The Net Positive Readiness Test:

HOW READY IS YOUR COMPANY FOR THE NET POSITIVE JOURNEY?

Being net positive – improving the well-being of everyone your business touches through its operations, products, and services of the business – is the north star. It will take hard work and commitment, but the journey will be easier with the right information at hand, and solid commitments to values and purpose throughout the organization. This set of questions will help you assess how ready the organization is and start a deeper conversation about where you're well prepared, and where you need more work. These are directional and don't cover everything a company should be thinking about. Try to rate your company, quickly and on a gut level, along a spectrum of "Not at all" to "Definitely" or from "Never" to "Always".

Foundational Data And Information

1. Do you understand the world's thresholds and megatrends such as climate change, inequality, biodiversity, human rights, and diversity and inclusion? Do you understand how these issues affect the business (and vice versa)?

2. Can you regularly measure your overall environmental and social impacts (negative and positive) on the world, including your suppliers, customers, and consumers?

3. Do you have insight into what key stakeholders expect of you, now and in the future (e.g., do you measure employee engagement and their belief in the company's stated values?)

4. Can company leaders, employees, and other stakeholders explain your company's reason for being (its purpose) beyond maximizing shareholder return?

5. Does your Board understand the case behind driving an ESG agenda?

Inner Core: Principles, Purpose, and Goals

6. Does your reason for being help solve problems for the world, and drive the company's growth, strategic decisions, and investment choices?

7. Do you have company-wide goals for environmental and social performance that reflect external realities and thresholds (i.e., are they science-based)?

8. Do you encourage people to set audacious targets based on what the world needs (tied to the Sustainable Development Goals) instead of just what they think they can achieve?

9. Do you set goals that are outside of your direct control (e.g., for your extended value chain)?

10. Can you identify key areas where your business can leverage its unique skills to lead and address some of the world's challenges?

11. Do your goals seek to eliminate harm, or even go beyond to regenerative, net positive impacts? Do any goals make you uncomfortable?

12. Do you give NGOs or outside groups open access to review your supply chain, and do you share the findings broadly outside the company?

13. Do the people in your organization, and on the Board, reflect the demographics of the societies where you operate? Are there extensive inclusion efforts and do you set transparent targets for race, gender, sexuality, and abilities?

14. Does leadership spend time on long-term strategy and planning, or are most of its meetings (internal and with investors) focused on short-term quarterly results? Do managers feel empowered to make decisions for the long-term benefit of the company and society?

15. Is responsibility for and investment in sustainability embedded in all major functions of the company, such as procurement, finance, HR, M&A, R&D (vs. being situated only in marketing or communications)?

Outer Core: Partnerships and Advocacy

16. Would your suppliers say that the relationship with your company is a partnership that drives innovation for social and environmental progress (vs. a purely transactional relationship)?

17. Have you identified key environmental and social challenges, risks, and opportunities that you share with peer companies, and do you lead coalitions to advance positive outcomes at scale?

18. Do you embrace partnerships (with NGOs, governments and others) as a means to drive greater business and social impact (vs. engaging in partnerships as part of a "CSR" program to generate good will)?

19. In your government relations, do you look for broader solutions to shared problems that benefit everyone (vs. mainly pursuing your own goals such as fighting regulation or lobbying for tax breaks)?

20. Do you know what trade associations are lobbying for in your name? Is it consistent with your main goals?

21. Do you use the company's voice to speak out in support of democracy, science-based facts, and justice and equality, even in geographies with restrictive laws and cultures?

The Thorny Issues & Elephants in the Room

22. 22. Do you seek to pay a fair share of taxes that contributes to collective prosperity in the communities you operate in (vs. solely engaging in creative accounting rules to avoid taxes)?

23. 23. Are you spending more on stock buybacks and special dividends than investing in people, R&D, and long-term value creation?

24. 24. Do you actively support local governments in efforts to reduce corruption, fix tax systems, build a level playing field for businesses, and attract capital?

25. 25. Has executive pay at your company risen faster than average pay over the past 5 years (have workers been left behind)? Are there employees living at or below the poverty line?