



Materiality Assessment
Methodology & Matrix
-
Hain Celestial



Introduction

HAIN conducted a materiality assessment to identify HAIN's most significant sustainability risks and opportunities.

The goal of this Materiality assessment is to prioritize those topics where HAIN can have the greatest positive impact. A model that companies typically use to illustrate those priorities is a “Materiality Matrix”. A Materiality Matrix identifies how important a given topic is to the continued success of the business and how high of a concern it is for the business’ stakeholders like investors and Key Opinion Leaders (KOLs).



Summary of methodology

To develop the materiality assessment we completed the following steps:

- **A survey of leaders across HAIN** to identify business priorities and their intersection with sustainability matters
- **Interviews with sustainability experts** to identify areas where HAIN can have the greatest positive impact
- **Desk research** on customers, investors, consumers, regulators and Non-Governmental Organizations (NGOs) to determine where stakeholders expect HAIN to be creating a positive impact
- The topic scoring methodology takes into account the **frequency** with which topics appear in stakeholder materials and the **relative emphasis** stakeholders place on one topic over another. Therefore, the results of any materiality assessment should be viewed as **an approximate indication of topic significance** rather than **an exact calculation**.

Research sources



STAKEHOLDER	RESEARCH RESOURCE
HAIN BUSINESS LEADERS	<ul style="list-style-type: none"> • Input from 88 employees across 6 business units and 13 different divisions on topics most important to/aligned with HAIN
INVESTORS	<ul style="list-style-type: none"> • 80 investor resolutions from 28 different organizations
CUSTOMERS	<ul style="list-style-type: none"> • 81 customer sustainability commitments and 5 sustainability procurement scorecards
REGULATORS	<ul style="list-style-type: none"> • A landmark legislation review across 8 government agencies and 4 global regions.
CONSUMERS	<ul style="list-style-type: none"> • 12 surveys on how sustainability topics affect purchase behaviors
NGOs & KOLs	<ul style="list-style-type: none"> • 4 in-depth interviews with sustainability subject matter experts at the World Wildlife Fund, Ceres, and Share Our Strength • Review of the Sustainability Accounting Standards Board's (SASB) materiality analysis for HAIN-relevant industries
EMPLOYEES	<ul style="list-style-type: none"> • Input from 88 employees on topics most important to them <i>personally</i>

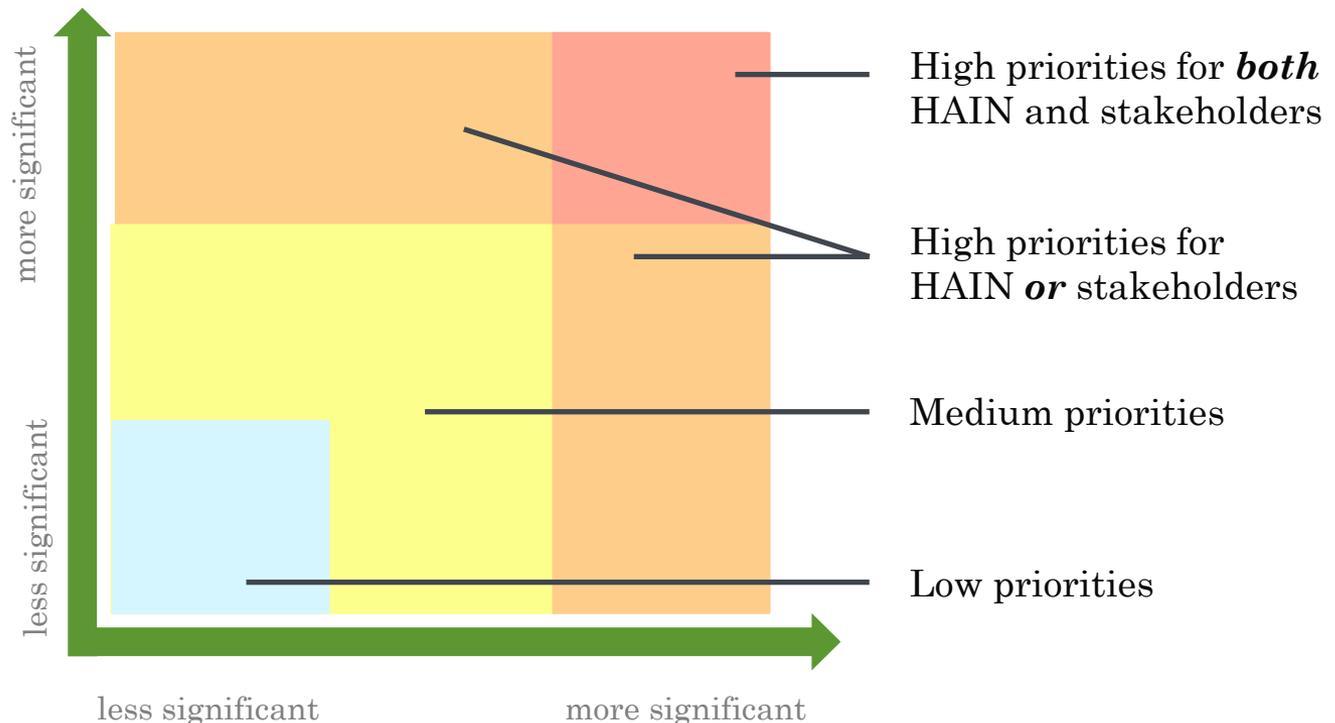
How to read a Materiality Matrix

A Materiality Matrix visually represents how business priorities compare with the priorities of key stakeholders.

Importance to HAIN

The vertical axis represents the importance of each topic to HAIN's ability to generate revenue, operate efficiently and manage risk – according to HAIN leaders

Source:
Leadership survey

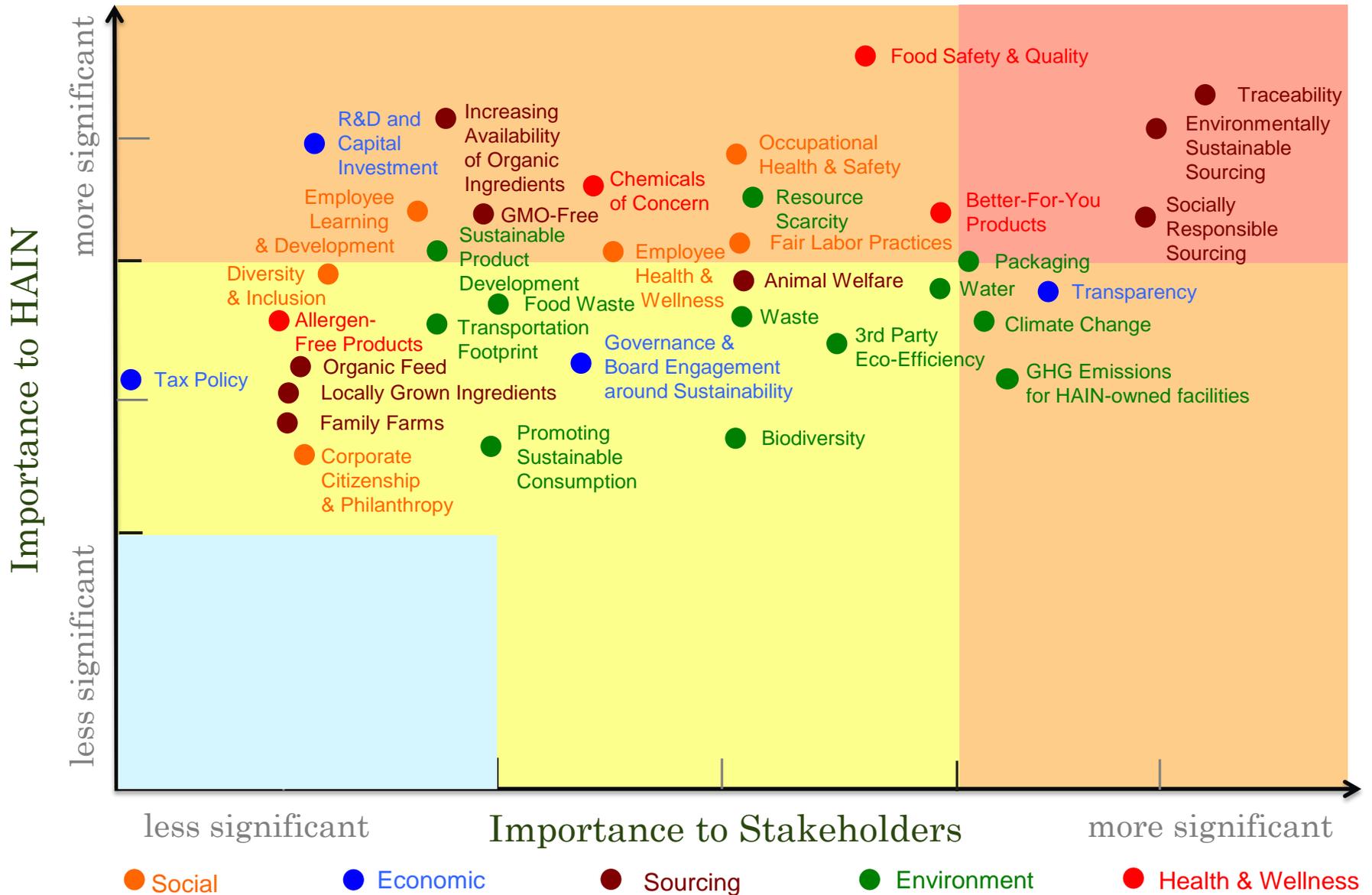


Importance to Stakeholders

The horizontal axis represents the importance of sustainability topics to HAIN stakeholders

Sources:
Investor resolutions, expert interviews, etc.

Hain Celestial Materiality Matrix



Top Ten Topics Overall



TOPIC

1. **Traceability**
2. **Environmentally Sustainable Sourcing: Certified and Verified Ingredients**
3. **Food Safety & Quality**
4. **Socially Responsible Sourcing: Fair Wages and Working Conditions**
5. **Transparency: Right to Know**
6. **Packaging**
7. **Climate Change**
8. **Better-For-You Products (Healthier Products)**
9. **Occupational Health & Safety**
10. **Fair Labor Practices**