

Key Points:

- A company can't address every risk and pursue every opportunity.
- A materiality assessment is a systematic way to identify, focus on, and pursue what is important (material) for credibility and operational integrity.
- The materiality assessment process should inform an organization's actions and allocation of resources, prioritizing the sustainability issues that are most impactful to their business and meaningful to stakeholders. The number of issues prioritized should reflect the degree to which sustainability has been integrated into an organization's business model, with an increasing number of issues prioritized as an organization's sustainability program matures.

Green Masters Program® Definitions:

- **Material:** An issue that could substantively affect the organization's credibility, operational or financial integrity, or the decisions of key stakeholders.
- **Materiality:** A concept or convention within the financial community relating to the importance/significance of something relevant to the corporation. Information is material if its omission or misstatement could influence the economic decisions of users taken based on financial performance. Materiality in relation to the inclusion of information in an integrated (financial and sustainability) report refers to matters that "could substantively affect the organization's ability to create value over the short, medium, and long term."
- **Business Priorities:** the sustainability issues which an organization is prioritizing in terms of resource allocation and action.

Questions to Consider When Assessing Materiality:

- How does this topic contribute to our sustainability presence?
- Does this significantly impact our bottom line or price to customers?
- Does this impact business continuity?
- Is this a risk to our reputation or a differentiator for our brand?
- Is there a pending or existing regulation related to this topic?
- Do experts generally see this as a risk to sustainability in the long term (50 years)?
- Have any stakeholder groups asked about or expressed interest in this topic?

Tools & Resources

- [SASB's Materiality Finder](#). Identifies key sustainability issues for each industry that are likely to affect the financial condition or operating performance of companies within an industry.
- [Materiality in IR: Guidance for the preparation of integrated reports](#) (2015). Integrated Reporting <IR>.
- [GRI Universal Standards G3: Material Topics](#) (2021). Global Reporting Initiative (GRI).


Reference Material

- [Corporate Sustainability: First Evidence on Materiality](#). (2015). Harvard Business School.
- [Sustainability a CFO Can Love](#). (2014). Harvard Business Review.
- [Materiality](#) (2013). Corporate Citizenship
- WSBC Webinar (2023): [Materiality and Priority Setting](#)
- WSBC Webinar (2020): [How to Conduct a Materiality Assessment](#)

Recommended Topics by Sector

Key

•	Likely Material
○	Depends on Organizational Priorities

	Energy Management	Greenhouse Gas Management	Water Resource Management	Biodiversity & Ecological Impacts	Materials Management	Waste Management	Product Circularity & Lifecycle Management	Sustainable Transportation	Community Outreach & Engagement	Customer Welfare	Employee Health & Safety	Employee Experience	Diversity Equity & Inclusion	Ethical Governance & Sustainable Leadership	Supply Chain Management
 Green Masters Program															
Manufacturing															
Food & Beverage Products	•	•	•	•	•	•	○	○	•	•	○	○	○	•	
Wood & Paper Products	•	•	•	•	•	•	○	○	○	•	○	○	○	•	
Plastic Products	•	•	○		•	•	○	○	○	•	○	○	○	•	
Metal Products	•	•	•		•	•	○	○	○	•	○	○	○	•	
Consumer Products	•	•	○		•	•	○	○	○	•	•	○	○	○	•
Automotive	•	•	○		•	•	•	○	○	•	•	○	○	○	•
Containers & Packaging	•	•	○	○	•	•	•	○	○	•	•	○	○	○	•
Agricultural Products		•	•	•					•	•	○	○	○	•	
Energy Production	○	•	•	○		•		○	○	•	•	○	○	•	○
Construction		•		○	•	•	○	○	○	•	•	○	○	•	○
Transportation		•						•		•	•	○	○	○	
Health Care	•					•			•	•	•	○	•	•	
Professional Services		•							○	•		○	•	○	
Finance/Insurance		•							•	•		○	•	•	
Retail		○				•		•	○	○		○	•	○	•
Technology Services (e.g. software, IT)	•									•		•	○	•	