

Eczacıbaşı Group Double Materiality Assessment Report

2024

Introduction

A materiality assessment helps organizations identify the most important environmental, social, and governance (ESG) topics by considering both stakeholder perspectives and company-wide priorities. It is a crucial first step in deciding what to measure, manage, and report, as it increases transparency, aligns with industry standards, and improves ESG communication. By highlighting issues relevant to stakeholders and industry benchmarks, materiality assessments also support ESG ratings, investment decisions, and long-term value creation.

Eczacıbaşı Group is a prominent Turkish industrial group with **41 companies, 32 production plants, 12 offices worldwide, and operations spanning more than 120 international markets**. With a diversified portfolio across Bathrooms, Tiles, Consumer Products, Natural Resources, Healthcare and Investment Office, the Group generated **€1.9 billion in net sales in 2024**, creating value for a wide range of stakeholders including customers, employees, suppliers, communities, investors, and regulators. Guided by the vision of **“building a healthier future, together”** with its stakeholders, the Group is dedicated to transparently reporting and publicly sharing its sustainability performance alongside its subsidiaries, striving to create value while fostering a sustainable relationship with people, the planet, and future generations.

The Group conducted its first comprehensive materiality assessment in 2019, covering all business sectors and based on the insights of around 250 stakeholders. That exercise identified seven priority sustainability topics, providing the initial foundation for structured sustainability management.

In 2022, the assessment was revisited and further developed. The Group expanded its priority topics to 15 and aligned them under four strategic pillars: **Corporate Governance, Investing in Planet, Investing in People, and Investing in Future**. This marked an important step in embedding sustainability considerations more deeply into corporate strategy and decision-making.

The material topics identified prior to the Double Materiality Assessment are presented in [Table 1](#) of the appendices.

In 2024, Eczacıbaşı Group strengthened and expanded this process by undertaking a double materiality assessment (DMA) aligned with the European Sustainability Reporting Standards (ESRS). Unlike previous assessments, the new approach combined two complementary perspectives: impact materiality, focusing on the Group’s actual and potential effects on people and the environment, and financial materiality, evaluating sustainability-related risks and opportunities that may affect the Group’s financial performance. The process also significantly broadened stakeholder engagement, incorporating the insights of 3,263 internal and external stakeholders -making it the Group’s most inclusive and comprehensive assessment to date.

At Eczacıbaşı Group, we recognize that materiality is not static. The issues that shape our sustainability strategy today may evolve rapidly due to regulatory change, global events, stakeholder expectations, or internal developments. For this reason, we have placed materiality at the core of our sustainability management system.

This report provides a detailed overview of the 2024 double materiality assessment, outlining the methodology applied, the criteria and thresholds used, and the key outcomes identified.

Executive Summary

The double materiality assessment (DMA) helps organizations evaluate sustainability issues from two perspectives: their actual and potential impacts on people and the environment (impact materiality) and the risks and opportunities these issues create for the company's strategy, operations, and financial performance (financial materiality).

Methodology

The DMA followed a structured process aligned with CSRD and ESRS requirements. The process began with defining the scope, mapping the value chain, and collecting baseline documents. Potential sustainability topics were then identified using ESRS guidelines, sector-specific research, and peer disclosures. This long list was refined through internal analysis and comprehensive stakeholder engagement.

Stakeholder Engagement

To ensure inclusivity, Eczacıbaşı Group engaged a wide range of stakeholders across its value chain through surveys, interviews, webinars, and workshops. In total, **3,263 stakeholders** participated in the surveys (**86% internal, 14% external**), complemented by **45 executive interviews**, an **Impact Workshop with 32 participants**, and a **Stakeholder Workshop with 293 participants**. This multi-faceted approach provided both quantitative and qualitative insights, enabling a balanced understanding of the Group's most material sustainability topics.

Impact and Financial Materiality Assessment

The assessment applied two dimensions: **impact materiality**, which evaluates the scale, scope, likelihood, and irremediability of the Group's impacts on people and the environment; and **financial materiality**, which assesses the likelihood and impact of sustainability-related risks, and opportunities on the company's strategy, operations, and financial performance. The outcomes were validated through extensive stakeholder input.

Material Topics

The results of the assessment were consolidated into a materiality matrix and categorized into three levels of significance:

- **Very High Materiality:** Topics assessed as material from both impact and financial perspectives:
Climate Change Mitigation, Water Management, Waste Management & Circular Economy, Business Ethics, Conservation of Nature, Energy
- **High Materiality:** Topics assessed as material from either the impact or the financial perspective:
Innovation, Climate Change Adaptation, Responsible Marketing, Restricted & Prohibited Substances, Environmental Pollution, Equality, Diversity & Inclusion, Access to Information
- **Medium Materiality:** Topics considered relevant but with a lower degree of materiality compared to higher-ranked issues:
Organizational Culture, Responsible Procurement, Development of Feedback Channels, Biodiversity, Human Rights, Working Conditions, Relations with Local Communities, Product Safety

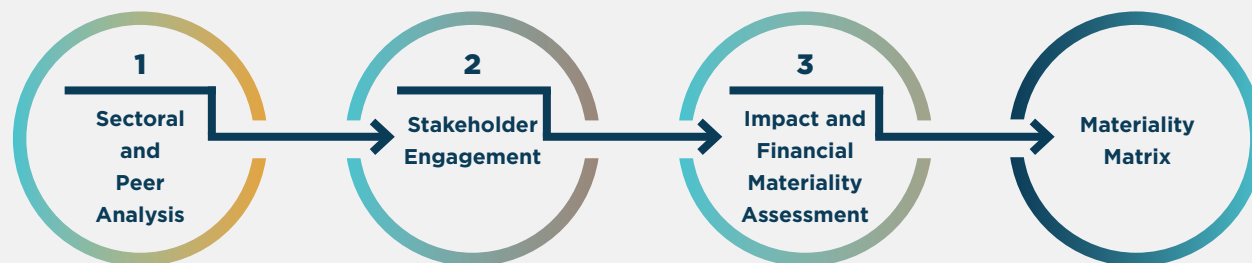


1.

Double Materiality Assessment Methodology

The **Eczacıbaşı Group** is committed to adapting to the evolving sustainability landscape of our industries. To enhance our ability to meet stakeholder expectations and consider what is best for corporate governance, people, the planet, and our shared future, we updated our material sustainability topics with adopting Double Materiality Analysis. This comprehensive assessment covers our impact on both society and the environment (impact materiality) and the potential risks and opportunities that sustainability-related matters may pose to our operations and financial performance (financial materiality). The DMA process incorporates three main evaluation stages, for an integrated approach to address both impact and financial materiality.

1. Sectoral and Peer Analysis
2. Stakeholder Engagement
3. Impact and Financial Materiality Assessment



The Double Materiality Assessment was supported by a broad set of internal and external sources to ensure robustness and alignment with international standards. Internal input included Group-level non-financial disclosures, risk and opportunity assessments, management interviews, workshops, and employee surveys. External inputs were derived from stakeholder engagement activities, ESRS and GRI standards, SASB sector guidance, peer disclosures, industry and intergovernmental publications, and scenario-based climate and nature risk data tools (such as ENCORE, NGFS, IPCC Atlas, and WRI Aqueduct). These sources collectively informed the identification, assessment, and validation of material impacts, risks, and opportunities across the Group's value chain.

A detailed list of all sources and their applications can be found in [Table 3](#) of the Appendices.

Key Features of Eczacıbaşı Group's DMA

- **ESRS-aligned framework**
- **Four strategic focus areas:** Governance, Planet, People, Future
- **Inclusive stakeholder engagement** through surveys, workshops, and interviews
- **Bottom-up assessment approach** covering all business divisions.

1.1 Sectoral and Peer Analysis

During the first stage of our double materiality assessment, which identifies our key sustainability topics, we analyzed developments both within the broader business environment and our specific sectors.

The purpose of this assessment is to keep pace with changing trends and maintain our competitive advantage in the sector. To this end, we conducted a sectoral and peer analysis that included a review of industry specific research from authoritative organizations such as the Sustainability Accounting Standards Board (SASB), the World Economic Forum, and S&P Global, as well as international reporting standards and sustainability reports published in the sector.

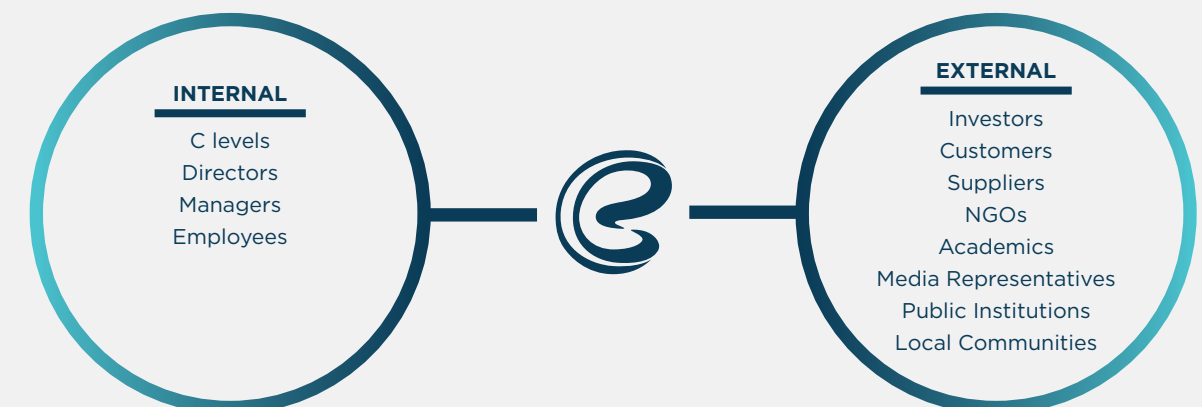
These insights were critical in informing our Double Materiality Assessment, enhancing our understanding of shifting stakeholder expectations and providing the basis for defining **28 sustainability topics** structured under our four strategic pillars: Corporate Governance, Investing in Planet, Investing in People, and Investing in Future.



1.2 Stakeholder Engagement

Stakeholder engagement formed the **core of our methodology**, ensuring that a diverse range of perspectives informed the identification of material issues. Stakeholders were identified based on their relevance to the Group's and its companies' value chains, their exposure to potential impacts, and their ability to influence or be influenced by the Group's activities.

Internal stakeholders included C-levels, directors, managers, and white- and blue-collar employees. External stakeholders comprised investors, customers, suppliers, non-governmental organizations (NGOs), academics, media representatives, public institutions, and local communities. In some cases, company-specific stakeholders were also included; for example, in the Bathrooms business, authorized service centers were part of the engagement process.



To ensure inclusivity, we adopted a **multi-faceted engagement approach**, which included:

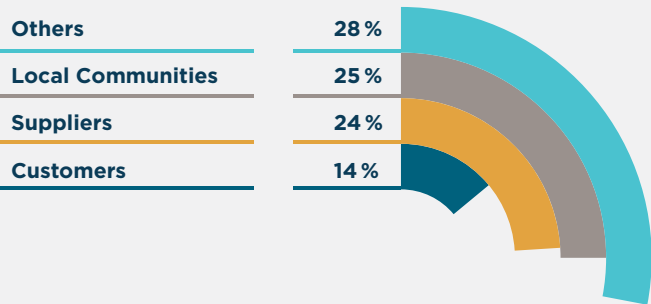
- Online webinars explaining the DMA process and project steps,
- Stakeholder surveys capturing quantitative input,
- In-depth face-to-face interviews with executives and managers,
- In-person interviews with local communities,
- Impact-focused webinars and workshops, and
- Dedicated stakeholder workshops with Eczacıbaşı Holding representatives.

This approach enabled us to gather both qualitative and quantitative insights, providing a robust and balanced view of sustainability priorities across different stakeholder groups. In total, **3,263 stakeholders responded to the surveys**, of which approximately **86% were internal** and **14% external**. In addition, engagement activities included **45 in-depth interviews with executives and managers**, an **Impact Workshop with 32 participants**, and a **Stakeholder Workshop with 293 participants**.

Internal and External Stakeholder Surveys

To capture the perspectives and expectations of our stakeholders on 28 sustainability topics, we conducted an **online survey** covering both internal and external participants. The survey asked respondents to rate the importance of each topic on a scale from *Not Important* to *Very Important*. Insights from workshops and interviews (detailed in the following sections) were later used to complement and validate these findings.

A total of **3,263 stakeholders across Eczacıbaşı Group** responded to the survey, including **235 participants from Eczacıbaşı Holding**. Among external stakeholders, representation was distributed as follows: **Others (28%), Local Communities (25%), Suppliers (24%),** and **Customers (14%)**.



The ‘Others’ category reflects the diversity of Eczacıbaşı Group’s external stakeholder base, encompassing academia, authorized service centers, investors (including financial institutions), media, civil society organizations, and public institutions.

Workshops

To evaluate the sustainability topics identified through internal and external stakeholder surveys, we organized workshops focused on assessing their **environmental, social, and financial impacts**. These sessions brought together the General Manager, key directors and managers, representatives from Human Resources and Finance, and the Sustainability Department. External participants were selected among stakeholders who had worked closely with Eczacıbaşı Group and its companies and who were already familiar with the Group’s sustainability approach.

Before the workshops, participants were asked to indicate the five most critical sustainability topics for Eczacıbaşı Holding in a pre-survey. **Based on these responses, the priority topics were allocated to working groups for further discussion and evaluation.** The five selected topics were:

- Equality, Diversity, and Inclusivity
- Combating Climate Change
- Waste Management, and Circular Economy
- Water Management
- Investment in Culture and Art

Working groups then assessed these topics in greater depth, considering their significance for the Holding, related strengths and challenges, and potential strategic implications. Discussions also addressed associated risks and opportunities, areas for improvement, and the broader impact these issues may have on the Holding’s long-term trajectory. The outcomes of the workshops validated the prioritization of topics and provided actionable input for the DMA.

Interviews

Another key component of the stakeholder engagement process involved in-depth interviews with C-level executives and key directors or managers of Eczacıbaşı Holding. These interviews followed a semi-structured format, with separate question sets tailored for C-level executives and directors, and further customized for each Eczacıbaşı Group business sector.

In total, 45 interviews were conducted with Eczacıbaşı Group executives, 11 of them at Eczacıbaşı Holding. Participants included internal stakeholders from the Digital Transformation Office, Audit Department, Investment Office, Human Resources, Sustainability, Corporate and Government Affairs, and Accounting and Finance. During these interviews, participants were first asked to rank the five most significant topics out of the 28 identified and then elaborate on their selections in the context of their operations and company strategies. In addition, in-person interviews with local communities were conducted using the same question set as the surveys, focusing on localities most affected by the Group’s operations. For Eczacıbaşı Holding, these interviews took place in Istanbul, Ankara, and Izmir. This approach ensured that the perspectives of local communities, particularly those in areas most impacted by the Group’s activities, were comprehensively reflected in the assessment.

Insights from the stakeholder engagement process, combined with the outcomes of workshops and interviews, informed the evaluation of impact, risk, and opportunity (IRO) lists and scores, while survey results directly shaped the development of the materiality matrix.

1.3 Impact and Financial Materiality Assessment

The impact and financial materiality assessment for Eczacıbaşı Group was first conducted at the **sub-division level** (Bathrooms, Tiles, Consumer Products, Natural Resources, and Healthcare). Each sub-division developed a **long list of Impacts, Risks, and Opportunities (IROs)**.

These long lists were prepared using both **sub-division-specific** and **sector-agnostic internal and external sources** on sustainability and climate-related topics. The starting point for this process was the list of sustainability matters prescribed by **ESRS 1 (Application Requirement 16, sub-sub-topic level)**.

The longlists were subsequently refined into **“medium lists”** through expert review. Experts were consulted only on matters within their areas of expertise, while sustainability departments in each company provided broader perspectives. Input collected during this stage covered:

- Relevance and applicability of sustainability matters in terms of potential materiality (impacts, risks, opportunities),
- Whether identified impacts were positive, negative, or both,
- Expected time horizons for risks, opportunities, and impacts to materialize,
- Applicability across the value chain (upstream, direct operations, downstream)

An overview of the sources used to develop the IRO longlists is presented in **Table 3 (Appendices)**.

Short Term	Medium Term	Long Term
0-1 years	2-6 years	7-25 years

The **severity assessment** of IROs identified in the medium lists comprised a qualitative analysis of actual and potential **negative and positive impacts, risks, and opportunities** associated with each item. The assessment was conducted across **short-, medium-, and long-term horizons**, defined in alignment with Eczacıbaşı Group’s strategic planning, investment timelines, and sustainability objectives.

In accordance with Eczacıbaşı Group’s Enterprise Risk Management Procedure, both impact and financial materiality assessments were quantified using a **five-level scoring scale (0-5)**, consistent with the Group’s risk management methodology and aligned with EFRAG’s Materiality Assessment Implementation Guidance. IROs with a **score of 15 or higher** were classified as material.

Impact Materiality Assessment

Impact materiality assessment evaluated Eczacıbaşı Group’s effects on the environment and people, considering both negative outcomes (e.g., potential human rights violations, environmental damage) and positive contributions (e.g., employment generation, innovation in sustainable products). The scoring framework, based on ESRS 1, considered scale, scope, and irremediability for all actual and potential impacts, while likelihood was assessed only for potential impacts. [Table 4](#) in the Appendices outlines the scoring methodology for impacts and provides a more detailed description for each score.

Negative Impacts				Positive Impacts			
Actual		Potential		Actual		Potential	
Scale		Scale		Scale		Scale	
+		+		+		+ x Likelihood	
Scope		Scope		Scope		Scope	
+		+ x Likelihood					
Irremediable		Irremediable					

	Scale	Scope	Irremediability	Likelihood
	Severity of Impact	Extent of impact	Difficulty of restoration	Probability
1	Minimal	Limited (small group/area)	Easy	Rare
2	Low	Concentrated (specific group/region)	With effort	Unlikely
3	Moderate	Medium	Difficult	Occasional
4	Significant	Widespread	Very difficult	Likely
5	Absolute / total	Global / total	Irreversible	Very likely

Financial Materiality Assessment

The financial materiality assessment evaluated sustainability-related risks and opportunities that may affect Eczacıbaşı Group’s financial performance, in line with ESRS. It considered both the **impact and likelihood** of risks and opportunities, while also considering the **mitigation measures already implemented** by Group companies.

For each risk and opportunity, **likelihood and impact were scored on a 1-5** scale, corresponding to *Very Low, Low, Medium, High, and Very High*. In assessing likelihood, consideration was also given to whether similar risks or opportunities had occurred in the past. [Table 5](#) and [Table 6](#) in the Appendices outline the scoring methodology for risks and opportunities and provide a more detailed description for each score.

Risks and Opportunities			
Impact		x Likelihood	

After the company-level assessments were finalized, IRO scores were consolidated at the Group level by calculating the **arithmetic mean** and weighted by stakeholder survey results. In the resulting materiality matrix, **financial materiality** was plotted on the **X-axis** and **impact materiality** on the **Y-axis**, with a **threshold score of 8** applied. Topics scoring above the threshold on both axes were classified as **very high materiality**; those above the threshold on only one axis as **high materiality**; and those below the threshold on both axes as **medium materiality**.



2.

Double Materiality Assessment Results

The 2024 Double Materiality Assessment provides a comprehensive view of the most significant sustainability topics for Eczacıbaşı Group.

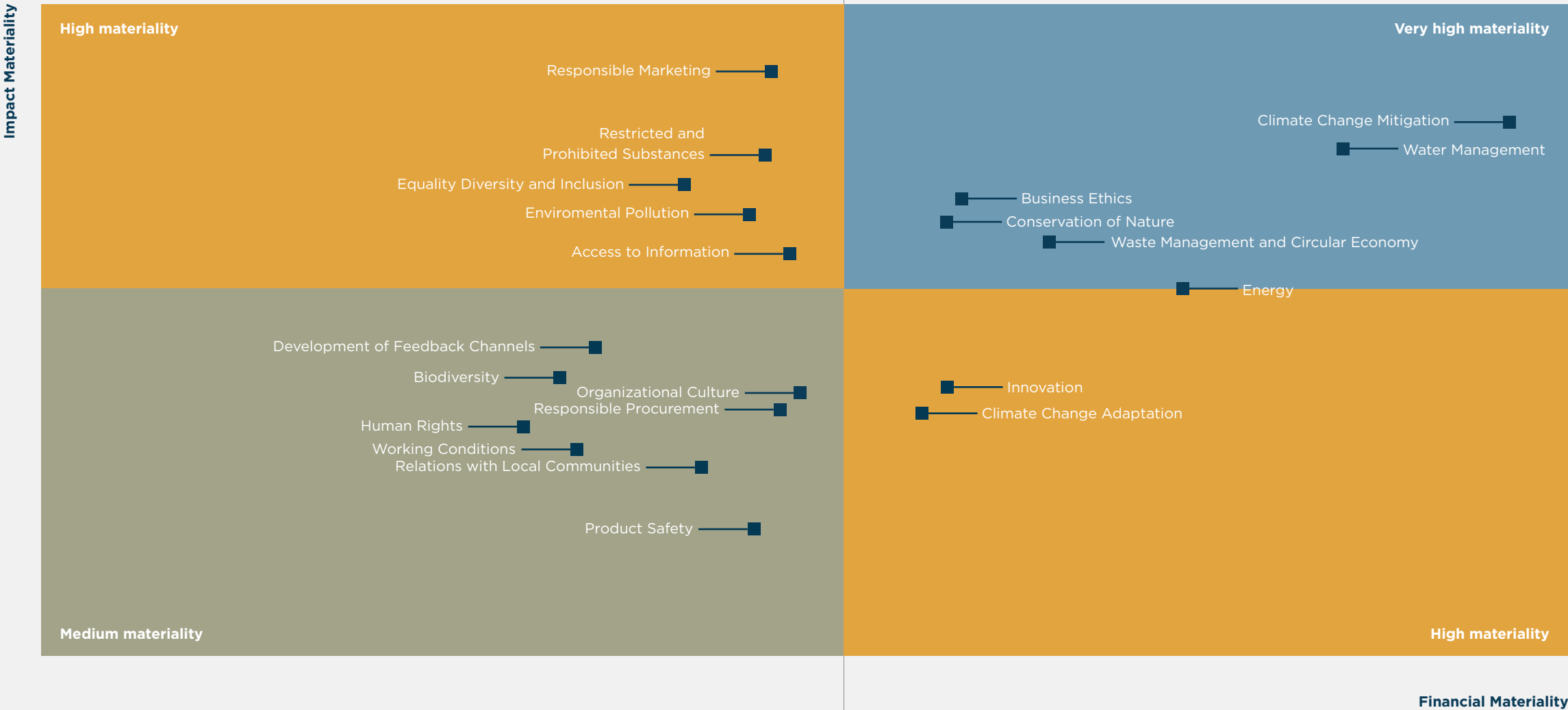
At the top of the matrix, **very high materiality** issues such as climate change mitigation, water management, waste management and circular economy, business ethics, conservation of nature, and energy reflect the areas where both impact and financial material.

Topics classified as **high materiality**, including innovation, climate change adaptation, responsible marketing, restricted and prohibited substances, environmental pollution, equality, diversity and inclusion, and access to information, represent areas that are material either from an impact or a financial perspective.

Finally, **medium materiality topics**, such as organizational culture, responsible procurement, biodiversity, human rights, working conditions, and product safety, remain relevant but were assessed as having a comparatively lower degree of significance at the Group level. These topics nevertheless carry strategic value, particularly in supporting long-term stakeholder trust and alignment with evolving regulatory and societal expectations.

While the matrix provides a consolidated overview of material topics, further insight can be drawn from stakeholder engagement results. The [Stakeholder Priorities](#) Table illustrates which topics were most frequently emphasized by different stakeholder groups, offering a valuable perspective on how external expectations align with the Group’s strategic sustainability agenda.

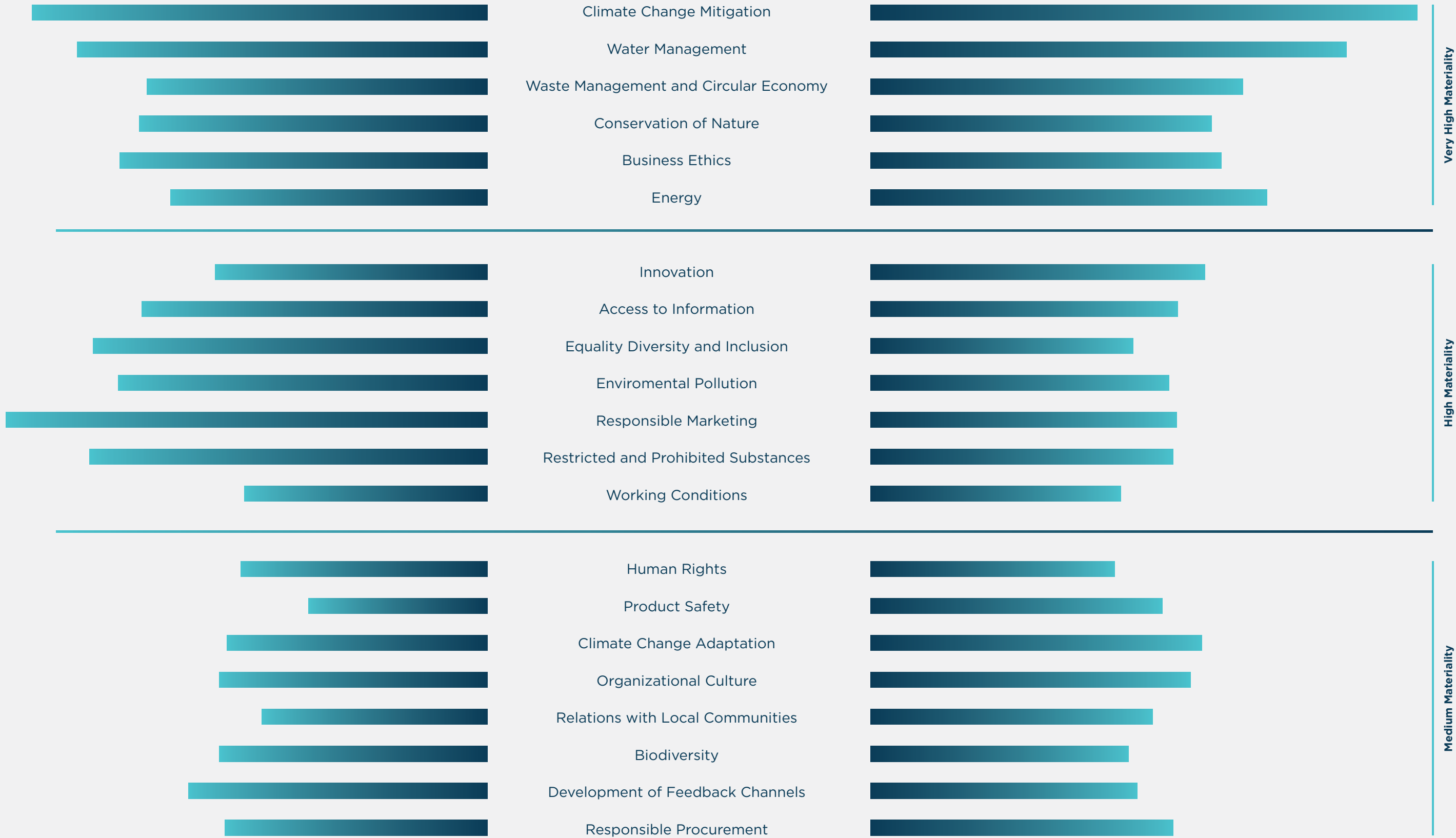
Detailed results for each Group company’s DMA are provided in the Appendices.



2024 Material Topics Ranking

Impact Materiality

Financial Materiality



3.

Looking Ahead: Integration into Strategy and Reporting

The Double Materiality Assessment methodology provides a **structured, transparent, and inclusive approach** to identifying and prioritizing sustainability impacts, risks, and opportunities. By combining benchmarking, stakeholder engagement, and impact and financial assessments, the process ensures that Eczacıbaşı Group is able to:

- Align with evolving global regulations and sectoral trends,
- Integrate stakeholder expectations into sustainability decision-making,
- Anticipate future risks and opportunities under the principle of double materiality, and
- Embed sustainability at the core of strategy and governance.

Ultimately, the DMA serves as both a **compliance tool and a strategic compass**, guiding Eczacıbaşı Group in creating long-term value for its stakeholders, society, and the environment.

The results of Double Materiality Assessment provide a vital underpinning for our forward-looking strategy. Building upon these critical insights, we are committed to refining our strategic priorities by revising our goals and undertaking a meticulous review of our performance metrics.

This deliberate and holistic approach is intended to deepen our sustainability impact, while fostering balanced and resilient growth across the financial, environmental and social dimensions. This will reinforce our commitment to long-term value creation for all stakeholders.



APPENDICES

Table 1 Progression of Eczacıbaşı Group’s Materiality Results (2019–2022)

2019 Material Topics*		
Equal Opportunities		
Occupational Health and Safety		
Climate and Environment		
Recycling and Circular Economy		
Business Ethics and Legal Compliance		
Product Responsibility		
Innovation		

Sustainability Pillars	Strategic Focus Areas	2022 Material Topics*
Investing in Planet	Climate and Environment	Energy Management and Carbon Emissions
		Water Management
	Circular Economy	Product Responsibility
		Waste Management
Investing in People	Equal Opportunity	Equal, Diverse and Inclusive Workplace
		Attracting Developing and Retaining Talent
	Health and Safety	Health, Safety and Wellbeing
	Community and Social Vitality	Social Investment
Investing in Future	Innovation and Entrepreneurship	Innovation
		Entrepreneurship
		Research and Development (R&D)
	Digital Transformation	Digital Transformation
Corporate Governance	Ethics and Compliance	Business Ethics and Legal Compliance
		Supply Chain Management
	Economic Sustainability	Economic Sustainability

* It does not represent a ranking of importance.

Table 2 Stakeholder Priorities

Topic	Key Stakeholders
Water Management	Public institutions, NGOs, customers, suppliers, employees
Environmental Pollution	Public institutions, suppliers, media, employees
Conservation of Nature	Public institutions, media, “Other” stakeholders, employees
Restricted & Prohibited Substances	Suppliers, media, “Other” stakeholders, employees
Waste Management & Circular Economy	Public institutions, customers, suppliers, managers, employees
Energy	NGOs, media, “Other” stakeholders, employees
Climate Change Mitigation	Academia, “Other” stakeholders, customers, suppliers, employees
Human Rights	Academia, media, “Other” stakeholders, public institutions, employees
Working Conditions	Media, “Other” stakeholders, customers, academia, employees
Equality, Diversity & Inclusion	“Other” stakeholders, academia, media, suppliers, employees
Business Ethics	“Other” stakeholders, public institutions, academia, customers, employees
Product Safety	Customers, employees

Table 3 Sources informing the Double Materiality Assessment

Source	Type	Description
Internal Sources	TCFD Risk and Opportunity Assessments	Qualitative, company-level assessments of climate-related physical and transition risks. Included scoring across time horizons, impact definitions, and mitigation or investment measures. Utilized in both the identification and severity assessment processes.
	Non-Financial Disclosures	Group and company-level sustainability reports, policies, procedures, and public commitments. Used to inform the identification of IROs and corresponding mitigation measures.
	Workshops	Originally designed for external stakeholder engagement but also included internal stakeholders. Internal input contributed to the identification of IROs and supported severity assessments.
	Surveys	Conducted with white- and blue-collar employees across domestic and international operations. Helped prioritize sustainability topics and informed the identification and severity assessment of IROs.
	One-on-One Interviews	Interviews conducted with senior management and relevant business units to identify company- and sector-specific IROs. Primarily supported severity assessment, with additional input to the identification process.
External Sources	ESRS Standards	The list of sustainability matters in ESRS 1 AR 16 served as the baseline for IRO longlists. Items were included at a sub-sub-topic level to ensure granularity. Additional disclosure requirements from topical ESRS standards were also integrated.
	External Stakeholders	Engagements with clients, suppliers, NGOs, academics, and local communities via surveys, workshops, and interviews. Their input supported both the identification and severity assessment of IROs.
	Surveys	Aligned with internal stakeholder surveys. Collected qualitative data on stakeholder priorities. Results contributed to the identification of top sustainability topics and informed severity assessment.

Source	Type	Description
... External Sources	On-the-Ground Interviews	Conducted with local communities and the general public to assess perceptions of the Group's sustainability performance and communication. Findings helped highlight stakeholder priorities and material issues.
	Peer Disclosures	Benchmarking data from peer sustainability reports and CDP questionnaires. Used to identify sector-specific IROs and assess performance relative to peers. Also supported severity assessment. Tools such as Refinitiv Workspace and S&P Capital IQ were utilized.
	Industry Association & Intergovernmental Publications	Provided sector-specific insights on impacts, risks, and opportunities along the value chain, including upstream and downstream. Used in both identification and severity assessment processes.
	SASB Sector Standards	Investor-oriented standards used to identify sub-division-specific financial risks and opportunities. Also supported severity assessment through the SASB Materiality Finder.
	GRI Sector & Universal Standards	Applied using an impact materiality lens in alignment with EFRAG IG 1. Supported the identification and severity assessment of actual and potential impacts.
	Climate & Nature Risk Data Sources	Scenario-based and nature-related tools (e.g. ENCORE, NGFS, IPCC Atlas, Aqueduct, World Bank Climate Portal) used to assess climate and nature-related dependencies, risks, and impacts across sectors.

Table 4 The Scoring Methodology for Impacts

Scoring Factor	Type	Scoring Scale	Description
Scale	How grave the negative impact is or how beneficial the positive impact is for people or the environment.	5	Absolute: An impact that is total and unequivocal, leaving no room for compromise or mitigation—either entirely beneficial or completely detrimental.
		4	High: An impact that is significant and substantial, either causing major harm or delivering notable benefits to people or the environment.
		3	Medium: An impact that is moderate in intensity, causing noticeable but not severe harm or providing meaningful but not transformative benefits.
		2	Low: An impact that is minimal or negligible, causing little harm or offering limited benefits to people or the environment.
		1	Minimal: An impact that is barely perceptible, with almost no harm or benefit to people or the environment.
		0	None: Indicates the complete absence of impact, with no harm or benefit to people or the environment.
Scope	How widespread the negative or positive impacts are. In the case of environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter. In the case of impacts on people, the scope may be understood as the number of people adversely affected.	5	Global/total: Impacts that affect the entire world or the entirety of a system, such as worldwide environmental damage or consequences impacting all people globally.
		4	Widespread: Impacts that extend across a large geographical area or affect a significant number of people or ecosystems, though not necessarily the entire world.
		3	Medium: Impacts that are confined to a moderate geographical area or affect a moderate number of people, representing a middle range between localized and widespread effects.
		2	Concentrated: Impacts that are focused in a specific area or affect a particular group of people, rather than being spread out over a larger region or population.
		1	Limited: Impacts that are restricted in scope, affecting only a small area, a few people, or a specific aspect of a system, with minimal broader consequences.
		0	None: No impacts or effects observed or experienced, indicating the absence of any adverse or positive influence in the given context.

Scoring Factor	Type	Scoring Scale	Description
Irremediability <i>for actual and potential negative impacts only</i>	Whether and to what extent the negative impacts could be remediated, i.e., restoring the environment or affected people to their prior state.	5	Non-remediable/irreversible
		4	Very difficult to remedy or long-term
		3	Difficult to remedy or mid-term
		2	Remediable with effort (time & cost)
		1	Relatively easy to remedy short-term
		0	Very easy to remedy
Likelihood <i>only considered for potential negative or positive impacts</i>	The probability of realization for the impact component of a given IRO that may positively or negatively impact the environment or society, in all time horizons relevant to the impact.	5	Impact has occurred on numerous occasions in the past, and/or the impact is virtually certain to materialize in a given time horizon.
		4	Impact has occurred on multiple occasions in the past, and/or the impact can be reasonably expected to materialize in a given time horizon.
		3	Impact has a limited history of occurrence, and/or the impact has been observed to materialize in peers.
		2	Impact has limited or no history of occurrence, and/or the impact has been observed to occur on limited occasions in peers.
		1	Impact has no history of occurrence, and/or the impact has only been observed to occur in exceptional circumstances in peers.

Table 5 The Scoring Methodology for Risks

Scoring Factor	Definition	Scoring Scale	Description
Likelihood	The probability of realization for the risk component of a given IRO that may negatively impact the company's financial performance and/or position.	5	Event has occurred on numerous occasions in the past, and/or the risk is virtually certain to materialize in a given time horizon.
		4	Event has occurred on multiple occasions in the past, and/or the risk can be reasonably expected to materialize in a given time horizon.
		3	Event has a limited history of occurrence, and/or the risk has been observed to materialize in peers.
		2	Event has limited or no history of occurrence, and/or the risk has been observed to occur on limited occasions in peers.
		1	Event has no history of occurrence, and the risk has only been observed to occur in exceptional circumstances in peers.
Impact	The magnitude of a risk within or across risk categories (<i>Financial, Reputation, People, Environmental, Operational and Regulatory</i>) given an event which may negatively impact the company's financial performance and/or position has occurred.	5	Magnitude of risk is likely to be very high across risk categories.
		4	Magnitude of risk is likely to be high across risk categories and very high in a given risk category.
		3	Magnitude of risk is likely to be average across risk categories and/or high in a given risk category.
		2	Magnitude of risk is likely to be low across risk categories and/or average in a given risk category.
		1	Magnitude of risk is likely to be low or very low across risk categories and low or very low in a given risk category.
Risk materiality	Risks materiality is assessed from a financial materiality perspective. A sustainability matter is material from a financial perspective if it triggers or may trigger material financial effects on the company.	H	Expected impact of risk is highly material. Threshold for high materiality is a composite risk score (<i>i.e. likelihood * impact</i>) of greater than or equal to (\geq) 15.
		M	Expected impact of risk is material. Threshold for materiality is a composite risk score (<i>i.e. likelihood * impact</i>) between 8 and 12, inclusive ($8 \leq \text{score} \leq 12$).
		N	Expected impact of risk is immaterial. Threshold for materiality is a composite risk score (<i>i.e. likelihood * impact</i>) of less than ($<$) 8.

Table 6 The Scoring Methodology for Opportunities

Scoring Factor	Definition	Scoring Scale	Description
Likelihood	The probability of realization for the opportunity component of a given IRO that may positively impact the company's financial performance and/or position.	5	Opportunity has been realized in a given context in the past, and/or the opportunity can virtually certainly be realized in a given time horizon.
		4	Opportunity has been attempted to be realized and/or realized with inadequate success in a given context in the past, and/or the opportunity can be realized in a given time horizon with high probability.
		3	Opportunity has been considered in a given context in the past, and/or the opportunity can be realized in a given time horizon with moderate probability.
		2	Opportunity has not been identified and/or attempted in the past, and/or the opportunity can be realized in a given time horizon with low probability.
		1	Opportunity has not been identified and/or attempted in the past, and the opportunity can be realized in a given time horizon with very low probability.
Impact	The financial impact of an opportunity which may positively impact the company's financial performance and/or position, given the opportunity has been realized.	5	Opportunity has very high potential (<i>upside/downside</i>) impacts on revenues, expenses and/or market share.
		4	Opportunity has high potential (<i>upside/downside</i>) impacts on revenues, expenses and/or market share.
		3	Opportunity has moderate potential (<i>upside/downside</i>) impacts on revenues, expenses and/or market share.
		2	Opportunity has low potential (<i>upside/downside</i>) impacts on revenues, expenses and/or market share.
		1	Opportunity has very low potential (<i>upside/downside</i>) impacts on revenues, expenses and/or market share.
Opportunity materiality	Opportunity materiality is assessed from a financial materiality perspective. A sustainability matter is material from a financial perspective if it triggers or may trigger material financial effects on the company.	H	Opportunity materiality level is the expected value of the financial impact (<i>i.e. likelihood * impact</i>) of a given opportunity. Threshold for high materiality is a composite opportunity score (<i>i.e. likelihood * impact</i>) of greater than or equal to (\geq) 15.
		M	Opportunity materiality level is the expected value of the financial impact (<i>i.e. likelihood * impact</i>) of a given opportunity. Threshold for materiality is a composite opportunity score (<i>i.e. likelihood * impact</i>) between 8 and 12, inclusive ($8 \leq \text{score} \leq 12$).
		N	Opportunity materiality level is the expected value of the financial impact (<i>i.e. likelihood * impact</i>) of a given opportunity. Threshold for materiality is a composite opportunity score (<i>i.e. likelihood * impact</i>) of less than ($<$) 8.

Table 7 Bathrooms’ DMA Results

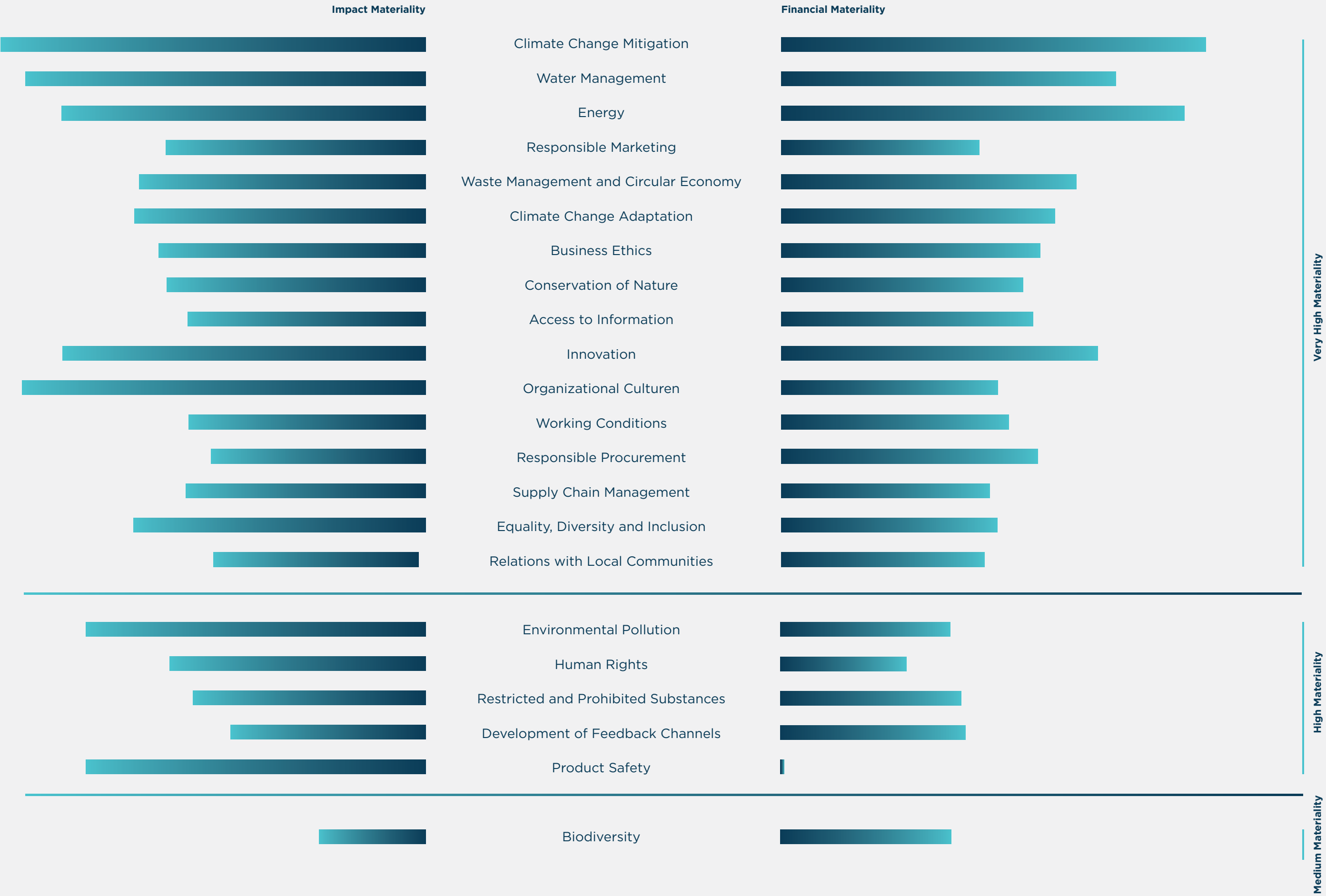


Table 8 Tiles’ DMA Results

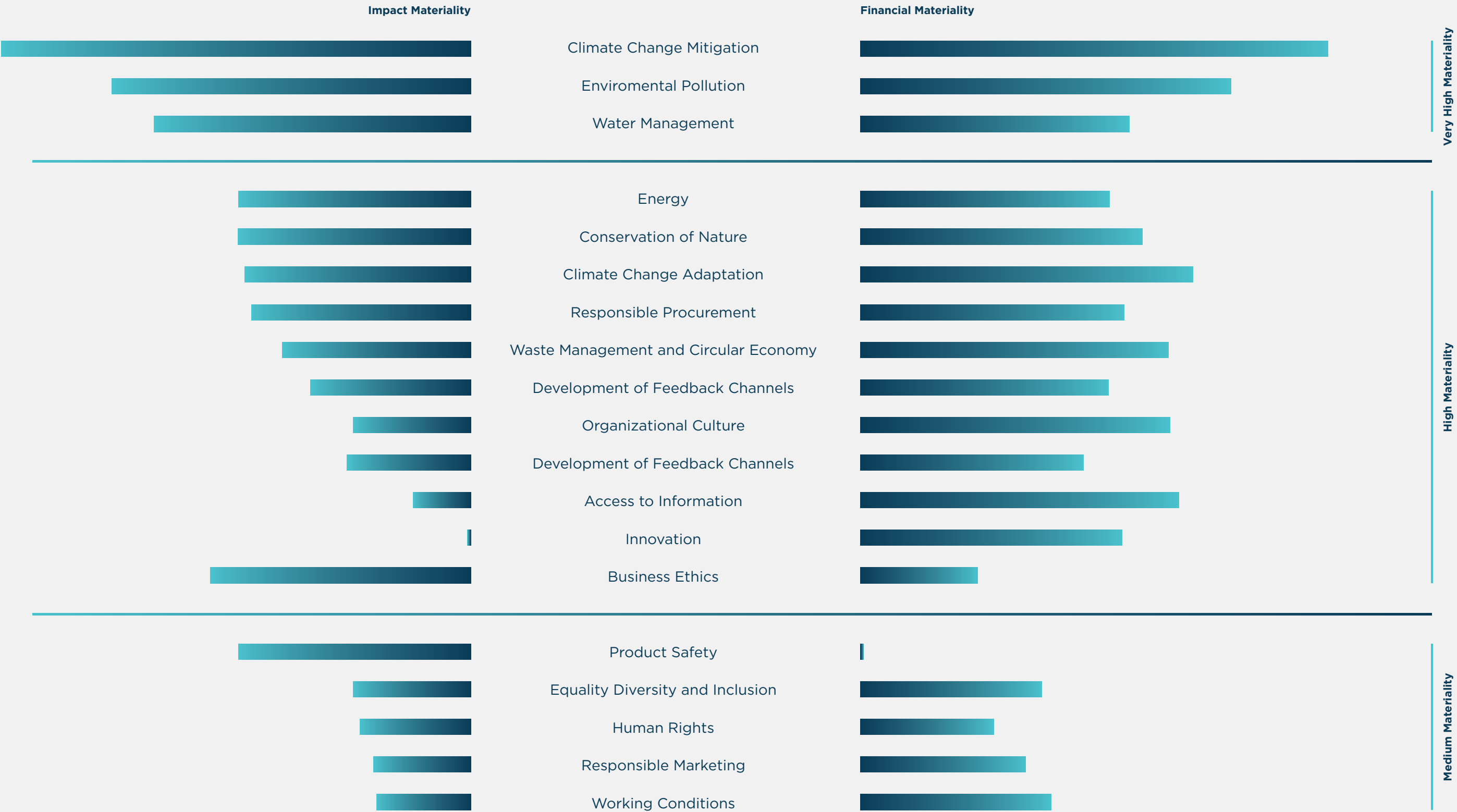


Table 9 Consumer Products' DMA Results

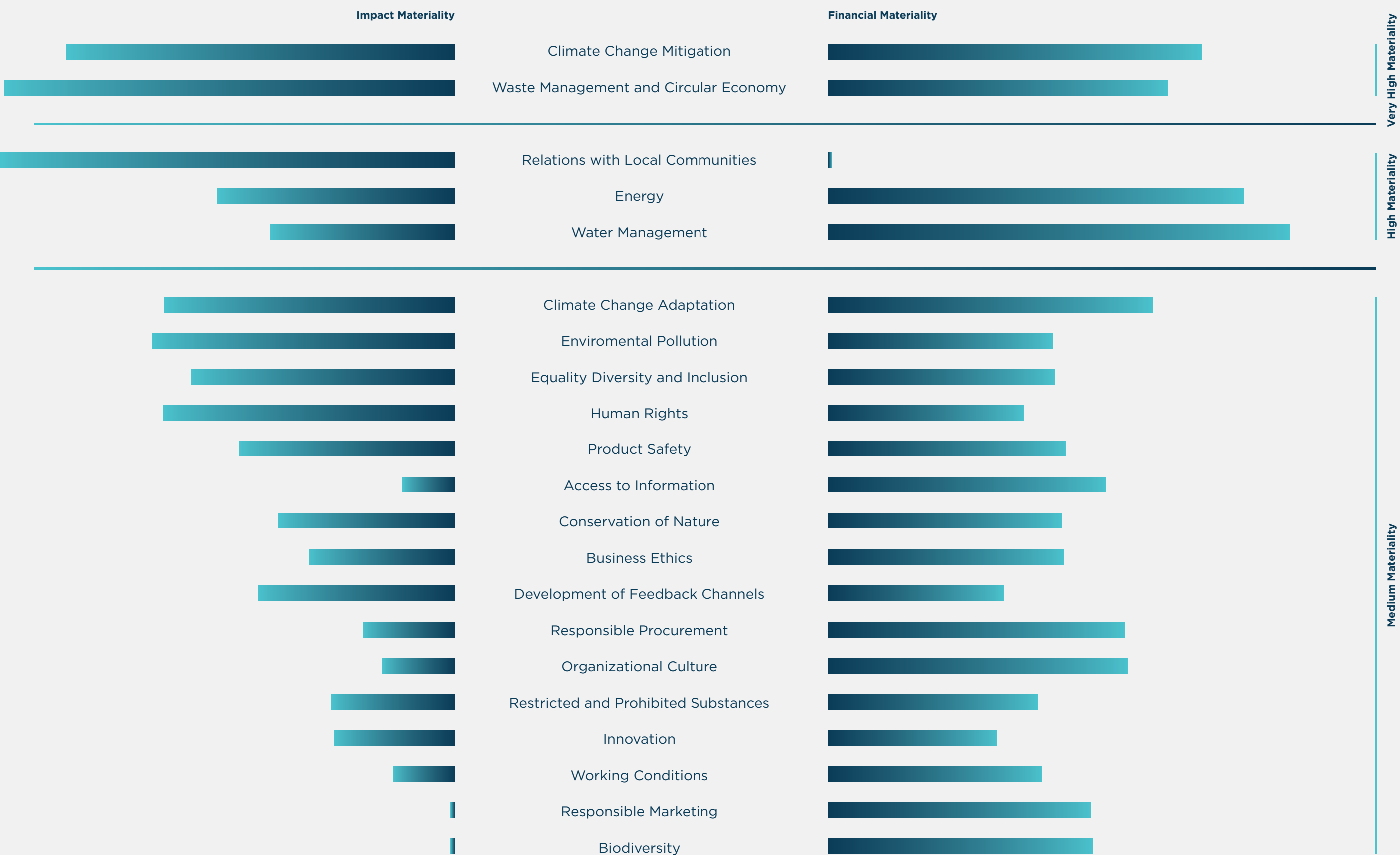


Table 10 Natural Resources’ DMA Results

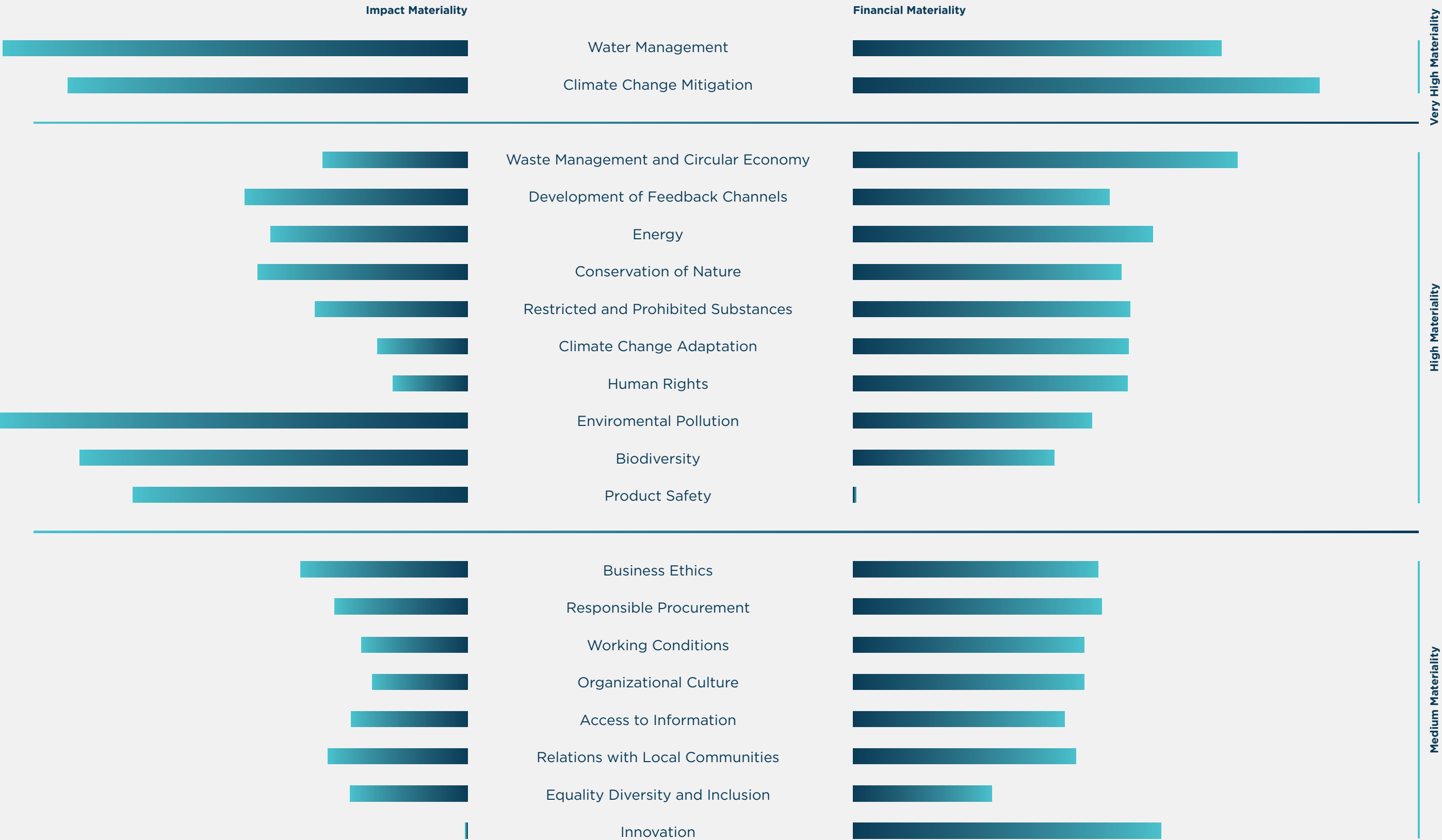


Table 11 Healthcare’s DMA Results

