

Optimizing underwriting of sustainability investments

Leveraging fully customized codeless technology to enable effective data management and reporting for private ESG and sustainable investment funds



For private equity firms, sustainability underwriting and portfolio management require prompt, seamless, and accurate ESG and sustainability data. However, **collecting, measuring, and reporting** this data is often cumbersome and hampered with inaccuracies from manual **spreadsheets, emails, and disjointed solutions** that offer limited visibility and data quality controls.

KPMG LLP has developed a digital tool using Unqork’s codeless architecture to streamline the ESG and sustainability portfolio data management process for private funds and enable easier, timelier, and nimbler reporting. This tool can be fully customized, branded to the general partner (GP) requirements, and deployed in production within 90 to 120 days.

General partners of private ESG and sustainable funds are seeking an efficient process for managing ESG and sustainability data collection from potential targets and fund portfolio companies, performing effective review, and generating data for regulatory and nonregulatory reporting. Today, the GPs are overly reliant on manual processes, lack automated workflow capabilities, and are not able to respond to regulatory needs in a timely manner or with high confidence. They need accurate and timely reporting for investors and limited partners of the funds, as well as to generate data for annual fund impacts and respond timely to regulatory requirements.

KPMG has developed a codeless, technology-enabled, and Sustainable Finance Disclosure Regulation (SFDR)-aligned underwriting tool to help make pre- and post-investment ESG and sustainability data management significantly more efficient. The tool provides end-to-end functionality for portfolio management and reporting and can be fully integrated with the GP, targets’ and portfolio companies’ ecosystem. Furthermore, the codeless-development platform enables rapid iterations and enables full compliance with GP branding requirements.

Key features and benefits

Digital data requests

Paperless data collection, review, and validation enabled by device-independent digital user interface with data validation checks pre-built to enable first time data quality.

Workflow automation

Custom workflows with self-servicing capability for clients, resulting in minimal tech or vendor dependency.

Full audit and data lineage

Comprehensive audit logs, versioning, built-in data validations and flagging, with the ability to go back in time to review logic, data and validations as of a certain date based on regulatory or LP requirements.

Rapid iterations

Quickly react to constantly evolving regulatory guidance and SEC requirements with self-servicing capabilities and agile-based implementation.

Flexibility and ease of customization

Custom styling/design, custom reporting, “pixel perfect” client branding, and third-party integrations.

Integrated user experience

Portal and dashboard with golden-source view, enhanced search, and custom reporting.

→ How KPMG can help

We combine our private equity and ESG knowledge with Unqork codeless technology to help you rapidly digitize your ESG operations in the face of increasingly dynamic ESG compliance requirements. We can help:

- ✔ Prepare a detailed inventory of your ESG data needs, identify synergies across reporting priorities, and streamline data collection and reporting
- ✔ Review current data collection and reporting practices relative to standards, stakeholder demands, and industry leading practices
- ✔ Design and implement more efficient data collection and analytics
- ✔ Provide advisory services, training and program-level process, and reporting guidance to help ensure data consistency and accuracy
- ✔ Understand data quality and provide insights into assurance-ready data, methodologies, process, and required disclosures
- ✔ Align your organization's strategy, commitments, and regulatory requirements.

A case study

KPMG helps a leading General Partner optimize underwriting of sustainability investments for their sustainable investment fund

The KPMG ESG and financial services no-code implementation team built a custom digital tool for the client. The tool enables the ability to collect and manage portfolio data effectively and provides flexibility to respond to evolving regulations and market standards three times faster than traditional approaches. It is integrated with client systems such as DealCloud, Pitchbook and SSO, and can be further integrated with the client's and portfolio company applications to pull ESG and Impact data.

It is expected that when fully leveraged, this tool will drive additional advantages, including:

- ✔ Reduced portfolio company data collection, review and approval processes
- ✔ Significantly reduced time to market for ongoing regulatory requirements and GP driven content and logic changes
- ✔ Increased fund analyst productivity
- ✔ Increased confidence in data to enable effective investor, internal, and regulatory reporting; integrated with GPs choice of reporting tool.

KPMG and Unqork can help transform your investor experience and create competitive differentiation.

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