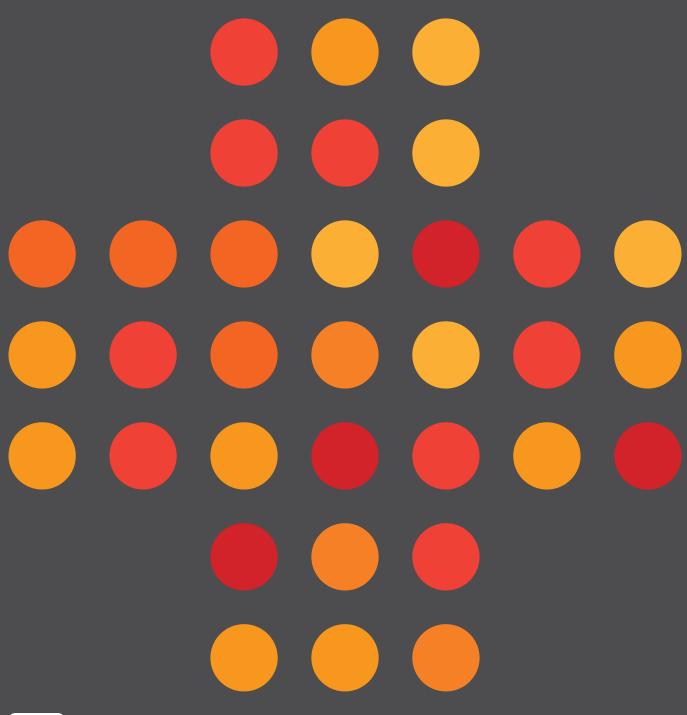
Crowdsourced Green Mondays: Net Positive

An expert crowd's view of Net Positive business strategies







Contents

- 01 Introduction
- 02 Breaking it down
- 04 Net Positive
- 06 Collaboration
- 08 Net Positive Targets
- 10 Supply Chain Positive
- 12 Carbon Positive
- 14 Communicating Net Positive
- 16 Energy Positive
- 18 Socially Positive
- 20 Biodiversity Positive
- 22 Water Positive
- 24 Thank you
- 25 About us

We know what we've got to lose if we don't successfully reframe the sustainability debate. Kingfisher's Net Positive approach to business is striving to do just that—be a force for good that sets a positive challenge. Green Mondays is a unique convener of people enabling responsible businesses to share their ideas, have them challenged and better them. I'm delighted to see the evening's outputs captured within this second report. We hope it can inform other companies' own thinking.

Ian Cheshire, Group Chief Executive, Kingfisher PLC

The crowdsourcing approach

Crowdsourcing solves challenges by harnessing the collective insights, thoughts and ideas of a crowd. It is well suited for organisations that seek access to innovation, particularly in disruptive sectors where new business models are evolving. At Green Mondays, we believe in the power of the crowd to advance thinking on the big ideas shaping sustainable business strategy.

Our Changemaker series identifies organisations or individuals capable of delivering systemic change, and offers them a unique platform for collecting wisdom from sustainability and business experts across the FTSE350.

Our inaugural Changemaker is WWF's Dax Lovegrove on the emerging concept of 'Net Positive'.

The challenge we put to Dax was 'how can Net Positive thinking empower the next generation of business models?'

The crowd of 196 people expressed themselves through blogs, an online survey, a panel debate (available at: http://bit.ly/YDucPF) that included some of the leading proponents of Net Positive, and 13 specialist roundtable discussions.

66 The amount of knowledge and talent dispersed among the human race has always outstripped our capacity to harness it. Crowdsourcing corrects that. ••

Introduction

Incrementalism in sustainability is not working, and some organisations are now shifting their focus from being 'less bad' to becoming a net positive contributor to the environment and society.

Through the collective wisdom of almost 200 business and sustainability experts, this report explores what companies can learn from the pioneers and each other.

In this document:







Page 6 Collaboration



Page 8 Net Positive Targets



Page 10 Supply Chain Positive



Page 12 Carbon Positive



Communicating Net Positive



Page 16 Energy Positive



Page 18 Socially Positiv



Page 20 Biodiversity Positive



Page 22 Water Positive

From Dax Lovegrove, Head of Business and Industry, WWF The pressure is on for businesses to protect their social licence to operate and the natural capital they depend upon in a world where the economics and the ecology are rapidly changing. In order to achieve this, businesses are increasingly moving beyond damage control.

In recent years 'de-couplers' have started to emerge – companies such as Unilever that commit to grow their business and not their environmental footprint. 'Zeronauts' have also arrived on the scene – as described by John Elkington – on a challenging journey to reach zero negative impacts.

There are now companies who seek to go further and as Ian Cheshire puts it—give back more than they take. The Net Positive agenda is gaining momentum and provides an opportunity for greater business future-proofing and a greater social service. Who will be in the next tranche of firms in 2013 to step forward with Net Positive ambitions?

From Jim Woods, CEO, Green Mondays You don't need to be a sustainability guru to recognise that the speed with which business is tackling environmental and social issues is lacking. And it is perhaps an organic response to this deficit that we're seeing the emergence of a new and much more ambitious type of strategy.

A quick search at the end of last year revealed 12 leading organisations that have recently committed to being Net Positive on environmental or social issues. And with time we may look back at these organisations as the pioneers of a new movement.

By pooling expert thinking, we hope we have created an ideas menu that any organisation, from any sector can hold against its strategy and ask 'What if...?'

We are deeply grateful to all of our collaborators, particularly the WWF's Dax Lovegrove, whose articulate writings led us to ask him to guest host the event, and Fishburn Hedges Group who have assimilated the wisdom of the crowd into this document. We hope you enjoy it.

Breaking it down

This report looks at Net Positive thinking through three lenses: what Net Positive means as a movement, what approaches work best, and how Net Positive can work well in practice.

The crowd's response to these three key questions provides the structure of our report, and combines collective intelligence harvested through blogs, an online survey, a panel discussion featuring three Net Positive pioneers (Kingfisher, Rio Tinto and BASF), and 13 specialist roundtable discussions.

Define

What is Net Positive?

Specialist roundtables: 'Defining Net Positive', 'The debate' on whether companies should adopt Net Positive targets, the potential for 'systemic change'

Direct

How do you approach Net Positive? Specialist roundtables: 'Collaboration', 'Measuring Net Positive', 'Net Positive targets'

Deliver

Net Positive in practice.

Specialist roundtables: 'Supply Chain positive', 'Carbon positive', 'Communicating positive', 'Energypositive', 'Socially positive', Biodiversity positive', 'Water positive'

Going Net Positive – What the expert says

Dax Lovegrove, Head of Business and Industry, WWF

Net Positive definitions, methodologies, metrics and views on appropriate target(s) will evolve over time, but for now, there is little argument with the basic principle – to give back more than you take. A combination of initiatives across the value chain can achieve this:

- Supply chain solutions sourcing from natural resources that are independently certified as being managed sustainably and ensuring certification schemes' success
- Customer solutions creating, promoting and delivering new innovative products and services that generate social and environmental benefits
- Social and ecological investments

 investment in new community
 programmes, reforestation,
 increased water stewardship,
 additional marine protected areas
- Natural capital governance

 engaging to improve global and local policymaking around the use of natural resources for the good of local communities, wildlife and industry.

Here are my top tips for companies wanting to embrace Net Positive:

1. Articulate the business logic for going Net Positive. This could include boosting supply chain resilience through stronger natural capital access; gaining a stronger social licence to operate than your competitors in an economy hit by global stresses; tapping into the rise of the more conscious customer; entering new markets such as Kingfisher's increasing provision of clean energy products and services

A new model for sustainable business? Net Positive at a glance.

90%+

familiar with the concept of Net Positive and see it as a positive development in sustainability

70%+

see it as effective/highly effective concept for engaging mainstream stakeholders

90%+

see significant strengths, particularly:

- the shift in focus beyond operational impacts to the full value chain
- allowing sustainability programmes to be set in the context of business growth

90%

think strategy should cover three key impact groups:

- Impacts of supply chain
- Impacts of products/services
- Impacts of operations

What the crowd says

Doug Johnson, Partner, Climate Change & Sustainability Services, Ernst & Young

Ahead of the Green Mondays event on 4th March we surveyed delegates on their views about the 'Net Positive' concept and the strategies that underpin it. In all, 124 sustainability and business professionals responded, and the results reveal some interesting findings.

As a concept, Net Positive has already gained familiarity and recognition for its potential in engaging stakeholders, going beyond operational impacts and linking to business growth. But clearly a better understanding of what it actually means, the impact on an organisation and the underpinning strategy is critical.

The crowd views the triumvirate of supply chain, products/services and operations as core to a Net Positive strategy's scope, but also ranked influence over business partners and other third parties relatively highly. Offsets fall outside of this group, being seen as having potential to take impetus away from managing operational impacts.

And with Net Positive strategies' focus on a broader scope of impacts and benefits, for many of these measurement is tough and has never actually been attempted or there is no defined methodology for doing so.

It is clear that there is an understanding of the strengths of adopting a Net Positive strategy, but also wide recognition that for the benefits to be realised, and a number of fundamental challenges that need to be addressed.

Overall a 'net positive' response to 'Net Positive'!

<40%

think 'offsets' count towards Net Positive



- 2. Give back far more than you take away. Ensure the benefits created across the value chain far exceed the managed impacts from your business operations. Also aim for positive results that stretch to the end of the value chain. For example, helping customers create more clean energy than their overall energy use will give a final net positive result
- **3. Ensure the Net Positive plan is robust and credible.** By going Net Positive you are raising the bar. This means majoring on certain key material issues, not neglecting others. To mitigate reputational risk, make sure your own house is in order and 'foundations' on other sustainability crunch points, such as carbon emissions, are strong
- 4. Embrace disruptive innovation to build business model resilience. Businesses will be under increasing pressure to fundamentally diversify and shift to new kinds of business models. For example, collaborative consumption and service models from the likes of AirBnB and ZipCar are fast rising and companies are changing direction such as Umicore abandoning extraction and diversifying into above-the-ground-mining www.wwf.org.uk/innovation

Define:



Net Positive

What does it actually mean to be Net Positive?



Ones to watch

Patagonia
2-year responsible capitalism campaign

Kingfisher Net Positive across 4 key areas

'Net Good' on carbon



Blogs to visit

Is it time for Net Good? Kevin Moss, BT: gmopinion.jux.com/960381

Why we need the Net
Positives and why they need
to be systems thinkers.
Sally Uren, Forum for the
Future:
gmopinion.jux.com/984682

Context

What does Net Positive mean? Is the idea of 'giving back more than you take' – to the environment, to society – not just 'offsetting' in a different name? How should a company decide what its focus should be? Can a company legitimately call itself 'Net Positive' if it only addresses one area of impact? Is Net Positive thinking an idea or a movement? How does it differ from other concepts such as Creating Shared Value? How do you turn Net Positive from a sustainability community buzz word to a clear message for everyone?

Setting the context, time horizon for performance, and board ownership of each strand of Net Positive strategies is essential, else it becomes something too easily discounted in importance and potentially becomes as meaningless as any other 'hopeful' green ambition that fades after the CEO leaves the organisation. ??

Crowd member

Net Positive shifts the sustainable business mindset from simply reducing impact to an ambitious mission owned by the whole business that restores nature and strengthens society.

Roundtable Recommendations

1.
Lead the agenda. Be the first in your sector to set

a Net Positive target

2. Select your area of focus with care. Consider where social/environmental impacts intersect reputational/financial costs. Distinguish where you want to lead from issues you want to tackle

3.
Communication is key.
The strongest Net Positive strategies are those with compelling narratives that combine big societal benefits with a credible

4.
Execution matters just as much as the area of focus – commitment, creativity and effectiveness are where you can really stand out from the crowd

Don't let the 'how' dial down your ambition.
Define the mission and be bold. Don't let uncertainty about how you will get there constrain your thinking

Analysis

The crowd defines Net Positive as adding greater value to society than you take away. This is a shift towards 'sustainability to restore', from 'sustainability to reduce'. Examples such as growing more trees than you chop down (Kingfisher), returning more water to nature than you use in your operations (Coca Cola and PepsiCo), or saving more carbon emissions than you create (BT) all embody this concept. Net Positive is not about 'offsetting negatives' or, as Ian Cheshire puts it, being 'less bad, less evil, less rubbish'. The crowd suggests this should mean 'the more product you sell, the better the society/environment you leave behind'.

The crowd recognises that this is easier to define for some areas, such as timber and energy, than others, such as public health. Some companies in controversial sectors such as tobacco may potentially find it difficult to lay credible claims to Net Positive in any area.

Whether a strategy or activity should be classed 'Net Positive' depends on how core, how material the focus area is for a business. Picking priorities is key. The crowd suggests looking at sweet spots where a company's environment/social impacts intersect with reputational/operational costs. Where Net Positive is different from Creating Shared Value or CSR is in the scale of the benefits a company aims to create – strategic win-wins that leave society better off. The crowd sees these 'big ticket' benefits as a key part of the motivational power of Net Positive strategies.

Sero is not enough, we need to have a positive impact in order to make up for previous impacts and the ever growing population.

Crowd member

Direct:



Collaboration

How can and should organisations collaborate around Net Positive strategies?



Ones to watch

Kingfisher
As founding member of the Forestry Stewardship Council in the early 1990s and through on-going partnerships with WWF France, Net Positive collaboration is central to Kingfisher's 'Creating the Leader' business strategy. They are active pursuing net reforestation rather than just trying to prevent deforestation.



Blog to visit

Kingfisher Net Positive: www.kingfisher.co.uk/netpositive

Context

Collaboration is one of the sustainability buzzwords of the moment, but how can it work in practice? Can competing businesses and organisations join forces on areas of mutual interest, especially when there is a wider social responsibility? How do you identify and reach out to the relevant stakeholders when it comes to Net Positive strategies – and how to manage conflicting ideas and blueprints? Do collaboration partners all need to adopt the same strategy – or do we value ends, not means? Do Net Positive strategies require greater degrees of collaboration than other sustainability strategies? How can successful Net Positive collaborations act as the catalyst and pioneers for a wider movement?

66 Ultimately, the net positives will need to embrace a new model of collaboration. One where the pre-competive boundary has shifted to allow greater co-operation within sectors, and one where partnership characterises interactions along value chains. >>

Dr Sally Uren, Forum for the Future

Collaboration can add scale to Net Positive strategies, but companies should look beyond the usual suspects for the greatest gains.

Roundtable Recommendations

1.

Identify – Stakeholders, grounds for cooperation and areas of mutual benefit are the first step towards instigating Net Positive collaboration strategies.

2.

Initiate – Make contact, broker affiliations and foster relationships. You can't always choose who you need to collaborate with, but that won't necessarily make the partnership less successful.

2

Understand – Realise potential problem areas and work together to mitigate risks

4

Traceability – Independent organisations, NGOs, academics can provide analysis of success and legitimacy

5.

Lead – Setting examples and providing radical alliances can inspire a movement and act as a catalyst to wider change

Analysis

Net Positive strategies are by definition bigger and more ambitious than traditional sustainability plans that are based on small scale, incremental reductions. The crowd therefore sees collaboration as crucial to achieving bold visions that go beyond the control of a single company.

The crowd sees stakeholder mapping as an important first step. Full value chain analysis will help identify key crunch points and reveal where there is 'shared pain' and mutual gain.

Identifying mutual benefits and middle ground territory is crucial for brokering collaborations. To help initiate partnership, the crowd suggests helping others to make a business case that meets their needs, too. This can be as simple as asking 'what does each party want? and 'how does it progress the wider agenda?'

Collaboration can be structured through different forms such as best practice groups and partnerships. The vital ingredient, the crowd agreed, is leadership.

We need a wealth of ideas because we know, from our past experiences, that collaboration is a simple multiplication sum – the more we collaborate, the more chance we have of identifying a solution.

Becky Coffin, Head of Strategy and Performance for Kingfisher's Net Positive programme

Direct:



Net Positive Targets

How can inspiring yet achievable targets be set for Net Positive?



Ones to watch

Kingfisher
Kingfisher have a set of
50 targets that measure
day-to-day progress
against the priority areas –
timber, energy, innovation
and communities. Each of
the 50 targets has a 2020
target and most have a
2015 milestone to achieve.



Blog to visit

The Power of Positivity.
Jim Woods, Green Mondays: gmopinion.jux.com/931632

Context

When aiming to become Net Positive, where do you set the bar? Developing targets are crucial to being Net Positive, in terms of mapping the journey and setting the goal, but can targets prove more than just a number, a source of inspiration and guidance as well? Planning great long-term ambitions is worthwhile, but is there something to be said for thinking and acting short-term too? How does a business choose the areas in which to aim to be Net Positive, is it just about the areas they operate in, including their supply-chain and externalities, or do they have a wider social responsibility? In becoming Net Positive how do you communicate the facts – and rationale – with investors, consumers and the media alike? Do different audiences require different messages?

10 times better than it is to make it 10 percent better. Because when you're working to make things 10 percent better, you inevitably focus on the existing tools and assumptions, and on building on top of an existing solution that many people have already spent a lot of time thinking about. But when you aim for a 10x gain, you lean instead on bravery and creativity – the kind that, literally and metaphorically, can put a man on the moon. ??

Astro Teller, Head of Google X

Ambitious targets inspire and motivate, but take people with you. The numbers and goals need to be supported by a compelling narrative and strong communication.

Roundtable Recommendations

1.

Tailor the strategy. Break it down into the different aspects of sustainability in which Net Positive can apply, such as environment and social

2.

Think short and longterm. Setting shorter-term targets, incorporated within a longer-term Net Positive vision, makes it easier to monitor the progress of the overall strategy and goal

2

Get others on board. Creating a Net Positive strategy for your business only works if you bring everyone with you. Pay attention to the cultural and behavioural aspects of the workplace

4

Motivational goals. Set Net Positive targets that are stretching and therefore inspiring. A target with a 'wow' factor is easier to build commitment around than one simply aiming for zero

5.

Strong strategy, strong story. Develop a powerful narrative that combines the broader business logic for going Net Positive with a robust business case specific to the company

Analysis

In the crowd's view selecting a company's Net Positive focus area and setting targets should go hand in hand with an analysis of materiality—it all depends on the company, the sector it operates in, and its stakeholders. Because of this, the crowd advises that a company should gain a thorough understanding of how it can generate value before committing to specific issues to go Net Positive on.

In terms of where to set the bar, the crowd views ambition as a 'must'. If a target is too attainable, it risks lacking the inspiration to drive true innovation.

And in order to meet challenging targets, the crowd agrees that buy-in from across the business is vital. This means taking into consideration the workplace culture, its areas of practice and the available expertise. A clear roadmap with milestones is seen as a good tool for taking people with you, and makes the target credible and achievable.

Developing narrative around the numbers is seen as important and especially crucial for investors, who need to be convinced of both the short and long-term benefits and potential return on investment. Ian Cheshire talks about combining a 'bullet proof' business case (specific to the company) with constant communication of the broader 'business logic' (global macroeconomic trends).

Met Positive is characterised by ambition, scale, impact...Target-setting should keep these qualities in mind to guard against falling into the trap of easy incrementalism.

Crowd member



Supply Chain Positive

How can companies engage their supply chain in Net Positive strategies or targets?



Ones to watch

IKEA

The company has committed to being 100% forestry positive and sourcing 100% of its energy from renewable sources by 2020 as part its 'People & Planet Positive'

BT

Has set an ambitious new 'Net Good' target for 2020 to reduce its customers' emissions by 3X the 'full carbon burden' of the emissions from its own operations



More information

wwf.panda.org/what_we_do/ how_we_work/conservation/ forests/forestlandscapes/ forestlandscaperestoration/



Blogs to visit

IKEA, 'People & Planet Positive': ikea.com/ms/en_GB/about_ikea/people_and_planet/

Julia Young, WWF: blogs.wwf.org.uk/blog/author/ jyoung/

Context

Engaging a business in a Net Positive strategy can be a major challenge, but engaging its supply chain in the practice can prove even more testing. How can companies approach this when supply chain actors have their own separate vested business interests? Is developing a Net Positive supply chain strategy about leading by example, or rather developing trust and laying out financial incentives to the companies involved? Supply chains are often large, and complex webs – so how do businesses know which area to address first? What are the risks associated with implementing supply chain Net Positive, are they limited to the business itself, or do they make the company vulnerable to disruption?

Forest Positive – an example of Supply Chain Positive. Note from Julia Young, forest specialist, WWF-UK.

Key principles of forest landscape restoration are that it:

- Is implemented at a landscape scale rather than at site
- Has both a socio-economic and ecological dimension
- Implies addressing the root causes of degradation and poor forest quality (such as perverse incentives and inequitable land tenure)
- Involves a full range of stakeholders in planning and decision-making to achieve a solution that is acceptable and therefore sustainable
- Involves identifying and negotiating trade-offs
- Opts for a package of solutions, which may include practical techniques – such as agroforestry, enrichment planting and natural regenerations at a landscape scale – but may also embrace issues such as policy analysis, research, training and capacity building, and development of alternative sources of income for local people.

Companies should take their supply chain on the journey with them, through open communication, collaborative target setting and combined innovation on how to realise shared ambitions.

Roundtable Recommendations

1

Demonstrate a robust business value in implementing supply chain changes by educating internal stakeholders and investors on the outcomes

3.
Investment in supply chain adaption can make significant contributions towards becoming Net Positive. It will vary according to company structure, but should not be ignored

Conversations and communication must take place throughout the supply chain to overcome traceability issues. This will help supply chain actors understand and buy into the benefits

4. Picking 'hotspots' focuses strategy on areas where impact will have makethe most significant positive gains on the overall supply chain

5.
Collaboration and visiting setting is key. This means competing businesses may work together towards achieving a common goal, and sharing the costs related to supply chain management. However, collaborations are only as strong as their members

Analysis

The crowd values the importance of establishing a strong business case for moving towards being Supply Chain Positive. This requires stakeholders across the business buying in to the benefits that Net Positive will bring, and then communicating that case with supply-chain actors.

The crowd acknowledged that resistance within the supply-chain is not unlikely, given that suppliers' own businesses may have different priorities and structures. Trust may emerge as a concern, particularly related to the issue of traceability – for example, tier one suppliers may initially prove unwilling to disclose information on their own suppliers due to fears of getting cut out. This can be addressed through open communication, with a continued reminder of the business case – maximising the impact on the security and quality of supply.

Light was also shed on whether in the process of moving towards being Supply Chain Positive, organisations leave themselves vulnerable and exposed to accusations of 'greenwashing'. But the crowd thought Net Positive ambitions in key areas should complement, rather than exclude, traditional reduction targets.

Partnerships, coalitions and trust networks emerged as crucial to overcoming barriers associated with a Net Positive supply chain.

Collaborating with competitors may seem unnatural, but has benefits for all parties, including suppliers and, of course, wider society. It is also important to collaborate within the chain itself.

Looking at success stories helps to inspire best practice. The crowd identified businesses within the apparel industry as leading examples, particularly Patagonia who, following child labour allegations in the 1990s, have emerged as a leading example of supply chain Net Positive practice.



Carbon Positive

Should more companies go Net Positive on carbon?



Ones to watch

BASF

Through its Climate
Product programme, BASF
avoided 330mt CO₂ for its
customers in 2011,
considerably more than
BASF's CO₂ emissions
throughout the value chain
of 178mt CO₂e/a

BT

The company will help its customers reduce their carbon emissions by at least 3 times the end to end carbon impact of its business

02

The company will deliver carbon benefits to its customers that are 10 times the impact of its network by 2015



Blog to visit

Is it time to be Net Good? Kevin Moss, BT: gmopinion.jux.com/960381

Context

Leading businesses are already starting to explore what it means to be Net Positive on carbon, but there are a number of questions still to be explored. How can businesses translate being Net Positive on carbon into practice? What targets and goals should companies set and how can they measure them? What role, if any, should offsetting play? Is it cost-effective for all companies to be Net Positive on carbon?

66 BT's vision... is to help society live within the constraints of the planet's resources. Energy consumption and carbon emissions are amongst our most material environmental impacts. So we have set a specific 'Net Good' goal to illustrate that vision; that by 2020 we will help our customers reduce their carbon emissions by at least three times the end to end carbon impact of our business. \$9

Kevin Moss, Net Good Programme Director for BT

Going Net Positive on carbon requires bold ambitions and a belief in business as a restorative force.

Roundtable Recommendations

1.

Start with the basics. Measure your carbon footprint and decide what you can reasonably control

2.
Agree the methodology.
Be transparent about
what carbon emissions
you are and are

not including

3.

Take the business with you. Engage with and gain the support of employees to maximise impact

Forget offsetting. These are not seen as a valid route to going carbon positive

5. Communicate. Win competitive advantage by leveraging the strengths of a clear, simple yet compelling carbon strategy

Analysis

The crowd sees being Net Positive on carbon as simply 'reducing more carbon than is emitted'. And this, the crowd says, is both a clear message to communicate and a stronger motivation for employees to get behind the business's carbon targets.

Net Positive pioneers are already beginning to emerge in this space, including BT (Net Good) and O2 (Think Big), both of whom have announced bold ambitions on the scale of emissions reduced versus those created.

However, the crowd agree that further thought needs to be given to the precise definition of carbon positive since the complexity of businesses varies. The starting point of becoming carbon positive has to be establishing a company's carbon footprint. However, there are mixed views as to whether this should include just products, or scope 3 emissions encompassing the whole value chain. The crowd thought it could be particularly hard for SMEs to be carbon positive due to many of their emissions falling outside of their value chains, and the potentially prohibitive cost implications of carbon footprinting. There was consensus on the fact that offsetting did not constitute being Net Positive on carbon.

Overall, the crowd thinks Net Positive adds real value to carbon strategies by being ambitious about the goals a company sets that can also inspire collective involvement across the whole business.

66 In order to move towards carbon positive, companies must engage with and gain the support of their supply chains. The psychology of businesses becoming restorative can help to drive this.

Crowd member



Communicating Net Positive

How should Net Positive strategies and goals be communicated?



Ones to watch

Coca Cola
Behind its 'Replenish'
ambition for water is
a simple yet powerful
articulation: to return more
water to nature than it uses

Context

Net Positive provides an opportunity for businesses to tell a compelling story about their long-term ambitions and commitments. But how should Net Positive strategies and goals be communicated to stakeholders? Are different approaches required for different audiences? How can Net Positive be translated across language and cultural barriers for employees in other countries? How can business engage shareholders, who often care more about short-term time horizons, when Net Positive is a lengthy, often multidecadal process? And, given the sometimes technical nature of sustainability issues, how can businesses communicate the science of Net Positive?

66 How on earth will Kingfisher communicate something as visionary as Net Positive? By making the concept easy to understand, and making the millions of people that wander through its aisles feel as though the choices they are making matter. \$9

Dr Sally Uren, Deputy CEO of Forum for the Future and Chair of Kingfisher's Independent Stakeholder Panel

www.forumforthefuture.org/blog/ net-positive-next-step-sustainability-pioneers Net Positive provides a strong platform to communicate with stakeholders about the long-term outlook of an organisation, incorporating social and environmental impacts alongside business performance.

Roundtable Recommendations

Engage employees. Employees will play an important role in delivering Net Positive

first audience to communicate with

Avoid getting lost in translation. Present a clear, overarching vision and values for local interpretation and

3.
Keep things simple for consumers. Use a layered approach to communications, and concrete examples to bring abstract impacts

to life

4.
Sell shareholders on business benefit. Clearly articulate business benefits of Net Positive and its role in corporate strategy

5.
Strike a balance between science and simplicity.
Use simple, compelling messages, backed up with science to verify and legitimise claims

Analysis

The crowd sees the ability to make a company's sustainability story clear and compelling as one of the key advantages Net Positive has over other approaches e.g. 'Zeroism'. There is a need to explain what the concept of Net Positive means, but where that concept really comes to life is in the specific areas of ambition e.g. reducing more emissions than you create, returning more water to nature than you use.

The crowd suggests that special thought needs to be given to the way that Net Positive is communicated to different audience groups. Getting employee communications right is particularly important. They need to understand not only what the mission is and the story that sits behind it, but also how Net Positive ambitions complement or replace existing commitments. The crowd recommends multi-national companies consider how the overarching vision and goals translate for local and regional offices.

When it comes to wider external communication about Net Positive with consumers, the crowd identifies a potential tension between science (to verify claims and build trust) and simplicity (to build understanding). Concrete comparisons can help companies to find this balance. Kingfisher's reference to 'using an area of forest the size of Switzerland' is a simple and effective message. Thought also needs to be given to how companies unify separate focus areas into a single coherent Net Positive narrative.

For shareholders, who tend to focus on short-term horizons, there is a need to clearly articulate the business value of Net Positive and demonstrate its roll in corporate strategy.

Overall, Net Positive provides a strong platform to communicate with stakeholders about the long-term outlook of an organisation, incorporating social and environmental impacts alongside business performance.



Energy Positive

Will we see a growth in the number of companies that are switching from being a consumer of energy to being a net generator of clean energy?



Ones to watch

Kingfisher
Aims that by 2050 every
Kingfisher store and
customer's home to be
zero carbon or, where
possible, to generate more
energy than it consumes

Context

How feasible is it for businesses to become net producers of clean energy? Do the requirements involved mean that it is more realistic for some kinds of organisations than others? How can businesses approach risk and overcome financial barriers to create viable energy positive strategies?

on its target of reducing its carbon emissions by 42% by 2020. However, what if grid operators focus more on super grids? Potentially increasing their footprint, but providing greater interconnection and sharing of geothermal, hydro, solar, and wind supplies across continents in order to reach a renewables-rich energy future.

Dax Lovegrove, Head of Business and Industry, WWF

Going Net Positive on energy may not be a viable route for all businesses, but pioneers in the field are demonstrating that it is possible, with the right approach.

Roundtable Recommendations

1.

Think long term. Realising the benefits of a Net Positive energy strategy requires time and

- 2. Set clear KPIs. You have to be able to measure your progress towards being energy positive
- 3.
 Focus on demand side first. Consider how renewable energies are used and if there are funds to maintain them
- 4.
 Explore different
 mechanisms. Energy
 Performance Contracting
 could help overcome
 financial barriers
- 5. Attract the right talent. Nurture engineers who can communicate at a commercial, and broader level

Analysis

The crowd recognise that becoming Net Positive on energy involves requirements and risks that mean it will not be a viable prospect for many businesses. However, pioneers like Lego are demonstrating that it is possible, with the right approach.

The crowd advises that taking a long-term view when it comes to benefits and returns on investment is essential. This is likely to be easier for family-run businesses (like Lego) than those answerable to shareholders, but the crowd suggests mechanisms like long-term bonus schemes could be introduced to help with this. Clear KPIs are needed to allow businesses to accurately measure progress, and efforts need to be made to plug the talent gap in the industry to produce more engineers to help keep the lights on.

Other challenges identified by the crowd include overcoming financial barriers (e.g. high initial capital costs and uncertainty in what is being bought) and managing the high levels of risk involved (e.g. on levels of adoption, future energy prices). The crowd agrees that businesses should always focus first on demand side, looking at how renewable technologies are used and if sufficient funds are available to maintain them. Using mechanisms like Energy Performance Contracting can help to overcome financial barriers.

Overall, the crowd recognises that going Net Positive on energy has high barriers to entry that will make it unviable for many businesses. Whilst it is unlikely to become the next big thing, some are already taking promising steps towards making it a reality.



Socially Positive

How does Net Positive apply to social areas?



Ones to watch

Kingfisher
Aims that by 2050 every store and location will support projects which build local communities or equip people with skills

02

Its Think Big programme includes a target to improve the lives of one million young people by 2015

Context

What does it mean for a company to be 'socially Net Positive'? With environmental impacts such as water or carbon, a company can show that it is 'giving back' more than it is 'taking away'. But the concept seems to work differently in a social or community context, where a company might not be 'taking anything away' as such. By creating jobs, paying tax, and 'doing CSR', aren't most companies automatically socially Net Positive? What's the difference from just having a really good community investment programme? Do socially Net Positive programmes differ in any particular aspect – are they more ambitious? Are they typically more strategically focused? And how do you go about measuring the impact?

**Met Positive appeals to the notion of organisations having a social purpose.

It appeals in the board room, and across the functions of an organisation.**

Jim Woods, CEO Green Mondays

66 Business will need to demonstrate net positive social impact to have a more mature dialogue with government and society. 99

Tom Burke CBE, Environmental Policy Adviser, Rio Tinto plc

Net Positive encourages companies to identify what society wants from you and what value you can uniquely add to society.

Roundtable Recommendations

1.

Scope the issue. Identify the societal needs most relevant to the communities in which you operate and assess them against your capacity and credibility to effect positive change

2.
Build the vision. Set compelling headline goals and targets that go beyond the ambition of traditional CSR

3.
Tell the story. Develop a clear narrative that resonates with the audiences you most want to engage

4.
Define and measure. Be clear what you're going to achieve but be sure to know how you'll measure it

Power of partnership.
Identify potential
collaborators to leverage
your own resources in
delivering and evaluating
Net Positive programmes

Analysis

The crowd rates Net Positive as a way of 'thinking more deeply' about how a company gives back to society, and specifically, the societal issues on which it chooses to focus. These need to be 'forensically mapped', squaring the needs of communities with a company's credibility to positively effect change. In this, the crowd recognises the potential overlap between traditional CSR and socially Net Positive strategies. However, there is a sense that socially positive strategies place a greater emphasis on choosing social issues that join up to the rest of its sustainability strategy. Kingfisher's focus on equipping society with DIY skills, for example, is intimately linked to its ambition to reduce, reuse and recycle precious natural resources.

The crowd sees measuring impact as one of the biggest challenges for applying Net Positive to social issues. The crowd notes that experience of traditional CSR suggests some of the most powerful stories about positive social impacts are often unexpected outcomes of activities that weren't originally planned for.

However, since Net Positive social strategies tend to be by definition more ambitious than traditional CSR, being able to show big impacts is key. Rather than trying to wrap impact metrics around a strategy retrospectively, the crowd suggests measurability should be one of factors that informs what a company chooses to focus on. Expert partners can also be used to help work this through.

Great conversation around #social net positive targets. How do you measure ROI on social reach? Tough question!

Angela Jhanji, One Young World (via Twitter)



Biodiversity Positive

What does Net Positive mean for ecosystems?

Context

Biodiversity is rising up the business agenda through concepts such as natural capital, which aims to put a value on nature, as well as the need to create supply chain resilience. Being Net Positive on biodiversity could therefore yield important benefits. But how would this work in practice? Would businesses need to be Net Positive across entire ecosystems or just one or two areas? How do you measure that and who pays for it?

** The world has failed to meet its target to achieve a significant reduction in the rate of biodiversity loss.**

Convention on Biological Diversity.

Note from Rod Downie, marine specialist, WWF-UK.

Net positive impacts on the marine environment can include activities such as:

- Seafood businesses committing to 100% MSC supplies, helping to establish highly protected marine reserves, and promoting investment in FIRME (Financial Instrument for Recovery of Marine Ecosystems)
- Packaging companies rethinking the use of plastics and sponsoring marine debris prevention/education/removal community-based projects
- Offshore wind operators locating wind farms through effective marine spatial planning, abiding by exclusion zones and helping to establish highly protected marine reserves.

Rio Tinto requires all its HCV areas to produce a #biodiversity action plan & is getting IUCN to help independently verify.

#gmforum #csr - @mgmporter

Net Positive has the potential to transform how companies think about their contribution to biodiversity, but more thinking needs to be done about how this could work in practice.

Roundtable Recommendations

1.

Understand impacts and dependencies on biodiversity and ecosystem services

2.

Work with international and regional policy makers to improve natural capital governance

3. Aim for positive impacts at the broader landscape scale rather than simply

4.

at site level

Define the scope.
Understand your place in the ecosystem and where you can make greatest impact and over what time horizon

5.Collaborate. Ecosystems are by definition complex and interconnected.
Partnership with other organisations is crucial

Analysis

The crowd believes Net Positive provides businesses with a powerful way of viewing biodiversity, which can help them to better understand, and consequently protect, the ecosystem services on which their supply chains rely while also reducing their own operational impacts.

Being 'Biodiversity Positive' is seen as a vision that could also improve brand reputation, motivate and actively involve employees in environmental management. In practice, this would likely vary from company to company, with focus areas informed by local biodiversity needs. The crowd says that placing a financial value on ecosystem services through natural capital accounting could help to measure, compare and communicate the idea of a company adding greater value than it takes away. However, the crowd also thinks that metrics should be developed that go beyond simply calculating 'monetary' value, although this is complex. As biodiversity operates in a continuum, long-term thinking is particularly important.

Questions include what time horizon and baseline companies should aim to 'restore' biodiversity to and the scope of focus. The crowd notes that successful companies, such as Kingfisher, target specific KPIs on ecosystem services (ESS). The crowd warned against going after the 'holy grail' of attempting total ecosystem management, suggesting the companies instead concentrate on key ESS such as biodiversity protection or nutrient cycling, which have great knock on effects for other ESS.

#gmforum how does BASF and other companies represented ensure NPI extends to probable downstream impacts on biodiversity such as bees?

@towersofbass



Water Positive

Could a movement of Net Positive water strategies deliver system change?



Ones to watch

PepsiCo
Through its Positive Water
Impact programme
PepsiCo will make more
and better water available
to the environment and
communities

Coca Cola

Aiming to return more water to nature than used in its operations

Context

Water is an economic challenge as much as an environmental one. Aside from fresh water being essential for human life, water is at the heart of our food and energy systems. A growing global population is increasingly leading to water shortages. It is estimated that the gap between the amount of water withdrawn and naturally renewed could reach 40 percent by 2030.

Water stewardship is a highly localised agenda requiring all kinds of water users and local authorities to work together to ensure water resources are managed for everyone's benefit while protecting river basins. Net positive plans would do well to link in with others in the field to address what is essentially a shared risk among different stakeholders.

Fresh Water Positive – Note from Conor Linstead, Freshwater specialist, WWF-UK

Businesses that are exposed to water related risks can only go so far to address them by themselves. A Net Positive approach, where businesses manage risk and have an enhancing effect, requires them to collaborate with a broad range of public and private stakeholders. They should implement water stewardship, whereby they help to establish better water management at a river basin scale that improves water availability and quality. This is beneficial for the business, in reducing water risks, but also beneficial for all other water users and for ecosystems. SABMiller's approach through 'Water Futures' and Coca Cola's 'Replenish' work are good examples to draw lessons from.

http://www.sabmiller.com/index.asp?pageid=915 http://www.coca-colacompany.com/stories/replenish Net Positive is a powerful concept for managing precious water resources, and Water Positive pioneers are already beginning to emerge.

Roundtable Recommendations

1.

Link to policy. Engage local policy makers to improve governance of water resources

2.

Collaborate. Work with other business and non business water users to achieve responsible water use around any one river basin

3.

Share knowledge.
Facilitate knowledge
sharing between
farmers to achieve best
agricultural practice

4.

Consider drainage systems. Sustainable Urban Drainage Systems can be used to recapture rainfall

5.

Educate. Work with stakeholders such as farmers, providing education to inform e.g. practices for capturing water such as interception ditches

Analysis

The crowd believes Net Positive's aim of effecting a positive change greater than a direct impact could encourage companies to take a more integrated and ambitious approach to tackling water issues. Coca Cola's 'Replenish' programme, in which it aims to return more water to nature than used in its operations, is a good example of this. There are also reputational benefits of such a powerful ambition as well as the opportunity to bring together multiple, local stakeholders (especially important as water issues cross geopolitical boundaries). Net Positive plans should seek to tackle both water quality and abstraction issues and there are projects in these areas to draw lessons from.

Thank you

The quality of the crowd's wisdom comes down to their collective knowledge, and their willingness to share that knowledge. We are proud of the crowd on both counts.

Green Mondays would like to thank the following companies for sponsoring the Crowdsourced Net Positive event:

Main sponsor: Ernst & Young

Major Sponsors: Enablon, MITIE

Specialist Sponsors: B & E.S, Carbon Clear, Context, ERM, PE International, Trucost, Utilyx

Support Sponsors: 1E, Acre Resources, Bird & Bird, Myriad CEG

Crowdsourcing and Reporting Partner: Fishburn Hedges Group Accenture Acre Resources AkzoNobel Decorative Armstrong Building **Products** ASOS plc **Balfour Beatty** Bank of America Merrill

Lynch Bird & Bird **Blaise Projects BNY Mellon Brita Water Filter Systems**

British American Tobacco BSkyB

BT Group Plc

Burberry Group Plc **Business In The** Community Cable & Wireless **Cafe Direct**

Centrica China Dialogue

Carbon Clear

CIMIS

Coca-Cola Enterprises Ltd Context Group Ltd **Cool Earth**

Co-operative Group

Dixons Retail PLC Domino Printing UK Plc

EDF Energy EGS Energy Limited

Enablon ERM

Ernst & Young F & C Asset Management Fishburn Hedges

Fisher Productions Forum for the Future

GE Lighting GE Real Estate GlaxoSmithKline **Great Ormond Street** Hospital For Children

NHS Trust Green Futures

Hermes Equity Ownership Services

Hewlett Packard

Imperial College London Interserve FM Ltd Intrepid Travel

John Lewis Partnership Johnson Matthey

JUCCCE KFC

Kingfisher plc Landmarc Support Services

Lend Lease

London Business School

Mace Ltd Macquarie Group Marks & Spencer McDonalds

Molson Coors Brewing Company Morgan Sindall Plc Myriad CEG **National Grid** Nestle Network Rail One Young World PE INTERNATIONAL Pearson plc Pentland Group Plc PepsiCo

Pret a Manger Principles for Responsible

Investment PUMA Purpose

Reckitt Benckiser Plc Ricardo AEA

Royal Bank of Scotland Royal Borough Kensington and Chelsea

Sainsburys Scotts

Skanska UK Plc Southern Housing Group

Sustainable Development

Capital LLP Telefonica UK

The Body Shop The Crown Estate The DoNation

The Jordans & Ryvita Company Ltd

Trucost **TUI Travel** UCL

United Business Media (UBM)

University Of Oxford

Utilyx Veolia Environmental

Services Verdantix Ltd **Vodafone** Wembley National

Stadium Wired **Wolseley Group Services** WPP Group plc

WRAP **WSP Group** Xstrata

About us

This bold experiment in crowdsourcing has been driven by an innovative partnership between Green Mondays and Fishburn Hedges Group.

About Green Mondays

Green Mondays is a media company that focuses on the relationship between business and society. Our innovative platforms create physical and online spaces for new ideas to be identified, debated and shared.

By identifying new ideas and sharing them with the wider community we reduce the risk associated with innovation, helping to build business models that make commercial and social sense.

Our formats include:

- Our monthly Green Mondays Forum
- 'Going Naked': Leading sustainability strategies reviewed by the crowd.
- The Changemaker Series
- 'Idea Idol' an innovation competition based on shared value.

About Fishburn Hedges Group

Fishburn Hedges Group is a dynamic communications group comprising three specialist, industry-leading agencies: fullservice corporate communications firm Fishburn Hedges, branding and design agency Further and creative consumer PR consultancy 77PR. We are part of the worldwide BBDO network and Omnicom Group. We work with some of the world's biggest brands; we are experts in PR, Social Media, Public Affairs, Corporate Reporting and Employee Engagement. We work across disciplines. This means we're uniquely placed when it comes to bringing together the best people challenges that demand integrated answers. Our approach also means

we have the advantage when it comes to communicating sustainability and corporate responsibility. Whether engaging specialist stakeholders or general consumers, promoting leadership or protecting reputations, devising strategy or reporting progress, we help clients to create and shape tomorrow's conversations, globally and in the UK.

www.fishburn-hedges.com www.furthercreative.co.uk www.77pr.co.uk



