



Implementation Guide:

Reporting on Systems Change

IMPACT PERFORMANCE REPORTING NORMS

DISCUSSION DRAFT FOR REVIEW

September 2026

Context

Implementation Guides provide practical guidance, resources, and examples to help follow the [Impact Performance Reporting Norms](#).

This Guide focuses on how investors can report on their contribution to systems change. It is structured in two main parts:

- **Key terms and concepts**, including the implications of applying a systems lens to impact measurement, management, and reporting; and
- **Practical approaches for implementation**, outlining ways investors can get started and balance twin reporting objectives of learning and accountability¹.

This document draws on deliberations from a working group of 18 family offices, funds of funds, foundations, asset managers, and accelerators under the “*Reporting Systemic Impacts*” mission, hosted by the Innovative Finance Initiative (IFI). We are grateful for additional contributions shared at IFI community events in Berlin and Oxford, as well as at Impact Europe in Brussels, between late 2025 and mid-2026.

This draft was co-authored by Karim Harji and Matt Ripley, with support from Marina Silva-Rodriguez and Sona Dilanyan, as a way to consolidate emerging practitioner experience. It is designed to evolve as practice does.

We are actively seeking investors to test this guidance against their own reporting, contribute examples, and challenge its framing. If you would like to share your ideas, please contact us at info@impactfrontiers.org.

You can also provide feedback and suggest changes directly in the document, which can be accessed in [Google Docs](#).

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¹ Please note that the examples in this guide are included as illustrations of a particular concept or disclosure approach; they are not an endorsement of best practice. If you have other examples, please share them with info@impactfrontiers.org.

1. Key concepts

A systems lens recognizes that positive outcomes for people and the planet are shaped by complex, interconnected systems involving multiple actors, feedback loops, and external influences. While this perspective can provide a more realistic understanding of how change happens, it also creates significant challenges for impact reporting.

Pursuing change beyond the asset level makes contribution more difficult to demonstrate. Reliance on actors outside an investor's direct control (or sometimes even outside their influence) can make accountability frameworks less straightforward. Longer timescales required for systems to change also require different forms of evidence to demonstrate progress, while outcomes are often emergent and therefore difficult to anticipate in advance.

This can create a gap between how investors work and how they communicate impact performance, both internally and externally. This Guide is intended to help bridge that gap.

While the Guide may be relevant to all investors², it focuses primarily on those with the explicit intention to contribute to positive systems change. Although definitions vary, systems change strategies typically share three defining characteristics³:

- **They target root causes rather than symptoms (for example, seeking to influence the structural drivers of inequality and low-pay practices, rather than addressing the consequences of low pay, such as household indebtedness);**
- **They require collaboration across a diverse set of actors (extending beyond investees to include policymakers, peers, civil society and others);**
- **They aim to deliver durable improvements in social and environmental outcomes (over the long term, sometimes across generations, rather than being confined to investment holding or reporting periods).**

Box 1: A note on IMM in the context of systems change

A growing number of initiatives are exploring the implications of a focus on systems change for impact measurement and management (IMM). Drawing on work from the social sciences, evaluation practice and beyond, these initiatives are broadly taking two complementary directions:

- **Rethinking IMM for systemic impact**, including the development of new concepts, methods, and ways of working tailored to complex systems; and
- **Applying a systems lens to existing IMM practices**, strengthening how current tools and frameworks capture interdependencies, uncertainty, and collective dynamics.

Across these approaches, several common themes are emerging:

- **Making sense of diverse data**: combining quantitative and qualitative evidence, drawing on external datasets, and applying practitioner judgment to build a more complete, system-wide picture of change.

² Such as investors who apply systems approaches more instrumentally—for example, to enhance asset-level outcomes from a financial risk or return perspective

³ See TWIST “A collective’s perspective on Investing for systems change” and Impact Europe:

<https://static1.squarespace.com/static/6503eddddb02526dc722f8ff/t/672353ba00e8b85989d97d1e/1730368465082/TWIST-whitepaper-31102024.pdf>

- **Working across organizational boundaries:** recognizing that impact depends on coordination among multiple actors - not just individual investments - and that relevant data must often come from beyond the portfolio.
- **Embedding sensemaking:** establishing structured processes to interpret signals, test assumptions, and adapt strategies over time, even where progress is uncertain or evidence is mixed. This includes becoming more comfortable with the limits of available knowledge and imprecise data.
- **Navigating institutional constraints:** operating within - and, at times, challenging - the prevailing incentives and norms of investment practice (such as preferences for predictability, attribution, and an asset-level focus).

For further exploration of systems-informed approaches to IMM, please refer to the [TransCap Initiative's](#) work on systems intelligence; [Rockefeller Philanthropy Advisors' Primer and Playbook on systems thinking for impact investing and IMM](#); [UNDP's MEL 360°](#) guidance on monitoring, evaluation, and learning for systemic change; and TIIP's [\(Re\)Calibrating Feedback Loops framework for measuring system-level investing influence](#).

Box 2: What role does reporting play in systems change strategies?

Reporting is one of the most visible and routine practices across the impact ecosystem. It is also one of the few recurring moments when teams pause to make sense of what is happening and communicate with decision-makers.

Reporting can therefore be an opportunity to:

- **Build legitimacy and alignment** - helping internal and external stakeholders understand what preparers are trying to change and why it matters.
- **Inform strategic decisions** - shape where capital flows, which risks are prioritized, and which approaches are expanded, adapted or discontinued.
- **Share learning** - surface assumptions, uncertainty, and what preparers are learning (including what did not work).

When done well, reporting can strengthen the case for a systems thesis, building trust and generating buy-in from capital providers and partners alike. Done poorly, it can confuse readers, overstate what has actually been achieved, or erode trust by over-claiming the role played by investors and the enterprises in which they invest.

Two further points from the working group's deliberations are worth making explicit. First, **reporting is a forcing function, not only an output.** Because it is one of the few recurring moments when teams must make sense of progress, the discipline of reporting credibly on systems change can help pull the underlying practice of IMM into existence: it is difficult to disclose progress, or craft a meaningful account of what preparers are learning, without building the measurement and learning habits behind it. Reporting can therefore be an entry point through which IMM practice itself is upgraded.

Second, **reporting is itself a system intervention.** If change is collective, reports are not only accountability to capital providers; they are also signals to peers, coalitions, policymakers, and other system actors about what is working, where the field should move, and which norms are legitimate. What and how investors choose to report shapes the behavior of others.

2. Possible approaches to reporting on systems change

Progress toward systems change can be difficult both to assess and to communicate credibly, particularly compared to investment approaches focused on more discrete, asset-level outcomes. Common challenges include:

- **Non-linear change:** strategies evolve over time, and progress is rarely clear, easy to measure, or straightforward to interpret;
- **Long time horizons:** meaningful shifts can take years or even decades, while reporting cycles often compress this complexity into annual snapshots.

One way to navigate these challenges is to anchor performance reporting not only in the familiar framing of “what happened, and how close were the results to what we planned”, but also in questions such as “what is working, what isn’t, and what are we learning?”

A learning-led stance is not unique to systems change, but it becomes especially important when change unfolds over long time horizons and causal pathways are uncertain - precisely the conditions that a systems lens is designed to engage with.

This represents a shift in emphasis rather than a wholesale change in approach: learning has always been a core component of impact reporting, but systems change reporting requires leaning more heavily into it.

The extent of this shift will depend on context, as many impact reports serve an accountability function - for capital providers, governance bodies, and sometimes the wider public. In practice, most reports will therefore need to balance learning and accountability, which can create tensions and trade-offs.

The table below summarizes some key tensions which practitioners may have to face in their reporting; alongside five practical actions to help navigate them. These actions are not a checklist or a fixed template; rather, they illustrate how to make systems intent more legible, surface learning as a core dimension of “performance”, communicate evidence with appropriate levels of confidence, and provide a forward-looking view on direction of travel.

Accountability focus	Learning focus	Common tension	Practical response
Gives a clear indication of what success looks like, with intended results specified upfront	Focuses on the conditions for results to emerge over time, recognizing that precise outcomes are often not predictable in advance	Delivering fixed results vs. creating the conditions for results	<i>Action 1: Define the intended system shift</i>
Emphasizes the reporting entity’s role	Emphasizes the collective nature of change	Claiming impact vs. recognizing collective efforts	<i>Action 2: Communicate your role vis-à-vis others</i>

Performance is measured as “progress against plans and targets”	Performance is reflected through course correction, adaptation, and adjustment	Plan adherence vs. adaptability	<i>Action 3: Show how you learn and what you’re learning</i>
High bar of quality and confidence in evidence of performance	Acceptance of uncertainty in information about progress	Accuracy and precision vs. transparency about limitations of knowledge	<i>Action 4: Use “good enough” evidence and be clear on limitations</i>
Emphasis on clarity, simplicity, and precision of claims	Recognition of complexity, context, and interdependencies	Clarity vs. complexity	<i>Action 5: Add a forward-looking view of impact performance</i>

Not every action will be equally relevant in every context, but together they offer practical entry points for strengthening both the credibility and decision-usefulness of systems change reporting.

Report preparers will always need to make choices about what to include in external reporting and what remains internal. Determining which information is most appropriate for accountability, which is most valuable for organizational learning, and how content should be tailored for different audiences is a strategic consideration in its own right. The [Guiding Principles](#) underpinning the Reporting Norms can help inform these decisions.

Illustrative example: the same progress, reported two ways

Asset-level framing: “In 2025, our portfolio companies provided clean energy access to 40,000 households, exceeding our target of 35,000.”

Systems-informed framing: “Access grew to 40,000 households (target: 35,000). More significantly for our thesis, two national distributors adopted the pay-as-you-go model our portfolio piloted, and the regulator opened a consultation on off-grid licensing - early signals that the market barriers we identified are starting to shift. We have moderate confidence in the adoption signal (verified with both distributors) and low confidence in the policy signal (consultation stage only). Our priority learning question for 2026 is whether adoption persists without concessionary support”

>>> *The second version reports the same asset-level result, but locates it within the system thesis, distinguishes signals from outcomes, states confidence levels, and shows what the team is watching next.*

Action 1: Define the system shift

Action: Clearly state the intended system change, set boundaries, and explain what “progress” looks like - recognizing that both the pathway and definition of progress may evolve over time.

This action speaks primarily to the tension between fixed intent and emergence: articulating directionality while acknowledging that pathways, and even definitions of progress, evolve.

Topic 4 of the *Reporting Norms (2027)* recommends that report preparers summarize their impact thesis, including:

- The social and/or environmental challenges that the activities and outputs are intended to address;
- The intended outcomes;
- The stakeholder groups and aspects of the natural environment expected to experience those outcomes.

In the context of systems change, specifying intended future outcomes can be challenging. Instead, reports may benefit from including the intended “system shift” - a concise articulation of the desired future state of the system. This helps anchor expectations of ultimate success, even when intermediate outcomes are uncertain or not yet observable.

When setting out the intended system shift, reporting can cover:

- **Hypotheses about how change happens**—the key dynamics and assumptions that underpin the strategy (i.e., what needs to be true for change to occur);
- **System boundaries (what is in scope and out of scope)**—including geography, sector or value chain, institutions, and affected stakeholder groups. These boundaries should reflect where the investor believes the potential for change exists and where interdependencies matter most. They are a strategic choice—shaping where attention is focused, who is engaged, and what counts as relevant change—and may evolve over time;⁴
- **Strategy**—clarifying whether the objective is to optimize, redesign, or transform the system. These represent increasing levels of ambition and influence, from improving how the system functions, to reshaping parts of it, through to enabling fundamental system change (see Box 3, below);
- **Tactics**—outlining how the strategy will be pursued in practice. This may include (see Box 4 below for key concepts):
 - Targeting high-leverage points based on anticipated system responses. For example, an investor may develop a hypothesis about the mechanisms through which change occurs within a system and then direct capital and other resources towards specific products, services, enterprises, or business

⁴ The system boundary defined here—the scope of ambition—may be wider than what can realistically be measured. Action 4 addresses this gap directly. Being transparent about the relationship between these two boundaries is itself an important disclosure.

relationships. The investor tracks how the system responds and assesses whether the expected changes occur. If outcomes differ from expectations, the strategy is adapted accordingly.

- Using experimentation to identify and then support emergent patterns. Rather than seeking to identify leverage points in advance, investors test a range of interventions, observe how the system evolves, and adjust their actions in response to new opportunities, relationships, behaviors, or dynamics that emerge over time.

Box 3: Are you optimizing, redesigning or transforming the system?

- **Optimization** is stabilizing the current system while preserving its underlying structures—for example, intervening to prevent system collapse or to prevent the re-occurrence of negative impacts for affected stakeholders.
- **Redesign** is modifying specific functions or rules within the system. For example, investors may support new business models, governance arrangements, financing mechanisms, or industry standards that alter how the system functions.
- **Transformation** is shifting the status quo to fundamentally change how systems function. For example, investors may seek to influence the power dynamics or mental models to help accelerate the transition from extractive to regenerative economic models.

For further guidance see the [TIIP Resource Lab](#) tool on systems optimization vs systems change.

Box 4: Key concepts

- **Leverage points:** Places within a complex system where a small shift can produce large, cascading changes. Donella Meadows identified twelve types of leverage points, ranging from adjusting parameters (weaker) to shifting paradigms (stronger). For more, read: [Meadows, D. \(1999\). Leverage Points: Places to Intervene in a System.](#)
- **Emergence:** Properties or patterns that arise from the interactions and relationships among the parts of a system and cannot be predicted or fully understood by analyzing each part in isolation. For more, read: Systems Thinking Alliance. [Emergence: The Key to Understanding Complex Systems.](#)
- **Feedback loops:** Circular chains of cause and effect within a system. Reinforcing loops amplify change (e.g., success attracting more capital); balancing loops resist it (e.g., market saturation dampening growth). [TIIP Resource Lab.](#)

Illustrative example: a directionality statement

“We seek to transform [the system] from one that optimizes for [current state] toward one that [desired future state]. Our system boundary encompasses [scope]. We recognize that this boundary excludes [what's out], which influences the system but sits outside our current sphere of engagement. Our approach prioritizes [dynamics/emergence] - [specific tactics].”

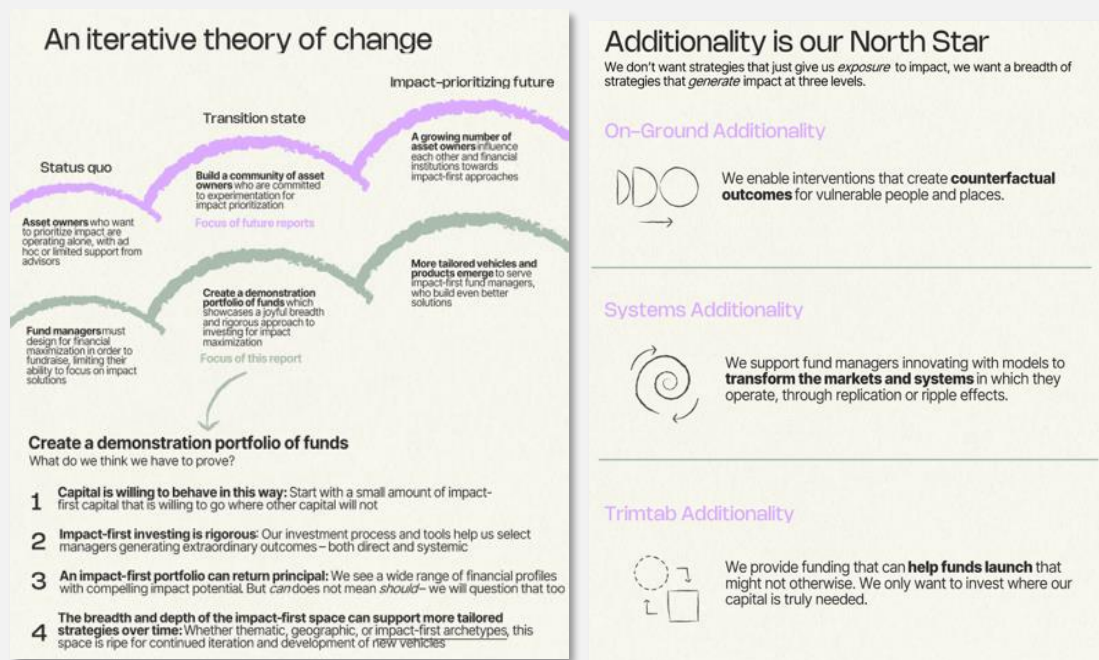
>>> *Directionality statements should reflect the organization's own language and level of confidence. The key elements are desired future state, system boundary, what is excluded and why, and the strategic approach.*

The Reporting Norms recognize that an impact thesis may take different forms, including a theory of change, logic model, or outcomes chain. A systems perspective is often embedded directly within the impact thesis, for example through a transformative theory of change (see the [TWIST White Paper](#)).

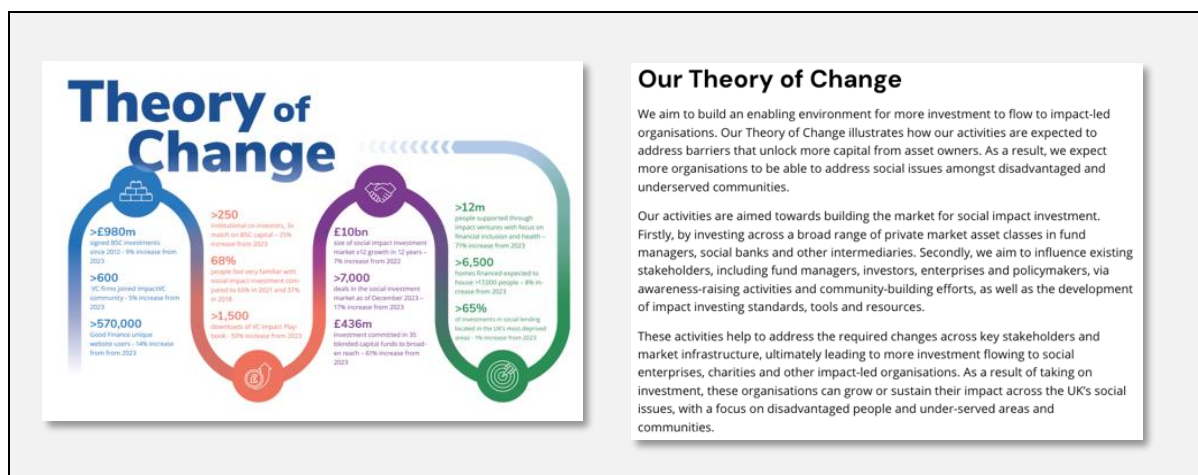
In some cases, it may not be possible to clearly identify groups of stakeholders affected by a systems change strategy. In these circumstances, report preparers may instead describe the types of stakeholders involved (for example, underserved communities), the ways in which outcomes for those stakeholders are expected to change as a result of the system shift, and any changes in the relationships, behaviors, or dynamics between stakeholder groups.

Examples of clearly defining the intended system shift

- *Example 1: the Trimtab [Additionality Report](#) clearly articulates its impact goal by diagnosing what is not working in the current system, setting the system boundaries, and stating a desired future state anchored in a three-level “North Star.”*



- *Example 2: Better Society Capital's Impact Reports set a strong sense of direction on the system they aim to build, supported by a clear narrative and visual theory of change, while explicitly defining both geographic (UK) and market (social investment) boundaries.*



Further resources on setting system boundaries, transformational theories of change and the strategies and tactics of systems change:

- [TWIST White Paper](#): Guiding Star and Directionality of systems change intention
- [Three Horizons Framework](#) (Bill Sharpe, Ripple)
- [Systems Practice Workbook](#) on formulating a guiding star (Omidyar Group)
- [Should You Agitate, Innovate, or Orchestrate?](#) (Julie Battilana & Marissa Kimsey)
- [Getting started with systems mapping & impact management](#) (Impact Frontiers)
- [Passing in the Dark](#) (Jewlya Lynn & Julia Coffman)
- [Systems Thinking for Impact Investing Playbook](#): Reviewing a Theory of Change with a Systems Lens (Shifting Systems Initiative & Rockefeller Philanthropy Advisors)

Action 2: Communicate your role

Action: Clarify (a) who else is acting, (b) the role the report preparer is playing, and c) what the contribution strategy of the report preparer depends on.

This approach speaks primarily to the tension between claiming impact and collective effort: describing the preparer's own contribution alongside the roles of others in an inherently collective shift.

Claims about investor contribution are often challenging to make, especially in a systems change context where outcomes emerge from complex interactions among many actors. Reporting can therefore focus less on attribution and more on the investor's intended contribution, approach, and role within a broader ecosystem of actors. This perspective can be woven throughout a report, shifting the narrative from what the investor alone has achieved to how change has emerged through interdependencies, partnerships, and collective action.

First, when including investor contribution as part of their **impact thesis** (Topic 4 of the Reporting Norms), report preparers can include:

- **Their role(s)**—for example, catalyst, connector, de-risker, standards setter, narrative shifter, or policy engager⁵;
- **Collaboration**—how preparers are (or plan to be) working with a broader ecosystem of actors, including those beyond the portfolio such as peer organizations, coalitions, policymakers, and community stakeholders.
- **Dependencies and constraints**—including what other actors must do, where power sits, and what factors could enable or block progress;

Second, in reporting on the **governance** of impact (Topic 5), report preparers can make visible:

- **Whose perspectives shape decisions**—how stakeholder perspectives inform decision-making, adaptation, and strategic pivots over time;
- **What the systems approach changed**—whether, and how, adopting a systems approach has shifted who participates in decisions and whose perspectives are prioritized.

Third, **case studies** (Topic 2) can bring impact to life in two ways:

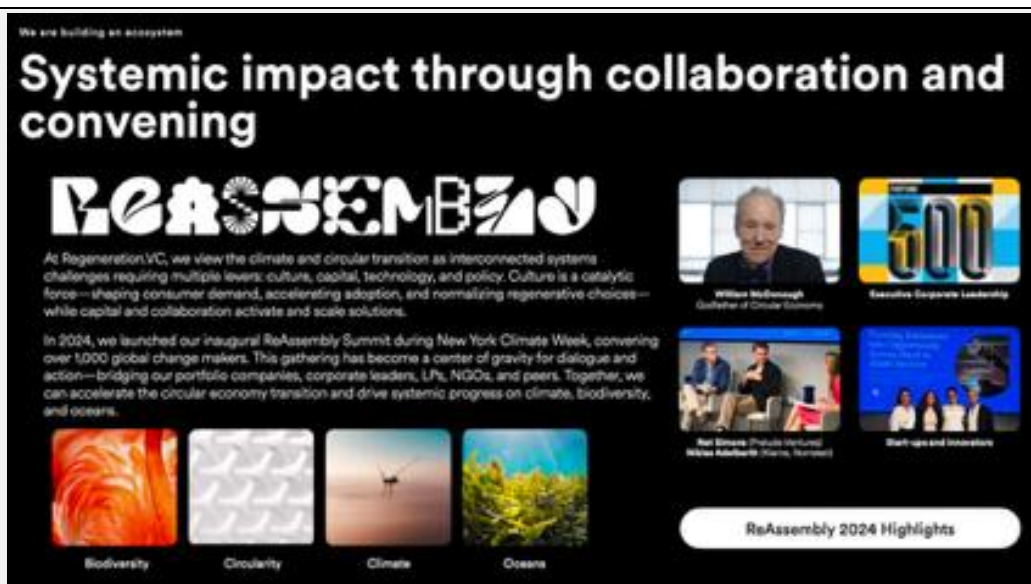
- **Surfacing the learning**—decision-making trade-offs, adaptations, and surprises, including what did not work and how the strategy evolved in terms of partnership, collaboration and who gets to decide what “progress” looks like;
- **Presenting a contribution narrative**—a plausible chain linking the preparer’s actions to intermediate changes and emerging system signals, with appropriate caveats.

Finally, a systems lens also turns inward. Investors are not neutral observers—their own behaviors, incentives, time horizons, and modes of influence shape the systems they seek to change. Reporting that acknowledges this—for example, disclosing how investment committee incentives align or conflict with systems change timescales—adds a dimension of honesty that strengthens credibility, echoing Impact Frontiers’ [Getting Started with Systems Mapping & Impact Management White Paper](#), which closes on the observation that “systems mapping changes the mapper as much as it changes the system”.

Examples of communicating an investor’s role in systems change

- Example 1: Regeneration.VC’s [2024 Impact Report](#) situates its position within a broader network of collaboration and convening, highlighting the role of partnerships and ecosystem engagement in driving change.

⁵ See “*Should you agitate, innovate, or orchestrate?*” framework from the Stanford Social Innovation Review: https://ssir.org/articles/entry/should_you_agitate_innovate_or_orchestrate



- Example 2: A Small Foundation [blog post](#) highlights an impact networks approach as a key mechanism for driving systems change, emphasizing the role of coordinated action across multiple actors.

Our collective hypothesis is that networks can foster the conditions for meaningful collaboration by supporting increased connectivity, encouraging coordination, and ultimately leading to collaboration. Here is our theory on the change that we hope networks can effect:



Box 5: Report user perspective

Systems change reporting ultimately succeeds or fails in the hands of report users—capital providers, boards, investment committees, and governance bodies deciding whether to sustain, scale, or redirect capital and effort.

Working group members reflected that users often approach systems claims with healthy skepticism. What builds credibility is not the scale of the claim but the quality of the reasoning: a clear thesis, an honest account of the reporter's role relative to others, evidence with stated confidence levels, and visible adaptation in response to what has been learned. We heard that

over-claiming - presenting system-level shifts as attributable results - is the fastest way to erode trust.

For users, the practical test of a report is decision-usefulness: does it help me judge whether the strategy is on a plausible path, understand what has changed since the last report and why, and see what the team will do next? Reports that answer these three questions can be decision-useful even when end-outcomes remain uncertain.

Further resources on clarifying roles, dependencies and involvement in key decisions:

- [AA1000 Stakeholder Engagement Standard](#) (AccountAbility)
- [Contribution analysis](#) (Marina Apgar & Carlisle Levine, Better Evaluation Knowledge)
- [Evaluative Inquiry for Systemic Change](#) (Emily F. Gates & Pablo Vidueira, SSIR)

Action 3: Show how you learn and what you're learning

Action: Move beyond the highlight reel - demonstrate what the preparer is testing, what surprises they encounter, and how they are adapting in response.

This approach speaks primarily to the tension between plan adherence and adaptability: treating course correction as performance information rather than deviation.

In systems change, learning is itself a form of performance information. Report users want to understand whether the preparer is adapting based on evidence, how they navigate trade-offs and pivots, and whether systems for learning are embedded in decision-making processes.

A useful way to think about learning depth is through three levels: (1) What was tested: are we doing things right? (single-loop); (2) What was surprising: are we doing the right things? (double-loop); (3) What was rethought: do we need to rethink our mental models? (triple-loop). Most reporting stays at level one. Systems change reporting benefits from reaching levels two and three - and making those visible.

In **management commentary** (Topic 1), reporting should include not only *what* preparers are learning, but also *how* they are learning—signaling that learning is integral to decision-making rather than an afterthought.

Consider including:

- Priority learning questions for the period (e.g., “Is policy opening for X?” or “Are incentives shifting?”);
- What was tested - such as pilots, engagement strategies, partnership models, underwriting changes, or convenings;
- What was learned - including concrete insights and what did not work as expected;
- What changed - decisions taken (e.g., stop, scale, or shift), and adjustments to partner strategy, capital allocation, engagement focus, risk appetite, or governance.

Illustrative example: Reporting performance with and without a learning dimension

Conventional: "We provided technical assistance to 12 portfolio companies on supply chain traceability. Eight have now achieved full traceability, against a target of ten."

Systems-informed: "We provided technical assistance on supply chain traceability to 12 portfolio companies. Eight achieved full traceability (target: ten). The two that did not cited supplier resistance in tier-2 supply chains—a pattern we had not anticipated and which may indicate a structural barrier rather than an implementation gap. This challenged our assumption that traceability is primarily a technology problem; it may also be a power and incentive problem at the supplier level. In response, we are piloting a shared-cost model with three tier-2 suppliers in Q3 to test whether the barrier is financial or relational. We adjusted our technical assistance approach for the next cohort to include supplier engagement from the outset—a decision that emerged directly from this learning."

>>> The second version reports the same result but surfaces the surprise, names the assumption that was challenged, describes what was tested, and shows how a specific decision changed as a result. The shortfall against target becomes evidence of learning rather than underperformance.

In sections related to the **impact management approach** (Topic 5), consider outlining any frameworks used or adapted from systems thinking. This should include which frameworks were selected, why they were chosen, and how they are being applied in practice as part of an ongoing learning process.

As part of impact risk management, explain how a systems-level perspective informs risk identification and mitigation. For example:

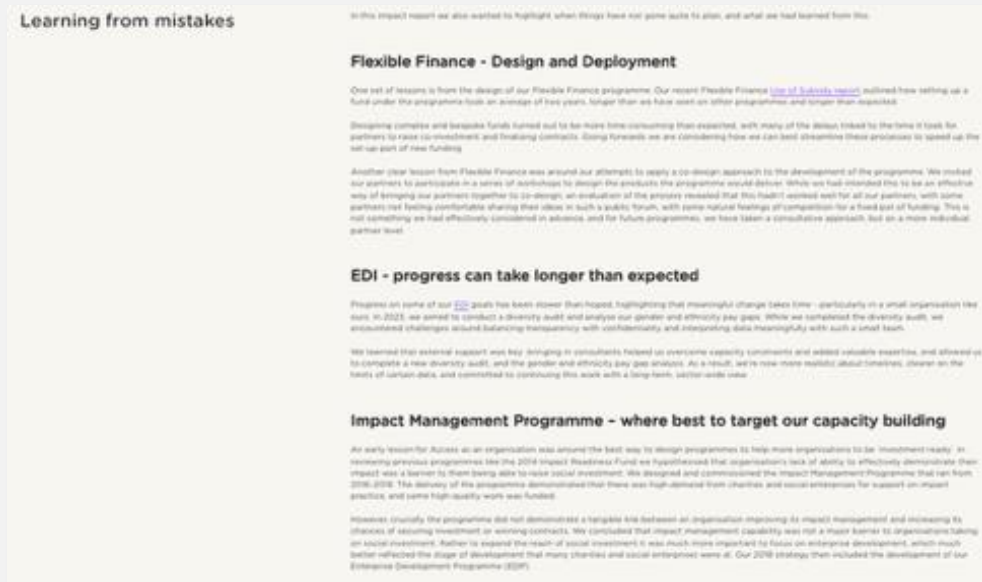
- Unexpected impact risk—arising from interdependencies across the system, such as backlash or resistance when existing power dynamics are challenged;
- Inequity risk—including the potential to reinforce exclusion, or other negative dynamics while pursuing intended change (see the [Impact Frontiers' guidance on impact risk](#)).

Finding an entry point matched to current practice

- **Starter:** Include a short "what we learned" section—even three paragraphs covering one thing that worked, one that didn't, and one decision that changed as a result. This can be a single team conversation (2–3 hours) that produces a short "what we learned" section in the report. At this level, learning is retrospective and bolted onto existing reporting.
- **Developing:** Set 2-3 priority learning questions at the start of each period—e.g., "Is policy opening for X?" or "Are incentives shifting among Y actors?"—and actively gather evidence against them. Review progress at a regular rhythm (e.g., quarterly sensemaking sessions). Reporting then shows not just what was learned, but what the preparer set out to learn and how the evidence shaped their understanding. At this level, learning is structured and intentional.
- **Mature:** Learning questions are embedded in governance—they appear in investment committee papers, inform capital allocation decisions, and shape risk appetite. Reports show the connection between what was learned and what changed: strategy pivots, partnership shifts, or revised assumptions. The indicator of this level is that learning visibly changes what the organization does, not just what it reports.

Examples of reporting on a learning approach

- For example, Access Foundation's [2024 Impact Report](#) includes a dedicated section on "Learning from mistakes," demonstrating transparency around where outcomes have not gone to plan and how these experiences have informed adaptation and improvement.



Further resources on systems-informed learning and adaptation:

- [Six Conditions of Systems Change](#) (John Kania, Mark Kramer & Peter Senge, FSG)
- [What is systemic investing? White Paper and Hallmarks](#) (TransCap Initiative)
- [The AI Contributor: A New Thought Partner in Systems Change](#) (Jewlya Lynn & Rachel Reichenbach)
- [Triple Loop Learning](#) (New Philanthropy Capital)
- [Iceberg Model](#) (Untools)

Action 4: Use “good enough” evidence

Action: Triangulate evidence beyond the portfolio and clearly communicate the limitations of knowledge.

This approach speaks primarily to the tension between precision and honesty about uncertainty: providing credible evidence without false precision.

Faithful representation—one of the fundamental characteristics underpinning the Reporting Norms—does not require perfect measurement. Rather, it requires transparency in methods, appropriate triangulation of evidence, and clear communication of limitations and confidence, particularly when reporting on system-level change.

It can be helpful to think of evidence as a spectrum: direct portfolio data at one end (higher confidence, narrower scope), macro system signals at the other (lower confidence, broader scope), and a measurement gap in between that must be bridged with transparent methods and honest caveats.

One useful framing from the system-level investing field is that of feedback loops - the circular chains of cause and effect between investor actions and system responses. [TIIP's \(Re\)Calibrating Feedback Loops framework](#) suggests that investors can assess their system-level influence by tracking whether their policies, programs, and practices are aligned with their stated system-level goals, and whether system-level indicators are moving in the expected direction. This approach does not require demonstrating causation; rather, it asks whether the investor's actions and the system's trajectory are coherently connected.

Consider including:

- **Measurement boundary:** what the preparer is able to track directly (e.g., portfolio companies, partners, external datasets), and what remains outside their reach;
- **Gap between system boundary and measurement boundary:** be transparent about the difference between the scope of ambition and what can realistically be measured and explain the implications for the strength of evidence. Cross-reference with the system boundaries defined in Action 1—the gap between ambition and measurement is itself an important disclosure, not a weakness.
- **Confidence levels for key claims:** for example, high/medium/low, supported by a brief rationale (e.g., sample size, degree of triangulation, recency of data, or risk of bias);
- **Assumptions and estimates:** clearly label these, explain the underlying methods, and indicate how results might change under different assumptions;
- **Use of external evidence:** where drawing on external sources (e.g., policy trackers or system-level datasets), be explicit about any limitations, including issues of coverage, time lags, or contested interpretations.

Illustrative example: Evidence with and without confidence and limitations

Conventional: “Our portfolio companies reached 120,000 smallholder farmers with climate-resilient seed varieties, a 35% increase year-on-year.”

Systems-informed: “Portfolio companies distributed climate-resilient seed varieties to approximately 120,000 smallholder farmers (up 35%). We triangulated this with two external sources: government extension service data showing a parallel rise in adoption outside our portfolio (moderate confidence - based on a single regional dataset with a 12-month lag), and a field survey suggesting that seed-sharing between farmers is accelerating diffusion beyond direct distribution channels (low confidence - small sample, self-reported). We cannot yet determine whether adoption will persist without subsidy support. Our measurement boundary covers direct distribution; system-level diffusion remains an estimate.”

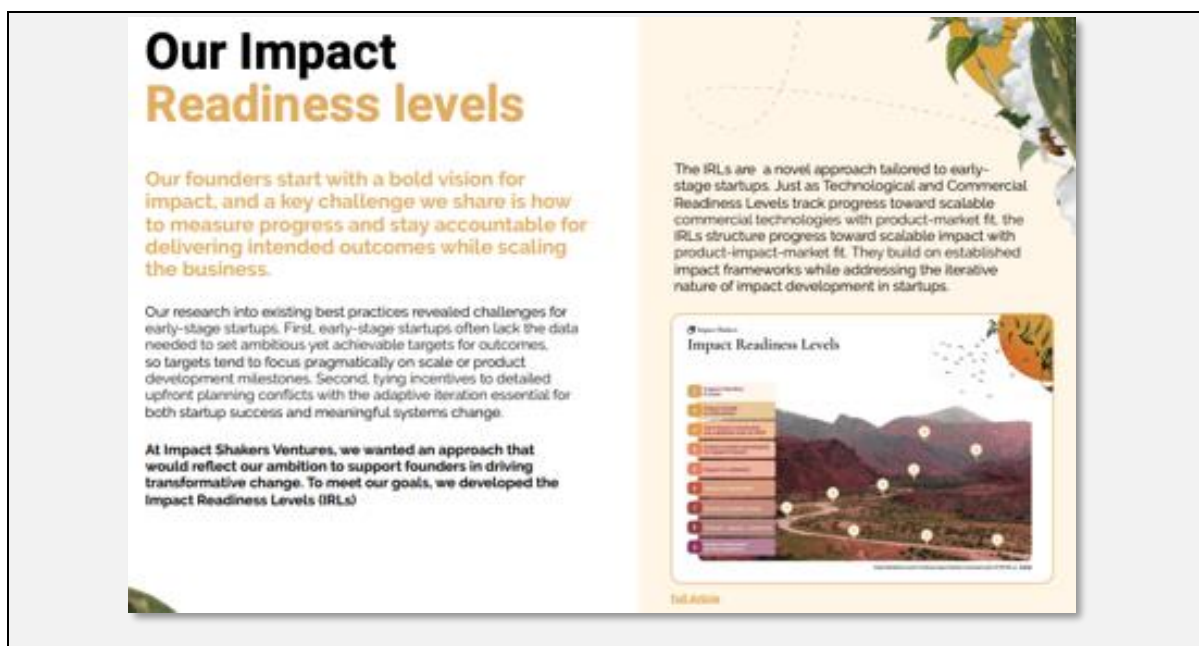
>>> *The second version reports the same portfolio result but locates it within a wider evidence picture, states confidence levels and their rationale, acknowledges a measurement boundary, and names what remains uncertain.*

Examples of disclosing methodologies and limitations

- For example, AENU’s [Systemic Impact Framework \(SIF\)](#) maps how individual solutions contribute to transforming the broader system, helping to triangulate evidence beyond the portfolio and make system-level claims more explicit.



- For example, Impact Shakers’ [Impact Readiness Levels approach \(2024 Report\)](#) provides a strong example of designing evidence expectations appropriate to each stage, while maintaining transparency around the underlying methodology.



Further resources on the use of evidence and data in assessing systems change:

- [MEL360 tools](#) on Systems Boundaries (UNDP)
- [Defining System Boundaries](#) (a “how to” sheet Drive working paper)
- [TWIST White Paper](#): system boundaries (TWIST)
- [Investor Influence: White Paper](#) (Impact Frontiers & Predistribution Initiative)
- [Investing for Systemic Impact](#) (Agora Global)

Action 5: Add a forward-looking view

Action: Help users understand the direction of travel, key risks, and what the preparer will do next.

This approach speaks primarily to the tension between clarity and complexity: offering a clear narrative of direction without oversimplifying how change occurs.

A systems lens adds a forward-looking dimension to reporting: is the system moving in a positive direction? Because end outcomes may be long-term or emergent, reporting often needs to combine multiple forms of evidence:

- **Leading indicators** (signals)—early signs of momentum, alignment, barrier removal, or emerging risks;
- **Lagging indicators**—evidence of more mature outcomes, such as replication, policy adoption, market shifts, or sustained changes in practice;
- **Sensemaking**—narrative interpretation of what these signals mean, what remains uncertain, and how strategy is adapting in response (see Box 6).

Reporting can therefore be framed around progress and trajectory, not only end-state results—recognising that early signals can be decision-useful when their limitations are clearly communicated.

Where definitions of “progress” are contested, reporting can distinguish between what is agreed and what remains an open question, including who is involved in shaping or resolving these differences.

Illustrative example: Adding a forward-looking dimension

Backward-looking only: “Our portfolio companies reduced carbon emissions by 12% year-on-year, against a target of 10%.”

With forward-looking dimension: “Portfolio-level emissions fell 12% (target: 10%). Looking ahead, we see mixed signals on trajectory. Two regulatory developments—the EU’s revised taxonomy criteria and a new national carbon pricing mechanism—could accelerate the transition in our target markets. However, we observe slowing adoption rates among mid-market manufacturers, which may indicate that early adopters have been reached but structural barriers remain for the next wave. Our priority learning question for the next period: what financing structures can unlock adoption beyond first movers?”

>>> The second version retains the KPI but adds leading and lagging indicators, a sensemaking narrative, and an explicit learning question - giving report users a basis for assessing trajectory.

Box 6: Key concept - Signals of systems change

Two practitioner resources are useful for thinking what to look for and how to weigh signals of systems change:

- [UNDP’s Early Signals of Change Self-Assessment Tool](#): Organizes signals around 10 principles of effective collaboration, including building a safe collective space, understanding the system, working with power, and institutionalizing the new. It also asks participants to periodically self-assess which early signals (or limiting conditions) they’re observing, building a shared, evolving picture of where change is and isn’t taking hold.
- [Small Foundation](#): The most visible signals of systems change (e.g., new financial products being designed for rural SMEs) tend to surface first but are only useful as a starting point for looking deeper. To recognize system change, we need to look for combinations of signals, using the [6 conditions of systems change](#) to help categorize the types of changes.

Examples of forward-looking commentary in reporting

- For example, Access Foundation’s 2024 [Impact Report](#) concludes with a dedicated “where next” section, providing a clear forward-looking view on priorities, risks, and next steps.

Where next for Access

Despite this encouraging progress, there is more to do. We will continue to work towards a social investment market that:

Delivers the full spectrum of investment finance that community-scale charities and social enterprises need

The right finance is still not always available at the right time to support the various stages of an enterprise journey, from support with ideation, to enterprise grants for early-stage development, to investment products with patient and flexible features. Access will continue to work towards a time when this full spectrum of finance is in place, one that can meet the wide variety of financing needs that exist.

Is supported by a larger pool of capital from public, private and philanthropic sources and delivers a greater variety of fund structures

Delivering the full spectrum of finance will require greater volumes of both concessional capital and capital seeking a market-rate return. In particular, much greater levels of concessional finance will be required to meet the growing demand for enterprise grants and patient capital in the years ahead.

Reaches more underserved communities and places to ensure they have access to the investment that they need

Whilst the social investment market has made great strides in increasing its reach and the diversity of investees, gaps remain. More needs to be done to fully embed principles of equity of access, whether considering geographical spread (with cold spots in some regions and rural areas) or the diversity of communities and leaders, particularly the prominence of those with lived experience.

Structures the delivery of finance in ways that recognise the strengths and needs of different social investors, helping them to grow and build resilience over time.

Access has always seen that its provision of subsidy into fund structures is not only facilitating the flow of finance to charities and social enterprises, but is also building a stable and resilient market of finance provision for the longer term. We want to go further, ensuring that the flow of capital, particularly our subsidy element, enables social investors to innovate, be responsive and flexible, and strengthen their capacity – rather than inadvertently limiting these things.

Is able to continually develop and advance itself, because knowledge and learning is shared between stakeholders, and because collaboration is increasing

Access will continue to share our own data and insights in a variety of ways. We will increasingly look to collaborate with others, including through the [Blended Finance Collective](#), to accelerate the spread of emerging good practice. If the flow of finance we provide builds resilience in our partners as we anticipate it will, then this should increase their capacity to collaborate, and share knowledge more widely.

Is easier to understand and navigate for community-scale charities and social enterprises as a result of improvements to infrastructure, connectivity and communication

Charities and social enterprises, and others in the wider voluntary sector, often report that they still find the social investment market confusing and impenetrable. All of the advances listed above will achieve little if the sector is misunderstood or viewed with scepticism by many of those it seeks to serve. Access will continue to support critical infrastructure and market development initiatives (those initiatives that help the whole market to organise itself and make navigation more effective) – including the ongoing development of [Good Finance](#).

3. Looking ahead

This Guide aims to provide inspiration and ideas, rather than being prescriptive. The five actions outlined here are designed to be practical and incremental. An investor can begin with one and build over time.

The Reporting Norms aim to both lower the reporting burden while simultaneously increasing the quality of reporting. To strike this balance, report preparers can:

- **First, start with what is already known.** Many investors already have the raw material for systems-informed reporting - learning conversations, strategic pivots, ecosystem partnerships - but don't yet make it visible in their reports. Surfacing what already exists is often more productive than building new measurement systems.
- **Second, be honest about what is not known.** The credibility of systems change reporting rests not on the confidence of claims but on the transparency of reasoning. Stating confidence levels, disclosing measurement boundaries, and acknowledging uncertainty are features of rigor, not admissions of weakness.
- **Third, treat reporting as a practice, not a product.** The most valuable outcome of this work may not be a better report, but a better process - one that embeds sensemaking, surfaces assumptions, and connects learning to decisions. The report is an artifact of that practice.

We invite investors to test this Guide against their own reporting, challenge its framing, and contribute examples.