting
- Prepare CSR reports according to regulatory guidelines
- Calculate inputs for accurate financial representation

Evaluation
- Manage, monitor and report on CSR initiatives across business entities including CARE tool implementation
- Provide specialized services, such as SRoI and cost-benefit analysis
- Provide assurance on CSR spend

Our value proposition
- CARE (CSR Project Administration and Reporting Enablement) is a KPMG proprietary tool
- KPMG has been associated with SRoI network now Social Value International
- KPMG is one of the few firms that can provide a certified SRoI report
- KPMG is a leader on CR thought leadership, having published numerous titles over the past decade

Selected credentials

CARE implementation
A large multi-national with a CSR budget of US$1.5 million and many implementation partners engaged KPMG to develop a roadmap to implement its CSR strategy. KPMG designed a strategy and governance model to effectively track CSR expenditures. We helped them implement, monitor and evaluate performance using CARE. The company streamlined its CSR activities, boosted its brand image and gathered real time data for stakeholder updates.

End-to-end CSR solution
We worked with a leading manufacturing company to develop its CSR strategy, including a CSR policy, charter and implementation roadmap. We helped develop its CSR policy including governance structures with roles and responsibilities. We also helped select thematic areas through needs assessment studies in their area of operation. We supported the selection of implementation agencies, designing innovative and cost effective implementation programs. We helped the client develop KPIs to monitor projects and impact.
### Benchmarking and readiness assessment
- Benchmark and determine the ESG (environmental, social, governance) risks
- Analyze gaps between an investment’s sustainability strategy and performance and voluntary industry standards such as UN Principles for Responsible Investment, Equator Principles

### ESG vision and strategy development
- Assess ESG risk & opportunity exposures
- Map ESG ambition level development and risk appetites
- Evaluate and develop ESG business strategies and policy statements
- Research and develop sector policies
- Strategically advise on indices and ratings, including ethics and integrity management

### ESG Integration
- Integrate ESG policies into investment principles and risk management processes
- Support due diligence
- Develop ESG procedures, screening tools
- Manage stakeholders
- Help develop governance framework, operating models and monitor performance

### Reporting, verification and assurance
- Help develop KPIs and ESG reporting strategies
- Verify ESG processes and products
- Manage ESG data and assess ESG reporting and assurance readiness

### Our value proposition
- KPMG has been involved with major developmental financial institutions such as the International Finance Corporation (IFC), the Japan Bank for International Cooperation (JBIC) and the Overseas Private Investment Corporation (OPIC) and has conducted due diligence for investment funds and companies across various sectors
- KPMG is a member of the Climate Markets and Investment Association (CMIA)

### Selected credentials

#### ESG assessment of private sector entities
Working for a UK-based development bank, KPMG assessed investee companies on their environmental, social and governance standards using the DFID ESG framework and developed an improvement plan. We increased the ability of the development bank’s fund managers to assess or supervise due diligence, based on its framework and approved terms of reference.

#### EHSS risk assessment for a large pension fund
KPMG advised a large pension fund on key country and sector level EHSS risks, and their potential impact on performance, including:
- Grading key EHSS risks in the infrastructure sector and understanding risk drivers
- Defining mitigation potential for each risk area
- Developing a regulatory framework to capture legal issues and penalties about breaches of EHSS risks
- Analyzing protections to use against EHSS risks
- Benchmarking leading practices in particular sectors and comparing them against OECD norms
- Developing a risk mitigation strategy
5. Climate Change

Climate Regulation and Finance
— Develop sector-specific green growth strategies and frameworks aligned with UAE Vision 2021, Dubai Plan 2021 and Abu Dhabi Vision 2030
— Raise finance to implement green growth strategies and climate change adaptation
— Analyze and structure financial mechanisms to mobilize private sector funding in green growth projects
— Design climate and clean energy funds, enter new markets through green investments and develop green products

Green bonds
— Review funding options
— Assist in selecting underwriters
— Design green bond criteria and project selection process
— Design processes and controls to use and manage proceeds
— Third-party independence assurance

Measurement, Reporting and Risk Assessment
— Assess climate change vulnerabilities and risks and evaluate adaptation options
— Measure energy consumption, carbon footprint and water footprint
— Value natural capital, ecosystem services
— Develop and monitor climate change mitigation projects under international mechanisms i.e. CDM and Gold Standard

Assurance
— Give third-party independence assurance on greenhouse gases and carbon, using international standards such as ISAE 3000, GHG protocol and ISO 14064
— Assure and verify corporate water stewardship

Our value proposition
— KPMG is one of the founding members of the Pearl Initiative
— KPMG is a member of the Climate Disclosure Standards Board (CDSB)
— KPMG member firms are approved verifiers of the Climate Bonds Standard
— KPMG is an observer of the Green Bond Principles and assisted many clients in Green Bond issuance
— KPMG is a member of the International Emissions Trading Association (IETA)

Selected credentials

Green bonds
KPMG provided assurance over management of green bond proceeds for one of the largest FMCG companies in the world. It was the first in its sector to issue a Green bond and was oversubscribed more than 3 times within 3 hours. The company raised US$415 million in 2014 for greenhouse gas (GHG), water and waste reductions to support its sustainable living plan.

KPMG was engaged by a leading bank to streamline green bond requirements. KPMG will provide assurance on the management of proceeds every year over the bond’s ten-year tenor.

Carbon strategy
KPMG was engaged to help a client formulate their carbon strategy. The client’s stakeholders wanted a long term strategy and carbon performance data for the company. KPMG helped the client to develop and implement their strategy. The client started reporting on their carbon performance from the first year and by the end of the third year emerged as a leading CDP reporter.
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