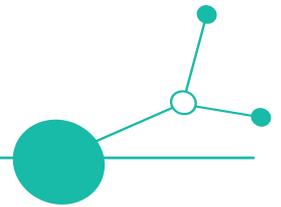


Toolkit for designing a robust but lean M&E strategy applicable to Fis

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PU	Public, fully open, e.g. web	X
CL	Classified, information as referred to in Commission Decision 2001/844/EC	
CO	Confidential to FI4INN project and CE Programme Services	

* **R:** Document, report (excluding the periodic and final reports)

DEM: Demonstrator, pilot, prototype, plan designs

DEC: Websites, patents filing, press & media actions, videos, etc.

OTHER: Software, technical diagram, etc.

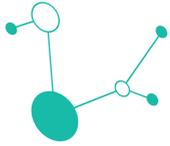


Table of Contents

1.	Introduction	5
2.	Executive summary	5
3.	Context	7
3.1	Background and challenge	7
3.2	Policy and regulatory environment	7
3.3	FI4INN project objectives.....	8
4.	Description of the toolkit	9
5.	User guide on use of the toolkit	15
5.1	Content of user guide.....	15
5.2	Roles and responsibilities in toolkit use	16
5.3	Data governance, privacy and quality assurance.....	17
5.4	Quick overview of the toolkit	17
6.	PART 1: Impact measurement tool.....	18
6.1	Step 1: Define your impact topics and KPIs	18
6.2	Step 2: Track performance data.....	18
6.3	Step 3: View your dashboard.....	18
6.4	Tips for impact tracking.....	19
7.	PART 2: Sustainable development performance indicators calculator.....	19
7.1	Overview	19
8.	PART 3: Common good balance sheet calculator	19
8.1	Overview	19
8.2	Step 1: Start with general information.....	19
8.3	Step 2: Enter company facts	20
8.4	Step 3: Complete the scoring	20
8.5	Step 4: Review your common good matrix	21
8.6	Step 5: Visualize your strengths & gaps.....	21
8.7	Weighting system explained.....	22
8.8	Critical input requirements	22
8.9	Workflow summary.....	23
8.10	Data validation checklist	23
8.11	Troubleshooting.....	24



9. Validation protocol for regional action plans (D3.3.3 “Regional action plans description (FVG, Carinthia, 1 region tbd in Slovenia and 1 in Hungary”)	24
10. Methodological clarification on work package scope	25
11. Conclusions	26
Annex 1 FI4INN Monitoring and evaluation toolkit	27
Annex 2 Official references and regulatory framework	27



1. Introduction

Deliverable D.3.3.1 “Toolkit for designing a robust but lean M&E strategy applicable to FIs” operationalizes FI4INN’s analytical findings into a ready-to-apply monitoring and evaluation methodology for financial instruments. Building on Deliverables D.3.1.2 “Report about survey exercise on monitoring FI in CE regions”, D.3.2.1 “Guidelines on setting significant KPIs to evaluate the process”, and D.3.2.2 “Guidelines on setting significant KPIs to evaluate the FI beneficiaries’ performance”, this Toolkit translates conceptual frameworks and KPI structures into a coherent, values-based management system. In practical terms, it provides public authorities and financial intermediaries with a structured approach to monitor and assess the accountability and impact of innovation-oriented financial instruments, while also offering start-up and SME support organisations and final beneficiary companies clear guidance on how impact, ESG dimensions, and performance expectations are defined, measured, and reported within such instruments.

Within the FI4INN intervention logic, this deliverable plays a pivotal enabling role for Output 3.1 “Strategy for innovation investments’ greater accountability through M&E”, whose aim is to provide a jointly developed transnational strategy to strengthen the accountability of innovation-oriented financial instruments in Central Europe. This role is fulfilled by translating the strategic accountability objectives agreed at transnational level into a shared methodological architecture, common indicator logics, and operational measurement tools.

While Output 3.1 “Strategy for innovation investments’ greater accountability through M&E” consolidates a shared transnational strategic vision on how innovation-oriented financial instruments should be designed and evaluated to ensure greater accountability beyond financial performance, and defines common objectives related to impact, ESG integration, and evidence-based policy learning, Deliverable D.3.3.1 “Toolkit for designing a robust but lean M&E strategy applicable to FIs” equips project partners and regional stakeholders with harmonised frameworks, KPI structures, and assessment methodologies that make such a strategy actionable, measurable, and comparable across regions, while remaining adaptable to different institutional and territorial contexts.

The Toolkit introduces the **Impact management, Economy for the Common Good (ECG) and Sustainable Development Performance Indicators (SDPI)** frameworks as a universal reference for evaluating impact beyond financial performance—encompassing ethical, social, and environmental dimensions of economic activity. It emphasizes a **lean but robust approach** to M&E, adaptable to different institutional capacities and reporting maturity levels.

This deliverable represents a key project milestone and provides the logical and technical foundation for Output 3.1, “**Strategy for innovation investments’ greater accountability through monitoring and evaluation**”. The toolkit developed herein operationalizes the methodological framework that is consolidated at output level and implemented through regional action plans.

2. Executive summary

This deliverable presents a comprehensive and integrated framework for identifying, measuring, and reporting Key Performance Indicators (KPIs) for financial instruments supporting innovation in SMEs and start-ups across Central Europe. The framework synthesizes two complementary approaches - Impact-oriented businesses and Sustainability Reporting into a one comprehensive model able to monitor and evaluate success of the businesses beyond their financial performance.



Sustainability Reporting framework utilizes 2 numeric, authentic measurement methodologies - the Economy for the Common Good (ECG) Matrix and the Sustainable Development Performance Indicators (SDPI) to create a holistic, value-based assessment system.

The FI4INN project recognizes that modern financial instruments must demonstrate their impact not only through economic returns but also through measurable contributions to social inclusion, environmental sustainability, good governance, and innovation capacity building. Traditional Key Performance Indicators focused primarily on absorption rates, loan volume, default rates, and financial returns fail to capture the transformative potential of financial instruments designed to foster inclusive innovation ecosystems.

Key innovations of this framework:

- **Dual Concept Integration:** Sustainability Reporting is taken as a baseline that all businesses need to consider when they are starting and operating. Impact Management is positioned as a layer on top of the sustainability reporting framework. Impact Management specifies additional environmental and social goals that business would like to address in its business execution and quantifies expected outcomes related to the fulfillment of those goals.
- **Dual Methodology Integration:** Combines the value-driven, participatory approach of the ECG Matrix with the quantitative, context-based indicators of SDPI, providing both qualitative depth and quantitative rigor.
- **Inside-Out Perspective:** Shifts from conventional "outside-in" ESG approaches that assess external risks to enterprises, to an "inside-out" approach that measures the actual impacts enterprises create on society, the environment, and governance systems.
- **Context-Based Measurement:** Incorporates normative thresholds and sustainability benchmarks aligned with the UN Sustainable Development Goals (SDGs), EU Green Deal commitments, and national Smart Specialization Strategies (S3).
- **Multi-Stakeholder Accountability:** Enables all key actors, financial intermediaries, beneficiary enterprises, regional authorities, and communities to understand and assess the real value creation and impact of financial instruments.
- **Beneficiary Empowerment:** Equips SMEs and start-ups with tools for participatory self-assessment, stakeholder engagement, and transparent impact reporting, fostering a culture of authentic accountability.
- **Regulatory Alignment:** Ensures compatibility with emerging EU sustainability reporting standards, including the Corporate Sustainability Reporting Directive (CSRD), European Sustainability Reporting Standards (ESRS), EU Taxonomy, and Sustainable Finance Disclosure Regulation (SFDR).

The Toolkit aims to:

- Standardize M&E practices across FI4INN regions.
- Develops framework for the definition and monitoring of Impact
- Integrate the ECG Matrix and SDPIs principles into final beneficiaries and FIs' design, implementation, and evaluation.



- Enhance accountability, transparency, and data-driven decision-making.
- Support regional partners in aligning with EU sustainability regulations.

Applicable to all types of financial instruments and their beneficiaries, the Toolkit is designed to be scalable—from small local funds to large regional or transnational schemes

3. Context

3.1 Background and challenge

The FI4INN project has identified a critical gap¹ in how financial instruments supporting innovation are currently evaluated across Central Europe. While existing monitoring systems track standard metrics such as disbursement rates, number of beneficiaries, loan volumes, and portfolio default rates they often fail to answer the fundamental question: What real, measurable value does these instruments create for beneficiary enterprises, their workers, communities, and the environment?

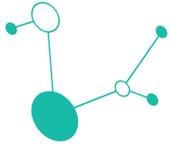
Current challenges in FI evaluation include:

1. **Narrow Scope:** Conventional KPIs focus on financial efficiency metrics, largely ignoring social, environmental, and governance dimensions essential to sustainable development.
2. **Context Blindness:** Performance data are presented in isolation, without reference to sustainability norms, systemic needs, or regional development objectives, making it impossible to assess whether incremental improvements constitute meaningful progress.
3. **Measurement Inconsistency:** Different regions, national authorities, and financial intermediaries apply different indicators, making cross-border comparison and learning impossible.
4. **Reporting Burden:** Beneficiary enterprises face a proliferation of reporting requirements from multiple sources: impact investors, donors, government authorities, and financial institutions - each with distinct methodologies and data requirements, creating administrative overhead that disproportionately affects smaller organizations.
5. **Blind Spots:** Critical issue areas such as equitable income distribution, worker participation in governance, supply chain ethics, and community benefit remain invisible in standard financial reporting.
6. **Greenwashing Risk:** Without clear definitions and consistent standards, claims of "impact," "sustainability," or "innovation" can lack rigor or be used opportunistically.

3.2 Policy and regulatory environment

The European Union has dramatically escalated its requirements for sustainability disclosure and impact measurement:

- **Corporate Sustainability Reporting Directive (CSRD):** Effective January 5, 2023, this regulation expands mandatory ESG reporting to a broader range of companies, including listed SMEs (with delayed implementation options).



- **European Sustainability Reporting Standards (ESRS):** Developed by the European Financial Reporting Advisory Group (EFRAG), these standards provide detailed disclosure requirements for climate, pollution, water and marine resources, biodiversity, resource use and circular economy, business conduct, own workforce, workers in the value chain, and affected communities.
- **EU Taxonomy for Sustainable Activities:** This classification system defines criteria for environmentally sustainable economic activities, establishing common language and methodology for assessing contributions to climate mitigation and adaptation.
- **Sustainable Finance Disclosure Regulation (SFDR):** Mandatory since January 1, 2023, this regulation requires financial market participants to disclose sustainability-related information about their investment practices and products, including Principal Adverse Impact (PAI) indicators.
- **EU Green Deal and Circular Economy Action Plan:** These overarching policy frameworks set ambitious targets for climate neutrality by 2050, circular economy transformation, and the just transition of workers and regions.

Within this context, financial instruments supporting innovation must demonstrate authentic alignment with these regulatory requirements and policy objectives. The D.3.3.1 “Toolkit for designing a robust but lean M&E strategy applicable to Fis” framework provides the practical instruments to achieve this alignment while also serving the internal management and strategic learning needs of regional authorities, financial intermediaries, and supported enterprises.

3.3 FI4INN project objectives

The FI4INN project aims to transform financial instrument design and management into Central Europe by:

1. **Enhancing Impact Measurement:** Moving from administrative compliance metrics to authentic, multi-dimensional assessment of beneficiary and ecosystem-level impacts.
2. **Promoting Co-Design and Inclusivity:** Embedding impact measurement into participatory processes that engage beneficiaries, local stakeholders, and communities in defining success and evaluating progress.
3. **Building Regional Capacity:** Equipping regional authorities, financial intermediaries, and business support organizations with frameworks, tools, and competencies to design, manage, and evaluate FIs more effectively.
4. **Enabling Peer Learning:** Creating mechanisms for transnational exchange of experiences, best practices, and methodologies that can be adapted to regional contexts.
5. **Fostering Innovation Ecosystems:** Supporting the development of financial instruments that not only provide capital but actively contribute to inclusive, sustainable, and dynamic innovation ecosystems.

Deliverable D.3.3.1 “Toolkit for designing a robust but lean M&E strategy applicable to Fis” puts these objectives into practice by providing a coherent and comprehensive framework of Key Performance Indicators (KPIs) that balances financial efficiency with social, environmental, and governance impact. It also offers practical methodologies for collecting, analyzing, and reporting data, which can be adapted



to different regional contexts and organizational capacities. In addition, it gives guidance to beneficiary enterprises and financial intermediaries on how to implement assessments that are both context-based and value-driven. Finally, it establishes bridging mechanisms that connect existing EU regulatory requirements with genuine and verifiable impact measurement practices.

4. Description of the toolkit

Within FI4INN, the toolkit supports the implementation of the “Strategy for innovation investments’ greater accountability” by translating strategic M&E objectives into practical measurement tools.

The base of the toolkit is Common Good Matrix / Common Good Balance Sheet Excel toolkit developed by international Economy for Common movement. Toolkit is created under the Open-Source Creative Commons License to be the most replicable in various contexts of final instruments and its beneficiaries.



Adaptation of Common Good Balance Sheet Matrix © 2025 by Goran Jeras is licensed under Creative Commons Attribution 4.0 International.

The tool was expanded with access to the complementary Sustainable Performance Development Indicators (SDPI) tool mostly focus on the measurement of sustainability of final beneficiaries and with Impact definition and Impact measurement framework.

The Toolkit goes beyond a purely technical monitoring framework. By structuring impact topics, KPIs, and assessment logics around shared strategic objectives, it actively supports informed decision-making on the design, adjustment, and prioritisation of financial instruments. It enables coordination between financial intermediaries, regional authorities, and other stakeholders by providing a common language and reference framework for discussing performance, trade-offs, and long-term effects. Moreover, by embedding impact and ESG dimensions into regular monitoring practices, the Toolkit helps shift monitoring and evaluation from a reporting obligation to a strategic lever for continuous improvement and long-term transformation of innovation support systems.

The Toolkit is designed to support decision-making throughout the life cycle of innovation-oriented financial instruments. The monitoring outputs generated through the Toolkit are intended to be actively used by financial instrument managers and public authorities to inform strategic and operational choices, including:

- adjustments to eligibility criteria, selection mechanisms, or target groups based on observed impact patterns;
- prioritisation of thematic areas or beneficiary profiles where higher systemic value or unmet needs are identified;
- identification and management of trade-offs between financial performance and social, environmental, or governance objectives;



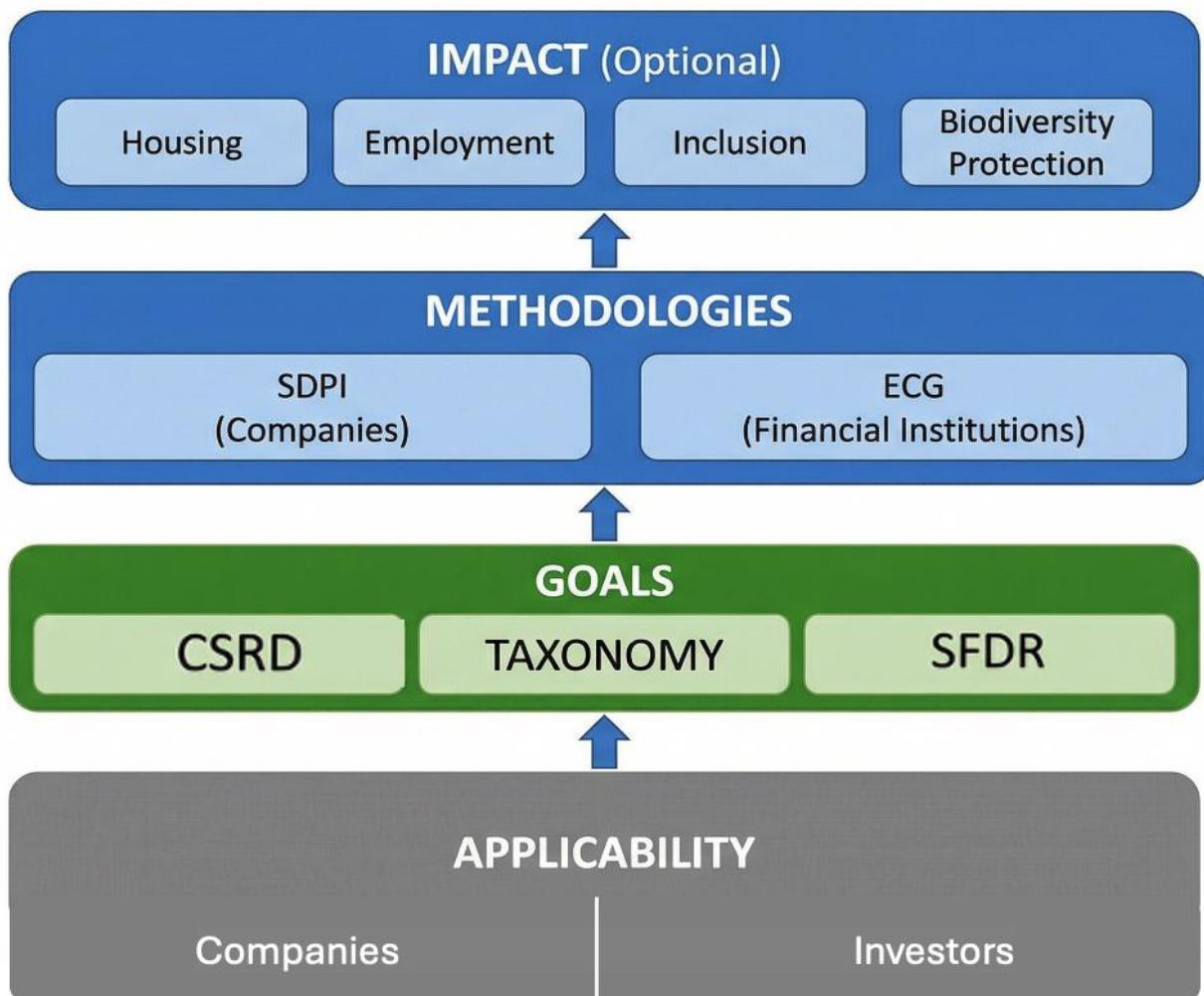
- evidence-based decisions on continuation, redesign, scaling, or discontinuation of financial instruments.

By linking monitoring results to concrete decision points, the Toolkit ensures that monitoring and evaluation functions as a strategic input to policy and portfolio management rather than as a stand-alone reporting exercise.

4.1 Why dual methodology integration?

The integration of Impact measurement, ECG Matrix and SDPI methodologies in this framework is not arbitrary; rather, it reflects a deliberate design choice rooted in the complementary strengths of each approach bringing the added value to the FI4INN project.

Figure A. FI4INN integrates both sustainability approaches - ESG sustainability reporting and impact measurement



4.2 The Common Good Matrix

The Common Good Matrix is a holistic evaluation framework developed by the international Economy for the Common Good movement. It assesses how organizations contribute to five constitutional values through their interactions with four stakeholder groups:



Constitutional Values of Common Good Matrix (columns):

1. **Human Dignity:** Respect for the rights, autonomy, and well-being of individuals
2. **Solidarity and Social Justice:** Commitment to fair distribution of resources, opportunities, and decision-making power
3. **Ecological Sustainability:** Stewardship of natural resources and minimization of environmental harm
4. **Transparency and Co-Determination:** Open communication and democratic participation in decision-making
5. **Democratic Participation:** Empowerment of workers, customers, communities, and other stakeholders in governance

Stakeholder Groups (rows):

1. **Suppliers:** Fair, ethical, and sustainable sourcing practices
2. **Owners/Financiers:** Ethical capital mobilization and equitable return structures
3. **Employees:** Dignified work conditions, fair compensation, and participation rights
4. **Customers and Society:** Value creation for broader community benefit

The strengths of the FI assessment can be summarized as follows. The first strength lies in authenticity and participatory engagement. The ECG framework is designed to be implemented through participatory processes known as “Common Good Balance Sheets,” in which the organization’s stakeholders actively take part in assessing contributions to common good values. This approach transforms assessment from a top-down compliance exercise into an opportunity for stakeholder dialogue, collective learning, and organizational development.

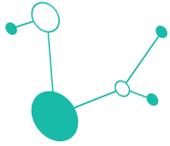
Another strength is normative clarity. The ECG framework explicitly identifies key guiding values such as human dignity, solidarity, sustainability, transparency, and democracy. This moral clarity helps organizations and financial instrument managers define what genuine impact means beyond financial performance indicators.

The framework also emphasizes holistic interdependence. It recognizes that economic, social, environmental, and governance dimensions are interconnected, and that progress in one area should not come at the expense of decline in another.

In addition, the ECG framework is applicable to a wide variety of enterprise models. It can be used for for-profit companies, social enterprises, cooperatives, and other organizational forms, making it particularly useful for financial instruments that support diverse actors within the innovation ecosystem.

Finally, the ECG allows for qualitative depth. It enables detailed, evidence-based, and narrative assessments of organizational practices, culture, and relationships—areas that cannot be fully captured through quantitative indicators alone.

In the context of the FI4INN project, the application of the ECG framework provides several benefits for both financial instrument beneficiaries and intermediaries.



For beneficiaries, particularly small and medium-sized enterprises (SMEs) and start-ups participation in an ECG assessment offers a structured opportunity to reflect critically on their business models, stakeholder relationships, and overall impact. It equips them with tools and a shared language to articulate their social and environmental contributions that go beyond financial returns. The process also creates a mechanism for engaging stakeholders such as employees, suppliers, customers, and community members in shaping the strategic direction of the enterprise. Furthermore, the approach is compatible with the expectations of impact investors who rely on theories of change and outcomes-based frameworks. It also ensures alignment with the European Union's values and commitments related to the social market economy, the just transition, and social inclusion.

For financial intermediaries, the ECG framework provides a reliable methodology for assessing whether supported enterprises follow principles of fair, ethical, and sustainable business conduct. It serves as a foundation for evaluating and diversifying portfolios based on quality criteria that go beyond traditional credit risk metrics. Additionally, it aligns with emerging standards in impact investing and with the European Sustainability Reporting Standards (ESRS), particularly those addressing stakeholder engagement and governance practices.

4.3 Sustainable Development Performance Indicators (SDPI): strengths and application

Developed by the United Nations Research Institute for Social Development (UNRISD) in partnership with the Center for Social Value Enhancement Studies (CSES) and the multi-stakeholder platform r3.0, the SDPI framework provides a comprehensive, context-based system for measuring organizational sustainability performance aligned with the UN 2030 Agenda for Sustainable Development. The framework comprises 61 indicators across two tiers:

Tier 1 (20 Indicators): Trend-based indicators tracking five-year performance trajectories in economic, environmental, social, and institutional dimensions. These indicators use UNCTAD core indicators as a foundation and are designed to reveal patterns and directional change.

Tier 2 (41 Indicators): Context-based and transformative indicators that measure performance relative to sustainability norms and thresholds. These indicators include:

- 17 Context-Based Indicators with defined sustainability thresholds
- 24 Transformative Disclosure Indicators highlighting neglected but critical issue areas

Strengths for FI Assessment:

- **Quantitative Rigor and Measurability:** SDPI indicators are designed to be quantifiable, verifiable, and auditable. This makes them suitable for standardized reporting, cross-organizational comparison, and integration into financial management systems.
- **Context-Based Assessment:** Unlike conventional ESG reporting, which presents data in isolation, SDPI methodology emphasizes "hard contextualization" comparing organizational performance against sustainability norms, thresholds, and scientific evidence. This allows stakeholders to assess whether improvements are meaningful or merely marginal.
- **SDG Alignment:** Every SDPI indicator is explicitly linked to the UN Sustainable Development Goals, making it possible to track organizational contributions to global sustainability commitments.



- **Trend Analysis:** By tracking performance over five-year periods, SDPI reveals whether trends are improving, stagnating, or deteriorating” critical information often masked by single-year snapshots.
- **Comprehensive Scope:** SDPI indicators cover critical issue areas often neglected in conventional ESG reporting” including CEO-worker pay ratios, living wage gaps, union density, supply chain ethics, tax transparency, and democratic governance” areas essential to authentic sustainability.
- **Inside-Out Perspective:** SDPI explicitly adopts an "inside-out" approach, measuring the impacts organizations create on external stakeholders and systems (system value), rather than only assessing external risks to organizational performance (enterprise value). This perspective is essential for evaluating how financial instruments contribute to ecosystem transformation.
- **Applicability to Diverse Enterprise Models:** Like the ECG, SDPI includes specific indicators for social and solidarity economy organizations (SSEOs), making it applicable to the full range of enterprises supported by innovative financial instruments.
- **Regulatory Alignment:** SDPI indicators map directly to requirements under CSRD/ESRS, EU Taxonomy, SFDR, and other emerging regulatory frameworks, facilitating compliance and reducing reporting burden.

In the FI4INN project, the application of the SDPI framework brings specific advantages for both beneficiary enterprises and financial intermediaries.

For beneficiary enterprises, SDPI offers a standardized and internationally recognized methodology for sustainability reporting, which enhances their credibility with impact investors, government authorities, and other stakeholders. It provides clear quantitative targets and thresholds, allowing enterprises to set meaningful sustainability goals and monitor their progress over time. The data generated through SDPI can be directly used to comply with the Corporate Sustainability Reporting Directive (CSRD), the European Sustainability Reporting Standards (ESRS), the EU Taxonomy, and the Sustainable Finance Disclosure Regulation (SFDR), thereby reducing the need for multiple reporting systems. SDPI also enables trend analysis, helping enterprises understand whether their business models and practices are genuinely advancing toward sustainability or simply making incremental adjustments.

For financial intermediaries, SDPI serves as a standardized system for monitoring portfolios, making it possible to compare the impacts of supported enterprises across different regions. It provides evidence-based data on ecosystem-level impacts such as job creation, innovation outcomes, social inclusion, and environmental benefits. The framework is fully integrated with EU regulatory and strategic frameworks, which enhances the legitimacy and visibility of the financial instruments' impacts. Moreover, it provides tools to identify systemic strengths and weaknesses within the population of supported enterprises, informing portfolio management decisions and setting priorities for capacity-building efforts.

4.4 Complementarity and synergy

While ECG and SDPI have distinct methodological origins and emphases, they are highly complementary:

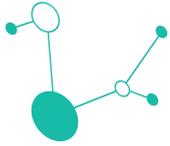


Table 1. Complementarity between the Economy for the Common Good (ECG) framework and Sustainable Development Performance Indicators (SDPI)

Dimension	ECG Contribution	SDPI Contribution
Ontological Basis	Value-driven (what should be)	Evidence-based (what is)
Methodology	Participatory self-assessment	Quantitative measurement
Scope	Constitutional values and stakeholder relationships	Quantified impacts across SDG domains
Temporality	Current-state assessment with multi-year trajectory	Five-year trend analysis
Evidence Type	Narrative, qualitative, documentary	Quantitative, verifiable, comparable
Primary Application	Organizational culture and governance transformation	Portfolio performance monitoring and compliance
Stakeholder Engagement	Central to assessment process	Data verification mechanism
Context	Organizational and community context	Normative sustainability thresholds
Regulatory Alignment	CSRD/ESRS governance and stakeholder engagement requirements	CSRD/ESRS quantitative targets, EU Taxonomy, SFDR

Synergies:

The synergies between the ECG and SDPI frameworks can be described in plain sentences as follows:

The first synergy is **mutual validation**. The quantitative data from SDPI can confirm or question the qualitative findings from ECG. For example, if an organization claims to uphold the value of human dignity but the SDPI data show significant wage inequality or poor investment in workplace safety, this indicates a gap that needs further investigation.

The second synergy is **holistic understanding**. The ECG framework provides a narrative and value-based context that helps interpret the numerical results from SDPI. Numbers alone do not convey meaning unless they are connected to the organization’s goals, ethics, and relationships with stakeholders.

The third synergy involves a **reduced reporting burden**. When organizations use both frameworks together, many of the data collection processes overlap. This coordination simplifies reporting and reduces administrative work compared to managing multiple, separate reporting systems.

The fourth synergy is **accountability at multiple levels**. The participatory nature of ECG encourages internal stakeholders to set priorities and assess progress collaboratively. At the same time, SDPI’s quantitative approach ensures accountability to external stakeholders such as regulators, investors, and the public.

The fifth synergy concerns **transformation potential**. When combined, the two methodologies create a powerful engine for organizational change. ECG helps identify areas that need improvement and involves stakeholders in finding solutions, while SDPI provides measurable baselines and targets that make progress visible and trackable. Together, they connect values-based reflection with evidence-based evaluation, fostering both learning and measurable transformation.



5. User guide on use of the toolkit

5.1 Content of user guide

The operational implementation of the toolkit is supported by the Excel-based tool provided in chapter 0, which forms an integral part of this deliverable. The Excel Tool is designed to help both financial instrument operators and final beneficiaries to navigate through the world of impact and sustainability measurement in a smooth and simple way.

The Guide consists of the following parts:

Part 1: Impact Measurement Tool:

- How to define impact topics and KPIs (Sheet I1)
- How to track performance data (Sheet I2)
- How to use the dashboard for quick insights (Sheet I3)
- Practical tips for ongoing management

Part 2: Sustainable Development performance indicators (SDPI):

- Link with a reference to an online SDPI calculator tool
- Link to a detailed handbook to use SDPI

Part 3: Common Good Balance Sheet Calculator (for FI operators)

- Four-step workflow to complete the assessment
- What company facts are required and why they matter
- Explanation of the scoring system (0-10 scale)
- How to review results via the Common Good Matrix

Key Features:

- Weighting System Explained - Why different companies get different weightings based on size, industry, and region
- Quick Start Guide - Get results in 30 minutes
- Comprehensive Workflow - Full implementation in 2-3 hours
- Data Validation Checklist - Ensure accuracy before finalizing
- Troubleshooting Table - Common issues and solutions
- Workflow Summary - For quick vs. comprehensive use

The guide synthesizes all the existing instructions from your spreadsheet and presents them in a clear, step-by-step format that's accessible for users at all levels.



5.2 Roles and responsibilities in toolkit use

To ensure consistent application of the Monitoring and Evaluation Toolkit across Central Europe, it is essential that all stakeholders clearly understand their roles. The table below summarizes the key responsibilities for each group involved in the process. This clarity helps prevent misinterpretation, supports compliance with EU sustainability standards, and promotes effective collaboration among financial intermediaries, beneficiaries, and regional authorities.

By clearly defining roles and responsibilities across financial intermediaries, beneficiary enterprises, regional authorities, associated partners, and technical partners, the Toolkit also functions as a coordination mechanism. It provides a shared reference framework for aligning expectations, synchronising monitoring practices, and facilitating structured dialogue on performance and impact among actors involved in the same financial instrument or portfolio. This common framework supports coherent implementation across institutional levels while reducing fragmentation and misalignment in monitoring approaches.

Table 2. Stakeholders’ roles and responsibilities in the use of the FI4INN Monitoring and Evaluation Toolkit

Stakeholder	Key Responsibilities	Tool(s) to be used (in demo Excel Tool)
FI Operators	Implement the toolkit for monitoring and evaluation of their portfolio and their internal processes; ensure accurate data entry; oversee compliance with EU sustainability standards. Monitor collective beneficiaries’ impact and FI sustainability score through authentic sustainability reporting (ECG / Common Good Matrix)	ECG Matrix / Impact Tool
SMEs / Beneficiaries	Provide timely and accurate data for KPIs related to the success of funding; engage in participatory self-assessment; maintain transparency in reporting.	SDPI methodology / Impact Tool
Regional Authorities	Validate toolkit application across programs; ensure alignment with regional development strategies and EU regulations; support capacity building.	Sustainability summary report (outcomes of Tool assessment)
Associated Partners	Facilitate knowledge sharing and best practices; assist in harmonizing methodologies across regions.	All Tools
Technical Partners	Maintain toolkit functionality; provide technical support and updates; ensure interoperability with online SDPI tools and new upcoming policies and standards.	All Tools



5.3 Data governance, privacy and quality assurance

To ensure compliance and reliability in the use of this toolkit, all data handling must adhere to the following principles:

- **GDPR Compliance:** All personal and sensitive data collected through the toolkit must comply with the General Data Protection Regulation (GDPR) and relevant EU data protection laws. FI operators act as **data controllers**, while SMEs and other stakeholders serve as **data providers**. Where possible, personal data should be anonymized or pseudonymized.
- **Data Quality Assurance:** Before finalizing any monitoring or evaluation reports, accuracy checks must be performed using the **Data Validation Checklist** provided in the toolkit. Regular audits should confirm completeness, correctness, and consistency of entries.
- **Data Custodianship:** FI operators are responsible for secure storage and controlled access to all collected data. Technical partners ensure system integrity, prevent unauthorized access, and maintain interoperability with other tools. Regional authorities oversee compliance and provide guidance on governance standards.

These measures safeguard privacy, maintain data integrity, and ensure that the toolkit remains operationally usable across all participating regions.

5.4 Quick overview of the toolkit

This workbook contains three integrated assessment tools:

Part 1: Impact Measurement Tool (Sheets: I0, I1, I2, I3)

Track your organization's impact performance against annual targets with automatic status reporting and dashboard visualization.

Part 2: Sustainable Development Performance Indicators (Sheet: SDPI)

Calculate your organization's contribution to the fulfillment of Sustainable Development Goals through an authentic, scientific-backed methodology developed by UN agency. It's operating with the concept of bioregenerative limits of the local ecosystem, thresholds of resource use that system can regenerate and democratic allocation of resources within thresholds to users in a way that optimally serves needs of the community

Part 3: Common Good Balance Sheet Calculator (Sheets: S0 onwards)

Calculate your organization's overall Common Good/ESG score across multiple dimensions, stakeholder groups, and values.



6. PART 1: Impact measurement tool

6.1 Step 1: Define your impact topics and KPIs

Go to Sheet: I1. ImpactPlan

1. **Edit or add rows** for your organization's impact topics and KPIs
2. **Fill in the following columns:**
 - **Impact Topic** - The key area you want to impact (e.g., "Energy efficiency in SMEs")
 - **Strategic Objective** - How this supports your strategy
 - **ESG Pillar** - Choose from dropdown: E (Environmental), S (Social), G (Governance)
 - **ECG Value** - Choose from dropdown: one of the four core values
 - **SDG(s)** - Which UN Sustainable Development Goals this relates to
 - **KPI Name** - Specific, measurable indicator (e.g., "Energy consumption per unit revenue")
 - **KPI Type** - Choose from dropdown: Output or Outcome
 - **Unit** - Measurement unit (e.g., "kWh/EUR revenue")
 - **Baseline Value** - Starting measurement
 - **Baseline Year** - When you measured the baseline
 - **Target Value** - Your goal
 - **Target Year** - When you want to achieve it
 - **Measurement Frequency** - Choose from dropdown: Annual, Quarterly, Monthly, Project Start/End
 - **Responsible Person** - Who owns this KPI
 - **Notes** - Additional context or assumptions

6.2 Step 2: Track performance data

Go to Sheet: I2. KPI_Tracking

1. **For each reporting period** (year or quarter), create a new row
2. **Enter these values:**
 - **Period** - Year or quarter (e.g., "2024", "Q1 2025")
 - **KPI Name** - Select from your defined KPIs using dropdown
 - **Target** - Your target value for this period
 - **Actual** - The actual result achieved
 - **Last Updated** - Update date
 - **Comments** - Explanation of results (if above/below target)
3. **Automatic Calculations:**
 - **Impact Topic** - Auto-fills from Impact_Plan
 - **Variance** - Difference between Target and Actual (calculated)
 - **Variance %** - Percentage difference (calculated)
 - **Status** - Auto-determined: "On Track" | "At Risk" | "Off Track" (calculated)

6.3 Step 3: View your dashboard

Go to Sheet: I3. Dashboard

The dashboard automatically displays:

- Side-by-side comparison of **Target vs Actual** for your most recent KPI entries



- Helps identify quick trends and performance at a glance
- **Updates automatically** when you add new data to the Tracking sheet

6.4 Tips for impact tracking

- **Duplicate rows** to add similar KPIs - faster than entering from scratch
- **Extend formulas down** when adding new rows - select a row with formulas, copy, and paste below
- **Track regularly** - quarterly or annual updates maintain data quality
- **Use Comments** - explain variances to create a narrative of your impact journey
- **Link to strategic objectives** - helps with reporting and alignment

7. PART 2: Sustainable development performance indicators calculator

7.1 Overview

This calculator assesses the performance of the businesses from the perspective of the contribution to the Sustainable Development Goals - the highest-level political document adopted internationally that is defining the level of political commitment to global sustainable development process.

The calculator is a freely available online tool, and the Excel sheet just provides integrated access to the tool from the same source in which Impact Management and ECG/Common good balance sheet calculators are available.

8. PART 3: Common good balance sheet calculator

8.1 Overview

This calculator assesses your organization's performance across **Common Good/ESG dimensions** across multiple stakeholder groups (suppliers, investors, employees) and core values (human dignity, solidarity, ecological sustainability, transparency).

Maximum Score: 1,000 Common Good Points

8.2 Step 1: Start with general information

Go to Sheet: S0. Intro → Then S1. General

Enter basic company information:

- Company/Organization Name
- Address
- Country



- Industry Sector
- Website
- Period under review

8.3 Step 2: Enter company facts

Go to Sheet: S2. Company Facts

This sheet requires detailed financial and operational data to properly weight the assessment.

Fill in ALL highlighted fields:

- **Section A: Suppliers**
 - **Total purchases from suppliers (in Euros)** - Your annual supply chain expenditure
 - **5 most important supplier industries** - List your main supply chain sectors:
 1. Industry sector (choose from dropdown)
 2. Brief description
 3. Region of origin (choose from dropdown)
 4. Annual costs

Why this matters: Supplier relationships are weighted by your level of spend - larger supply chains get higher priority.

- **Section B: Financial Resources**
 - **Turnover (total sales revenue)** - Annual revenue
 - **Total Assets** - Balance sheet total
 - **Financial relationships details** - Banks, investors, financing

Why this matters: Financial metrics determine weighting for investors and financing dimensions.

- **Section C: Employees**
 - **Total number of employees**
 - **Employee demographics** - wages, hiring practices, diversity
 - **Working conditions** - hours, benefits, development

Why this matters: Employee impacts are weighted by total payroll and workforce size.

8.4 Step 3: Complete the scoring

Go to Sheet: S3. Calc - Scoring Sheet

Important: Use estimates if detailed data isn't available, but accuracy improves your assessment.

For each theme (A1, A2, B1, etc.), enter a score (0-10 scale):



- 0 = No action/Poor performance
- 5 = Moderate/Baseline efforts
- 10 = Excellent/Leading practice

Scoring follows this structure:

Table 3. Structure of the Common Good Matrix: stakeholder categories, thematic areas and associated values

Category	Themes	Stakeholder/Value
A: Suppliers	A1, A2, A3, A4	Human dignity, Solidarity, Ecology, Transparency
B: Investors	B1, B2, B3, B4	Ethical finance, Social impact, Use of funds, Co-determination
C: Employees	C1, C2, C3, C4	Fair wages, Workplace conditions, Development, Participation
D: Customers	D1, D2, D3, D4	Ethical sales, Health/safety, Sustainability, Transparency
E: Societal Impact	E1, E2, E3, E4	Social benefit, Democratic participation, Environmental, Transparency

Automatic Calculation:

- Points for each theme calculated automatically based on weighting
- **Weighted by company size, industry, and relevance** (not equal for all companies)
- Total score generates automatically

8.5 Step 4: Review your common good matrix

Go to Sheet: S4. ECG-Matrix

This displays your results in a visual matrix showing:

- **Scores by stakeholder group** (Suppliers, Investors, Employees, Customers, Society)
- **Scores by core value** (Human Dignity, Solidarity & Justice, Ecological Sustainability, Transparency & Co-determination)
- **Total Common Good Balance Score** (out of 1,000 points)

Note: This is NOT a certification, but an internal assessment tool.

8.6 Step 5: Visualize your strengths & gaps

Go to Sheets: S5 (Values Star), S6 (Stakeholder Star), S7 (Topics Star)



These visualization sheets show:

- **Values Star** - Your performance across the four core values
- **Stakeholder Star** - Your performance by stakeholder group
- **Topics Star** - Your performance across all themes

8.7 Weighting system explained

Why do different companies get different weightings?

The calculator recognizes that **company size, industry, and regional context matter.**

A textile company's supply chain (A1-A4) is more significant than its direct environmental impact (E3). A mining company has major direct environmental impacts but smaller supply chains. The weighting model adjusts point allocation accordingly.

Key Weighting Factors

Sheet: 9. Weighting contains the full weighting model:

1. **Stakeholder Weighting (Sheet: 11. Region)**
 - Suppliers weighted by: **Procurement expenditure**
 - Investors weighted by: **Profit & borrowing costs**
 - Employees weighted by: **Wages & salaries**
2. **Theme Weighting (Sheet: 10. Industry)**
 - Adjusted by your **industry sector** using UN ISIC classification
 - Reflects on the **environmental/social impact significance** of your industry
 - Example: High-impact industries (agriculture, mining, textiles) get different weightings than low-impact sectors
3. **Regional Adjustments (Sheet: 11. Region)**
 - Supplier weighting adjusted by: **PPP (Purchasing Power Parity)** index by country
 - Employee weighting by: **ITUC co-determination index** - reflects local labor rights

Translation: The model asks: "Given your industry and size, which impact matters most?"

8.8 Critical input requirements

To Generate Accurate Scores **Company Facts section MUST be complete** - especially:

- Total procurement spend
- Top 5 supplier industries and costs
- Total employee count
- Revenue/Assets

Scoring sheet requires honest assessment:

- Don't skip themes - use 0 if you haven't started an initiative



- Estimates are acceptable if details are unavailable
- Comments explaining your scores

Use dropdown lists where provided:

- ESG Pillar (E/S/G)
- KPI Type (Output/Outcome)
- Measurement Frequency
- Industry sectors
- Regions

8.9 Workflow summary

Quick Start (30 minutes)

1. Go to **S1. General** → Enter company info
2. Go to **S2. Company Facts** → Fill highlighted cells
3. Go to **S3. Calc** → Score each theme (0-10)
4. View **S4. ECG-Matrix** → See your total score

Comprehensive Assessment (2-3 hours)

1. Complete all of Part 1 (Impact Tracking)
2. Complete all of Part 2 (Common Good Scoring)
3. Generate reports from both systems
4. Identify improvement priorities

Ongoing Management

- **Monthly/Quarterly:** Update impact tracking (Sheet I2)
- **Annually:** Update Common Good scores with latest data
- **Quarterly:** Review Dashboard for trends

8.10 Data validation checklist

Before finalizing your assessment, verify:

- All required fields in "Company Facts" are completed (no blanks in highlighted cells)
- Supplier sectors match your actual supply chain
- Employee count and payroll data are current
- Scoring rationale documented in Notes/Comments
- Dropdown selections used where available (not free text)
- Formulas haven't been modified
- Latest period data entered in Impact Tracking



8.11 Troubleshooting

The table below provides quick troubleshooting guidance for the demo Excel Tool.

Table 4. Troubleshooting guide for common issues in the FI4INN Excel Toolkit

Issue	Solution
Formula shows error	Don't edit formulas directly; check input format (numbers vs text)
Dropdown not working	Ensure you're in the correct field; check Sheet "Lists" for options
Score seems too low	Verify Company Facts are complete; scoring heavily weighs size/industry
Can't add rows	Right-click existing row → Insert → Paste formulas from row above
Dashboard empty	Ensure I2. KPI_Tracking has recent data rows

9. Validation protocol for regional action plans (D3.3.3 “Regional action plans description (FVG, Carinthia, 1 region tbd in Slovenia and 1 in Hungary”)

To ensure coherence, minimum quality standards, and comparability across regions, each of the four planned Regional Action Plan reported under D3.3.3 “Regional action plans description (FVG, Carinthia, 1 region tbd in Slovenia and 1 in Hungary” shall undergo a light and proportionate validation protocol, designed to support timely finalization and practical implementation within the WP3 “Improving financing schemes' impact through effective monitoring strategies” timeframe.

As a minimum dataset, each Regional Action Plan must include:

- context description (region, governance level, target FI, main challenge addressed);
- chosen assessment method (Impact, SDPI, ECG);
- baseline values for selected KPIs, drawing on existing data sources where available;
- target values with implementation timeline, defined in relation to the short-term action plan horizon;
- responsible institutions (owner of implementation and monitoring);
- sources and frequency of data collection, aligned with institutional capacities;



- transparency and audibility mechanisms of developed reports.

Basic consistency checks shall verify the internal logic between problem statement, objectives, and measures; the coherence between KPI definitions and the practical feasibility of data collection within the Action Plan timeframe; and the plausibility of target values in relation to baseline conditions and the specific regional context. The validation does not assess achieved results but focuses on the soundness and readiness of the proposed M&E design.

KPI interpretation shall follow an “inside-out” logic: indicators are not only read as performance metrics but as signals of intended system-level change aligned with SDGs, CSRD/ESRS principles, and the selected sustainability reporting methodology, considering the maturity of the financial instrument and the availability of information at the time of Action Plan drafting. Where quantitative indicators suggest improvement without qualitative confirmation (or vice versa), Action Plans shall explicitly comment on such divergence as part of the design rationale.

Validation is carried out through a peer-exchange and expert-supported format within WP3 “Improving financing schemes’ impact through effective monitoring strategies” workshops, allowing for rapid feedback cycles and iterative refinement, and focusing on learning and improvement rather than compliance auditing. The validation protocol is prepared and implemented by the Project Partners responsible for WP3 “Improving financing schemes’ impact through effective monitoring strategies” (ZEF, IHV, SERN), who support Project Partner responsible for down streaming in Friuli Venezia Giulia (IT), Carinthia (AT), Slovenia and Hungary, in finalizing feasible and context-specific Action Plans.

WP3 partners consolidate the validation outcomes as a technical exercise to ensure coherence and comparability across regions, without constituting any formal approval and without affecting regional ownership of implementation.

10. Methodological clarification on work package scope

This toolkit is the outcome of **WP3 “Improving financing schemes’ impact through effective monitoring strategies”** transnational workshops and joint development activities involving all FI4INN project partners. It supports the design, application, and interpretation of monitoring and evaluation frameworks for financial instruments. It is **not part of the WP2 “Experimenting new approaches to co-design inclusive financing schemes” Transnational Peer Review Mechanism** and does not replace or duplicate WP2 “Experimenting new approaches to co-design inclusive financing schemes” processes. WP2 “Experimenting new approaches to co-design inclusive financing schemes” focuses on peer learning and co-design of financial instruments through regional experimentation, while WP3 “Improving financing schemes’ impact through effective monitoring strategies” (including this toolkit) provides the methodological infrastructure for impact measurement, KPI definition, and Action Plan validation. This distinction ensures conceptual clarity, prevents overlaps, and preserves coherence between co-design (WP2 “Experimenting new approaches to co-design inclusive financing schemes”) and evaluation (WP3 “Improving financing schemes’ impact through effective monitoring strategies”) functions.

Beyond ensuring coherence, minimum quality standards, and comparability across regions, the validation protocol also supports iterative learning over time. By encouraging regions to reflect on the evolution of selected indicators, baseline conditions, and target values, the protocol enables adaptation of monitoring choices as financial instruments mature, implementation contexts evolve, or strategic priorities change. In this way, monitoring and evaluation are framed as dynamic processes that contribute to continuous improvement and long-term transformation of innovation support systems.



11. Conclusions

This deliverable represents a core building block of the FI4INN project's transnational approach to improving the accountability of innovation-oriented financial instruments in Central Europe. Developed jointly by project partners and grounded in shared analytical work and peer exchange, the Toolkit reflects a common understanding of the limits of traditional financial monitoring and the need for more holistic, impact-oriented evaluation frameworks.

The transnational added value of Deliverable D.3.3.1 "Toolkit for designing a robust but lean M&E strategy applicable to FIs" lies in its ability to provide a shared methodological reference for monitoring and evaluating innovation-oriented financial instruments, with a specific focus on accountability, impact, and ESG dimensions, across different regional, institutional, and financial contexts. By establishing harmonised indicator logics, aligned impact dimensions, and a common interpretation framework, the Toolkit enables comparability of monitoring results across Central Europe regions. In particular, it supports mutual learning and knowledge transfer, and facilitates structured policy dialogue at the transnational level, while preserving the flexibility needed to adapt to diverse governance settings and financial instrument typologies.

Looking forward, the Toolkit directly supports the implementation of the transnational strategy consolidated under Output 3.1 "Strategy for innovation investments' greater accountability through M&E" by translating strategic accountability objectives into practical and operational measurement tools. It serves as a reference framework for the design, validation, and implementation of Regional Action Plans under Deliverable D.3.3.3 "Regional action plans description (FVG, Carinthia, 1 region tbd in Slovenia and 1 in Hungary)", ensuring coherence between strategic intent, monitoring design, and regional execution without prescribing one-size-fits-all solutions.

Beyond the project lifetime, the Toolkit is designed to have lasting value. Its open, modular, and scalable structure allows public authorities, financial intermediaries, and policy stakeholders to reuse and adapt the methodology for future financial instruments, programming periods, and policy cycles related to innovation, sustainability, and regional development. By embedding impact, ESG, and innovation dimensions into regular monitoring and evaluation practices, the Toolkit contributes to strengthening evidence-based decision-making, enhancing transparency, and fostering a long-term culture of accountability in public support for innovation.

In this sense, Deliverable D.3.3.1 "Toolkit for designing a robust but lean M&E strategy applicable to FIs" not only supports the immediate objectives of FI4INN, but also constitutes a transferable methodological asset for Central Europe regions seeking to align financial instruments with sustainable development goals, regulatory requirements, and societal impact expectations over time.



Annex 1 FI4INN Monitoring and evaluation toolkit

Annex 1 consists of the FI4INN Monitoring and Evaluation Toolkit provided as a standalone Excel file. The Excel-based tool operationalizes the monitoring and evaluation methodology described in this deliverable and enables financial intermediaries and final beneficiaries to apply the framework in practice.

In particular, the toolkit supports users in:

- defining impact topics, strategic objectives and Key Performance Indicators (KPIs);
- monitoring and tracking impact performance over time;
- assessing sustainability performance using the Sustainable Development Performance Indicators (SDPI) framework;
- performing a Common Good Balance Sheet assessment based on the Economy for the Common Good (ECG) Matrix.

The tool is designed to be scalable and user-friendly, allowing both **quick assessments** and **more comprehensive monitoring exercises**, depending on the capacity and needs of the user. Detailed guidance on the structure and use of the Excel tool is provided in **Sections 6, 7 and 8** of this deliverable.

The Excel toolkit included as Annex 1 constitutes an **integral part of Deliverable D.3.3.1** and shall be read in conjunction with the present document.

Annex 2 Official references and regulatory framework

A. Economy for the Common Good (ECG)

Economy for the Common Good (ECG) is an internationally recognized framework for assessing organizational performance beyond financial results, with a focus on social, environmental and governance values.

Common Good Matrix (CGM): Core analytical framework assessing organizational performance across constitutional values (human dignity, solidarity, ecological sustainability, transparency and democratic participation) and stakeholder groups.

Common Good Balance Sheet (CGBS): Operational reporting tool translating the Matrix into a structured self-assessment and documentation instrument. Official sources:

- Economy for the Common Good - International Federation (methodology and tools) <https://www.econgood.org/what-is-ecg/>.
- Common Good Balance Sheet Manuals (latest available versions) <https://www.econgood.org/apply-ecg/common-good-matrix-5-1/>

B. European Union Sustainability and ESG Framework



The Toolkit aligns with the main EU sustainability and sustainable finance regulations applicable to financial instruments and beneficiaries:

- Corporate Sustainability Reporting Directive (CSRD) - Directive (EU) 2022/2464
https://finance.ec.europa.eu/capital-markets-union-and-financial-markets/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en
- European Sustainability Reporting Standards (ESRS) - developed by EFRAG
<https://www.efrag.org/en/projects/esrs>
- EU Taxonomy Regulation - Regulation (EU) 2020/852
https://finance.ec.europa.eu/sustainable-finance/tools-and-standards/eu-taxonomy-sustainable-activities_en
- Sustainable Finance Disclosure Regulation (SFDR) - Regulation (EU) 2019/2088
https://finance.ec.europa.eu/sustainable-finance/disclosures/sustainable-finance-disclosure-regulation-sfdr_en

Impact measurement - Instructions

This workbook helps you:

- 1) define a few key impact topics and KPIs and
- 2) track progress against annual targets with automatic status and a simple dashboard.

Instructions:

1. Go to 'Impact_Plan' and edit or add rows for your impact topics and KPIs.
 - Use the drop-down lists for ESG Pillar, KPI Type and Measurement Frequency.
2. Go to 'KPI_Tracking' and, for each year (or period), select a KPI Name and enter Target and Actual values.
 - Impact Topic, Variance, Variance %, and Status are calculated automatically.
3. Check the 'Dashboard' sheet for a quick visual comparison of Target vs Actual for the latest data rows.

You can duplicate rows, add more KPIs, or extend the formulas down as needed.

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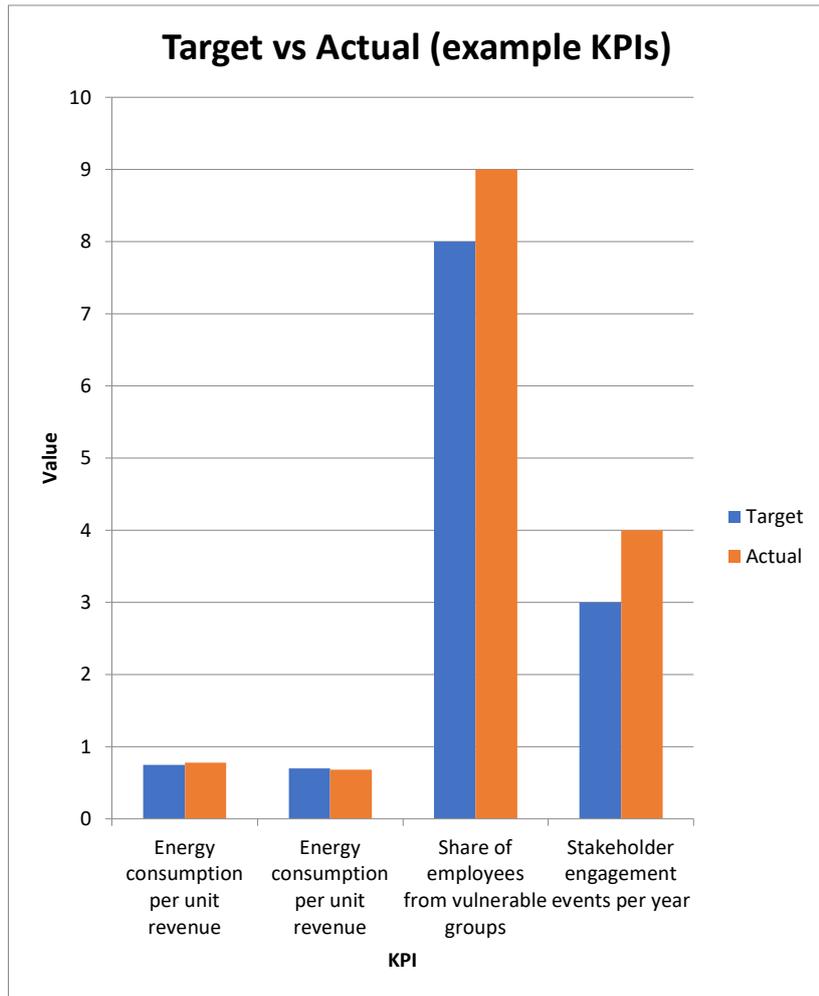


Impact Topic	Strategic Objective	ESG Pillar	ECG Value	SDG(s)	KPI Name	KPI Type	Unit	Baseline Value	Baseline Year	Target Value	Target Year	Measurement Frequency	Responsible Person	Notes
Energy efficiency in SMEs	Reduce energy intensity of SME portfolio	E - Environmental	Environmental Sustainability	SDG 7, SDG 13	Energy consumption per unit revenue	Outcome	kWh / EUR revenue	0,8	2023	0,6	2027	Annual	Sustainability Manager	Baseline based on 2023 audit of 20 SMEs.
Inclusive employment	Increase share of employees from vulnerable	S - Social	Solidarity & Social Justice	SDG 8, SDG 10	Share of employees from vulnerable groups	Outcome	% of total employees	5	2023	15	2026	Annual	HR Director	Vulnerable groups as defined in HR policy.
Transparency & stakeholder engagement	Improve transparency and structured stakeholder	G - Governance	Transparency & Co-determination	SDG 16, SDG 17	Stakeholder engagement events per year	Output	Number of events	2	2023	6	2025	Annual	CSR Officer	Includes multi-stakeholder workshops and public events.

Period	KPI Name	Impact Topic	Target	Actual	Variance	Variance %	Status	Last Updated	Comments
2024	Energy consumption per unit revenue	Energy efficiency in SMEs	0,75	0,78	0,03	4,0%	On Track	2025-01-15	Slightly above target due to colder winter.
2025	Energy consumption per unit revenue	Energy efficiency in SMEs	0,7	0,68	-0,02	-2,9%	On Track	2026-01-20	Energy efficiency measures implemented.
2024	Share of employees from vulnerable groups	Inclusive employment	8	9	1	12,5%	On Track	2025-01-10	New inclusive hiring programme.
2024	Stakeholder engagement events per year	Transparency & stakeholder engagement	3	4	1	33,3%	On Track	2025-01-05	Extra event requested by local community.

Simple KPI Dashboard

KPI Name	Target	Actual
Energy consumption per unit revenue	0,75	0,78
Energy consumption per unit revenue	0,7	0,68
Share of employees from vulnerable groups	8	9
Stakeholder engagement events per year	3	4



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SDPI tool is available as an online tool free for use



[Support documents are available here.](#)

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BALANCE SHEET CALCULATOR

Version 5.06

WELCOME!

This tool is for calculating the overall Common Good Points for your company or organisation. It complements the Common Good Report and has to be used together with it. Have fun with your calculation!

HOW TO USE THE BALANCE SHEET CALCULATOR:

1. General

You can enter general information about your company or organisation in this section.

All fields in this section must be completed as they are essential for the weighting of each theme.

2. Company details

For each theme (A1, B1, ...) a certain maximum number of Common Good Points can be achieved. To evaluate how many points your company scores, follow these steps:

3. Scoring

a) Describe the current status and potential for improvement for the various aspects under key headings. Use the workbook as a reference. (This is optional and not absolutely necessary for the calculation.)

b) Based on these descriptions, indicate on a scale of 0-10 how far you consider the respective aspect is met (Achievement level). The criteria for choosing the correct value can be found in the Workbook.

c) Negative aspects are allocated negative points according to the descriptions set out in the Workbook.

d) Where deemed necessary for your company and in agreement with the auditors you can change the relative weightings of individual aspects (A1.1, A1.2, ..). In the column Weighting, you can select values for each aspect. The distribution of available points for individual aspects will then be adjusted automatically, so that the total of all aspects of an indicator result in 100%.

e) The calculation automatically weights each theme's total value against the data in the 'Company details' section and rounds it to a whole-number multiple of 10%.

f) The format of the numbers is usually rounded to facilitate the visualization but the numbers are not actually rounded. You may see for example that an aspect is 1 (real value 1,3) and other 1 (real value 1,4) but the sum of the two aspects is 3 (real value 2,7)

4. ECG Matrix

The ECG-Matrix displays your result in a table.

The values-star displays your result arranged by value as a graphic.

5. Values star

The group-star displays your result arranged by stakeholder as a graphic.

6. Group star

The theme-star displays the result of your themes as a graphic.

7. Theme star

8. Weighting model description

This is a description of the weighting model.

9. Weighting (hidden)

This is where the calculation determines how the individual stakeholder groups and themes are weighted.

This contains an assessment of the relevance of supply chains and environmental sustainability for all industry sectors, used in the weighting.

10. Industry sectors (hidden)

This contains statistics for countries and regions used in the weighting.

11. Countries (hidden)

KEY

Field is editable (green frame, dark green text)

Field is read-only (grey frame, dark grey text)

non valid value entry (for correct calculation change value)

CONTACT

Questions regarding preparation of balance sheet:

ivrban@zef.hr

Questions regarding audit: ivrban@zef.hr

Feedback on the development of the Matrix: gjeras@zef.hr

Excel programming: Christian Loy; Christian Kozina; Multilanguage tool: Bernhard Oberrauch; Goran Jeras (gjeras@zef.hr)

NOTES

All sheets are optimised for printing on A4 format (landscape or portrait).

The height of rows can be adjusted, if you enter more text

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GENERAL INFORMATION ABOUT THE COMPANY



Please complete all fields.

Name of Company / Organisation:

Address:

Country:

Industry sector:

Website:

Period under review

Document created by:

Email address:

Phone number:

Consultant:

Email address:

Phone number:

**Short description of Company
/ Organisation**

Additional comments:

Company details

Fill in the highlighted fields below. Where detailed information is not available, please enter estimates, otherwise the calculation will not be accurate



A: Suppliers

Total purchases from suppliers (in Euros): 0

Enter the 5 most important industry sectors whose products or services you use.

Industry sector	Description	Region of origin	Costs
Please choose	Please enter	Please choose	0
Please choose	Please enter	Please choose	0
Please choose	Please enter	Please choose	0
Please choose	Please enter	Please choose	0
Please choose	Please enter	Please choose	0
Main origin of the other suppliers		Please choose	0

B: Owners, equity- and financial service providers

Profit	0
Financing costs	0
Income from financial investments	0
Total assets	0
Additions to fixed-assets	0
Financial assets and cash balance	0

C: Employees

Number of employees (full time equivalents)	
Staff costs (gross without employer contribution)	

Enter the 3 countries and regions where most of the staff are

Country and region	Amount in %
Please choose	0 %
Please choose	0 %
Please choose	0 %
Average journey to work for staff (in km)	
Is there a canteen for the majority of staff?	

D: Customers and other companies

Turnover (in Euros)

Are your customers mainly other companies?

Enter the 3 most important industry sectors which your company is active in, including a rough share of turnover

Industry sector	Description	% Amount of total turnover
Please choose		0 %
Please choose		0 %
Please choose		0 %

E: Social environment

Company size: Micro-business

CALCULATION OF INDIVIDUAL ASPECTS

Company / Organisation: ; Period under review:



Total Balance Score:	0 %	0	1000
-----------------------------	------------	----------	-------------

No.	Stakeholders/ Themes/ Aspects	Weight	Current status	Est%	Points	Max.
A	Suppliers	1,0	medium	0 %	0	179
A1	Human dignity in the supply chain	0,5	low	0 %	0	26
A1	Human dignity in the supply chain		Introduce value between 0 and 10	0	0,0	26
A1	Negative aspect: violation of human dignity in the supply chain		Introduce negative points between 0 and -200	0	0,0	-103
A2	Solidarity and social justice in the supply chain	1,0	medium	0 %	0	51
A2	Solidarity and social justice in the supply chain		Introduce value between 0 and 10	0	0,0	51
A2	Negative aspect: abuse of market power against suppliers		Introduce negative points between 0 and -200	0	0,0	-205
A3	Environmental sustainability in the supply chain	1,0	medium	0 %	0	51
A3	Environmental sustainability in the supply chain		Introduce value between 0 and 10	0	0,0	51
A3	Negative aspect: disproportionate environmental impact throughout the supply chain		Introduce negative points between 0 and -200	0	0,0	-205
A4	Transparency & co-determination in the supply chain	1,0	medium	0 %	0	51
A4	Transparency & co-determination in the supply chain		Introduce value between 0 and 10	0	0,0	51
B	Owners, equity- and financial service providers	1,0	medium	0 %	0	205
B1	Ethical position in relation to financial resources	1,0	medium	0 %	0	51
B1	Ethical position in relation to financial resources		Introduce value between 0 and 10	0	0,0	51
B2	Social position in relation to financial resources	1,0	medium	0 %	0	51
B2	Social position in relation to financial resources		Introduce value between 0 and 10	0	0,0	51
B2	Negative aspect: unfair distribution of funds		Introduce negative points between 0 and -200	0	0,0	-205
B3	Use of funds in relation to social and environmental impacts	1,0	medium	0 %	0	51
B3	Use of funds in relation to social and environmental impacts		Introduce value between 0 and 10	0	0,0	51

Weighting changed. Original medium (1)

	Negative aspect: reliance on environmentally unsafe resources			Introduce negative points between 0 and -200	0	0,0	-205
B4	Ownership and co-determination	1,0	medium		0 %	0	51
	Ownership and co-determination			Introduce value between 0 and 10	0	0,0	51
B4	Negative aspect: hostile takeover			Introduce negative points between 0 and -200	0	0,0	-205
C	Employees	1,0	medium		0 %	0	205
C1	Human dignity in the workplace and working environment	1,0	medium		0 %	0	51
	Human dignity in the workplace and working environment			Introduce value between 0 and 10	0	0,0	51
C1	Negative aspect: unfit working conditions			Introduce negative points between 0 and -200	0	0,0	-205
C2	Self-determined working arrangements	1,0	medium		0 %	0	51
	Self-determined working arrangements			Introduce value between 0 and 10	0	0,0	51
C2	Negative aspect: unfair employment contracts			Introduce negative points between 0 and -200	0	0,0	-205
C3	Environmentally-friendly behaviour of staff	1,0	medium		0 %	0	51
	Environmentally-friendly behaviour of staff			Introduce value between 0 and 10	0	0,0	51
C3	Negative aspect: guidance on waste/ environmentally damaging practices			Introduce negative points between 0 and -200	0	0,0	-205
C4	Co-determination and transparency within the organisation	1,0	medium		0 %	0	51
	Co-determination and transparency within the organisation			Introduce value between 0 and 10	0	0,0	51
C4	Negative aspect: obstruction of works councils			Introduce negative points between 0 and -200	0	0,0	-205
D	Customers and other companies	1,0	medium		0 %	0	205
D1	Ethical customer relations	1,0	medium		0 %	0	51
	Ethical customer relations			Introduce value between 0 and 10	0	0,0	51
D1	Negative aspect: unethical advertising			Introduce negative points between 0 and -200	0	0,0	-205
D2	Cooperation and solidarity with other companies	1,0	medium		0 %	0	51
	Cooperation and solidarity with other companies			Introduce value between 0 and 10	0	0,0	51
D2	Negative aspect: abuse of market power to the detriment of other companies			Introduce negative points between 0 and -200	0	0,0	-205
D3	Impact on the environment of the use and disposal of products and services	1,0	medium		0 %	0	51

D3	Impact on the environment of the use and disposal of products and services			Introduce value between 0 and 10	0	0,0	51
	Negative aspect: wilful disregard of disproportionate environmental impacts			Introduce negative points between 0 and -200	0	0,0	-205
D4	Customer participation and product transparency	1,0	medium		0 %	0	51
	Customer participation and product transparency			Introduce value between 0 and 10	0	0,0	51
D4	Negative aspect: non-disclosure of hazardous substances			Introduce negative points between 0 and -200	0	0,0	-205
E	Social environment	1,0	medium		0 %	0	205
E1	Purpose of products and services and their effects on society	1,0	medium		0 %	0	51
	Purpose of products and services and their effects on society			Introduce value between 0 and 10	0	0,0	51
E1	Negative aspect: unethical and unfit products and services			Introduce negative points between 0 and -200	0	0,0	-205
E2	Contribution to the community	1,0	medium		0 %	0	51
	Contribution to the community			Introduce value between 0 and 10	0	0,0	51
E2	Negative aspect: inappropriate non-payment of tax			Introduce negative points between 0 and -200	0	0,0	-205
	Negative aspect: no anti-corruption policy			Introduce negative points between 0 and -200	0	0,0	-205
E3	Reduction of environmental impact	1,0	medium		0 %	0	51
	Reduction of environmental impact			Introduce value between 0 and 10	0	0,0	51
E3	Negative aspect: infringement of environmental regulations and disproportionate environmental pollution			Introduce negative points between 0 and -200	0	0,0	-205
E4	Social co-determination and transparency	1,0	medium		0 %	0	51
	Social co-determination and transparency			Introduce value between 0 and 10	0	0,0	51
E4	Negative aspect: lack of transparency and wilful misinformation			Introduce negative points between 0 and -200	0	0,0	-205
Total Balance Score:					0 %	0	1000

COMMON GOOD MATRIX

Company / Organisation: ; Period under review:

Total Balance Score:	0 of 1000 points
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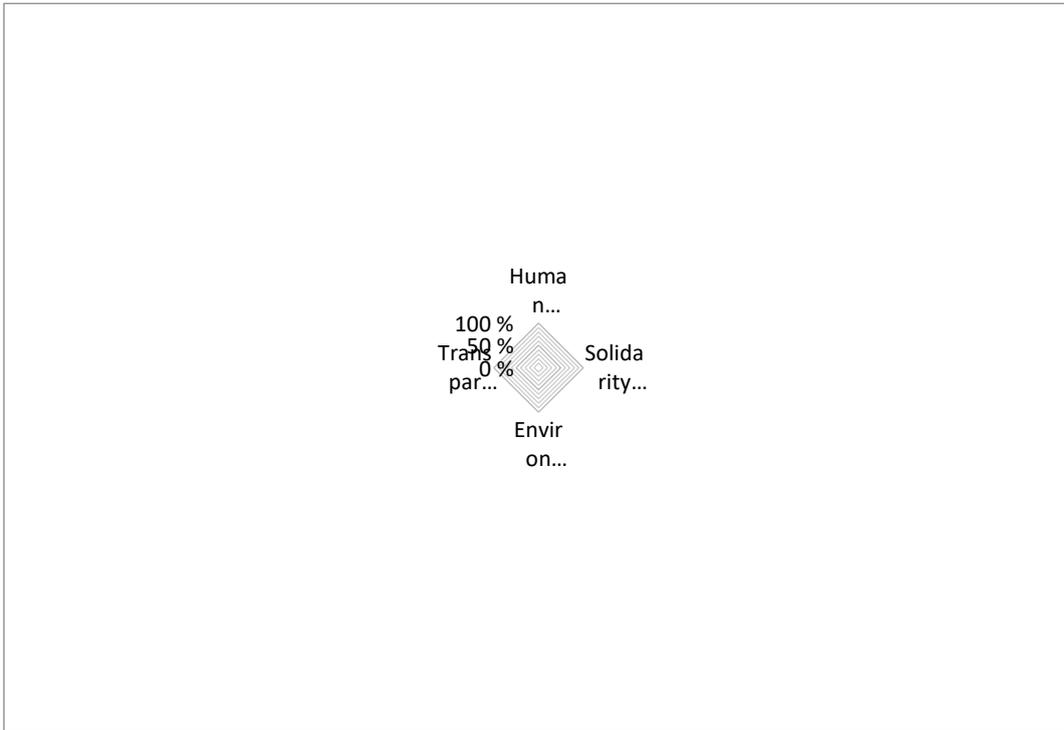


Values ► Stakeholders ▼	Human dignity	Solidarity & social justice	Environmental sustainability	Transparency & co-determination
A: Suppliers	A1: Human dignity in the supply chain	A2: Solidarity and social justice in the supply chain	A3: Environmental sustainability in the supply chain	A4: Transparency & co-determination in the supply chain
	0 of 26 0 %	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %
B: Owners, equity- and financial service providers	B1: Ethical position in relation to financial resources	B2: Social position in relation to financial resources	B3: Use of funds in relation to social and environmental impacts	B4: Ownership and co-determination
	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %
C: Employees	C1: Human dignity in the workplace and working environment	C2: Self-determined working arrangements	C3: Environmentally-friendly behaviour of staff	C4: Co-determination and transparency within the organisation
	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %
D: Customers and other companies	D1: Ethical customer relations	D2: Cooperation and solidarity with other companies	D3: Impact on the environment of the use and disposal of products and services	D4: Customer participation and product transparency
	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %
E: Social environment	E1: Purpose of products and services and their effects on society	E2: Contribution to the community	E3: Reduction of environmental impact	E4: Social co-determination and transparency
	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %	0 of 51 0 %

Please note that the format of the numbers in the matrix is rounded



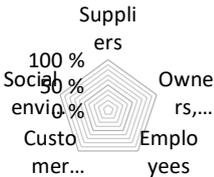
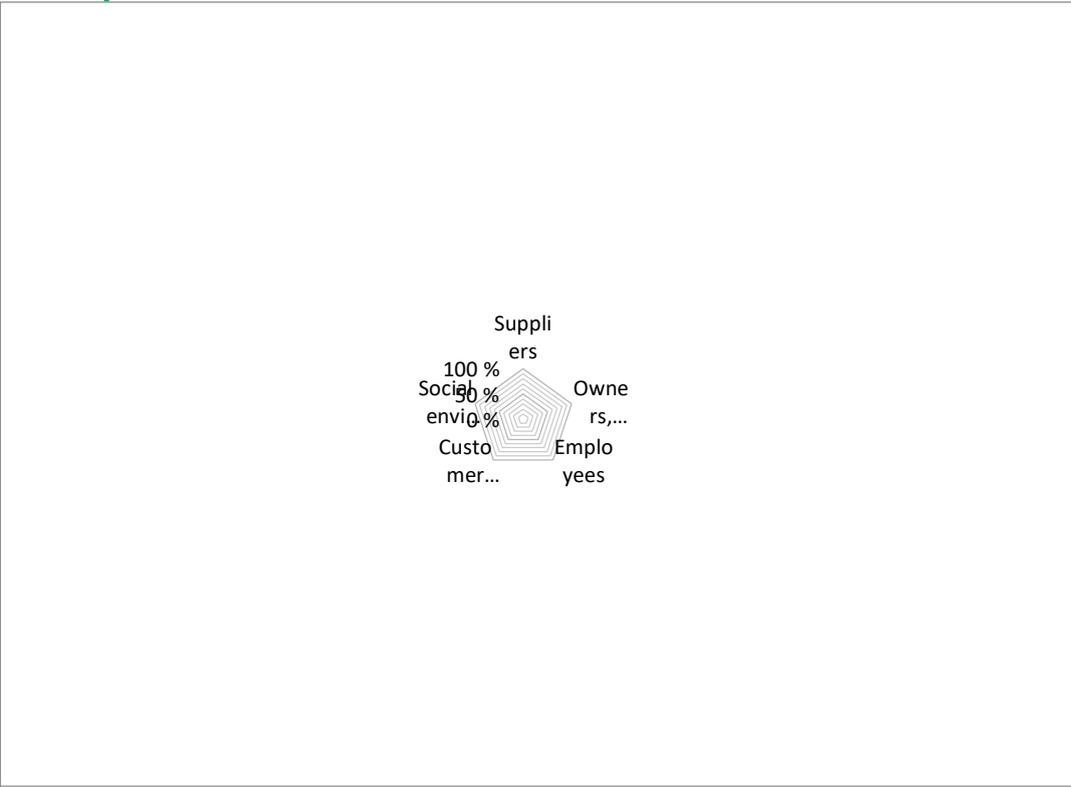
Values star for



BALANCE OVERVIEW			
Human dignity	0,0	of 231	0 %
Solidarity & social justice	0,0	of 256	0 %
Environmental sustainability	0,0	of 256	0 %
Transparency & co-determination	0,0	of 256	0 %
TOTAL	0	of 1000	0 %



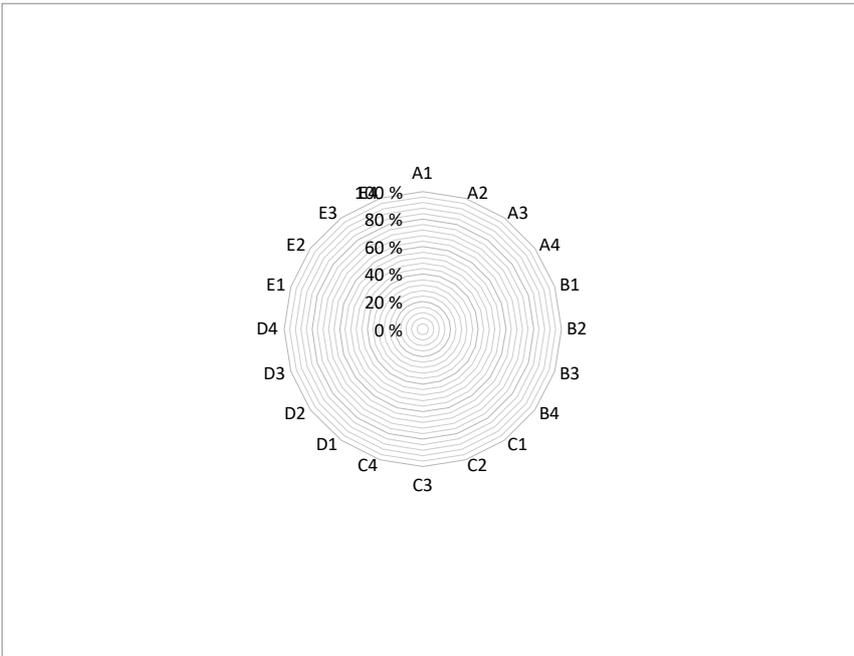
Group star for



BALANCE OVERVIEW			
Suppliers	0,0	of 179	0 %
Owners, equity- and financial service providers	0,0	of 205	0 %
Employees	0,0	of 205	0 %
Customers and other companies	0,0	of 205	0 %
Social environment	0,0	of 205	0 %
TOTAL	0	of 1000	0 %



Theme star for



BALANCE OVERVIEW		
A1	0,0 of 26	0 %
A2	0,0 of 51	0 %
A3	0,0 of 51	0 %
A4	0,0 of 51	0 %
B1	0,0 of 51	0 %
B2	0,0 of 51	0 %
B3	0,0 of 51	0 %
B4	0,0 of 51	0 %
C1	0,0 of 51	0 %
C2	0,0 of 51	0 %
C3	0,0 of 51	0 %
C4	0,0 of 51	0 %
D1	0,0 of 51	0 %
D2	0,0 of 51	0 %
D3	0,0 of 51	0 %
D4	0,0 of 51	0 %
E1	0,0 of 51	0 %
E2	0,0 of 51	0 %
E3	0,0 of 51	0 %
E4	0,0 of 51	0 %
TOTAL	0 of 1000	0 %



Description of the weighting model

General

The allocation of equal and fixed scores for all companies has been the subject of much discussion within the Matrix-development team during the past few years. Outside sources have also raised many questions and provided feedback. Until now, the way points are distributed for themes has been the same for all companies (with the exception of one-person companies), regardless of company size, industry and other parameters (regional background, B2B versus B2C, etc.). However, these variables may well have an effect on the relevance to and effect on the common good. For example, the supply chain of an electronics trading company (A1-A4) is more significant than for a mining company, which, in turn, leaves a huge, direct environmental impact, amongst other things (E3). The new weighting model addresses these issues and highlights the significant factors. A survey on the changes was conducted, with feedback clearly favouring a new approach.

Stakeholders & values

For the weighting of three stakeholder groups, A) suppliers, B) investors and C) employees, the matrix takes into account the following financial flows to these stakeholders: A) procurement expenditure, B) profit and borrowing costs C) wages and salaries. We are aware of the limited significance attached to money in the current matrix and have plans for how this can be improved in the future. At the same time, this information is readily available in companies' financial balance sheets, and easily meets the needs of many companies. Since taxes and borrowing costs are included in procurement expenditure, these account for only 50% of the weighting.

Themes

There are also criteria for the weighting of the themes, for example a company's size or industry or the relevant local employment law. The United Nations' International Standard Industrial Classification of All Economic Activities (ISIC Rev.4) is used for all industry sector definitions. For size classification, definitions as set out by the EU are used. The table below summarises the current weighting factors (as at May 2017):

A1	-
A2	-
A3	The weighting of this theme is dependent on the environmental effect of the supplier's sector (see sheet "Industry").
A4	The weighting of this theme is dependent on co-determination rights in the countries of the most important supply industries (based on the ILUC index of the International Labour Union).
B1	The weighting of this theme depends on the ratio turnover to the balance sheet total.
B2	The weighting of this theme depends on the ratio profit to turnover
B3	The weighting of this theme is dependent on additions to fixed-assets and financial assets in relation to the balance sheet total.
B4	The weighting of this theme is dependent on the size of the company.
C1	-
C2	-
C3	The weighting of this theme is dependent on the existence of a canteen for most of the employees as well as an (estimated) average commute to work.
C4	The weighting of this theme is dependent on company size and co-determination rights in the countries of the most important supply industries (based on the ILUC index of the International Labour Union).
D1	-
D2	-
D3	The weighting of this theme depends on the industry sector.
D4	The weighting of this theme depends on whether customers are primarily individuals or companies.
E1	-
E2	The weighting of this theme is dependent on the return on sales (profit/turnover).
E3	The weighting of this theme depends on the industry sector.
E4	The weighting of this theme depends on the company size and the industry sector.