

# Linking impact management to quality reporting

(SUMMA EQUITY)

Impact reporting is increasingly being recognized not just as a marketing or communications tool, but as a crucial component to high-quality impact management that provides accountability and informs decision-making. While the Impact Principles do not prescribe requirements related to impact reporting, BlueMark has developed its own framework to assess the quality of impact reporting based on consultation with 50+ impact investing experts and an analysis of existing reports in addition to broader market standards, as summarized in our [Raising the Bar](#) report<sup>7</sup>.

## Our Verification Insights

Findings from our first 25 impact reporting verifications representing over USD 8 billion in AUM demonstrate the integral link between quality impact management and complete reporting. Indeed, many of the practices highlighted in this report and the Impact Principles act as a foundation to be able to provide complete reporting. For example, creating an evidence-based impact theory of change (60% of verified investors) and collecting investor contribution data (22% of verified investors) are two processes that enable investors to clearly articulate their impact intentions and strategy for driving outcomes within reporting. Similarly, systematic impact monitoring processes that compare impact results against expectations (60% of verified investors) are required to be able to report impact performance results in a relative way. Recognizing this correlation, BlueMark increasingly delivers both services together in order to provide holistic verification that assesses both an investor's practice for managing impact and their reporting of impact performance externally.

## Client Spotlight: Summa Equity

Summa Equity ("Summa"), a Stockholm-based private equity firm investing in impact themes related to Resource Efficiency, Changing Demographics, and Tech-Enabled Transformation, engaged BlueMark to verify and provide feedback on both its impact management approach and upcoming annual impact report. In doing so, BlueMark was able to provide a consolidated analysis on where impact management practices could lead to improved reporting and vice versa.

In terms of synergies, the firm has developed a sophisticated impact due diligence process that leverages the IMP dimensions, which allows for reporting a holistic view of expected impacts for each investment. Summa also monitors KPI targets related to both ESG and impact for each investment, which supports high-quality annual reporting of investment-level progress against their impact results framework.

On the other hand, BlueMark highlighted an opportunity to improve its alignment to the Impact Principles by more systematically assessing and tracking Summa’s extensive impact value-add activities across investments. This led to a related reporting recommendation on how, over time, they could more effectively use contribution data — drawing on industry initiatives like [Investor Contribution 2.0<sup>8</sup>](#)—to enable more complete portfolio-level reporting. BlueMark also noted areas to improve the reliability of Summa’s reporting by bringing increased quality control processes and consistency to the management of a diverse set of impact and ESG data sources.

The findings from both the practice and reporting verification were delivered in a consolidated report alongside benchmarking analysis and best-practice examples – allowing Summa to incorporate immediate changes to its upcoming impact report and prioritize longer-term impact management recommendations based on potential other improvements to future reports.

“Summa had a great experience working with BlueMark on the 2022 impact verification. The process provided valuable insights and learnings, informing improvements to our internal processes on how to further increase impact considerations throughout the investment cycle, including enhancing our investor contribution during ownership.”

HANNAH JACOBSON  
PARTNER, SUMMA EQUITY

