

# Contents

**Acknowledgments — V**

**About the BCG Henderson Institute — VII**

David Young and Martin Reeves

**Introduction — 1**

## **Part 1: Why Business Needs Sustainable Business Model Innovation**

David Young, Wendy Woods, and Martin Reeves

**1 Optimize for Both Social and Business Value — 5**

David Young and Wendy Woods

**2 Innovation is the Only Way to Win the Sustainable Development Goal (SDG) Race — 19**

Martin Reeves, Julia Dhar, David Young, and Annelies O'Dea

**3 Will Net-Zero Get Us to Net-Zero Emissions? — 27**

Katherine Brown, Maha Eltohy, Douglas Beal, Veronica Chau, Robert Eccles, Vinay Shandal, Leonore Tauber, Wendy Woods, and David Young

**4 Embracing the New Age of Materiality: Harnessing the Pace of Change in ESG — 41**

## **Part 2: What is Sustainable Business Model Innovation?**

David Young and Martin Reeves

**5 The Quest for Sustainable Business Model Innovation — 59**

David Young, Martin Reeves, and Marine Gerard

**6 The Secrets of Sustainability Front Runners — 63**

David Young and Marine Gerard

**7 How to Tell if Your Business Model is Truly Sustainable — 73**

David Young and Marine Gerard

**8 How to Tell if Your Business Model is Creating Environmental and Societal Benefits — 79**

**Part 3: How to Apply Sustainable Business Model Innovation**

David Young and Marine Gerard

**9 Four Steps to Sustainable Business Model Innovation — 87**

**Part 3.1: Expand the Business Canvas**

David Young

**10 An Applied Example of Expanding the Business Canvas in Plastics — 103**

David Young, Rich Hutchinson, and Martin Reeves

**11 The Green Economy Has a Resource-Scarcity Problem — 125**

David Young and Simon Beck

**12 Identifying Resource Scarcities in the Race to Sustainability — 131**

David Young and Simon Beck

**13 Solving the Puzzle of Sustainable Resource Scarcity — 139**

**Part 3.2: Apply Modular Transformations**

Bryann DaSilva, Julia Dhar, Sana Rafiq, and David Young

**14 Nudging Consumers Toward Sustainability — 147**

Massimo Russo, David Young, Tian Feng, and Marine Gerard

**15 Sharing Data to Address Our Biggest Societal Challenges — 153**

Martin Reeves, Jack Fuller, and Gerardo Gutiérrez-López

**16 The Playful Corporation — 161**



### Part 3.3: Link to Value Drivers of the Business

Rich Hutchinson, Vinay Shandal, Judith Wallenstein, Mark Wiseman,  
David Young, and Kilian Berz

#### **17 Six Steps to Sustainability Transformation — 171**

David Young and Simon Beck

#### **18 The Strategic Race to Sustainability — 177**

Ron Sooneus, David Young, Wendy Woods, and Sonia Tatar

#### **19 Directors Can Up Their Game on Environmental, Social, and Governance Issues — 193**

Veronica Chau, Vinay Shandal, Douglas Beal, Maria Leonore Tauber, Wendy  
Woods, and David Young

#### **20 Unlocking Tomorrow's ESG Opportunities — 197**

Robert G. Eccles, Vinay Shandal, David Young,  
and Benedicte Montgomery

#### **21 Private Equity Should Take the Lead in Sustainability — 203**

### Part 3.4: Enable Systems Level Strategy

David Young and Simon Beck

#### **22 How Companies Shape Ecosystems to Achieve Sustainability and Advantage — 215**

David Young, Ulrich Pidun, Balázs Zoletnik, and Simon Beck

#### **23 When a Business Ecosystem is the Answer to Sustainability Challenges — 221**

David Young, Simon Beck, and Konrad von Szczepanski

#### **24 How to Build a High-Impact Sustainability Alliance — 229**

## **Part 4: Conclusion**

Martin Reeves and David Young

**25 Winning Through the Great Climate Upheaval — 241**

Martin Reeves, Madeleine Michael, and David Young

**26 New Abundance: Resource Constraints as Strategic Opportunities — 247**

**List of Figures — 255**

**Index — 257**