

Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds' Impact Reporting Databases

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Introduction

In conjunction with the rapidly expanding market for green, social, sustainability and sustainability-linked bonds, recent years have seen the emergence of digital platforms aimed at collecting and presenting data related to these instruments, particularly data related to the environmental and/or social Impacts arising from the sustainable investments underpinning by such bonds. These are referred to as “Databases” in the following.

In order to facilitate an uptake in the use of such Databases, coordination between parties (Database providers, Issuers and investors in particular) is essential. For the Database providers, one challenge has been to attract a sufficient number of Issuers and thus to reach a critical mass of data. There is also a lack of availability of reliable data and uniform reporting practices by Issuers. The absence of a harmonised method for collecting and presenting Impact data by different Database providers has also resulted in extra work for Issuers wishing to participate in one or several platforms. As a result, there is limited consistency, accuracy, depth and scope in the data and reporting provided, which diminishes the value of Databases to Users. This is increasingly seen as a challenge for the market, as more investors seek to compile, analyse and report on the Impact of their green, social, sustainability or sustainability-linked bond holdings.

These Guidelines for Impact Database providers (the “Guidelines”) aim to increase transparency and promote best practice, with the goal of improving the flow and quality of data for the benefit of green, social, sustainability or sustainability-linked bond investors, Issuers, Database providers and other relevant stakeholders. They provide voluntary guidance relating to several topics relevant to Database providers, including ethical standards, governance and data security, referencing Impact calculation methodology, presentation of data, etc.

Disclaimer

This document does not constitute an offer to purchase or sell securities nor constitute specific advice of whatever form (tax, legal, environmental, accounting or regulatory) and does not create any rights in, or liability to, any person, public or private. Database providers adopt and implement the Guidelines voluntarily and independently, without reliance on or recourse. If there is a conflict between any applicable laws, statutes and regulations and the Guidelines, the relevant local laws, statutes and regulations shall prevail.

The Guidelines do not endorse one type of Database or technology over another. Neither do they seek to recommend any particular Impact reporting practices. For general guidance on Impact reporting and the use of metrics and indicators, see the [Handbook – Harmonised Framework for Impact Reporting](#) and the [Harmonised Framework for Impact Reporting for Social Bonds](#), both referred to hereafter as the “Impact Reporting Handbooks”. For general guidance of elements that are recommended or required to be disclosed and samples of KPIs in the context of the issuance of a sustainability-linked bond (SLB), see [SLB Disclosure Data Checklist \(appendix II SLBP\)](#) and [Illustrative examples for the selection of KPIs](#).

The target audience for the Guidelines is Database providers which collect and display Impact data related to green, social, sustainability or sustainability-linked bonds, including use of proceeds or general purpose financing instruments for climate transition. However, they can also be relevant for other types of Databases within the sustainable finance sector. As the use of Databases unlocks new opportunities and challenges for investors and Issuers, the Guidelines also contain recommendations for them to consider when engaging with Database providers.

The Guidelines have been developed by the [Impact Reporting Working Group](#) of the Green Bond Principles (GBP), Social Bond Principles (SBP), Sustainability Bond Guidelines (SBG) and Sustainability-Linked Bond Principles (SLBP) (collectively the “Principles”) with the support of the ICMA secretariat. A reference group of stakeholders from the Database provider community has been consulted. Following publication of this initial version, the Guidelines will be subject to periodic review in order to reflect changes in Database development and market best practice.



Definitions

In this document, the following definitions apply:

- **Database** – any platform which gathers and presents Impact data connected to green, social, sustainability or sustainability-linked bond issuances. The definition does not cover lists of green, social, sustainability or sustainability-linked bonds that do not contain Impact data, or Issuers that do not include any Impact data related to the instruments or the Issuers.
- **Database provider(s)** – any owner and/or administrator of a Database providing Impact data on green, social, sustainability or sustainability-linked bonds, which may include use of proceeds or general purpose financing instruments for climate transition.
- **Impact data** – any quantitative data and/or qualitative information describing environmental or social Impacts of projects financed by green, social and sustainability bonds or KPIs, SPTs and performance against the SPTs and related Impact for sustainability-linked bonds.
- **Issuer(s)** – any issuer of green, social, sustainability or sustainability-linked bonds, or other sustainability related debt instruments.
- **KPI** – Key performance indicator¹
- **SPT** – Sustainability performance target²
- **User(s)** – any person or entity who accesses data through a Database. This includes but is not limited to investors and Issuers.

¹ See the [Sustainability-Linked Bond Principles](#).

² See the [Sustainability-Linked Bond Principles](#).

Existing Database initiatives

The Impact Databases provide knowledge sharing and enable Users to find information on Issuers, their issuances and their Impact data in one place, presented in a transparent and harmonised way. The Impact Databases already in existence have different focuses and inclusion criteria; might target different user groups and/or geographical jurisdictions; and are based on various technologies.

A full list of contributing Impact Database providers as well as of those voluntarily aligning with these Guidelines can be found on the [sustainable finance webpages](#) of ICMA's website. The purpose of the mapping of Impact Database providers is to provide market participants with clear information on the range of services offered as well as the context and content of the service provided. An overview is supplied by the templates that Impact Database providers have provided. The [Impact Reporting Database Service Mapping Template](#) is an Excel form where Impact Database providers are invited to voluntarily provide information about the scope of services they provide.

The [Executive Committee of the Principles](#) encourages Impact Database providers to complete this template on a voluntary basis in order to promote transparency and disclosure and support market efficiency.

The accompanying [User Guide](#) clarifies how each element of the template should be filled out by Impact Database providers and interpreted by market participants.



Organisation of Impact Database providers

1. General recommendations

When providing Impact Databases for green, social, sustainability or sustainability-linked bonds, including use of proceeds or general purpose financing instruments for climate transition, Impact Database providers should ensure that they:

- Have an organisational structure, robust working procedures, reliable technical solutions and relevant systems for establishing and maintaining Impact Databases;
- Employ appropriate staff with the necessary experience and qualifications for the scope of the service being provided; and
- If applicable, carry the appropriate professional indemnity/professional liability insurance cover.

It is recommended that Impact Database providers have relevant knowledge of:

- The [Green](#) and [Social Bond](#) Principles, the [Sustainability Bond Guidelines](#), the eligible green and social bond categories, the [Climate Transition Finance Handbook](#), the recommended methodologies and metrics being applied for reporting;

- If relevant, the [Sustainability-Linked Bond Principles](#) and the selected KPIs and calculation of these, SPTs, benchmarks, baselines, and strategies related to sustainability performance for sustainability-linked bonds;
- Relevant market practice and regulatory developments globally and/or regionally (e.g taxonomies); and
- If relevant, stock exchange disclosure requirements.

2. Minimum available information

Impact Database providers should make available at a minimum the following information:

- A general description and the credentials of the provider and platform/portal. To provide Users with clear information on the different Impact Database providers and range of services offered, the Principles encourage the various providers to voluntarily fill in the [provided template](#);
- A statement on affiliation and conflict-of-interest policy;
- The objective and scope of the Database;
- Inclusion and exclusion criteria;
- Definitions, analytical approach, and methodologies used; and
- Transparent information on whether Users are subject to fees and whether this service is bundled with other services from the same provider.

3. Security

While these Guidelines are not intended to provide any legal advice, data security is an issue of high importance to the integrity of Impact Databases. Taking into consideration their individual ICT context, Database providers are encouraged to consider the following aspects:

- Confidentiality of data stored. Though most information stored on platforms might by default be public, confidentiality issues should be considered for example if allowing access to part of the information stored only to a selected group of Users and/or enabling information to be stored though not yet public. Database providers may implement User registration and authentication features into the service.
- Integrity of information stored. In order to avoid unwanted manipulation of data, integrity should be ensured on the hosting platform, e.g. cloud, database and application. Particular attention should be given to ensure correct management of access rights for staff of the hosting/cloud platform provider, staff of the Database provider and possible third parties involved in the application. Examples of security controls are information security governance structures and policies, secure software development and continuous security monitoring of all critical components.
- Availability of information. The Database provider needs to determine the desired level of availability from a business perspective and then implement the service based on this, considering different threat scenarios. Areas to evaluate may include uptime requirements, data backup and retention requirements, and disaster recovery requirements.



4. Legal arrangements

While these Guidelines are not intended to provide any legal advice, there are legal aspects of the relationship between the Issuer and Database provider that are important to ensure the quality of Impact Databases. Database providers are encouraged to consider the following aspects:

- Compliance with the regulatory environment they are navigating in. A recommendation would be to obtain legal advice to confirm that the Database is in compliance with any applicable regulatory requirements and that it is able to conduct its business following good governance and in a prudent manner.
- Disclaimers. The aim of a disclaimer is to protect both Issuers and the Database provider. By indicating consent to a disclaimer, the responsibility for the use of data should effectively be transferred to the User.
 - The disclaimer should be applied each time the Database is accessed by data Users.
 - As a minimum the disclaimer should include clear information in general terms about regulatory issues such as possible selling restrictions and other limitations to the use of data.
 - When applicable, the disclaimer should mention that citizens and residents of certain jurisdictions are not allowed to access the Database and that the purpose of the Database is not to direct selling efforts towards any potential investors.
 - It is recommended to include a statement that the securities to which information in the Database relates may not be registered with the SEC³ or any other relevant regulatory authorities, and that the Users themselves must obtain information about legislation and regulations applicable to the use of the Database.
- Agreement between the Issuer and Database provider⁴. An agreement should at a minimum:
 - Describe the use of information – for what purposes and how the information is used;
 - State the responsibilities and liabilities for both Database providers and the issuer;
 - State ownership to information and intellectual property rights;

³ U.S. Securities and Exchange Commission

⁴ An agreement between the Database provider and investors covering the first four bullet points of this recommendation could also be relevant.

- o State responsibilities for direct or indirect consequential damage based on the use/misuse of information;
- o State responsibility for updating data, and the correctness of data at any time; and
- o Provide Issuers with the right to preview information to be published, and the right to require information relating to it or part thereof be removed, deleted or corrected, if necessary.
- External verification/external information security assessment of the platform is encouraged. Verification may include the Database provider's procedure for Impact data collection, assurance of data accuracy and processing of data.

Impact data collection and management

By following the recommendations for Impact reporting as presented in the [Impact Reporting Handbooks](#), as disclosed in the [SLB Disclosure Data Checklist \(appendix II SLBP\)](#) and [Illustrative examples for the selection of KPIs](#), or other widely accepted recommendations, and by having easy to access Impact data available, Issuers facilitate the collection and/or transfer of data. For Databases that rely on the Issuer's self-reported data, Database providers are encouraged to establish a consistent and uniform way of collecting data that is not too cumbersome for the Issuer. This could be in the form of an easy to use digital template or similar technical solution.

The Principles accept that Impact data reported may vary in scope and the methodology used, however, the ambition should be to harmonise Impact reporting, providing transparent and reliable data which provides Users with all assumptions and calculation methodology reported. The Principles take into account that the methodologies used for Impact calculations evolve over time and that the publication of Impact reports can be constrained by business considerations and confidentiality requirements.

Attention should be paid to the rapidly evolving sustainable finance market and ensure solutions are compatible with new products and regulations that arise. A clear separation between use of proceeds-bonds and sustainability-linked bonds is an example of this. Database providers should allow for a regular dialogue with Issuers with the aim of uncovering changing needs and potential improvements in light of ongoing developments.

1. Input and structuring of Impact data

Database providers are encouraged to use available Guidelines or standards to improve harmonisation of Impact calculations and reporting when structuring and presenting Impact data in the Databases. Adherence to standards such as the [Impact Reporting Handbooks](#) should be specified in the methodology description. The [Impact Reporting Handbooks](#) also contain reporting templates for Issuers to use and adapt to their own circumstances. These templates make reference to the most commonly used indicators.

Other indicators, however, might also be relevant. For instance, reference to global standards and initiatives such as the UN Sustainable Development Goals (SDGs) and



targets, The Paris Agreement and the EU Taxonomy for Sustainable Economic Activities is welcomed by Issuers and investors. For general guidance of elements that are recommended or required to be disclosed and samples of KPIs in the context of the issuance of an SLB, see the [SLB Disclosure Data Checklist \(appendix II SLBP\)](#) and [Illustrative examples for the selection of KPIs](#).

Database providers should clearly identify the source of the platform's data. Impact data presented should include both qualitative performance indicators and, where feasible, quantitative performance measures with the disclosure of the key underlying methodology and/or assumptions used in the quantitative determination. Assumptions should include specific numerical information on baselines used, for example grid/emission factors. However, Databases should also allow for insertion of descriptive assumptions. By being fully transparent, the Databases allow Users to be aware of benchmarks and baselines applied.

Database providers need to ensure their solutions are compatible with different approaches of structuring bond programmes, with special attention to the management of proceeds, which can be based on portfolio allocation or bond-by-bond allocation. Depending on the way in which proceeds are allocated, there can be differences in the approach to the structuring of output.

It should be noted that sustainability-linked bonds may require a slightly different structure than green, social and sustainability bonds due to their characteristics⁵.

2. Output of Impact data

Databases should be structured in a way that enables Users to understand the Impact data and use it adequately. If Database providers want to allow comparison between Issuers, it should be made clear to Users that there may be variations in baselines and benchmarks used. Nevertheless, if comparability between different Issuers is provided by Database providers, this can only be done by ensuring that Impact reporting is as harmonised as possible. If the Database offers the possibility to screen or filter data based on a reporting period, Impact types, geography, categories and sustainability themes as well as generating reports, graphics or statistics, Database providers should specify what measures are taken to ensure data accuracy and comparability.

Database providers should avoid filling any gaps in reporting metrics and indicators across Issuers by using proxies or assumptions. This also means assumptions by Issuers should not be changed by the Database provider. It may however be relevant for Databases to add one or more layers of analysis, but it should be made very clear if the output is raw data as submitted by the Issuer or data processed by the Database provider.

Proceeds from a specific bond can be allocated to specific eligible assets (bond-by-bond allocation). Alternatively, multiple bond proceeds can be allocated to a single pool of eligible assets (portfolio allocation), and allocations to these made over several years. It should thus be clearly reported to Users how Impact data correlates to the bonds issued. It is also worth noting that Impact data for a portfolio fluctuates over time as the pool of projects change. As defined in the [Impact Reporting Handbooks](#), Impacts should primarily be reported on an annual basis. If life-cycle Impact is reported, the estimated lifetime should be detailed. It should be clearly indicated if output is reported on an annual or life-cycle basis. For general guidance of elements that are recommended or required to be disclosed and samples of KPIs in the context of the issuance of an SLB, see the [SLB Disclosure Data Checklist \(appendix II SLBP\)](#) and [Illustrative examples for the selection of KPIs](#).

It should be made clear if provided data is ex-ante or ex-post. In some cases, Issuers may also want to compare expected Impact and/or target Impact with actual Impact. This is particularly relevant for social and sustainability-linked bonds including instruments used when raising funds in debt markets for climate transition-related purposes. Databases accommodating this should be careful to ensure clarity and should take extra caution if allowing aggregation of data (i.e. ensuring target Impact and actual Impact are not added together).

Where feasible and where allocations are made to individual projects, the Issuer's share of total financing should be disclosed. It is advised that aggregated Impact reported for a portfolio only includes the pro-rated share, as recommended in the [Impact Reporting Handbooks](#). It may also be useful to disclose the type of spending associated with eligible projects.

Database providers may offer data (such as emissions data and/or targets) on both a company level and bond level. This is especially relevant in the case of

⁵ See the [Sustainability-Linked Bond Principles](#).

sustainability-linked bonds. When disclosing data on both a company level and bond level, comparability should to as large an extent as possible be ensured. Databases should take steps to ensure they clearly communicate which level data relates to.

Database providers should provide links to supporting documents such as the relevant green, social, sustainability and/or sustainability-linked bond framework(s), external review(s) (second party opinion, verification and/or certification), the sustainability report or update for the issuer and/or parent company, allocation reports, Impact reports and/or market information templates when these documents exist.



Advice for Issuers

By following the recommendations for Impact reporting as presented in the [Impact Reporting Handbooks](#), the [SLB Disclosure Data Checklist \(appendix II SLBP\)](#) and [Illustrative examples for the selection of KPIs](#) and supporting document, or other widely accepted recommendations, and by having easy to access Impact data available, Issuers facilitate the smooth collection and/or transfer of data.

In engaging with Database providers, Issuers are encouraged to:

- Thoroughly familiarise themselves with the terms and conditions of joining a platform and, if relevant, the potential liability that follows. This may include liaising with Legal and Risk departments to ensure that appropriate agreements are signed, understanding what data is being shared in various jurisdictions and on what basis, and ensuring necessary information security assessments are conducted;
- Have sufficient resources to follow-up on how the Database develops and how the information is presented, also to conduct the necessary preview functions and sort and prepare information. This ensures securing capacity and establishing routines for updating data, e.g. when new Impact reports are published;
- Ensure that only information which is publicly available is uploaded and any third-party data is only shared with the relevant consent from the third-party, or, when uploading data that is not yet publicly available, ensure that confidentiality is safeguarded;
- Ensure access to Impact data also outside the Database, e.g. in the form of a locally stored backup as a contingency against events such as malfunction or cyberattack, and/or in the case of withdrawing from the Database;
- To the extent possible ensure that all information that is supplied is correct, up-to-date and identical across platforms. This includes ensuring that corrections or additions made in the Issuer's own channels are also performed in (all relevant) Databases;
- When engaging with multiple platforms, ensure the raw Impact data submitted is consistent across platforms in order to ensure that investors and other stakeholders seeking information can reach the same conclusions regardless of the access point;

- Consider what level of data access is provided to investors. Issuers are encouraged to work with their Legal and Risk departments to ensure the level of access is appropriate;
- In a suitable space, e.g. on a company website or in an Impact report, disclose which platforms (if any) data is available from. It can be relevant for the Issuer to disclose whether login or a subscription is required to access data; and
- Consider providing Impact data and/or Impact reports in a machine friendly format.
- Be aware of whether information from Issuers has been provided on a confidential basis or is to be considered publicly available when using the information in their own reports. Consult with Legal and Risk departments whether their own reports will be confidential or available publicly and obtain any relevant consents.
- Disclose whether aggregation of Impact data across bonds/Issuers for the purpose of their own Impact reporting is done manually or by a Database. If done by a Database, investors should disclose if and which routines for verifying accuracy are in place. This could include, for example, how data from one Issuer reported on a life cycle basis and data from another Issuer reported on an annual basis are joined in a way that is logical and transparent; and
- Ensure access to Impact data is also available outside the Database, e.g., in the form of a locally stored backup as a contingency against events such as malfunction or cyberattack, and/or in the case of withdrawing from the Database.

Advice for investors

In engaging with Database providers, investors are encouraged to:

- Thoroughly familiarise themselves with the terms and conditions of using a platform and, if relevant, the potential liability that follows. This may include liaising with Legal and Risk departments to ensure that appropriate agreements are signed, understanding what data is being shared in various jurisdictions, and on what basis, cost and payment structures are agreed upon and necessary information security assessments are conducted;
- In their own Impact reports, disclose if data is collected directly from Issuers or through a Database. It might be relevant to disclose which platform is being used;

Contributors

These Guidelines are voluntary and have been developed through a collaborative and consultative process with a reference group of relevant Database providers as well as the Executive Committee of the Principles. Please see the [sustainable finance webpages](#) of the ICMA Website for a full list of contributing organisations as well as of those voluntarily aligning with these Guidelines.





Contact details

ICMA Paris Representative Office
62 rue la Boétie
75008 Paris
France

Tel: +33 1 70 17 64 70

greenbonds@icmagroup.org

socialbonds@icmagroup.org

sustainabilitybonds@icmagroup.org

www.icmagroup.org/sustainable-finance