

ITV Materiality Matrix 2020



Why materiality matters

As the UK's biggest commercial broadcaster, a significant creator of global content and a FTSE 250 company, we recognise our role and responsibility in raising the profile of and addressing the social and environmental challenges that affect us and our stakeholders.

Our vision is to be 'More than TV'. We have a unique creative and commercial potential to shape culture for good. With our social purpose, we aim to use our creativity and scale to inspire positive change in the world and nurture a responsible and inclusive working environment.

It's important that our social purpose strategy focuses on the issues where we can make the biggest impact.

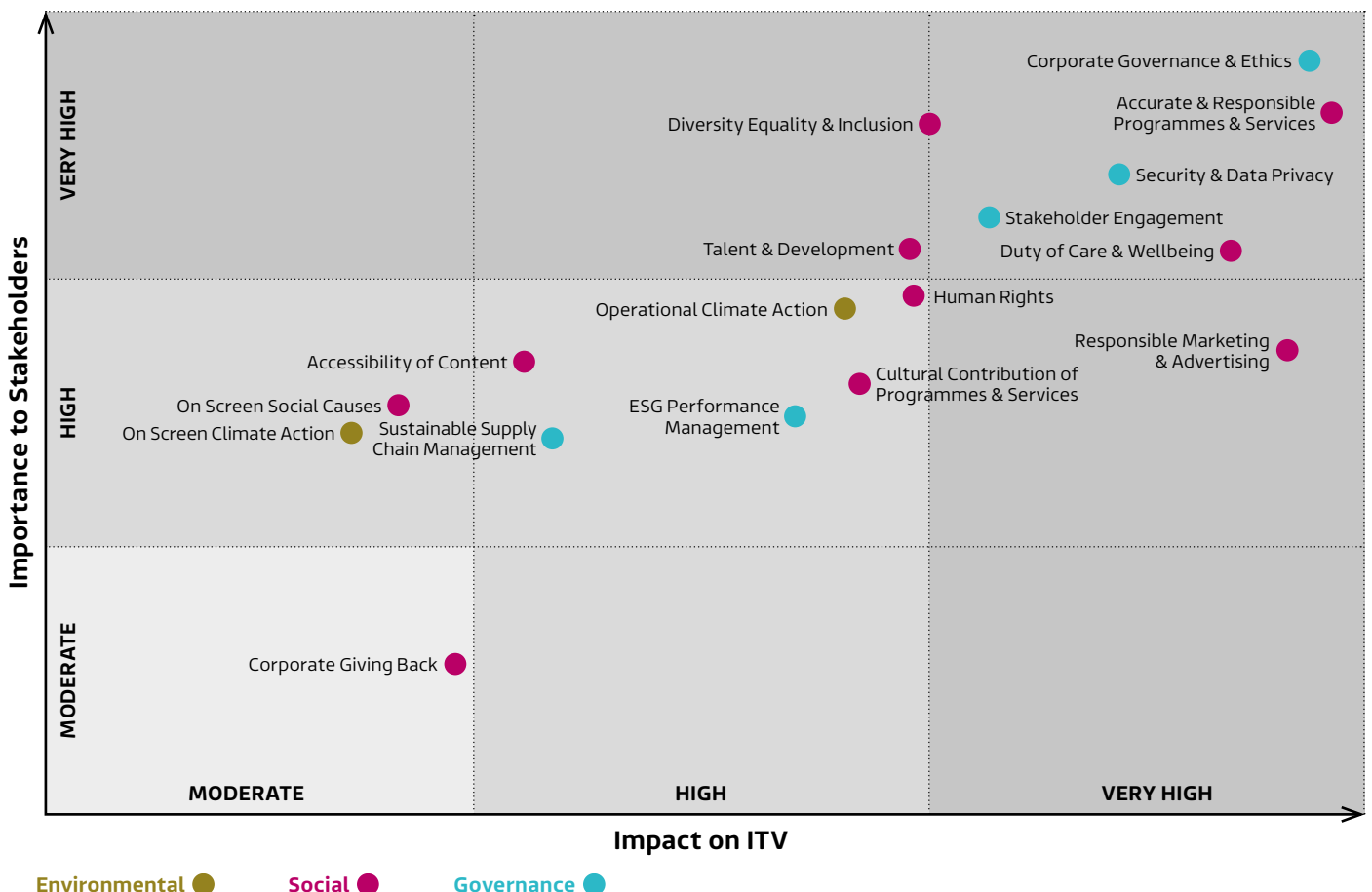
Defining what's material

Conducting a materiality assessment helps us do this; to identify, respond to and report on the social and environmental issues that matter most to our business and stakeholders.

An issue is material for ITV if it meets two conditions. First, it impacts our business significantly in terms of growth, cost or risk. And second, it is important to our stakeholders – colleagues, viewers, advertisers, investors, partners and peers, regulators and legislators, and our industry - and is an issue they expect us to prioritise.

What our material issues are

We conducted our last materiality assessment in 2017. Since then, we have continued to engage with our stakeholders on a regular basis to understand their priorities and concerns. The issues we have determined as material in our 2020/21 assessment are shown below in our updated matrix.



The themes shaping our approach

Our business is affected by macro trends, the trends and events shaping the world and which impact the role of business. We look at these trends to ensure our strategy and plans are fit for the future and to consider their influence on our material issues. Our analysis shows seven distinct, but overlapping, themes set to impact business and society over the next few years:

Social Inequality

The global pandemic has highlighted how unequal UK society is. Inequality of health, of employment opportunity and security, and of socio-economic inclusion has been seen along gender, race and place lines. Income polarisation is expected to increase, remaining linked to the advantages or disadvantages in early life. This stasis in social mobility in the UK needs affirmative action to be reversed.

Health in the Round

The health of the nation has been under scrutiny for many years, with obesity and inactivity viewed as health crises to be prioritised. Covid-19 has heightened the importance of health in the round; physical and mental well-being being understood as fundamentally interconnected. As the world recovers from a physical health crisis, it is expected that mental wellbeing will be harder and slower to address.

Work & Life Support

2020 saw an unprecedented blurring of boundaries between personal life, work life and civic life. Employers gained visibility of their employees' home and personal lives, becoming more conscious of their duty of care towards employees and their capacity to support them. Employers will continue to support employees to protect health and wellbeing and support their ability to work well.

Disinformation and Trust

The media landscape has transformed in the last few years, with sources of information fragmented and proliferating. 'Fake news' has given way to 'deepfakes' and even the phenomenon of infodemiology. We have entered an age where seeing is not necessarily believing, but where information hygiene and media literacy is poor. For the safety of individuals and society overall, there is a need for content to be vetted, clearly sourced and properly regulated on all platforms.

Digital Acceleration

The rapid development and adoption of new technologies and digital media platforms will open opportunities for connection, for customer experience and value creation.

But it will also pose new risks around security and privacy as well as greater competition for the digital talent. And the pandemic accelerated digital technology and media platform use across society, making the opportunities and risks greater.

People and Planet in Crisis

The impact of climate change will become increasingly visible and increasingly costly in terms of health, communities and economies. Momentum for action is gathering at pace, with the World Economic Forum highlighting that the top five risks in terms of likelihood relate to the environment for the first time in history. The global pandemic has shown the cost of crises; socially, environmentally and economically. Following the pandemic crisis, there is renewed energy for government and industry to take action on climate change.

Purpose & Profit

There is increasing oversight and interest in how responsibly and ethically companies are run, from all stakeholders. Purpose-driven companies witness higher market share-gains and grow three times faster on average than their competitors, all while achieving higher workforce and customer satisfaction. In an era where government, society and industry are more clearly interconnected, there is a need to balance purpose for all stakeholders with profit for shareholders.

How we assessed materiality

To prepare our 2020/21 assessment, we used the following methodology:

1. Determined a long list of potential issues and categorised them into topics

Our long list of issues was compiled with reference to ITV's strategy, social purpose and principal risks and international standards and was amended throughout our research phase. Where possible our categorisation of issues aligned with our previous assessment for consistency and comparability, but was updated in line with new and emerging trends and standards, as well as our internal terminology.

TOPIC	ISSUE	DEFINITION
ENVIRONMENTAL ISSUES	OPERATIONAL CLIMATE ACTION	Managing our environmental footprint and responding to the effects and risks to our business of climate change
	ON SCREEN CLIMATE ACTION	Promoting climate action awareness and behaviours through programmes, content and advertising
SOCIAL ISSUES	DUTY OF CARE & WELLBEING	Protecting and promoting the physical and mental well-being of colleagues, viewers and participants in programmes
	DIVERSITY EQUALITY & INCLUSION	Ensuring our colleagues and content reflects the make-up of modern society with equality
	HUMAN RIGHTS	Upholding and promoting the basic rights and freedoms of all who work across the value chain
	TALENT & DEVELOPMENT	Attracting, retaining and developing the best talent through policies and practices
	CORPORATE GIVING BACK	Empowering and enabling our colleagues to give time, skills and funds to communities and causes
	RESPONSIBLE MARKETING & ADVERTISING	Marketing to consumers in an appropriate and responsible manner
	ACCURATE & RESPONSIBLE PROGRAMMES & SERVICES	Creating programmes and services that do not harm the safety or well-being of audiences or communities and that convey information accurately and without bias or singularity of voice
	CULTURAL CONTRIBUTION OF PROGRAMMES & SERVICES	Making a positive impact on the cultural and social landscape and creative industries
	ACCESSIBILITY OF PROGRAMMES & SERVICES	Creating programmes and services that can be accessed by all members of society
	ON SCREEN SOCIAL CAUSES	Promoting pro-social attitudes and behaviours through programmes, content and advertising
GOVERNANCE ISSUES	CORPORATE GOVERNANCE & ETHICS	Ensuring appropriate leadership, oversight, policies, practices and standards to ensure a fair, transparent and ethical business
	ESG PERFORMANCE MANAGEMENT	Ensuring social and environmental performance is measured, monitored and targeted alongside financial measures
	SECURITY & DATA PRIVACY	Protecting our data and the data of stakeholders we engage with from improper use
	STAKEHOLDER ENGAGEMENT	Engaging all stakeholder groups and responding to their priorities for the business
	SUSTAINABLE SUPPLY CHAIN MANAGEMENT	Ensuring the social, environmental and economic sustainability of all suppliers through the value chain

2. Reviewed and conducted research on issues that matter to our business and stakeholders

To gauge opinions on issues amongst key stakeholder groups qualitatively and quantitatively, we reviewed existing ITV research and analysis, reviewed the latest third-party research, and conducted further targeted primary research surveys and interviews. Our review considered the issues of importance to our stakeholders within the following groups:

It also considered the positive and negative impacts the issues could have on our business in terms of health and safety, operational continuity, financial performance, legal compliance, reputation, security and strategy.



3. Drafted a materiality matrix

We combined the results of our research to determine issues of importance for our business and our stakeholders. We did this using existing business risk and opportunity evaluation mechanisms and through the assessment of prevalence and prioritisation stakeholders gave to issues in the research conducted.

4. Reviewed and refined our assessment

This resulted in a draft matrix which we sense checked and compared against our commercial strategy, our social purpose strategy and the UN Sustainable Development Goals (SDGs) to understand whether our activity aligned with the issues that matter. We reviewed both the matrix and its alignment with our strategic plans with key stakeholders in our business during interviews, including with a range of members of our management team to validate it, and discuss future plans.

5. Using our materiality assessment

We conducted a materiality assessment to help ensure our social purpose strategy is focused in the right areas, to assess the changing sustainability landscape and to understand and prioritise the issues that matter to our business and our stakeholders.

We will use this materiality review to help us evolve our strategy, to make changes within areas of our business and tailor our reporting so that it aligns with the interests and needs of our stakeholders, as well as those of our business.