

# Net Positive Project User Guide

January 2019

# Introduction to the User Guide

## NPP User Guide Purpose & Objectives

- Provide NPP Members and wider stakeholders access to clear guidance on how to:
  - Use the NPP core documents as part of a Corporate Toolkit for Action.
  - Align business strategy and programs to net positive principles.
  - On-board and/or determine next steps in a business' net positive journey.
  - Measure net positive impact aligned with NPP work to date.
  - Apply net positive to specific areas of focus (carbon, social impact and water) based on the latest thinking brought forward by NPP.

## How to Use the Guide

- The NPP User Guide is split into three sections, supported by two appendices:
  - **Part 1: Getting Started** – Overview of the Net Positive Toolkit.
  - **Part 2: NPP Corporate Toolkit** – Understanding the NPP approach for net positive impact in your organization, industry and society.
  - **Part 3: Applying Net Positive** – Delivering the NPP approach in applied areas of focus.

# Notes on this Document

- The Net Positive Project is facilitated by the following organizations. Interested parties are encouraged to contact the listed individuals
  - BSR ([dkorngold@bsr.org](mailto:dkorngold@bsr.org))
  - Forum for the Future ([Z.LeGrand@forumforthefuture.org](mailto:Z.LeGrand@forumforthefuture.org))
  - Greg Norris of the Sustainability and Health Initiative for Net Positive Enterprise (SHINE), an initiative at the Massachusetts Institute of Technology and the Harvard T.H. Chan School of Public Health ([gnorris@mit.edu](mailto:gnorris@mit.edu))
- This document is not intended as a standard, certification, or basis for net positive claims.
- This document reflects the latest version of the User Guide and the related documents as of January, 2019. The documents are subject to revision as the work of the group and its participants continues, and as the field evolves.

# Net Positive Project Participants

Since its inception, the NPP has benefited from participation and support by the following companies:




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# Table of Contents

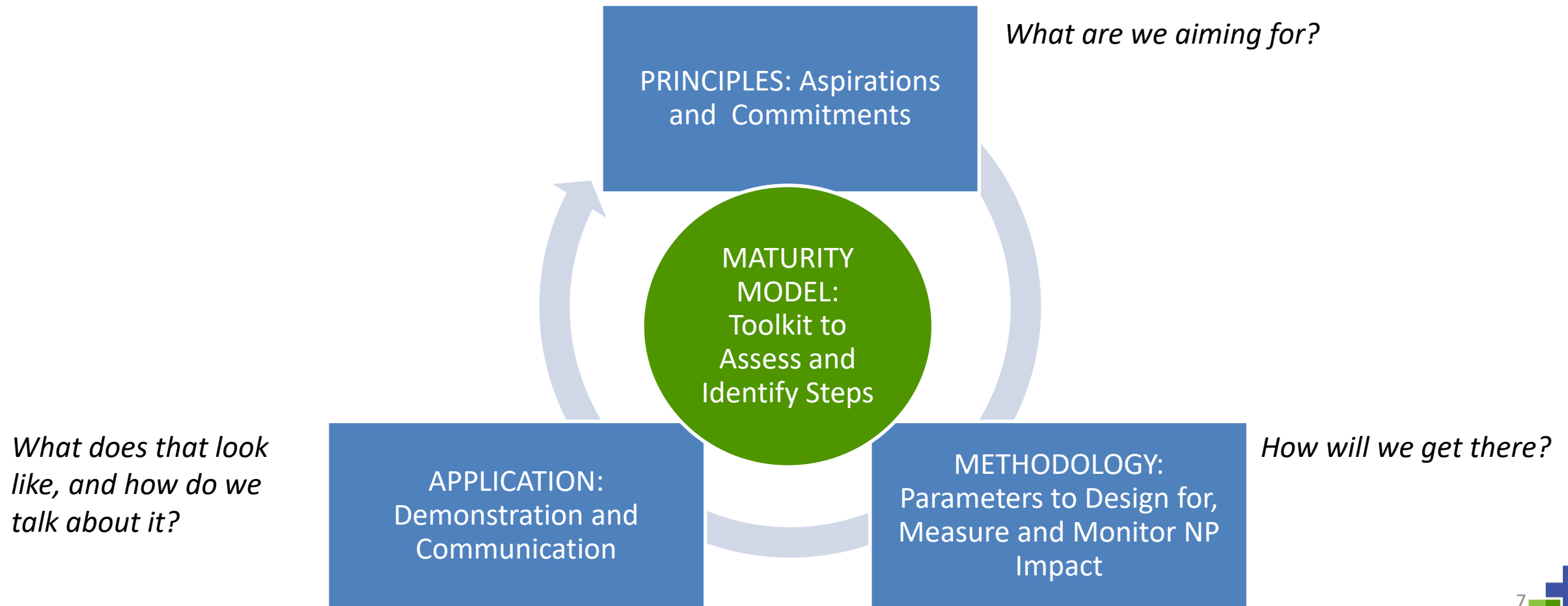
- Part 1: Getting Started
- Part 2: NPP Corporate Toolkit.
  - Principles
  - Maturity Model
  - Methodology
  - Case Study
- Part 3: Applying Net Positive.
  - Carbon
  - Social
  - Water

Overview of the Net Positive Toolkit

# **PART 1: GETTING STARTED**

# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.



Understanding the NPP approach for net positive impact in your organization, industry and society.

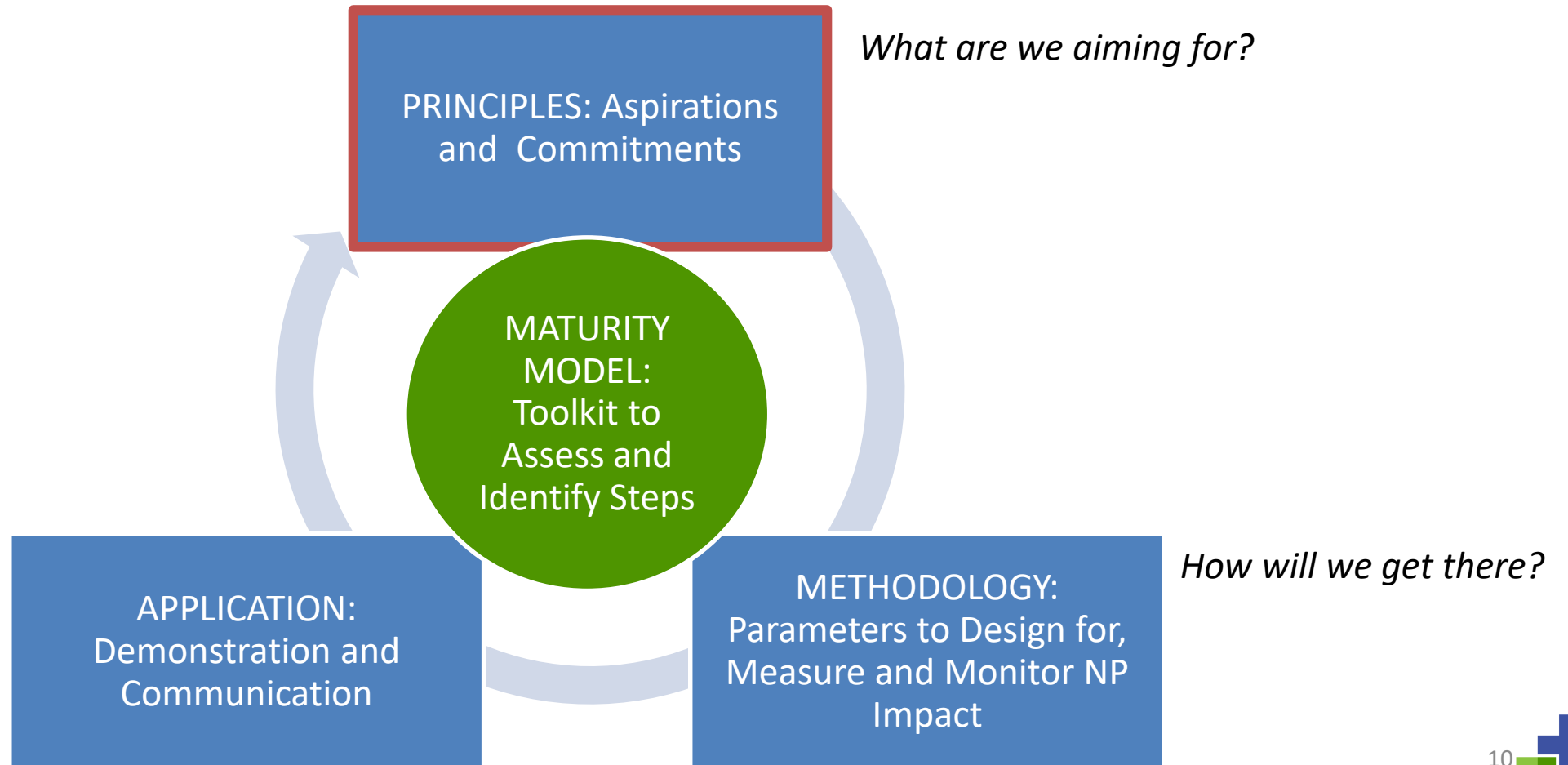
## **PART 2: NPP CORPORATE TOOLKIT**



# NET POSITIVE PRINCIPLES

# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.





# Net Positive Principles | What We're Aiming For

The Net Positive **Principles** provide:

- An accessible framework with four guiding principles for companies to define a net positive ambition and any associated strategy
- Guidance on the shifts in mindsets, behaviors and outcomes within organizations that facilitate success on an organization's net positive journey
- A common language for raising ambition and inspiring collaboration among others in the net positive movement
- A “north star” to guide companies and stakeholders in navigating the challenges of pursuing net positive aims



# Net Positive Principles | How to Use Them

**Desired Outcome:** A net positive approach, aligned to the latest the latest thinking in the movement, that goes beyond conventional sustainability strategy of reducing harm to deliver positive outcomes for society and the environment.

**1. Review current ambition against the net positive principles:**

- **Material:** Are you focusing on what matters most?
- **Systematic:** Are you influencing change across entire systems?
- **Regenerative:** Are you creating long-term, sustained and absolute impact?
- **Transparent:** Are you sharing progress openly and honestly?

**2. Assess how current approach could evolve towards a net positive ambition:**

- What are the benefits to the business, value chain players and society of this evolved approach?
- What are the changes in mindsets, behaviors and targeted outcomes that need to happen?

**3. Use the Net Positive Principles as a simple, aligned communication tool:**

- Gain buy-in internally to the concept and movement
- Explain the concept externally with relevant stakeholders

# Net Positive Principles | Define a Net Positive Ambition

Net positive strategies aim to put more back into society, the environment, and the global economy than they take out.

## Material

### ***Focusing on what matters most***

Net positive strategies focus on an organization's greatest impacts on society and the environment as well as its largest areas of unique future potential. These are defined by internal and external stakeholders considering impacts along a company's full value chain. All material issues must be addressed to achieve net positive – thus a positive impact in one material issue cannot compensate for the negative impact or 'footprint' in another material area.

## Systemic

### ***Influencing change across entire systems***

Net positive strategies not only catalyse positive change across a company's value chain—from raw material extraction through the use and disposal of its products and services—but they influence wider social, environmental, and economic systems. This recognizes that a single organization is unlikely to create and sustain positive social and environmental outcomes on its own. Given the dynamism of these systems, the scope and boundaries of a net positive strategy must be continually reassessed to acknowledge and manage relevant effects, and to ensure greatest impact.

## Regenerative

### ***Creating long-term, sustained and absolute impact***

Net positive strategies revitalize the natural world, strengthen social communities, and improve individual well-being. They generate long-term beneficial impacts and do not cause irreversible losses. The positive impacts that are created in one material issue exceed existing negative impacts or 'footprints' without irreversible loss in other material areas. While net positive is a journey, and progress is recorded, absolute reductions or improvements matter most.

## Transparent

### ***Sharing progress openly and honestly***

Net positive strategies require action, progress, and measurement that are clear, credible, and easily accessible in communications. Attribution of all material impacts – both positive and negative – must be measurable and demonstrable, and independently verified where possible. Net positive information should be presented within clearly defined sustainability context and reporting boundaries, and should be disaggregated to show effects on relevant issues, stakeholders, ecosystems, etc.

In applying these principles, net positive strategies should consider the unique sustainability context related to specific issues, stakeholders, value chain partners, geographies, ecosystems, landscapes, and populations. Positive impacts in one area do not compensate for negative impacts or 'footprint' in another; rather all relevant effects should be acknowledged and managed in aspiring for net positive impact.





# Net Positive Principles | Evolve the Approach

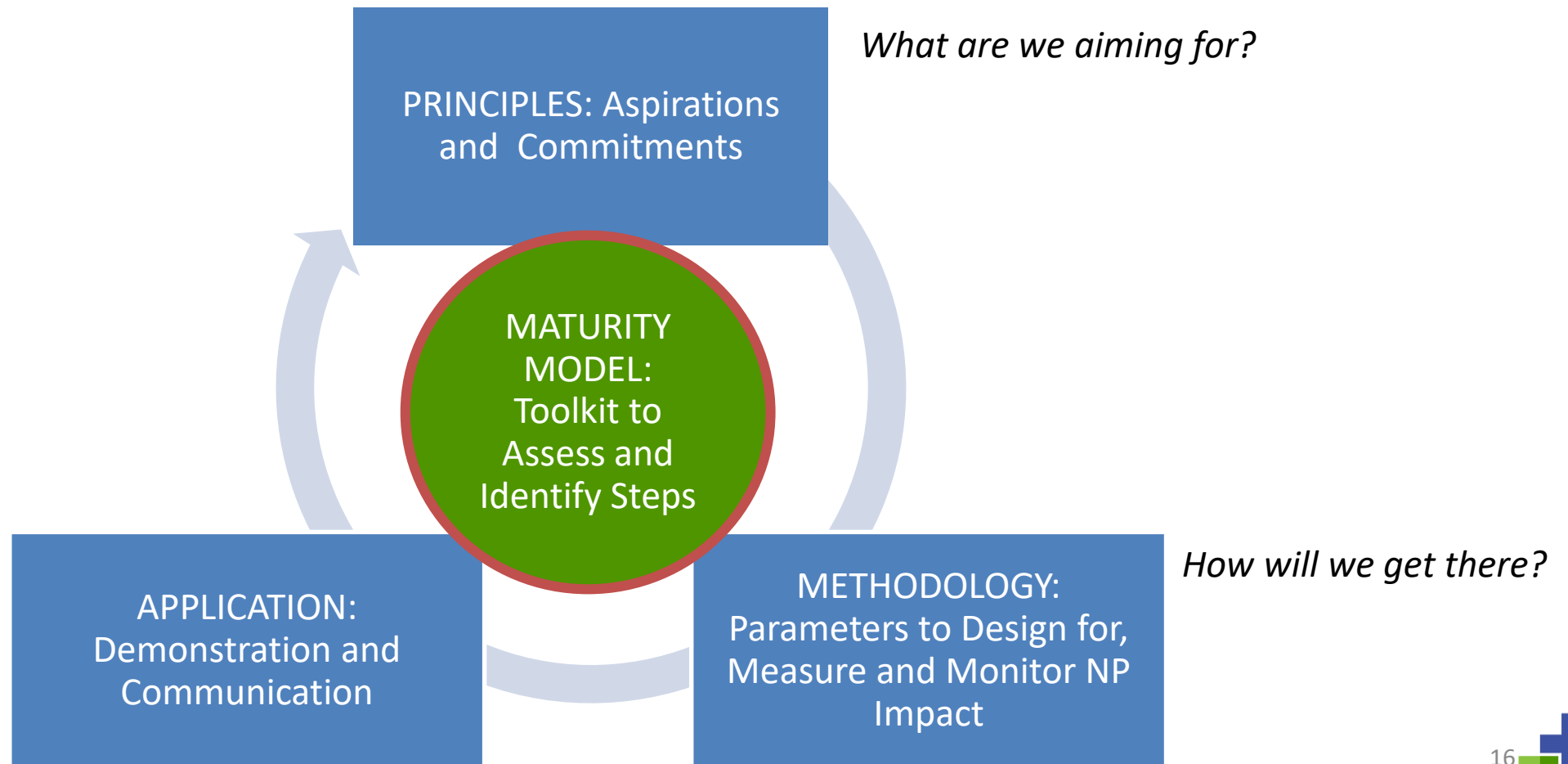
	Mindset shifts	Behavior shifts	Outcome shifts
<b>Material</b>	<b>Prioritize impact and potential</b> Net positive is a journey, starting with an organization's most material issues. A company reaches the final milestone once all material issues generate positive benefits overall.	<b>Include partners</b> At every opportunity, organizations adopt an inclusive approach to strategy development and execution and define material areas through consultation with stakeholders.	<b>Integrate strategy</b> Focusing on areas of biggest impact and opportunity, a company inevitably must consider shifts to its core business or operating model.
<b>Systemic</b>	<b>Recognize interdependence</b> Organizations recognize their place within broader systems and that they cannot achieve net positive on their own.	<b>Collaborate widely</b> Organizations enter into transformative partnerships with stakeholders in their value chain, community and wider system.	<b>Create an enabling context</b> Organizations influence the system around them – including changing policy, business standards, consumer behaviors, community norms, etc. No lobbying contradicts net positive goals
<b>Transparent</b>	<b>Embrace open communication</b> Organizations are honest about the journey they are on. They continue to innovate and experiment, documenting the progress and the lessons learned.	<b>Ensure true and balanced reporting</b> Reporting on progress is honest, consistent, authentic, transparent, balanced and independently verified where possible. Boundaries and scope are clearly defined across the value chain.	<b>Demonstrate progress and absolute impact</b> Progress and absolute impacts on material issues is clearly demonstrable if not measurable via open communication. This includes reporting on both negative and positive impacts.
<b>Regenerative</b>	<b>Encourage experimentation</b> Net positive strategies need to foster a culture of taking risks, incubating new ideas, and scaling niche solutions.	<b>Ground evidence in science</b> Organizations use evidence-based methodologies to improve conditions in the natural world and society.	<b>Create long-term, positive impact</b> No aspect of a NP approach mistreats individuals, degrades society, or harms the environment, however, efforts to drive long term positive outcomes are approached with the same rigor as efforts to minimize footprint. This requires environmentally restorative, socially inclusive and locally empowering approaches that can be sustained beyond the work of any one company.

Toolkit to Assess and Identify Next Steps

# **NET POSITIVE MATURITY MODEL**

# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.







# Net Positive Maturity Model | Self Assessment

The Net Positive Maturity Model recognizes that net positive is a journey. It aims to support organizations to review and identify steps along this journey against defined levels of maturity of key elements to each Net Positive Principle.

- The Net Positive **Maturity Model** provides net positive practitioners with a tool to:
  - Assess current approaches against progress levels attributed to key elements of each Net Positive Guiding Principle.
  - Identify gaps and opportunities to take the next step on the net positive journey.
- Companies are likely to be at different levels of maturity for different elements of net positive, or may even be at different maturity levels for different related initiatives
- The maturity model should not be used to support claims of net positive achievement—rather, it is directional guidance to support company’s efforts

# Net Positive Maturity Model | Material

- Select the relevant level for each element of NP Principal: **Material**
- Is your approach focusing on what matters most?

Element	Question	Level 1	Level 2	Level 3	Level 4 (Net Positive)
<p>Issue Area: Prioritize Impact and Potential</p> <p><small>Note: This is the only element where a company could be "net positive" without achieving Level 4 by specifying the subject of their NP claim, such as, "Net positive on carbon."</small></p>	<i>What issue and opportunity areas are being addressed?</i>	Addresses most material area. Any negative impacts created by this approach on another material area are also addressed.	Addresses the two most material areas. Any negative impacts resulting from either issue strategy on another material area are also addressed.	Addresses three most material areas. Any negative impacts resulting from either issue strategy on another material area are also addressed.	Addresses all material areas. Net positive strategies focus on all material areas - an organization's greatest impacts on society and the environment as well as its largest areas of unique future potential. A positive impact in one material issue cannot compensate for the negative impact or 'footprint' in another material area.
Include Partners/Stakeholders	<i>How does the organization integrate external/independent stakeholder views?</i>	Identifies material areas via indirect stakeholder perspectives (e.g. through desk research)	Identifies material areas through a stakeholder 'expert' advisory panel. Feedback integrated into Net Positive strategy and implementation	Identifies material areas through direct engagement with stakeholders that both impact the organization, and are impacted by the organization, across global operations. Feedback integrated into Net Positive strategy and implementation.	Identifies material areas through direct engagement as in Level 3, however, aspects of the strategy and operational plan are co-created in partnership with key stakeholders.
Integrate Strategy	<i>To what extent does the organization's net positive efforts address its core business?</i>	Focuses on the strategy of one key business unit or part of the organization. Ownership of strategy is that one team or the Sustainability Team.	Focuses on the strategy of two or more key business units or parts of the organization. Ownership of strategy includes with those key business/organizational teams.	Addresses net positive organization-wide and integrates net positive into core organizational/executive governance. CEO owns the strategy.	Transforms existing business model, from raw materials to innovation to operations to stakeholder relations / public policy to customer marketing, etc. Every head of department is accountable for a piece of the strategy. It is reviewed alongside commercial targets at the Board level.

# Net Positive Maturity Model | Systemic

- Select the relevant level for each element of NP Principal: **Systemic**
- Is your approach influencing change across entire systems?

Element	Question	Level 1	Level 2	Level 3	Level 4 (Net Positive)
Unit of Focus: Recognize Interdependence	<i>What units of the value chain / organization are being addressed?</i>	Address footprints and handprints of a single product/service/asset/building	Address footprints and handprints of an entire component of the organization (e.g. business unit/line)	Address footprints and handprints of the entire organization	Address footprints and handprints of the entire organization plus other actors, such as the organization's sector, geographic region, etc.
Collaborate Widely	<i>How does the organization collaborate with others to create net positive impacts?</i>	Seeks information from value chain partners that are directly relevant to the company's net positive efforts, e.g. suppliers of products being evaluated.	Collaborates with value chain partners to jointly pursue net positive-relevant outcomes.	Collaborates with partners to define and advance value chain-wide approaches to net positive.	Broadly collaborates to effect net positive system-wide change through large scale collaboration aimed at defining and pursuing net positive outcomes.
Scope of System: Create and Enabling Context	<i>To what extent does the organization address upstream/downstream impacts?</i>	Addresses direct impacts	Addresses cradle to gate impacts	Addresses cradle to grave impacts	Addresses all the systems that the organization influences through activities including and beyond operations - e.g. lobbying, public affairs, etc. The systems being addressed are those raised in the materiality assessment.

# Net Positive Maturity Model | Regenerative

- Select the relevant level for each element of NP Principal: **Regenerative**
- Is your approach creating long term, sustained and absolute impact?

Element	Question	Level 1	Level 2	Level 3	Level 4 (Net Positive)
Innovation: Encourage Experimentation	<i>How does the organization innovate to enhance its positive impacts?</i>	Raises awareness of net positive concept as aspiration for sustainable innovation	Integrates net positive ambition and analysis into R&D and go-to-market	Pilots and launches innovative offerings based on net positive ambition and analysis	Makes fundamental changes to core offering(s) and innovates new approaches to achieve net positive impacts
Scale of Aspiration: Ground Evidence in Science	<i>What does the company aspire to in how its handprint/contribution compare to its footprint?</i>	Aspires to make and account for positive contribution impacts	Aspires to make and account for positive contribution impacts, and an organizational handprint that is larger than direct operational footprint	Aspires to make and account for positive contribution impacts, and an organizational handprint that is larger than cradle to gate footprint	Aspires to make and account for positive contribution impacts, and an organizational handprint that is larger than cradle to grave footprint, including any and all additional organizational impacts
Context of Impact: Create Long-Term, Positive Impact	<i>Seeks impacts based on relative measures, e.g. a ratio of contribution to footprint</i>	Seeks impacts based on relative measures, e.g. a ratio of contribution to footprint	Seeks net positive impacts with defined absolute impacts, e.g. net positive and achieving "X" impact	Seeks impacts with absolute measures in the context of contributions to global sustainability efforts (e.g. SDGs, Paris Targets), e.g. net positive and achieving "X" progress against a sector-wide 2 degree pathway	Creates impacts with absolute measures in the context of contributions to global sustainability efforts (e.g. SDGs, Paris Targets), with long-term impacts that exist on their own without continued organizational intervention.

# Net Positive Maturity Model | Transparent

- Select the relevant level for each element of NP Principal: **Transparent**
- Is your approach sharing progress openly and honestly?

Element	Question	Level 1	Level 2	Level 3	Level 4 (Net Positive)
Commitment and Transparency: Embrace Open Communication	<i>How does the organization describe its net positive commitments and progress?</i>	Communicates generally on its aspirations and efforts for net positive	Publicly commits to achieve NP ambition in alignment with principles	Reports publicly on its commitment, as well as methodology, metrics, goals, and progress towards that commitment, along with lessons learned	Establishes a time-bound commitment and reports publicly on methodology, metrics, goals, and progress towards that commitment, along with lessons learned. Organization secures verification by an external stakeholder/assurer.
Independent Verification: Ensure True and Balanced Reporting	<i>How does the organization verify its net positive approach, methodology, and/or data?</i>	Reports aspects of a net positive strategy	Verifies at least one issue area, through internal auditors	Verifies at least one issue area with independent auditors	Verifies all aspects of a net positive effort with independent auditors
Negative Impacts: Demonstrate Progress and Absolute Impact	<i>How does the organization handle negative impacts created by elements of their net positive strategy?</i>	Acknowledges and qualitatively describes potential negative impacts (e.g. rebound effects, secondary and tertiary effects)	Qualitatively describes potential negative impacts, including a strategy to reduce those impacts	Qualitatively describes potential negative impacts and quantitatively accounts for most material negative impacts, with a defined strategy and set of actions to reduce those impacts	Comprehensively and quantitatively describes a full range of potential negative impacts, with a defined strategy and action plan to reduce those impacts in service of a net positive impact

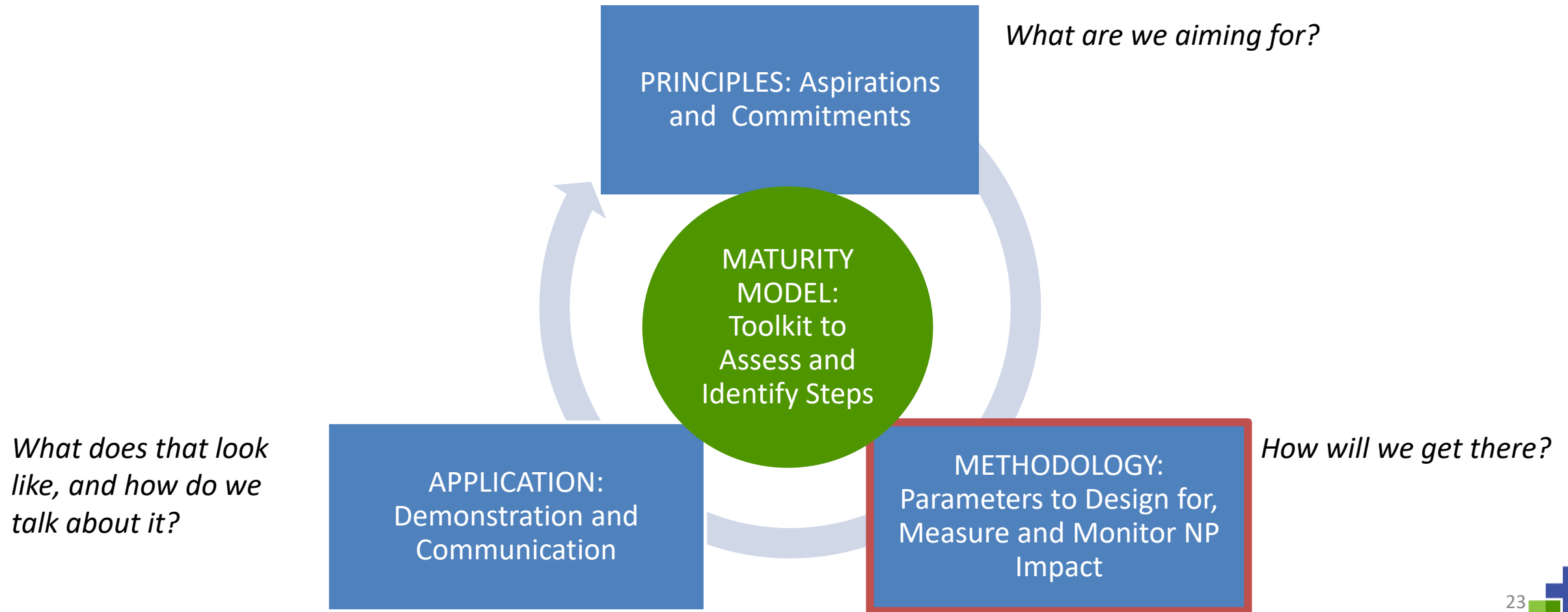


Parameters to Design for, Measure and Monitor Net Positive Impact

# **NET POSITIVE METHODOLOGY**

# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.



# Net Positive Methodology | Measurement

The Net Positive **Methodology** provides:

- Definitions of the key terms used to describe and account for net positive approaches.
- Description of the key considerations companies should take into account when articulating net positive impact.



# Methodology | Overview

## What does Net Positive mean?

- **Overall definition:** *put back more than you take out*
- **What you take out:** *your footprint*
- **What you put back:**
  - **Handprints:** *Changes relative to business as usual that fall outside of an actor's footprint,*
  - **Contributions:** *Impacts within the business as usual relative to business as usual vanishing or being replaced by the next best alternative.*

## How should companies pursue Net Positive?

- Define **business as usual**
- Continually reduce **footprints**, on all **material footprint impact categories**
- Continually create and increase **handprint** relative to business as usual.
- Continually increase **static contributions** made by products, services, programs within business as usual.
- **Put handprints and contributions into context by comparing them to the footprint hurdle** on an impact-category-by-impact-category basis for all material footprint impact categories.



# Methodology | Footprints and Handprints

**Footprints:** The footprints of an actor (whether a person, organization, or group of such actors) are the impacts – generally or traditionally negative – of the activities that are directly or indirectly used by the actor to sustain itself during a year. For some impact categories including greenhouse gas emissions, international standards and consensus methods have been developed to define what should be included in the scope of activities contributing to an organization’s footprint, and how reporting of these footprints should be done. Net Positive assessment is meant to work compatibly with existing methods and standards for footprint assessment.

**Handprints** are changes (in footprint-related impacts) with respect to business as usual, outside the scope of the actor’s footprint. Business as usual (BAU) for Net Positive assessment is defined as: operating in next year’s economy with this year’s products and processes.

There are two ways to create handprints:

- Be a cause of reductions in some other actors’ footprint relative to BAU
- Create positive impacts which are measurable in footprint units

# Methodology | Contributions

While handprints are about change, there is also an important role in the pursuit of Net Positive for Static Contribution Analysis, which assesses and quantifies the **contributions** that a company's products are already bringing, *within* business as usual. There are two main perspectives for static contribution analysis, both useful:

- Contributions of a company's existing products relative to those products vanishing without replacement; and
- Contributions of a company's existing products relative to those products being replaced by the most likely alternative.

The basic approach to static contribution analysis is to compare the cradle-to-grave life cycle footprints of the company's existing products relative to those of the chosen baseline: vanishing or replacement. In addition to quantifying contributions, static contribution analysis can also highlight promising business-positive ways to create handprints. A company that makes products whose contribution relative to vanishing exceeds the footprint of creating the product can create handprints by increasing demand for such products, or by innovating to further improve its relative contributions. A company that makes products whose contribution relative to replacement by its most likely alternative exceeds the footprint of creating the product can create handprints by increasing their market share for these products.



# Methodology | Pursuit of NP, What you Take Out

The concept of Net Positive is simple: put back more than you take out.

One challenge is that, for a given impact category, there are different alternatives for what can count as “what you take out” and different alternatives for what can count as “what you put back.” We address each in this section. Another challenge with implementing this straightforward Net Positive concept is that for some impact categories, the boundaries or contexts within which you take out and put back truly matter, such that a balance is called-for on a more local rather than simply global basis. We address this topic in the section on “Impact Shed” and context.

In all cases, “what you take out” is your footprint. Our Net Positive Maturity Model identifies three different, increasingly comprehensive and ambitious, scopes for what we call the “footprint hurdle” – the scope of footprint that an organization seeks to surpass with its positive impacts, with targeting of the most comprehensive scope being labeled “Net Positive Practice.” In the Maturity Model, in the section relating to the Regenerative principle, Level 2 or Good Practice is described as “makes and accounts for organizational handprint that is larger than direct operational footprint.” Level 3, Best Practice, is “Makes and accounts for organizational handprint that is larger than cradle to gate footprint.” And Level 4, Net Positive Practice, is “Makes and accounts for organizational handprint that is larger than cradle to grave footprint, including any and all additional organizational impacts.”





# Methodology | Pursuit of NP, What You Put Back

What should count as “what you put back”? We have raised two possibilities in this document: handprints (changes outside of the actor’s footprint, relative to BAU) and contributions (impacts relative to vanishing or replacement). The bottom line is that both handprints and contributions are beneficial and should be increased, maximized, and given context by comparison with respect to the company’s footprint.

When we compare handprints to footprints as addressed in the Maturity Model, we are assessing whether the sum of the changes that an organization brings about in a year are not only positive, but larger than “the cost of the organization’s presence” as measured by one of its footprint hurdles. This is consistent with the Net Positive principle of being **regenerative**, bringing about transformative change to business as usual, with the goals that humanity lives within planetary limits and the sustainable development goals (SDGs) are met.





# Methodology | Pursuit of NP, Putting it Together

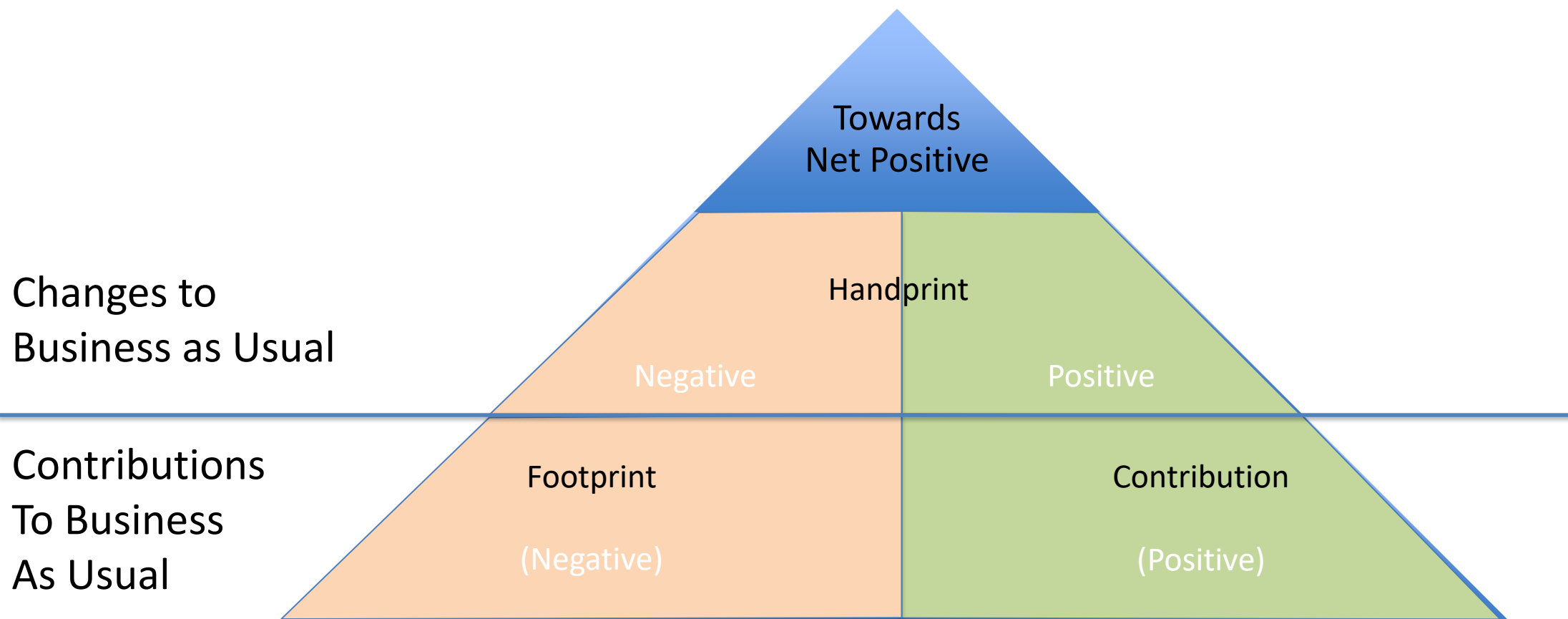
The Net Positive Project suggests that the pursuit of Net Positive calls on organizations to:

- Continually reduce their footprints, on all material footprint impact categories
- Continually increase their static contributions, relative to vanishing and/or replacement\*, and put these contributions into context by comparing them with their chosen footprint hurdle, impact-category-by-impact category, for at least all material footprint impact categories; and
- Continually create and ideally increase their annual handprints, putting them into context by comparing them to their chosen footprint hurdle, impact-category-by-impact category, for at least all material footprint impact categories

When comparing handprints to footprints, and when comparing static contributions to footprints, the footprints and handprints and contributions should relate to the same period of time, which may be annual or multi-year.

\* Contributions can be assessed with respect to either vanishing or replacement; the choice of one or the other must be explained, justified, and clearly documented.

# Pursuit of Net Positive Rests, and Builds Upon, Appreciation for Existing Contributions within BAU





# Methodology | Shared Responsibility and Credit

- Footprints include the principle of **shared responsibility**, which means that many actors share responsibility for the same unit of pollution. We use shared responsibility to show all actors who have co-caused a unit of pollution that they have done so, and to encourage them to pursue actions that could reduce these negative impacts. An implication of shared responsibility is that when we assess the footprint of a *group* of actors, we just need to avoid double-counting, by counting each unit of pollution in their shared footprints only once.
- Handprinting takes a logically consistent approach, adopting the principle of **shared credit**, which means that the actors who have co-caused a positive change all share equal and full credit for the impacts of this change in their handprint. We use shared credit to encourage actors to pursue collaborative actions that create positive impacts, and to avoid arbitrary and complex allocation of credit among collaborators. An implication of shared credit is that when we assess the handprint of a *group* of actors, we just need to avoid double-counting, by counting each unit of positive impact in their shared handprint only once.
- Static contribution analysis makes use of, and compares, the cradle-to-grave footprints of a company's products versus the chosen baseline. So static contribution analysis employs the principle of **shared responsibility**. Because static contribution analysis does not address causation of changes, it does not appear to involve the principle of shared credit.





# Methodology | Timescales

- When an action leads to changes that will accrue over time, such as over the life cycle of products that the action affects, organizations can adopt one of the following:\*
  - **Action-year accounting:** assigning future impacts to the year of the action that caused them; or
  - **Impact-year accounting:** assigning future impacts to the year in which they occur.
- Innovations (which are relevant for handprint creation) generally affect **multiple years** of sales for an impacted product. The number of years of sales impacted by the innovation is called the Innovation-Relevant Time Horizon (IRTH). IRTDs vary by product category and reflect the currently typical number of years between major product redesigns within a product category. Specification of the IRTD should take place in a transparent way, and analysts should strive for, and move towards, consistency in the specification of the IRTD for a given product category. The selection of either project-year accounting or impact-year accounting should be explained, justified, and clearly documented.

\* The selection of either project-year accounting or impact-year accounting should be explained, justified, and clearly documented.

# Methodology | “Impact Shed” and Context

For some impact categories, notably climate change, depletion of the stratospheric ozone layer, and possibly also the depletion of globally traded commodity resources such as fossil fuels, the location or context of the handprints and footprint are not material. An emission of a greenhouse gas has the same impact on climate change regardless of where it takes place.

For many other impact categories, however, the context of the impact *is* of material concern. The materiality of context can arise for one or more reasons:

- The context can determine the expected severity of the impact. For example, the expected human health consequences of an air pollution release depend in part on the population density downwind of the release.
- Local or regional contexts may have carrying capacities in relation to the impact. An example would be a region’s fishery ecosystem. Another example would be local rates of precipitation and freshwater resource recharge.
- Local or regional contexts may have set targets in relation to the impact, possibly addressing carrying capacity considerations.
- Impacts may affect different populations, raising distributional/ethical/justice issues.

# Methodology | “Impact Shed” and LCIA

Context-dependent severity of expected impact can be addressed with context-dependent “characterization factors” as employed in methods of Life Cycle Impact Assessment (LCIA). Current practice in LCIA is to sum the context-dependent characterization results across a system, and to compare the systems on the basis of aggregated results.

Context-dependent carrying capacity issues, context-dependent targets, and distributional issues all pose challenges to the idea of aggregating positive and negative impacts across global value chains and life cycles. For impact categories that raise one or more of these issues, it is advisable to assess, report, and compare impacts within specific regions and or populations, which we may refer to as “impact sheds.” As an example, water footprints and handprints may be assessed, reported, and compared within a watershed. Human health footprints and handprints may be assessed, reported, and compared within a given population. Biodiversity-related footprints and handprints may be assessed, reported, and compared within a given eco-region.

For context-dependent categories of impact that involve carrying capacity issues, region-specific targets, or specific populations affected, the boundaries of the category-relevant impact shed should be transparently defined and explained. In such cases, estimates of footprints and handprints should be assessed, reported, and compared at the level of the impact shed.

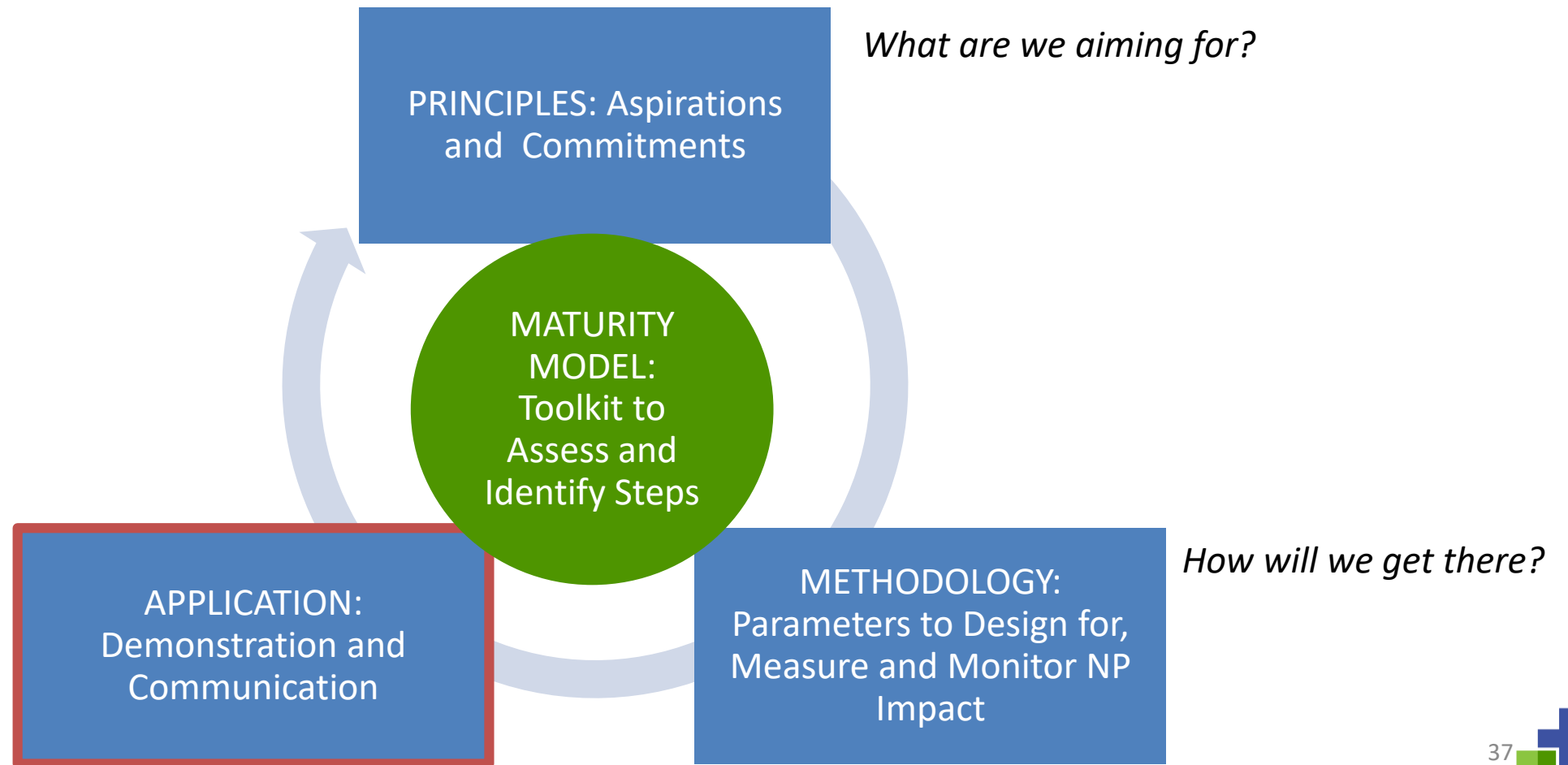
Demonstration and Communication of Net Positive

# **CASE STUDY GUIDANCE**



# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.





# Net Positive Case Study Guidance | Communication

- The Net Positive **Case Study Guidance** provides companies with a clear protocol to:
  - Demonstrate the application of Net Positive ambitions and commitments in an impact oriented, aligned and accessible manner.
  - Communicate and promote the value of net positive both internally and externally to catalyze collaboration and action.



# Why Develop a Case Study?

Net positive case studies can support your business to:

- Measure and report against corporate commitments and goals.
- Highlight examples of sustainability leadership and impact.
- Increase employee engagement, awareness on net positive and understanding of individual contributions.
- Support the business case for sustainability and demonstrate wider business value.
- Support specific business development efforts, e.g. fulfil customer or regulatory requirements.
- Enable replication and scalability of NP solutions, not just tell a good story.
- Support communication to the public on the purpose of NP.

# How to Use This Guidance

## **This case study guidance provides:**

- A clear and consistent protocol of how to describe a net positive-related case study that is applicable across industries, sectors and material issues, as agreed by the Net Positive Project.
- An articulation of the key elements of a net positive-related case study based on the latest thought leadership and net positive examples.
- Clear references and links to further guidance on the net positive principles and methodology where relevant.

## **This case study guidance does not provide:**

- A certification or endorsement of a company's net positive case study, project or impact.
- Specific guidance on the narrative around net positive. Case studies should be written in the 'voice' of the company or companies involved.
- Prescriptive disclosure guidance on a topic by topic basis.



# What is a Net Positive-Related Case Study?

A net positive case-related study should:

- Be **output and outcome-oriented** and **go beyond** a description of general net positive **aspirations, strategies, or principles** to apply that perspective to a particular **quantitative study**.
- Contribute to an **organization's understanding** of some element of **footprint or handprint** in relation to the application of net positive concepts – but it **does not need to contain both** within the individual case study.
- **Align** with and **advance** the **net positive principles** and the work of the NPP **methodology** workflow.
- Include the **context, parameters, methodology, findings** and **outcomes** of the study (see next section).
- Describe the methodology used to conduct the study, including **key inputs** and **quantitative impacts** and organizational outcomes.

# Case Study Typologies

While case studies do not need to fit a prescriptive type, they do need to describe NP application. The below lists case study typologies for consideration to support in framing your case study. These case study types do not necessarily indicate their subjects are “net positive”, rather that the study contributes to an organization’s understanding of its impacts related to net positive

<b>Product Case Study</b>	Shows contributions to NP outcomes related to a product lifecycle for a material impact(s).
<b>Service Case Study</b>	Shows how the use of a service may contribute to NP outcomes for the providers/users material impact(s).
<b>Organization Case Study</b>	Demonstrates contributions to organization-level NP outcomes, e.g. by aggregating product/service material impact(s) throughout or in part of the value chain.
<b>System Case Study</b>	Shows contributions to NP outcomes for a sector/geography/value chain by demonstrating the interrelations of relevant stakeholders and material impact(s).

# What are Key Elements of a NP Case Study?

As a minimum, a NP case study should cover the following categories and include a description of the listed elements. These are covered in more detail in the subsequent slides.

Category	Key Element
Context	Corporate Commitments Framing
	The Business Case for Action
	Transparency on Net Positive Maturity
Parameters	Defining Scope
	Impact Type & Materiality
	Key Players
	Shared Credit/ Responsibility
	Verification

Category	Key Element
Impact & Measurement Methodology	Inputs & Analysis
	Negative Impacts
	Regenerative
	Findings & Impacts
Outcomes	Corporate Outcomes
	Impact Relation to Systems
	Lessons Learned

# Clarifying the CONTEXT

Key Element	Content	Key Questions Answered	Expected	Recommended
<b>Corporate Commitments Framing</b>	<ul style="list-style-type: none"> <li>The corporate and/or project NP commitments.</li> </ul>	<ul style="list-style-type: none"> <li>What are the company's net positive ambitions and goals?</li> <li>Do these goals relate to material issues for the company's value chain?</li> <li>How are these measured and in what timescales?</li> <li>What is the overall plan for achieving these goals?</li> </ul>	<p>Y</p> <p>Y</p>	<p>Y</p> <p>Y</p>
<b>The Business Case for Action</b>	<ul style="list-style-type: none"> <li>The business motivations, e.g. benefits or value creation, of achieving NP and carrying out the case study (and its subject).</li> </ul>	<ul style="list-style-type: none"> <li>Why does the company have these NP commitments? What are the drivers/influencers of business action for NP?</li> <li>How do they add value to the business proposition?</li> <li>What is the specific business case for the case study and its subject?</li> </ul>	<p>Y</p> <p>Y</p>	<p>Y</p>
<b>Transparency on NP Maturity</b>	<ul style="list-style-type: none"> <li>Materiality and rationale of the case study</li> </ul>	<ul style="list-style-type: none"> <li>How does this case study support progress against corporate or project-oriented net positive ambitions or goals?</li> <li>To what extent does this case study make a material contribution to the company's understanding of its impacts in the priority areas?</li> </ul>	<p>Y</p> <p>Y</p>	

# Articulating the PARAMETERS

Key Element	Content	Key Questions Answered	Expected	Recommended
<b>Defining Scope</b>	<ul style="list-style-type: none"> <li>Clear articulation of the subject, typology, and scope of the case study.</li> </ul>	<ul style="list-style-type: none"> <li>Define what is precisely being studied, and a high-level description of the relevant inputs, outputs, and outcomes (to be expanded in the methodology)</li> <li>Is the case study related to a product, service, company or system?</li> <li>Define the case study boundaries, what are the delimitations of the processes that are being assessed.</li> </ul>	Y  Y Y Y	
<b>Impact Type &amp; Materiality</b>	<ul style="list-style-type: none"> <li>Description of the focus area for case study impacts and demonstrating materiality.</li> </ul>	<ul style="list-style-type: none"> <li>What is the impact category (e.g. health, carbon) and how might it relate to other material impacts?</li> <li>Are the impacts addressed in the case study material social and/or environmental issues for the company, and its value chain?</li> <li>Is the process of determining materiality described or accessible by reference?</li> </ul>	Y Y  Y	
<b>Key Players</b>	<ul style="list-style-type: none"> <li>Key groups/stakeholders in creating the case study impact.</li> </ul>	<ul style="list-style-type: none"> <li>What partners did the company work with to deliver the case study impacts?</li> <li>Who was impacted by the case study topic?</li> <li>What other stakeholders were involved?</li> </ul>	Y	Y Y
<b>Shared Credit/Responsibility</b>	<ul style="list-style-type: none"> <li>Apportionment/attribution of said impacts to the defined key players.</li> </ul>	<ul style="list-style-type: none"> <li>How are the outcomes / impacts of the case study apportioned and to whom?</li> </ul>	Y	
<b>Verification</b>	<ul style="list-style-type: none"> <li>Information on any independent review</li> </ul>	<ul style="list-style-type: none"> <li>Has the case study or any components been independently reviewed, verified, or audited?</li> </ul>		Y



# Demonstrating the METHODOLOGY and IMPACT

Key Element	Content	Key Questions Answered	Expected	Recommended
<b>Inputs &amp; Analysis</b>	<ul style="list-style-type: none"> <li>Description of data inputs, analysis, and assumptions used in the case study.</li> </ul>	<ul style="list-style-type: none"> <li>What is the methodology used for calculating impact?</li> <li>What assumptions were made, and what are the major limitations or areas of analytical uncertainty?</li> <li>What data was used and where does it come from?</li> <li>What analysis was conducted?</li> <li>What sampling techniques were used?</li> </ul>	Y Y Y Y	Y
<b>Negative Impacts</b>	<ul style="list-style-type: none"> <li>Description of how the case study subject does not create irreversible losses and how any negative consequences are identified, planned for, and resolved.</li> </ul>	<ul style="list-style-type: none"> <li>How have potential negative consequences been identified?</li> <li>If there is a negative impact resulting from progress on positive impacts, how is this being managed and minimized?</li> <li>How does the case study demonstrate that a positive impact on one material issue does not compensate for or, create negative impact on, another?</li> </ul>	Y Y Y	
<b>Regenerative</b>	<ul style="list-style-type: none"> <li>Description of how the case study supports regenerative cycles in nature and society.</li> </ul>	<ul style="list-style-type: none"> <li>Can the case study prove that no aspect of the NP approach causes irreversible losses?</li> <li>How have positive, self replicating cycles been investigated?</li> </ul>	Y	Y
<b>Findings &amp; Impacts</b>	<ul style="list-style-type: none"> <li>Description of findings.</li> </ul>	<ul style="list-style-type: none"> <li>What are the quantified NP findings of the case study?</li> <li>Are the outputs/outcomes statistically significant?</li> </ul>	Y	Y



# Sharing the OUTCOMES

Key Element	Content	Key Questions Answered	Expected	Recommended
<b>Corporate Outcomes</b>	<ul style="list-style-type: none"> <li>Description of how the case study impacts wider ambitions / commitments.</li> </ul>	<ul style="list-style-type: none"> <li>How does the case study progress against wider corporate ambitions and commitments, including those related to sustainability and business?</li> </ul>	Y	
		<ul style="list-style-type: none"> <li>How is this measured and demonstrated?</li> </ul>	Y	
<b>Impact Relation to Systems</b>	<ul style="list-style-type: none"> <li>Description of the case study subject's role in creating systems change.</li> </ul>	<ul style="list-style-type: none"> <li>How does the case study recognize interdependence and impact with broader systems beyond the company's value chain, such as the social, environmental and economic systems?</li> </ul>		Y
		<ul style="list-style-type: none"> <li>How does the case study acknowledge the dynamism of such systems?</li> </ul>		Y
		<ul style="list-style-type: none"> <li>Does the case study utilize collaboration or lobbying with wider stakeholders for greater impact?</li> </ul>		Y
<b>Lessons Learned</b>	<ul style="list-style-type: none"> <li>Key lessons, challenges, and opportunities to take forward and share with others.</li> </ul>	<ul style="list-style-type: none"> <li>Are there any potential challenges or areas requiring further investigation?</li> </ul>	Y	
		<ul style="list-style-type: none"> <li>Are there any techniques or tips for what worked particularly well?</li> </ul>		Y
		<ul style="list-style-type: none"> <li>What can other companies or stakeholders learn from this case study experience?</li> </ul>		Y

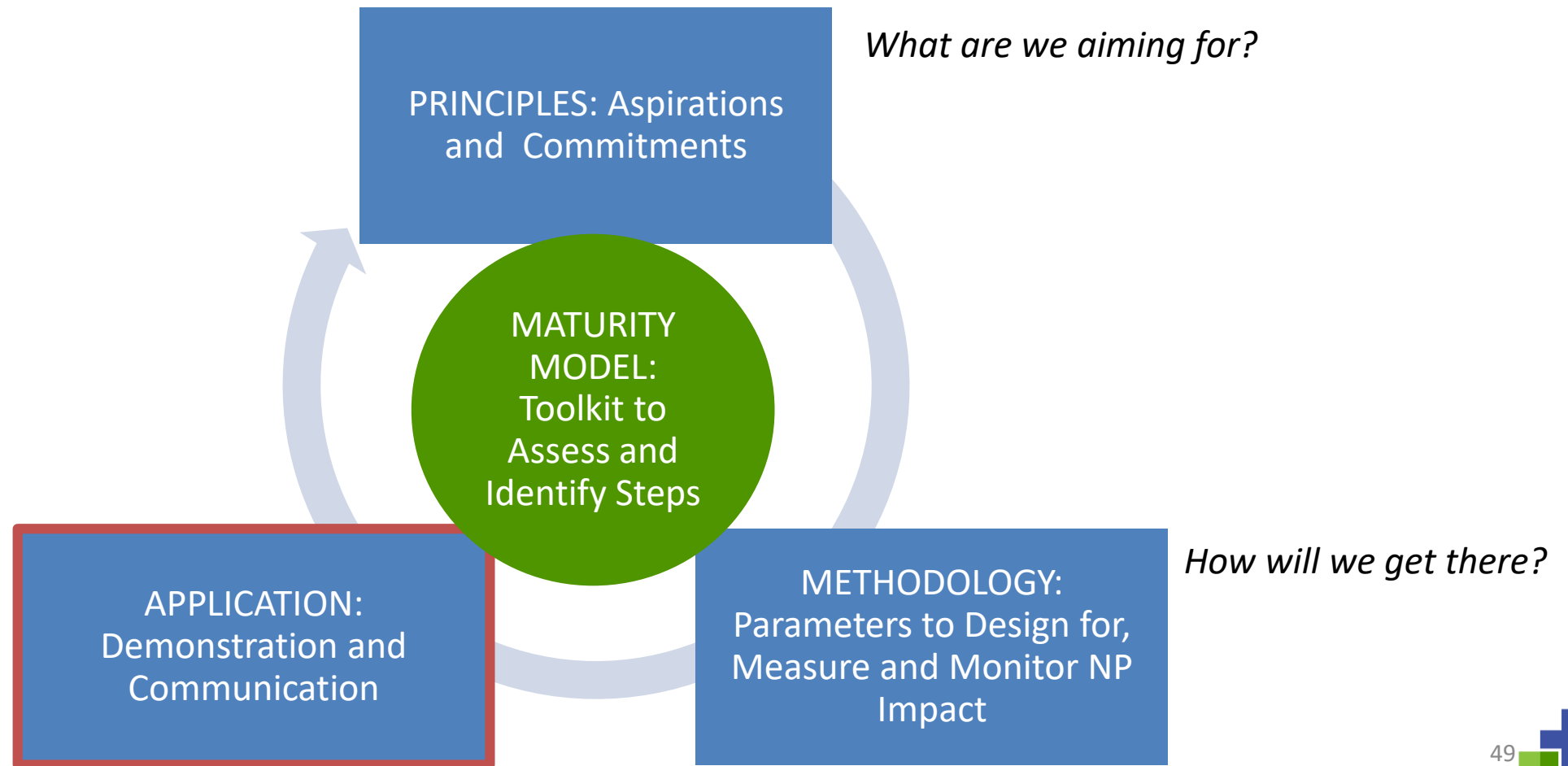
Delivering the NPP approach in applied areas of focus.

## **PART 3: APPLYING NET POSITIVE**



# Net Positive Corporate Toolkit

The NPP aims to help companies and systems transform through net positive, delivering business and sustainability benefits. To that end, we have developed a set of resources and tools to support companies in committing to and implementing net positive.



# NET POSITIVE CARBON

*Select learnings from NPP research and discussions*



# Summary and Implications | Carbon Applications

<b>What is the topic and the challenge being addressed?</b>	<ul style="list-style-type: none"> <li>Climate change and global climate action</li> </ul>
<b>What are the major trends and initiatives in the field?</b>	<ul style="list-style-type: none"> <li>Paris Agreement</li> <li>Regulatory and corporate action to combat climate change</li> </ul>
<b>What is current progress, and is it on track?</b>	<ul style="list-style-type: none"> <li>Current Paris pledges and corporate/regulatory are not on pace to limit climate change to a 1.5 C or 2.0 C scenario</li> </ul>
<b>What could net positive change / outcomes look like?</b>	<p>Net positive could...</p> <ul style="list-style-type: none"> <li>Open systemic emission reductions beyond supply chain (scope 3) emissions</li> <li>Enable reductions in others' footprints</li> <li>Balance out those that will not achieve the 2°C global average target</li> </ul>
<b>What is the role of the private sector?</b>	<ul style="list-style-type: none"> <li>Demonstrate leadership through commitments (e.g. science-based targets) and action</li> <li>Encourage and respond to consumer action</li> <li>Support regulatory measures to combat climate change</li> </ul>
<b>What are other key stakeholders, frameworks, etc.?</b>	<ul style="list-style-type: none"> <li>Paris Agreement and Nationally Determined Contributions</li> <li>Science-based targets and We Mean Business commitments</li> <li>Global/National/State/Local regulation</li> <li>WRI</li> <li>Carbon Trust</li> </ul>



# Net Positive Principles | Carbon Applications

## Material

### ***Focusing on what matters most***

- Carbon is a common material impact relevant for most actors.
- Because carbon is an area with more established guidance, it is often a good starting point for actors to embark on their net positive journeys and understand the key concepts and approach.
- Carbon can become relevant as a material impact area through related factors like the carbon impacts of water usage/efficiency or production impacts of materials with favorable health impacts.

## Systemic

### ***Influencing change across entire systems***

- Net Positive contributions will play a crucial role in achieving a 1.5/2.0 degree pathway. Net positive entails systemic emission reductions beyond supply chain (scope 3) emissions; enables reductions in others' footprints; and helps "balance out" actors that will not achieve low carbon targets.
- Net Positive carbon efforts are at the confluence of actions to support the Paris Agreement including corporate reduction strategies (~500 companies have committed to Science-Based Targets as of Nov 2018), consumer advocacy, and regulatory/policy initiatives

## Regenerative

### ***Creating long-term, sustained and absolute impact***

- The importance of carbon impacts to combatting climate change is well established, along with key methodologies for measuring, reducing, and reporting on carbon.
- Innovations with positive handprints can make permanent reductions in carbon impacts and move towards a lower carbon economy
- Managing potential negative effects (e.g. rebound effects) can be important to creating lasting impact

## Transparent

### ***Sharing progress openly and honestly***

- Measurement guidance and protocols around energy and carbon emissions are more advanced and readily quantifiable compared to some other footprint impact categories.
- The relevance of carbon handprints and footprints is generally less dependent on context and geography. An emission of green house gas has a similar impact on climate change regardless of where it takes place. Therefore, compared to some other impact categories, many of the context and location considerations and complications are not applicable.



# NET POSITIVE SOCIAL IMPACT

*Select learnings from NPP research and discussions*



# Social Impacts: Three Complimentary Lenses

Human Thriving



Health



Human Rights



Worker Wellbeing  
Assessment



# Summary and Implications

<b>What is the topic and the challenge being addressed?</b>	'Human Thriving' in relation to occupational and consumer health.
<b>What are the major trends and initiatives in the field?</b>	<ul style="list-style-type: none"> <li>• UN Business and Human Rights Guiding Principles</li> <li>• UN Sustainable Development Goals</li> </ul>
<b>What is current progress, and is it on track?</b>	<ul style="list-style-type: none"> <li>• Human rights are deteriorating around the world – Amnesty International annual report, February 2018</li> </ul>
<b>What could net positive change / outcomes look like?</b>	<ul style="list-style-type: none"> <li>• Reductions in human rights footprints/risks in global supply chains</li> <li>• Growth in human rights handprints/positive change in global supply chains</li> </ul>
<b>What is the role of the private sector?</b>	<ul style="list-style-type: none"> <li>• To respect human rights, under the UN Guiding Principles</li> <li>• To perform due diligence on human rights in their global supply chains, under frameworks including the UN Global Compact</li> </ul>
<b>What are other key stakeholders, frameworks, etc.?</b>	<ul style="list-style-type: none"> <li>• Variety of national laws requiring transparency and due diligence on human rights issues in supply chains</li> <li>• OECD Guidelines for Multinational Enterprises</li> <li>• ISO 26000</li> <li>• UPEP Guidelines for Social Life Cycle Assessment</li> <li>• Global Reporting Initiative</li> <li>• IFC Reporting standards</li> <li>• Equators Principles</li> </ul>

# Net Positive Principles | Social Applications

## Material

### ***Focusing on what matters most***

- Companies must address the biggest risks to their business, and to workers and to local communities right across the value chain from raw material extraction to use and end-of-use.
- Targets must be informed by global goals, frameworks, and conventions.
- Solutions should be informed by local stakeholders
- Action must be taken where the risks are highest.

## Systemic

### ***Influencing change across entire systems***

- Companies must respect human rights within the countries, regions, and communities in which risks are high
- Targets must be context specific.
- Companies must drive collective action for sustainable improvement of human rights protections for workers and communities
- Companies should support government protection of human rights and relevant policies, and should support respect for human rights by other companies locally (in line with the UN Guiding Principles)

## Regenerative

### ***Creating long-term, sustained and absolute impact***

- Companies work to identify the root causes of social risks in their supply chains
- Companies must ensure that their interventions address root causes, and in a durable, sustainable way

## Transparent

### ***Sharing progress openly and honestly***

- The full range of social impacts should be described comprehensively using a combination of qualitative and quantitative information as appropriate, with a defined strategy and action plan to reduce those negative impacts and enhance positive impacts.
- Reporting should reflect information within the appropriate context
- Targets and progress should be published publicly and verified by recognized authorities with local expertise.
- Companies should share best practice with NGOs, government and business



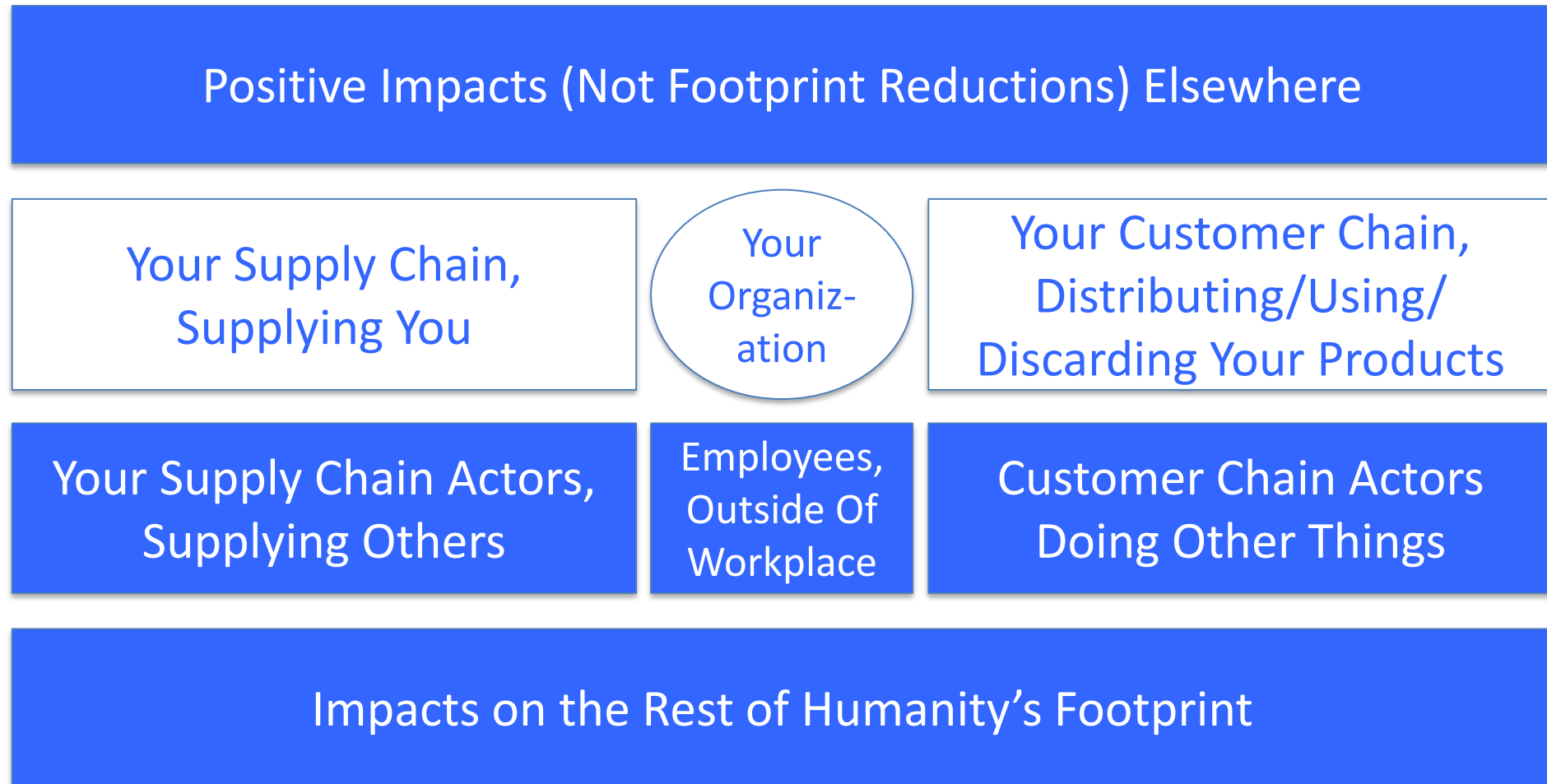


# NP Considerations Unique to Health

## **Traditional (Environmental) LCA addresses Environmental pathways to (Population) Health**

- Pollution released to environment across life cycle → Exposures and health effects
- The context can determine the expected severity of the impact. For example, the expected human health consequences of an air pollution release depend in part on the population density downwind of the release.
- Impacts may affect different populations, raising distributional/ethical/justice issues.

# Scope for Social Contributions and Handprints



# Pathways to Net Positive Health Impacts

## **Traditional (Environmental) LCA addresses Environmental pathways to (Population) Health**

- Pollution released to environment across life cycle → Exposures and health effects

## **Example: Augmented Method to address Occupational Health impacts**

- Method demonstrated and available
- Supply chain occupational health impacts can be dominant for some product types
- Material footprints to address; Material handprint and contribution opportunities
- Introduces and demonstrates use of worker-hours as basis for social assessment in supply chains

## **Example: Augmented Method to address Consumer Health Impacts**

- Method demonstrated and available
- Use phase consumer health impacts can be dominant for some product types
- Material footprints to address; Material handprint and contribution opportunities



# NET POSITIVE WATER IMPACT

*Select learnings from NPP research and discussions*



# Summary and Implications | Water Applications

<b>What is the topic and the challenge being addressed?</b>	Water use, from extraction to consumer use. Challenges include: Human toxicity, ecotoxicity, water scarcity, acidification, eutrophication
<b>What are the major trends and initiatives in the field?</b>	<ul style="list-style-type: none"> <li>• Freshwater species abundance has declined by up to 81% between 1970 and 2012</li> <li>• 3900 children die every day from water borne diseases</li> <li>• 1 out of 6 people lack access to safe drinking water</li> <li>• 8 Mighty rivers are running dry from overuse, greatly affecting humans and ecosystems (<i>Colorado, Indus, Amu Darya, Syr Darya, Rio Grande, Yellow, Teesta and Murray</i>)</li> </ul>
<b>What is current progress, and is it on track?</b>	<ul style="list-style-type: none"> <li>• The International Resource Panel state that without altering current levels of consumption, almost half the world's population will experience severe water stress by 2030</li> </ul>
<b>What could net positive change / outcomes look like?</b>	<ul style="list-style-type: none"> <li>• The Net Positive framing can help corporates to set targets which go beyond minimizing pollution or reducing water use, and instead, focus on increasing access to freshwater supplies.</li> </ul>
<b>What is the role of the private sector?</b>	<ul style="list-style-type: none"> <li>• Corporates rely on water supplies right across the value chain, from agriculture and material extraction, to manufacture, to consumer use. The availability of water in the right place and at the right quality can pose a significant risk to business.</li> </ul>
<b>What are other key stakeholders, frameworks, etc.?</b>	<ul style="list-style-type: none"> <li>• UN SDGS</li> <li>• Freshwater Living Planet Index</li> <li>• Water Use in LCA (WULCA)</li> <li>• ISO 14046</li> <li>• World Resources Institute</li> <li>• Qantis- Water Stewardship Benefits Accounting</li> <li>• WWF- Water Stewardship Framework</li> <li>• Courtauld Commitment 2025- WRAP</li> <li>• Context-based Water Targets</li> </ul>



# Net Positive Principles | Water Applications

## Material

### ***Focusing on what matters most***

- Companies must address the biggest risks to their business, and to their local communities and the underpinning ecosystems right across the value chain from extraction to use.
- Targets must be informed by local stakeholders
- Action must be taken in the areas where the extraction takes place.
- Action must be taken where the company has most impact by volume, but also where that impact has the biggest effect on the local community and underpinning ecosystems.
- The timing as well as location of water extraction as well as the impact on water quality is also important.

## Systemic

### ***Influencing change across entire systems***

- Companies must address issues at a watershed or landscape level.
- Targets must be context specific.
- Companies must drive collective action for sustainable management of local watersheds.
- Companies must lobby for the adoption of smart and resilient water policies by governments and other companies locally.
- Where impacts occur in the use-phase, companies must seek to influence consumer behavior.
- Companies must seek to influence water governance locally and lobby for the need of local communities to be met

## Regenerative

### ***Creating long-term, sustained and absolute impact***

- Companies must seek to actively replenish water systems, not just reduce negative impact.
- Companies must ensure that their interventions enable watersheds to sustain themselves without continued activities from the company, for example by ensuring that effective policies are in place and that there are being implemented effectively
- Companies must address local water issues in a way that is appropriate to the local context.

## Transparent

### ***Sharing progress openly and honestly***

- The full range of water impacts should be described comprehensively and quantitatively with a defined strategy and action plan to reduce those negative impacts and enhance positive impacts.
- Reporting should reflect information within the appropriate context (potentially e.g. at watershed or landscape level)
- Targets and progress should be published publicly and verified by recognized authorities with local expertise.
- Companies must share best practice with NGOs, government and business



**END**