ESG Disclosure Is No Longer Optional: A GCC Boardroom Guide

By Mashael Al Sulaiti, Founder & Managing Partner, MAS Law Firm | Governance Director, CIArb Qatar Branch

ESG reporting across the GCC has quietly crossed a threshold in 2025. What was, for most listed companies, a voluntary sustainability narrative published once a year has become, under reforms like Qatar's QFMA Code and equivalent moves in the UAE and Saudi Arabia, a standing regulatory disclosure obligation with its own timelines and enforcement exposure. Boards that still route ESG reporting through a communications or CSR function, rather than through the same governance and risk infrastructure that handles financial disclosure, are structurally behind where the regulation now sits.

The gap between narrative and disclosure

A sustainability narrative and a regulatory ESG disclosure are not the same document, even when they cover similar ground. A narrative can be aspirational. A disclosure has to be accurate, consistent, and defensible — because unlike a CSR report, it now sits inside a governance framework that carries the same accountability expectations as financial reporting. Boards need to treat the shift accordingly: ESG data needs an owner, a verification process, and a place on the audit committee's agenda, not just a place on the website.

Where this is heading

The direction of travel across the region's capital markets authorities points toward ESG disclosure eventually being treated with the same rigor as financial statements — subject to internal controls, potentially subject to external assurance, and increasingly relevant to how institutional investors price GCC-listed equity. Companies that build that infrastructure now, ahead of full enforcement, will not be scrambling when assurance requirements tighten further, which based on the regional trajectory is a matter of when, not if.

The board-level question worth asking

Any board should be able to answer a simple question with confidence: if our next ESG disclosure were audited with the same scrutiny as our financial statements, would it hold up? For a growing number of GCC boards, the honest answer is not yet — and closing that gap is quickly becoming core governance work rather than a sustainability initiative.

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