

# Impact accounting use cases

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Integrating impact accounting in  
corporate decision-making

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### **About the Value Balancing Alliance**

The Value Balancing Alliance (VBA) is a coalition of around 30 multinational companies committed to driving sustainability by measuring and valuing corporate impacts on nature and society. VBA's mission as a non-for-profit alliance is to jointly create a globally applicable and comprehensive methodology for measuring sustainable value creation and translate ESG metrics into the language of business through monetization. The VBA is pioneering impact accounting in various collaborations and the methodologies have been successfully tested over the last fifteen years by leading companies across regions and industries, reflecting corporate impacts across the entire value chain.

## FOREWORD

In the evolving landscape of corporate sustainability, frameworks such as the EU's Corporate Sustainability Reporting Directive and the IFRS's ISSB Standards have shifted sustainability reporting from a voluntary activity to a mandatory obligation in many regions. Leading companies are leveraging these efforts, transforming the compliance exercise into a catalyst for sustainable value creation.

Impact accounting is a business-driven approach that makes this possible. It aims to translate reported data into actionable insights, expressed in monetary terms, that can be integrated into core business processes. The VBA member companies have been at the forefront of this evolution, not only measuring and valuing their impacts for decades, but also developing ways to interpret these data points to support informed decision-making.

In this context, this paper presents a non-comprehensive list of 80 use cases, covering both established practices and visionary applications. Structured within a COSO-WBCSD-inspired impact management framework, these examples illustrate how impact accounting can be applied across strategy and target setting, project implementation, monitoring and review processes, and communication. The use cases are also categorized by business departments and goals, highlighting the versatility of impact accounting in enhancing strategic planning, improving environmental, social, and financial performance, and fostering stakeholder engagement across business units.

In collaboration with organizations such as the International Foundation for Valuing Impacts, the VBA will continue to establish a robust, standardized system of impact accounting, drawing on decades of scientific research and the pioneering work of Nobel laureates like Nordhaus and Leontief.

Alongside this, the focus is on moving beyond measuring impact to actively using the information for management. This paper lays the foundation for this journey, and we are confident that companies will continue to innovate, integrating impact accounting into their daily operations to drive sustainable value creation for all stakeholders.

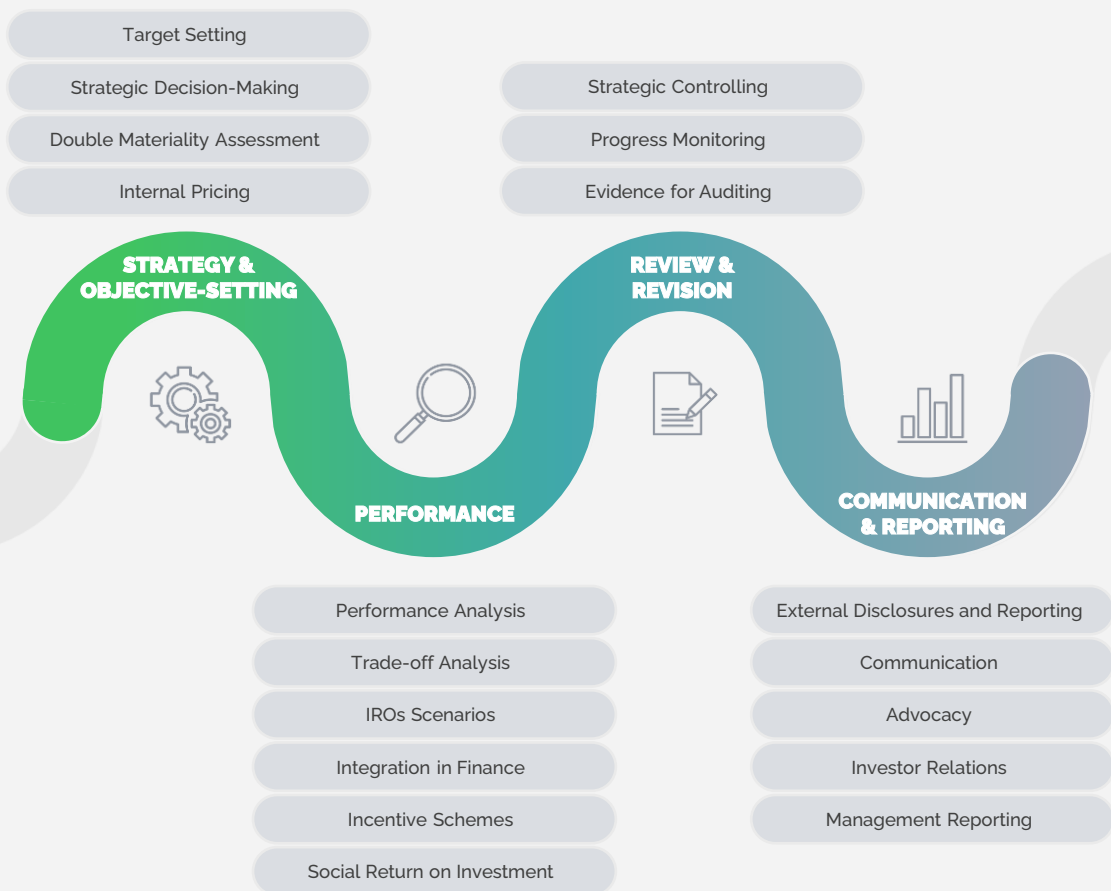
**Christian Heller**  
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# IMPACT ACCOUNTING IN BUSINESS DECISION-MAKING

Analysis of impact accounting use cases in business management

FIGURE 1  
KEY APPLICATIONS OF IMPACT ACCOUNTING IN CORPORATE DECISION-MAKING



# IMPACT ACCOUNTING IN BUSINESS DECISION-MAKING

Analysis of impact accounting use cases in business management



With monetized units, impact accounting is a common language that can bring sustainability thinking into core business discussion. It can be applied to business decision-making in areas of purchasing, product development and investment, as well as to corporate reporting practices such as materiality assessment and scenario modeling. More and more cases are showing that impact accounting can be an essential factor for discussion with stakeholders on business transformation.



**Jun Suk Lee**, COO, VBA

Figure 1 illustrates the diverse applications of impact accounting within corporate decision-making, highlighting its immense potential to drive value creation across all the organization. These applications are organized into four categories—Strategy & Objective Setting, Performance, Review & Revision, and Communication & Reporting—serving as an impact management framework based on well-established risk management frameworks by COSO and the WBCSD<sup>1</sup>, and closely aligns to the approaches adopted by other organizations such as the Impact Management Platform<sup>2</sup>. Together, these categories offer a structured lens for integrating impact accounting into business practices.

While the assignment of use case categories to business applications are not without overlaps and the depiction remains illustrative, the framework emphasizes the multifaceted nature of impact accounting in practice. It underscores how organizations can apply these insights to guide strategic priorities, evaluate performance and progress, enhance processes, and communicate effectively with stakeholders. The list is intentionally non-exhaustive and serves as a starting point for further refinement and expansion. The following Figure 2 builds on this structure, presenting a comprehensive list of potential and actual use cases aligned with the categories introduced here, offering deeper insights into the practical implementation of impact accounting in corporate settings.

<sup>1</sup> Committee of Sponsoring Organizations of the Treadway Commission (COSO), Enterprise Risk Management – Integrating with Strategy and Performance, 2017; Applying enterprise risk management to environmental, social and governance-related risks, in collaboration with the World Business Council for Sustainable Development (WBCSD), 2018.

<sup>2</sup> Impact Management Platform (IMP), 2024, [Actions of Impact Management](#)

# IMPACT ACCOUNTING USE CASES

80 applications aligned with a COSO-inspired Impact Management Framework

FIGURE 2

## IMPACT ACCOUNTING: CORPORATE USE CASES MATRIX

Application	Departments						
	Corporate Strategy	Marketing <small>Market development, sales</small>	Finance	Accounting & Controlling	Procurement & Operations	R&D	EHS* & HR <small>Environment, Health and Safety Management*</small>
Strategy and Objective Setting	1, 2, 3, 4, 5, 6, 7	8, 9, 10, 11	12, 13, 14	15, 16, 17, 18, 19, 20	21	22, 23	24
Performance	25, 26	27, 28	29, 30, 31, 32, 33, 34, 35, 36	37, 38	39, 40, 41, 42	43, 44	45, 46, 47, 48, 49
Review and Revision	50	51, 52	53, 54	55, 56, 57, 58, 59	60	61	62, 63
Communication & Reporting	64, 65, 66, 67, 68	69, 70	71, 72, 73	74, 75, 76	77	78	79, 80

- 1 Integration on board discussions for impact awareness & evidence-informed decision-making
- 2 Implement an internal carbon and impact pricing between divisions
- 3 Scientific input for the design of corporate strategy (PESTEL, SWOT, etc.)
- 4 Promote buy-in for CSR and sustainability investments
- 5 Illustrate the social value of sustainability targets
- 6 Use impact accounting to set environmental targets (e.g. SBTN)
- 7 Use impact accounting to establish targets on social performance
- 8 Implement internal carbon and impact pricing at the product portfolio level
- 9 Define pricing strategies considering the value created on each customer
- 10 Guide the marketing and brand positioning strategy
- 11 Inform price premiums for products with a lower environmental impact or high social return
- 12 Integrate in due diligence to assess the impacts of potential mergers or acquisitions
- 13 Identify and contextualize CAPEX opportunities and divestments decisions
- 14 Evaluate the regulatory landscape & anticipate potential internalization of external costs
- 15 Quantitative, objective & scientific input to assess the severity of absolute and relative impacts
- 16 Inform about dependencies & financial materiality (IROS)
- 17 Contextualize subjective stakeholder evaluations in double materiality assessments
- 18 Assess upstream and downstream IROS
- 19 Integrate in IT systems (e.g., ERP) to interpret ESG data
- 20 Reflect the societal impact of performance relative to planetary boundaries
- 21 Implement an internal carbon and impact pricing in supply chain
- 22 Market & product portfolio analysis to identify new revenue streams
- 23 Redirect R&D & innovation activities towards impact maximization
- 24 Implement an internal carbon and impact pricing in employee business travel & commuting
- 25 Assess SROI at the project level to improve corporate decision-making
- 26 Impact-related remuneration incentives at the Board level
- 27 Leverage LCA to improve downstream value chain operations management and product performance

- 28 Assess trade-offs between project impacts and business performance to identify top performers and laggards
- 29 Better allocation of Private Equity investments through trade-offs
- 30 Input for assessing financial portfolio performance
- 31 Integrate SROI for optimal allocation of financial resources
- 32 Integrate SROI to understand the return of sustainable investments
- 33 Input for sizing necessary investments to internalize negative impacts
- 34 Assess the holistic societal value of an asset
- 35 Determine the asset value (risk of stranded asset, goodwill, etc.)
- 36 Impact-linked bonds, loans, and stocks
- 37 Compare business units' impact and business performance
- 38 Input for risk management scenario analysis
- 39 Supply chain hotspot analysis
- 40 Engage with suppliers & operations teams
- 41 Influence the raw materials selection
- 42 Input for operational scenario analysis & business continuity strategy
- 43 Support decision-making by evaluating trade-offs of corporate projects to prioritize actions
- 44 Forecast the social value of enhancements in product design
- 45 Contextualize the EHS data to analyse business performance
- 46 Forecast the impact of recycling and circular economy programs across the value chain
- 47 Forecast the impact of occupational health and safety excellence programs across the value chain
- 48 Impact-related remuneration incentives on staff
- 49 Set a living wage remuneration policy
- 50 Assess corporate performance against a defined target
- 51 Monitor performance with respect to peers
- 52 Integrate impact into internal product KPIs monitoring
- 53 Integrate impact into corporate finance and venture capital risk monitoring
- 54 Monitor litigation risks
- 55 Integrate impact into corporate performance KPIs monitoring

- 56 Integrate impact into internal management and audit controls
- 57 Integrate impact into the three lines of defence risk management
- 58 Supporting evidence for non-financial assurance
- 59 Supporting evidence for social and environmental claims
- 60 Integrate impact into internal operational KPIs monitoring
- 61 Embed sustainability in due diligence processes for new products
- 62 Integrate impact into internal employee KPIs monitoring
- 63 Context and supporting evidence for quality management
- 64 Use impact statements in PR to communicate CSR and the company's license to operate
- 65 Communicating with governments on social impact of products
- 66 Use impact statements to provide context for sustainability data
- 67 Incorporate impact information into ESG analysts' assessments
- 68 Communicate the sustainable value created to the Board & Executive Committee
- 69 Communicate the impact to customers and final users
- 70 Communicate impact relative to peers and industry standards
- 71 Communicate impact-adjusted EBITDA
- 72 Communicate social return on equity to investors to foster alignment with impact investing, SFDR & EU taxonomy
- 73 Communicate sustainable value created in financial & legal processes (e.g., credit, subsidies applications)
- 74 Provide context for the data presented in the corporate sustainability report (CSRD, GRI, ISSB)
- 75 Communicate the Double Materiality Assessment
- 76 Support legal compliance (EU Taxonomy, CSDDD, Green Claims Directive)
- 77 Communicate the sustainable value created to divisions and partners (e.g., suppliers)
- 78 Communicate the incremental societal impact of R&D and innovation
- 79 Communicate the sustainable value created to internal staff to transform behaviours
- 80 Attract & retain talent demonstrating the entity's impact

● Improving Sustainability Performance    
 ● Improving Financial Performance    
 ● Strategic Planning    
 ● Stakeholder Engagement

## IMPACT ACCOUNTING USE CASES

80 applications aligned with a COSO-inspired Impact Management Framework

The aim of Figure 2 is to provide an illustrative overview of the transformative potential of impact accounting in steering corporate decisions toward sustainable value creation by collecting some of the most relevant use cases identified. The list is extensive, though it is non-exhaustive as additional applications for impact accounting in the corporate decision-making context may exist.

This list is informed by applications highlighted by members of the VBA, as well as potential use cases derived from workshops, conferences, public case studies, and external publications<sup>3</sup>. The vertical axis of the figure represents different phases of impact management, inspired by the COSO risk management framework discussed earlier. The horizontal axis aims to outline how impact accounting can be integrated across corporate units. Given the uniqueness of corporate structures, this axis provides an illustrative approach based on common business departments. The colour legend highlights the potential goals these use cases can support. While overlaps exist since some applications align with multiple goals, the intent is to illustrate the versatility of impact accounting in supporting stakeholder management, strategic planning, and improving sustainable and financial performance across all departments.



How to apply impact accounting in practice? This question is at the heart of our activities, and a key topic we collaborate on in the Practitioners' Hub. The developed framework now provides a well-fitting structure for our already tested cases and those that we can work on in the future. Identifying use cases and learning from each others' experience when testing and implementing impact accounting has been a major benefit for our members throughout the last piloting rounds.

**Dr. Clara Ulmer**, Director Practitioner's Hub, VBA

### KEY TAKEAWAYS

This structured collection and categorization of use cases show how decision-makers can drive business transformation towards sustainable value creation with impact accounting. This framework is intended to help corporate experts in both leadership and operational roles identify relevant use cases to scale its practical implementation. The categorization in applications and goals further supports an alignment with internal strategic objectives and focus areas, highlighting the suitability of impact accounting in addressing current challenges and applying an impact lens to business practices.

The VBA, as a community of impact accounting practitioners, provides detailed insights into various use cases and fosters transparency in demonstrating how impact information can enhance corporate decision-making. Further case study publications will complement the presented use case matrix. Adopting these use cases will be crucial for shaping resilient business models and driving the transition to a sustainable future.

<sup>3</sup> Notable sources include the International Foundation for Valuing Impacts, the Capitals Coalition, the World Business Council for Sustainable Development and the World Economic Forum.

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## DISCLAIMER

This vision paper offers a conceptual overview of illustrative use cases and its general categorization. It is neither exhaustive nor intended to present a finalized or comprehensive perspective. This collection focuses on the integration of impact accounting into corporate decision-making, structured around a COSO-inspired impact management framework. Other approaches may be better suited to specific contexts, such as the Business Model Canvas for new business structures, and impact accounting could have broader applications across financial institutions, public administrations, and other societal stakeholders. The use cases described are subject to ongoing refinement in collaboration with our partners and members. For more detailed and specific insights, we recommend consulting dedicated publications on individual use cases as they become available.



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