



The Materiality Workbook

Better Assessments
for Better ESG

The Materiality Workbook:

A Practical Guide to Better Materiality Assessments in 6 Steps

Intro

To make informed decisions when dealing with ESG and sustainability planning, it's important for organizations to be able to determine which items are considered material or most impactful to their business and stakeholders. That's where a materiality assessment comes in.

A materiality assessment helps organizations identify and prioritize the issues that matter. The six steps to conducting a materiality assessment include:

1. Identify your stakeholders
2. Create a stakeholder engagement methodology
3. Identify your material topics
4. Prepare and launch a survey to stakeholders
5. Collect survey data and begin analysis
6. Continue the conversation with stakeholders

In this workbook, we walk you through one exercise for each step in the process to help you prepare for conducting your organization's materiality assessment.



Identify your stakeholders

This first exercise is designed to help you create a list of internal and external stakeholders. Use the table below to list all your stakeholders that fall in each category.

When creating your list remember to cast a wide net to ensure all stakeholder concerns and opinions are considered for the most comprehensive and diverse feedback.

Internal Stakeholders include people who are in a direct relationship with the organization. Some groups are listed below to get you started:

Internal Stakeholder Group:	Individual Stakeholders	Contact Information
Employees		
Shareholders		
Board of Directors		
Partnerships		

External Stakeholders include people or things that can be affected by the actions of the organization. Some groups are listed below to get you started:

External Stakeholder Group:	Individual Stakeholders	Contact Information
Customers		
Investors		
Regulatory Bodies		
Governments		
Environment		
Biodiversity		



Create a stakeholder engagement methodology

Stakeholder engagement methodology is a document that is created once the key stakeholders have been identified. It outlines the methodology and steps for how an organization interacts with its stakeholders. Fill in the table below to record your key stakeholders as well as the method and frequency you plan to engage them.

Key Stakeholders	Method of Engagement (email survey, phone interview, etc.)	Frequency and Schedule of Engagement



Identify your material topics

Organizations should do an initial identification of which factors they would like to assess so that they can prepare a proper structure to get insights into them. Factors are usually categorized into three main categories—Environmental, Social, and Economic & Governance. Use the table below to brainstorm different factors that you hypothesize are material or most impactful to your organization.

Materiality Topics – Quick Tip

Below are a couple resources to help you start identifying which factors to consider:

- [SASB Materiality Finder](#) provides financially material sustainability topics for over 77 different industries.
- [GRI \(Global Reporting Initiative\) Standards](#) provide step-by-step guidance on how to determine material topics under GRI 3: Material Topics.

Category	Material Topics
Environmental	<i>EX. GHG emissions, water stewardship, etc.</i>
Social	<i>EX. Labor Practices, Philanthropic efforts, etc.</i>
Economic and Governance	<i>EX. Board compensation, supply chain management, etc.</i>



Prepare and launch a survey to stakeholders

This survey is designed to help organizations determine which material topics matter most to their stakeholders. This helps organizations avoid guessing which factors their stakeholders care about and gives a clear direction on what topics they feel the organization should focus on. Answer the questions below to start planning your stakeholder survey.

What quantitative information do you plan to collect?

What qualitative information do you plan to collect?

Before constructing your survey, consider how you plan to analyze and interpret the data you gather. This will help you design your survey to gather data in the manner that best suits your analysis.

What's your plan for analyzing survey data? Any changes to the survey as a result?

Do you need to design multiple surveys for different groups?

Yes / No

Tips for Launching a Successful Survey:

1. Keep it brief and to the point. Your stakeholders are giving you their time, show you value it by limiting survey questions to only the most important.
2. Ensure your survey is accessible. Not all stakeholder groups will have the same access or means of communication. Consider customizing your outreach as needed to ensure that all stakeholders are given a chance to contribute their thoughts.
3. Test the survey with a small selection of stakeholders before the final launch. This allows you to identify any issues and adjust the survey before reaching a broader audience.
4. Allow stakeholders the opportunity to provide comments on metrics and the overall survey. While the scale and multiple-choice responses will be the easiest to quantify, providing functional data, it's still important to provide an open space for comments in instances where a survey respondent feels like they need to explain an answer, has a question, or wants to provide more feedback.



Collect survey data and begin analysis

Once the results are in, organizations can begin analyzing the data and putting the results into their materiality matrix or materiality map. A materiality matrix/map charts the findings of a materiality assessment in an easy-to-digest graph or visual. There are many forms a materiality matrix can take but it should be a visual representation of the initial list of material topics an organization has identified and the prioritization of each topic to the business and stakeholders.

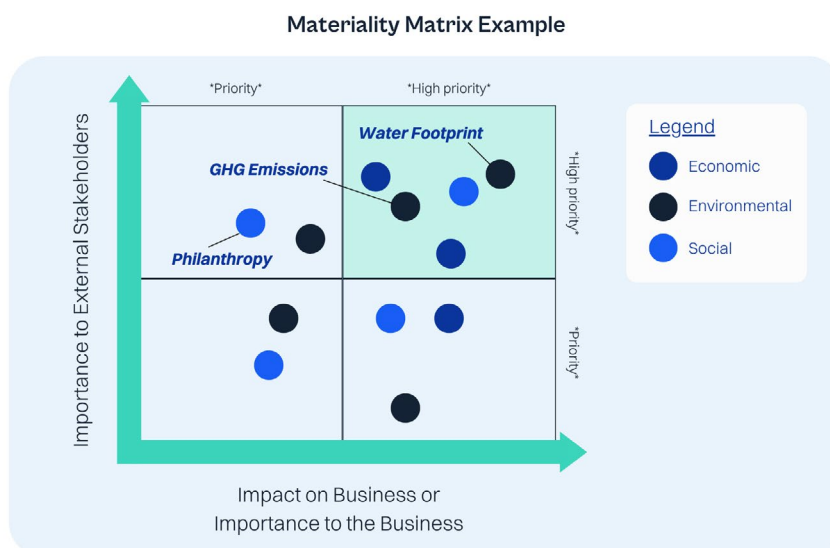
Use this worksheet to organize your results before mapping to your materiality matrix.

What issues are financially material?

Which issues are environmentally material?

Which issues are socially material?

Where do the issues intersect?



This is an example of what a finished materiality matrix can look like.

Continue the conversation with stakeholders

The relationship between an organization and its stakeholders is essential to further developing a comprehensive ESG and sustainability program. Organizations can continue to build rapport with different stakeholder groups by staying connected as they move from assessment to strategy, implementation, and reporting.

Complete the questionnaire below to help evaluate your current engagement practices. Your responses can further drive discussions to determine what successful stakeholder engagement looks like at your organization.

- | | |
|---|----------|
| Are you connecting with stakeholders <i>before</i> conducting a materiality assessment? | Yes / No |
| Are you connecting with stakeholders <i>while</i> conducting a materiality assessment? | Yes / No |
| Are you connecting with stakeholders <i>after</i> conducting a materiality assessment? | Yes / No |
| Are you asking for their feedback <i>throughout</i> the materiality assessment process? | Yes / No |

Is your method of communication:

- | | |
|-----------------------------------|----------|
| Convenient for stakeholders? | Yes / No |
| Accessible to all stakeholders? | Yes / No |
| Short and to the point? | Yes / No |
| Personalized to each stakeholder? | Yes / No |

How often are you sharing results with stakeholders?

- Weekly
- Monthly
- Quarterly
- Yearly
- Other: _____

- | | |
|---|----------|
| Are stakeholders regularly engaging with your communications? | Yes / No |
|---|----------|

Ready to elevate your sustainability program?

The FigBytes Platform helps bring your ESG strategy to life with interactive maps, integrated scorecards, and materiality assessments. Connect with us today to learn how!



