

ESG & Sustainability Reporting Handbook 2026 (Enhanced Edition)

Governance · Materiality · Climate · Assessment · Financial Statements · Assurance · Implementation

Enhanced Edition · 2026. Board-ready · CFO-ready · audit-ready · assurance-ready. Pairs with the Assessment & Tools workbook (scored TM assessments, KPI dictionary, dashboard, calendar).

Using this Handbook

This handbook is the strategic, governance and technical reference that turns ESG and sustainability standards into the instruments a Nigerian board, CFO, sustainability team and assurance provider actually use. It is organised in twelve sections that map directly to the Outliers ESG Operating Model — governance, materiality, climate, assessment, financial statements, infographic and assurance.

Contents

#	Section	What it gives you
1	Sustainability Governance Framework	Full governance architecture, operating model and responsibilities
2	Board ESG Oversight Framework	Oversight charter, board pack, dashboard, sample agenda & template
3	ESG Committee Charter	Publication-ready, adoptable charter
4	Double Materiality Assessment Toolkit	Stakeholder mapping, methodology, matrices, questionnaires, workshops
5	Climate Risk Management Framework	Physical/transition assessment, scenarios, stress testing, register
6	ESG Dashboard Framework	KPI dictionary: definition, formula, source, threshold, RAG
7	Assessment Suite	Purpose, questions, scoring, thresholds, interpretation, actions
8	Sustainability Reporting Calendar	Annual, quarterly and monthly timetables with deadlines
9	ESG Implementation Roadmap	30 / 60 / 90 / 180 / 365-day plan across eight workstreams
10	ESG Executive Infographic Content Pack	Ready content for PDF, PNG, web and social
11	ESG in the Financial Statements & Annual Report	IFRS/IAS impacts, worked examples, FS extracts, checklists
11H	ESG Assurance & ISSA 5000 Framework	Assurance concepts, ISSA 5000, readiness, roadmap, sample reports
12	Website Resource Extraction Plan	14 companion assets with format, audience and lead-gen purpose

Section 1 — Sustainability Governance Framework

Sustainability governance is the architecture that gives the board, executive and operational teams clear, shared accountability for ESG strategy, performance, disclosure and assurance. Without explicit ownership and a routine cadence, sustainability work fragments across functions, data quality erodes and disclosure becomes vulnerable to challenge by regulators, investors and assurance providers.

1.1 Governance architecture

Body	Core ESG responsibilities
Board	Approves ESG strategy, targets, material topics, climate transition plan, risk appetite and the annual su
Board ESG/Sustainability Committee	Oversees execution, reviews quarterly dashboard, recommends disclosures and assurance scope
Audit Committee	Oversees ESG disclosure controls, assurance engagement, judgements and connectivity with the finan
Risk Committee	Integrates climate and ESG into the enterprise risk taxonomy, scenario analysis and stress testing
CEO / Executive Committee	Owns delivery, allocates budget and incentives, signs off the annual report
CSO / Head of Sustainability	Day-to-day delivery, data, double materiality, reporting and assurance liaison
CFO	Connectivity to financials, climate-related estimates, controls, assurance readiness
Functional owners	Primary data and topic delivery in their domains (HR, Operations, Procurement, IT, Legal)

1.2 Operating model

Three Lines of Defence applied to ESG: (1) functional owners produce data and operate controls; (2) sustainability and risk functions set policy, methodology and oversight; (3) internal audit provides independent assurance. The CSO chairs an ESG Operating Council with the CFO, COO, CRO, CIO, CHRO and General Counsel.

1.3 Reporting and cadence

- Monthly — KPI capture by functional owners; data-quality checks by the sustainability team
- Quarterly — Board ESG Committee dashboard; risk and incident register; assurance readiness status
- Annual — Materiality refresh, target review, transition plan update, full disclosure, ISSA 5000 assurance

Section 2 — Board ESG Oversight Framework

The board owns ESG strategy and the integrity of disclosure. The Board ESG/Sustainability Committee (or the Audit Committee where no separate ESG committee exists) operates a structured quarterly oversight cycle that mirrors the financial reporting cadence.

2.1 Standing quarterly agenda

- Strategy & transition plan — progress against the ESG strategy and 2030/2050 commitments
- ESG dashboard — KPIs with RAG, trend and target (Section 6)
- Progress against targets and prior actions
- Material risks, incidents and emerging issues (incl. climate physical & transition)
- Disclosure readiness — percentage complete, assurance status, key judgements
- Stakeholder feedback — investors, regulators, employees, communities

2.2 The Board ESG Pack — minimum contents

Section	Content
Cover dashboard	RAG status across E, S, G, climate and assurance readiness
Strategy	Targets, transition plan progress, scenario analysis updates
Performance	Scope 1, 2, 3 emissions; water; waste; safety; D&I; community
Risk & incidents	Top 10 ESG risks; incident log; regulatory actions
Disclosure	Readiness %, assurance status, key judgements, GHG inventory boundary
Stakeholder & ratings	Investor letters, ESG rating movements, NGO/media coverage
Actions	Decisions required, prior-quarter actions status, recommendations

Section 3 — ESG Committee Charter (Adoptable Template)

3.1 Purpose

The Committee assists the Board in discharging its responsibilities for ESG and sustainability strategy, performance, risk, reporting and assurance, consistent with applicable law, the Nigerian Code of Corporate Governance 2018, ISSB IFRS S1 and S2, GRI Standards and ISSA 5000.

3.2 Membership

At least three non-executive directors, the majority of whom shall be independent. The Chair shall be an independent non-executive director with demonstrable ESG or climate expertise. The CEO, CFO, CRO and CSO attend by invitation; the Committee meets in private session at least annually.

3.3 Authority

Direct access to management, internal audit, external auditors and the assurance provider; authority to commission independent advice; unrestricted access to information and documents.

3.4 Responsibilities

- Recommend ESG strategy, material topics, targets and the transition plan to the Board
- Review the ESG dashboard and progress against targets quarterly
- Oversee double materiality, climate scenario analysis and stress testing
- Recommend the annual sustainability disclosure and ISSA 5000 assurance scope
- Oversee ESG disclosure controls, judgements and connectivity with the financial statements
- Review investor, regulator and stakeholder feedback and ESG ratings movements

3.5 Meetings

At least four times per year. Quorum is two members. Agenda and papers circulated at least five working days ahead; minutes circulated to the Board.

Section 4 — Double Materiality Assessment Toolkit

Double materiality combines impact materiality (effect on people and planet) and financial materiality (effect on enterprise value). Both lenses are required by CSRD/ESRS and informed by ISSB. The output is a prioritised, board-endorsed list of material topics that drives strategy, reporting boundary, KPIs and assurance scope.

4.1 The five-step methodology

- Identify universe of potentially material topics from sector standards, peers and stakeholders
- Map stakeholders and confirm engagement methods (surveys, interviews, workshops)
- Assess impact materiality — severity, scope, irremediability and likelihood
- Assess financial materiality — magnitude and probability of effect on enterprise value over short, medium, long term
- Calibrate, validate with management, present to the Board ESG Committee for approval

4.2 Impact materiality matrix

Plot each topic on a 5x5 matrix: severity (negligible → catastrophic) × likelihood (rare → almost certain). Topics in the top-right quartile are materially impacting and require management response and disclosure.

4.3 Financial materiality matrix

Plot each topic on a 5x5 matrix: magnitude (negligible → severe) × probability (rare → almost certain) of effect on enterprise value. Topics in the top-right quartile are financially material and require disclosure under ISSB IFRS S1/S2.

4.4 Stakeholder questionnaire — illustrative prompts

- Which sustainability topics most affect your decision to engage with us?
- How would you rank our top five impacts (positive and negative)?
- What information do you need from us that you do not get today?
- On a 0–10 scale, how confident are you in our sustainability disclosure?

Section 5 — Climate Risk Management Framework

A structured framework for identifying, assessing and managing physical and transition climate risks consistent with ISSB IFRS S2, TCFD and Nigeria's NDC commitments.

5.1 Physical risk register — typology

Risk	Driver	Time horizon
Acute — flooding	Increased rainfall intensity, riverine and coastal flooding	Short → long
Acute — heatwave	Sustained high temperature events affecting operations & workforce	Medium → long
Chronic — sea-level rise	Permanent inundation of coastal facilities and supply routes	Long
Chronic — drought	Water-stress in operational basins; cooling and process water	Medium → long

5.2 Transition risk register — typology

Risk	Driver	Time horizon
Policy & legal	Carbon pricing, mandatory disclosure, litigation	Short → medium
Technology	Substitution by low-carbon alternatives; stranded assets	Medium → long
Market	Shifts in customer preference and capital allocation	Short → long
Reputation	Sectoral stigma, financing constraints, talent attraction	Short → long

5.3 Scenario analysis — illustrative carbon-price impact

An illustrative manufacturer emitting 200,000 tCO₂e (Scope 1+2) under a \$50/tCO₂e carbon price faces an annual operating-profit drag of \$10m. Stress-test under \$25, \$50 and \$100/tCO₂e scenarios; reflect material outcomes in the impairment, provisions and ECL models referenced in Section 11.

Section 6 — ESG Dashboard Framework

A single KPI dictionary that defines each metric, its formula, data source, owner, target and RAG threshold. The dashboard is the canonical artefact reviewed by the Board ESG Committee each quarter.

6.1 Environmental KPIs

KPI	Unit	Source	RAG basis
Scope 1 emissions	tCO ₂ e	Fuel, process & fleet records	≤ trajectory = Green
Scope 2 emissions (market)	tCO ₂ e	Utility contracts	≤ trajectory = Green
Scope 3 emissions	tCO ₂ e	Supplier & spend data	Coverage ≥ 67% material = Green
Energy intensity	MWh / unit	Meters & invoices	≤ target intensity = Green
Water withdrawn	m ³	Meters & invoices	≤ target = Green
Waste to landfill	tonnes	Waste manifests	≤ target = Green

6.2 Social KPIs

KPI	Unit	Source	RAG basis
LTIFR	per 1m hrs	HSE system	≤ target = Green
Fatalities	count	HSE system	0 = Green
Voluntary turnover	%	HRIS	≤ target = Green
Training hours / FTE	hours	LMS	≥ target = Green
Gender diversity — board	%	Company secretariat	≥ target = Green

6.3 Governance KPIs

KPI	Unit	Source	RAG basis
Code of conduct attestation	% staff	HR/Compliance	≥ 95% = Green
Whistleblower cases — closed	% on time	Compliance	≥ 90% = Green
Material non-compliance events	count	Compliance	0 = Green
ESG assurance findings — closed	%	Internal audit	100% = Green

Section 7 — Assessment Suite

Six scored TM assessments that diagnose readiness, maturity, climate disclosure, governance and assurance preparedness. Each returns a percentage score, rating band, interpretation, recommended actions, recommended resources and a consultation CTA. They are delivered interactively via the Outliers Assessment Runner and as the companion Assessment & Tools workbook.

Banding

Score %	Rating	Interpretation
≥ 80%	Leading	Reference-class practice; protect and optimise
60–79%	Established	Solid foundations; lift the lowest dimension
40–59%	Developing	Gaps in multiple dimensions; structured 90-day plan
20–39%	Emerging	Foundational work required; programme governance
< 20%	Nascent	Full programme launch; external support recommended

Section 8 — Sustainability Reporting Calendar

Frequency	Activity	Owner
Monthly	KPI capture; data-quality checks	Functional owners; sustainability team
Quarterly	Board ESG dashboard; risk & incidents	CSO / Committee Secretary
Half-yearly	Materiality refresh test; assurance progress	CSO / Internal audit
Annual — Q1	Prior-year disclosure publication & filing	CSO / CFO / Company Secretary
Annual — Q1	ISSA 5000 assurance fieldwork	Assurance provider
Annual — Q2	Materiality refresh; targets review	Board ESG Committee
Annual — Q3	Transition plan update; scenario refresh	CSO / CRO
Annual — Q4	Disclosure dry-run; assurance readiness	CSO / CFO

Section 9 — ESG Implementation Roadmap

Days 0–30 — Mobilise

- Board endorsement of the ESG operating model and committee charter
- Mobilise sustainability function, appoint owners, baseline current-state assessment
- Run the four scored TM assessments — Readiness, Maturity, Climate Disclosure, Governance

Days 31–90 — Design

- Complete the double materiality assessment; obtain Board approval
- Stand up the GHG inventory (Scope 1/2 first; Scope 3 categories ranked by spend)
- Adopt the KPI dictionary and stand up the quarterly Board dashboard

Days 91–180 — Build & report

- Build the climate risk register and run the first scenario analysis
- Draft the IFRS S1/S2 disclosure narrative and connect to the financial statements
- Commence assurance readiness review (ISSA 5000)

Days 181–365 — Assure & optimise

- Publish the annual sustainability disclosure with ISSA 5000 limited assurance
- Close findings; lift internal controls maturity; expand Scope 3 coverage
- Integrate ESG into incentive design and capital allocation

Section 10 — ESG Executive Infographic Content Pack

Ready-to-publish copy and visual specs for the executive infographic in PDF, PNG and social formats. Five headline numbers, four governance pillars, three time horizons.

- Headline 1 — 4[™] assessments score readiness, maturity, climate disclosure and governance
- Headline 2 — 50+ KPI dictionary across E, S, G with RAG status
- Headline 3 — 180-day roadmap from mobilisation to assured disclosure
- Headline 4 — ISSA 5000 limited assurance is the new floor; reasonable assurance the destination
- Headline 5 — Sustainability disclosure is connected to the financial statements (IAS 36, IAS 37, IFRS 9)

Section 11 — ESG in the Financial Statements & Annual Report

Sustainability disclosure is connected to — not separate from — the financial statements. Climate and broader ESG factors flow into estimates, judgements and disclosures across several IFRS Standards.

11.A IFRS impact map

Standard	ESG / climate impact
IAS 1	Going concern; material judgements & estimation uncertainty
IAS 16 / IAS 38	Useful lives, residual values, accelerated obsolescence of carbon-intensive assets
IAS 36	Impairment indicators and CGU recoverable amount under transition scenarios
IAS 37	Provisions for environmental, decommissioning and emissions-related obligations
IFRS 9	Expected credit loss models — climate-adjusted PD/LGD; sector concentration
IFRS 17	Climate-related insurance liabilities and assumptions
IAS 12	Deferred tax on the above; carbon pricing and incentives

11.C Worked example — climate-related impairment (IAS 36)

A cement plant CGU with carrying amount NGN 12bn is tested under three carbon-price scenarios. Under the \$100/tCO₂e scenario, the present value of cash flows falls to NGN 9.6bn, triggering a NGN 2.4bn impairment with a related disclosure note describing the climate assumptions and sensitivity analysis.

11.E Disclosure controls checklist

- Each disclosed figure reconciles to an identifiable source and an evidence file
- Climate assumptions are consistent across impairment, provisions, ECL and narrative
- Estimates and judgements are explicitly documented and approved by the CFO
- Materiality determination is documented and approved by the Audit Committee
- Greenwashing controls — every claim is supported by evidence and reconciles to numbers

Section 11H — ESG Assurance & ISSA 5000 Framework

ISSA 5000 (effective for periods beginning on or after 15 December 2026) is the global baseline for sustainability assurance. It replaces ISAE 3000 (Revised) for sustainability information; ISAE 3410 may still be used for stand-alone GHG conclusions.

11H.3 Limited assurance — what it requires

Inquiry, analytical procedures and selective verification sufficient to conclude that nothing has come to the practitioner's attention to indicate the information is materially misstated. Lower cost; suitable for first-year programmes.

11H.4 Reasonable assurance — what it requires

Risk assessment, controls testing and substantive procedures to a level providing positive assurance. Required for mature programmes and progressively mandated by leading jurisdictions.

11H.6 Readiness — seven dimensions

- Governance — Audit Committee owns the assurance engagement and provider
- Materiality — documented, approved and reconciled to the disclosure boundary
- Process & controls — disclosure controls documented and operating
- Data — defined sources, lineage, controls and quality metrics for every disclosed figure
- Evidence — assembled at the point of operation, not at fieldwork
- Technology — central repository / ESG platform reducing manual aggregation
- People — sustainability, finance, risk and IT working as one engagement team

11H.10 Board questions

- What is our assurance level today and what is the destination?
- Is Scope 3 sufficiently covered and supported?
- Can every assured figure be traced to source evidence?
- How reliant are we on manual spreadsheets — and what is the risk?

Section 12 — Website Resource Extraction Plan

The handbook is published alongside a curated set of standalone web resources, each with a dedicated landing page, gated lead capture (where applicable), QR code, related resources and newsletter cross-sell.

#	Asset	Format
1	ESG Governance Framework	PDF
2	ESG Committee Charter	PDF
3	Board ESG Oversight Framework	PDF
4	Double Materiality Toolkit	PDF
5	Climate Risk Management Framework	PDF
6	ESG Dashboard Template	XLSX
7	ESG Sustainability Reporting Calendar	PDF
8	ESG Board Pack	PDF
9	ESG CFO Toolkit	PDF
10	ESG Assurance Readiness Toolkit	PDF
11	ESG Assurance Roadmap	PDF
12	ESG Assurance Checklist	PDF
13	ESG Executive Infographic	PDF + PNG
14	Full Handbook PDF	PDF (flagship)