Integrated Reporting
Companies struggle to explain what value they create

The annual Integrated Reporting benchmark of PwC among Dutch top 50 (AEX+) companies

November 2013

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What have we researched?

Corporate reporting is an ever-evolving field as companies continually strive to improve their communication with their stakeholders.

One of the most important ways of doing so is through the annual integrated report, which seeks to align relevant information about an organization's strategy, governance systems, performance and future prospects in a way that reflects the economic, environmental and social impact it has on the environment in which it operates. For over a decade, we have invested significant resources in understanding:

- The information needs of preparers and users;
- The economic benefits of transparency; and
- Up-to-date reporting and best practices from around the world in order to provide practical insight into the critical building blocks of effective corporate reporting.

Our focus has been on aligning the interests of those who report on performance with those who use the information to make critical investment decisions.

Research methodology

The mission of the IIRC is to create a globally accepted integrated reporting framework that assists organisations in recognising and presenting material information about their strategy, governance, performance and prospects in a clear, concise and comparable format.

We conducted our survey on the 2012 Annual Reports of 25 companies listed on the Dutch stock exchange in Amsterdam and included in the AEX index, plus an additional 25 companies significant to the Dutch Economy, either by their scope or their relevance to society. A detailed assessment of 110 questions was performed for each of the companies.

The questions were based on the Content Elements for an integrated report presented in the IIRC's Consultation Draft of the International <IR> Framework.

Each assessment was reviewed by an experienced reviewer before being approved for inclusion in the overall survey results.

Findings were grouped by Content Element and then evaluated according to three broad categories:

- Clear opportunities to develop reporting;
- Potential to develop reporting; and
- Effective communication.

Companies struggle to explain what value they create

Robert van der Laan
Partner Integrated Reporting

Integrated Reporting has enjoyed an enormous impulse in recent years, and awareness and insight into the business case and also the obstacles has grown. Our survey shows that the increase in the integration, and thus quality of reporting has not pushed through for this year. The survey shows that after three years of major improvement in reporting, companies now face obstacles and – unsurprisingly – struggle to define and measure their value creation and total impact.

The value creation process of a company in an Integrated Report should encompass the total impact, i.e. the environmental, social, economic and tax impact. How do you define such impacts? How do you measure them? How do you determine the materiality of an impact? Do we have a common language, a new business language, to communicate the value creation of a company to shareholders and other stakeholders? Those are exactly the obstacles which explain why progress has halted this year. In our view, that can thus be explained and will only be temporary.

The urgency of the ongoing debate around Integrated Reporting has not diminished. There is growing awareness that simply narrating the story about your value creation no longer suffices. Investors and other stakeholders increasingly demand that you also show your value creation performance over the years. Therefore companies will need to start measuring and reporting their value adding activities.

Investors recognise that storytelling without measurement does not bring the benefits they expect from integrated reporting. Various initiatives have been taken to develop measurement methodologies. The Dutch cabinet is leading a coalition of NGOs (including MVO Nederland, IUCN and TruePrice) and businesses (amongst others DSM, AkzoNobel, Philips, FMO and PwC). Together, companies, government and civil society will develop an action agenda by the end of 2013, to develop credible, relevant and usable measurement methodologies.

Defining your value creation process and measuring the impact serves as the backbone of an integrated report. Failure to define and measure this process will ultimately lead to the conclusion that Integrated Reporting does not bring you the promised benefit of building trust among stakeholders: better measurement of total impact leads to better insight into risks and opportunities and thus to better informed management decisions.

This survey fully incorporates the latest version of the (draft) Integrated Reporting framework of the International Integrated Reporting Council (IIRC), which is used as a reference for the results. We have included the specific requirements of this draft framework throughout our survey, which helps the reader in gaining insight into where improvements in reporting can be made. The adjustments in our assessment as a result of the developments in Integrated Reporting make comparison with prior years more difficult.

Reporting has improved dramatically over the last three years, but has now seemingly come to a halt. Companies struggle to measure their value creation and their total impact on society. In our vision the old saying still applies: what doesn't get measured, doesn't get done.

However, we recognise concrete initiatives to overcome the obstacles, which reassures us that integrated reporting will keep progressing.

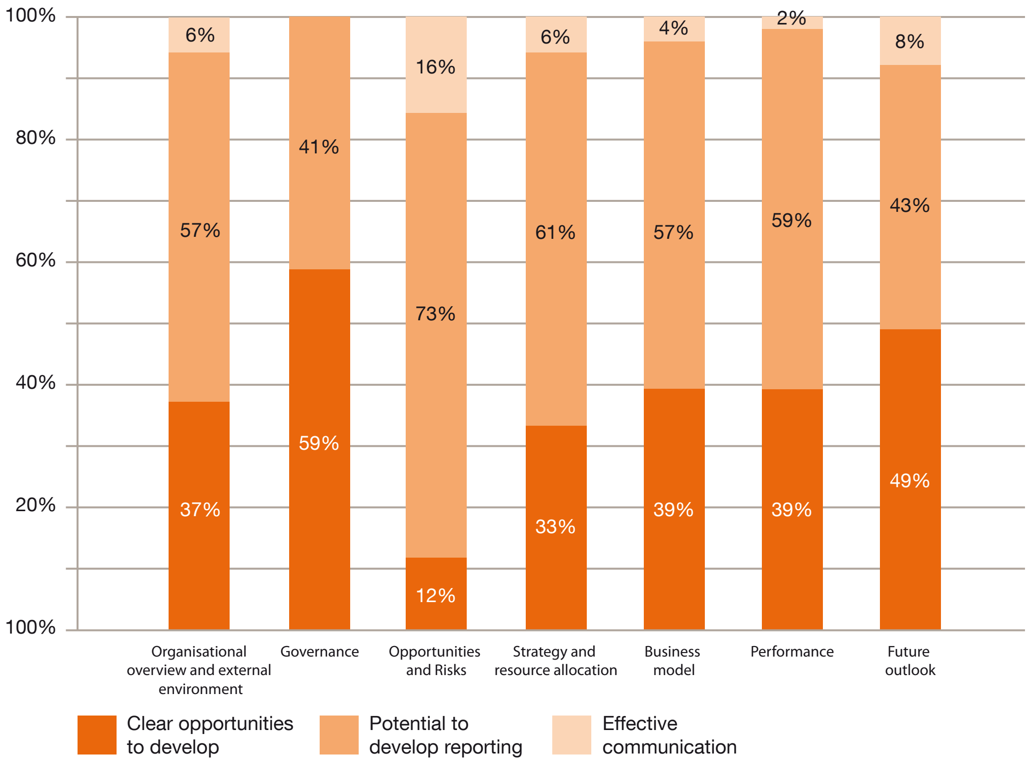
Executive summary

Integrated reporting has taken off, now companies struggle to take the next step

Integrated Reporting has shown a dramatic increase in quality over the last few years. The improvement noted in our previous survey however has not pushed through this year. It seems that the low-hanging fruit has gone.

Our survey shows that companies are struggling to improve the quality of their integrated reporting in comparison with the previous year. While the survey for this year has changed and improved its methodology in comparison with the previous year, the results show a clear sign: companies face some significant hurdles to be overcome.

Figure 1 Results per content element of the 2012 survey



'The best performers in Integrated Reporting do not only tell the story about their business model, your strategy, the environment and the opportunities and risks, but also measure them. If you really want users of the report to be able to recognize your performance, you will need to measure.'

Emerging themes

Our findings show that the degree of effective reporting in the Netherlands is higher than the European average, albeit with a less significant difference than in our previous surveys. We have compared the effectiveness of corporate reporting of the AEX companies with the corporate reporting of the largest listed companies in the UK, Spain, Belgium, Germany and Austria, as well as Europe. The largest contingent of effective reporters is located in the United Kingdom and Germany. Based on our survey we have identified several emerging themes for Integrated Reporting in the Netherlands:

The reports do not use their value creation process to structure the report

In order to tell a relevant and coherent story, you need clear definition and measurement of your value creation. Our survey shows that companies are struggling with defining and measuring their non-financial value creation. The value creation process serves as the 'backbone' of your Integrated Report. If you are unable to show a clearly defined and measurable value creation process, the quality of the rest of the Integrated Report will also significantly decrease, and reader attention will be lost.

Figure 2 What's clear and what's not clear in integrated reporting

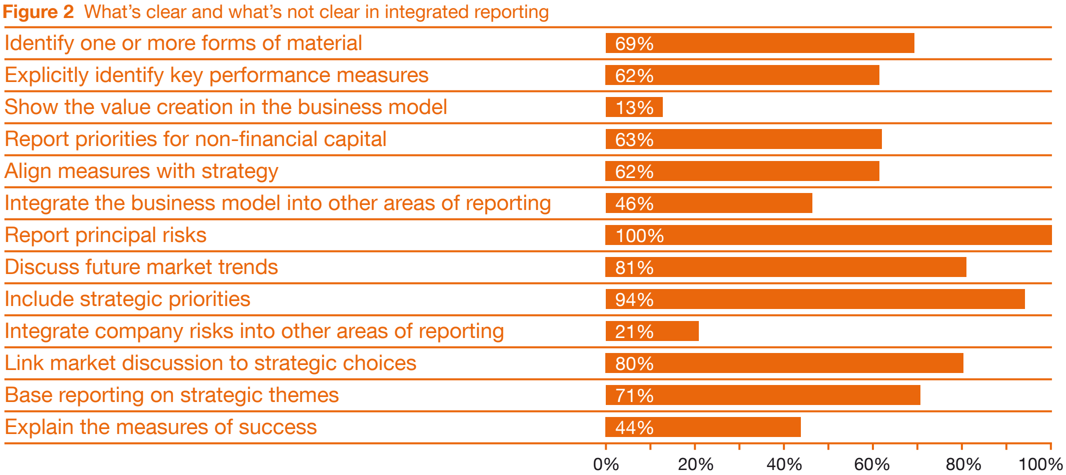
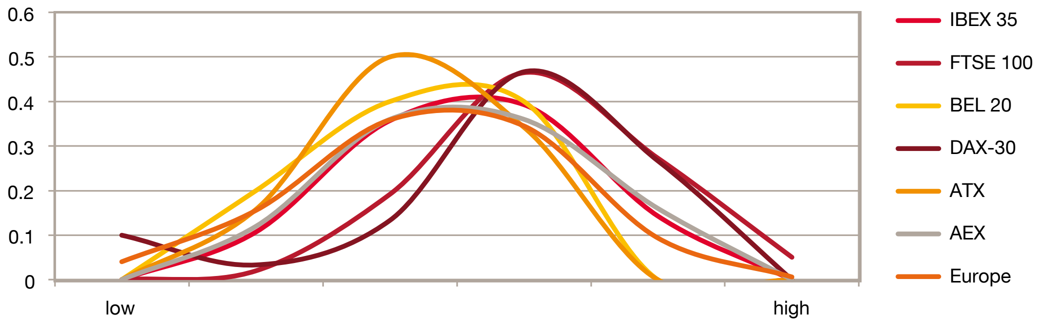


Figure 3 Towards integrated reporting - how effective is communication?

The bell curve shows the proportion of companies at each stage of the journey towards effective reporting



In order to increase the comparability of country samples, the samples could include estimations.

Companies do not yet measure their success

Companies tend to avoid reporting on their economic, environmental and social impact, and such important performance indicators as customer satisfaction. The best performers in Integrated Reporting not only tell the story of their business model, strategy, the environment and the opportunities and risks, but also measure these. If you really want users of the report to be able to recognize your performance, you will need to measure.

Governance is not yet in action

There was a definite tendency toward 'constrained' governance reporting. Companies seemed more comfortable reporting on board charters and terms of reference, rather than the actual activities undertaken by the board and committees during the year.

Reports avoid the 'crystal ball'

Historical reporting remains the focus, with companies shying away from broaching the topic of what the future may hold for them. This future outlook might just be what investors are looking for when reading an Integrated Report.

Companies still engage in 'Silo' reporting

It is evident that many companies are still taking their first steps on the integrated reporting journey. Standalone sections of reporting often provide excellent communication, but opportu-nities to connect this information to other areas in the report are often missed, especially in the segmental review.

A short history of integrated reporting

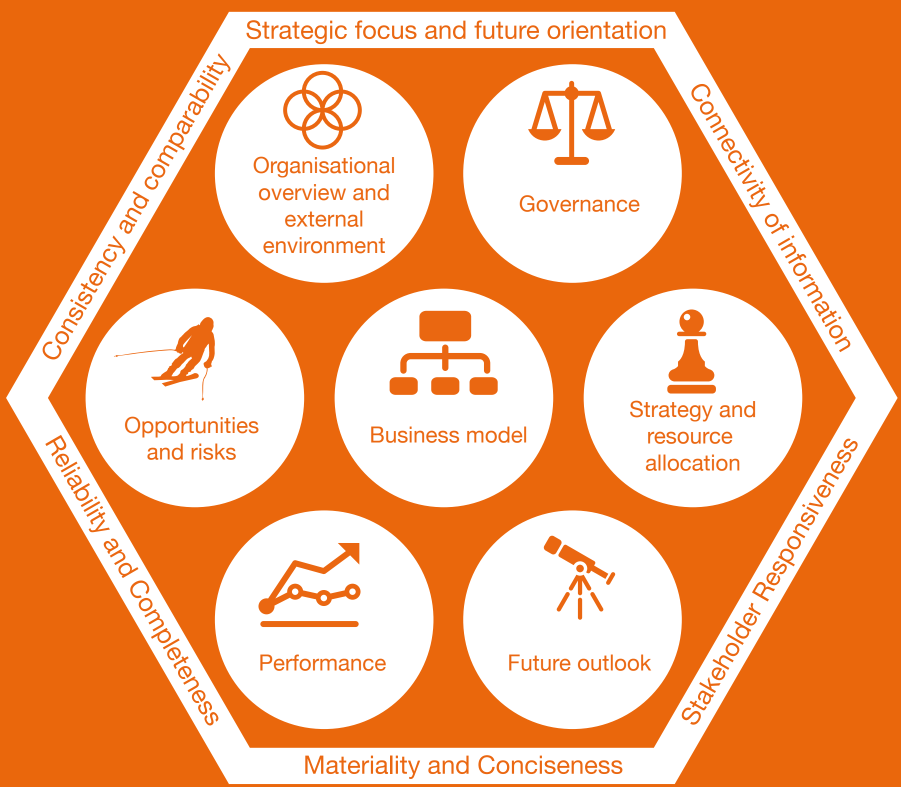
Integrated reporting is the means by which companies communicate how value is created and will be preserved over the short, medium and long term. This information is used principally by investors to support their capital allocation decisions. The ongoing financial crisis has highlighted the need for more comprehensive information in corporate reporting, so that investors and other stakeholders can have a clear sense of the risks and opportunities faced by companies.

Investors and other stakeholders are now demanding that management teams provide clear, unambiguous information about issues such as external drivers affecting their business, their approach to governance and managing risk, and how their business model really works. This paradigm shift is necessitating businesses and other organizations to consider more than just the traditional financial focus of thinking and reporting.

In 2011, the discussion regarding the future of corporate reporting gained momentum when the International Integrated Reporting Council (IIRC) launched a global IIRC pilot to develop an integrated reporting framework. The IIRC is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs, who all share the view that communication of value should be the next step in the evolution of corporate reporting.

Integrated reporting has been a buzzword in recent years, but never more so than in the first half of 2013. The International Integrated Reporting Council (IIRC) launched the Consultation Draft of the International <IR> Framework in April. The commentary period for the Consultation Draft closed in July 2013 and the IIRC is currently reviewing commentary letters in preparation for the launch of the first version of the Framework in December 2013.

Figure 3 The Guiding Principles and Content Elements



Organisational overview and external environment

Companies still tend to avoid providing information about their competitive landscape

The question to be answered is:

What does the organisation do and what are the circumstances under which it operates?

Source: Consultation Draft of the International <IR> Framework para 4.6

Good reporting should provide insight into:

- The organisation's:
- culture, ethics and values;
- ownership and operating structure;
- principal activities, markets, products and services;
- Competitive landscape and market positioning (considering factors such as the threat of new competition and substitute products or services, the bargaining power of customers and suppliers, and the intensity of competitive rivalry);
- Key quantitative information (e.g. the number of employees, revenue and number of countries in which the organisation operates), highlighting, in particular, significant changes versus prior periods; and
- Significant factors affecting the external environment.

Source: Consultation Draft of the International <IR> Framework para 4.7

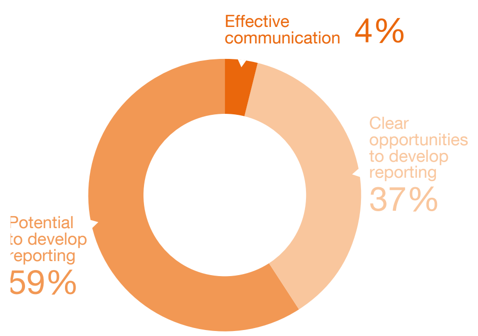
Findings

The majority of companies surveyed displayed potential to develop their reporting further.

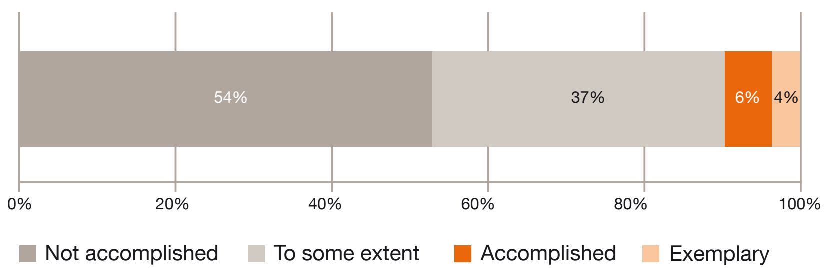
- While 90% of the companies provide some degree of insight into the key underlying drivers of market growth, only 8% of the companies support their claims with quantified information. Only 2% of the companies provide quantified information regarding their customer base.
- A tendency to avoid comprehensive discussion of companies' competitive landscape was also identified. 10% of companies surveyed succeeded in explaining market share, positioning within key markets and barriers to entry in specific markets. Many companies shied away from identifying key competitors.

While it is often difficult to identify forward-looking information and quantify industry trends, this information is crucial to investors in assessing an organisation's ability to create value over the medium and long term, as opposed to providing short-term returns.

80% of companies linked strategic choices to external drives



Has the company provided insight into its competitive landscape?



Governance

Reporting on governance needs to be put in action

The question to be answered is:

How does the organisation's governance structure support its ability to create value in the short, medium and long-term?

Source: Consultation Draft of the International <IR> Framework para 4.10

Good reporting should provide insight into:

- An organisation's leadership structure, including the diversity and skills of those charged with governance;
- Specific processes used to make strategic decisions and to establish and monitor the culture of the organisation;
- Particular actions those charged with governance, have taken to influence and monitor the strategic direction and risk management approach;
- How the organisation's culture, ethics and values are reflected in its use of and effect on the various forms of capital, including its relationships with key stakeholders; and
- How remuneration and incentives are linked to value creation.

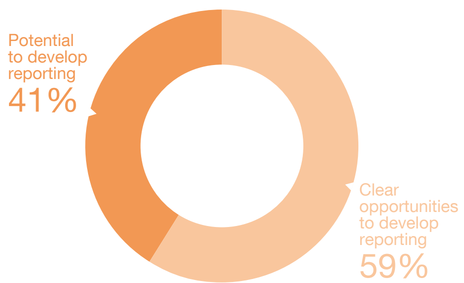
Source: Consultation Draft of the International <IR> Framework para 4.11

Findings

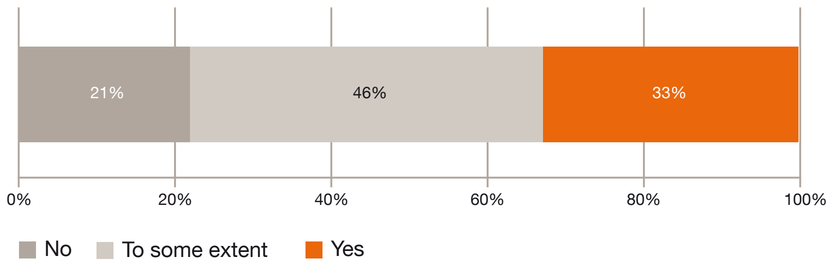
- None of the companies had effective communication regarding governance; illustrating boiler plate texts are still common for this important content element.
- The incorporation of governance reporting within the integrated reports was assessed. Our research found that more than half (87%) of integrated reports were assessed to have not accomplished integration as there was minimal linkage between the narrative of the integrated report and the governance reporting.
- 65% of reports disclosed only the responsibilities of the board and its committees and terms of reference and did not or minimally report on the actual activities undertaken by the board and its committees.
- Only 33% of the companies provide effective and meaningful information on the company's policy and targets for gender diversity on the board, despite the new Dutch code on Management and Supervision, which requires companies to elaborate on their efforts for gender diversity.

Organisations that integrate governance reporting into their integrated report provide a more holistic view of the importance of governance to a business. Reporting on actual activities undertaken by the board and the outcomes of these activities is more insightful than simply providing information about committee agenda and charters.

33% of companies provide a discussion on how the board works together as a team



Does the annual report provide meaningful information on the company's policy on, and any targets for, gender diversity on the Board?



Opportunities and Risks

While companies identify risks & opportunities that are specific to their business, they fail to quantify the impact on their business

The question to be answered is:

What are the specific opportunities and risks that affect the organisation's ability to create value over the short, medium and long-term, and how is the organisation dealing with them?

Source: Consultation Draft of the International <IR> Framework para 4.13

Good reporting should provide insight into:

- The specific source of opportunities and risks, which may be internal, external or, commonly, a mix of the two;
- The organisation's assessment of the likelihood that the opportunity or risk will come to fruition and the magnitude of its effect if it does. This includes consideration of the specific circumstances that would cause the opportunity or risk to come to fruition; and
- The specific steps being taken to create value from key opportunities and to mitigate or manage key risks, including the identification of the associated strategic objectives, strategies, policies, targets and performance indicators.

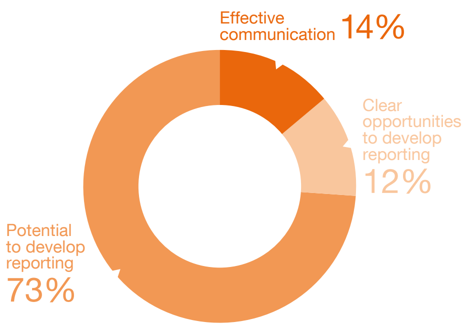
Source: Consultation Draft of the International <IR> Framework para 4.15

Findings

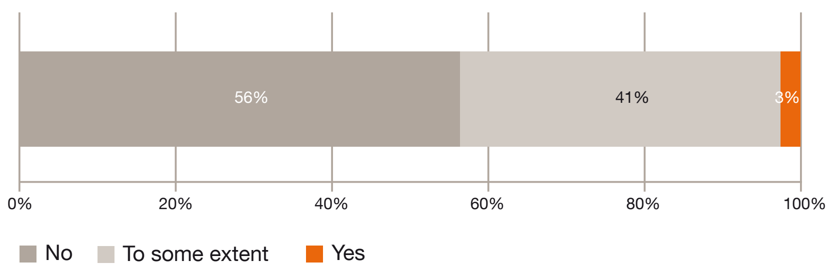
- The vast majority of companies surveyed showed potential to develop their integrated reporting further.
- While most companies included narrative information about identified risks specific to the company (98%), only 6% supported the discussion with quantified information, such as through key risk indicators.
- The opportunities that were identified were linked at some level to the strategic choices that were made by 80% of the companies.
- A mere 3% of companies provided good insight into the dynamics of their risk profiles by including information about the impact and probability of identified risks.

Opportunities and risks are fundamental and pervasive to organisations' value creation activities. It is therefore paramount to incorporate discussions relating to opportunities and risks throughout the integrated report and to avoid limiting risk reporting to a standalone section.

21% of companies integrated risks into other aspects of the report



Has the company provided insights into the dynamics of its risk profile?



Strategy and resource allocation

Companies explain their strategy and resource allocation, but do not yet measure the success

23% of companies reported a comprehensive discussion on specific actions taken to achieve strategic priorities

The question to be answered is:

Where does the organisation want to go and how does it intend to get there?

Source: Consultation Draft of the International <IR> Framework para 4.18

Good reporting should provide insight into:

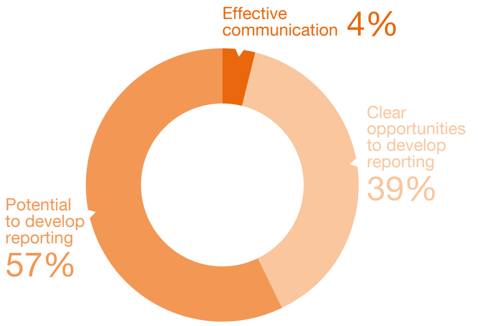
- The organisation's short, medium and long-term strategic objectives;
- The strategies it has in place, or intends to implement, to achieve those strategic objectives;
- The resource allocation plans it has in place, or intends to put in place, to implement its strategy; and
- How it will measure achievements and target outcomes for the short, medium and long-term.

Source: Consultation Draft of the International <IR> Framework para 4.19

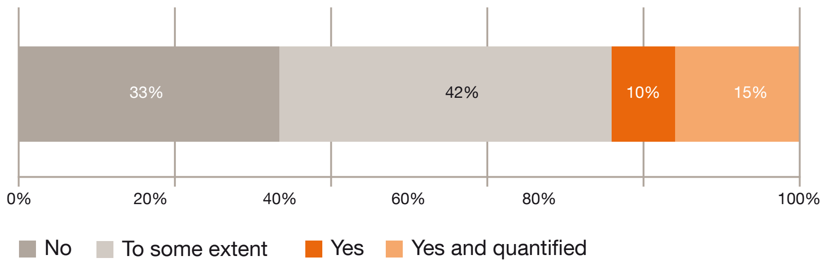
Findings

- While companies recognize the importance of the content element, 39% of the reports still provided clear opportunities to develop reporting on strategy and resource allocation.
- Almost all companies (90%) surveyed made some kind of statement relating to overall ambition, and 17% included metrics in which they would measure the achievement.
- More than half (54%) of companies surveyed had comprehensive discussion surrounding how strategic priorities are aligned to overall goals.
- Only 15% of the companies have quantified the measures of success for their strategic priorities.

Incorporating strategic priorities as a common theme throughout a report demonstrates how integrated strategy is in a company's value creation journey. Including time frames and targets for achieving strategic priorities also enables stakeholders to assess whether companies are making progress towards achieving their ambitions.



Has the company clearly set out the performance measure(s) management use to monitor success of its actions and progress versus the strategic priorities?



Business model

The definition of the business model needs more attention to increase the quality of the full report

The question to be answered is:

What is the organisation's business model and to what extent is it resilient?

Source: Consultation Draft of the International <IR> Framework para 4.21

Good reporting should provide insight into:

- Key inputs and how they relate to the capitals from which they are derived;
- Key business activities, considering such factors as:
  - How the organisation differentiates itself in the market place;
  - The extent to which the business model relies on revenue generation after the initial point of sale;
  - How the organisation approaches the need to innovate;
  - How the business model has been designed to adapt to change;
- Key outputs, explaining the products and services that the organisation places in the market, and material by-products and waste;
- Key outcomes in terms of the capital, including both internal outcomes and external outcomes.

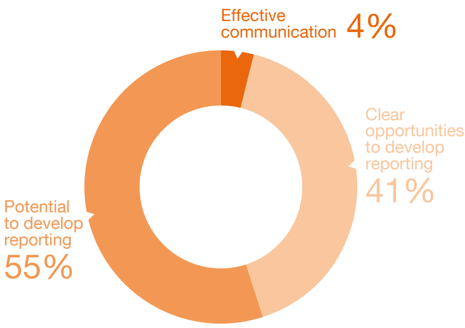
Source: Consultation Draft of the International <IR> Framework para 4.22

Findings

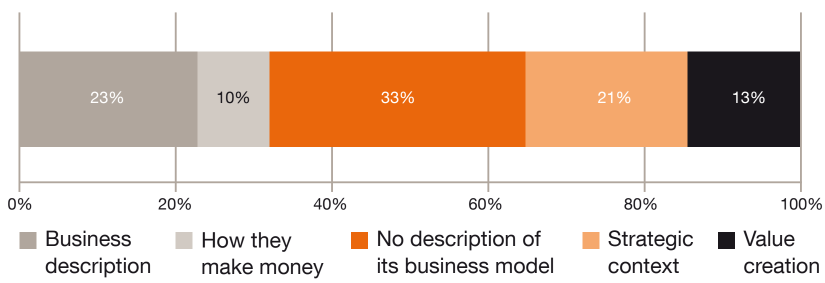
- While the business model structures the Integrated Report, just 4% of the companies accomplish effective communication regarding their business model.
- The business model is at the heart of an organisation and draws from the various forms of capital as input, converting them into output by means of the organisation's business activities. This process leads to outcomes that in turn impact on the capital, and is at the core of value creation and an Integrated Report. However, only 13% of the companies describe their business model in terms of value creation, and 33% of the companies do not describe their business model at all.
- 46% of the companies attempt to link their business model with other areas of reporting such as external drivers, strategic priorities, core capabilities or key performance indicators, and 4% of the companies manage to link this effectively.

Given the complexity of organisations' relationships with the external environment, resources and relationships, organisations can use the business model to structure their Integrated Report. A clear definition of your business model will therefore increase the quality and integration of the full report. A clear definition of your business model will therefore increase the quality and integration of the full report.

46% of companies integrated discussion of their business model with other elements of the report



How does the company describe it's business model?



Performance

Stating (key) performance measures is where most companies stop

The question to be answered is:

To what extent has the organisation achieved its strategic objectives and what are its outcomes in terms of the effects on capital?

Source: Consultation Draft of the International <IR> Framework para 4.27

Good reporting should provide insight into:

- Quantitative indicators with respect to targets, value drivers, and opportunities and risks, explaining their significance and implications and the methods and assumptions used in compiling them;
- The organisation's effects (both positive and negative) on the capital, including material effects on capital up and down the value chain; and
- Linkage between past and current performance, and between current performance and future outlook.

Source: Consultation Draft of the International <IR> Framework para 4.28

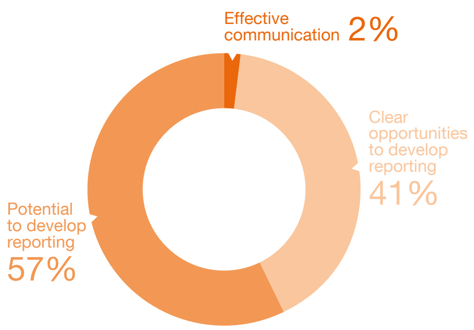
- Quantitative indicators of performance such as KPIs can help increase comparability and are particularly helpful in expressing and reporting against targets. Our research found that 61% of companies explicitly identified KPIs. 69% of the KPIs were quantified at some level.
- In order for the KPIs to be meaningful, the report would have to provide the reader guidance on the relative strength of the KPI. 56% of the companies did not explain how it measures the relative strength/management of its value adding activities, i.e. operational KPIs and measures of success, and only 2% provided a benchmark for the reader of the report to measure the relative strength of the KPI.

12% of companies provide clear alignment between KPIs and remuneration policies

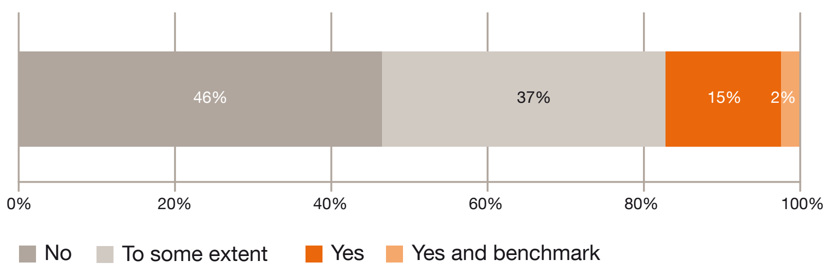
Findings

- The overall results indicate that, with only 2% of reporters effectively communicating their holistic performance to users, there is great potential to improve performance reporting in integrated reports.

Organisations can enhance the quality and usefulness of KPIs reported by making them specific to their business and providing clear targets and industry benchmarks against which they can be measured. Where trends are provided to assist in year-on-year analysis, management commentary should accompany these trends to enable users to understand the movements in KPIs.



Is trend or comparable benchmark data provided for the KPIs?



Future outlook

Availability of non-financial capitals is essential for your future

The question to be answered is:

What challenges and uncertainties is the organisation likely to encounter and what are the potential implications for its business model and future performance?

Source: Consultation Draft of the International <IR> Framework para 4.27

Good reporting should provide insight into:

- Anticipated changes over time;
- Information, built on sound and transparent analysis, about:
  - The expectations of senior management and those charged with governance about the external environment the organisation is likely to face in the short, medium and long term;
  - How that will affect the organisation; and
  - How the organisation is currently equipped to respond to the critical challenges and uncertainties that may arise.

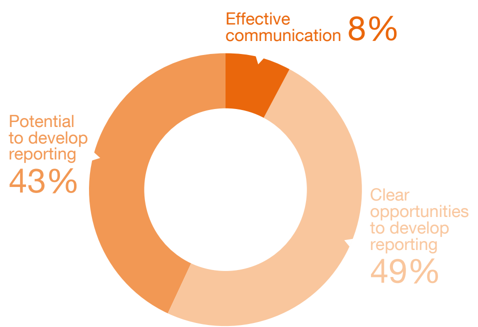
Source: Consultation Draft of the International <IR> Framework para 4.34

Findings

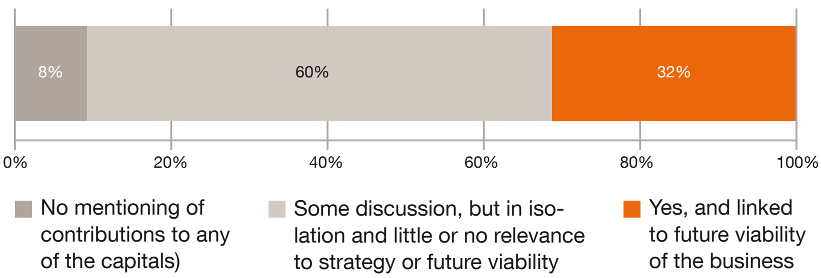
- Our research found that 8% of reporters provided effective communication of their future outlook and how the company plans to create and sustain value over the medium and long term, while 82% of reports have the potential to develop their reporting in this area.
- In order to view the future viability, of a company it is essential to gain information regarding the future access of the company to non-financial capital inputs, such as manufactured, human, intellectual and natural forms of capital. 87% of the companies discuss these capital inputs at some level, but only 4% of the companies provide a comprehensive discussion regarding the future availability of this capital input.
- 93% of the companies report on the positive contributions to external non-financial capital (manufactured, human, intellectual, natural, social and relationship capital) as a result of its activities. Only 33% of the companies link these positive contributions to their future viability.
- Only 21% of the companies set out quantified measures or KPIs used by management to monitor progress versus strategy in relation to its impact/contribution/depletion of the non-financial capital.

Disclosing the specific strategic actions to be undertaken to address the availability of material non-financial capital and providing future KPIs for strategic objectives identified, communicates the future prospects and viability of an organisation to its stakeholders. Consequently measuring the progress will allow monitoring the effectiveness of company strategy.

25% of companies provided a comprehensive discussion of strategy and priorities to ensure the long-term viability of the business



*Does the company discuss its positive contributions to external non-financial capital (manufactured, human, intellectual, natural, social and relationship capital) as a result of its activities?**



Integration of content elements

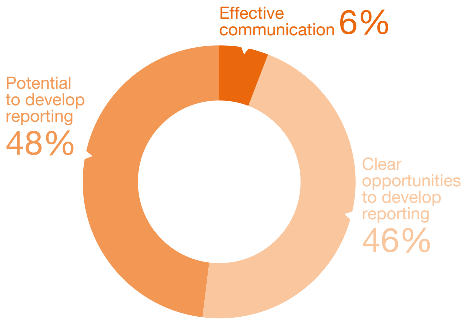
The low-hanging fruit for further integration is gone, and new challenges appear

An integrated report should show, as a comprehensive value creation story, the combination, inter-relatedness and dependencies between the components that are material to the organization's ability to create value over time

Source: Consultation Draft of the International <IR> Framework para 3.7

- Only 6% achieved effective Integrated Reporting in 2012. The degree of Integrated Reporting is lower than our previous survey as our methodology has become more stringent due to the further incorporation of the draft Integrated Reporting framework. 48% show some good aspects of integration in their reports although there is potential to further develop their reporting. 46% of the companies have clear opportunities to increase the degree of integration in their reporting.

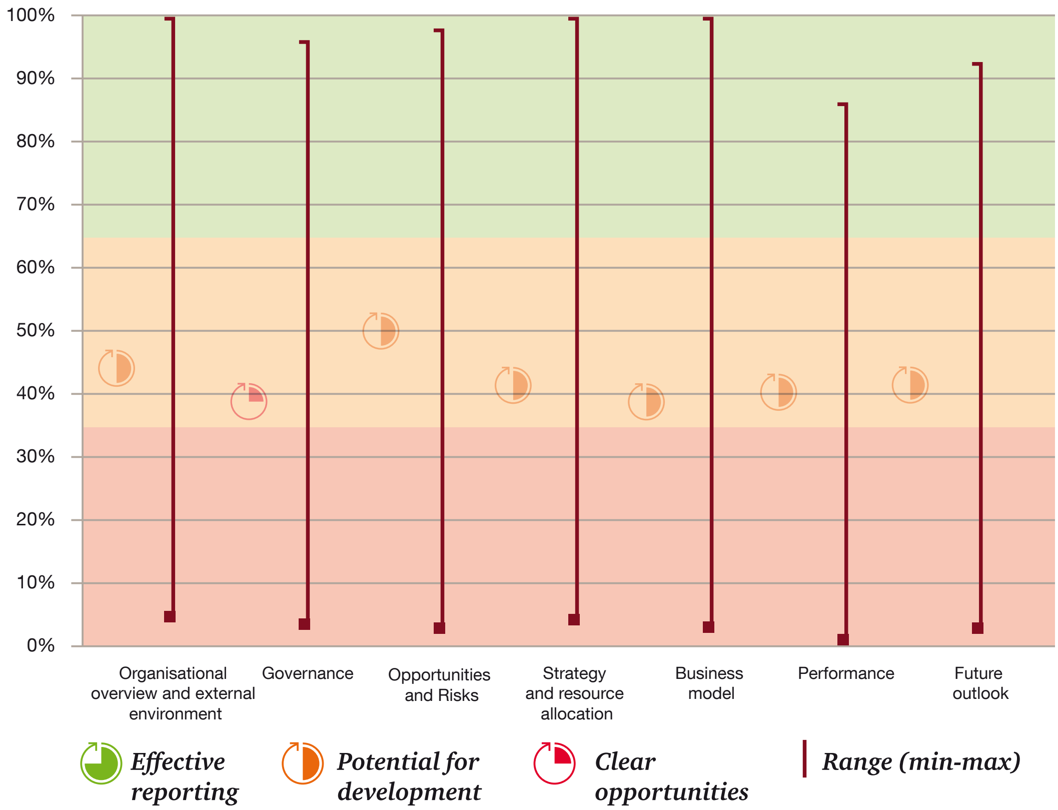
The degree of integrated reporting



- Figure 4 shows a wide gap between the best performer and the worst performer in integration of the content elements in their reporting. While some companies have been able to take integration to the next level, there are still companies that do not show any improvement.
- The performance element is low at the range of reporting. Companies are still unable to define and measure their success. Addressing your performance concerns more than simply telling the story. The low range of performance measurement reflects the further investments that need to be made to define and measure performance.

'Only 6% achieve effective Integrated Reporting in 2012. The degree of Integrated Reporting is lower than our previous survey as our methodology has become more stringent due the further incorporation of the draft Integrated Reporting framework.'

Figure 4 The degree of integration of each of the content elements of the 2012 survey



Connectivity is one the most essential guiding principles of Integrated Reporting. Only by connecting the various content elements of an integrated report, will you enable the users of the report to focus on the total picture of how the company creates value over time, as well as the interaction of various factors that affect the future of the organization.

Measuring total impact - How can we help?

Our survey shows that companies have yet to take Integrated Reporting to the next level and start measuring their performance. Companies should define and measure the impact they have on their stakeholders. This is easier said than done. Conventional measures of profit at a business level often fail to take sufficient account of value and impact.

Our collaborations to date have led to the development of what we believe to be a more comprehensive, balanced and relevant assessment of business impacts on society, the economy and the environment – Total Impact Measurement and Management (TIMM). TIMM is a practical way to measure value, providing a common language for making decisions and reporting your performance.

Towards Total Impact Measurement and Management

Total impact measurement and management (TIMM) helps to develop an understanding of how an organisation makes money and what this means for its internal and external stakeholders, in both the short and the long term (see figure 6 for an illustrative example).

An organisation's impacts arise directly through its operations and indirectly through its effects on customers in the marketplace and other organisations in the value chain, both upstream and downstream. TIMM also captures the further impacts on wider communities and other stakeholders.

Some of the methodologies which underpin TIMM are well established while others are developing quickly. Impacts are quantified and translated into key performance indicators and included in management information, resulting in well-informed decision-making.

Figure 5 Measuring and managing what matters

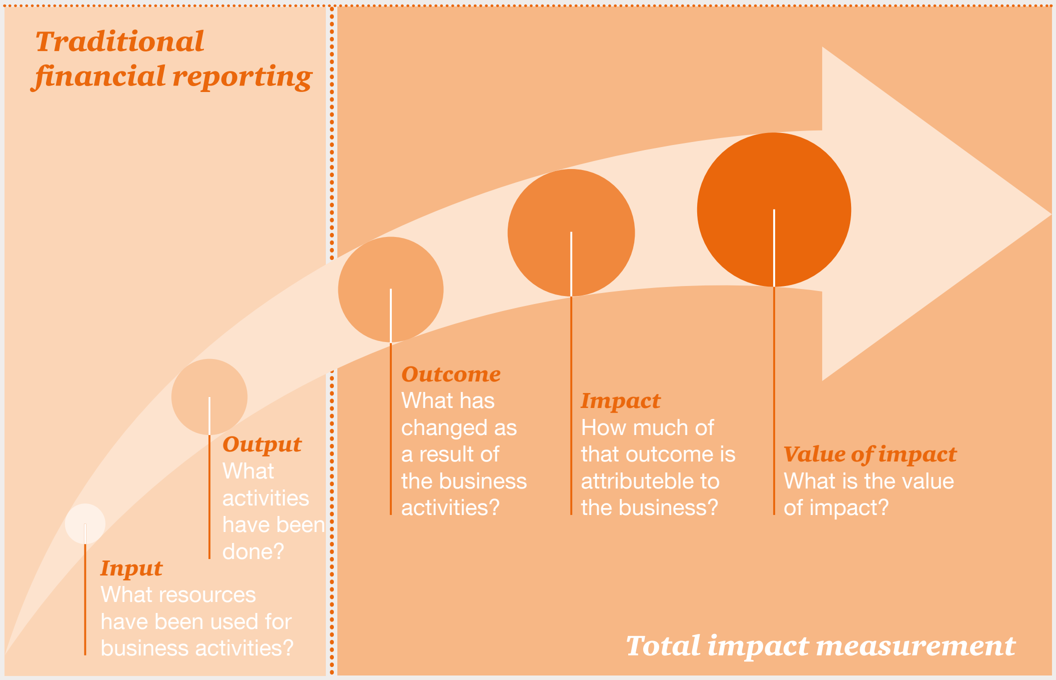


Figure 6 Scope of impacts adressed by TIMM

Applying TIMM – the five-step process

Figure 7 outlines the five key steps for applying TIMM.

The first step is to define the scope, for example the time frame, the geography, the areas of business and the relevant parts of the value chain.

The second step is to determine how far the impacts reach along what are likely to be extended supply and sales chains within modern business. This means understanding the dimensions of total value through end-to-end mapping to ensure that all impacts are considered and a structure for capturing impacts is formed. It also means determining the social, economic, environmental and tax impacts from each part of the value chain, how they arise, what methodologies can and should be used to assess them and what data needs to be collected to apply them.

'An organisation's impacts arise directly through its operations and indirectly through its effects on customers in the marketplace and other organisations in the value chain, both upstream and downstream.'

As the third step highlights, a significant amount of the necessary information in areas such as employment, tax paid and resource usage will be available within existing databases. Any necessary additional information can then be sourced externally in the fourth step, be it from suppliers or from carrying out additional evaluations.

The final stage is to quantify outcomes and impacts and to assign a financial value to the impacts and to track them over time. This involves using techniques such as economic and process modelling to estimate impacts and valuation techniques to monetise these.

As more impact evaluations are carried out, the process gradually evolves from pilot to business as usual. This means that techniques are becoming more be refined and the cost of evaluations is decreasing.

Adopting TIMM provides a number of tangible benefits to business, helping answer fundamental questions such as whether a strategy will deliver sustainable shareholder value in the changing business environment, and how to demonstrate the value a business creates for its stakeholders.

Figure 7 Applying TIMM - the five-step process

Total impact includes social, environmental, economic and tax impacts

Define scope

What is the objective?
...to gauge the long-term sustainability of strategies, determine the right investment choice or demonstrate value to stakeholders?

What impacts to include?
...timeframe, business areas, geography, parts of the value chain.

1

Define dimensions of value

How far do the impacts reach along the value chain? This requires mapping of the total impacts and understanding of each one – how they arise, what methodologies to assess them with and the data nedded to do so.

2

Collect existing data

What information can the business provide?
A significant amount of information is likely to be available within existing corporate systems (e.g. employment, tax payments and resource use).

3

Source new data

What additional information is needed and how can it be generated or provided? Any necessary additional information is sourced externally – from suppliers or targeted evaluations eg. community well-being.

4

Analyse data and value impacts

What is the value of the impacts? Put an economic and social value on the impacts and assess these over time. This involves using techniques such as economic and process modelling to estimate impacts and valuation techniques to monetise these.

5

Source: PwC

Contacts

Take a look at **www.pwc.nl/integratedreporting** or **www.corporatereporting.com** to find out more or contact us directly.

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