

Green Masters Program® Framework

Introduction

This framework sets out the basic principles, objectives, and structures that guide the Green Masters Program®.

The Green Masters Program® is a tool to define, prioritize, measure, and manage an organization's performance in sustainability topics that are meaningful to them and their stakeholders. The virtual platform was purpose-built for small to mid-sized organizations looking for a scalable standard for improving their performance in environmental, social, and governance (ESG) impacts. What makes the program unique is that it wraps a membership organization around the tool, providing resources, education, and support to meet participants where they are in their sustainability journey. The Green Masters Program® allows participants to scope their disclosure based on their unique business needs and stakeholder concerns. It is ideal for organizations looking to integrate sustainability into their business model, who recognize the value of a deliberate approach, formal framework, third-party credentials, and supporting resources.

The Green Masters Program® Registration Mark illustrates that a participating organization has identified and is effectively managing its material sustainability issues and that its performance related to those issues is consistent with generally accepted sustainability practices and standards. The methods, key performance indicators, and best practices found in the Green Masters Program® are designed to be consistent with widely accepted international frameworks, standards, and certification programs. Participation in the program can serve as a stand-alone credential or a stepping stone to other standards, certifications, and indices.

Mission

The Wisconsin Sustainable Business Council's (WSBC) mission is to advance sustainable principles and practices forward through the power of business. The objective of the Green Masters Program® is to provide a cost-effective, accessible framework to guide organizations in integrating sustainability into their strategic and operational business practices. The tool provides a framework for program development, education specific to each topic, and recognition of performance improvements. The WSBC supports businesses and sustainability professionals in the program through an array of education, resources, and tools which align with the Green Masters Program®. The Green Masters Program® and WSBC are catalysts for businesses looking to integrate sustainability into the fabric of their organization.

Guiding Principles

Credibility – the Green Masters Program® uses widely accepted best practices in sustainability disclosure to foster authenticity, excellence, and transparency in the specific subject areas it is intended to address. The program is developed and updated through consultation between program staff, subject matter experts, technical experts, and business advisors.

Transparency— the Green Masters Program® facilitates disclosure of timely and reliable information to allow stakeholders to assess an organization's performance in sustainability-related subject areas. The program is administered through an inclusive process that incorporates input from a balanced group of representative stakeholders.

Innovation – the Green Masters Program® promotes innovation in products, services, and processes to create long-term stakeholder value without compromising the ability of future generations to do the same. The program provides a cost-effective and accessible third-party business-level certification, uniquely designed as a scalable standard to guide and validate an organization's sustainability actions.

Continuous Improvement – the Green Masters Program® fosters continuous improvement beyond compliance by including stakeholder requirements. Program administrators will respond to evolving stakeholder needs and market conditions by incorporating revisions in a timely and predictable manner to ensure the program continues to meet participants where they are while facilitating continuous performance improvement.

Systems Thinking – the subject areas addressed by the Green Masters Program® reflect the interconnectedness of all things, including the role of business in contributing to a just and equitable society and the role of society in facilitating business operations, and recognizes the benefits to society and business when sustainability in all material aspects is integrated into an organization's strategic and operational practices.

Materiality – the Green Masters Program® recognizes that an organization cannot address every risk and pursue every opportunity and therefore provides a framework that allows participants to focus on what is material, defining "material" as an issue that could substantively affect the organization's credibility, operational or financial integrity, or the decisions of key stakeholders.

Structure & Scope

The Green Masters Program® framework, tool, and support services are designed to guide participants in their journey to define what sustainability means for their organization, help them prioritize material topics, and provide them with a credible framework to facilitate the development of systems and management practices that will lead to improved outcomes for all stakeholders.

Green Masters Program® topics are organized under four dimensions.



The sustainability issues addressed in each dimension and topic are as follows.

Environment. This dimension addresses the impact on the natural environment resulting from an organization's activity and the impact of the degradation of natural resources on the long-term operating or financial performance of the organization.

- **Energy Management** addresses how an organization uses and conserves energy.
- Greenhouse Gas Management addresses how an organization measures and acts to reduce its GHG emissions.
- **Sustainable Transportation** addresses how an organization minimizes its impacts related to the movement of employees and products.
- Water Resource Management addresses how an organization uses and impacts water resources.
- **Biodiversity & Ecological Impacts** addresses how an organization's operational and sourcing activities impact ecosystems and biodiversity.
- Waste Management addresses how an organization handles, minimizes, and disposes of wastes.
- Materials Management addresses how an organization manages material inputs to maximize yield efficiency and minimize the use of virgin materials.
- **Product Circularity & Life Cycle Management** addresses how an organization facilitates circularity in the design of products and services and minimizes impacts of its products/services throughout the life cycle.

Society. This dimension recognizes the role of businesses in society and the expectation that a business will contribute positively to society in return for a social license to operate. It addresses the impact of an organization on key external stakeholders, such as customers, local communities, and the public. It includes issues related to human rights, equity for vulnerable groups, local economic development, quality and safety of products and services, responsible marketing practices, and customer privacy.

- **Community Impacts** addresses how an organization interacts with and creates value for the communities in which it operates.
- **Customer Welfare** addresses how an organization ensures that its products, services, and practices contribute to positive outcomes for customers and end-users.

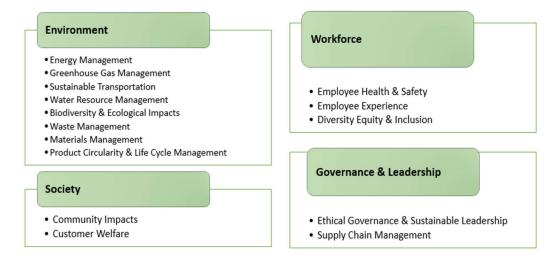
Workforce. This dimension addresses the impact of an organization on its workers and the vital role of the workforce in creating long-term value for an organization. It includes issues that affect the well-being of employees, such as worker rights, health and safety, compensation and incentives, personal and professional development, equity, and inclusion. It also addresses the impact on the organization of employee engagement, turnover, and diversity.

- **Employee Health & Safety** addresses how an organization protects the health and safety of its workforce.
- **Employee Experience** addresses how an organization supports its workforce to promote well-being, engagement, and retention.
- **Diversity Equity & Inclusion** addresses whether an organization's workforce reflects the diversity of the communities in which it operates and how it ensures equity and inclusion for all.

Governance & Leadership. This dimension addresses the role of leaders and decision-makers in integrating sustainability throughout an organization's value chain. It includes leadership participation in sustainability efforts, transparent and ethical governance, and supply chain management. It also addresses regulatory compliance, risk management, stakeholder engagement practices, and information security.

- **Ethical Governance & Sustainable Leadership** addresses how an organization is structured and organized to act ethically and integrate sustainability throughout its operations.
- **Supply Chain Management** addresses how an organization engages with its supply chain to minimize negative environmental and social impacts, reduce risk, and improve resilience.

Figure 1: Green Masters Program® Dimensions and Topics



Scoring & Status

The Green Masters Program® seeks to provide organizations with recognition as they grow their sustainability program, categorizing participants into four status levels that reflect the degree to which sustainability has been integrated into their business model. Participants use the Green Masters Program® logo to share their sustainability stories with others, providing third-party validation of their efforts.

- 1. Scoring is based on:
 - a. Integration of material sustainability topics into business management systems and operational practices.
 - b. Implementation of best practices in material sustainability topics.
 - c. Measurable improvement in key ESG performance indicators.
- 2. Points are earned for each implemented action related to the development of management systems and best practices and performance improvement in selected material topics.
 - a. Points are allocated approximately 40% for systems development, 30% for implementation of best practices, and 30% for performance improvements.
 - b. Points are determined for each action based on the perceived effort required and potential impact. The effort required and potential impact of each action is scored on a scale of 1 (low) to 3 (high). The impact score is multiplied by the effort score to determine the points assigned to each action.
 - c. Points available for performance improvement are determined based on the weighting system described above and allocated to each question based on the relative impact of improvement.
- 3. Status is determined based on the aggregate percentage of total points earned compared to the total points available for all selected material topics. Four status levels are available. Table 1 provides status-level descriptions and points required.

Figure 2: Green Masters Program® Status Levels

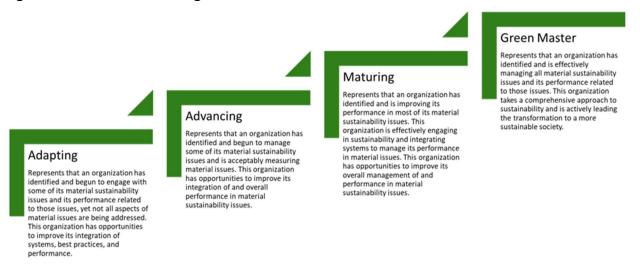


Table 1: Green Masters Program® Status Level Meaning

Level	Status	% Points Earned
Level 1	Adapting	< 25% of aggregate possible points
Level 2	Advancing	25 – 50% of aggregate possible points
Level 3	Maturing	50 – 75% of aggregate possible points
Level 4	Green Master	>75% of aggregate possible points

Adapting: This status represents that an organization has identified and begun to engage with some of its material sustainability issues and its performance related to those issues, yet not all aspects of material issues are being addressed. This organization has opportunities to improve its integration of systems, best practices, and performance.

Advancing: This status represents that an organization has identified and begun to manage some of its material sustainability issues and is acceptably measuring material issues. This organization has opportunities to improve its integration of and overall performance in material sustainability issues.

Maturing: This status represents that an organization has identified and is improving its performance in most of its material sustainability issues. This organization is effectively engaging in sustainability and integrating systems to manage its performance in material issues. This organization has opportunities to improve its overall management of and performance in material sustainability issues.

Green Master: This status represents that an organization has identified and is effectively managing all material sustainability issues and its performance related to those issues. This organization takes a comprehensive approach to sustainability and is actively leading the transformation to a more sustainable society.

The number of topics that should be considered to achieve recognition in the Green Masters Program® is as follows:

