



Future-Fit
Business Benchmark

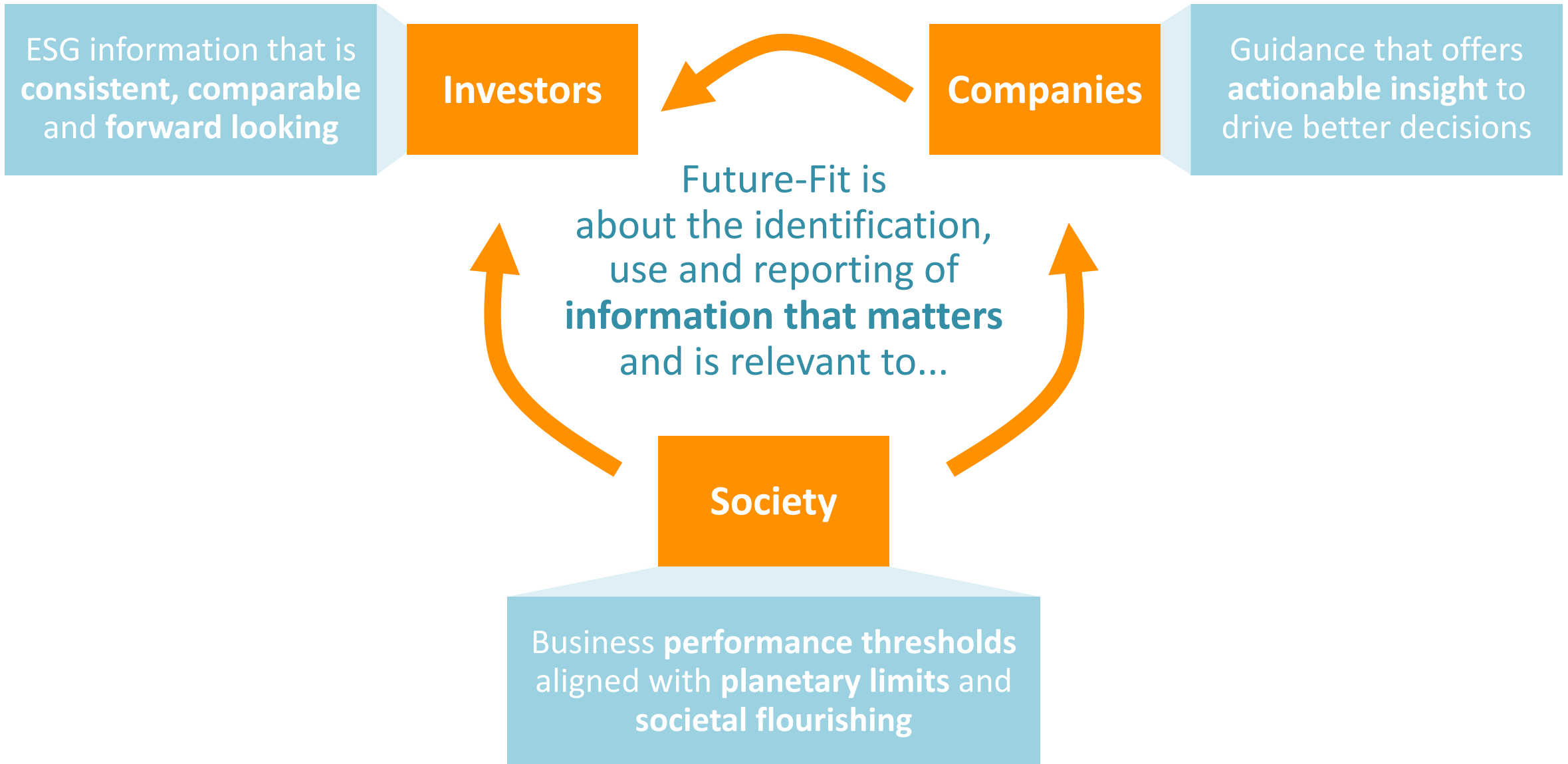
Executive Summary

23 April 2019

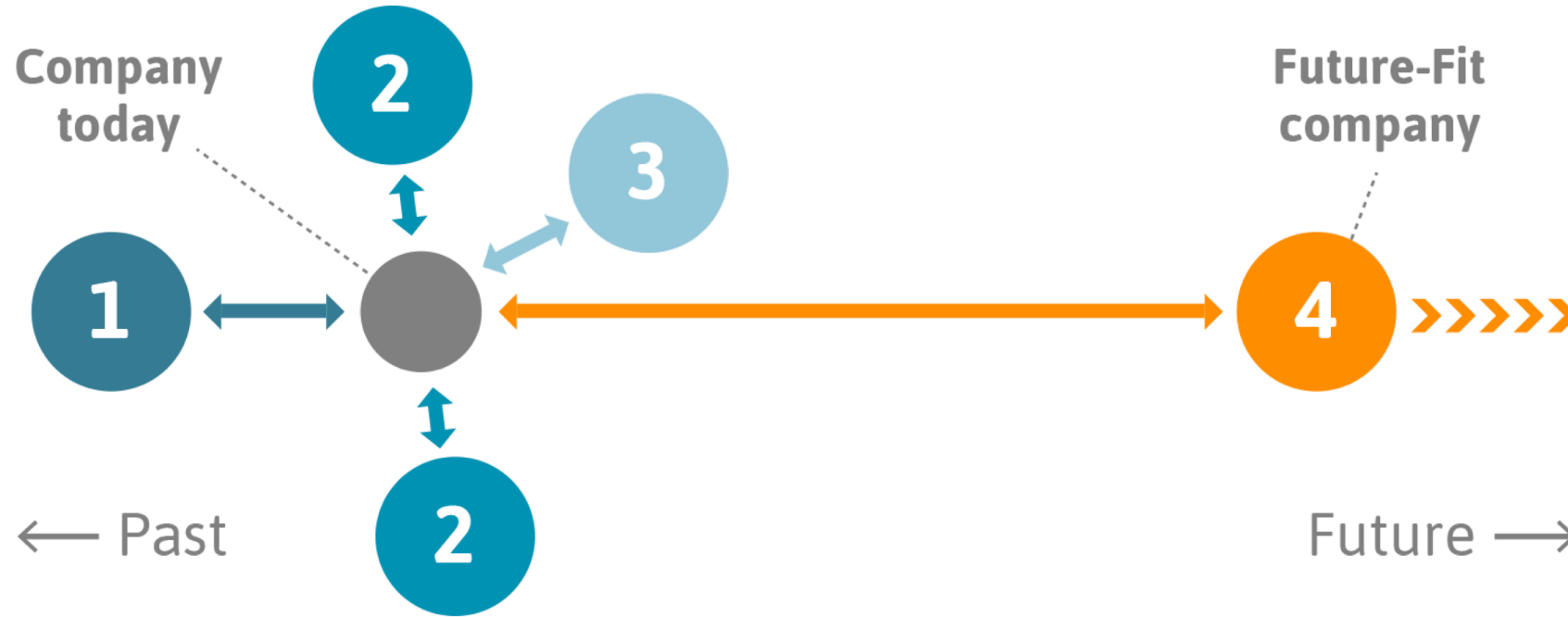
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Future-Fit Foundation creates free tools to help companies and investors respond to today's biggest challenges in ways that create long-term value for themselves and society as a whole.

Future-Fit in a nutshell



A new kind of business benchmark is needed



1

Assessing company performance relative to a past year doesn't tell us where it is going

2

A focus on best practice by sector (e.g. current ratings) only drives a race to be 'least bad'

3

Progress toward short-term goals matters only if they contribute to the right long-term aims

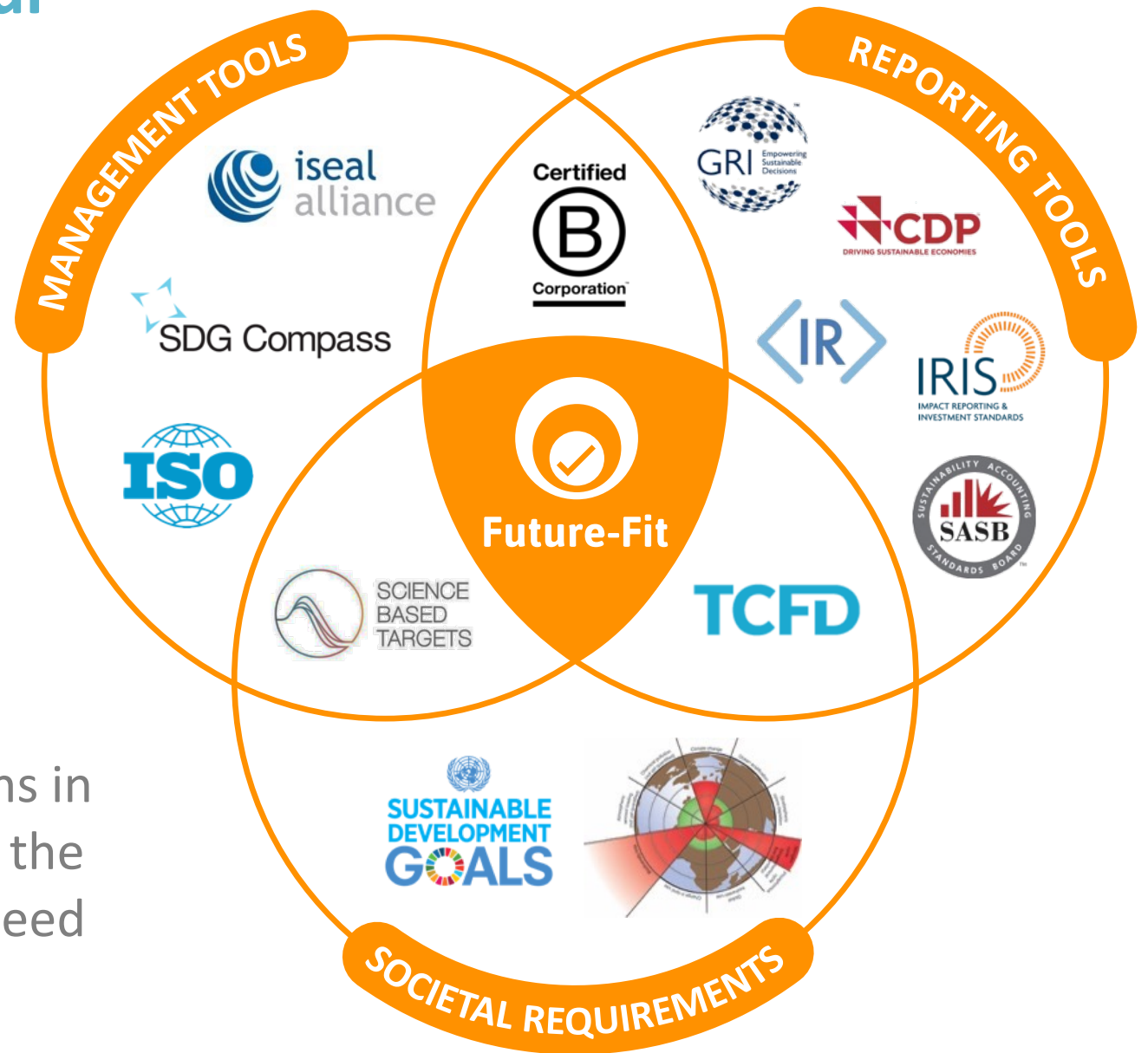
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For the full story we must assess progress toward and beyond an **extra-financial break-even point**

Future-Fit is unique and useful

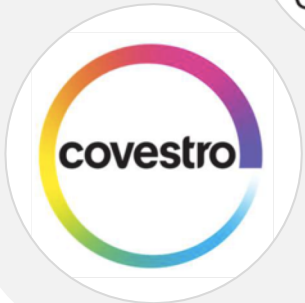
Future-Fit complements existing tools, equipping business with...

- a clear destination to aim for, grounded in best-available science
→ *Societal Requirements*
- the means to guide and assess true progress → *Management Tool*
- a way to report on meaningful actions in the context of credible ambitions, in the concise, comparable way investors need
→ *Reporting Tool*

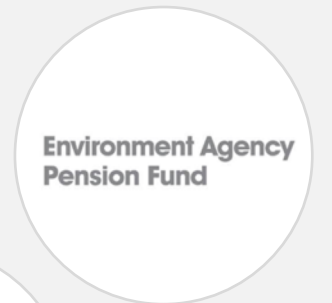


Introducing the Future-Fit Development Council (April 2019)

Companies



Investors

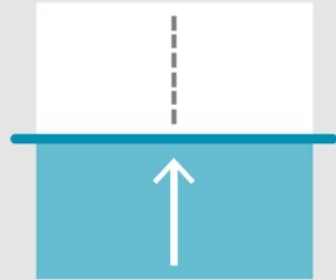


Our members are helping us to stress-test and improve the Benchmark, and to co-create the credible, concise, comparable metrics necessary to mobilize capital markets in pursuit of future-fitness

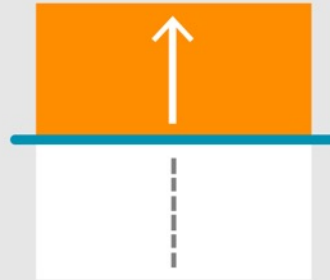
How companies are using the Benchmark...

One set of 23 *Break-Even Goals* with progress indicators

Defining 'doing good' in a credible way: *Positive Pursuits*



A clear
destination



A guide for
innovation



A tool for better
engagement

What would a Future-Fit Society look like?

Environmentally restorative, socially just, economically inclusive...

People have the capacity and opportunity to lead ***fulfilling lives***

Our ***physical presence*** protects the health of ecosystems and communities

Natural resources are managed to safeguard communities, animals and ecosystems

The environment is free from ***pollution***

Energy is renewable and available to all

Water is responsibly sourced and available to all

Waste does not exist



Social norms, global governance and economic growth
drive the pursuit of future-fitness





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Break-Even Goals

What every company
must strive to do
to *avoid slowing down*
society's progress
toward future-fitness

Energy	Energy is from renewable sources
Water	Water use is environmentally responsible and socially equitable
Natural Resources	Natural resources are managed to respect the welfare of ecosystems, people and animals
Pollution	Operational emissions do not harm people or the environment
	Operations emit no greenhouse gases
	Products emit no greenhouse gases
	Products do not harm people or the environment
Waste	Operational waste is eliminated
	Products can be repurposed
Presence	Operations do not encroach on ecosystems or communities
People	Community health is safeguarded
	Employee health is safeguarded
	Employees are paid at least a living wage
	Employees are subject to fair employment terms
	Employees are not subject to discrimination
	Employee concerns are actively solicited, impartially judged and transparently addressed
	Product communications are honest, ethical, and promote responsible use
	Product concerns are actively solicited, impartially judged and transparently addressed
Drivers	Procurement safeguards the pursuit of future-fitness
	Financial assets safeguard the pursuit of future-fitness
	Lobbying and corporate influence safeguard the pursuit of future-fitness
	The right tax is paid in the right place at the right time
	Business is conducted ethically

Positive impact

Direct
business
impact

Any business may
**create positive
impact itself**

*by taking action
to foster wellbeing or
restore the environment*

Any business may
**amplify the positive
impact of others**

*by helping them take action
to foster wellbeing or
restore the environment*

Indirect
business
impact

Every business must
**eliminate its own
negative impact**

*by avoiding all actions
that undermine wellbeing or
degrade the environment*

Any business may
**reduce the negative
impact of others**

*by helping them avoid actions
that undermine wellbeing or
degrade the environment*

Negative impact



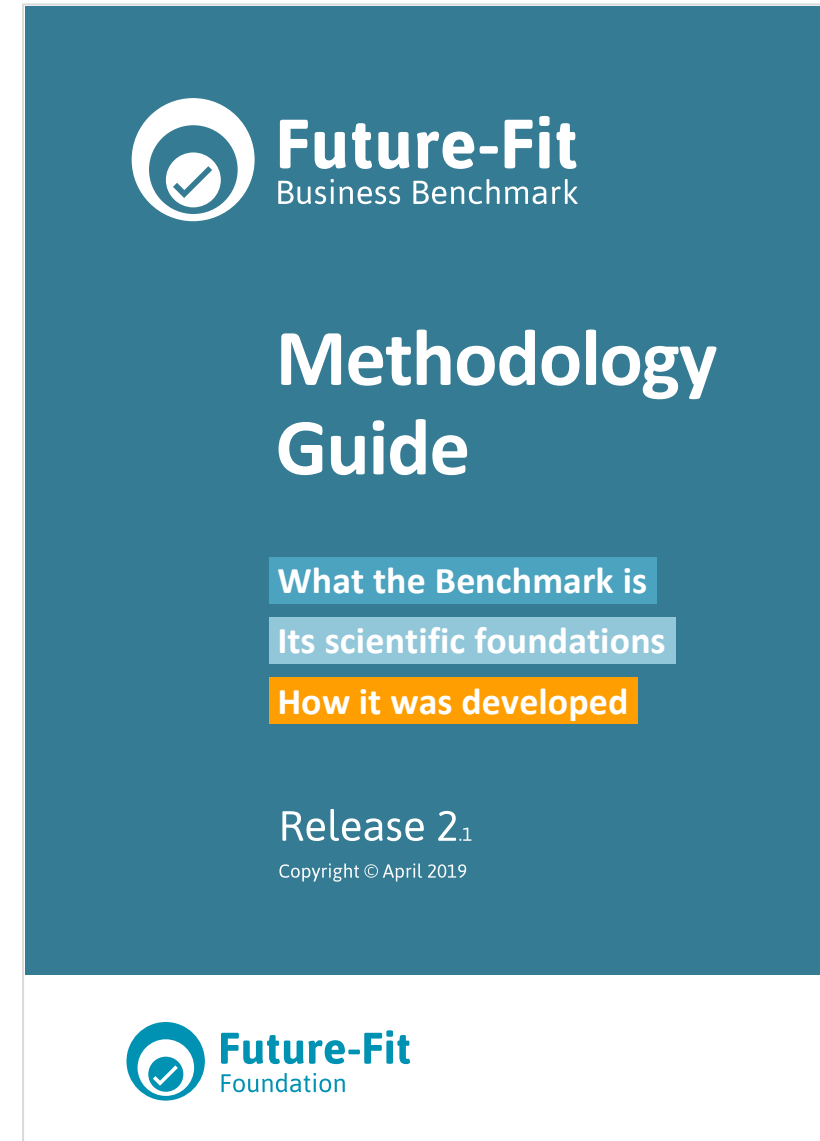
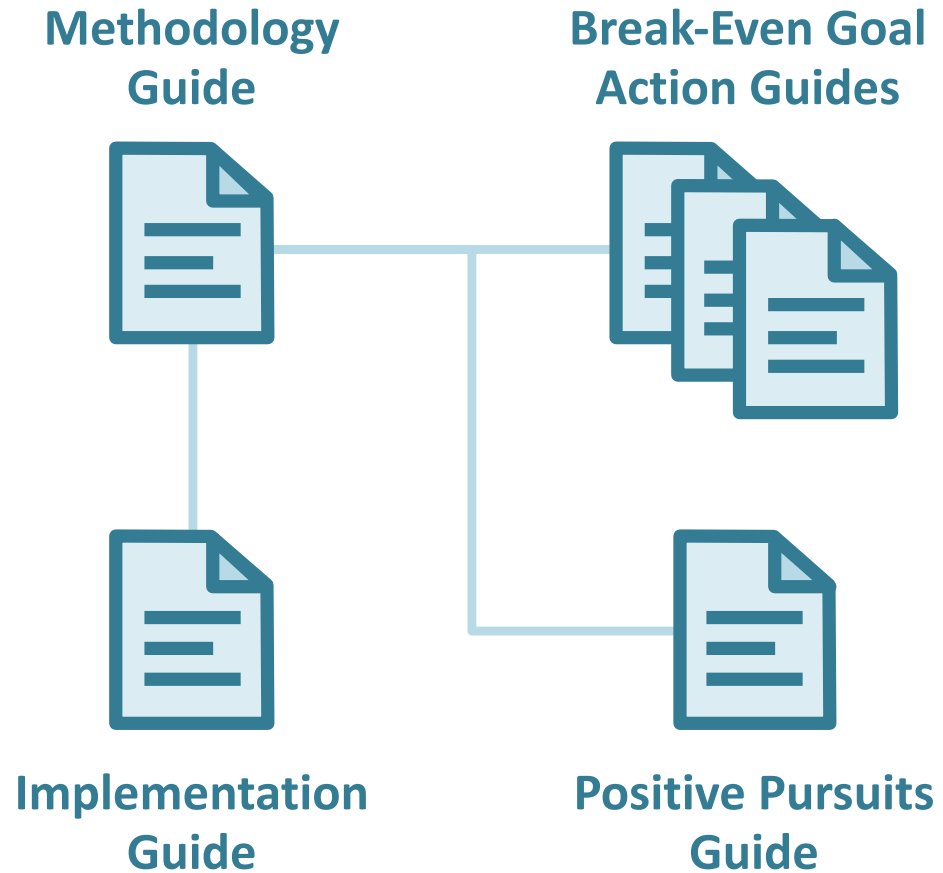
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Positive Pursuits

What any company
may choose to do
to help speed up
society's progress
toward future-fitness

Energy	Others depend less on non-renewable energy
	More people have access to energy
Water	Others contribute less to water stress
	More people have access to clean water
Natural Resources	Others depend less on inadequately-managed natural resources
Pollution	Others generate fewer greenhouse gas emissions
	Greenhouse gases are removed from the atmosphere
	Others generate fewer harmful emissions
	Harmful emissions are removed from the environment
Waste	Others generate less waste
	Waste is reclaimed and repurposed
Presence	Others cause less damage to areas of high social or cultural value
	Areas of high social or cultural value are restored
	Others cause less ecosystem degradation
	Ecosystems are regenerated
People	More people are healthy and safe from harm
	People's capabilities are strengthened
	More people have access to economic opportunity
	Individual freedoms are upheld for more people
Drivers	Social cohesion is strengthened
	Governance is strengthened in pursuit of future-fitness
	Infrastructure is strengthened in pursuit of future-fitness
	Market mechanisms are strengthened in pursuit of future-fitness
	Social norms increasingly support the pursuit of future-fitness

Future-Fit documents...



Using Future-Fit...

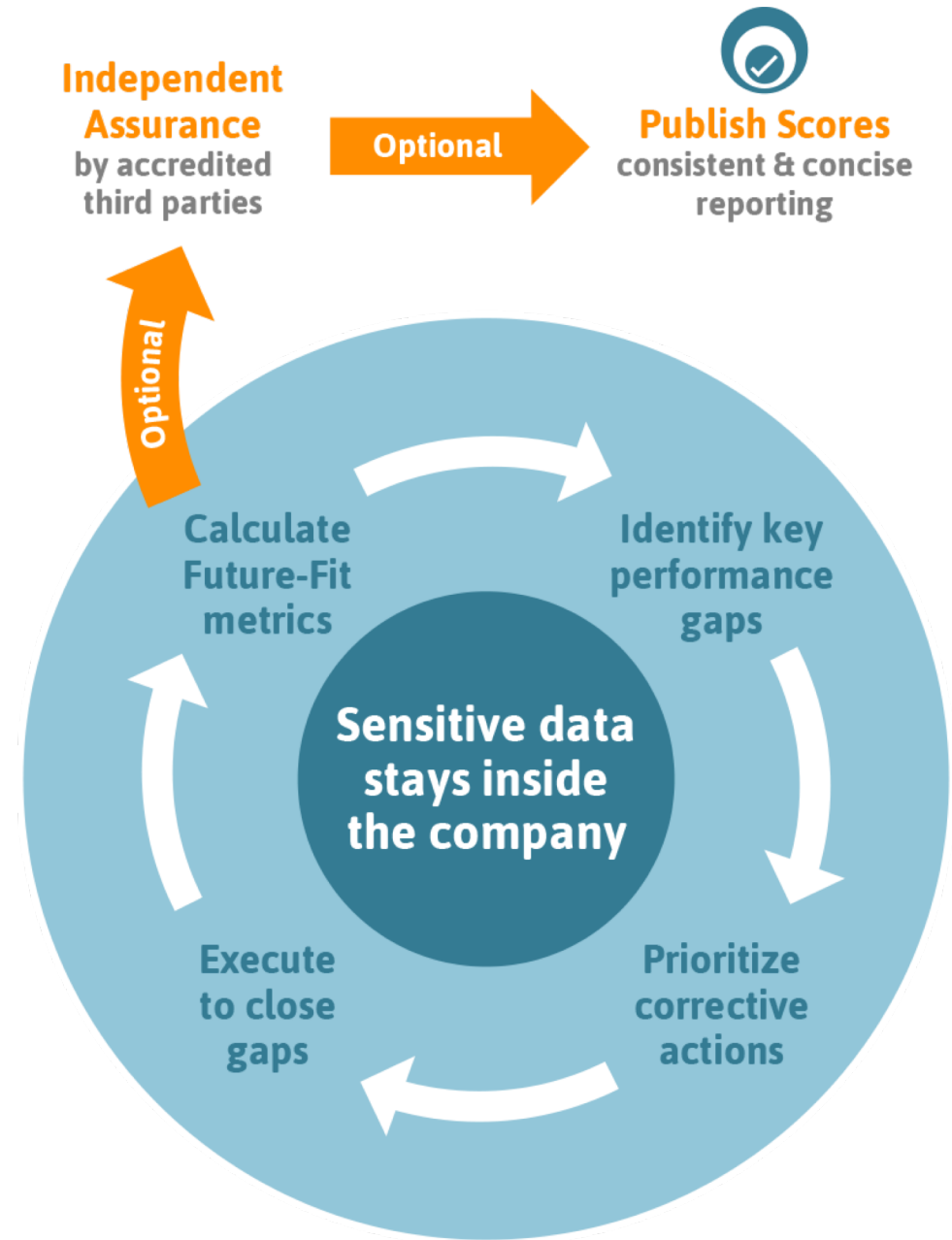
Self-assessment

*Set the right ambitions and
make better day-to-day decisions*

+

Optional assurance

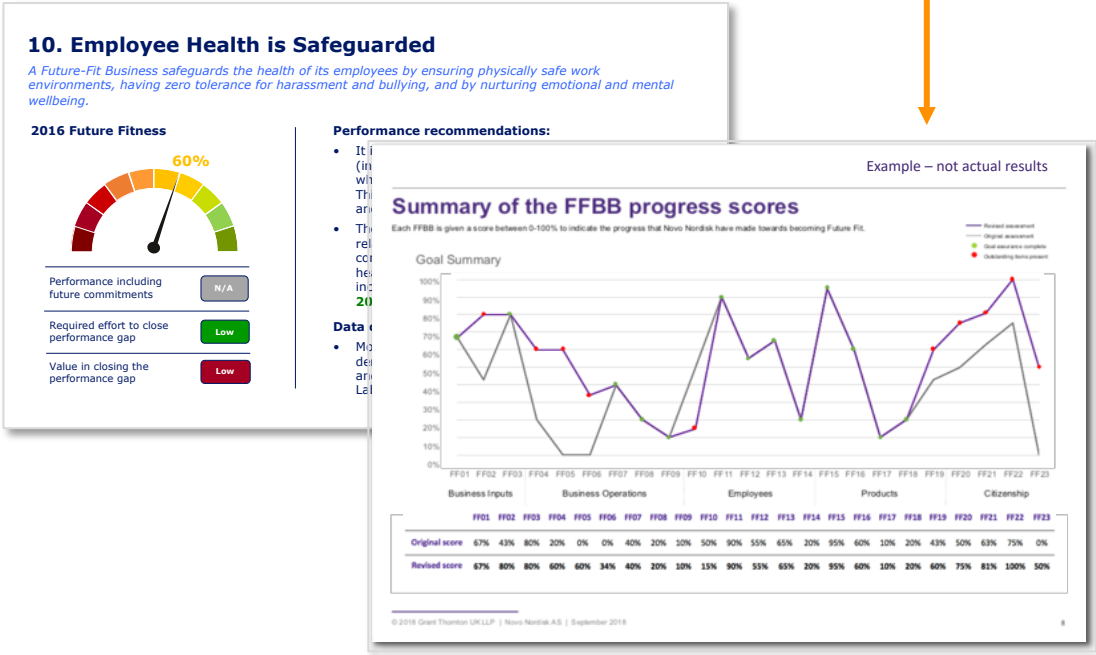
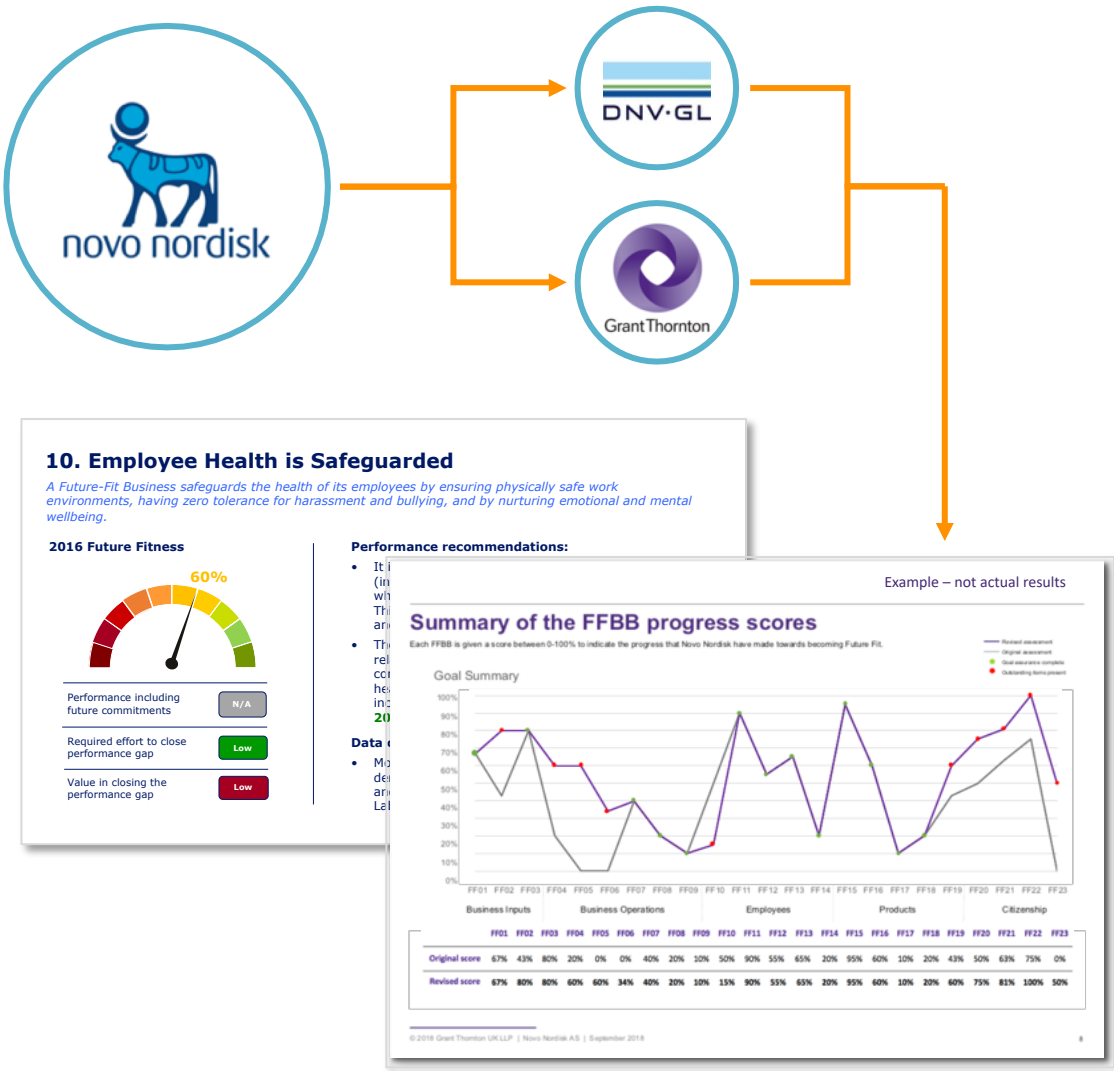
*Simplify reporting to focus on
where you're going and why*



Company examples: The Body Shop and Novo Nordisk



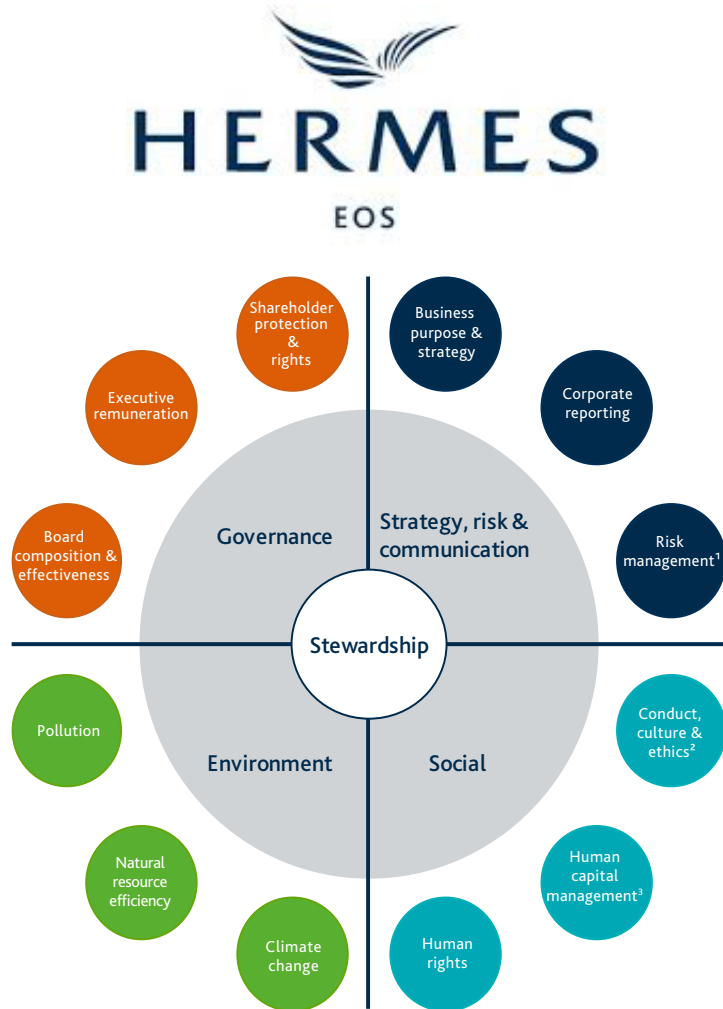
Future-Fit underpins The Body Shop’s 2040 ambition to be a “truly sustainable business”



Novo Nordisk is partnering with DNV-GL and Grant Thornton to produce its first Future-Fit “Score Card”

Investor example: Hermes Investment Management

c.\$500bn assets under management & advice



Hermes Equity Ownership Services is using the Benchmark to enhance its engagement framework

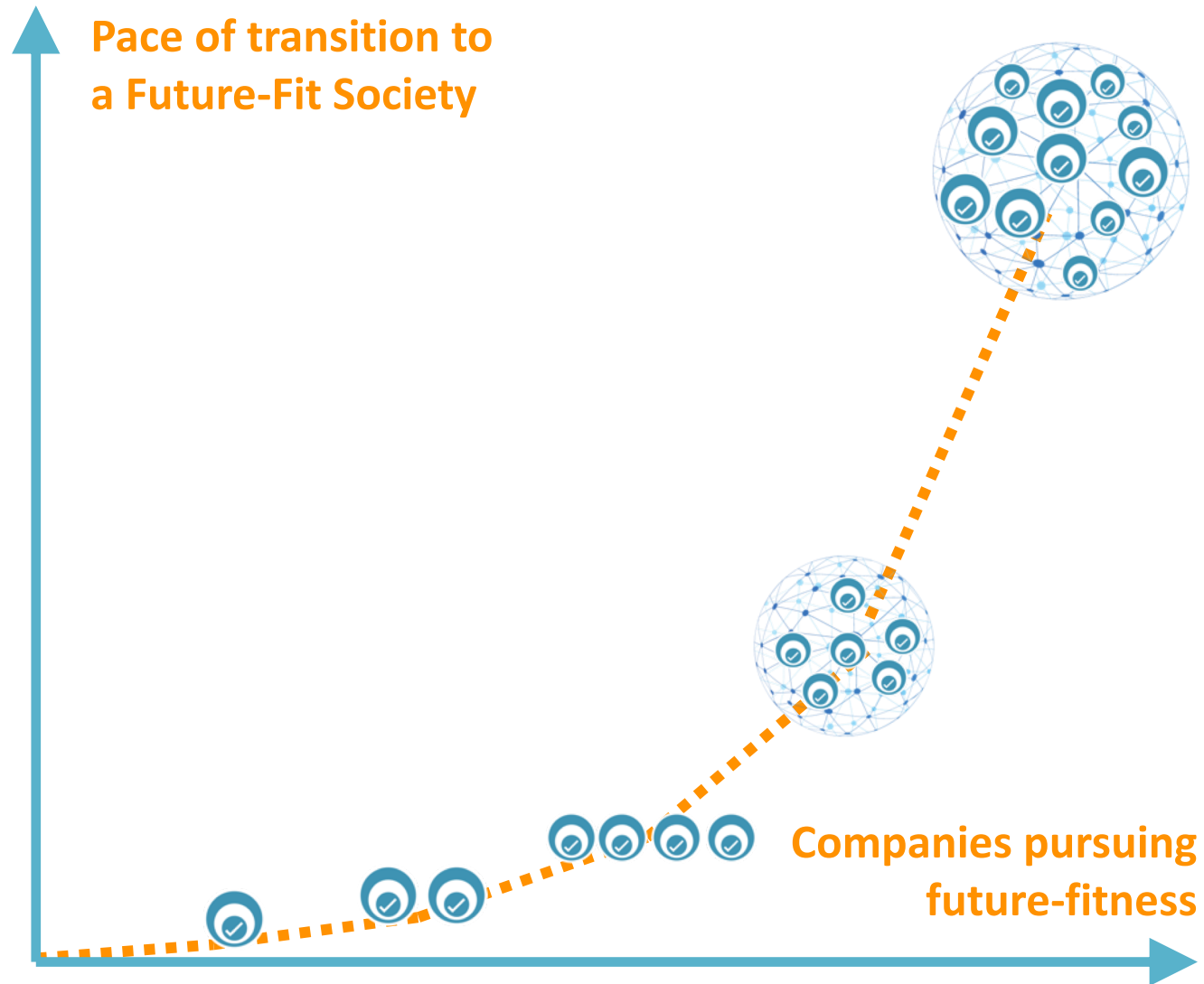


Key themes:



The Impact Opportunities Equity Fund is seeking to gain additional insight into the fitness of its portfolio

Why and how will Future-Fit scale?



Our free-to-use open source model is crucial

The Benchmark encourages companies to collaborate

We're building programs to accelerate adoption...

Crash Course video training

Certified Professionals

Changemakers

Pioneer Companies & Investors



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Thank you...

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