ESG Risk Policy

Outliers Professionals — ESG & Sustainability Centre™

Edition: 2026 • Classification: Internal • Owner: CSO

This ESG Risk Policy forms part of the Outliers Professionals ESG & Sustainability Centre™ catalogue. It is designed for Nigerian and African enterprises seeking to embed environmental, social and governance discipline alongside global frameworks (GRI, ISSB / IFRS S1-S2, TCFD, SASB, CDP, UN SDGs) and local expectations (NGX Sustainability Disclosure Guidelines, FRC Nigeria, NCCG, CBN Sustainability Banking Principles).

Purpose

Provide a structured, board-ready instrument to operationalise 'ESG Risk Policy' across strategy, governance, operations and reporting. Establish a defensible audit trail aligned to global ESG frameworks and Nigerian regulatory expectations.

Who Should Use This

Board ESG/Sustainability committee, Chief Sustainability Officer, Head of ESG, Risk & Compliance, Internal Audit, Investor Relations, CFO and Finance teams (for assured disclosures), Procurement, HSE, HR and Operations leads.

When To Use

During annual ESG strategy refresh, materiality reassessment, disclosure cycle (quarterly / interim / annual), pre-issuance of sustainable finance instruments, regulator submissions, rating agency engagements, M&A; due diligence, or in response to a material ESG incident.

ESG & Sustainability Context

Aligns with double materiality (impact + financial), the ISSB IFRS S1 (general) and S2 (climate) baseline, GRI Universal & Topic Standards, TCFD's four pillars, NGX Sustainability Disclosure Guidelines, FRC Nigeria reporting expectations, CBN NSBP, and SDG targets relevant to the entity.

Step-by-Step Usage

1) Confirm scope (entity, value chain, time horizon). 2) Assemble cross-functional working group. 3) Gather inputs (policies, prior disclosures, peer benchmarks, stakeholder feedback). 4) Populate the working template using the provided structure. 5) Validate evidence and data lineage. 6) Route through management review. 7) Approve at ESG Committee / Board. 8) Publish, archive and schedule next review.

Governance & Approval Workflow

Drafter (subject-matter lead) → Reviewer (Head of ESG) → Assurance check (Internal Audit) → Management Sustainability Committee → ESG / Risk Committee of the Board → Board approval. Version control retained in the ESG document repository. Material changes trigger Board re-approval.

Controls & Assurance Considerations

Apply COSO-aligned controls around completeness, accuracy, cut-off and ownership of ESG data. Maintain source documents for at least 7 years. Tag KPIs with control owners, calculation methodology, source system and assurance status (none / limited / reasonable). Prepare for external assurance under ISAE 3000 / ISAE 3410.

Review Frequency

Annual full review; quarterly KPI refresh; ad-hoc review on regulatory change, material ESG incident, change in scope of reporting entity, or before issuing sustainability-linked finance.

Implementation Notes

Customise to sector materiality (financial services, energy, agriculture, manufacturing, telecoms, FMCG). Reference NGX/SEC, CBN, NUPRC, NESREA, NAFDAC, and state-level requirements as relevant. Where data gaps exist, disclose them transparently with a remediation plan and timeline.

Policy Statement

Element	Content
Commitment	The organisation commits to responsible esg risk policy aligned to ISSB, GRI, TCFD
Scope	All subsidiaries, joint ventures (operational control), employees, contractors and tier-1
Roles	Board ESG Committee oversees; CSO executes; Internal Audit assures.
KPIs	See linked KPI Workbook and Sustainability Scorecard.
Breach handling	Report via grievance / whistleblowing channel; investigation within 14 days; remediati
Review	Annual; next due 2027

Document Control — v1.0 • Approver: Board ESG Committee • Next Review: 31 Dec 2026