



THE SYSTEM CFO SERIES  
HINDOL DATTA

FREE ASSESSMENT

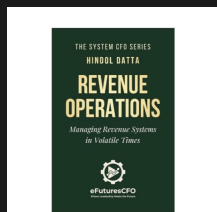
PILLAR 5: GOVERNANCE & GLOBAL STRUCTURE | TOOLKIT #48 OF 37

# THE ESG AND SUSTAINABILITY REPORTING READINESS

*Preparing for the Disclosure  
Requirements That Are Already Here*

20-Question Diagnostic | 5-Page Assessment

Score Your Organization 1-5 Across Four Dimensions  
Identify Gaps and Build Your Action Plan



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**QUESTIONS 1-5**

# Section A: ESG Data Collection and Governance

*Do You Have the Data — or Will You Be Scrambling When Disclosure Is Required?*

*ESG reporting requires data that most finance functions have never collected. Carbon emissions, energy consumption, water usage, workforce diversity, supply chain labor practices, and governance structures must be quantified with the same rigor applied to financial data. The System CFO who waits until disclosure is mandatory will face an impossible data collection sprint. The one who starts now will have reliable, auditable data when the requirement arrives.*

**A. ESG DATA COLLECTION AND GOVERNANCE**

1	The organization has identified which ESG frameworks and regulations apply — SEC climate disclosure, CSRD, ISSB, GRI, SASB, and/or TCFD requirements have been assessed for	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
2	ESG data collection processes exist for material topics — for the ESG topics identified as material to the organization, structured data collection from operational sources is	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
3	Scope 1 and Scope 2 greenhouse gas emissions are calculated — direct emissions and energy-related indirect emissions are quantified using recognized methodologies (GHG Protocol) with	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
4	Scope 3 emissions assessment has been initiated — the organization has begun evaluating significant categories of value chain emissions even if complete Scope 3 measurement is	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
5	ESG data governance mirrors financial data governance — controls exist over ESG data collection, validation, and reporting to ensure accuracy and auditability comparable to	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION A SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**



**QUESTIONS 6-10**

## Section B: Climate Risk Assessment and Financial Integration

Have You Assessed How Climate Risk Affects Your Business — Financially?

*Climate risk is financial risk. Physical risks (extreme weather, sea level rise, resource scarcity) threaten assets and operations. Transition risks (regulation, technology shifts, market changes) threaten business models. The System CFO integrates climate risk into financial planning, asset valuation, and risk management frameworks rather than treating it as a separate corporate social responsibility exercise.*

**B. CLIMATE RISK ASSESSMENT AND FINANCIAL INTEGRATION**

6	Physical climate risks to operations have been assessed — the organization has evaluated how extreme weather, water scarcity, temperature changes, and other physical impacts	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
7	Transition risks are identified — regulatory changes (carbon pricing, emissions limits), technology shifts (electrification, renewable energy), and market changes	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
8	Climate risk scenarios have been modeled — using frameworks like TCFD, the organization has assessed financial impacts under different climate scenarios (1.5°C, 2°C, 4°C warming)	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
9	Climate risk is integrated into financial planning — capital expenditure decisions, insurance coverage, supply chain diversification, and strategic planning incorporate climate	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
10	Asset impairment implications of climate risk are evaluated — long-lived assets, resource reserves, and infrastructure investments are assessed for potential impairment under	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION B SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**

**QUESTIONS 11-15**

## Section C: Social and Governance Metrics

*Are You Tracking the S and G — Not Just the E?*

ESG encompasses far more than environmental metrics. Social factors — workforce diversity, pay equity, employee safety, supply chain labor practices, community impact — and governance factors — board composition, executive compensation, ethics, anti-corruption — are increasingly scrutinized by investors, regulators, and customers. The System CFO ensures comprehensive coverage across all three dimensions.

**C. SOCIAL AND GOVERNANCE METRICS**

11	Workforce diversity data is collected and reported — demographics across gender, race/ethnicity, and other relevant dimensions are tracked at all organizational levels with trend	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
12	Pay equity analysis is conducted — the organization has performed statistical analysis of compensation across demographic groups, identified unexplained gaps, and	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
13	Employee health and safety metrics are tracked — incident rates, near-misses, and safety compliance are monitored with targets for continuous improvement and reporting to	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
14	Board composition and governance practices are documented — director independence, diversity, expertise, tenure, and committee structure are disclosed in alignment with governance	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best
15	Ethics and compliance program effectiveness is measured — code of conduct training completion, whistleblower reports, investigation outcomes, and anti-corruption compliance are	1 Non-Ex	2 Ad Hoc	3 Dev	4 Estab	5 Best

**SECTION C SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**

**QUESTIONS 16-20**

## Section D: ESG Reporting and Stakeholder Communication

*Can You Produce an ESG Report That Would Satisfy Investors, Regulators, and Customers?*

ESG reporting is moving rapidly from voluntary to mandatory. The SEC climate disclosure rules, EU CSRD, and ISSB standards are creating a new category of required reporting that carries the same consequences as financial reporting: audit, assurance, liability, and enforcement. The System CFO prepares for this reality by building ESG reporting capability with the same infrastructure, controls, and rigor applied to financial statements.

**D. ESG REPORTING AND STAKEHOLDER COMMUNICATION**

<p><b>16</b> The organization has produced or can produce an ESG report — a structured sustainability or ESG report aligned with a recognized framework has been published or is in development.</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p><b>17</b> ESG metrics are assured or on a path to assurance — the organization has engaged or plans to engage external assurance providers for ESG data. building toward the same level of</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p><b>18</b> ESG reporting is integrated with financial reporting — ESG disclosures are coordinated with financial statement disclosures. 10-K narratives. and proxy statements to ensure</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p><b>19</b> Stakeholder-specific ESG communication exists — investors, customers, employees, and regulators receive ESG information tailored to their information needs and decision-making</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>
<p><b>20</b> The organization monitors evolving ESG regulations — changes in SEC, EU, ISSB, and state-level ESG disclosure requirements are tracked and evaluated for impact on the organization's</p>	<p>1 Non-Ex</p>	<p>2 Ad Hoc</p>	<p>3 Dev</p>	<p>4 Estab</p>	<p>5 Best</p>

**SECTION D SCORE: Total: \_\_\_\_ / 25      Average: \_\_\_\_ / 5**

**OVERALL ASSESSMENT SCORE**  
 Section A: \_\_\_\_ / 25    Section B: \_\_\_\_ / 25    Section C: \_\_\_\_ / 25    Section D: \_\_\_\_ / 25    TOTAL: \_\_\_\_ / 100    AVG: \_\_\_\_ / 5

**GAP TO GOAL**

# Gap-to-Goal Action Plan

*Bridging the Gap — ESG and Sustainability Reporting Readiness Diagnostic*

Transfer your five lowest-scoring questions. For each gap, define the target state, specific actions, owner, timeline, and success metric. Focus on highest-impact gaps first.

GAP #	Q REF	CURRENT	TARGET	SPECIFIC ACTION TO CLOSE GAP	OWNER	DEADLINE	METRIC
1	Q__	___/5	___/5	_____	_____	_____	_____
2	Q__	___/5	___/5	_____	_____	_____	_____
3	Q__	___/5	___/5	_____	_____	_____	_____
4	Q__	___/5	___/5	_____	_____	_____	_____
5	Q__	___/5	___/5	_____	_____	_____	_____

### ASSESSMENT SUMMARY

Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Overall average score: \_\_\_ / 5    Items scored 1-2 (critical): \_\_\_

Items scored 3 (developing): \_\_\_    Items scored 4-5 (strong): \_\_\_

Top strength: \_\_\_\_\_

Most critical gap: \_\_\_\_\_

One action this week: \_\_\_\_\_

### READY TO GO DEEPER?

This free assessment identified your gaps. The Premium System CFO Toolkits provide the frameworks, templates, and action plans to close them. Visit [EfuturesCFO.com](https://EfuturesCFO.com)





READY TO GO DEEPER?

## This Assessment Identified the Gaps. The Premium Toolkit Closes Them.

**PREMIUM: The Organizational Finance Assessment Kit (46 Pages)**

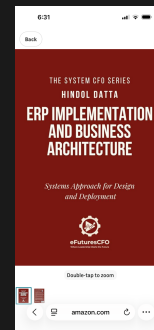
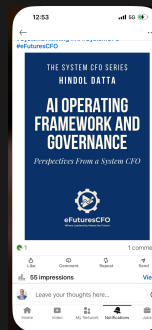
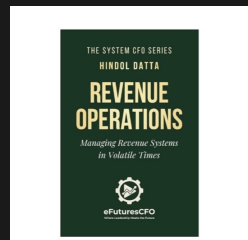
The full premium assessment kit includes comprehensive diagnostics across 16 finance domains including governance, compliance, and emerging reporting requirements, with 300+ evaluation items and detailed remediation planning templates.

*Plus: Access the Super Exclusive 46-Page  
System CFO Organizational Finance Assessment Kit*

### ABOUT THE AUTHOR

## Hindol Datta

25+ years as CFO and VP Finance | \$150M+ in M&A | CPA, CMA, CIA, PMP, CPIM  
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