



foresight

MANAGEMENT

Materiality Study

WHY

Businesses create both internal and external impact. Inwardly, companies impact their own employees, investors, and financial viability while simultaneously implicating the external environment and consumers. Knowing what matters to your company allows you to understand and assess your stakeholders' priorities and choose sustainability initiatives with the most impact. Without defining what is material to your business, it is challenging to make corporate governance, risk management, or strategic planning decisions. Strategic planning, often called a materiality study, will determine the environmental, operational, and financial boundaries of impact as determined by your stakeholders' input. It will also set you up to build sustainability metrics and goals that resonate with your investors, consumers, supply chain, and employees.

Double materiality assigns a financial cost to the risk and liability of not addressing each material issue and weighs it against the current cost and effort. Accounting for financial investment and risk often re-prioritizes material topics, giving greater clarity to direct sustainability initiatives.

HOW

The first step to mapping out where you want to go is gauging where you currently are. Our team will begin by evaluating your existing environmental, social, and governance policies and procedures to establish a baseline. From there, we will determine the most critical stakeholder perspectives to collect. Stakeholders include individuals within your organization and external to your organization. Internal stakeholders to consider include leadership, plant managers, department heads, supervisors, etc. External stakeholders can include suppliers, customers, and the local community. Our team will help you determine the best methodology for feedback, whether a survey, forum, webinar, or all-day event. We will also benchmark your competitors to develop awareness of current efforts and strategies they are engaging in and evaluating their marketing claims. This information is valuable to defining appropriate business sustainability metrics, goals, and disclosures for the future.

Gathering this data will bring understanding to a variety of values and perspectives within your company. It will allow us to perform a gap analysis between your current efforts and your stakeholders' aspirational visions. Our team will help you create an implementation plan to guide your company forward in sustainability efforts that will significantly impact your organization.

BENEFITS

- Clear picture of the values and concerns of all stakeholders
- Unified vision and understanding of the issues that are most important to internal and external stakeholders
- Double materiality brings awareness to financial risk associated with material issues

DON'T TAKE OUR WORD FOR IT...

**DOUBLING UP:
WHY MATERIALITY MATTERS**

FREQUENTLY ASKED QUESTIONS

Who do you survey in a Materiality Study?

Our team will help you assess your goals and determine the appropriate scope for your study. This can include internal metrics from departments, management, and team members or external data from your community, supply chain, and consumers.

How much does it cost?

It can range from \$25,000–50,000 for materiality and \$65,000–80,000 for double materiality depending on the scope of surveying.

How long does it take to complete?

An internal materiality study takes 3–4 months to complete. If external surveying is involved, it typically takes 6–8 months. A double materiality study takes 6–12 months.

