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The Naming and Classification of Sustainability Topics in the Context of Impact Management

An analytical review

Executive Summary

November 2024

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This paper examines the naming and classification of sustainability topics in sustainability-related resources, exploring the variations that emerge across widely used international frameworks. A review of 33 public and commercial sustainability-related standards, frameworks and guidance reveals significant differences in how sustainability topics are named and categorised. These differences can have implications for the practice of impact management.

The review highlights that there is no standardised approach to naming sustainability topics. Different resources use varying terminology to describe similar concepts. The naming and classification of sustainability topics often results in a mix of conceptually different items, such as drivers, objects, and subjects of impact within the same framework, which can impede the clarity and precision required for effective impact management. Different constructs or approaches to sustainability, such as human rights, well-being, and capital are also at times applied inconsistently or simplistically, leading to misunderstandings about their scope and relevance.

Variations and inconsistencies in the use of terminology have consequences for the practice of impact management. They may hinder market actors from obtaining a holistic understanding of their sustainability impacts and make it difficult to connect different impact management resources. This lack of clarity and coherence also limits the ability of businesses, investors and financial institutions to implement the necessary actions and policies to effectively manage their impacts. Moreover, inconsistencies between resources can create barriers to interoperability, complicating efforts to align private sector practices with public sector sustainability objectives.

The paper concludes by offering some recommendations aimed at standard-setters and providers of impact management resources to improve the coherence and interoperability of impact management resources:

- **To individually consider conceptual coherence when reviewing and revising sustainability topic classifications:** By striving for greater clarity in the classification and naming of sustainability topics, leading providers of impact management resources can better guide practitioners in conducting robust and holistic impact management.
- **To collectively work towards achieving greater connectivity across resources, including across resources with different functions and audiences:** Fostering collaboration among resource providers can improve connectivity between resources with different functions and audiences, enhancing the overall coherence of the sustainability landscape.

- **To collectively work to refine the understanding of less well documented domains and topics:** Continued work is necessary to refine the understanding of emerging and less-documented sustainability topics, ensuring that impact management frameworks remain comprehensive and responsive to new challenges.

Through these efforts, the impact management community can work to create a more coherent and integrated system that supports organisations in effectively addressing sustainability challenges.

This paper is accompanied by a detailed mapping of the sustainability topics found across the set of resources reviewed, referred to as a Structured Inventory. This mapping documents each of the sustainability topic items, making a conceptual distinction between sources, drivers, objects, and subjects of impacts, as well as risks and opportunities. Items are also classified as corresponding to one of five high-level groups. The inventory allows standard-setters, but also practitioners, to better understand the landscape of topics and may be used in the future as a reference for discussions on improving connectivity across different types of standards, frameworks, guidance and tools.

If your organisation is interested in supporting this work, please get in touch with us: info@impactmanagementplatform.org