

Resilient Business
Within Planetary
Boundaries

Transforming Business Models

A BSR framework to capture
the opportunity of business transformation
within planetary boundaries

March 2025



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A scenic landscape featuring rolling green hills in the foreground, a winding dirt road that curves through the middle ground, and a dense forest of evergreen trees in the background. In the far distance, jagged mountain peaks are visible under a sky filled with soft, grey clouds. The overall lighting is warm and golden, suggesting late afternoon or early morning.

Transforming Business Models

Foreword

Acknowledgments

This framework was developed by BSR, a sustainable business network and consultancy focused on creating a world in which all people can thrive on a healthy planet. BSR acknowledges Partners for a New Economy for their generous support in the development of this framework. This framework was developed by Giulio Berruti, Julie Dugard, Kaia Ling, and Sandrine Moubarak. Any errors that remain are those of the authors. Please direct comments or questions to BSR.

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Objectives and Intended Audience of This Framework

Business action on sustainability builds long-term business resilience. Given its power and influence, business plays a paramount role in achieving global sustainability goals. Yet, despite increasing goals, investments, and initiatives in recent years, even the most purpose-oriented businesses have struggled to deliver on their commitments to sustainability and often fail to grasp the opportunity of business transformation. The pressure for short-term economic growth at all costs is a key barrier preventing business from capturing this opportunity. This Strategic Framework for Resilient Business Within Planetary Boundaries aims to provide practical guidance and examples to understand, explore, and act toward business transformation within planetary boundaries. Collaboration is a key feature embedded in this framework, as business transformation is only possible when working collectively, beyond individual value chains.

Why Is This Framework Needed?

Over the past couple of years, BSR has engaged in numerous conversations with member companies that face an increasing tension between achieving their sustainability goals and meeting their business growth imperatives. Many companies have moved past incremental changes and easy-to-implement measures. Achieving global (and corporate) sustainability goals presents an opportunity for business—but capturing it requires change. While the theory to do so exists, there is a need for practical guidance that business can leverage. In particular, there is a clear need for inspiration and examples to help companies get started on their journey toward new business models that create thriving businesses within the limits of our planet.

This framework is part of BSR's response. It is designed to provide practical guidance, resources, and examples to capture the business opportunity embedded in business transformation—and to push companies to focus on impactful transformational levers that will deliver thriving business over the long-term. Without reinventing the wheel, the framework suggests practical actions for companies to do so.

Who Is This Framework for?

This framework is for sustainability teams or other leaders in large corporates who are facing a disconnect between their company's sustainability and business goals. Many of the ideas and actions suggested in this framework require a collaborative mindset and cross-company teamwork to deliver opportunity—for example, through the involvement of different functions, ranging from conception and design to marketing and sales, procurement, and strategy teams.

While it is informed by the insights from BSR's engagement with large member companies in the consumer goods sector, this framework can be applied across sectors. BSR encourages companies to take inspiration from the framework to identify opportunities relevant to their individual context.



“You experience a disconnect between your business and sustainability goals.

You believe there's an opportunity for your company to transform to ensure long-term business resilience.

You now have to act, enable and influence within your company and your ecosystem to pave the way forward, and you need a compass inspiration for next steps.”

An aerial photograph of a coastal landscape during sunset. The sky is a warm, golden-orange color, with the sun low on the horizon. The land is a patchwork of agricultural fields, some of which are flooded with water, reflecting the golden light. A multi-lane highway curves through the landscape, running from the bottom left towards the top right. The overall scene is bathed in the warm, golden light of the setting sun.

Chapter 1

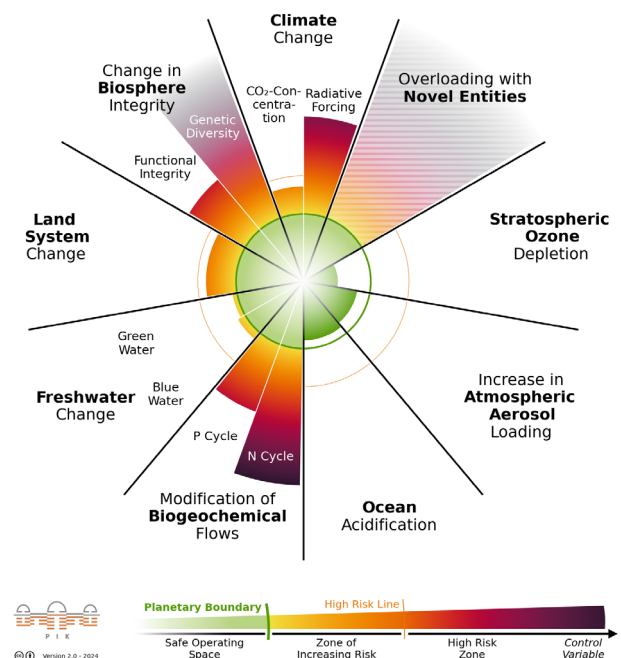
Key Concepts for Resilient Business Within Planetary Boundaries

Planetary Boundaries as a Compass for Business

Planetary boundaries define the planet's safe operating space. They encompass a set of nine limits that must not be transgressed for humanity to continue to develop and thrive for generations to come. Six of these nine boundaries have already been crossed, leading to dire consequences for the Earth's ecosystems.

Businesses depend on the stability of the Earth, and on its (finite) natural resources to thrive. Adopting business models that contribute to restoring the stability that business depends on, therefore, makes economic sense: it's a matter of business resilience.

Building on the planetary boundaries concept, a prominent group of scientists at the Earth Commission went one level further with their Safe and Just Earth Systems Boundaries study, which inserted a social condition within environmental boundaries. They showed how "just" boundaries (those that protect people from significant harm) are significantly narrower than "safe" boundaries (those that maintain the Earth's stability and resilience).



The social and environmental dimensions are intrinsically connected, and so is the economic. Reconciling business with planetary boundaries, and doing so in a way that is just, might be the single most important challenge to incorporate in future strategies to deliver competitive business. It is the North Star guiding this framework and the key levers presented in each pillar below.

Our framework is based on a qualitative and business-focused approach to the planetary boundaries. Quantifying thresholds to establish boundaries at a company level is a complex scientific task that is currently being developed and refined by institutions such as the [Stockholm Resilience Centre](#), and lies beyond the scope of this framework.

Business model transformation to keep corporate impacts within planetary boundaries is embedded into existing climate and nature frameworks and recommendations, such as the Science Based Targets Network (SBTN).

Business Model Transformation as an Opportunity for Resilience

The risks that climate change and nature degradation pose to people and business have been documented in many forums and cannot be understated nor ignored. All economic activity is, in one way or another, dependent on a stable climate and a [thriving planet](#). By some estimates, for example, [global GDP will decline by 50% between 2070 and 2090](#) if no additional action is taken to counter climate change. Looking away is not an answer, because [the risk of not acting swiftly will cost people](#)—especially vulnerable populations—and the economy dearly.

In 2025, the physical impacts of climate change are already disrupting cities, businesses, and global value chains.

Increasingly scarce natural resources are impacting business bottom lines and causing heightened geopolitical uncertainty and conflict. Thriving business therefore depends on how well such risks are addressed; and thriving people depend on swift action, including by the private sector.

As outlined in this framework and other reports, such as [Better Business: Rethinking Business Models for Nature Positive Outcomes](#) by Cambridge Institute for Sustainability Leadership (CISL), business model transformation is a key, underutilized lever for companies to address such risks and impacts in their climate and nature transition plans and strategies.

Most traditional business models are linear, extractive, and focused on delivering short-term gains. They have delivered positive outcomes in the past, but in some cases they have now become a barrier to sustainable outcomes by directly fueling climate change, nature degradation, and inequalities. In 2025, such models are proving to be fundamentally at odds with a world where resources are finite and climate change impacts are here and now. Failing to innovate business models exposes business to sourcing, staffing, and financial risks.

It also brings regulatory risks: at the date of this publication, business model transformation is embedded in key regulations that guide companies' action. It also brings regulatory risks: at the date of this publication, business model transformation is embedded in key regulations that guide companies' action such as in the IFRS S2 standard. This also includes the EU's Corporate Sustainability Reporting Directive (CSRD) requirement that companies report on the impact of their business activities on the environment and society and "disclose plans to adapt their business models."

Beyond reducing risks, though, exploring alternative business models presents a large opportunity for business, and societal, resilience. This requires a mindset shift—from viewing "sustainability" as a way to limit negative impacts to viewing it as a key driver of competitiveness embedded in the core business strategy of the company.



“The Institute and Faculty of Actuaries 2023 report The Emperor’s New Climate Scenarios said we could expect 50 percent of GDP destruction between 2070 and 2090, given current rates of climate change. That’s a massive disruption, a huge loss of value, that will shape the coming decades. [...] Business needs to be ready to be part of the solution.”

— Jo Swinson, P4NE

Doing so unleashes innovation—a key capability of business—toward shaping a new economy that delivers equality and well-being within the planetary limits. In a world moving toward stagnating economic growth, redefining what and how value is created is essential to business thriving in the long term. For example, recent research suggests that transitioning to a nature-positive economy will unlock US\$10 trillion in business opportunities and create 4 million jobs annually—an

opportunity that traditional business models will miss.

Business model transformation is an opportunity. The challenge is how to transform. BSR's 2024 report [*The Elephant in the Sustainability Room*](#) identified early archetypes of alternative business models that, where implemented, can help companies thrive within planetary boundaries. Other frameworks, such as those produced by [CISL](#) and [Forum for the Future](#), also have delivered early recommendations.

This framework takes inspiration from the variety of practices and actions that form the foundation of those new business models and the theories behind them. It then brings to life practical levers of action that companies can pursue toward business resilience within planetary boundaries. Although there is no one-size-fits-all solution, companies can use these to guide their innovative efforts. Business transformation comes at a cost, of course, but the [cost of inaction is even higher](#). You can find relevant proof points about financial implications in the [C-Suite and Board Engagement Guide](#) data banks.

Regenerative Models

Focus on creating net positive impacts on the environment, society, and the economy



Sufficiency-based Models

Focus on reducing absolute material throughput and energy consumption by moderating end-user consumption



Circular Models

Emphasize resource efficiency where waste and environmental impact are minimized, and continual use of resources is maximized



Impact Businesses/ Social Enterprises

Focus on creating positive social or environmental impact while attaining financial sustainability



Leveraging the planetary boundaries framework is an important step toward an integrated approach to climate and nature. However, it is equally important to recognize that climate change and nature degradation threaten fundamental human rights, such as access to clean water, food, and shelter. BSR believes it is paramount

for companies to recognize the interconnection between planetary impacts and social impacts. They should embed equity and justice principles in their business model explorations and underlying strategy through well-established human rights approaches and by enabling a just transition.

Anchoring Business Model Transformation in Just Transition Principles

What is the just transition and why is it important?

In 2015, the International Labour Organization (ILO) defined a “just transition” as “greening the economy in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind. A just transition involves maximizing the social and economic opportunities of climate action, while minimizing and carefully managing any challenges—including through effective social dialogue among all groups impacted and respect for fundamental labour principles and rights.”

In 2025, the concept is widely recognized and emerged as a key consideration for businesses across sectors.

As explained in the previous section, business model transformation is a key lever of transition planning, with clear business and environmental rationale. As explorations of alternative business models scale across industries, it is paramount to assess and take appropriate action to counter the possible associated impacts for workers and all groups affected by the transition—especially vulnerable groups that already bear the burden of climate-related impacts. Indeed, impacts for affected stakeholders are often geography- or sector-specific, with Global South and Global North

considerations varying widely. Climate-related events, such as hurricanes, floods, and droughts, accentuate preexisting inequalities and acutely affect marginalized groups more often present in Global South contexts, such as informal workers, tribal communities, and lower-caste workers. To compound this disparity, while the notion of a just transition has been gaining ground in the Global North, it is often absent from climate or policy debates in the Global South.

Moving to circular business models in the apparel industry is a good example of how transitions can affect people. When deploying circularity measures to reduce their climate impacts and materials dependencies, most organizations have focused on the environmental impacts, where progress is usually easier to quantify and measure. However, transitioning to models that are less carbon-intensive (like circularity) can carry multiple unintended negative consequences to people. These consequences can include job loss, displacement, impacts to job quality, and overall increased precarity, as well as further marginalization of vulnerable groups, including those in the Global South, who often face disproportionate impacts. Anchoring a just transition as a core element in business model transformation is therefore crucial for understanding and mitigating unintended consequences on human rights. It may also trigger opportunities to positively advance the prosperity and well-being of affected communities.



“A just transition is both an **outcome**, which refers to an inclusive green future that maximizes economic and social opportunities for workers and communities throughout the transition to a net-zero economy, and a **process** through which there is engagement and partnership with those who are most impacted by the transition, namely workers and communities.”

— BSR

How can businesses reflect and embed just transition considerations in applying this framework?

As companies engage with this framework and explore the different levers and actions it offers, it is essential that they familiarize themselves and adopt key just transition considerations. While readers will find social considerations embedded in several of the levers in the framework, based on [BSR's long-standing work on the topic](#), we suggest foundational steps that companies can take in their exploration of new business models, as well as resources they can use to dig further into this topic.

- [Assess and understand the societal context of any corporate transition plan](#), including how workers, suppliers, and communities may be affected by strategic decisions across operations, sourcing, and investments. The economic, environmental, and societal impacts of a company's transition action plan need to be considered, including contributions to the economic development of regions where a company is operating and other important issues, such as inequality, gender, and energy access.

- [Adhere to just transition principles](#), ensuring that the shift toward more sustainable, circular, and regenerative practices is inclusive, fair, and supportive of the rights of all stakeholders across the value chain—including farmers, workers, suppliers, and local communities—and mitigates negative consequences. Human rights frameworks, such as the United Nations Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises, offer a respected framework to identify, mitigate, and address any human rights impacts while seeking opportunities to support and promote equity, inclusion, and justice.

- Ensure a [comprehensive social dialogue and continuous stakeholder engagement](#)¹ to understand and capture the perspectives and priorities of those potentially affected by the changes implemented by a company. Actively engage affected stakeholders in solutions development and decision-making through an [ongoing co-creation process](#). Examples of stakeholders to engage include workforce and unions, local communities and Indigenous peoples, civil society organizations, regulators and public authorities, value chain (and other business partners), customers, investors, and industry associations.²

¹ [Stakeholder engagement and social dialogue are related but distinct concepts](#). Stakeholder engagement involves interaction and dialogue between an enterprise (e.g., a company or organization) and its potentially affected stakeholders, which can include various groups such as workers, local communities, civil society organizations, government agencies, and others. Social dialogue refers to the process of negotiation, consultation, or information sharing between workers and management (bipartite) or workers, management, and government representatives (tripartite).

² Companies can refer to the [Just Transition Resource Platform](#) developed by BSR, The B Team, and the We Mean Business Coalition for a full view of how to approach and act on a just transition.

An aerial photograph of a dense forest with a winding road. The image has a warm, orange-brown color cast. The road is a two-lane asphalt road that curves through the forest. The trees are mostly green, but many have yellow and orange foliage, suggesting autumn. The text "Chapter 2" is written in a white, sans-serif font in the upper left quadrant.

Chapter 2

User Guide to the Framework

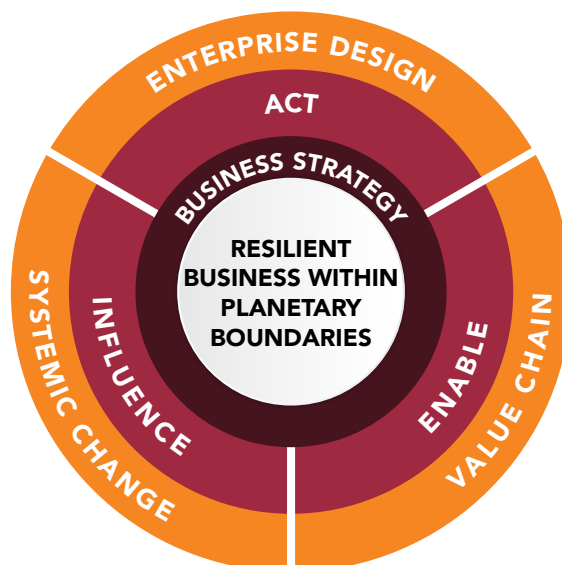
Three Pillars to Business Transformation

Transformation is a long-term process. Transforming a business model to thrive within planetary boundaries requires companies to activate multiple enablers and mobilize key stakeholders simultaneously.

This framework suggests three interconnected pillars (enterprise design, value chain, and systemic change) that are mutually supportive and together create a roadmap for business transformation beyond business as usual.

What is our **internal purpose and values**?
What is the role of our governance, ownership structure, and relationship to profit? What is our business model and how do we distribute value?

How do we **engage with the wider environment** (policymakers, financial institutions, consumers) to unlock critical barriers to action?



What **changes in our value chain** will support a renewed business model? What would the implications of these changes be?

- The **enterprise design** pillar suggests how to leverage organizational structures, governance, and ownership models to align business operations with long-term sustainability goals and drive inclusive progress.
 - The **value chain** pillar highlights how to transform practices—ranging from sourcing to end-of-life—to minimize environmental and social impacts across the entire lifecycle of products and services. In this pillar, we focus on levers that expand the toolkit of corporate action beyond the incremental ones that many businesses have experimented with.
 - The **systemic change** pillar focuses on how to leverage engagement with the financial sector, industry, policymakers, and wider communities to collectively address large, shared barriers to change within the current economic system and, ultimately, to enable thriving business within planetary boundaries.
- As reflected on this graph, unlocking the potential of these different actions requires alignment with the underlying business strategy. The pillars are interconnected, and so are the actions required to deliver them.

The business transformation opportunity we explore in this framework is significant and commensurate to the deep, structural changes that are needed to remain within safe and just planetary boundaries, ensure long-term business resilience and societal well-being, and provide equitable access and allocation of resources.

Such transformation goes beyond purely climate, environmental, or social objectives. Addressing it requires addressing the power imbalances entrenched within existing social and economic structures.

Such imbalances represent a risk to business. Indeed, corporations, investors, and policymakers wield significant power and influence compared to consumers and affected stakeholders—an imbalance has led to social inequity, unequal access to resources, and amplified environmental degradation.

Business has a fundamental role to play in achieving a thriving society within planetary boundaries; working to address power imbalances is a prerequisite for such transformation.

A Wheel of Action Levers

Each pillar in the framework contains various action levers—forming a wheel of possibilities—that the authors prioritized and that companies can explore.

Each lever includes a description, a high-level objective, key actions to explore to achieve the stated objective, examples of company practices, and key questions to keep in mind. The key levers are not a series of sequential steps and can be implemented in any order, depending on company context.

It is important to consider the three pillars (Enterprise Design, Value Chain, Systemic Change) together, as it is crucial to avoid unintended consequences such as negative rebound effects. For example, increasing the percentage of circularly sourced materials in packaging while ramping up production volumes will have a positive impact on a specific product, but the overall environmental impact will be worse. It is key that companies recognize the interconnection across all the individual elements in shifting toward transforming their business model to thrive within planetary boundaries.





Chapter 3

BSR's Strategic Framework for Resilient Business Within Planetary Boundaries

Act On Your Enterprise Design

Company structures and practices play a pivotal role in shaping outcomes, both in terms of financial success and broader societal impact. Enterprise design—the core elements of how value is created, delivered, and shared—is central to building a resilient business within planetary boundaries. Enterprise design, as defined by the Doughnut Economics, determines a company’s “purpose and its network of relationships, how it is governed and owned and the nature of its relationship with finance.”

In order to achieve meaningful, long-term success within planetary limits, a shift toward more holistic enterprise design is necessary—one that takes into account the broader implications of business practices on people and the planet. This means moving beyond traditional models that focus on generating monetary value for a limited set of stakeholders and instead embracing models that promote equitable value creation and distribution.



Embedding sustainability into the key elements of a company’s enterprise design, as presented below, gives the business a necessary foundation to thrive in the long term and drive transformative impact, beyond merely limiting harm.

01 ACT Ownership



A company's ownership structure refers to the way a business is organized and owned, determining the allocation of control rights and benefits among individuals or entities involved in a company. The ownership model heavily influences how a company will be governed and who is central in making decisions critical to the business. Today, conventional companies typically have a single class of ownership, delineated by shares. This ownership model gives shareholders both economic benefits and governance rights based on the number of shares they own. As a result, ownership and decision-making power is concentrated.

Ownership models as a lever for resilient business within planetary boundaries

Alternative ownership models, such as steward or employee ownership models, enable the redistribution of economic value and decision-making power to a broader range of stakeholders beyond traditional investors. This diversity of perspectives can significantly advance social and environmental sustainability within a business, in addition to advancing financial interests. When paired with an “ownership culture” of high engagement and voice, shared ownership creates an alignment of interests that can drive superior company performance and generate greater economic opportunity for workers.

This lever might not be applicable or easily implementable to all businesses, but it's worth noting that, in general, companies can innovate their ownership model without completely overhauling their legal or profit structure.

Objective

Distribute participation in decision-making and align incentive structures to drive business, social, and environmental performance

Key Actions

- ✓ Encourage partial or full employee ownership of the company through an equity compensation plan, such as stock option grants or employee stock ownership plans (ESOPs) trusts that hold all or part of a company's stock on behalf of its employees and grant shares to employees or worker cooperatives.
 - ✓ Innovate shareholding structure by transferring or redirecting shares to charitable foundations or other socially- and environmentally-minded third parties.
 - ✓ Implement steward ownership models, such as perpetual purpose trusts (PPTs), whereby a trust holds all voting shares in a company to continue its purpose in perpetuity.
-

Examples

- **Patagonia** founder Yvon Chouinard transferred ownership of the company, valued at approximately US\$3 billion, to a trust designed to ensure all future profits are used to combat climate change and protect the environment. By doing so, he has turned the American retailer of outdoor recreation clothing and equipment into a dedicated engine for sustainability, where "Earth is now our only shareholder."
- **Lush**, a UK-based cosmetics company, is partly employee-owned, with 10% of the company shares put into an Employee Benefit Trust (the "Lush EBT"). As beneficiaries of the EBT, Lush Colleagues can access bonus schemes, be consulted on any changes to the core principles of the Lush Ethical Charter, and share ideas and ask questions to make contributions toward Lush's business.
- **Eileen Fisher**, a clothing brand known for its sustainable designs, uses its public benefit corporation and employee-ownership design to support its commitment to greening its supply chain and influencing its industry to do the same.
- **Novo Nordisk, A. P. Møller Maersk, Carlsberg, Danfoss, Grundfos, William Demant, Rambøll, and COWI** are among some of the largest Danish companies that are foundation-owned. Companies operating under this model are generally characterized by long-term horizons and the absence of personal profit motives.

- Private-equity firm **KKR** implements broad-based ownership by setting aside a portion of the company's future value in an Employee Ownership Pool, a model designed to enhance employee engagement and enable shared value creation. In 2022, KKR joined more than 20 organizations in becoming a founding partner of [Ownership Works](#), a nonprofit created to support public and private companies transitioning to shared ownership models.
- **John Lewis Partnership**, a UK retailer and financial services firm, is the largest employee-owned company in the UK. All employees—who are also referred to as “partners”—are beneficiaries of a trust that owns the firm.
- **Seabird's** ownership is distributed between the CEO, employees, an impact foundation, and shareholding managers. Twenty-three percent of shares in the French bioplastics and insurance services company belong to the SeaBird Impact foundation, an endowment fund that sponsors general-interest projects that support ecological transition and equal opportunities for young people from diverse backgrounds. Four percent of the shares are held by employees within an employee investment fund.
- **Einhorn**, **Ecosia**, **Selco**, and **Cafédirect** have adopted ownership models giving controlling shares to foundations, nonprofits, and communities to lock-in social purpose.

Key questions for reflection

- How is your company's current ownership model helping to achieve or, conversely, undermining the intended purpose of the business?
- How would altering the ownership mix contribute to furthering business, social, and ecological goals?
- Which key stakeholders are currently considered in strategic decision-making?
- How can your ownership model change to better align with the company's mission and purpose?

Learn more

- [Steward Ownership Models](#)
- [The Benefits of Employee Ownership](#)
- [A series of case studies that explore real-world businesses through the perspective of Doughnut Design for Business](#)



02^{ACT} Governance and Oversight

Governance is the system by which business operations are directed and controlled. The governance structure of a company determines who has power and accountability, and who makes decisions. It sets the objectives of a business from the top—usually through the board of directors—along with the strategies and decision-making processes for reaching those objectives and strategies. A company's governance model is heavily influenced by its ownership structure. Traditionally, the dominant governance model has focused on rules and processes that ensure corporate decisions result in profitability, particularly to ensure returns to shareholders.

Governance models as a lever for resilient business within planetary boundaries

Governance and oversight for just and sustainable business formally integrates social and environmental considerations in company governance. Specifically, alternative governance models have started to emerge that have adopted democratic procedures, such as participation, communication, and deliberation, among heterogeneous stakeholders, helping to serve a mission-oriented purpose. These include practices such as multi-stakeholder boards that include representatives of nature, employees, and affected stakeholders; full transparency; and management incentives linked to achieving social and ecological objectives. Appropriate representation of most affected stakeholders in decision-making is a powerful lever to align business and sustainability and ensure a long-term perspective. Leadership (including the board of directors) has a pivotal role in setting the tone at the top, making sure purpose ripples throughout the organization.

Objective

Incorporate diverse perspectives and objectives into decision-making to ensure long-term focus and drive business, social, and environmental objectives.

Key actions

- ✓ Include on the board representatives of silent stakeholders (e.g., nature) or identified affected stakeholders that are vulnerable to climate change or human rights infringements.
 - ✓ Formalize the board's mandate for just and sustainable business via inclusion in relevant board committee charters and/or creating a new board committee to oversee just and sustainable business.
 - ✓ Tie executive and board compensation to the achievement of social and environmental goals.
-

Examples

- **The Body Shop**, through its "Body Shop Youth Council," is exploring how younger generations can have their voices and issues heard by decision-makers and help shaping the company's 10-year vision.
- **Dove**, a Unilever brand, has formed the Dove Youth Board, a global community of young leaders that brings a diverse range of voices to challenge how body image is viewed in society. The Youth Board helps shape the Dove Self-Esteem Project, which advocates for women and girls so they can reach their full potential.
- **Faith in Nature** legally appointed nature to their board to make better informed decisions. Nature is represented by a director from Lawyers for Nature, a collective of individuals who advocate for the rights of nature. As a result, many sourcing decisions and material choices having a better impact on nature were made. In a bid to encourage other companies to appoint nature to their boards, the company has open-sourced their model and the supporting legal documents.

- Inspired by the Faith in Nature model, UK luxury homeware and lifestyle [House of Hackney](#) also appointed “Mother Nature and future generations” to its board of directors.
 - German importer [El Puente](#) put representatives of affected stakeholders on its board.
 - [Riversimple](#), which manufactures hydrogen-powered electric cars, designed its corporate structure so that a broad range of stakeholders have a stake in the business. The Riversimple board’s duty is to balance and protect the benefits that it delivers to six critical stakeholder groups: environment, users, neighbors, staff, investors, and commercial partners. The business is answerable to six “custodians” who represent each of these stakeholder groups and, as such, hold the voting shares.
-

Key questions for reflection

- Which stakeholders are represented on your board, and which are not but should be represented?
- How do board members ensure the business strategy serves a purpose?
- What incentives are provided to executives to ensure delivery of social and environmental goals?

Learn more

- [ISO 37000: 2021 Guidance on Purpose-led Governance of Organizations](#)
- [Faith in Nature’s Open Source Guide to Appointing Nature on the Board](#)
- [BSR FAQ on Governance and Oversight of Just and Sustainable Business](#)
- [Harvard Business Review: Power Sharing Can Change Corporations for the Better](#)

03^{ACT} Purpose and Values



Purpose and values serve as the foundation of an organization's identity, behavior, and internal culture. They send a clear message to employees, stakeholders, and consumers about the priorities that guide decision-making and the direction of the business strategy.

Purpose and values as a lever for resilient business within planetary boundaries

Organizations that have sustainability clearly embedded in their purpose and values will be best positioned to build resilience within planetary boundaries. Such purpose and values will be cascaded in the organizational business strategy, with sustainability as a key factor of competitiveness. Products and services will then be designed with societal and environmental purpose in mind.

Objective

Incorporate long-term vision and social and environmental outcomes in the purpose and values of the organization.

Key actions

- ✓ Inscribe social and environmental mission into the company's *raison d'être* (its purpose or justification for being). Legal and voluntary frameworks such as B Corporation certification or the French "Entreprise à Mission," while not an end per se, could provide guidance for doing so.
- ✓ Maintain consistent communication internally and externally (with suppliers, customers, general public, etc.) about the social and environmental purpose, mission, and values of the company.

- ✓ Set goals and targets aligned with the company purpose, including social and environmental aspects, and track and report progress.
 - ✓ Integrate social and environmental goals in employee evaluations and compensation systems to align individual goals with the organization's purpose.
-

Examples

- **Electrolux Group**'s mission is integrated into the company purpose to "shape living for the better by reinventing taste, care, and well-being experiences." The company integrates their long-term climate goal into their strategy.
 - **Patagonia** has been vocal about the effects of climate change, funding documentaries, suing the US federal government over protection of a national monument, and boycotting advertising because of the "lies and dangerous propaganda" on the specific platforms.
 - **Ben & Jerry's**, an American ice cream company, has a product mission, economic mission, and social mission, which they believe must "thrive equally in a manner that commands deep respect for individuals inside and outside the company and supports the communities of which they are a part."
 - **The Body Shop** was founded by Anita Roddick, who believed that business could be a force for good and championed ethical supply chains, opposition to animal testing, and excessive use of packaging. Her passion for the planet was integrated into the company purpose, which is also demonstrated in one of her quotes: "Social and environmental dimensions are woven into the fabric of the company itself. They are neither first nor last among our objectives, but an ongoing part of everything we do."
 - Dutch chocolate manufacturer **Tony's Chocolonely** has a mission to end exploitation in the cocoa supply chain. The mission drives its strategy, including five sourcing principles to address the root causes of inequality and deforestation throughout its supply chain. With a net annual revenue of more than €150 million, Tony's Chocolonely highlights the possibility of remaining financially viable while focusing on social and environmental sustainability.
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Key questions for reflection

- Why does the organization exist? What purpose does it serve and to whom (e.g., investors, shareholders, consumers, employees, communities, specific vulnerable groups, the planet)? Has the purpose evolved?
- What metrics does the company use to define, measure, and communicate business success in alignment with its purpose?



04^{ACT} Value Creation

At its core, a company's business model describes how an organization creates, delivers, and captures value. It answers fundamental questions, such as "Who is the customer? What does the customer value? How do we make money?" by looking at elements such as a company's key resources and activities, value proposition, cost structure, and revenue streams.

In shaping their business model, organizations traditionally focus on maximizing financial performance and the interconnections between business actors in converting input into economic outputs through customers and markets.

Value creation as a lever for resilient business within planetary boundaries

The section above articulates the sourcing, staffing, financial, and regulatory risks embedded in traditional business models as well as the untapped financial opportunity presented by transitioning to new business models within planetary boundaries. Critically considering how an organization creates value and revenues within the limits of planetary boundaries is paramount for long-term business resilience and risk mitigation, as well as for benefiting society at large. While business model transformation is a large-scale organizational shift, companies can start by mapping their current business model and interactions and identifying areas for risk reduction, innovation, and sustainability integration.

Objective

Explore alternative business models that minimize risks, create value to customers in a just and sustainable manner, and benefit long-term economic performance.

Key actions

- ✓ Map the company current business model to understand areas of risk and misalignment between economic objectives and purpose, and identify innovation opportunities.
 - ✓ Explore new models—such as circularity, regeneration, portfolio restructuring, products to service, sufficiency-based—to determine suitability with the organization’s value creation and objectives.
 - ✓ Integrate environmental and social value creation into the organization’s business model canvas.
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Examples

- A key element of **Natura & Co**’s business model is the “standing forest” economy, which means that a tree has more economic value standing up than being cut down. This concept has led to nature action by the company to preserve over 2 million hectares of the Amazon rainforest. Natura has been operating under an inclusive business model that leverages traditional community knowledge and conserves the rainforest since 2011, and the company is now embracing circularity and regenerative principles through its Vision 2030.
- **Nexans**, a French cable manufacturer listed on the Paris stock exchange, chose to selectively reduce its client base from 13,000 to 4,000 to integrate environmental sustainability into its business model. The number of products referenced was reduced by 30% and the company refocused on its electrification businesses. As a result, Nexans has tripled its profit and reduced its carbon footprint by 30% since 2018. The company achieved record profitability in early 2024.
- **Caterpillar**, an American construction equipment manufacturer, shifted its focus from solely selling equipment to offering ongoing services through maintenance contracts and rental models. This not only created new revenue streams but also reduced the need for manufacturing of new products, which involve societal and environmental costs. At the same time, Caterpillar launched a Reman Hub that supports circularity by remanufacturing its products and promoting reuse of these remanufactured products.
- **Umicore**, a Belgium-based materials technology and recycling company, transitioned from a model focused on extractive-intensive mining operations to closed-loop recycling in the 2000s due to its recognition of resource scarcity and its aim of aligning with global sustainability objectives.

- **INTACT**, a French technology and industrial company, focuses on the circular production of low-carbon and regenerative ingredients for the food, cosmetics, and pharmaceutical industries. Their operations from field to end-product have been designed to promote a transition to a regenerative model.
 - **Warby Parker**, an American manufacturer and retailer of glasses and contact lenses, has a Buy a Pair, Give a Pair program, to distribute a pair of glasses to someone in need for every pair of Warby Parker glasses purchased. The company works with social enterprises and nonprofit organizations across over 75 countries to distribute over 15 million pairs of glasses to under-resourced communities.
 - **Ecosia**, a Germany-based search engine, redirects 100% of the profits generated from searches on its platform toward climate action and nature regeneration. This enabled the company to plant over 224 million trees across over 35 countries with the support of local communities and dedicate €91 million to climate action. These tree planting projects are also designed to positively impact local communities and farmers.
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Key questions for reflection

- What is your current business model? Do you have a clear understanding of the processes and business actors in the value chain to assess and mitigate environmental and human rights risks that might affect your business resilience?
- Does your current business model provide opportunities for environmental and social value creation across the value chain? How can you integrate environmental and social value creation at each step of the value chain? Will this increase your business resilience?
- How do your products or services currently provide value to your customers? What are the opportunities to integrate environmental and social impact as part of the value proposition of your products and services?
- Which product lines can potentially be shifted to a service-based model? How can you change your cost structure and revenue streams to ensure long-term business resilience amid the risks posed by the external political and economic environment?
- How might your customers' demands change over time? How can you adjust your business model to cater to their demands while creating environmental and social value?

Learn more

- BSR: [*The Elephant in the Sustainability Room*](#) (report providing an overview of alternative business models)
- Cambridge Institute for Sustainability Leadership (CISL): [*Better Business: Rethinking Business Models for Nature Positive Outcomes*](#)
- Ellen MacArthur Foundation: [*Circular Business Models: Redefining Growth for a Thriving Fashion Industry*](#)
- Forum for the Future: [*A Compass for Just and Regenerative Business*](#)
- PA Consulting: [*Circular Business Model Design Guide*](#)

05^{ACT} Value Distribution



Value distribution refers to the way companies allocate both economic and noneconomic value to stakeholders, how they treat and engage them, and how they prioritize which stakeholders to engage according to their strategic importance. Traditionally, shareholders receive the majority of such value

Value distribution as a lever for resilient business within planetary boundaries

Value concentration is a key barrier toward a more just and sustainable economy, as exemplified by a trend of wealth concentration that negatively affects global inequalities. Such inequalities are further exacerbated by the ongoing environmental degradation. Value distribution can be a lever of business resilience within planetary boundaries: the equitable sharing of value and opportunity among all contributors can strengthen the links between relevant stakeholders of the company (e.g., employees, critical suppliers, communities on which the company depends) and form the basis of long-term collaborative success.

Purpose-aligned value distribution expands the focus beyond the traditional shareholder focus by allocating resources, profits, other forms of values to strengthen business, societal, and ecological outcomes. It is anchored in principles of value co-creation and equitable engagement of affected stakeholders—a cornerstone of human rights due diligence process. No doubt, transitioning to a value distribution model requires a significant mindset shift for many companies. It must be supported by enabling governance and ownership mechanisms.

Objective

Strengthen long-term business resilience by engaging with and equitably distributing resources, profits, and value to internal and external stakeholders.

Key actions

- ✓ Assess and address the needs and interests of all stakeholders, including but not limited to employees, customers, suppliers, local communities, and the environment.
 - ✓ Engage with such stakeholders to co-create mutual business, social, and environmental value.
 - ✓ Build partnerships with suppliers that share ethical and sustainable values, and ensure fair wages, safe working conditions, and equitable profit-sharing throughout the value chain.
 - ✓ Distribute social and climate dividends to employees or shareholders that reward them for the positive social or climate impacts generated by the company.
 - ✓ Allocate a portion of profits to projects that build environmental societal resilience and are aligned with the company purpose (for example, by supporting infrastructure projects in transportation and housing that reduce pollution and the use of natural resources and improve healthcare outcomes).
-

Examples

- French banking group **Crédit Mutuel Alliance Fédérale** created a societal dividend to advance environmental and societal transformation alongside financial performance. Each year, 15% of its group consolidated net income is used to finance environmental transformation and solidarity projects.
- **Danone, Mars (through its supplier, Prova), and Firmenich** have joined the Livelihoods' Fund for Family Farming (L3F), a coalition of private and public actors that aims to improve farmer livelihoods and secure critical sourcing materials (for example in Madagascar's vanilla supply chain) by increasing farmer income, supply chain transparency, and community involvement.

- **Kering's Regenerative Fund for Nature**, launched with the support of Conservation International, aims to support the transition of 1 million hectares of crops and rangelands in fashion's supply chains into regenerative agricultural spaces. This includes helping farmers and producers to make the change by introducing the right market mechanisms to scale up regenerative agricultural production. The Fund provides grants to farming groups, project leaders, NGOs, and other stakeholders to scale investment in regenerative practices.
 - **The L'Oréal Foundation's "She Grows the Future"** program is a three-year initiative aimed at empowering women farmers to combat the effects of climate change. This program focuses on enhancing resilience among 5,500 women through targeted projects in Madagascar, Ecuador, India, and Vietnam—regions heavily impacted by extreme climate events.
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Key questions for reflection

- What value are you currently creating, and for whom? Who are you engaging with to inform your strategy and achieve progress on sustainability ambitions?
- How can you best generate business resilience for you and our stakeholders through activities and operations, while realizing your purpose?
- How can you work with business partners throughout the value chain to equitably share value, advance mutual economic objectives in the long term, and work toward your purpose?

Learn more

- *Co-creating Climate Justice Interventions Between Business and Communities*
- *Stakeholder Engagement in the Transition Context: Guidance for Practitioners*

Enable Transformation Within the Value Chain

Value chains are a critical area to explore when seeking to operate within planetary boundaries, not only because they are where many environmental harms and human rights impacts occur, but also because they present significant opportunities for collaboration and systemic change. Despite efforts by businesses to optimize and improve their value chains, particularly through supplier engagement, progress has often focused on incremental adjustments and remains insufficient. While regulations such as the EU's CSDDD push for much-needed value chain transformation, aligning value chains with planetary thresholds, it demands transformative shifts across all stages of the value chain, from conception and design to end-of-life.

In this part of the framework, we divide the value chain into its most important stages and provide practical guidance and action levers for each, emphasizing the need for deeper, systemic transformation instead of incremental levers of change that companies are already familiar with. Moreover, we recognize that these stages are



interconnected and that systemic change requires the involvement of multiple actors. Collaboration between various internal functions and stakeholders, such as suppliers, should be inherent to any action across the value chain.

06 ENABLE Conception and Design



New products and services are researched, ideated, and conceptualized at this stage. Critically, this influences how products and services are manufactured, used in later stages, and treated at their end of life. Conception and design typically focus on meeting customer demands through the aesthetics and functionality of the product.

Conception and design as a lever for resilient business within planetary boundaries

Decisions made at this stage influence up to 80% of the product's lifetime environmental impact. Done well, design can reduce resources use and the potential negative social and environmental impacts that might be incurred during the production, usage, and disposal stages—therefore contributing to business resilience.

Objective

Design for durability and minimization of resource use while maximizing positive impact on society (e.g., increasing accessibility and equity of products and services).

Key actions

- ✓ Design products to last.
- ✓ Adopt modular designs that are easily disassembled and recycled, and integrate principles of sufficiency to keep required resources to the minimum.
- ✓ Work on multifunctionality of goods, spaces, or infrastructure.
- ✓ Develop and implement a set of environmental and social criteria or requirements regarding the traceability and impact of the product throughout the value chain (e.g., only sourcing locally, conducting a life cycle assessments of the product, etc.).
- ✓ Explore green innovations and technologies that can be incorporated in the design process.

Examples

- **Fairphone**, an Amsterdam-based electronics company, designs smartphones out of several modules, which enable users to easily repair or swap out a broken module. This increased the average lifespan of a smartphone from 2.7 years to 5.5 years.
- **Smol**, a UK-based cleaning-product company, develops super-concentrated cleaning products that reduce the amount of chemical additives and water required for production.
- **Forclaz**, a brand commercialized by French outdoor apparel and gear company Decathlon, offers trekking and travel gear with durable colors that are resistant to washing and UV exposure and come from less-polluting dyeing processes. It also favors neutral colors that will be less likely to go out of fashion to create longer-lasting products.
- **Givaudan**, a Swiss flavor and fragrance manufacturer, has pioneered the use of biotechnologies to produce innovative ingredients that also protect natural resources. The use of eco-efficient bioprocesses reduces the environmental impact of their production.

Key questions for reflection

- What is your current priority when designing a product or service? How can you improve your products or services by embedding sustainability design principles? What are the critical resources at risk that you should consider in the design?
- How can you achieve the functionality of the product while ensuring that it can be sustainably produced, used, and treated at its end of life?
- What teams and innovations might be required to ensure success in creating a product that is sustainable and appealing to consumers?
- How can you convince and achieve buy-in from the other teams about the importance of integrating sustainable principles into the design of a product?

Learn more

- [Disruptive Design: Quick Guide to Sustainable Design Strategies](#)
- [Ellen MacArthur Foundation: Circular Design Tools and Resources](#)
- [Ellen MacArthur Foundation: The Big Food Redesign: Making Nature-Positive Food the Norm](#)



07 ENABLE Sourcing

The sourcing stage of a company's value chain involves acquiring raw materials, components, or services from suppliers to support production and operations. Sourcing is intimately linked with decisions on how a product or service is designed as these define the commodities and raw materials that a company will source.

Sourcing as a lever for resilient business within planetary boundaries

The sourcing stage is often an impact hotspot, both carbon and resource intensive. By rethinking sourcing to limit resource extraction and use (particularly for nonrenewable resources) and embed principles of regeneration; working with suppliers that operate ethically and with respect for human rights; and supporting current suppliers in transforming their practices through shared responsibility, companies can limit supply chain disruption risks and build resilience.

Objective

Embed regeneration and circular principles and ensure fair working conditions and community resilience in your sourcing area

Key actions

- ✓ Reduce overall resource and energy consumption by, for example, redesigning products and processes (in collaboration with design teams) to use fewer raw materials or using new ones, such as low-carbon materials.
- ✓ Prioritize regenerative and circular materials (renewable, recyclable, or biodegradable).
- ✓ Localize supply chains and source materials closer to production (nearshoring).

- ✓ Couple supplier requirements with incentives (including financial incentives) for suppliers, and actively listen to supplier-specific needs.
 - ✓ Set environmental and social standards for suppliers—for example, by integrating the standards into contract clauses or supplier codes of conduct—and support them in reaching these standards. At best, require suppliers to cascade these requirements to their own suppliers.
 - ✓ Work with diverse suppliers and SMEs (social enterprises) that have ethical sourcing practices and high human rights records and standards.
 - ✓ Train and provide incentives to procurement teams accordingly.
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Examples

- **Interface**, a carpet manufacturer, has transformed its sourcing to focus on recycled and bio-based materials. It has developed a process to recycle old fishing nets into carpet fiber and is working toward using 100% recycled or bio-based materials.
- **ExpanScience**, a French pharmaceutical and cosmetics company operating in 100 countries, has a goal to decentralize production to be as close as possible to raw materials, even if that means producing creams with different ingredients depending on the availability in each market. It also aims to increase the use of co-products, such as fruit kernels or oil cakes derived from pressing of noble materials, and to limit formulations to only essential ingredients.
- **Mustela**, an ExpanScience brand, buys shares in companies in its up-and-downstream value chain whose agricultural parcels are closer to consumers or who transform marine waste into packaging, among others.
- **IKEA's IWAY Standard** sets clear expectations and ways of working for environmental, social, and working conditions, as well as animal welfare, for all suppliers and service providers that work with IKEA. Beyond conducting audits, IKEA provides its suppliers support, including financial support, to help them achieve results.
- **L'Oréal's Inclusive Sourcing** program focuses on inclusive purchasing by collaborating with smaller producers that employ vulnerable communities and contribute to workplace equality. The Solidarity Sourcing program includes partnerships with fair trade producers, support for minority-owned businesses, and coverage across all purchasing categories, from raw materials to packaging, implemented in all geographic zones where L'Oréal operates.

- **C&A:** The Responsible Contracting Project (RCP) collaborated with clothing retailer C&A to integrate aspects of the Model Contract Clauses 2.0 (MCCs 2.0) into its merchandise supply contracts. This initiative emphasizes a shared-responsibility approach, ensuring both parties cooperate to prevent and address adverse human rights impacts in their supply chain.
-

Key questions for reflection

- What raw materials or commodities have the highest environmental impact and represent the biggest sourcing risk for your business?
- What sustainable alternatives to these materials could you use? What regenerative and circular materials (renewable, recyclable, or biodegradable) could you leverage?
- How are you currently working with suppliers and how can you further support them in changing their practices? What opportunities for shared responsibility exist?

08 ENABLE Production



The production (or manufacturing) stage takes resources, such as raw materials, labor, capital, and equipment, and transforms them into finished goods or services.

Production as a lever for resilient business within planetary boundaries

Production-related environmental impacts depend on the optimization of production processes as well as the number of products or services created. Many businesses focus initially on the former—optimizing production—which is a needed and fundamental step. Examples of ongoing efforts to decouple resource use, or emissions, from production volumes abound. However, the latter element—reducing the number of products or services—is a key complement to achieving business resilience within planetary boundaries. IKEA's latest reported reduction in greenhouse gas emissions in line with its targets is the result of several steps the company has taken, but lower production volumes during the reporting period also contributed to the reduction. Examples of companies on track with their targets without tackling production volumes are not easy to find.

Shifts in a company approach to production—for example, embedding the principle of sufficiency and/or actively avoiding overproduction—are only feasible when paired with an overall rethinking of how companies create value (e.g., their business model) so that economic objectives are not linearly dependent on the number of products or services produced and sold.

Production-related shifts are also linked to changes alongside the value chain, such as embedding longevity in product design, extending the use phase, and offering the right to repair.

Objective

Embed considerations around production volumes into strategies to achieve business and sustainability goals.

Key actions

- ✓ Integrate principles of circularity and optimize the production process (e.g., with materials choices); recover materials already in the process (recovery, reuse, energy recovery); maximize products lifespan.
 - ✓ Consider reducing or capping production volumes, number of products sold, or product ranges, with business and sustainability considerations in mind.
 - ✓ Adopt production models that are more personalized (custom-made) and only produce the volume of goods that are ordered (made-to-order, on-demand).
 - ✓ Localize production and distribution by adopting a multi-hub strategy, relocating production activities where possible.
 - ✓ Consider introducing sharing models that limit inflows of new products onto the market.
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Examples

- **Eileen Fisher** is adopting a more methodical approach to designing future collections to enable a reduction in the number of pieces it manufactures. The company is reducing the number of fabrics it is using and takes time to discuss the implications of new product lines, with a focus on how circularity can contribute to the bottom line and allow it to further reduce its number of new garments.
- In a recent move to reduce its carbon footprint, French home improvement and gardening retailer **Leroy Merlin** has stopped the commercialization of its mobile air conditioners, the purchase (upstream) and use (downstream) of which have a high ecological impact. This sends a strong signal to the market and to suppliers, indicating increased demand for less energy-intensive and more sustainable solutions.

- In May 2024, the **Ellen MacArthur Foundation** announced that it is working with eight brands on its Fashion Remodel project to scale up circular business models while curbing the production and consumption of new materials. The aim is to identify solutions and unlock barriers in order to decouple revenue from production. **Arc'teryx, Primark, Reformation, Zalando** and **H&M Group's ARKET, COS**, and Weekday have each set (undisclosed) revenue percentage targets in order to work toward making circular business models the norm.
 - **Wildish Store** (formerly Bearmade) makes bags focusing on longevity (guaranteed for life and made to repair), using GOTS-certified organic dry-waxed cotton canvas. It has capped its production to a maximum of 25 bags per week.
 - **Asket** is a Sweden-based clothing company which commits to manufacturing exclusively in Europe. It focuses on transparency around the geographical origins of their garments and components and provide a percentage score based on the disclosure of the process steps involved in the value chain, including sourcing of raw materials and fabric production. Its average traceability score across its entire collection was 86% in 2023.
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Key questions for reflection

- How can you work with design teams to extend products' lifetime?
- What would a product-service or sharing system look like in your value chain?
- How can you work with marketing teams to incentivize consumers to opt for greener products and reduce their consumption of new products? (Note: possible rebound effects must be studied first.)
- Are there any changes in your product or service portfolio (capping, selective downsizing) that make sense business-wise, as well as sustainability-wise?

09 ENABLE Marketing and Advertising



Marketing and advertising involve promoting the company's products or services by targeting audiences, creating awareness, and driving demand through strategic campaigns and messaging. It focuses on building brand recognition, engaging customers, and ultimately influencing purchasing decisions.

Marketing and advertising as a lever for resilient business within planetary boundaries

Marketing and advertising can be a powerful tool to promote mindful consumption behaviors and ethical purchasing, and to reduce overall consumption. This might seem antithetical to the needs of businesses that depend on volume sales growth to achieve their economic goals. Aligned with business model innovation, though, marketing and advertising will be paramount to switch mindsets toward circular, service-based, or sharing models that are key to business resilience within planetary boundaries.

This can lead to several ripple-down effects throughout the value chain, all the way to a potential reduction in resources extracted and used by limiting the purchase of new goods. Storytelling can not only educate but also motivate behavior change to embed more sustainable habits and practices in daily lives and influence the social structures.

Objective

Incentivize responsible consumption behavior toward just business within planetary boundaries through marketing and advertising practices.

Key actions

- ✓ Promote ethical and responsible consumption, by shifting the focus from promoting frequent purchases to emphasizing the durability and quality of products.
 - ✓ Align marketing and advertising within the company to new business models that create business resilience.
 - ✓ Shift marketing and advertising efforts away from those activities that do not align with such business models.
-

Examples

- In 2024, for the sixth consecutive year, Swiss bag manufacturer **FREITAG** closed its online and physical stores on Black Friday. Instead of promoting sales, they encouraged customers to participate in their S.W.A.P. initiative (Shopping Without Any Payment) which facilitates the exchange of used FREITAG bags among customers.
- **Decathlon** awards points on customers' loyalty cards based on their "good actions" for the planet, in addition to purchases.
- **Back Market** launched a promotional campaign on Black Friday saying "Save money. Even gold, oil, cobalt" to incite customers to buy a refurbished rather than new smartphone, placing the emphasis on the financial and environmental benefits.
- **Vestiaire Collective**, an online secondhand clothing resale platform, is restricting fast fashion giants from its platform in an effort to promote more sustainable alternatives.
- As part of its strategic pillar "offering useful products and services that contribute to well-being," **ExpanScience**, a mission-driven pharmaceutical laboratory, is gradually redirecting part of its marketing investments toward transforming consumer habits, namely by promoting the well-being of parents or patients through the development of educational content and well-being initiatives.
- In 2019, **Denby Pottery** launched a Conscious Choice campaign which incites customers to consume more considerately and change their life to live more sustainably. The campaign's messaging uses bold statements such as "Do more with less."

- **Patagonia** ran a full-page ad in The New York Times on Black Friday with the headline, “Don’t Buy This Jacket.” The ad detailed the environmental costs of producing the jacket and urged consumers to only buy what they need and favor purchasing a few long-lasting, durable products instead of multiple clothing items that will not last. The message boosted Patagonia’s brand loyalty in the long run.
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Key questions for reflection

- How can your brand authentically communicate the social and environmental issues that matter to your consumers, employees, and communities, in a way that preserves trust and protect long-term brand equity?
- How can you use marketing practices and/or brand power to align purchasing habits with your new business models?
- Are there unintended consequences in your current marketing efforts that encourage overconsumption, and how can you tackle them?



10 ENABLE Usage, Maintenance, and End-of-Life

This stage focuses on how customers interact with and use a product or service, and how it is discarded or recycled at the end of its lifecycle. This includes activities linked to product maintenance and consumer experience—customer service, maintenance, repair, refund, and exchanges.

Usage, maintenance and end-of-life as levers for resilient business within planetary boundaries

Reducing waste makes business sense—and working on the proper use of goods is a key issue for companies, given often large impacts are associated with it. Practices that reduce waste, encourage mindful consumption, and expand products lifespan can reduce impacts and costs alike for companies, as well as create innovative revenue streams. By adopting initiatives focusing on reducing waste, companies can also meet the increasing demands from regulatory and reporting requirements around waste, recycling, and circularity of products.

Objective

Reduce costs and impacts and explore new revenue streams by minimizing waste and innovative products end-of-life.

Key actions

- ✓ Embed easy repair principles at conception and design phase. Provide long-term warranties, maintenance, repair services to expand product lifespan.
- ✓ Consider consumer and supplier take-back programs
- ✓ Innovate incentive systems, such as loyalty programs that reward sustainable behavior (such as proper product maintenance, recycling, or choosing eco-friendly options, or returning used garments).

Examples

- Apparel and equipment companies **Patagonia**, **JanSport**, and **Kathmandu** all offer repair and/or refurbishment services for faulty and worn items, either for free or at a cost.
 - **Fnac Darty**, a European retailer, has offered a subscription program to extend the lifespan of large domestic appliances. Known as **Darty MAX**, the program allows customers to fully cover the costs of repairs for a minimum of seven years and as long as spare parts remain available for up to 15 years or a monthly fee. By September 2023, Darty Max had reached 1 million subscribers.
 - **L'Occitane**, a French luxury retailer of body, face, hair and home products, has a recycling program called **Big Little Things**, which rewards consumers for every full-sized empty beauty bottle they deposit.
 - **Lush Cosmetics**, a UK-based brand, has a recycling packaging strategy where it provides customers a free fresh face mask for every five empty containers they return. The company uses black recycled plastic to ensure that it is able to use 100% post-consumer recycled feedstock easily. In 2022, they collected back around 720,000 items of Lush packaging at their shops.
 - **Cocoon**, a UK-based luxury handbag rental company, offers a subscription service for new season, preowned, and limited-edition handbags for a monthly membership fee; the company cleans and restores the handbag before sending it to another member.
-

Key questions for reflection

- What are the biggest resources and impacts associated with the use phase of your company's various products and services?
- How can you ensure that the repair of a product is more appealing and economically relevant for consumers and the company as compared to purchasing a new product or recycling the product?
- How can you ensure that there is continuous access to spare parts for repair?
- How can you engage with and ensure the continued employment and rights of informal waste collectors, recyclers, and local communities for the disposal and end-of-life treatment of the products?

Influence the Broader Ecosystem

Systemic-level risks and opportunities influence company outcomes. Business transformation within planetary boundaries is not something one company alone can do. Far from operating in a vacuum, companies depend on an external enabling environment to deliver their business strategies, and their transition plans alike. In a similar way, business action helps shape such an enabling environment: Policymakers and others need businesses to signal and advocate for the change they need.

There are three leverage points that would be particularly effective for thriving business within planetary boundaries—each of which unlocks a key barrier that businesses currently face.

First, there is a need to shape new positive narratives, which crystallize how business and society operating within planetary boundaries is an opportunity for increased health, well-being, resources, jobs, and generalized wealth. These narratives are paramount to bring business stakeholders along.

Second, there is a need for capital markets to support business transformation. While this represents economic opportunity for the financial sector, it requires financial institutions



and investors to reshape the investment criteria and support long-term value creation, helping redirect capital flows toward innovation and experimentation aligned with keeping within planetary boundaries.

Third, there is a need for policies to promote business transformation. Business needs predictability and incentives to make the large-scale transition opportunity of an economy within planetary boundaries a reality. Policy advocacy is essential to this end.



Oxfam defined a narrative as “work to influence those invisible yet influential worlds of thoughts, feelings, and attitudes.” The current narrative of economic success is based on the idea that global economies should work to maximize growth—as primarily measured through gross domestic product (GDP)—and that doing so will lead to prosperity, jobs, and improved living standards for all. Quantitative growth is the measure of success.

In a business context, the main current narrative is likewise based on the idea that a successful company should maximize volume growth, as that will lead to increased revenues and ultimately increased returns for shareholders. As discussed earlier in this paper, in a world where inequalities are growing and companies that amplify climate and natural resources risk harming their bottom lines, such a narrative has its flaws. But alternative narratives often are disconnected from business considerations and can be perceived as scary, radical, or undesirable by both business customers and consumers alike. Reversing this trend is a key challenge to be addressed.

Building new narratives as a lever for resilient business within planetary boundaries

Sustainability teams, therefore, find themselves in a paradoxical situation. They often perceive the existential risks facing the company, which are baked into business as usual, but they face resistance to change from internal and external stakeholders, who find it hard to see the opportunity embedded in transformation. They also encounter limited push for change from customers because the costs related to such risks are not directly visible or passed along.

Arguably, corporate leaders and citizens alike want increased health and well-being, jobs, economic security, and a good life; and businesses want manageable and predictable risks and increased competitiveness. These are all features that an economy within planetary boundaries can bring. A practical, aspirational, science-based narrative that is grounded in people's needs is paramount to achieving that. It requires business to rethink its narrative (and measurement) of success and clearly spell out why and how embracing this new narrative will lead to increased business resilience and competitiveness, creating long-term value.

Business can have an active role in shaping these new appealing narratives where people, our planet, and businesses thrive. These narratives could allow individuals to envision the positive impacts of their choices on the environment, society, and their own lives, thereby driving necessary behavioral shifts—including shifting mindsets around current consumption and production patterns. This lever is closely linked to the “purpose and values” business build upon as well as to the “marketing and advertising” lever embedding storytelling at product or service level.

Objective

Shape new narratives that make delivering fit-for-purpose businesses within planetary boundaries desirable and attractive.

Key actions

- ✓ Engage internally on defining new and desirable narratives of what it may look like for your company to operate within planetary boundaries while, at the same time, fostering well-being, equity, and inclusion for internal and external stakeholders.
- ✓ Engage externally, including customers, about their needs and perception for the renewed narrative.
- ✓ Contribute and collaborate to shape new global narratives in your geography or industry.
- ✓ Use brand image and reputation to advocate for such new narratives.
- ✓ Support external efforts and partnerships that work to promote new desirable and practical narratives for business within planetary boundaries, for instance by scaling hyperlocal efforts that the company may be supporting through philanthropic or other means.

Examples

- **Tony's Chocolonely**, which grew out of investigative journalism exposing the use of slavery in cocoa farming, embeds storytelling in the brand's identity and mission to make the chocolate industry 100% slave-free. Tony's Chocolonely has used many promotional tactics from documentaries to sponsorships to publicity stunts to draw attention to both the cocoa issue and the brand itself. Its "happy activism" advertisement examined the negative "today" and positive "future" for the cocoa industry in a way that diverges from most activism-led campaigns.
 - **Triodos Bank**, a Dutch ethical bank, published a vision paper to raise awareness about the need for an urgent shift to restorative and circular economy. Resources is also one of the five transition themes identified by Triodos Bank to create "a world where all people have what it takes to live fulfilling lives, while the economy operates in harmony ... within planetary boundaries."
 - Tony Hsieh, the late CEO of **Zappos**, the American online shoe and clothing retailer, was a key advocate of "Delivering Happiness" and focused on an employee-first approach due to his belief that happy employees would deliver exceptional customer experiences. This led to high levels of job satisfaction, low turnover rates, strong brand loyalty, and a positive reputation, highlighting that companies can achieve happiness for their stakeholders while attaining business success.
 - Leading Italian coffee maker **Illy Caffè** and its foundation support the World Happiness Report as part of their mission to safeguard well-being, encompassing happiness and health, through sustainable projects benefiting communities in both coffee-producing and consuming countries.
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Key questions for reflection

- What vision of success is your messaging supporting? Will this vision of success have unintended consequences, and for whom?
- What changes could you make to help shape an alternative narrative with an updated definition of success? For your company, for your industry, for the country where you operate?

- How can you make a “responsible lifestyle” attractive to your current customers or target audience? What efforts to support workers, employees, communities are you already implementing that you can communicate to support a narrative of inclusive and just business?
- How can you inspire your partners to join you in this journey of building a new narrative?

Learn more

- [Culture Hack Labs \(CHL\)](#) is a not-for-profit consultancy that supports organizations, social movements, and activists to create cultural interventions for systems change.
- BSR’s [The Social Justice Guide for Business](#) walks practitioners and executive champions through the choices and trade-offs facing companies in bringing an approach that seeks to balance structural gaps in society with business implications.

12 INFLUENCE Financial Environment



At its core, the financial system serves as the foundation for businesses and the global economy, facilitating access to capital through loans and investments that enable companies to execute their business plans and expand operations. In return, financial institutions earn interest on loans and returns on investments, creating a cycle of financial exchange.

As explored earlier in this paper, investors' pressure to deliver growth in the short-term is cited as a significant barrier to business transformation—particularly for public companies. Capital markets can be a large barrier limiting companies' ability to innovate. Companies' success or failure is linked to output growth at all costs, while long-term more transformational changes might be penalized, even if they ultimately lead to better business.

Shaping the financial environment as a lever for thriving business within planetary boundaries

Building resilient business within planetary boundaries requires the right signals from the finance sector. Financial actors such as investors, banks, and insurers must reimagine how capital is allocated and invested and how success is measured. This requires shifting time-horizons toward the long-term to enable business innovation to flourish; scaling financial instruments that mobilize capital toward the environmental and social transition; and redirecting resources toward businesses that innovate to be resilient within boundaries.

Companies can play an active role in influencing financial actors to create such an enabling environment. This could mean advocating for the integration of specific factors into investment decisions, engaging conversations collectively with capital markets players towards long-term investment, or directly engaging investors to support delivery of their climate and nature transition plans.

Additionally, companies can champion financial instruments like green bonds, impact investing, and carbon credits to help mobilize capital for sustainable projects.

Objective

Engage capital markets to shift investments towards long-term and transformational outcomes to deliver resilience within planetary boundaries.

Key actions

- ✓ Engage with capital markets to align public, private, and other financial flows in ways that support sustainability projects.
- ✓ Integrate enabling factors into investment decisions and consider long-term environmental and societal impacts of investments.
- ✓ Socialize the idea of extending time horizons for investments and financial growth from short-term to long-term and embed sustainability goals in these time horizons.
- ✓ Advocate for regulations that promote transparency, encourage sustainable investments, and integrate the true cost of environmental degradation into financial models.
- ✓ Engage in dialogues around the financial performance of alternative business models and how to scale them.

Examples

- **Triodos Bank**, a Dutch ethical bank, has a Triodos Regenerative Money Centre that aims to empower visionary projects through loans, investments, and donations. It uses donated funds to support natural and societal restoration projects and does not require the immediate generation financial returns.
 - **L'Oréal**, a French personal care company, launched a Circular Innovation Fund, which supports startups and companies across North America, Europe, and Asia that are developing circular use of resources. Not only did it contribute €50 million, L'Oréal gathered and mobilized other investors and family offices to contribute to the €50 million fund.
 - **Ørsted**, a Danish energy company, issued a €100 million blue bond to direct finance into ocean-based projects and initiatives that target protection and restoration of marine and coastal biodiversity and development of green ocean fuels for sustainable shipping.
 - The **Clean Energy Investment Accelerator** is a public-private partnership led by Allotrope Partners, World Resources Institute, and the US National Renewable Energy Laboratory to unlock and scale clean energy investment across commercial and industrial sectors.
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Key questions for reflection

- How has your organization been engaging with finance actors such as investors?
- What are the main barriers from investors that prevent companies from pursuing transformational projects? How can these be removed?
- What business models, projects, and activities need a renewed financial environment to flourish? What would it take to discuss those with your investor partners?



13 INFLUENCE **Corporate Advocacy on Policy and Regulations**

Corporate advocacy on policy and regulations involves engaging with policymakers, stakeholders, and the public to influence public policy, regulations, or government actions to align with business interests and values.

Business has a strong voice that it can use—and has used many times in the past—to support or oppose public policies that have a material impact on operations and the workforce. For example, business has an important role to play in advocating for ambitious national climate targets in climate negotiations (the so-called National Determined Contributions, or NDCs). In turn, delivery of ambitious NDCs is a critical factor enabling businesses to deliver on their own climate goals, providing businesses with the policy certainty they need to scale their efforts. The same applies to national policies.

Policy advocacy as a lever for resilient business within planetary boundaries

As explored earlier, business transformation within planetary boundaries presents a large opportunity for business. It is in business's interest to advocate for policies that shift market fundamentals and create the stability and incentive structures needed for companies to make large-scale changes, such as business model transformation. The rise in litigation among consumers and investors may also spur companies to seek systemic solutions where they are carrying the costs and consequences.

Ambitious action, fair rules, and financial support from governments and policymakers are critical to overcoming barriers, enabling innovation, and ensuring a just delivery of resilient business within planetary boundaries. But these goals cannot be achieved without strong and active private sector support.

Policies can level the playing field, which is critical in a transformation that requires a long-term strategic horizon. For example, policies that foster new consumption patterns in developed economies in Europe are necessary to enable an economic-wide transition to a low-carbon, inclusive, and regenerative economy. Mechanisms such as public procurement contracts and corporate purchasing programs can also incentivize companies to align their operations with ethical and sustainability standards by rewarding responsible business.

Collectively, businesses have the resources, leverage, and influence to nudge governments in the right direction. Companies should ensure their advocacy activities align with advancing material positive impacts on society and the environment (while, at the same time, ensuring there is no misalignment with their lobbying activities). Business interests are often represented through trade associations; therefore, ensuring alignment between company positions and trade association positions is important to ensure integrity in a company's advocacy efforts.

Objective

Influence policymakers to devise the right market structures and incentives through policies and regulations that support business transformation within planetary boundaries.

Key actions

- ✓ Understand where there are opportunities to advance policy-related solutions that enable industries or sectors to deliver resilient business within planetary boundaries.
- ✓ Educate policymakers at the federal, state, provincial, and local levels (as relevant) to advance issues and potential policy solutions that have near and long-term impacts on workforce, operations, and footprint

- ✓ Identify and support regulations or policies that change market fundamentals toward just and equitable business resilience within planetary boundaries and penalize unsustainable practices.
 - ✓ Voice business support for current or proposed regulations that contribute to advancing just and sustainable business practices.
 - ✓ Engage in multi-stakeholder collaboration with associations, other businesses, and civil society or advocacy organizations already engaged with an issue to collectively advocate for policy changes.
 - ✓ Map the company engagement with trade associations and the alignment between company goals and trade associations goals, and act accordingly to align those (including by influencing or exiting specific trade associations, if needed).
 - ✓ Establish dialogue with policymakers (at the relevant national level) to voice business support for, and leverage opportunities related to, national plans (such as NDCs on climate or National Biodiversity Strategy and Action Plans, or NBSAPs, on biodiversity)
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Examples

- Following a call from **Loom**, a fashion platform that connects customers with designers to create upcycled clothing, 400 French fashion companies joined forces to lobby for legislation to encourage a reduction of production volumes, support reuse, and enable the decarbonization of production processes.
- Repair website **iFixit** and household appliances and electronics repair company **R.U.S.Z** engage with associations that advocate for issues such as a value-added tax exemption for repair services, or for financial repair bonuses that would make repairs financially accessible to everyone.
- **IKEA** works with governments, authorities, politicians, civil servants, trade associations, NGOs, and unions to advocate for key regulatory developments such as the EU Green Deal and to support workers' rights.
- **BT Group, Centrica and Sainsbury's** have publicly supported legislation introduced in the UK Parliament to upgrade workers' rights across the UK and address poor working conditions.

- **Unilever** is advocating for policies that can help companies deliver on their climate transition plans and halt and reverse nature loss. The company has called on governments to accelerate the transition to regenerative agricultural practices through tangible farmer support.
 - **The Action, Collaboration, Transformation (ACT) coalition** is the first global framework for achieving living wages in the garment sector through collective bargaining and corporate advocacy for more ambitious policy. It comprises 20 global brands, including **H&M** and **IndustriAll Global Union**.
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Key questions for reflection

- Are your company's political lobbying and advocacy conducive to resilient business within planetary boundaries?
- What do you need from regional, national, or international regulations to ensure a shift toward a more resilient business within planetary boundaries (e.g., financial incentives to scale sustainable practices, tax incentives, ban of planned obsolescence, right-to-repair, etc.)?
- How can you build alliances and coalitions to support sustainable and inclusive development?

Learn more

- [A Policy Advocacy and Collective Action Toolkit for Business](#)
- [WMB Responsible Policy Engagement Framework](#)
- [Unilever Climate Policy Engagement Review](#)
- [InfluenceMap CA100 Disclosure Scorecards](#)

An aerial photograph of a long, narrow bridge spanning a wide river. The bridge has a wooden deck and ornate metal railings. The surrounding landscape is lush with green trees and fields, and the sky is a warm, golden-orange color from the setting or rising sun. The text "Chapter 4" is overlaid on the left side of the image.

Chapter 4

Conclusion

Resilience within planetary boundaries is good business. Business model transformation reduces risks to business and enables companies to capture a large economic opportunity that traditional business models might fail to grasp. As the chief risk officer of JP Morgan, one of the world's largest investment banks, put it recently: "Those [companies] who adapt will lead, while others risk falling behind."

As was made clear by many of the businesses BSR talked to in preparing this report, this business transformation will not come without obstacles. The absence of "new models" to transform to is one of those obstacles. This paper aims to give companies fresh ideas, early success stories, and agency toward business model transformation. BSR encourages companies to draw inspiration from the aspects of this framework that are relevant for them, and to reflect on their own transformation journey, with just transition principles at the core.

In 2025, given the turbulent and fast-changing external environment for business, it is more important than ever for companies to pull systemic levers of change and engage with governments, capital markets, value chain workers, and communities. Operationalizing such a transformation is a long-term endeavor that will require collaboration within companies and determination to change mindsets and bring people along.

This paper does not pretend to have all the answers. Rather, it aims to foster deeper conversations and collaborations within and among companies. BSR stands ready to partner with our members to build business resilience within planetary boundaries.

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