



Impact Measurement and Management for Sustainable Development Goals

RESOURCES: Set Strategy for Investor

Find below resources mentioned in our course materials, as well as other resources that may help your organization set strategy related to SDG impact.

Step 1: Define Fund's or Portfolio's Key Financial and Investment Objectives

The Impact Investing Handbook: An Implementation Guide for Practitioners

Features case studies and detailed guidance for individuals, families, foundations, and corporations.

<https://www.rockpa.org/project/new-impact-investing-handbook/>

Step 2: Identify Sustainable Development Issues Relevant to Stakeholders

Sustainable Development Goals, Targets, and Indicators

https://unstats.un.org/sdgs/indicators/Global%20Indicator%20Framework%20after%202020%20review_Eng.pdf

Engaging All Affected Stakeholders, World Economic Forum

Provides guidance on stakeholder engagement practice. Suggests some of the many ways in which the voices of all affected stakeholders can be gathered - and then used to draw lessons, inform decisions, and develop strong relationships with those affected.

<https://sptf.info/images/SIWG-WEF-AG3-Engaging-all-affected-stakeholders-December-2017.pdf>

Standard on applying Principle 1: Involve Stakeholders, Social Value International

Explains options and processes for identifying stakeholders and meaningfully engaging stakeholders, including sample questions to ask.

<https://socialvalueuk.org/resource/standard-on-applying-principle-1-involve-stakeholders/>

Step 3: Undertake Principled Prioritization of SDG Outcomes

Bain Double Impact 2020 Year in Review

Example of how a middle market impact investment fund based in the US defined both the SDGs the fund has chosen as investment verticals or themes, and also the SDGs that they are addressing as cross-cutting outcomes across all investments.

<https://www.baincapitaldoubleimpact.com/sites/baincapitaldoubleimpact.com/files//reports/BCDI-YIR-2020/files/basic-html/page1.html>

Step 4A: Assign ABC Investment Goals

Impact Classification, Impact Frontiers

The Impact Management Project developed a set of impact classes that group investments based on their impact characteristics.

<https://impactfrontiers.org/norms/investment-classification/>

The Impact Management Project Impact Class Catalogue

Several asset managers have already classified their investments using the ABC framework and have listed their classifications on the IMP's Impact Class Catalogue. This live catalogue of impact products is intended to enable:

- Asset managers to summarize the impact performance (or goals) of their investment products in a comparable manner.
- Asset owners to identify investment products whose performance matches their own goals or intentions.

The IMP welcomes investors to join this growing community by publicly mapping their investments by ABCs and impact class.

<https://impactmanagementproject.com/impact-class-catalogue/>

Investor's Perspective: Mapping a portfolio by its effects on people and planet,

Impact Management Project

Case study of how PGGM, a Dutch asset manager, sought to more accurately understand and communicate what impact its investments are making, and precisely what their role has been in the process. PGGM has mapped its entire multi-asset class portfolio in terms of effects on people and the planet. The results, along with insights gained along the way, are showcased.

https://impactfrontiers.org/wp-content/uploads/2022/05/Investor_s-Perspective-PGGM_-Mapping-a-portfolio-by-its-effects-on-people-and-planet.pdf

The IMP+ACT Alliance Classification System (ICS), hosted by The GIIN

ICS has been adopted by over 100 asset managers who classified themselves along both the SDGs and the ABC spectrum. The platform offers a valuable service for asset owners and allocators looking for more efficient ways to sort and screen products, and distributes this streamlined information to asset owners wanting to understand how multi-asset/multi-manager portfolios meet impact goals.

- The public directory can be accessed by accredited investors [here](#).
- A sample Classification Statement looking at the net-zero alignment of a fund can be found [here](#).

<https://classify.impactalliance.co.uk/>

Toniic Tracer

Platform that enables investors, entrepreneurs, and funds to share and compare data about impact investments, along with corresponding goals, performance, and outcomes. Trace aims to promote alignment between these different audiences by facilitating a common structure for reporting intentions and outcomes. Tracer has over 500 impact investments listed and categorized by SDG, asset, and impact class, including ABC level. Investors can use the directory to filter investments by Asset Class, Impact Category (ABC), SDG, Geography, Liquidity, Financial Return and DEI. Investors can enter their own holdings and

roll data up to the portfolio level. Toniic welcomes investors to add investments to this database.

<https://toniic.com/toniic-tracer/>

Impact Measurement for Complex Portfolios, Global Endowment Management

Primer for applying the Impact Management Project framework to a globally diversified, multi-manager portfolio.

[https://assets.website-](https://assets.website-files.com/5a0c829357d91c000164892b/5ece7f959ba7d884107fb886_Impact%20Measurement%20for%20Complex%20Portfolios.pdf)

[files.com/5a0c829357d91c000164892b/5ece7f959ba7d884107fb886_Impact%20Measurement%20for%20Complex%20Portfolios.pdf](https://assets.website-files.com/5a0c829357d91c000164892b/5ece7f959ba7d884107fb886_Impact%20Measurement%20for%20Complex%20Portfolios.pdf)

Step 4B: Set Investor Contribution Level

Investor Contribution in Public and Private Markets, Impact Frontiers

Explains the current consensus on the contribution that the investor makes to enable enterprises (or intermediary investment managers) to achieve impact.

<https://impactfrontiers.org/norms/investor-contribution/>

Adding value through non-financial support – a practical guide

Discusses the costs and added value of non-financial support and lists the best ways to encourage investees and grantees to produce solid societal outcomes.

<https://evpa.eu.com/knowledge-centre/publications/adding-value-through-non-financial-support-a-practical-guide>

Step 5: Embed SDG Outcome Goals into Strategy

Applying Mission Focus to Your Investment Policy Statement through ESG

Investing, Trillium Asset Management

Guidance on how to incorporate impact goals into an investment policy statement.

https://d3n8a8pro7vhmx.cloudfront.net/intentionalendowments/pages/397/attachments/original/1521129852/IPS_Applying_Mission_Focus.pdf?1521129852

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