

How to build your ESG disclosure backbone

A practical checklist for sustainability teams who want to move beyond the annual scramble — and build something that holds up over time.

THE PROBLEM MOST TEAMS ARE LIVING WITH

Spreadsheets that break every year

New tabs, renamed columns, version confusion. Every reporting cycle starts from scratch.

Chasing people for the same data

No clear ownership means the same emails get sent to the same people every year.

No evidence behind the numbers

When an auditor or investor asks for the source, the answer is often "let me check."

No institutional memory

When someone leaves, the methodology and context often go with them.

The solution isn't a better spreadsheet. It's a different architecture entirely — one that's built to last, not rebuilt every year. That's what a disclosure backbone gives you.

Before you start: honestly assess where you are

- Do you have a defined list of disclosures you report on — or does it change each year?
- Is there a named person responsible for each data point, or does it depend on who picks up the email?
- Can you trace any data point back to its source without going through someone's inbox?
- If your lead sustainability person left tomorrow, could the process continue without them?
- Does your current setup support more than one reporting framework at a time?

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Your disclosure backbone checklist

Work through each pillar. The goal isn't perfection on day one — it's knowing which gaps to close first.

1 - Disclosure architecture

A stable, structured library of what you actually report on

Before you can manage ESG data, you need to know exactly what you're collecting — not as a vague list of topics, but as precise, defined disclosures with a clear hierarchy: Topic → Sub-topic → Disclosure. Without this, every year is a negotiation about scope.

- Your disclosures are listed with a consistent naming convention and a clear parent topic structure
- Each disclosure has a written definition so different teams interpret it the same way
- Your disclosure list has been reviewed against the frameworks you report to (e.g. GRI, IFRS S1/S2, local exchange requirements)

Common gap: Teams often maintain a list of "topics" without ever defining the exact metric or boundary behind each one. When data comes in, the interpretations don't match.

2 - Consistent reporting cadence

Data collected on a defined schedule, not scrambled at year-end

Ad hoc data collection creates noise and stress. Defining a clear cadence — monthly for operational metrics, quarterly for others, annually for governance indicators — turns reporting from a crisis into a routine.

- Each disclosure has an assigned collection frequency (monthly / quarterly / annual)
- Deadlines are set upstream of the reporting deadline, not at it
- Collection periods are consistent year-over-year so trend data is comparable

3 - Clear ownership structure

Every disclosure has a named contributor and a named approver

Ownership "in principle" isn't ownership. A backbone has a contributor (the person who provides the data) and an approver (the person who validates it) for every single disclosure — documented and agreed, not assumed.

- Every disclosure has a named contributor — a specific person, not a team or department
- Every disclosure has a named approver who is distinct from the contributor
- Ownership is formally acknowledged, not informally assumed

Common gap: Ownership exists on paper but not in practice. The real test: can contributors submit data without being chased, and will approvers act by the deadline?

4 - Evidence attached at source

Notes and supporting files linked directly to each disclosure

A number without a source is a claim. Evidence — utility bills, meter readings, HR records, calculation notes — should live alongside each disclosure, not in a shared drive folder that someone has to remember to check.

- Supporting documents are stored at the disclosure level, not in a general folder
- Methodology notes are recorded alongside the data (not just in someone's head)
- Evidence is accessible to reviewers and auditors without requiring a data owner to retrieve it

5 - Preserved audit trail

A record of who did what, when — that doesn't get overwritten

Most ESG data processes are rebuilt, not continued. A real backbone preserves what happened: who submitted, who approved, what changed, and when. This is what turns a data process into an institutional asset.

- Changes to data values are logged with a timestamp and the name of who made the change
- Prior-year data is accessible for comparison without re-entering it
- The approval record is preserved and retrievable for external review

Where does your team stand?

There's no score here — just an honest picture of where you are and what to focus on next.

FRAGILE

Most pillars are missing or informal. Reporting is stressful, inconsistent, and heavily dependent on one or two people.

BUILDING

Some structure exists — usually a disclosure list and partial ownership — but evidence and audit trail are gaps. A good foundation to build on.

SOLID BACKBONE

All five pillars are in place. Reporting is a managed process, not a crisis. Your data can withstand external scrutiny.

WHERE MOST TEAMS GET STUCK

- **Pillar 3 (ownership)**
is where most processes quietly break down. It's easy to agree ownership in a meeting; it's harder to make it real when deadlines arrive.
- **Pillar 5 (audit trail)**
is often the last thing teams build — but the first thing that matters when an investor or auditor starts asking questions.
- **Pillar 1 (disclosure architecture)**
is the hardest to retrofit. If your disclosure list is vague or inconsistent, every other pillar is built on uncertain ground.

Building a disclosure backbone is a one-time investment that pays back across every reporting cycle that follows. The teams that do it well don't just report more easily — they report more credibly, and they're ready for questions they haven't been asked yet.

If you're working through this checklist and finding real gaps, that's a good thing. It means you now know where to focus — and that's the hardest part of the process, already done.

Prepared by **Squarely** — ESG data collection, management, and reporting infrastructure for organisations in the GCC and beyond.