

The Net Positive Index

Executive Summary

Part of the Advancing Net Positive Agenda

Independently
developed and
researched by

**ECONOMIST
IMPACT**

Can leaders create thriving businesses in today's volatile world? Conflicts and political challenges, cybersecurity risks and extreme weather events regularly disrupt supply chains and operations. Competing priorities and agendas—the United States is rolling back environmental reporting requirements as the European Union's Corporate Sustainability Reporting Directive comes into force—make defining business success challenging.

Consumers and investors are demanding increased transparency around social and environmental practices across the value chain, but availability of data is scarce: fewer than 5% of consumer-driven companies believe their environmental and social reporting is as reliable as their financial reporting.¹ And business leaders remain uncertain if their investments in AI are generating enough efficiency and profitability gains to offset concerns about large-scale energy and water use.

What makes a successful business in this complex environment? A successful business delivers positive impacts for communities and the planet without compromising profitability and resilience. And a Net Positive approach does just that. It goes beyond minimising a company's footprint, to create meaningful benefits for people and the environment through a positive handprint. A Net Positive approach positions companies at the forefront of environmental, social and technological advances while building resilience against changes in regulation and consumer demand.

Defining Net Positive and putting it into practice

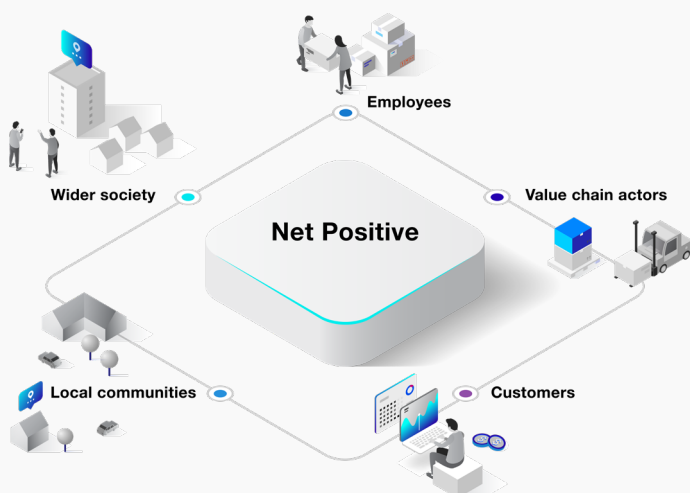
Net Positive is a business approach where companies not only aim to minimise their social and environmental footprint, but also actively create positive impacts that contribute to long-term sustainability and the well-being of people and the planet (ie, increase their handprint).



¹ <https://www2.deloitte.com/us/en/insights/industry/retail-distribution/accountable-sustainability-consumer-industry.html>

A Net Positive business creates positive value for the planet and people now and in the future (see Figure 1). Challenging a business-as-usual approach and calling for a transformation of priorities requires both leadership and collaboration among industry peers and other key actors to position the private sector as a critical part of the solution and to help drive profit with purpose.

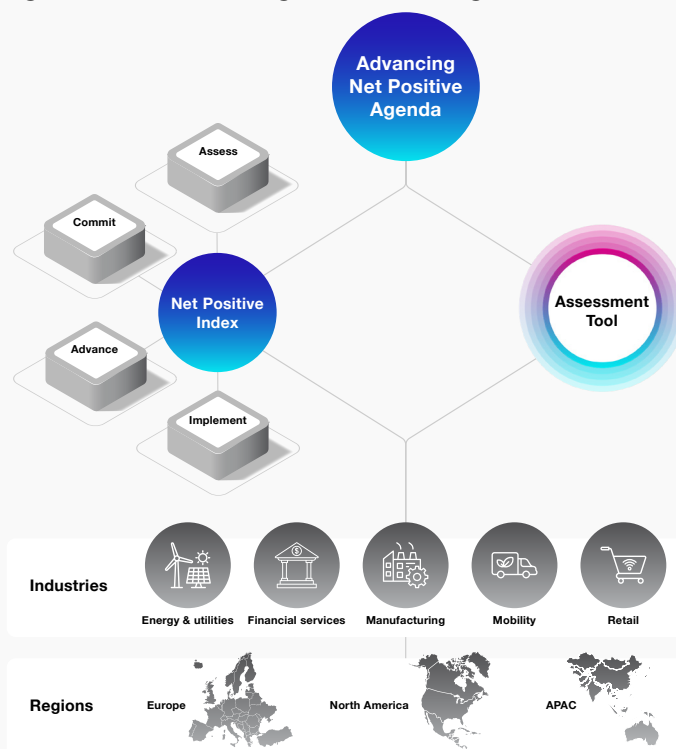
Figure 1: Net Positive for maximum impact



Source: Economist Impact

Fujitsu's 'Advancing Net Positive Agenda', developed and researched by Economist Impact, is a first-of-its-kind toolkit to help business leaders understand and progress towards Net Positive. It includes the Net Positive Index, an action-oriented benchmark of where companies within five industries are on their journey to become Net Positive, and the Net Positive Assessment Tool, which allows companies to assess where they are in their Net Positive journey (see Figure 2). The index and assessment tool measure companies against a set of actions that are effective in reducing negative impacts on people and the planet, increasing social and environmental handprints, and ensuring efficiency and profitability.

Figure 2: The Advancing Net Positive Agenda



Source: Economist Impact

“Don’t see a Net Positive approach as risk mitigation, see it as opportunity. Don’t see it as a short-term investment, but as a longer-term value tool. And if you do these things, you create a different culture in your organisation.”

Paul Polman
Former CEO of Unilever and
Net Positive Champion



Introducing the Net Positive Index

The Net Positive Index moves beyond traditional Environmental, Social and Governance (ESG) and sustainability assessments to create an action-oriented approach to understanding how companies within five industries are working to achieve net positivity.

The index framework has four key pillars:

- **Assess:** Are companies measuring their current footprint and handprint?
- **Commit:** Are companies publicly committed to and planning for a Net Positive future?
- **Implement:** Are companies embedding Net Positive behaviours into their business operations?
- **Advance:** Are companies taking action to advance Net Positive?

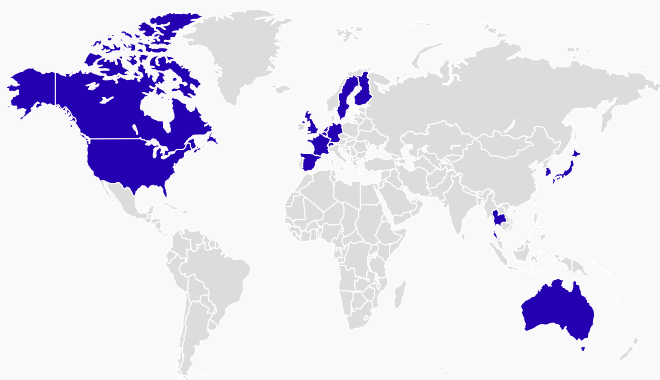
Figure 3: Net Positive Index Framework

Assess	Commit	Implement	Advance
1.1 Assessing impact 1.1.1 Environmental impacts 1.1.2 Social impacts 1.2 Materiality assessment 1.3 Technology integration readiness for Net Positive	2.1 High-level, durable commitments 2.1.1 UN Global Compact 2.1.2 Strategic commitment to Net Positive 2.1.3 Transparent and responsible tax fundamentals 2.1.4 Balanced performance metrics 2.2 Environmental and social targets and commitments 2.2.1 Ambitious environmental targets 2.2.2 Ambitious social targets 2.3 Commitment to protecting personal data	3.1 Operational and supply chain transformation 3.1.1 Integration of sustainability goals 3.1.2 Sustainability in operations 3.1.3 Supply chain management 3.1.4 Environmental disclosure 3.2 Sustainable innovation and product/service design 3.2.1 Intention and innovation 3.2.2 Environmental sustainability 3.2.3 Socially sustainable and inclusive design 3.2.4 Customer communications and product information 3.3 People-centred policies and practices 3.3.1 Own workforce 3.3.2 Workers in the value chain 3.3.3 Concern mechanisms and stakeholder engagement 3.4 Tech integration and data-driven decision making 3.4.1 Effective and responsible tech and data practices 3.4.2 Data collection and integration	4.1 Beyond compliance 4.1.1 Continual advancement 4.1.2 Upskilling and reskilling for sustainability 4.1.3 Sustainable tech considerations 4.2 Collaboration for Impact 4.2.1 Responsible lobbying and political engagement fundamentals 4.2.2 Joint R&D efforts 4.2.3 Industry leadership 4.2.4 Community (re)investment

Source: Economist Impact

How we built it

Figure 4: Taking Net Positive global



Source: Economist Impact

The Net Positive Index is based on an in-depth literature review focused on defining Net Positive, the actions and behaviours Net Positive companies exhibit and the tools companies can use to accelerate their transformation. We validated the framework with an expert panel and interviews with 11 academics and business representatives from across regions. The index data and findings are based on a survey² of 1,800 executives and decision-makers across 17 countries (see Figure 4) within five industries (financial services, manufacturing, mobility, retail and energy & utilities) and existing industry-specific sources, including the World Benchmarking Alliance's Social Benchmark dataset and the UN Global Compact database.

² The survey data reflects self-reported responses from participants, which may vary based on individual perspectives and experiences. This should be taken into account when interpreting the findings.

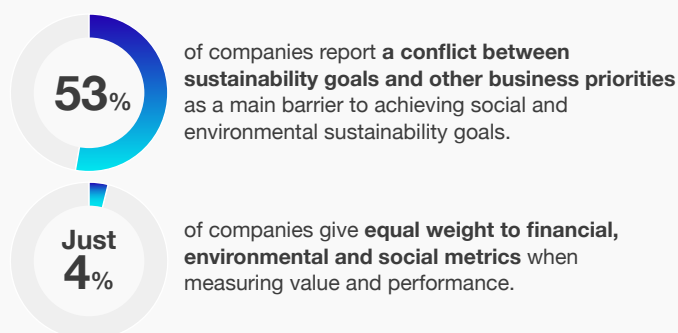
This Executive Summary highlights the Net Positive Index and its key findings, offering a roadmap for businesses to embark on their Net Positive journey. Adopting a Net Positive approach is more than a sustainability commitment. It is a unique opportunity to drive financial success while creating a better world. Is your business ready to lead the way?

Key Findings

Net Positive benefits business.

Companies across all industries that have the highest scores in the Net Positive Index are more likely to be “on track” to meet revenue, profit and market share goals and are tracking ahead on investor confidence and sustainability goals. Yet, many companies still believe there is conflict between sustainability initiatives and other business priorities, and just 4% of businesses weigh financial, environmental and social performance equally (see Figure 5). The Net Positive Index suggests that adopting a Net Positive approach is not an ‘either-or’ decision. What steps can your company take to move beyond this misconception and align profitability with purpose?

Figure 5: A clash of priorities: balancing sustainability and business goals



Source: Economist Impact

Very few companies are truly Net Positive.

The average score on the Net Positive Index is just 55/100 and no industry scores above 57 (see Figure 6). This underperformance is likely because companies are limiting themselves to an ESG mindset. They are focused on reducing harm through minimising their footprint rather than embracing a “Net Positive mentality” focused on increasing their handprint. Over four-in-five (82%) companies have

targets focused on reducing negative impacts—such as a target to eliminate forced or child labour across their supply chains—while just 61% have targets to proactively support positive outcomes, such as reaching a living wage for employees (see “Understanding how to minimise negative and drive positive impact”). Shifting from mitigation to transformation drives more successful businesses.

Figure 6: Net Positive Index scores

Industry scores		1. Assessing current impact and readiness		2. Committing to a Net Positive future	
Retail	57	OVERALL	58	OVERALL	50
Energy & utilities	56	Retail	60	Retail	52
Manufacturing	55	Energy & utilities	59	Energy & utilities	52
Mobility	54	Manufacturing	59	Manufacturing	50
Financial services	52	Mobility	57	Financial services	48
		Financial Services	52	Mobility	48
Average score across all industries		3. Implementing Net Positive practices		4. Advancing Net Positive	
55		OVERALL	55	OVERALL	56
Regional scores		Retail	58	Energy & utilities	57
Europe	57	Energy & utilities	55	Retail	56
North America	54	Manufacturing	55	Mobility	56
APAC	53	Mobility	54	Financial services	56
		Financial Services	53	Manufacturing	56

Understanding how to minimise negative and drive positive impact

The concept of reducing harm is one that we are all familiar with: decarbonisation and Net Zero are on every business radar. But a Net Positive approach asks companies to take a step further than minimising or even eliminating negative impact. It pushes companies to develop proactive strategies and take action to enhance natural and social capital.

These proactive strategies and actions to increase a company's handprint cannot, however, be at the expense of, or in lieu of, minimising or eliminating negative impact. Therefore, the Net Positive Index assesses both actions companies are taking to eliminate harm and to drive positive impacts for a wide range of stakeholders (see Figure 7). What does this mean in practice?

Figure 7: Driving positive change through action

What actions could your company take to reduce harm and drive benefits for stakeholders?

Stakeholder group	Examples of how to reduce your footprint	Examples of how to increase your handprint
Workforce	Introducing and enforcing measures against violence and harassment in the workplace	Setting targets to achieve a living wage for all employees
Customers	Introducing measures to protect user data and privacy	Offering adaptable products for persons with disabilities
Communities	Setting operational limits on noise levels near local residential areas	Hiring a percentage of the workforce from local communities to support local livelihoods
Value chain workers	Introducing and enforcing measures against forced labour or child labour	Implementing programmes to advance financial literacy among value chain workers

Source: Economist Impact

Advancing Net Positive: the challenges

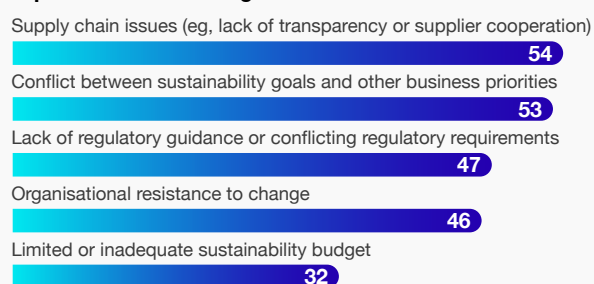
Businesses across all industries encounter significant challenges in pursuing Net Positive,

including supply chain complexities, conflicting regulations and resistance to change within organisations (see Figure 8). Despite these hurdles, over two-thirds (67%) believe that adopting a Net Positive approach will create cost-savings through increased efficiency and decreased climate risk, while almost three-in-five (57%) believe it will increase their regulatory compliance and risk management. What strategies can your company adopt to turn these challenges into opportunities and unlock the full potential of Net Positive?

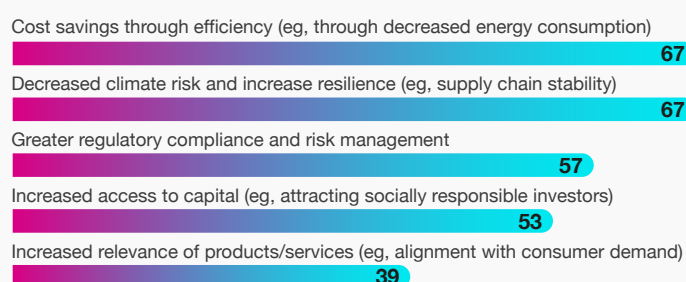
Figure 8: Obstacles and advantages of embracing Net Positive

% of respondents across all industries and regions

Top barriers to achieving social and environmental sustainability goals



Most common expected benefits of adopting a "Net Positive" approach



Source: Economist Impact

When companies are making progress towards Net Positive, they tend to focus their efforts on environmental issues

(see Figure 9). Social issues—including human rights protections and labour practices—are being neglected. Just 14% of companies across industries and regions describe the processes they use to identify human rights risks and impacts. And even fewer (5%) publicly state that workers shall not be required to work more than 48 hours in a regular work week or more than 60 when overtime is included. Ensuring social issues do not fall off the radar is critical to achieve Net Positive.



For some companies, the definition of sustainability is environmental sustainability, but in my opinion, you are not going to make as much of a contribution to society and your local or national economy if you do not also look at the social factors and the society in which you are operating.

Motoko Aizawa
Author and Researcher on
Sustainable Infrastructure



Figure 9: Global success trends and shared pain points

Global success trends

- + Materiality assessment completion and audits
- + Action on scope 1 and 2 emissions (footprint assessment, targets, and disclosures)
- + Ad hoc or regular engagement in joint R&D initiatives to develop sustainability solutions
- + Investments in employee upskilling and reskilling
- + Policies for ethical marketing and advertising with customers

Shared pain points

- + Responsible lobbying and political engagement fundamentals
- + Transparent and responsible tax practices
- + Systems for preventing and addressing human rights issues
- + Protections and advancements for workers' rights and safety
- + Action on scope 3 emissions

Source: Economist Impact

Companies worldwide struggle to embed Net Positive practices across their value chains.

While 92% of businesses report Scope 1 and 2 emissions from global operations annually, only 4% disclose emissions across key Scope 3 categories. Only one-in-four (26%) retail and financial services companies give independent actors open access to their supply chain (eg, to assess supplier labour practices) across most of their portfolio. And just one-third (34%) of retail, manufacturing, energy & utilities, and mobility companies are assessing and managing privacy and data security risks when partnering with third-party vendors.

Introducing the Net Positive Assessment Tool

The Net Positive Index is accompanied by the Net Positive Assessment Tool. The tool allows users to benchmark their company against industry and regional competitors on some of the Net Positive Index indicators and to understand where they are in their Net Positive journey.

The Net Positive Assessment Tool places companies into four groups depending on their scores (see below).

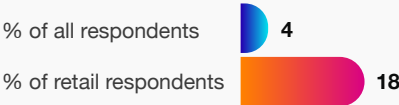
[Take the Net Positive Assessment now to learn your score and receive recommendations on actions your company can take to advance towards Net Positive.](#)

	Net Positive Starter	Net Positive Practitioner	Net Positive Achiever	Net Positive Leader
Score	0-25	26-50	51-75	76-100
	At this foundational level, businesses have started to focus on establishing basic social and environmental standards to minimise their negative impacts. While these standards may not yet be fully met, there is starting to be a commitment to building a responsible baseline.	Practitioners have moved beyond foundational efforts and are incorporating Net Positive practices into daily business activities. They are starting to collaborate with stakeholders to achieve tangible social and environmental improvements, building on early goals with steady progress.	Achievers actively pursue Net Positive practices, often setting the standard for meaningful, measurable impact. They engage in partnerships across the sector to multiply their influence and address larger widespread problems.	Leaders are recognised for major positive changes and have a strategic focus on advancing Net Positive practices industry-wide. They lead initiatives that inspire collective change, advocate for ambitious standards, and mentor others to adopt similar approaches.

Consumer-driven industries are outpacing their B2B peers on the Net Positive journey, but no industry is a “Net Positive Leader”. Increased consumer scrutiny appears to be driving progress in the Retail sector, encouraging companies to implement worker protections across their value chains. Retail companies are more likely to disclose how they monitor the health and safety performance of entities in their value chains. They are also more likely to provide recent examples of engagement with stakeholders whose human rights were affected by their activities and to describe how they work to support the payment of a living wage by their business relationships (see Figure 10). These efforts highlight the power of accountability and transparency in advancing Net Positive practices.

Figure 10: In the path towards Net Positive, retail is tracking ahead

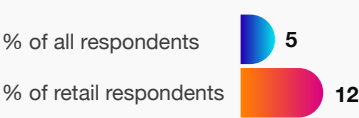
Describes how it works to support the payment of a living wage by its business relationships



Discloses how it monitors the health and safety performance of its business relationships



Provides two or more examples of engagement with stakeholders whose human rights have been affected in the last two years



Source: World Benchmarking Alliance, 2024 Social Benchmark dataset



Country spotlights

US	Germany	Japan
Overall result The US stands out for capitalising on tech to drive more Net Positive behaviour.	Overall result Germany is at the forefront of introducing environmentally—and, to a lesser extent, socially—friendly practices and products.	Overall result Japan demonstrates strong progress in operational and supply chain transformation.
Strengths The country tracks ahead of top-performing Europe on readiness to support sustainability goals with new technologies, the identification of business areas where tech could help meet sustainability goals and effective/responsible tech and data practice.	Strengths Germany tracks ahead of other European economies on environmentally sustainable design practices and on implementing/investing initiatives to minimise environmental footprints and enhance sustainability across operations.	Strengths Japan outpaces countries across other regions on 80% of the Net Positive Index’s metrics on implementation of transformative measures to make operations and supply chains more sustainable. These include efforts to improve energy efficiency and integrating sustainability goals across all levels of the organisation.
Areas for improvement The US falls behind on simple actions, like signing the UN Global Compact, and on transparency around its processes for assessing and identifying human rights risks.	Areas for improvement Surprisingly, Germany falls behind other regions and its European peers on assessing readiness to support sustainability goals with new technology.	Areas for improvement Despite being at the forefront of assigning social sustainability responsibilities to a board member/exec, Japan falls behind on disclosing how it monitors health and safety of workers and how it supports the payment of a living wage across the value chain.

Advancing Net Positive: driving success



Companies that are employing technology and other tools to support their sustainability efforts are more likely to be tracking ahead on revenue and profit goals

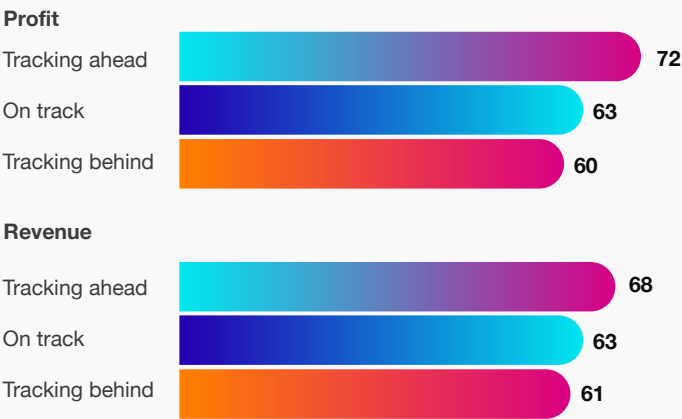
(see Figure 11). However, companies are not managing the safe and responsible adoption of these technologies. While support and training are available, almost half of companies do not have formal processes to assess potential negative impacts, including job displacement and increased energy use. Similarly, only 56% have frameworks to navigate challenges like collecting diversity data without compromising employee privacy. Ensuring responsible and ethical implementation of technology is essential to capitalise on its potential to drive profitability and efficiency, and to maximise sustainability outcomes.

Effective data collection is a vital tool for advancing Net Positive.

Retail companies and companies based in Europe—the best-performing industry and region in the Net Positive Index, respectively—are the most likely to report that data collection has significantly helped reduce their negative social or environmental impacts. When companies where data collection moderately helped reduce their negative social or environmental impacts are also considered, over 75% of companies in all industries believe that data collection contributes to advancing Net Positive behaviour. Leveraging accurate and actionable data enables organisations to make meaningful strides towards Net Positive.

Figure 11: No trade-offs: Companies adopting tech for sustainability are meeting their financial goals

Average company score (out of 100), based on the level of technology adoption to support sustainability efforts.



Source: Economist Impact

Industry spotlights

	Financial services	Mobility	Energy & Utilities	Manufacturing	Retail
Area to prioritise	• Most likely to rely solely on financial metrics when measuring value and performance • Least likely to have set key environmental targets	• Least likely industry to disclose the categories of stakeholders whose human rights have been or may be affected by its activities	• Most likely to report organisational resistance to change as a key barrier to achieving social and environmental sustainability goals	• Lowest AI uptake for predicting and managing environmental and social impacts	• Least likely to have training programmes for employees focused on emerging technologies and digital transformation
Where the industry stands out	• When companies in the industry do consider social or environmental targets, they are more likely to prioritise social targets than other industries	• Most likely to participate in joint R&D initiatives with public sector organisations to develop sustainability solutions	• Most likely to disclose the amount of corporate income tax paid for each tax jurisdiction where the company is a resident for tax purposes	• Among companies who have yet to adopt AI, manufacturing companies are most likely to have plans to do so within the next year	• Most likely to protect employees within their organisations and across the value chain and to disclose how they monitor health and safety performance

Conclusion

Today's volatile business world has forced environmental and social issues to the back of many executives' minds. It is not that companies are uninterested in driving change; it is that these issues seem less pressing than others. But this is where they are wrong: between 2019 and 2024, the 215 largest global companies anticipated US\$1 trillion was at risk from climate impacts.³ Companies cannot flip-flop on sustainability depending on the political climate. Sustainability is a tangible business vector.

Embracing a Net Positive approach allows executives to deliver resilience against unpredictable economic, geopolitical, technological and climate risks while also taking advantage of innovation. It enables them to continue

advancing their social and environmental goals without sacrificing revenue and profit.

While becoming a truly Net Positive business can require substantive transformation and a true mindset shift, there are many actions companies can take to start the journey towards Net Positive that require limited time and investment (see Figure 12). And if your organisation has already undertaken most of these quick wins, take the Net Positive Assessment Tool.

Find your company's score and get tailored recommendations on how to drive your company's resilience and profitability while building a better world.

Figure 12: Easy wins for companies starting their Net Positive journey

	Green lights: easy to start and action through to completion	Yellow lights: easy to start, but could be slower to action through to completion
Establish a foundational commitment	Embed a commitment to positive environmental and social responsibility within your vision, mission and corporate values	Become a signatory to the UN Global Compact to align with globally recognised principles on human rights, labour, environment and anti-corruption
Empower and engage employees	Conduct company-wide training on the organisation's sustainability goals and how employees can contribute	Launch an employee engagement initiative to gather ideas for sustainability improvements from across the organisation and facilitate their implementation
Focus on sustainable and inclusive product and service design	Incorporate customer feedback and testing into product/service design, ensuring they address real-world sustainability and accessibility needs	Explore opportunities for circular economy models , such as product take-back programmes or designing for repairability and recycling
Quick wins and continuous improvement	Begin with " low-hanging fruit " initiatives like reducing paper usage, encouraging sustainable commuting options or switching to eco-friendly office supplies	Conduct regular reviews of your environmental and social sustainability standards to ensure continued alignment of practices with evolving regulatory, industry and ethical benchmarks
Collaborate and share knowledge	Openly share sustainability-related data and case studies with peers and competitors to foster collective progress	Actively engage with industry associations and multi-stakeholder forums on sustainability issues to exchange ideas, share innovations and challenges, and collaborate on developing solutions

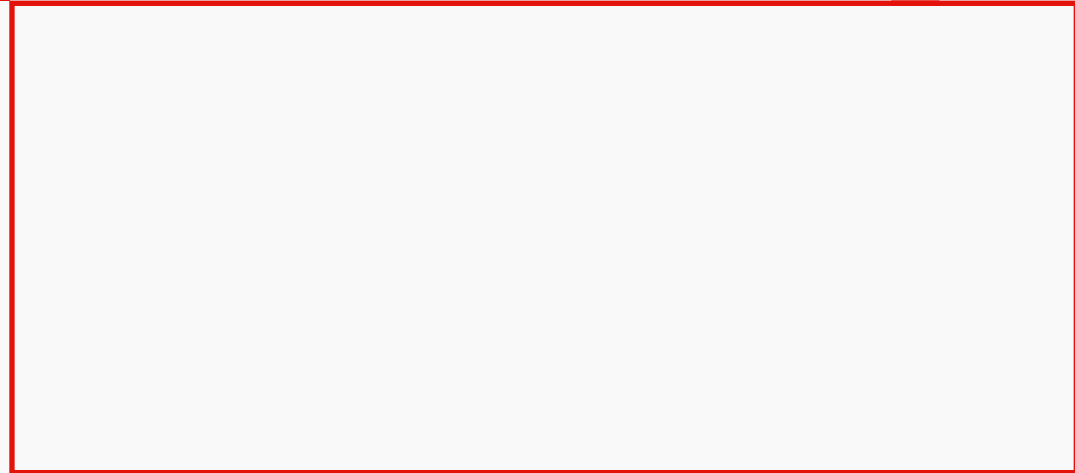
³ <https://www.cdp.net/en/articles/media/worlds-biggest-companies-face-1-trillion-in-climate-change-risks>

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